Science for high quality biosimilars

Q4

Year-end report January – December 2025

FINANCIAL SUMMARY FOR THE GROUP

	2025 Oct – Dec	2024 Oct – Dec	2025 Jan – Dec	2024 Jan – Dec
Revenue, (SEK 000)	9,087	65,808	152,354	148,098
Research & Development costs, (SEK 000)	–17,825	–18,703	–76,821	–162,014
R&D costs as percentage of total costs	65%	33%	60%	68%
Operating profit/loss, (SEK 000)	–24,662	8,915	–28,248	–97,224
EBITDA, (SEK 000)	–21,893	13,786	–13,647	–77,335
Profit/loss for the period, (SEK 000)	–26,480	–53,197	127,242	–266,220
Cash and cash equivalents, (SEK 000)	86,589	124,330	86,589	124,330
Equity ratio, %	83%	25%	83%	25%
Earnings per share before dilution, SEK	–0.06	–0.03	0.08	–0.22
Earnings per share after dilution, SEK	–0.06	–0.03	0.08	–0.22
Number of employees on balance sheet date	29	65	29	65

FINANCIAL OVERVIEW FOURTH QUARTER 2025*

- Revenue amounted to SEK 9.1 m (65.8), of which SEK 8.9 m (11.5) relates to product sales of Ximluci® and SEK 0.2 m (54.3) relates to non-recurring license revenue.
- Other operating income was SEK 1.2 m (4.9).
- EBITDA amounted to SEK –21.9 m (13.8).
- R&D costs amounted to SEK –17.8 m (–18.7) corresponding to 65 percent (33) of total operating costs.
- Loss for the period was SEK 26.5 m (–53.2).
- Earnings per share was SEK –0.06 (–0.03).
- Cash and cash equivalents at the end of the period amounted to SEK 86.6 m (124.3).

FINANCIAL OVERVIEW JANUARY – DECEMBER 2025

- Revenue amounted to SEK152.4 m (148.1), of which SEK 67.5 m (63.4) relates to product sales of Ximluci® and SEK 84.9 m (81.4) relates to non-recurring license revenue.
- Other operating income amounted to SEK 11.2 m (11.7).
- EBITDA amounted to SEK –13.6 m (–77.3).
- R&D costs amounted to SEK –76.8 m (–162.0) corresponding to 60 percent (68) of total operating costs.
- The profit for the period was SEK 127.2 m (–266.2).
- Earnings per share was SEK 0.08 (–0.22).
- Cash and cash equivalents at the end of the period amounted to SEK 86.6 m (124.3).
- On June 2, Xbrane completed its transaction with Alvotech and in connection with this, a gain on the divestment of operations after tax amounting to SEK 168.9 m was recognized.1).
- The Board of Directors proposes that no dividend be paid for the 2025 financial year.

SIGNIFICANT EVENTS DURING THE FOURTH QUARTER 2025

- On October 13, an extraordinary general meeting resolved, in accordance with the Board's proposal, to approve the Board's decision to carry out a reverse share split at a ratio of 1:125, whereby 125 shares would be consolidated into 1 new share. The total number of shares in the company will decrease through the reverse split from 2,575,668,555 shares to 20,605,348 shares (rounded down). The general meeting also resolved to reduce the share capital by SEK 298,424,074.25 to SEK 279,004,914.461063 to cover the previous years' losses and to reduce the share capital by SEK 276,944,379.661063 to SEK 2,060,534.80 for allocation to unrestricted equity. The articles of association were adjusted in accordance with the above resolution. Finally, the general meeting decided to authorize the Board to issue shares, warrants and/or convertibles.
- On October 16, the company announced that an agreement had been signed with Fenja Capital II A/S regarding a conditional financing solution.
- On October 20, Xbrane announced that the U.S. Food and Drug Administration (FDA) had issued a Complete Response Letter (CRL) for the company's Biologics License Application (BLA) for its ranibizumab biosimilar candidate for the treatment of retinal diseases. The CRL cited observations following a re-inspection of one of Xbrane's contract manufacturers.
- On November 4, the company announced that the first patient had been included in the clinical study for Xdivane™.
- On November 19, Xbrane updated its timeline for resubmitting the BLA to the FDA for its Ranibizumab biosimilar, which is expected to occur once the corrective work is completed, in March 2026.
- On November 24, the Board decided to issue 420,517 warrants to Fenja Capital II A/S within the framework of the agreement signed on October 16.

SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

- No significant events occurred after the end of the quarter.

*Figures in parentheses refer to the corresponding period in the previous year.

1) For more information see page 5.

This document is a translation of the original Swedish version. In the event of any inconsistency or discrepancy between this translation and the Swedish original, the Swedish version shall be deemed the legally binding and prevailing document.

"We continue to make progress in our development programs and are strengthening our position ahead of upcoming regulatory milestones."

CEO's letter

Dear shareholders,

Q4 2025, saw continued operational focus and progress on Xbrane Biopharma's prioritized development programs. During the period, we took important steps that strengthened our position both regulatorily and commercially, focusing particularly on Ximluci® and Xdivane™.

Regarding Ximluci®, our partner STADA continued to penetrate the European market. Sales to end customers in Q4 were comparable to Q3 2025. Compared to the forth quarter of 2024, sales increased with approximately 20%. In 2025, sales of Ximluci® to end customers increased by 63% year-on-year. Xbrane delivered a smaller amount of the end product to STADA during the quarter, which resulted in revenue of SEK 8.9 m. However, the revenue flow will be uneven throughout the year as deliveries vary significantly between quarters, which is attributable to previously built-up inventory levels. During Q4, Xbrane made a major investment related to improving the production cost of the product, which is expected to have an effect in 2027. Furthermore, everything is on track to be able to resubmit the application for market approval to the FDA in March, with an expected decision date (BsUFA date) in September 2026. Our team is working on focusing with the contract manufacturer that the FDA had concerns about after inspections in 2025.

