xspray

Interim Report

October – December 2025

Key figures, Group

	Oct-Dec		Jan-Dec	
	2025	2024	2025	2024
Net sales (SEK thousand)	-	-	-	-
Loss before Income tax (SEK thousand)	-37,009	-82,002	-171,546	-285,674
Earnings per share before dilution (SEK)	-0.89	-2.36	-4.46	-8.62
Earnings per share after dilution (SEK)	-0.89	-2.36	-4.46	-8.62
Research and development expenses as % of operating expenses*	4.1	12.1	6.6	27.4
Cash and cash equivalents (SEK thousand)	153,745	208,236	153,745	208,236
Total assets (SEK thousand)	769,346	796,344	769,346	796,344
Equity/assets ratio (%)	78.6	78.2	78.6	78.2
Average number of employees	26	26	26	25

Definitions of key figures, p. 22

October–December 2025, Group

- Net sales amounted to SEK 0 thousand (0)
- Earnings before tax amounted to SEK -37,009 thousand (-82,002)
- Earnings per share before dilution amounted to SEK -0.89 (-2.36)
- Cash flow from operating activities amounted to SEK -41,370 thousand (-61,601)
- Cash flow from investing activities amounted to SEK -1,488 thousand (-19,202)

January–December 2025, Group

- Net sales amounted to SEK 0 thousand (0)
- Earnings before tax amounted to SEK -171,546 thousand (-285,674)
- Earnings per share before dilution amounted to SEK -4.46 (-8.62)
- Cash flow from operating activities amounted to SEK -193,163 thousand (-222,367)
- Cash flow from investing activities amounted to SEK -29,186 thousand (-42,142)

Amounts in parentheses refer to the year-earlier period.

Significant events during the quarter

- In October, the FDA issued a Complete Response Letter (CRL) regarding Xspray's application for market approval of Dasynoc®.
- In October, Xspray Pharma published the Nomination Committee's composition for the Annual General Meeting on May 12, 2026. The Nomination Committee consists of: Thomas Eldered, appointed by Flerie Invest, Chairman of the Nomination Committee; Johan Gyllenswärd, appointed by Ribbskottet AB; Mattias Klintemar, appointed by the Foundation for Baltic and East European Studies; Johan Wadell, appointed by AP2; and Anders Ekblom, Chairman of the Board of Directors of Xspray Pharma AB.
- In October, the FDA announced that it had accepted Xspray Pharma's NDA application for XS003 for review. At the same time, the FDA set the PDUFA date to June 18, 2026.

Significant events after the reporting period

- No significant events have occurred after the end of the reporting period.

A message from the CEO

Dear shareholders,

Our intensive efforts at transforming Xspray Pharma from a research company into a commercial pharmaceutical company continued during the fourth quarter. We are doing this in a growing market with significant medical need, with our product candidates addressing widely acknowledged limits in today's treatments, where we are seeing clear opportunities for creating long-term value. At the same time, the quarter was marked by further regulatory challenges. In October, we received a Complete Response Letter (CRL) for Dasynoc from the FDA. The primary reason was observations linked to deficiencies in quality at our contract manufacturer. These deficiencies relate to parts of the plant that are not used for Xspray's production, but the deficiencies need to be addressed in order to obtain an approval. The contract manufacturer is working to address the identified deficiencies in dialogue with the FDA. According to information from the contract manufacturer, a re-inspection of the plant is expected in the first half of the year, which – given the current assessment – is not expected to affect our overall launch preparations.

Regulatory situation and ongoing dialogue with the FDA

In parallel, we have been working to respond to the FDA's questions that are under our control. On the one hand, this includes providing documentation that shows the effect of previously implemented production measures; on the other, showing that the product information on the package leaflet is appropriate and facilitates safe use. We chose to address the latter issue through a survey of authorized prescribers that is now nearing completion. Once the compilation is finished, which we believe will be in the first quarter of 2026, our formal response will be submitted to the FDA, which subsequently will have up to six months to make a decision.

Preparations ahead of launch, and market potential

For XS003 nilotinib, the PDUFA date has been set for June 18, 2026, and we expect a new PDUFA date for Dasynoc in the third quarter. In light of these circumstances, we are continuing our preparations ahead of a potential launch of two differentiated drugs for chronic myeloid leukemia in the US market during the second half of 2026. This marks an

important step in our evolution toward becoming a fully integrated commercial company.

Positive response for our technology among key opinion leaders

In parallel with the regulatory agenda, we continued to build confidence among leading clinics and key opinion leaders. Their response confirms both the clinical need for and the relevance of our technology as a solution to widely acknowledged problems with current treatments. The clinical results for XS003 were presented at the ASH Congress in December, which met with great interest and provided valuable dialogue on future clinical use.

Strong underlying CML market

The US market for chronic myeloid leukemia (CML) continues to perform strongly, growing approximately 12 percent to total sales of USD 6.6 billion in 2025. Dasatinib and nilotinib continue to comprise nearly half of total sales, with price levels remaining high despite generic sales. This is creating good conditions for differentiated products with clear clinical benefits.

