

Infant Bacterial Therapeutics AB (publ)

Interim report January 1 – March 31, 2025

First quarter (January - March) 2025

- Net sales KSEK 0 (0)
- Operating income KSEK -17 495* (-29 798)
- Earnings per share before and after dilution SEK -1.24 (-2.06)

* Operational income includes exchange rate effects on foreign currency deposits to secure future outflows during the first quarter amounting to KSEK -3,652 (5,323).

Significant events during the reporting period (January - March)

- On March 28, 2025, IBT announced that the FDA had granted IBP-9414 “Breakthrough Therapy Designation” for its potential to reduce gastrointestinal-related mortality.

Summary of selected financial data

000's	2025 Jan-Mar	2024 Jan-Mar	2024 Jan-Dec
Net Sales	-	-	-
Other income	-	5	4
Operating profit / loss	-17,495	-29,798	-145,343
Result after tax	-16,739	-27,815	-136,905
Total assets	207,916	348,878	239,566
Cash flow for the period	-27,979	-24,768	-111,120
Cash flow per share for the period (SEK)	-2.08	-1.84	-8.25
Cash	191,758	309,618	223,388
Earnings per share before and after dilution (SEK)	-1.24	-2.06	-10.16
Equity per share (SEK)	11.40	20.59	12.64
Equity ratio (%)	74%	79%	71%

Message from CEO

The US Food and Drug Administration (FDA) has granted IBP-9414 “Breakthrough Therapy Designation.” This means that the FDA and IBT will work together to bring the new drug to market as soon as possible. The FDA's Breakthrough Therapy Designation is intended to expedite the development and regulatory review of potential new drugs that are intended to treat serious conditions and address significant medical needs. The drug must have achieved preliminary clinical results that demonstrate significant improvements on a clinically significant efficacy measure compared to available drugs. For IBT, it is positive in itself that we are likely to reduce the time to a potential market approval, but in our case it means more than just a time gain. This is because “The Connection Study,” our large Phase III study in premature infants, did not show what we expected, but the results of the study nevertheless form the basis for the FDA's decision to grant “Breakthrough Therapy Designation. The study supports the hypothesis that IBP-9414 is safe and has the potential to improve intestinal maturation and thereby reduce serious consequences of intestinal damage, such as NEC and gastrointestinal mortality, in premature infants. IBP-9414 has the potential to address this unmet medical need in a vulnerable population in need of new treatment options.

IBT now has a new compass course to follow. We will now intensify our work towards the market, and IBT has hired a person who will be tasked with identifying global distribution partners for IBP-9414. In April this year, Professor Neu presented results from “The Connection Study” at the Pediatric Academic Societies' annual conference in Hawaii. Communication with healthcare providers will be further intensified. IBT will also conduct additional market research to prepare for the launch of IBP-9414. Another important area is production, and in the first quarter, analytical methods were validated with good results. The analytical methods are used to release the product when it is produced to ensure its quality. The development of additional production-related documentation is planned for 2025.

In April, we completed our clinical study report for “The Connection Study.” The FDA will receive this report in the coming days. Additional documentation will be continuously submitted as agreed with the FDA.

IBT has adequate liquidity to support the activities we are currently planning until sometime in mid 2026.

Finally, a big thank you to everyone at IBT; all the hard work has paid off. IBT's IBP-9414 product has completed Phase III and received “Breakthrough” status based on our Phase III results. These are exciting times for IBT.

Stockholm May 7, 2025

Staffan Strömberg, CEO

IBT in brief

Infant Bacterial Therapeutics AB ("IBT") is a public company domiciled in Stockholm. The company's Class B shares are since September 10, 2018, listed on Nasdaq Stockholm (IBT B).

IBT is a pharmaceutical company whose purpose is to develop and commercialize drugs for diseases affecting premature babies. During the 13 years of drug development IBT has gained unique expertise in the field of drugs using live bacteria as active substances, this is a key competitive factor for IBT's development programs.

IBT's main focus is the drug candidate IBP-9414, a formulated bacterial strain naturally found in human breast milk. IBP-9414 is expected to be the first product in a new class of biologics called 'Live Biotherapeutic Products' for premature infants. The drug development of IBP-9414 is currently in its final stages for this important product for premature infants.