The development of Xdivane™ is also progressing according to plan. Xbrane's development activities are progressing according to the planned timeline, with the scaling-up of the manufacturing process at the contract manufacturer. Recruitment in the ongoing clinical trial is progressing well and in line with our expectations, which is an important prerequisite for maintaining the overall program schedule until the submission of the marketing authorization application to the FDA in Q4 2027.

I would like to express my gratitude to our employees, partners and shareholders for your continued commitment and trust.

Solna, February 20, 2026

Martin Åmark,
CEO
Xbrane Biopharma AB

Portfolio of biosimilar candidates

Xbrane has a portfolio of three biosimilar candidates, for different treatment areas. These include several serious eye diseases and several different types of cancer.

Ximluci®

Ximluci® is a biosimilar candidate to ranibizumab, the original drug Lucentis®, a VEGFa inhibitor used to treat several serious eye diseases. Ximluci® addresses a market of around EUR 13 bn[1] per year.

The European Medicines Agency (EMA) approved Ximluci® for the treatment of wet age-related macular degeneration (AMD), diabetic macular edema (DME), diabetic retinopathy (PDR), retinal vein occlusion (RVO) and visual impairment due to choroidal neovascularization (CNV) in 27 member states in Europe in 2022. Ximluci® was launched by Xbrane's partner STADA Arzneimittel AG (STADA) in Q1 2023 and by the end of the quarter, Ximluci® was available in twenty markets in Europe and four markets outside Europe.

Xbrane resubmitted its BLA in December 2024 after receiving a CRL in April 2024, which was due to observations during inspections of production facilities at contract manufacturers.

The FDA carried out new inspections in Q3 2025 of both manufacturing facilities involved in the manufacture of the drug substance and drug product, respectively. Detailed documentation of corrective actions for each observation was submitted to the FDA promptly. However, Xbrane received a CRL from the FDA that listed unresolved observations following the inspection of one of the manufacturing facilities, without further specification. No other concerns related to the BLA were addressed by the FDA in the CRL.

The FDA has issued a request for corrective actions related to two specific observations concerning another product that was also included in the FDA's inspection. These measures must be completed before the FDA can approve Xbrane's BLA. Work on the corrections is continuing and will be completed in conjunction with a planned winter shutdown and requalification of the production line. This will allow Xbrane to resubmit its BLA in March 2026, after these measures are completed. Xbrane expects a six-month review process by the FDA for the resubmitted BLA and therefore estimates a BsUFA date in September 2026.

STADA is also working actively to bring Ximluci® to other regions such as the Middle East, Latin America, and Southeast Asia, where marketing authorization applications have been submitted to various regulatory authorities. In May 2024, STADA and Xbrane signed a collaboration agreement with Valorum, which will commercialize Ximluci® in the US.

Ximluci® is approved in Europe in a vial containing the active substance, from which the ophthalmologist extracts the product into a syringe for injecting into the eye. Xbrane also plans to apply for approval of a pre-filled syringe in 2026.

Product portfolio

Product	Original drug	Primary indication	Estimated annual sales of original drug[1]	Patent expiration for original drug	Development stage
Ximluci®	Ranibizumab (Lucentis®)	Wet age-related macular degeneration, diabetes-related eye damage and retinal vein occlusion.	EUR 1 bn[2]	2022 (Europe) 2020 (USA)	Launch phase
Xdivane™	Nivolumab (Opdivo®)	Skin cancer, lung cancer, kidney cell cancer, head and neck cancer and bladder and urinary tract cancer.	EUR 13 bn[2]	2026–2031 depending on country	Clinical phase
Xdarzane™	Daratumumab (Darzalex®)	Multipelt Myelom.	EUR 10 bn[1]	2029–2031 depending on country	Preclinical phase
			EUR 24 bn[1]		

Source: 1) Evaluate Pharma; "Originator Peak Sales Estimate 2026". 2) Novartis Annual Report 2024, Roche Annual Report 2024 3) BMS Annual Report, Global Data

Xdivane™

Xdivane™ is the first product on Xbrane's mammalian cell-based technology platform. Xdivane™ is a biosimilar to the programmed cell death protein 1 (PD1) inhibitor nivolumab (Opdivo®), a renowned immuno-oncology product. Xbrane's clear ambition for Xdivane™ is to become the leading biosimilar to Opdivo®, both in terms of cost-effectiveness and the time of launch. Xbrane expects that Xdivane™ can be launched in conjunction with the expiration of the Opdivo® patent, which will occur between 2026 and 2031 depending on the country. In November 2024, Xbrane entered a strategic partnership with Intas for the development and commercialization of Xdivane™.

The company has sought approval from the regulatory authorities for a reduced clinical development program and received positive feedback from both the EMA and the FDA. This affects the program's timeline and increases the value of the business case, as a reduced clinical development plan entails significant cost savings.

For Xdivane™, development is proceeding according to plan, with the production process scaled up at contract manufacturers The next step in the development is to initiate the clinical study, which the company's partner INTAS will run, and has also started with the first patient being included in the study in November 2025, and finalizing the documentation from the manufacturing process needed for regulatory approval.

Xdarzane™

Xdarzane™ is a biosimilar candidate to daratumumab, original drug Darzalex®, an antibody that binds to CD38 for the treatment of multiple myeloma (around EUR 9 bn1 in estimated sales). The patent protection for Darzalex® is expected to expire in 2029–2031 depending on the country.

The development of Xdarzane™ is proceeding according to plan and is undergoing continued preclinical development with a focus on developing a cost-effective production process and demonstrating biochemical similarity to the original drug.

Xbrane – An investment in the future of drugs

World-leading in biosimilars

- Xbrane Biopharma combines ground-breaking technology with global reach to revolutionize access to biologic drugs. Through smart partnerships and patented platform technology, Xbrane develops biosimilars that are both cost-effective and life-changing.

Proven growth – Ximluci®

- First product: Ximluci® (biosimilar to Lucentis®)
- Launched Q1 2023 – available today in 24 countries
- In a market worth EUR 5 bn

A strong debut with continual growth potential.