Financial position, and focus going forward

Cash on hand at the end of the quarter amounted to SEK 154 million, which is believed will finance operations through the autumn of 2026 under the current plan. This gives us scope for completing the regulatory processes and continuing the preparations for commercialization. To ensure optimal readiness for two FDA approvals and future market launches, the company may further strengthen its financial position through additional capital in order to fully support a successful commercialization.

We are going into 2026 with a clear strategy, two products close to market launch and a technology that addresses real clinical needs. Our focus remains unchanged: fully transitioning to a commercial pharmaceutical company and creating value for patients, healthcare and our shareholders.

Per Andersson, CEO
Xspray Pharma

About Xspray Pharma

Xspray Pharma AB (publ) is a pharmaceutical company with a number of product candidates under clinical development, and which has applied for market approval of its product candidates Dasynoc® and XS003. Xspray Pharma uses its innovative, patented HyNap™ technology to develop improved versions of protein kinase inhibitors (PKIs) for cancer treatments. PKIs are the largest segment in the field of oncology, with just over 90 approved drugs in the US.

Vision

Xspray Pharma's vision is to use its patented HyNap technology to establish itself as a leading player for improved versions of marketed protein kinase inhibitors (PKIs) for cancer treatments, thereby increasing quality of life and chances of survival for patients. Through a confirmed improvement profile and an active patent strategy, Xspray will capture market shares and create
long-term profitability for the company and its owners.

Launch of Dasynoc® and XS003

Xspray Pharma submitted an updated application for market approval of Dasynoc® in April 2025. In October 2025, the FDA issued a Complete Response Letter (CRL) regarding Xspray Pharma's application referring to GMP observations at a contract manufacturer. However, these observations do not concern Xspray Pharma's production line. The FDA also requested information demonstrating that the proposed product information is appropriate. Xspray Pharma expects to be able to submit an updated application for market approval of Dasynoc® in the first quarter of 2026.

In August, Xspray Pharma submitted an application for market approval for its product candidate XS003 nilotinib for the treatment of chronic myeloid leukemia (CML) to the U.S. Food and Drug Administration. The application is based on successful studies demonstrating bioequivalence with the reference product Tasigna®. In October, the FDA announced that it had set a PDUFA date of June 18, 2026, which is the FDA's deadline for announcing a decision regarding the application.

Xspray Pharma has a partnership agreement with EVERSANA that provides access to a cost-effective, ready-to-start sales organization for the entire US. At present, EVERSANA's market preparation activities have been limited pending the FDA's final approval. EVERSANA will provide Xspray Pharma with services in market access, a medical sales organization, and patient support programs. EVERSANA has experts with extensive experience in selling PKI drugs to physicians, insurance companies, and other players that Xspray Pharma will be targeting. This will create good conditions for a rapid launch of Dasynoc®. Xspray Pharma will retain full financial and strategic responsibility while EVERSANA has been engaged to be responsible for the launch of Dasynoc® in the US. Xspray Pharma has conducted a number of market surveys in the US. These confirmed the company's view of the potential of Dasynoc®, and that the benefits of the product compared with competing PKI drugs are significant for physicians, nurses, and patients.

Market

Protein kinase inhibitors (PKIs) have become one of the most effective treatments of cancer and for certain types of cancer, PKIs are the only available option. PKIs are the largest drug class in the field of oncology, with over 3,000 ongoing clinical studies in Phase I, Phase II or Phase III, and just over 90 PKIs are approved treatments on the US market.

All Xspray Pharma's product candidates in development are currently PKIs. The rise in cancer and autoimmune diseases is an important factor that is expected to increase sales of PKIs.

Product candidates

Xspray Pharma's pipeline contains four announced product candidates. They are all based on the company's HyNap™ technology: Dasynoc®, XS003 nilotinib, XS008 axitinib and XS025 cabozantinib. These product candidates are stable amorphous and non-crystalline versions of the four best-selling cancer drugs Sprycel® (dasatinib), Tasigna® (nilotinib), Inlyta® (axitinib) and Cabometyx® (cabozantinib). Many protein kinase inhibitors in the market are difficult to dissolve and often have a high degree of variability in uptake.
Xspray's amorphous formulation increases solubility, regardless of the pH of the stomach, which could lead to improved uptake and permit lower dosages to be administered to patients with retained efficacy. The total annual sales of the original drugs Sprycel®, Tasigna®, Inlyta® and Cabometyx® for 2024 exceeded USD 4.9 billion in the US market and USD 6.4 billion globally.[1]

Overview – product candidates

Product candidate				Patent		Development phase					
Project	Substance	Indication	Regulatory path	Substance patent expiry	Secondary patent expiry	New candidate evaluation	Development of formulation	Pilot studies	Pivotal studies	Regulatory review	Original product/Company
XS004	dasatinib	Leukemia (CML, ALL)	505(b)(2)	Dec 2020	Sep 2026						Sprycel®/ BMS
XS003	nilotinib	Leukemia (CML)	505(b)(2)	Jan 2024	Oct 2032						Tasigna®/ Novartis
XS008	axitinib	Kidney cancer (RCC)	505(b)(2)	Apr 2025	Dec 2030						Inlyta®/ Pfizer
XS025	cabozantinib	Kidney cancer (RCC)	505(b)(2)	Aug 2026	Jul 2033						Cabometyx®/ Exelixis

[1] The information regarding annual sales has been taken from the reference companies' quarterly reports and IPD analytics.

