

Newbury Pharmaceuticals AB

Interim report September 2021 – November 2021

Quarter 1, September 2021 – November 2021

- Operating cash flow was -4 744 (-49) tkr.
- Cash position in the end of period was 7682 (51) tkr.
- Licensed products in the end of period were 25.
- Products with marketing authorization in the end of the period were 1.

Events during the quarter

- The management was strengthened with CEO Lars Minor and CFO Christoffer Tell.
- Enlargement of the portfolio with additional seven (7) oncology products; Nintedanib, Palbociclib, Pomalidomide, Nilotinib, Enzalutamide, Lenvatinib, Bosutinib.

Events after the end of the quarter

- Enlargement of the oncology portfolio with the addition of Lapatinib.
- Agreement on an exclusive license to commercialize its own brand of Teduglutide 5mg pre-filled syringe in the Nordics.

| SEK thousands | Q1 Sep 21 - Nov 21 | Q1 Sep 20 - Nov 20 | Full year Sep 20 - Aug 21 |
|-------------------------------------|-----------------------|-----------------------|------------------------------|
| Net revenue | 0 | 0 | 2 829 |
| Operating result / EBIT | -3 781 | -192 | -5 621 |
| Result before tax | -3 740 | -192 | -5 557 |
| Cash flow from operating activities | -4 744 | -49 | -4 066 |
| Cash at the end of the period | 7 682 | 51 | 13 145 |

A word from the CEO

Strong focus on building an excellent pipeline

Newbury pharmaceuticals has continued to build a portfolio of specialty medicine, advanced regulatory filings to 11 products and received the first product approval with “Icatibant Newbury” in Sweden and Norway. Preparations are taking place for launch in early 2022.



Lars Minor, CEO

Strengthening the pipeline

Successful enlargement of the portfolio with first additional seven (7) oncology products and subsequent after the period end, additionally one (1) oncology product. These 8 products strengthen the focus on oncology with a total of 11 oncology products in the pipeline. Regulatory filings will take place over the next few years, and we aim to be among the first to launch many of these medicines in Scandinavia where the current total annual market value of the oncology portfolio is estimated to be 400 MEUR according to DLMI Nordic Pharma Insights.

In December, we signed a strategic agreement for in-licensing of a treatment for short bowel syndrome in the Nordics and thereby strengthened the strategic focus on rare diseases. It is an exclusive license to commercialize our own brand of Teduglutide 5mg pre-filled syringe in the Nordics. Newbury plans to be the first-to-file and first-to-market of this highly complex peptide injectable product following patent expiry. The portfolio addition brings a unique opportunity to help more people suffering from short bowel syndrome access this innovative treatment.

Building the organization

The organization has been expanded with Lars Minor as CEO and Christoffer Tell as CFO from 1st of September 2021. The company has worked to upgrade its corporate identity including web presence.

The financial results demonstrate the focus on scaling the company for future launches and identifying new license opportunities as well as ongoing regulatory filings of our portfolio. All together we are making strong progress and are well prepared for further developing the company.

Lars Minor
CEO

ABOUT

Newbury Pharmaceuticals is building a pipeline of proprietary and licensed products with focus on specialty and branded products in the Nordics. Newbury aims to make a difference by offering treatment solutions within areas like oncology, rare diseases and neurology. The portfolio is built by leveraging experience and extensive international network. Newbury offers strategic partnerships of innovation for the benefit of the Nordic healthcare market.

ACCOUNTING PRINCIPLES

Newbury Pharmaceuticals prepares its accounts in accordance with the Annual Accounts Act and the Accounting Boards general advice 2012:1(K3). Information on accounting principles in general is provided in the Financial Statement for 2020/2021.

RISKS AND UNCERTAINTIES

Newbury Pharmaceuticals operations, financial position and earnings can be affected by a number of risks and uncertainties. These are described in the Financial Statement for 2020/2021, available on newburypharma.com/investors/.

AUDIT

This report has not been reviewed Newbury Pharmaceuticals auditor.

Lund, 21 December 2021

CEO and Board of Newbury Pharmaceuticals AB

Financial calendar

| | |
|---|-------------|
| Interim report December 2021 – February 2022 | 13 Apr 2022 |
| Interim report March 2022 – May 2022 | 6 Jul 2022 |
| Year-end report June 2022 – August 2022 | 13 Oct 2022 |
| Annual Report 2021-2022 | 14 Dec 2022 |
| Interim report September 2022 – November 2022 | 11 Jan 2023 |
| Annual General Meeting | 11 Jan 2023 |

For more information, contact

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Income Statement - Group

| SEK thousands | Q1 Sep 21 - Nov 21 | Q1 Sep 20 - Nov 20 | Full year Sep 20 - Aug 21 |
|--------------------------------|-----------------------|-----------------------|------------------------------|
| Net revenue | 0 | 0 | 2 829 |
| Other operating income | 124 | 11 | 11 |
| Cost of goods sold | 0 | 0 | -2 369 |
| Other external expenses | -1 865 | -25 | -2 810 |
| Personnel expenses | -1 623 | -178 | -2 645 |
| Depreciation and amortization | -228 | 0 | -608 |
| Other operating expenses | -189 | 0 | -29 |
| Operating result / EBIT | -3 781 | -192 | -5 621 |
| Financial net | 41 | 0 | 64 |
| Result before tax | -3 740 | -192 | -5 557 |
| Tax | 0 | 0 | 0 |
| Result for the period | -3 740 | -192 | -5 557 |