World-class strategic partnerships

Xbrane collaborates with global drug companies to:

- Upscale development
- Maximize market penetration
- Accelerate launches

Low risk – high potential returns.

Unique technology = competitive advantage

- Proprietary and patented platform technology
- Ensures low costs and high scalability
- Enables development of world-class biosimilars

Why invest in Xbrane?

- Proven commercial success
- Clear route to more market launches
- Strong partners
- Significant market potential
- Solution to a global health problem

Financial overview

Group results

Revenue

The Group's revenue for the quarter amounted to 9.1 m (65.8), of which SEK 8.9 m (11.5) relates to product sales of Ximluci and SEK 0.2 m (54.3) relates to non-recurring license revenue.

Revenue for the full year 2025 amounted to 152.4 m (148.1), of which SEK 67.5 m (63.4) relates to product sales of Ximluci® and SEK 84.9 m (81.4) relates to non-recurring license revenue.

Gross profit

The cost of goods sold for the quarter amounted to SEK –7.4 m (–4.7) and SEK –62.8 m (–18,2) for the period January through December. The gross profit for the quarter amounted to 1.7 m (61.1) and at the end of December was SEK 89.5 m (129.9). The gross margin was lower than expected due to problems with the production of one batch.

Operating expenses

Operating expenses for the quarter, excluding cost of goods sold, amounted to SEK –27.5 m (–57.1) and SEK –129 m (–238.8) at the end of December.

Administrative costs

Administrative costs for the quarter amounted to SEK –6.6 m (–10.3) and SEK –43.8 m (–40.8) at the end of December

Research and development costs

Research and development costs for the quarter amounted to SEK –17.8 m (–18.7) and SEK –76.8 m (–162.0) at the end of December. R&D costs including capitalized development expenditure amounted to SEK –24.3 m (–63.1) for the quarter and SEK –216.5 m (–240.9) for the full-year 2025.

Other operating expenses

Other operating expenses for the quarter amounted to SEK –3.1 m (–28.1) and for SEK –8.3 m (–35.9) at the end of December. The expenses consist primarily of exchange rate losses on receivables and operating liabilities.

Profit/loss and tax

The operating loss for the quarter was SEK 24.7 m (+8.9) and SEK –28.2 m (–97.2) at the end of December. EBITDA for continuing operations amounted to SEK –21.9 m (–17.0) for the quarter and SEK –13.6 m (–77.3) at the end of December. The loss before tax for the quarter was SEK 26.2 m (+13.8) and SEK -43.9 m (–129.7) at the end of December. The tax cost for the quarter was SEK 0.0 (11.6) and SEK –2.2 m (–11.6) at the end of December. The tax expense is attributable to the milestone income from the agreement with Intas. The loss after tax from continuing operations for the quarter thus amounted to SEK 26.2 m (–11.6) and SEK 46.2 m (–141.3) at the end of December. The loss from discontinued operations for the quarter was SEK 0.3 m (–41.6) and was a profit of SEK 173.4 m (–124.9) at the end of December. In connection with Xbrane entering into an agreement with Alvotech to divest XB003 and parts of the organization, items attributable to the divestment are reported as Profit/loss from discontinued operations in the income statement. The comparative figure for the previous year has also been adjusted for discontinued operations. The loss for the period for the quarter awas SEK –26.5 m (–53.2) and at the end of December was a profit of SEK 127.2 m (–266.2). For the quarter, earnings per share for continuing operations amounted to SEK –0.06 (–0.01) and earnings per share amounted to SEK –0.06 (–0.03). During the period January through December, earnings per share for continuing operations amounted to SEK –0.03 SEK (–0.11) and earnings per share amounted to SEK 0.08 (–0.22).

The Group's cash flow

Cash flow from operating activities amounted to SEK –67.6 m (93.9) for the quarter and SEK –250.7 m (–133.7) at the end of December. Cash flow from investment activities amounted to SEK 4.8 m (–17.3) for the quarter and SEK –37.1 m (–52.2) at the end of December. This was mainly attributable to the divested part of the business.

Cash flow from financing activities for the quarter amounted to SEK 57.4 m (16.8) and SEK 255.6 m (243.6) at the end of December. During the quarter, a loan was raised with Fenja Capital II amounting to SEK 60 m, which will be repaid at the end of January 2027.

Cash flow for the period amounted to SEK –5.4 m (93.4) for the quarter and to SEK –32.2 m (57.7) for the period January to December.

Divestment of discontinued operations

During Q1 2025, the company entered into an agreement with Alvotech hf for the divestment of the drug candidate XB003 and parts of the organization with associated assets. In connection with a decision at the general meeting, related assets and liabilities were reclassified in accordance with IFRS 5. The result from the discontinued operation is reported separately in the income statement, and the comparative figures have been adjusted accordingly.

At the time of the divestment, the carrying amount of assets amounted to SEK 124.3 m, including fixed assets amounting to SEK 55.4 m. Total liabilities amounted to SEK 38.5 m. The total profit from divestment of operations after tax amounted to SEK 168.9 m.

The Group's financial position and continued operations

The Board of Directors and the CEO continuously monitor the Group's liquidity and financial resources in both the short and long term. As of December 31, the company's cash and cash equivalents amounted to SEK 86.6 m (124.3).

1) See Note 1 in the 2024 Annual Report for information on Xbrane's accounting policies relating to revenue recognition.

The company is in continuing dialogue with relevant stakeholders regarding the financing needs linked to the ongoing Xdivane™ project, with the aim of identifying long-term sustainable financing solutions. In addition to the financing of the Xdivane™ project, the timing of forecasted cash inflows from product sales and profit sharing during the year cannot be determined with certainty.

The Board of Directors and the CEO, based on current premises and provided that identified assumptions are met, assess that there are conditions to secure the company's financing for at least the next twelve months. At the same time, this assessment is dependent on the realization of significant assumptions regarding the development of the business and external conditions. If such assumptions were to change or cannot be met, this could result in significant uncertainty regarding the company's ability to continue its operations in its current form.