Share information

Xspray Pharma's share is listed on Nasdaq Stockholm under the symbol XSPRAY. The number of shares in the company at December 31, 2025 was 41,742,340 and the market price on that date was SEK 31.45.

Owners as of December 31, 2025	Number of shares	Share of capital & votes
Flerie Invest AB	7,336,187	17.57%
Anders Bladh (private & Ribbskottet)	5,061,842	12.13%
The Foundation for Baltic and East European Studies	4,342,626	10.40%
Fourth Swedish National Pension Fund	4,060,000	9.73%
Third Swedish National Pension Fund	1,715,712	4.11%
Avanza Pension	1,560,486	3.74%
Unionen	1,400,000	3.35%
Second Swedish National Pension Fund	1,255,012	3.01%
Carl Erik Norman	868,548	2.08%
Nordnet Pension Insurance	660,799	1.58%
Total, 10 largest owners	**28,265,212**	**67.70%**
Other shareholders	**13,477,128**	**32.30%**
Total	**41,742,340**	**100.0%**

Financial calendar

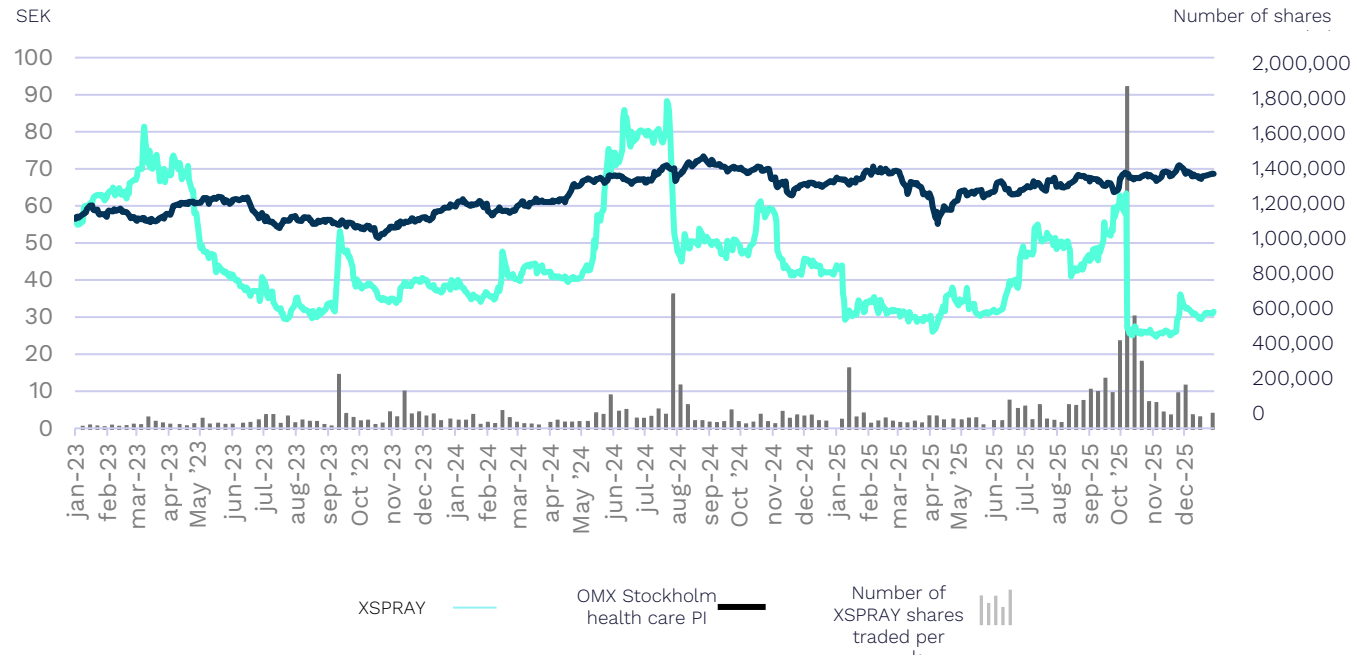
Annual Report 2025	March 26, 2026
Interim Report Q1 2026	May 6, 2026
Annual General Meeting	May 12, 2026
Interim Report Q2 2026	August 5, 2026

The financial reports are available on the Xspray Pharma website, www.xspraypharma.com.

Analysts monitoring the company

Filip Einarsson, Redeye AB

Share price performance



Financial performance

Unless otherwise indicated, the comments below pertain to the Group. The Group comprises the Parent Company, a dormant subsidiary and a US subsidiary. The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the Parent Company's statements have been prepared in accordance with RFR2.

