Xintela sharpens osteoarthritis focus with revised XSTEM development and commercialisation strategy

Xintela is refining its strategy for XSTEM in osteoarthritis, combining early commercialisation opportunities in selected countries with continued clinical development. The Company will establish a dedicated subsidiary for the osteoarthritis programme and will appoint Dr Stijn Heessen as the CEO. To support ongoing operations, the Company has entered into an interest-free secured credit facility agreement of up to SEK 10 million with its principal shareholder Flerie Invest AB.

The revised strategy builds on excellent results from XSTEM's Phase I/IIa clinical study in knee osteoarthritis supporting further evaluation of XSTEM's potential as a disease-modifying treatment. Xintela is therefore prioritising the osteoarthritis programme, with dedicated management and a structure designed to attract investment, support commercialisation and create opportunities for future licensing, partnering or a sale of the programme.

Early commercialisation in selected markets

Xintela is pursuing opportunities to introduce XSTEM in selected countries where local regulatory frameworks may permit commercialisation based on the company's existing clinical data. This approach aims to generate early revenue and additional clinical experience to support continued clinical development.
The company has selected a number of countries for its initial early market entry strategy and is targeting a first launch by the end of 2027.

Continued clinical development and partnering

XSTEM's clinical efficacy and disease-modifying potential in knee osteoarthritis is planned to be further evaluated in an investigator-initiated study in collaboration with a European clinic. This study is expected to generate supportive data including dose selection and comparison with placebo. This is important for the structuring of later stage clinical osteoarthritis studies with XSTEM and also valuable in the discussion with potential partners and buyers of Xintela's stem cell product and technology.

Dedicated subsidiary for the osteoarthritis programme

Xintela will transfer the XSTEM assets, together with the associated intellectual property and activities relating to osteoarthritis, to a newly established subsidiary. The structure is intended to facilitate programme-specific partnerships and direct investment, including from investors whose mandates do not permit investment in listed companies.

Dr Stijn Heessen will be appointed CEO of the new subsidiary, with primary responsibility for driving further fundraising and directing its commercialisation plans. He brings senior experience from many years in the pharmaceutical industry across global regulatory affairs, business development and strategy. Stijn is currently Head of Business Development at Xintela and part of the Management team.

Other portfolio programmes
For its other programmes, including difficult-to-heal wounds and the oncology programme in the subsidiary Targinta, Xintela will pursue partnerships and external funding, in line with existing strategy. Development of the equine stem cell product EQSTEM continues in collaboration with EQGen Biomedical.

Financing
Xintela intends to fund the osteoarthritis programme through a combination of strategic investors, partnership funding and potential future revenues from early commercialisation.

To support its ongoing operations, Xintela has entered into a secured credit agreement with its principal shareholder, Flerie Invest AB, for a short-term credit facility of up to SEK 10 million. The facility will bear no interest and will be available for drawdown until its maturity on 30 March 2027. It will be secured by pledges over certain of Xintela's and Targinta's assets.

Comment from Evy Lundgren-Åkerlund, CEO of Xintela: *"By placing the osteoarthritis programme into a dedicated subsidiary, XSTEM gains the management focus and financing required for growth. The shareholder credit facility offers short-term operational support while we seek partnerships and investment. Our aim is to turn the encouraging clinical results into a commercial treatment for osteoarthritis patients and to create value for Xintela and our shareholders".*

Comment from Stijn Heessen, CEO of the new subsidiary: *"My priorities are securing funding and partners and turning our strategy into a practical plan to enable initial market entry while continuing clinical development to establish XSTEM's broader potential in osteoarthritis."*

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About Xintela

Xintela (XINT) is a publicly-traded clinical-stage biopharma company developing cutting edge medical products in stem cell therapy and targeted cancer therapy. Xintela's proprietary technology uses the stem cell marker integrin α10β1 to select and quality-assure stem cells in the product XSTEM®, which has shown safety and positive efficacy in a clinical study on knee osteoarthritis and has completed a clinical study on difficult-to-heal leg ulcers. Xintela's in-house GMP-facility manufactures XSTEM and provides process development and manufacturing of other cell therapies. Xintela's wholly owned subsidiary Targinta AB develops First-in-Class therapeutic antibodies targeting integrin α10β1. TARG9, an Antibody-Drug Conjugate (ADC), and TARG10, a function blocking antibody, are in preclinical development for the treatment of aggressive, difficult-to-treat cancers including glioblastoma, triple-negative breast cancer and sarcoma. Xintela conducts its business at Medicon Village in Lund, Sweden, and is listed on Nasdaq First North Growth Market Stockholm. Xintela's Certified Adviser is Västra Hamnen Corporate Finance AB..

Attachments

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