Changes in equity

The extraordinary general meeting held on October 13, 2025, resolved, in accordance with the Board's proposal, to reduce the share capital to cover previous years' losses and to allocate to unrestricted equity. The share capital was reduced by SEK 575,368,453.911 and amounted to SEK 2.1 m (343.5) on the balance sheet date. Other contributed capital amounted to SEK 1,386.0 m (1,395.0). Total equity amounted to SEK 560.7 m (208.5), and the equity ratio was 83 percent (25).

Parent company

The core business of Xbrane, i.e., the development of biosimilars, is conducted in the parent company. As the parent company constitutes such a large part of the Group, a statement of the company's current results, financial position and cash flow does not provide any additional information beyond what is described in the Group report. Therefore, this is presented only in report format on pages 11–12. The effects of assets held for sale and profit/loss from discontinued operations have not been separated in the income statement or the balance sheet for the parent company. See note 8 for further information.

Share information

On October 13, an extraordinary general meeting resolved, in accordance with the Board's proposal, to approve the Board's decision to carry out a reverse share split at a ratio of 1:125, whereby 125 shares would be consolidated into 1 new share. The total number of shares in the company will decrease through the reverse split from 2,575,668,555 shares to 20,605,348 shares (rounded down). Xbrane's share capital at the end of the period amounted to SEK 2.1 m (343.5) divided into 20,605,348 shares (1,529,483,397). The quota value of all shares as of December 31 is SEK 0.10 and all shares have equal rights to a share in the company's assets and profits. Xbrane's shares have been listed on the Nasdaq Stockholm main list since September 23, 2019, under the ticker XBRANE. The number of shareholders in Xbrane on the balance sheet date was around 10,500. The share's closing price on the balance sheet date was SEK 10.20, resulting in a market capitalization of around SEK 210 m.

Organization and employees

Xbrane is headquartered at Campus Solna, outside of Stockholm, Sweden. On the balance sheet date, the Group had a total of 29 employees (65), of which 29 (65) in the parent company.

Annual General Meeting

The Annual General Meeting for 2025 was held on May 5, 2025. The minutes and communiqué from the AGM are available on Xbrane's website, www.xbrane.com

Dividend

The Board of Directors proposes that no dividend be paid for the 2025 financial year.

Auditor's review

This interim report has not been subject to review by the company's auditor.

Presentation of the interim report

The presentation of the interim report for the Year-end 2025, will take place virtually on February 20 at 9:00, where CEO Martin Åmark and CFO Jane Benyamin will present the report. The presentation will be held in English and is expected to last about 20 minutes, after which there will be the opportunity for questions. To participate in the presentation, follow the link below: https://xbrane-biopharma.events.inderes.com/q4-report-2025

Consolidated income statement

Amounts in SEK thousand	Notes	2025 Oct – Dec	2024 Oct –Dec	2025 Jan – Dec	2024 Jan – Dec
Revenues	2	9,087	65,808	152,354	148,098
Cost of goods sold		–7,406,	–4,697	–62,808	–18,225
Gross profit		**1,681**	**61,111**	**89,546**	**129,873**
Other operating income		1,150	4,854	11,170	11,659
Administrative expenses		–6,582	–10,276	–43,824	–40,805
Research and development expenses		–17,825	–18,703	–76,821	–162,014
Other operating expenses		–3,086	–28,071	–8,320	–35,936
Operating profit/loss		**–24,662**	**8,915**	**–28,248**	**–97,224**
Net financial costs		–1,534	–8,932	–15,685	–32,498
Profit/loss before tax		**–26,196**	**–17**	**–43,933**	**–129,723**
Tax		–	–11,589	–2,234	–11,589
Profit/loss for the period from continuing operations		**–26,196**	**–11,605**	**–46,167**	**–141,311**
Profit/loss from discontinued operations		–284	–41,592	173,409	–124,908
Profit/loss for the period		**–26,480**	**–53,197**	**127,242**	**–266,220**
Profit/loss for the period attributable to:					
– Owners of the Company		–26,480	–53,197	127,242	–266,220
– Non-controlling interests		–	–	–	–
Total comprehensive income for the period		**–26,480**	**–53,197**	**127,242**	**–266,220**
Earnings per share from continuing operations					
– Before dilution (SEK)		–0.06	–0.01	–0.03	–0.11
– After dilution (SEK)		–0.06	–0.01	–0.03	–0.11

Amounts in SEK thousand	Notes	2025 Oct – Dec	2024 Oct –Dec	2025 Jan – Dec	2024 Jan – Dec
Earnings per share					
– Before dilution (SEK)		–0.06	–0.03	0.08	–0.22
– After dilution (SEK)		–0.06	–0.03	0.08	–0.22
Number of outstanding shares at the end of the reporting period					
– Before dilution		20,605,348	1,529,483,397	20,605,348	1,529,483,397
– After dilution		464,970,011	1,529,483,397	20,611,192	1,532,162,295
Average number of outstanding shares					
– Before dilution		464,964,167	1,529,483,397	1,521,789,791	1,229,911,966
– After dilution		464,970,011	1,529,483,397	1,521,794,210	1,230,021,757

Consolidated income statement and other comprehensive income

Amounts in SEK thousand	2025 Oct – Dec	2024 Oct –Dec	2025 Jan – Dec	2024 Jan – Dec
Profit/loss for the period	–26,480	–53,197	127,242	–266,220
Other comprehensive income				
Items that have been transferred to, or can be transferred to the profit/loss for the year				
Reclassification of foreign currency translation differences	–41	52	–120	111
Comprehensive income for the period	**–41**	**52**	**–120**	**111**
Total comprehensive profit/loss attributable to:				
– Owners of the Company	–26,521	–53,145	127,122	–266,109
– Non-controlling interests	–	–	–	–
Total comprehensive income for the period	**–26,521**	**–53,145**	**127,122**	**–266,109**