Net sales
Net sales for the company amounted to SEK 0 thousand in the fourth quarter of 2025. Sales are expected to increase when the company launches its products in the US market. For further information on the pipeline, refer to pages 5–6.

Other operating income
Other operating income was SEK 689 thousand (167) for the fourth quarter and SEK 6,432 thousand (2,096) for the January–December period. This increase is due primarily to exchange rate gains that arose in conjunction with payments abroad and translations of the currency account as well as license revenue.

Research and development costs
Total expenditures for research and development for the quarter amounted to SEK -3,870 thousand (-30,173), of which SEK -1,386 thousand (-9,914) was recognized as an expense in profit or loss and SEK -2,484 thousand (-20,259) was capitalized as development expenditure in the company's balance sheet. Total expenditures for research and development for the January–December period amounted to SEK -44,014 thousand (-121,504), of which SEK -10,750 thousand (-79,358) was expensed and SEK -33,265 thousand (-42,146) was capitalized as development expenditures.

The decrease in development expenses is also attributable to the conclusion of several clinical studies for product candidate XS003 nilotinib, with the project thus becoming less cost-intensive. Research and development costs, however, remain attributable to the other product candidates such as XS008 axitinib and XS025 cabozantinib.

Administration and sales expenses
Administration and sales expenses totaled SEK -32,530 thousand (-69,552) in the fourth quarter. Of these, personnel costs amounted to SEK -12,021 thousand (-7,960). The increase over the year-earlier period is due to regular adjustments to bonus reserves in the annual accounts. Administration and sales expenses for the January–December period totaled SEK -151,103 thousand (-203,878) with SEK -42,568 thousand (-37,012) pertaining to personnel costs. These costs consist largely of preparatory activities for Dasynoc® and XS003 nilotinib.

Other operating expenses
Other operating expenses totaled SEK -159 thousand (-2,577) in the fourth quarter and SEK -1,489 thousand (-5,901) for the January–December period. Other operating expenses consist of exchange rate losses arising in conjunction with payments abroad and translations of the currency account.

Finance income
Finance income was SEK 679 thousand (1,779) for the third quarter and SEK 2,215 thousand (3,297) for the January–December period. The item consists entirely of interest income from bank accounts.

Finance costs
Finance costs amounted to SEK -4,302 thousand (-1,905) for the fourth quarter and SEK -16,851 thousand (-1,929) for the January–December period. The increase year-on-year is due to interest expenses related to the previous short-term loan, as well as interest expenses related to the new long-term loan.

Loss for the period
Loss for the period totaled SEK -36,989 thousand (-81,968) for the fourth quarter and SEK -171,443 thousand (-285,523) for the January–December period. This corresponds to earnings per share before dilution of SEK -0.89 (-2.36) for the fourth quarter and SEK -4.46 (-8.62) for the January–December period. The year-on-year improvement in earnings for the quarter pertains mainly to a non-cash impairment of SEK -19,701 thousand attributable to the manufacturing facility in Malta, which was applied last year.

Cash flow

Cash flow from operating activities amounted to SEK -41,370 thousand (-61,601) in the fourth quarter, of which the effect from working capital comprised SEK -6,003 thousand (-4,774). The corresponding figure for the January–December period was SEK -193,163 thousand (-222,367), of which the effect from working capital was SEK -30,427 thousand (4,589).

Cash flow from investing activities in the Group amounted to SEK -1,488 thousand (-19,202) for the fourth quarter and SEK -29,186 thousand (-42,142) for the January–December period. The item includes capitalized development expenditure of SEK -1,488 thousand (-19,201) for the fourth quarter and SEK -29,186 thousand (-37,762) for January–December. The decrease is due primarily to the XS003 nilotinib project no longer being in a period of equally intensive research and development.

Investment in property, plant and equipment in the January–December period amounted to SEK 0 thousand (-4,380).

Cash flow from financing activities in the fourth quarter amounted to SEK -1,318 thousand (214,022). The corresponding figure for the January–December period was SEK 168,293 thousand (306,108). The change is due to a new share issue being conducted during the year, as well as a new long-term loan being raised. Total cash flow was SEK -44,176 thousand (133,219) for the fourth quarter and SEK -54,056 thousand (41,599) for the January–December period. The Group had SEK 153,746 thousand (208,236) in cash and cash equivalents at December 31, 2025.

Intangible assets

Development expenditures for the projects have been capitalized according to plan. Capitalized development expenditures for the fourth quarter totaled SEK 2,484 thousand (20,259). The Group's total capitalized expenditure for development amounted to SEK 512,190 thousand (478,926) on December 31, 2025. The item is associated with the company's product candidates Dasynoc®, XS003 nilotinib, XS008 axitinib and XS025 cabozantinib.

Financial position

During the preceding quarter, the company conducted a new share issue for approximately SEK 130 million, with preferential rights for the company's existing shareholders. The new share issue was also increased by an additional SEK 31 million through an over-allotment option. The Board also decided to extend and increase an existing loan of SEK 100 million by an additional SEK 25 million, with the new maturity set in February 2027, and to issue warrants to the lenders.

