NANOLOGICA

ANNUAL REPORT
2024

CONTENT

This report in English is a translation of the original report in Swedish. In case of any discrepancies, the report in Swedish takes precedence.

Better and cheaper medicines to a larger number of patients

Nanologica offers products and services that enable pharmaceutical manufacturers to streamline their workflows and lower their production costs.

In doing so, we aim to both create value for our shareholders and to help more patients around the world have access to adequate treatments for diabetes and obesity, for example, at an affordable price.

ABOUT NANOLOGICA

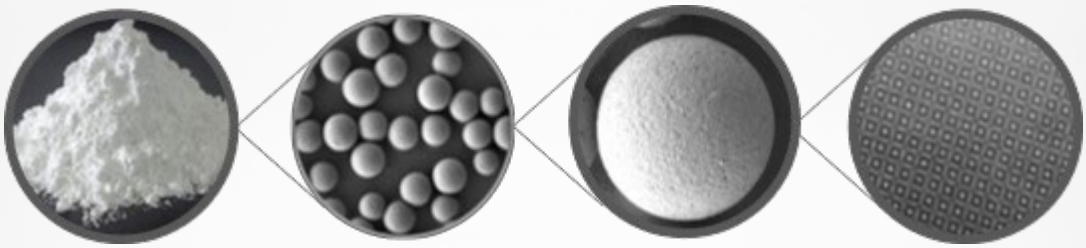
Nanologica is a Swedish life science tools company that develops, manufactures and sells advanced consumables to pharmaceutical manufacturing companies. With a foundation in materials science and nanotechnology, we have developed an expertise in chromatography. This expertise combined with our high-quality products allows us to streamline our customers' workflows and lower their costs. Nanologica's products are used to purify pharmaceuticals during production through a technique called preparative chromatography.

Our main product NLAB Saga®, which is a silica-based purification media for preparative chromatography, is specially developed for the purification of peptide drugs such as insulin and GLP-1 analogues (e.g. *Ozempic®* and *Wegovy®*). A proprietary production method allows us to precisely control the shape, size, porosity, and surface properties of silica particles, giving us the opportunity to create first-class products. Due to effective purification and a long lifetime, NLAB Saga® can increase productivity and reduce costs for pharmaceutical manufacturers.

Nanologica operates in a global niche market that is growing as a result of increased demand for peptide drugs for the treatment of diabetes and obesity. Our mission is to increase access to cost-effective medicines through our purification products and thereby contribute to more patients around the world having access to life-saving treatments for diabetes and obesity, for example.

At the head office in Södertälje, Sweden, there is development of new products, customer support in the form of application support and method development, as well as small-scale production of silica. For large-scale production, the company works together with partners. Large-scale production of silica takes place at a manufacturer in the UK and Ireland in factories with multiton-scale capacity.

Nanologica's goal is to establish a growing, sustainable and profitable business in preparative chromatography on a global market. The company's share (NICA) has been listed on Nasdaq Stockholm's main market since 2022.



Nanologica's main product, NLAB Saga®, consists of spherical silica particles in micrometer size. Silica is visible to the naked eye as a fine white powder. In scanning electron microscopes, individual particles can be seen, as well as the nanometer-sized pores of the particles. Silica acts as a purification media in the manufacture of peptide drugs such as insulin and GLP-1 analogues.

2024 IN NUMBERS

- Net sales amounted to SEK 14,538 thousand (1,443), whereof SEK 12,727 thousand consisted of sales of media for preparative chromatography, SEK 808 thousand of sales of analytical columns for chromatography and SEK 1,003 thousand of application development and other services.
- Operating loss amounted to SEK -59,255 thousand (-69,963). Operating profit was impacted by write-downs of tangible and intangible assets of SEK 10,434 thousand (14,523).
- Loss after tax amounted to SEK -65,629 thousand (-75,157).
- Earnings per share before and after dilution were SEK -1.32 (-2.08).
- Cash and cash equivalents at the end of the year amounted to SEK 48,430 thousand (10,054).
- The number of permanent employees at the end of the year was 15 (16). The number of consultants and project employees amounted to the equivalent of 4.5 full-time positions (2.5).
- The share price at the end of the year was SEK 1.82 (10.40). The number of shareholders as of December 31, 2024 was 2,511 (2,376).

Key figures for the group (TSEK if nothing else is stated)	2024	2023
Net sales	14 538	1 443
Operating profit/loss*	-59 255	-69 963
Profit/loss before income tax	-65 629	-75 157
Cash flow from operating activities	-80 734	-35 848
Cash and cash equivalents at the end of the year	48 430	10 054
Equity at the end of the year	74 112	-1 898
Average number of shares during the year	49 533 602	36 146 142
Number of shares at the end of the year	88 357 234	36 146 142
Earnings per share (before and after dilution), SEK[1]	-1,32	-2,08
Equity per share, SEK[1]*	0,84	-0,05
Equity/assets ratio, %*	52	-2
Average number of employees, translated into FTEs	15	17
Number of employees at the end of the year, translated into FTEs	16	16

** Alternative performance measures are defined in note 36.*
[1] As the group reports a negative result, the number of shares is not adjusted with dilution for issued warrants. For more information, see the consolidated equity report.

SIGNIFICANT EVENTS 2024

Q1

- In February, the first delivery of Nanologica's non-silica-based purification media for chromatography, NLAB® Siv, was made to a customer in Asia at a value of approx. SEK 4.7 million.
- A rights issue of approx. SEK 54.2 million provided the company with approx. SEK 40 million in cash after issue costs, in addition to set-off of loans of approx. SEK 6.2 million.
- The distribution agreement with the company's Chinese distributor Yunbo Technologies was renegotiated, so that Nanologica will sell silica for preparative chromatography directly to end customers in China, while the distributor handles products for analytical chromatography.