The portfolio also includes additional drug candidates, IBP-1016, IBP-1118 and IBP-1122. IBP-1016, for the treatment of gastroschisis, a life-threatening and rare disorder in which children are born with externalized gastrointestinal organs. IBP-1118 to prevent retinopathy of prematurity (ROP), one of the leading causes of blindness in premature infants, and IBP-1122 to eliminate vancomycin-resistant enterococci (VRE), which cause antibiotic-resistant hospital infections. Through the development of these drugs, IBT can address medical needs where no sufficient treatments are available.

Description of IBT's development project IBP-9414

The development plan for IBP-9414 consisted of two clinical studies: safety and tolerability study and pivotal Phase III study, "The Connection Study". The safety and tolerability study was completed as planned in the fourth quarter of 2017. The subsequent pivotal Phase III study, "The Connection Study", commenced in the second half of 2019 and was completed in July 2024. The results of the study were received in Q3 2024.

The first study was a randomized, double blind, parallel-group, dose escalation placebo-controlled multicenter study to investigate the safety and tolerability of IBP-9414 in premature infants. The study was completed as planned in the fourth quarter of 2017 and showed that IBP-9414 was safe and well tolerated in preterm infants with birth weights between 500 - 2,000 grams.

The completed pivotal Phase III study aimed to prove and document the efficacy of IBP-9414 compared to placebo on the two primary endpoints of preventing NEC and improving sustained feeding tolerance (SFT) in preterm infants with a birth weight of 1,500 grams or less. This study also included a safety evaluation.

In light of the results of the study and the urgent need for effective treatment of preterm infants, IBT will continue to move the drug toward registration in 2025.

Risks and uncertainties

IBT's value is to a very large extent dependent on the success of the company's development project IBP-9414 and the granting of marketing authorization by the US Food and Drug Administration ("FDA") and/or the European Medicines Agency ("EMA"). If a marketing authorization for IBP-9414 is not granted, IBT may focus on other projects, but there is a risk that such projects will not succeed.

Financial risk management

The majority of IBT's development costs are incurred in foreign currency. If the SEK declines in value against the currency in question, it can have a significant impact on the company's position and earnings. The currencies to which IBT has the greatest exposure are USD and EUR.

The company has investments in foreign currencies and a strengthening of the SEK has a negative currency effect (see notes 1, 2 and 3). The company's equity and cash are considered sufficient for the company's operations until the application for market approval.

For further information on risks and uncertainties, please refer to IBT's Annual Report for 2024 on the company's website www.ibtherapeutics.com.

Financial calendar

Interim report January – June 2025	August 20, 2025, at 08:00 CET
Interim report January – September 2025	November 13, 2025, at 08:00 CET
Financial Statement January – December 2025	February 6, 2026, at 08:00 CET

The annual General Meeting will be held May 8, 2025, at 16:00-18:00 in Stockholm

Contact persons

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Maria Ekdahl, CFO

Contact information

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Financial development – first quarter (January - March) 2025

Amounts are reported in KSEK (SEK in thousands). Amounts in parenthesis refer to the period in the previous year unless stated otherwise.

Costs

Operational costs amounted to KSEK 13,844 (35,125) prior to exchange rate effects on foreign currency deposits and after exchange rate effects to KSEK 17,495 (29,802).

Costs related to development of IBP-9414 amounted to KSEK 6,274 (28,047) prior exchange rate effects. The lower cost for this period compared with the same period last year is due to higher activity in the clinical study last year. Personnel costs amounted to KSEK 4,864 (4,260). Other external costs amounted to KSEK 2,706 (2,819).

Costs are reported net of exchange rate effects on foreign currency deposits. Exchange rate effects during the first quarter 2025 amounted to KSEK -3,652 (5,323). (Note 1,2).

Result and financial position

Operational result amounted to KSEK -17,495 (-29,798) and result after financial items amounted to KSEK -16,739 (-27,815).

Result after tax amounted to KSEK -16,739 (-27,815)

Result per share prior to and after dilution amounted to SEK -1.24 (-2.06).

Cash flow for the period amounted to KSEK -27,979 (-24,768). Cash flow per share amounted to SEK -2.08 (-1.84).