The company's future capital requirements are impacted by several factors, including the timing of the launch and the market's uptake of the company's initial product candidates, Dasynoc® and XS003 nilotinib, as well outcomes and costs attributable to ongoing and future drug studies. Depending on the development of these factors over the next year, the Group's coverage of cash and cash equivalents will fall below the liquidity needed to pursue operations for the coming 12 months.

In light of this, the Board of Directors is actively engaged in evaluating the company's financial requirements and position, with various financing alternatives continually being reviewed. The equity/assets ratio for the Group was 78.6 percent (78.2) at December 31, 2025.

Group structure

The Group structure comprises the Parent Company, Xspray Pharma AB (publ), corporate identity number 556649-3671, and its wholly owned subsidiaries Xspray Pharma Futurum AB, corporate identity number 559178-7642, and Xspray Pharma Inc. The two Swedish limited liability companies have their offices in Solna, Sweden, and the US subsidiary has its offices in Delaware. The address of the head office is Scheeles väg 2, SE-171 65 Solna, Sweden.

Parent Company

Operations were conducted primarily in the Parent Company, Xspray Pharma AB (publ). The Parent Company's cash and cash equivalents totaled SEK 151,159 thousand (206,682) and the equity/assets ratio was 81.1 percent (81.3) at December 31, 2025.

Employees

The organization has the same number of employees as during the year-earlier period. The average number of employees in the Group totaled 26 (26).

Related-party transactions

The management of the Parent Company, the Boards of Directors of the parent company and subsidiary are defined as related parties.

Purchase of services from senior executives during the year pertain to consultant fees to M von Euler Consulting AB, owned by Mikael von Euler, who has been part of the company's executive management team since October 2025. The fees thus totaled SEK

-549 thousand (-360) for the quarter and SEK -1,472 thousand (-1,264) for the January–December period.

During the year, the company also purchased advisory services from Flerie Invest, which is the company's largest owner. Related-party transactions to Flerie totaled SEK 0 thousand (0) for the fourth quarter and SEK -22 thousand (0) for the January–December period.

Financial statements

Consolidated income statement

	Q4		Jan-Dec	
SEK thousand	**2025**	**2024**	**2025**	**2024**
Net sales	-	-	-	-
Other operating income	689	167	6,432	2,096
Research and development expenses	-1,386	-9,914	-10,750	-79,358
Administration and sales expenses	-32,530	-69,552	-151,103	-203,878
Other operating expenses	-159	-2,577	-1,489	-5,901
Operating loss	**-33,386**	**-81,876**	**-156,910**	**-287,041**
Finance income	679	1,779	2,215	3,297
Finance costs	-4,302	-1,905	-16,851	-1,929
Finance net	**-3,623**	**-126**	**-14,636**	**1,368**
Loss before Income tax	-37,009	-82,002	-171,546	-285,674
Tax	21	34	104	151
Loss for the period	**-36,989**	**-81,968**	**-171,443**	**-285,523**
Earnings per share for the period before dilution, SEK	-0.89	-2.36	-4.46	-8.62
Earnings per share for the period after dilution, SEK	-0.89	-2.36	-4.46	-8.62
Average number of shares before dilution	41,742,340	34,756,745	38,453,876	33,137,306
Average number of shares after dilution	41,742,340	34,756,745	38,453,876	33,137,306

Consolidated statement of comprehensive income

	Q4		Jan-Dec	
SEK thousand	**2025**	**2024**	**2025**	**2024**
Loss for the period	-36,989	-81,968	-171,443	-285,523
Annual translation differences in the translation of foreign operations	-84	75	-444	205
Total comprehensive income for the period	**-37,073**	**-81,893**	**-171,887**	**-285,318**

Profit for the period and comprehensive income are attributable in their entirety to Parent Company shareholders.

Consolidated balance sheet

SEK thousand	**Dec 31, 2025**	**Dec 31, 2024**
ASSETS		
Non-current assets		
Intangible assets		
Capitalized development costs	512,190	478,926
Total intangible assets	**512,190**	**478,926**
Property, plant and equipment		
Machinery and installations	1,434	3,565
Right-of-use assets	26,598	32,204
Equipment	1,566	2,026
Fixed assets under construction and prepayments	41,389	41,389
Total Property, plant and equipment	**70,988**	**79,185**
Financial assets		
Financial investments	1	1
Other long-term receivables	3,271	3,167
Total financial assets	**3,272**	**3,168**
Total non-current assets	**586,450**	**561,279**
Current assets		
Inventories	22,296	20,335
Current receivables	3,842	4,018
Prepaid expenses and accured income	3,012	2,476
Cash and cash equivalents	153,745	208,236
Total current assets	**182,896**	**235,066**
TOTAL ASSETS	**769,346**	**796,344**

Consolidated balance sheet cont.