Consolidated statement of financial position

Amounts in SEK thousand	Notes	12-31-2025	12-31-2024
ASSETS			
Intangible assets		296,458	167,687
Property, plant and equipment		36	23,855
Right of use assets		–	41,044
Long-term receivables		–	3,945
Non-current assets		**296,494**	**236,532**
Inventory	3	194,268	246,902
Accounts receivables		6,740	16,854
Other receivables		5,559	16,973
Prepaid expenses and accrued income		81,499	198,851
Cash and cash equivalents		86 589	124,330
Assets held for sale		474	1,988
Current assets		**375,129**	**605,898**
TOTAL ASSETS		**671,623**	**842,429**

Amounts in SEK thousand	Notes	12-31-2025	12-31-2024
EQUITY			
Share capital		2,061	343,496
Other contributed capital		1,386,088	1,395,030
Reserves		10,111	10,231
Retained earnings including profit/loss for the year		–837,608	–1,540,218
Equity attributable to parent company's owners		**560,652**	**208,539**
Non-controlling interests		–	**–**
TOTAL EQUITY		**560,652**	**208,539**
LIABILITIES			
Long-term interest-bearing liabilities	7	58,308	66,371
Leasing liabilities		–	29,580
Long-term non interest-bearing liabilities		–	–
Total long-term liabilities		58,308	**95,950**
Short-term interest- bearing liabilities	4, 6	–	82,500
Accounts payable		8,955	242,570
Other liabilities		7,389	10,748
Leasing liabilities		–	13,267
Accrued expenses and prepaid income		36,187	188,449
Liabilities attributable to assets held for sale		132	407
Total short-term liabilities		**52,663**	**537,940**
TOTAL LIABILITIES		**110,971**	**633,890**
TOTAL LIABILITIES AND EQUITY		**671,623**	**842,429**

Consolidated statement of changes in equity

Amounts in SEK thousand	Share Capital	Other contributed capital	Translation reserve	Retained earnings incl. profit/loss for the period	Total
Opening balance 01-01-2025	**343,496**	**1,395,030**	**10,231**	**–1,540,218**	**208,539**
Total comprehensive income for the period					
Profit/loss for the period				127,242	127,242
Other comprehensive income for the period			–120		–120
Total comprehensive income for the period	**–**	**–**	**–120**	**127,242**	**127,122**
Transactions with group shareholder					
Reduction of share capital[1]	–575,368			575,368	
New share issue	233,933	6,067			240,000
Issue expenses		–14,215			–14,215
Share savings program		–795			–795
Total contributions from and distributions to shareholders	–341,435	**–8,942**	–	575,368	**224,991**
Closing balance 12-31-2025	**2,061**	**1,386,088**	**10,111**	**-837,608**	**560,652**

Amounts in SEK thousand	Share Capital	Other contributed capital	Translation reserve	Retained earnings incl. profit/loss for the period	Total
Opening balance 01-01-2024	**6,683**	**1,428,530**	**10,121**	**–1,273,999**	**171,335**
Total comprehensive income for the period					
Profit/loss for the period				–266,220	–266,220
Other comprehensive income for the period			111		111
Total comprehensive income for the period	**–**	**–**	**111**	**–266,220**	**–266,109**
Transactions with group shareholder					
New issue, net	336,813	–36,264	–	–	300,548
New share issue	336,206	8,719			344,925
Ongoing share issue	607	178			785
Issue expenses		–45,161			–45,161
Share savings program		2,765			2,765
Total contributions from and distributions to shareholders	**336,813**	**–33,500**	**–**	**–**	**303,313**
Closing balance 12-31-2024	**343,496**	**1,395,030**	**10,231**	**–1,540,218**	**208,539**

1) For further information, see page 13.

Consolidated cash flow statement

Amounts in SEK thousand	2025 Oct – Dec	2024 Oct –Dec	2025 Jan – Dec	2024 Jan – Dec
Cash flow from operating activities				
Profit/loss for the period before tax	**–26,196**	**–17**	**–43,933**	**–129,723**
Profit/loss from discontinued operations	–284	–41,592	173,409	–124,908
Adjustments for items not included in cash flow	10,290	61,610	–128,161	90,225
Paid income taxes	–	–11,589	–2,234	–11,589
Total	**–16,190**	**8,412**	**–919**	**–175,995**
Increase (–)/Decrease (+) of inventory	3,026	–34,433	48,978	–166,002
Increase (–)/Decrease (+) of trade and other receivables	7,441	91,485	70,027	–4,555
Increase (+)/Decrease (–) of trade and other payables	–61,836	28,448	–368,777	212,824
Cash flow from current operations	**–67,559**	**93,912**	**–250,691**	**–133,728**
Cash flow from investing activities				
Acquisition of property, plant and equipment	–	–	–	–501
Acquisition of intangible assets	4,764	–17,300	–139,644	–51,745
Disposal of discontinued operations, net cash effect	–	–	102,500	–
Cash flow from investing activities	**4,764**	**–17,300**	**–37,144**	**–52,246**

Amounts in SEK thousand	2025 Oct – Dec	2024 Oct –Dec	2025 Jan – Dec	2024 Jan – Dec
Cash flow from financing activities				
Stock options redeemed by staff	–	–	–	–
New share issue	–	–	240,000	337,242
Issue expenses	–172	–	–14,215	–37,479
Loans taken out	57,600	20,000	77,600	70,000
Amortization of loans	–	–	–43,500	–112,500
Amortization of lease liability	–	–3,244	–4,280	–13,640
Cash flow from financing activities	**57,428**	**16,756**	**255,605**	**243,623**
Cash flow for the period	**–5,367**	**93,368**	**–32,230**	**57,650**
Cash and cash equivalents reported in assets held for sale	–193	–727	–193	–727
Cash and cash equivalents at beginning of period	97,242	30,591	124,330	65,402
Cash and cash equivalents at beginning of period (reported in assets held for sale)	483	817	727	1,166
Exchange rate differences in cash and cash equivalents	–5,575	282	–6,045	839
Cash and cash equivalents at end of period	**86,589**	**124,330**	**86,589**	**124,330**