Other

Prepaid expenses amounted to approximately KSEK 5,458 (27,897) and relates mainly to manufacturing of IBP-9414, rents, insurance and IT systems. Accrued expenses amounted to approximately MSEK 6,316 (29,625) are mainly driven by personnel, and consultant costs. The lower prepaid expenses and accrued expenses compared with the same period last year are mainly due to the completion of the clinical study.

The company's cash balance on March 31, 2025, amounted to KSEK 191,758 compared to KSEK 223,388 on December 31, 2024.

The company's shareholders equity on March 31, 2025, amounted to KSEK 153,523 compared to KSEK 170,263 on December 31, 2024. Shareholders' equity per share on March 31, 2025, amounted to SEK 11.40 compared to 12.64 on December 31, 2024.

The company's equity ratio on March 31, 2025, amounted to 74% compared to 71% on December 31, 2024.

The capital is deemed sufficient until the application for marketing authorization.

Tax position

IBT has an accumulated tax loss carryforward of approximately SEK 643 (506) million. Deferred tax receivables are reported when it is likely that future taxable income will be available against which the temporary differences may be utilized. The company has not reported any temporary tax receivables in its statement of financial position.

Macroeconomic situation

The general macroeconomic situation regarding inflation, custom charges and cost increases contributes to some uncertainty and it cannot be excluded that IBT will be affected by this in the future. So far, IBT has countered cost increases by buying USD and EUR.

Shares

On January 1, 2025, and March 31, 2025, respectively, the total number of shares amounted to 13,471,420 shares of which 453,283 class A-shares carried 10 votes and 13,018,137 class B-shares carried 1 vote.

IBT's class B shares were listed on Nasdaq Stockholm on September 10, 2018.

IBT's closing share price on March 31, 2025, amounted to SEK 48.90.

Analysts covering IBT:

SEB: Christopher W. Uhde, PhD, Carl Mellerby, Mattias Vadsten

Ownership March 31, 2025

Name	Class		Class Share capital %	Votes %
	A-shares	B-shares		
ANNWALL & ROTHSCHILD INVESTMENT AB	453,283	721,351	8.72	29.94
SIX SIS AG W8IMY		1 544,932	11.47	8.80
NORTHERN TRUST COMPANY		1 497,162	11.11	8.53
FJÄRDE AP-FONDEN		1 344,000	9.98	7.66
ÅLANDSBANKEN ABP		442,872	3.29	2.52
AVANZA PENSION		366,777	2.72	2.09
DANGOOR, DAVID		370,455	2.75	2.11
IBKR FINANCIAL SERVICES AG		326,285	2.42	1.86
P.R BANQUE PIXTET & CIE SA		311,169	2.31	1.77
NORDNET PENSIONS FÖRSÄKRING AB		247,715	1.84	1.41
Total 10 largest shareholders	453,283	7 172,718	56.61	66.69
Other Shareholder		5 845,419	43.39	33.31
Totalt	453,283	13 018,137	100	100

Source: Euroclear Sweden

NB: This is a translation of the Swedish interim report. If any discrepancies exist, the Swedish version shall prevail.

Certification

CEO hereby certifies that this report gives a true and fair presentation of the Company's operations, financial position, and result of operations, and describes material risks and uncertainties facing the Company.

Stockholm, May 7, 2025

Staffan Strömberg
CEO

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

Income statement

SEK 000	2025 Jan-Mar	2024 Jan-Mar	2024 Jan-Dec
Net Sales	-	-	-
Other income	-	5	4
Research-and development costs	-12,333	-27,892	-126,051
Administration cost	-5,162	-1,910	-19,296
Operating result	-17,495	-29,798	-145,343
Result from financial items			
Interest income and similar profit/loss item	756	1,983	8,438
Interest expense and similar profit/loss item	-	-	-
Result after financial items	-16,739	-27,815	-136,905
RESULT FOR THE PERIOD*	-16,739	-27,815	-136,905
*Result for the period equals total			
Result per share			
before and after dilution	-1.24	-2.06	-10.16
Number of shares at beginning of period*	13,471,420	13,471,420	13,471,420
Number of shares at end of period*	13,471,420	13,471,420	13,471,420
* As of January 1, 2025 and March 31 2025, the distribution of issued shares was 453,283 of class A shares with voting rights of 10 and 13 018 17 of class B shares with a voting value of 1.			