SEK thousand	**Dec 31, 2025**	**Dec 31, 2024**
EQUITY AND LIABILITIES		
Equity		
Share capital	41,742	37,138
Other contributed capital	1,574,042	1,425,208
Reserves	553	997
Retained earnings including profit/loss for the period	-1,011,689	-840,247
Total equity attributable to the Parent Company's shareholders	**604,649**	**623,097**
Non–current liabilities		
Lease liabilities	21,718	27,108
Liabilities to credit institutions	121,316	-
Total non-current liabilities	**143,034**	**27,108**
Current liabilities		
Short-term interest-bearing liabilities	-	96,000
Trade accounts payable	3,323	17,083
Lease liabilities	5,358	5,113
Other current liabilities	1,132	9,312
Accrued expenses and deferred income	11,850	18,632
Total current liabilities	**21,663**	**146,140**
TOTAL EQUITY AND LIABILITIES	**769,346**	**796,344**

Consolidated statement of changes in equity

SEK thousand	Share capital	Other contributed capital	Reserves	Retained earnings incl. profit/loss for the period	Total Equity
Opening balance as of January 1, 2024	**31,253**	**1,216,093**	**792**	**-554,724**	**693,414**
Loss of the period	-	-	-	-285,523	**-285,523**
Other comprehensive income for the period	-	-	205	-	**205**
Total comprehensive income for the period	**-**	**-**	**205**	**-285,523**	**-285,318**
New share issue	5,885	229,513	-	-	**235,398**
Transaction costs	-	-21,519	-	-	**-21,519**
Warrant program	-	1,122	-	-	**1,122**
Closing balance as of December 31, 2024	**37,138**	**1,425,208**	**997**	**-840,247**	**623,097**
Opening balance as of January 1, 2025	**37,138**	**1,425,208**	**997**	**-840,247**	**623,097**
Loss of the period	-	-	-	-171,443	**-171,443**
Other comprehensive income for the period	-	-	-444	-	**-444**
Total comprehensive income for the period	-	-	**-444**	**-171,443**	**-171,887**
New share issue	4,604	156,531	-	-	**161,135**
Transaction costs	-	-7,656	-	-	**-7,656**
Warrant program	-	-41	-	-	**-41**
Closing balance as of December 31, 2025	**41,742**	**1,574,043**	**553**	**-1,011,689**	**604,649**

Consolidated statement of cash flow

	Q4		Jan-Dec	
SEK thousand	**2025**	**2024**	**2025**	**2024**
Operating activities				
Operating loss	**-33,386**	**-81,876**	**-156,910**	**-287,041**
Non-cash adjustments				
Depreciation	1,388	1,661	5,579	8,547
Unrealized currency impact	-	-	-	-32
Disposal of inventory	-	-	-	29,471
Disposal of tangible fixed assets	-	22,757	-	22,772
Interest received	2,215	2,238	2,215	2,240
Interest paid	-5,584	-1,607	-13,620	-2,913
Cash flow from operating activities before changes in working capital	**-35,367**	**-56,827**	**-162,736**	**-226,956**
Changes in working capital				
Change in inventory	5,166	376	-1,961	-6,025
Change in operating receivables	341	-972	-400	1,336
Change in operating liabilities	-11,510	-4,178	-28,066	9,278
Cash flow from operating activities	**-41,370**	**-61,601**	**-193,163**	**-222,367**
Investing activities				
Capitalized development costs	-1,488	-19,201	-29,186	-37,762
Acquisition of property, plant and equipment	-	-1	-	-4,380
Cash flow from investing activities	**-1,488**	**-19,202**	**-29,186**	**-42,142**
Financing activities				
New share issue	-	135,049	161,134	235,398
Loan raised	-	96,000	120,000	96,000
Payment of loan	-	-	-100,000	-
Transaction costs	-4	-15,783	-7,656	-21,519
Payment of lease liability	-1,310	-1,244	-5,144	-4,893
Repurchased warrants	-4	-	-41	-64
Allocated warrants	-	-	-	1,186
Cash flow from financing activities	**-1,318**	**214,022**	**168,293**	**306,108**
Cash flow for the period	**-44,176**	**133,219**	**-54,056**	**41,599**
Cash and cash equivalents at the beginning of the period	197,983	74,759	208,236	166,303
Effect of exchange rate and value changes in cash and cash equivalents	-62	257	-435	334
Cash and cash equivalents at the end of the period	**153,746**	**208,236**	**153,746**	**208,236**

Parent Company income statement

	Q4		Jan-Dec	
SEK thousand	**2025**	**2024**	**2025**	**2024**
Net sales	-	-	-	-
Other operating income	689	-960	6,432	2,096
Research and development expenses	-2,047	-10,470	-12,996	-81,982
Administration and sales expenses	-32,717	-66,353	-151,918	-201,453
Other operating expenses	-159	-1,450	-1,489	-5,934
Operating loss	**-34,234**	**-79,232**	**-159,971**	**-287,273**
Finance income	676	1,779	2,211	2,483
Finance costs	-4,302	-1,905	-16,851	-1,929
Finance net	**-3,626**	**-126**	**-14,640**	**554**
Loss before Income tax	-37,860	-79,359	-174,611	-286,719
Loss for the period	**-37,860**	**-79,359**	**-174,611**	**-286,719**