Income statement, Parent company

Amounts in SEK thousand	2025 Oct – Dec	2024 Oct –Dec	2025 Jan – Dec	2024 Jan – Dec
Revenues	9,087	65,808	152,354	198,721
Cost of goods sold	–7,406	–4,697	–62,808	–18,225
Gross profit	**1,681**	**61,111**	**89,546**	**180,496**
Other operating income	1,150	7,055	188,995	15,827
Administrative expenses	–6,582	–10,619	–44,401	–42,133
Research and development expenses	–17,825	–36,457	–82,577	–313,359
Other operating expenses	–3,086	–53,381	–8,320	–61,246
Operating profit/loss	**–24,662**	**–32,291**	**143,244**	**–220,414**
Financial items				
Impairment loss on shares in subsidiary	277	–	711	–
Financial expenses	–1,811	–8,932	–16,396	–32,498
Net finance costs	**–1,534**	**–8,932**	**–15,685**	**–32,498**
Profit/loss before tax	**–26,196**	**–41,223**	**127,558**	**–252,912**
Tax	–	–11,589	–2,234	–11,589
Profit/loss for the period	**–26,196**	**–52,811**	**125,325**	**–264,501**

Income statement and other comprehensive income, Parent company

Amounts in SEK thousand	2025 Oct – Dec	2024 Oct –Dec	2025 Jan – Dec	2024 Jan – Dec
Profit/loss for the period	–26,196	–52,811	125,325	–264,501
Other comprehensive income	–	–	–	–
Comprehensive income for the period	**–26,196**	**–52,811**	**125,325**	**–264,501**

Balance sheet, Parent company

Amounts in SEK thousand	12-31-2025	12-31-2024
ASSETS		
Fixed assets		
Intangible assets	296,458	167,687
Property, plant and equipment	36	23,855
Financial assets		
Shares in group companies	3,766	3,766
Other non-current receivables	–	3,945
Total financial assets	**3,766**	**7,711**
Total non-current assets	**300,260**	**199,253**
Current assets		
Current receivables		
Inventory	194,268	246,902
Accounts receivables	6,740	16,854
Other receivables	5,559	16,973
Prepaid expenses and accrued income	81,499	200,148
Total current receivables	**288,066**	**480,877**
Cash and bank	86,589	124,330
Current assets	**374,655**	**605,207**
TOTAL ASSETS	**674,915**	**804,461**

Amounts in SEK thousand	12-31-2025	12-31-2024
EQUITY AND LIABILITIES		
Equity		
Restricted equity		
Share capital	2,061	343,496
Reserve for development expenditure	296,458	167,687
Unrestricted equity		
Share premium	1,386,088	1,395,030
Retained earnings	–1,246,857	–1,428,954
Profit/loss for the period	125,325	–264,501
TOTAL EQUITY	**563,075**	**212,759**
Long-term liabilities		
Long-term interest-bearing liabilities	58,308	66,371
Long-term non interest-bearing liabilities	–	–
Total long-term liabilities	58,308	**66,371**
Current liabilities		
Short-term interest-bearing liabilities	–	82,500
Liabilities to subsidiaries	1,002	1,062
Accounts payables	8,955	242,570
Other current liabilities	7,389	10,751
Deferred income and prepaid revenue	36,187	188,449
Current liabilities	**53,532**	**525,331**
TOTAL LIABILITIES	**111,841**	**591,702**
TOTAL EQUITY AND LIABILITIES	**674,915**	**804,461**

Notes

NOTE 1 Accounting principles

This consolidated year-end report for the Group has been prepared in accordance with IAS 34, Interim Financial Reporting, as well as applicable regulations from the Annual Accounts Act. The year-end report for the parent company has been prepared according to the Annual Accounts Act, chapter 9, Interim Reports. For the Group and the parent company the same accounting principles and calculation bases as the previous annual report have been applied except for the changed or additional accounting principles described below. Information according to IAS 34.16A is included in these financial statements and related notes as well as in other parts of this year-end report.

NOTE 2 Revenue from contracts with customers

Amounts in SEK m	2025 Oct – Dec	2024 Oct –Dec	2025 Jan – Dec	2024 Jan – Dec
Revenue				
License revenue	0.2	54.3	84.9	81.4
Product sales	8.9	11.5	67.5	63.4
Contract manufacturing	–	–	–	–
Other	0.0	0.1	0.0	3.3
Total	**9.1**	**65.8**	**152.4**	**148.1**
Of which North America	–	–	–	*26.4*
Of which Germany	*8.9*	*11.5*	*67.5*	*66.5*
Of which India	–	*54.1*	*84.3*	*54.1*
Of which Other	*0.2*	*0.2*	*0.6*	*1.1*

For the year, there are two individual customers that account for more than 10 percent of revenue. These account for SEK 67,5m (63.4) and SEK 84.9 m (81,4) of revenue, respectively. See NOTE 1 in the 2024 Annual Report for information on Xbrane's accounting principles regarding revenue.

NOTE 3 Inventory

Amounts in SEK m	12-31-2025	12-31-2024
Products in progress	194,268	246,902
Finished goods	–	–
Total inventory	**194,268**	**246,902**

Reported amounts in the income statement

During the 2025 financial year, the cost of goods sold has been reported in the income statement as SEK −62.8 m (SEK −18.2 m). The inventory has not been written down.

NOTE 4 Transactions with related parties

During the Q1 2025, Xbrane took out a short-term loan from Systematic Group AB amounting to SEK 20 m with an interest rate of 1 percent for the first quarter and 3 percent thereafter. The transaction was made on market terms. The loan was repaid in July 2025.

NOTE 5 Reduction of share capital

At the extraordinary general meeting on October 13, 2025, the meeting resolved, in accordance with the Board's proposal, to reduce the share capital to cover previous years' losses and to allocate to unrestricted equity. The share capital was reduced by SEK 575,368,453.911 and amounted to SEK 2,060,534.80 on the balance sheet date. Each share now has a quota value of SEK 0.10 (SEK 0.224 before the reduction).