Balance sheet

SEK 000	Not	2025-03-31	2024-03-31	2024-12-31
Assets				
Non-current assets				
<i>Intangible non-current assets</i>				
Activated development costs		8,682	9,498	8,886
Shares in subsidiary		70	70	70
Total non-current assets		8,752	9,568	8,956
Current assets				
<i>Current receivables</i>				
Other receivable		1,949	1,795	3,997
Prepaid expenses and accrued income		5,458	27,897	3,224
Total current assets		7,407	29,692	7,221
Cash and cash equivalents	2,3	191,758	309,618	223,388
Total current assets		199,164	339,310	230,610
TOTAL ASSETS		207,916	348,878	239,566
Equity and Liabilities				
Equity				
<i>Restricted equity</i>				
Share capital		3,672	3,672	3,672
<i>Unrestricted equity</i>				
Share premium reserve		768,842	766,829	768,842
Accumulated losses		-602,251	-465,346	-465,346
Net loss for the year		-16,739	-27,815	-136,905
Total equity		153,523	277,339	170,263
Liabilities				
<i>Current liabilities</i>				
Accounts payable		47,671	41,364	46,993
Other current liabilities		406	550	421
Accrued expenses and prepaid income		6,316	29,625	21,890
Total current liabilities		54,393	71,539	69,303
TOTAL EQUITY AND LIABILITIES		207,916	348,878	239,566

Statement of changes in equity

SEK 000	Restricted equity	Unrestricted equity		
	Share capital	Share premium reserve	Accumulated losses inkl. loss for the period	Total equity
Opening equity on Jan 1, 2024	3,672	766,830	-465,348	305,154
Result for the period			-27,815	-27,815
Total comprehensive income			-27,815	-27,815
Closing equity on Mar 31, 2024	3,672	766,830	-493,163	277,339
Opening equity on Jan 1, 2024	3,672	766,830	-465,348	305,154
Result for the period			-136,905	-136,905
Total comprehensive income			-136,905	-136,905
Shareholder transactions				
Warrants		2,013		2,013
Closing equity on Dec 31, 2024	3,672	768,843	-602,252	170,263
Opening equity on Jan 1, 2025	3,672	768,843	-602,252	170,263
Result for the period			-16,739	-16,739
Total comprehensive income			-16,739	-16,739
Closing equity on Mar 31, 2025	3,672	768,843	-618,991	153,523

Statement of cash flow

SEK 000	2025 Jan-Mar	2024 Jan-Mar	2024 Jan-Dec
Operating activities			
Operating profit / loss	-17,495	-29,798	-145,343
Interest income received	756	1,983	8,438
Paid interest cost	-	-	-
Adjustment for non - cash flow affecting items:			
depreciation produktion process	204	204	816
Unrealized exchange rate difference in cash	-3,652	-5,323	-5,445
Cash flow from operating activities before changes in working capital	-12,884	-32,933	-141,533
Cash flow from changes in working capital			
Increase(-)/Decrease(+) in operating receivables	-186	-17,193	5,277
Increase(+)/Decrease(-) in operating liabilities	-14,910	25,359	23,123
Cash flow from operating activities	-27,979	-24,768	-113,133
Financing activities			
Warrants	-	-	2,013
Cash flow from financing activities	0	0	2,013
Cash flow for the period	-27,979	-24,768	-111,120
Value variance currency accounts	-3,652	5,323	5,445
Cash and cash equivalents at the beginning of the period	223,388	329,064	329,064
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	191,758	309,618	223,388

Note 1 Accounting principles

The interim report has been prepared in accordance with IAS 34 interim reporting, and the Annual Accounts act, Årsredovisningslagen. The company's reporting has been prepared in accordance with the Annual Accounts act, Årsredovisningslagen and as stipulated by RFR 2 Reporting for legal entities. Disclosures per IAS 34 are presented in Notes and in other sections in the interim report.

IBT has adopted the same accounting principles and calculation methods as those described in the 2024 annual report. New principles are not expected to impact the company's financial reports. New or revised IFRS standards that have come into effect in 2025 do not have any significant impact on IBT.