Parent Company balance sheet

SEK thousand	Dec 31, 2025	Dec 31, 2024
ASSETS		
Non-current assets		
Intangible assets		
Capitalized development costs	503,500	473,481
Patent	-	-
Total intangible assets	**503,500**	**473,481**
Property, plant and equipment		
Machinery and installations	1,434	3,565
Equipment	1,566	2,026
Fixed assets under construction and prepayments	41,389	41,389
Total Property, plant and equipment	**44,390**	**46,980**
Financial assets		
Shares in subsidiaries	3,505	2,238
Financial investments	1	1
Other long-term receivables	2,999	2,999
Total financial assets	**6,505**	**5,237**
Total non-current assets	**554,395**	**525,699**
Current assets		
Inventories	**22,296**	**20,335**
Current receivables		
Other current receivables	4,077	4,299
Prepaid expenses and accured income	3,854	3,277
Total current receivables	**7,931**	**7,576**
Cash and bank	151,159	206,682
Total current assets	**181,385**	**234,594**
TOTAL ASSETS	**735,780**	**760,293**

Parent Company balance sheet cont.

SEK thousand	Dec 31, 2025	Dec 31, 2024
EQUITY AND LIABILITIES		
Equity		
Restricted equity		
Share capital	41,742	37,138
Statutory reserve	976	976
Development expenditure reserve	503,500	473,481
Total restricted equity	**546,219**	**511,596**
Non-restricted equity		
Other contributed capital	1,577,042	1,428,208
Accumulated earnings	-1,351,770	-1,035,032
Profit/loss for the period	-174,611	-286,719
Total non-restricted equity	**50,660**	**106,456**
Total equity	**596,879**	**618,052**
Non–current liabilities		
Liabilities to credit institutions	121,316	-
Total non-current liabilities	**121,316**	**-**
Current liabilities		
Short-term interest-bearing liabilities	-	96,000
Trade accounts payable	3,310	18,296
Other current liabilities	2,435	9,312
Accrued expenses and deferred income	11,841	18,632
Total current liabilities	**17,585**	**142,241**
TOTAL EQUITY AND LIABILITIES	**735,780**	**760,293**

Parent Company statement of cash flow

	Q4		Jan-Dec	
SEK thousand	**2025**	**2024**	**2025**	**2024**
Operating activities				
Operating loss	**-34,234**	**-79,232**	**-159,971**	**-287,273**
Non-cash adjustments				
Depreciation	641	913	2,591	5,476
Disposal of inventory	-	-	-	29,471
Disposal of tangible fixed assets	-	19,701	-	19,716
Interest received	2,211	2,238	2,211	2,240
Interest paid	-5,253	-1,239	-12,201	-1,263
Cash flow from operating activities before changes in working capital	**-36,635**	**-57,619**	**-167,370**	**-231,633**
Changes in working capital				
Changes in inventory	5,166	376	-1,962	-6,025
Change in operating receivables	346	-1,169	-355	1,279
Change in operating liabilities	-11,602	-4,307	-27,988	8,837
Cash flow from operating activities	**-42,725**	**-62,719**	**-197,675**	**-227,542**
Investing activities				
Purchase of intangible assets	-1,597	-19,414	-30,019	-38,299
Acquisition of property, plant and equipment	-	-	-	-4,379
Group contributions	-	-	-1,267	-
Cash flow from investing activities	**-1,597**	**-19,414**	**-31,286**	**-42,678**
Financing activities				
New share issue	-	135,049	161,134	235,398
Transaction costs	-4	-15,783	-7,656	-21,519
Loan raised	-	96,000	120,000	96,000
Payment of loan	-	-	-100,000	-
Repurchased warrants	-4	-	-41	-64
Allocated warrants	-	-	-	1,186
Cash flow from financing activities	**-8**	**215,266**	**173,437**	**311,001**
Cash flow for the period	**-44,330**	**133,133**	**-55,524**	**40,781**
Cash and cash equivalents at the beginning of the period	195,468	73,384	206,682	165,658
Effect of exchange rate and value changes in cash and cash equivalents	21	166	-	243
Cash and cash equivalents at the end of the period	**151,159**	**206,682**	**151,159**	**206,682**

Notes

Note 1. Accounting and measurement policies

The interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) and with the applicable provisions in the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with Chapter 9, "Interim Reports", of the Annual Accounts Act. For the Parent Company and the Group, the same accounting policies and bases for calculation as in the Annual Report for 2024 have been applied. Comparison figures are presented in parentheses and pertain to the same period in 2024.

Note 2. Key estimates and assessments

Preparing the financial statements in accordance with IFRS requires management to make judgments and estimates, and to make assumptions that affect the application of accounting policies and the carrying amounts of assets, liabilities, revenues and expenses. Actual outcomes may differ from these estimates. The estimates and assumptions are evaluated regularly. Changes to estimates are recognized in the period that the change is made.

