

The board of directors of LIDDS AB intends to propose a reduction of the company's share capital for loss coverage

GOTHENBURG, SWEDEN - The board of directors of LIDDS AB (publ) ("LIDDS" or the "Company") intends to propose that an extraordinary general meeting of the Company resolve on a reduction of the Company's share capital in order to cover incurred losses. The purpose is to restore the Company's equity in relation to the registered share capital and thereby remedy capital deficiency.

As of the date of this press release, the Company's registered share capital amounts to SEK 7,232,556. According to the interim report for the second quarter of 2025, published on 28 August 2025 and available on the Company's website, the Company's equity as of 30 June 2025 amounted to approximately SEK 2.071 million. Through the proposed reduction of share capital for loss coverage, the board intends to remedy the capital deficiency so that, after registration of the reduction, the Company has full coverage for its share capital. The reduction of share capital for loss coverage entails no repayment to shareholders and does not affect the number of shares in the Company; that is, the reduction is proposed to be carried out without cancellation of shares.

The board's proposal forms part of the effort to appropriately safeguard the values that the Company and the group control and thereby, in the long term, create the highest possible shareholder value. The Company primarily controls the following values: the NanoZolid technology platform and associated patent; the subsidiary Noviga with the drug candidate NOV202 and associated patent; the Company's listing on Nasdaq First North Growth Market; and potential value in accumulated tax loss carryforwards.

The proposal is submitted in light of the Company's obligation to hold a second control meeting within eight months of the first control meeting on 28 May 2025, at which a new balance sheet for liquidation purposes must be presented. If, at the second control meeting, the balance sheet for liquidation purposes does not show that equity amounts to at least the registered share capital, the Company is obliged to enter into liquidation.

The reduction of share capital for loss coverage is subject to a resolution at an extraordinary general meeting of the Company, which is planned to be held on 18 December 2025. A separate notice convening the extraordinary general meeting will be published by way of a separate press release.

For additional information, please contact

Mats Wiking, CEO and CFO
Phone: +46 (0)70 620 04 00
E-mail: mats.wiking@liddspharma.com

Daniel Lifveredson, Chairman of the Board
Telefon: +46 (0) 70-916 21 01
Email: d.li@excore.com

LIDDS' Certified Adviser is Redeye AB

LIDDS in brief:

LIDDS is a Swedish pharmaceutical company focused on the development of oncology drugs. LIDDS has a proprietary drug delivery technology, NanoZolid®, on which several projects are based. With NanoZolid, LIDDS can formulate drugs for local/intratumoral administration, with a maintained and controlled release and with minimal negative side-effects. In addition to these projects, LIDDS develops proprietary drug candidate NOV202 that have shown very good results in pre-clinical studies. The company is listed on Nasdaq First North Growth market.

Attachments

The board of directors of LIDDS AB intends to propose a reduction of the company's share capital for loss coverage