IBT has no transaction to report under other comprehensive income and thus presents information thereon under the income statement.

IBT has deposits in foreign currencies. The company's expenses are allocated to the functions Research and development and administration costs. The effects of changes in exchange rates are recognized in the company's financial statements at market value through the functions. (Notes 2 and 3)

Amounts are reported in KSEK (SEK in thousands). Amounts in parenthesis refer to the same period in the previous year unless stated otherwise.

Note 2 Financial instruments

Fair value of other receivables, cash, accounts payable and other liabilities are estimated to equal book value (accumulated cost) due to the short duration.

Note 3 Liquidity

The company's liquidity consists solely of cash deposits held at Swedish banks. Total liquidity on the balance sheet date on March 31, 2025 amounted to MSEK 191,8 (309,6).

Note 4 Share based incentive programs

IBT had on the balance sheet date, March 31, 2025, three outstanding warrant programs.

Warrants 2022/2025

As below and as described in the 2024 annual report

Warrant holders 2022/2025	Number allotted 2025-03-31	Number issued 2025-03-31	Number allotted 2024-12-31	Number issued 2024-12-31
Staffan Strömberg, VD	120 000	120 000	120 000	120 000
Anders Kronström, COO	75 000	75 000	75 000	75 000
Other employees	77 000	77 000	77 000	77 000
Total	272 000	272 000	272 000	272 000

Warrants 2023/2026

As below and as described in the 2024 annual report

Warrant holders 2023/2026	Number allotted 2025-03-31	Number issued 2025-03-31	Number allotted 2024-12-31	Number allotted 2024-12-31
Staffan Strömberg, VD	50 000	50 000	50 000	50 000
Anders Kronström, COO	25 000	25 000	25 000	25 000
Maria Ekdahl, CFO	25 000	25 000	25 000	25 000
Other employees	55 000	55 000	55 000	55 000
Totalt	155 000	155 000	155 000	155 000

Warrants 2024/2027

As below and as described in the 2024 annual report

Warrant holders 2024/2027	Number allotted 2025-03-31	Number issued 2025-03-31	Number allotted 2024-12-31	Number allotted 2024-12-31
Staffan Strömberg, VD	50 000	50 000	50 000	50 000
Anders Kronström, COO	25 000	25 000	25 000	25 000
Maria Ekdahl, CFO	25 000	25 000	25 000	25 000
Other employees	65 000	65 000	65 000	65 000
Total	165 000	165 000	165 000	165 000

IBT's three outstanding warrant programs in summary:

Issued Warrants, Year	Number allotted	Strikeprice	Value per allotted warrant	Volatilitet, % * %	Risk free interest, % * %	Expiry, year
2022 (2022/2025)	272 000	128,77	7	39	1,32	2025
2023 (2023/2026)	155 000	100,05	3,29	39	2,76	2026
2024 (2024/2027)	165 000	176,83	12,20	40	2,55	2027
	592 000	-	-	-	-	-

*Expected future volatility is ascertained by comparison of historical average and median values for comparable listed companies in the same sector as IBT based on analysis in S&P Capital IQ.

Note 5 Related party transactions

During the quarter, Eva Idén, through her company Better & Beyond AB, invoiced the company KSEK 14 for consulting assignments within CMC. Otherwise, there is no significant change in transactions with related parties in relation to the information provided in the annual report 2024.

Note 6 Alternative key figures

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

For definitions and other reasons, refer to the Annual Report 2024.

Deduction of certain key figures

	2025 Jan-Mar	2024 Jan-Mar	2024 Jan-Dec
Cash flow per share			
Cash flow for the period, 000's	-27,979	-24,768	-111,120
Average number of shares	13,471,420	13,471,420	13,471,420
Cash flow per share (SEK)	-2.08	-1.84	-8.25
Equity per share			
Equity, 000's	153,523	277,339	170,263
Number of shares at end of period	13,471,420	13,471,420	13,471,420
Equity per share (SEK)	11.40	20.59	12.64
Equity ratio			
Equity, 000's	153,523	277,339	170,263
Total equity and liabilities, 000's	207,916	348,878	239,566
Equity ratio %	74%	79%	71%