The source of uncertainty in estimations that entail a significant risk for the need to significantly adjust the value of assets or liabilities during the coming financial year is the carrying amount of "Capitalized development expenditure". Determining whether the requirements for capitalization of development expenditure have been met requires both initial and routine assessments. The capitalized expenditures are regularly tested as to whether they could be exposed to a decrease in value. The company holds capitalized intangible assets that have not yet been completed and are impairment tested either yearly or as soon as there is an indication of a potential decrease in value. Impairment tests involve estimates of future cash flows attributable to the asset or the cash-generating unit to which the asset relates when it is complete. These estimates and judgments involve expectations primarily regarding the selling price of products, market penetration, remaining development, sales and marketing expenses, and the likelihood that the product passes through the remaining development phases. The assumptions involve industry- and market-specific data produced by corporate management and reviewed by the Board of Directors.

Material risks and uncertainties

Xspray Pharma's operation is associated with both industry-related and company-specific risks. The company develops product candidates, and there will always be regulatory, market-related and financial risks in the operation. The CRL for Dasynoc, which concerns deficiencies at the contract manufacturer, falls within the regulatory and supplier-related risks that have already been described in the company's earlier prospectus and in the Annual Report. The outcome could affect the approval timeline and, in theory, the supply chain and costs as well. In all essentials, the risks and uncertainties are the same as those reported in the company's 2024 Annual Report.

Financing risk and going concern

The company's future capital requirements are impacted by several factors, including the timing of the launch and the market's uptake of the company's initial product candidates, Dasynoc® and XS003 nilotinib, as well outcomes and costs attributable to ongoing and future drug studies. Depending on the development of these factors over the next year, the Group's coverage of cash and cash equivalents will fall below the liquidity needed to pursue operations for the coming 12 months.

In light of this, the Board is monitoring the situation and is evaluating different financing options including timing and scope for raising capital that can be beneficial to the company. If the financing secured is not sufficient, it would suggest material uncertainties that could lead to significant doubt regarding the company's capacity to continue its operations. In accordance with the policy by the Board of Directors, the Group must maintain a strong financial position, which will help the company retain investor and market confidence. It also creates a foundation for further development of company operations, with continued long-term support for its goal of securing dividends for the company's owners. Until the company has achieved long-term, sustainable profitability, its policy is to maintain a reasonable level of debt and a high level of equity.

Definitions of key performance indicators

Earnings per share are calculated as earnings for the period divided by the average number of shares during the period. The equity/assets ratio is equity as a percentage of the balance sheet total. Research and development costs as a percentage of operating expenses equate to expensed research and development expenses divided by operating expenses. Total operating expenses consist of operating profit less net sales and other operating income. The carrying amount of receivables, cash and cash equivalents, trade payables and other liabilities constitute a reasonable approximation of fair value.

Assurance from the Board

The Board of Directors and the CEO declare that this quarterly report provides a true and fair overview of the Group's and Parent Company's business operations, financial position and performance and describes principal risks and uncertainties faced by the company.

Solna, February 12, 2026

Anders Ekblom
Chairman

Anders Bladh
Board member

Robert Molander
Board member

Markus Haeberlein
Board member

Anne Prener
Board member

Christine Lind
Board member

Carl-Johan Spak
Board member

Per Andersson
CEO

This report has not been reviewed by the company's auditors.

Glossary

505(b)(2) NDA	Application for drug approval in the US for an improved version of an approved drug.
Amorphous	An amorphous structure is a chemical term that describes substances whose molecules lack an ordered structure.
Bioequivalence	Term used to describe whether two different drugs are processed in a similar manner by the body and are thereby expected to have a similar and equivalent medicinal effect. If it can be confirmed that two drugs being compared are bioequivalent, they can be expected to have the same efficacy and safety.
Bioavailability	(Biological availability), a concept in pharmacology that shows how large a portion of the drug reaches the blood.
FDA	Food and Drug Administration. The US food and drug authority responsible for foodstuffs, nutritional supplements, drugs, cosmetics, medical equipment, radiation-emitting equipment and blood products.
Crystalline	A crystalline structure is a chemical term that describes an ordered structure among the molecules of the substance.
PDUFA date	A target date that the US Food and Drug Administration has set for making a decision on a new drug (Prescription Drug User Fee Act).
Pilot study	An initial study conducted on a smaller scale than a pivotal study. A pilot study can be used both to check whether the arrangement of the study is a functional one, and to collect data that can later be used as control values in the full study.
Pivotal study	A study whose results can be used in an application for approval from a medical products authority.
Protein kinase inhibitor (PKI)	Drugs that block protein kinases. Protein kinase inhibitors work by blocking activity in enzymes that push the development and growth of cancer cells.
Proton-pump inhibitor (PPI)	A proton-pump inhibitor is a group of drugs whose primary effect is a clear and long-lasting decrease in the production of gastric acid.
Tyrosine kinase inhibitor (TKI)	Tyrosine kinase inhibitors are a subgroup of protein kinase inhibitors. This cancer drug group blocks growth-stimulating signals within the cells.
Variability	The scope of the distribution in the form of low and high values around the average value as regards the body's uptake of drugs.

For more information,
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