Balance Sheet - Group

| SEK thousands | 30. Nov 2021 | 30. Nov 2020 | 31. Aug 2020 |
|-------------------------------------|---------------|--------------|---------------|
| Assets | | | |
| Fixed Assets | | | |
| Intangible fixed assets | 32 239 | 0 | 27 039 |
| Total Fixed Assets | 32 239 | 0 | 27 039 |
| Current Assets | | | |
| Other receivables | 2 178 | 16 | 2 624 |
| Cash and bank balances | 7 682 | 51 | 13 145 |
| Total Current Assets | 9 860 | 67 | 15 769 |
| Total Assets | 42 099 | 67 | 42 808 |
| Equity and Liabilities | | | |
| Equity | 34 717 | -92 | 38 469 |
| Liabilities | | | |
| Long-term Liabilities | 3 468 | 0 | 0 |
| Short-term Liabilities | 3 914 | 159 | 4 339 |
| Total Liabilities | 7 382 | 159 | 4 339 |
| Total Equity and Liabilities | 42 099 | 67 | 42 808 |

Cash Flow Analysis - Group

| SEK thousands | Q1 Sep 21 - Nov 21 | Q1 Sep 20 - Nov 20 | Full year Sep 20 - Aug 21 |
|---|-----------------------|-----------------------|------------------------------|
| Cash flow from operating activities before changes in working capital | -3 524 | -192 | -4 948 |
| Cash flow from working capital | -1 220 | 143 | 882 |
| Cash flow from operating activities | -4 744 | -49 | -4 066 |
| Cash flow from investing activities | -5 428 | 0 | -26 735 |
| Cash flow from financing activities | 4 709 | 100 | 43 946 |
| Cash flow for the period | -5 463 | 51 | 13 145 |
| Cash and cash equivalents opening balance | 13 145 | 0 | 0 |
| Cash and cash equivalents closing balance | 7 682 | 51 | 13 145 |

Changes In Equity - Group

| SEK thousands | Q1 Sep 21 - Nov 21 | Q1 Sep 20 - Nov 20 | Full year Sep 20 - Aug 21 |
|-------------------------------|-----------------------|-----------------------|------------------------------|
| Opening balance | 38 469 | 100 | 100 |
| Issue (including issue costs) | 0 | 0 | 43 946 |
| Employee stock option program | 98 | 0 | 0 |
| Translation differences | -110 | 0 | -20 |
| Result for the period | -3 740 | -192 | -5 557 |
| Closing balance | 34 717 | -92 | 38 469 |

Income Statement - Parent Company

| SEK thousands | Q1 | Q1 | Full year |
|--------------------------------|-----------------|-----------------|-----------------|
| | Sep 21 - Nov 21 | Sep 20 - Nov 20 | Sep 20 - Aug 21 |
| Net revenue | 0 | 0 | 0 |
| Other operating income | 115 | 11 | 11 |
| Other external expenses | -1 577 | -25 | -2 468 |
| Personnel expenses | -1 623 | -178 | -2 645 |
| Other operating expenses | -189 | 0 | -29 |
| Operating result / EBIT | -3 274 | -192 | -5 131 |
| Financial net | 27 | 0 | -28 |
| Result before tax | -3 247 | -192 | -5 159 |
| Tax | 0 | 0 | 0 |
| Result for the period | -3 247 | -192 | -5 159 |

Balance Sheet - Parent Company

| SEK thousands | 30. Nov 2021 | 30. Nov 2020 | 31. Aug 2020 |
|-------------------------------------|---------------|--------------|---------------|
| Assets | | | |
| Fixed Assets | | | |
| Intangible fixed assets | 28 514 | 0 | 23 086 |
| Financial fixed assets | 4 000 | 0 | 4 000 |
| Total Fixed Assets | 32 514 | 0 | 27 086 |
| Current Assets | | | |
| Receivables from group companies | 2 007 | 0 | 1 992 |
| Other receivables | 1 762 | 16 | 1 115 |
| Cash and bank balances | 6 652 | 51 | 11 847 |
| Total Current Assets | 10 421 | 67 | 14 954 |
| Total Assets | 42 935 | 67 | 42 040 |
| Equity and Liabilities | | | |
| Equity | 35 738 | -92 | 38 887 |
| Liabilities | | | |
| Long-term Liabilities | 3 468 | 0 | 0 |
| Short-term Liabilities | 3 729 | 159 | 3 153 |
| Total Liabilities | 7 197 | 159 | 3 153 |
| Total Equity and Liabilities | 42 935 | 67 | 42 040 |