NOTE 6 Convertible bonds

In June 2025, the convertible bond was taken over in its entirety by Alvotech as part of the divestment. As of September 30, 2025, there is no value attributable to the convertible bond in the balance sheet.

NOTE 7 Interest-bearing loans

On October 16, 2025, Xbrane entered into an agreement with Fenja Capital II A/S for a loan amounting to SEK 60 m (SEK 57.6 m net after deduction of the origination fee). Principal payments are deferred until January 31, 2027, with an interest rate of 9 percent. Within the framework of the loan agreement, Xbrane has issued 420,517 warrants to Fenja (series 2025/2030). The warrants were allocated free of charge. Each warrant of series 2025/2030 entitles the holder to subscribe for one new share in the company during the period from the registration of the warrants with the Swedish Companies Registration Office up to and including September 30, 2030. The subscription price per share amounts to SEK 13.2, which corresponds to 140 percent of the volume-weighted average price of the company's shares during the five following trading days from the allocation, on Nasdaq Stockholm. When subscribing for shares, the part of the subscription price that exceeds the quota value of the previous shares shall be added to the free share premium fund. The warrants of series 2025/2030 are subject to customary conditions, which, among other things, mean that the subscription price as well as the number of shares that each warrant entitles the holder to subscribe for, will be recalculated in certain cases.

In the balance sheet as of December 31, 2025, the loan is reported as an interest-bearing loan amounting to SEK 56.0 m. The warrants are reported in equity at a value of SEK 2.3 m.

NOTE 8 Assets held for sale and classification of divested operations

Effects of planned sale of Primm Pharma

Xbrane's continues to work towards a sale of the subsidiary Primm Pharma, in accordance with previously taken decisions. In the interim report January–March 2021, Primm Pharma's assets and liabilities were reclassified to "Assets held for sale" and "Liabilities attributable to assets held for sale" in the consolidated balance sheet. In the income statement, Primm Pharma's results are reported separately as "Profit/loss from discontinued operations."

Effects of sale of operations to Alvotech

During Q1 2025, an agreement was signed with Alvotech hf regarding the sale of XB003 and parts of the organization with its associated assets. In connection with the EGM voting in favor of the proposal, assets and liabilities attributable to the sold operations were reclassified to "Assets held for sale" and "Liabilities attributable to assets held for sale" in the consolidated balance sheet. In the income statement, the result of the discontinued operations is reported separately as "Profit/loss from discontinued operations." The reclassification has also been made to income and expenses for the comparative year, which means that comparative figures are no longer consistent with previous reports. The operation was divested on June 2, 2025 and is reported in the current period as a discontinued operation.

NOTE 8 Assets held for sale and classification of divested operations, continued

Effects of the sale of operations to Alvotech
The financial information presented below refers to the time up to the divestment on June 2, 2025, as well as 2024.

Amounts in SEK 000	2025 Q4	2024 Q4	2025 Ack	2024 Ack	2024FY
Revenue	**–**	**–**	**–**	**4**	**50,624**
Other operating profit/loss	–	–	12,061	–	–21,141
Expenses	–	–56,718	–5,360	–68,024	–150,180
Operating profit/loss	**–**	**–56,718**	**6,701**	**–68,020**	**–120,697**
Net financial items	–	–779	–1,012	–1,609	–3,010
Profit/loss after financial items	–	–57,497	5,689	–69,629	–123,707
Tax	–	–	–	–	–
Profit/loss for the period after tax, discontinued operations	**–**	**–57,497**	**5,689**	**–69,629**	**–123,707**
Capital gains from divestment of operations	–	–	168,902	–	–
Profit/loss from divested operations	–	–57,497	174,591	–69,629	–123,707

Divestment of operations

Purchase price received in SEK 000	2025
Cash and cash equivalents	102,500
Fair value of convertible bonds	132,233
Assumption of liability, contract manufacturers	20,000
Total purchase price	**254,733**
Divested net assets	–85,831
Profit on divestment of operations before tax	**168,902**
Tax expense on profit from divestment of operations	–
Profit from divestment of operations after tax	**168,902**

Reported values for assets and liabilities divested as of June 2, 2025

Amounts in SEK 000	2025
Tangible fixed assets[1]	55,410
Total fixed assets	55,410
Prepaid expenses and accrued income	68,929
Total assets	**124,339**
Leasing liabilities	38,508
Total liabilities	**38,508**
Net assets	**85,831**

1)) Including right-of-use assets

NOTE 9 Risks and uncertainties

Risks and uncertainties

Risks and uncertainties are described in the 2024 Annual Report on pages 44–45, available on the company's website, www.xbrane.com. Despite the divestment of parts of the business to Alvotech, these have not changed in any material respect at the time of publication of this interim report.

NOTE 10 Pledged collateral

Reported amounts of assets pledged as collateral for current and long-term liabilities:

Amounts in SEK 000	12-31-2025	12-31-2024
Tangible fixed assets	–	24,445
Inventory	137,000	156,697
Chattel mortgages	–	25,000
Total	**137,000**	**206,142**

The Group's pledged assets amounted to SEK 137.0 m (206.1) of which SEK 112.3 m is collateral pledged to contract manufacturers for the fulfillment of accounts receivable and future production. In addition, the Group has provided collateral for an advance payment from STADA of SEK 25.3 m (0.0).

In connection with entering into the license and development agreement with Intas Pharmaceuticals, Xbrane has pledged patents related to Xdivane™ as collateral for the fulfillment of obligations.

NOTE 11 Significant estimates and assessments

The management has discussed with the Audit Committee the development, selection and disclosure of the Group's significant accounting policies and estimates and the application of these policies and estimates.

Significant sources of uncertainty in estimates

The sources of uncertainty in estimates set out below are those that involve a significant risk that the value of assets or liabilities may need to be adjusted to a significant extent during the coming financial year.

The Group's financial position and continued operations

The interim report has been prepared on the assumption that the company has the ability to continue operations during the coming 12 months, in accordance with the going concern principle.

Capitalization of development expenses

Capitalized expenses are attributable to the development of Ximluci® and Xdivane™.

According to Note 1, "Accounting principles" in the 2024 Annual Report, development expenses are recognized as an asset when the product or process is technically or commercially viable and the company has sufficient resources to complete the development and subsequently use or sell the intangible asset. The company has assessed that all criteria for capitalization of the development expenses of Ximluci® have been met from July 2021. From July 1, 2024, the Group has capitalized development expenses for Xdivane™, i.e., at the time when the criteria for capitalization in accordance with IFRS were deemed to be met. The technical risk in the program is considered limited as analytical similarity has been demonstrated on a commercial production scale and a reduced clinical program has been agreed with the EMA and FDA. In November 2024, the Group signed a global license and collaboration agreement with Intas Pharmaceuticals Ltd. Under the license and development agreement, Intas will finance and be responsible for clinical and regulatory development activities, as well as the global commercialization of the Nivolumab biosimilar candidate. This further strengthens the company's assessment that the opportunities for financing and continued development are good.

Certification

The Board of Directors and the CEO hereby certify that this Interim report provides a true and fair view of the Parent Company and the Group's operations, position and results and describes significant risks and uncertainties faced by the Company and the companies that are part of the Group.

Stockholm, February 20, 2026

Anders Tullgren
Chairman of the Board

Eva Nilsagård
Board member

Mats Thorén
Board member

Kirsti Gjellan
Board member

Kristoffer Bissessar
Board member

Martin Åmark
CEO

Alternative performance measures

The company presents certain financial performance indicators in the interim report that are not defined in accordance with IFRS. The company believes that these indicators provide valuable supplementary information to investors and the company's management as they enable the evaluation of the company's performance. Since not all companies calculate financial indicators in the same way, these are not always comparable with performance indicators used by other companies. These financial indicators should therefore not be seen as a substitute for performance indicators defined in accordance with IFRS. The tables below present indicators that are not defined in accordance with IFRS.

Gross margin

The gross margin is a measure that the Group considers important for understanding the products' profitability. The gross margin is calculated as gross profit in relation to the revenue. The gross profit is revenue minus cost of goods sold.

Amounts in SEK thousand	2025 Oct–Dec	2024 Oct–Dec	2025 Jan–Dec	2024 Jan–Dec
Gross profit	1,681	61,111	89,546	129,873
Gross margin	**18%**	**93%**	**59%**	**88%**

EBITDA

EBITDA is a measure that the Group considers relevant for an investor who wants to understand profit generation before investing in fixed assets. EBITDA shows the business's earning capacity from cash flow from operating activities without regard to capital structure and tax situation and is intended to facilitate comparisons with other companies in the same industry

Amounts in SEK thousand	2025 Oct–Dec	2024 Oct–Dec	2025 Jan–Dec	2024 Jan–Dec
Operating profit/loss	–24,662	8,915	–28,248	–97,224
Depreciation and impairment	2,768	4,870	14,601	19,890
EBITDA	**–21,893**	**13,786**	**–13,647**	**–77,335**

Research and development expenses as a percentage of operating expenses

The company's direct expenses for research and development refer to costs for personnel, materials and external services. Research and development expenses as a percentage of operating expenses show how large a proportion of operating expenses are related to research and development. This is calculated by dividing research and development expenses by total operating expenses. Total operating expenses consist of selling expenses, administrative expenses, research and development costs and other operating expenses.

Amounts in SEK thousand	2025 Oct–Dec	2024 Oct–Dec	2025 Jan–Dec	2024 Jan–Dec
Research and development expenses	–17,825	–18,703	–76,821	–162,014
Operating expenses	–27,492	–57,050	–128,965	–238,756
Research and development expenses as a percentage of operating expenses	**65%**	**33%**	**60%**	**68%**

Equity ratio

The equity ratio is a measure that the Group considers relevant for an investor who wants to understand the distribution between equity and liabilities. The equity ratio consists of the proportion of assets that are financed with equity to show the company's long-term solvency, i.e. equity divided by total assets.

Amounts in SEK thousand	12-31-2025	12-31-2024
Total equity	560,652	208,539
Divided by total assets	671,623	842,429
Equity ratio	**83%**	**25%**

Our objective – to contribute to health equality for everyone

Xbrane is a purpose-driven organization and our objective – to promote access to cost-effective drugs – is part of everything we do. Biological drugs are very effective in treating a number of serious medical conditions that affect many people. At the same time, biological drugs are expensive and only a fraction of the world's population has access to them.

Our purpose is clear – to be able to contribute to health equality for everyone. If there is a treatment, it should be available to everyone who needs it. By applying the latest science, Xbrane can develop cost-effective biological drugs at a lower price. This makes the treatment available to more people.

Xbrane in brief

Xbrane: a world-leading developer of biosimilars
Xbrane Biopharma AB is a biotechnology company that develops biosimilars, i.e. follow-up drugs on already approved biological drugs that can be introduced at a lower price after the patent expires on the original drug.

Xbrane has a patented platform technology that leads to a lower production cost of biological drugs compared to competing systems.

Xbrane has a team with expertise in taking biosimilars from cell-line to approval with long collective experience in drug development.

Xbrane has its headquarters and development lab at Campus Solna, just outside Stockholm. Since September 2019, Xbrane has been listed on Nasdaq Stockholm, with the ticker XBRANE.

FINANCIAL CALENDAR

Annual Report 2025	March 31, 2026
Annual General Meeting	May 5, 2026
Interim report January–March 2026	May 5, 2026
Interim report January–June 2026	July 17, 2026
Interim report January–September 2026	October 30, 2026

FOR FURTHER INFORMATION

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This is information which Xbrane Biopharma is required to publish in accordance with the EU's Market Abuse Regulation. The information was submitted for publication by the authority of the CEO on February 20, 2026 at 08:00 CET.

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