Q2

- Several large-scale batches of the company's silica-based purification media NLAB Saga® were produced and quality approved for sale.
- Åsa Bergström took over as Chief Operating Officer on May 1 and joined Nanologica's management team.
- In June, an order was received for NLAB Saga® worth approx. SEK 2 million from a pharmaceutical manufacturer in China.

Q3

- An order for NLAB Saga® worth approx. SEK 3.7 million was received in September from a returning customer in China.
- A rights issue of approx. SEK 99.4 million provided the company with approx. SEK 79 million in cash after issue costs, in addition to set-off of loans of approx. SEK 15.9 million.
- The company's first paid application development project for a pharmaceutical manufacturer in Asia was initiated. The project is a step towards offering customers a complete portfolio of effective products, tailor-made methods, as well as expertise and support in optimizing customers' workflows.
- Alexandra Blomberg Montgomery was elected to the board of directors.

Q4

- A supplementary order for NLAB Saga® worth approx. SEK 1.9 million was received in October from the customer in China who placed an order worth SEK 3.7 million in September.
- A fourth order for NLAB Saga® worth approx. SEK 1.9 million was received in December from the same customer in China. The customer uses NLAB Saga® in the production of a GLP-1 analogue.
- The rights issue resolved in August was completed during the quarter. The bridge loan of SEK 15 million, which was taken out in August, was repaid in full, through set-off in the issue and through cash payment.

2025

- *In January, the fifth order for NLAB Saga® was received from a recurring customer in China, at a value of* approx. *SEK 8.5 million. Since June 2024, the customer has placed orders for NLAB Saga® with a total value of* approx. *SEK 18 million.*
- *The end date for the loan from Flerie Invest AB has been extended to July 2, 2027 from previous July 5, 2025. The loan will be paid off in stages according to the following conditions:*
  - *SEK 5,000,000 to be amortized as of June 30, 2025*
  - *1/3 of the remaining to be amortized as of June 30, 2026*
  - *The remainder to be amortized as of June 30, 2027*

CEO COMMENT

After many years of working with various technologies and products, Nanologica has developed into a pure chromatography company with products for purification of pharmaceuticals during production, on a global market. Today we provide pharmaceutical manufacturers with products that needed to manufacture fast-growing GLP-1 analogues and insulin. With these products and our expertise in method and application development, we can streamline our customers' workflows and reduce their costs. This makes us relevant in a market characterized by both increasing volumes and an increased focus on costs.

Andreas Bhagwani, CEO

In 2024, we have taken clear steps both towards realizing our vision of contributing to more patients having access to adequate treatments, and towards becoming a company with steadily increasing sales. Thanks to the fact that we have successfully produced significantly larger volumes of silica than before, sales of our main product NLAB Saga® have started. In addition, we have sold our first non-silica-based purification media (NLAB® Siv), carried out a first comprehensive application development project on behalf of a customer, and developed another purification media (NLAB® Idun) that we will launch in 2025.

In China, we have achieved commercial advances during the year. At the beginning of the year, we set up our own dedicated team that sells NLAB Saga®, i.e. silica for preparative chromatography, directly to end customers in China after we renegotiated the agreement with our distributor. This has been very beneficial for us and the intensive work the team has done is now starting to pay off.

Our main customer is a pharmaceutical manufacturer that uses NLAB Saga® in the production of several different GLP-1 analogues. They have repeatedly placed orders, which is a clear confirmation that our product meets their needs and is competitive. This also means that NLAB Saga® is now used for the manufacturing of pharmaceuticals on an industrial scale. Our own conviction in the performance of our products has thus been translated into improved production economics for our customers.

Our view of the market in China has become increasingly positive during the year. In 2025, China will be a priority market for us where we will continue to work closely with our largest customer, and at the same time develop similar customers from using our product at lab scale to using it in large-scale production.

Our second major focus area in 2025 is to optimize the silica production process. In 2024, several improvements have been initiated, and production has become more stable. In 2025, we devote further resources to intensify this work and implement several projects with the view of increasing both production efficiency and product yield, and to further stabilize the process. This work is vital as it lays the foundation for future sales growth and thus profitability.

One of our biggest challenges is time; Partly that things take longer than we would like, and partly that it is difficult to assess when in time customers will place orders. The rights issues we carried out in 2024 made us less sensitive to these time aspects and created better conditions for us to methodically build up our sales. The rights issues also provided us with working capital to continue the silica production and strengthened our financial position so that we can win customers' trust as a long-term supplier. In this context, I would like to extend a big thank you to our shareholders for your patience and continued trust.

All in all, we have never been in a better position than now to get meaningful sales of both purification products and application services going.

I would also like to thank my employees who impressively take on the challenges we face and whose efforts have taken the company to where we are today. In 2024, we have taken the first real steps towards establishing ourselves as a recognized provider of high-quality products and services in preparative chromatography. We have proven our product quality, and we see strong market growth globally in our segment. We have also streamlined the company, which means that we can focus our work and optimize our resources.

All in all, we have never been in a better position than now to get meaningful sales of both purification products and application services going. We thus enter 2025 with high hopes for continued sales growth. I look forward to leading the company further towards our goal of building a profitable business.

Södertälje in March 2025
Andreas Bhagwani, CEO

Advanced consumables to pharmaceutical manufacturers

Global oligopoly market

Purification of insulin and GLP-1 analogues at industrial scale

High product quality and superior application support

Better and cheaper medicine to a larger number of patients

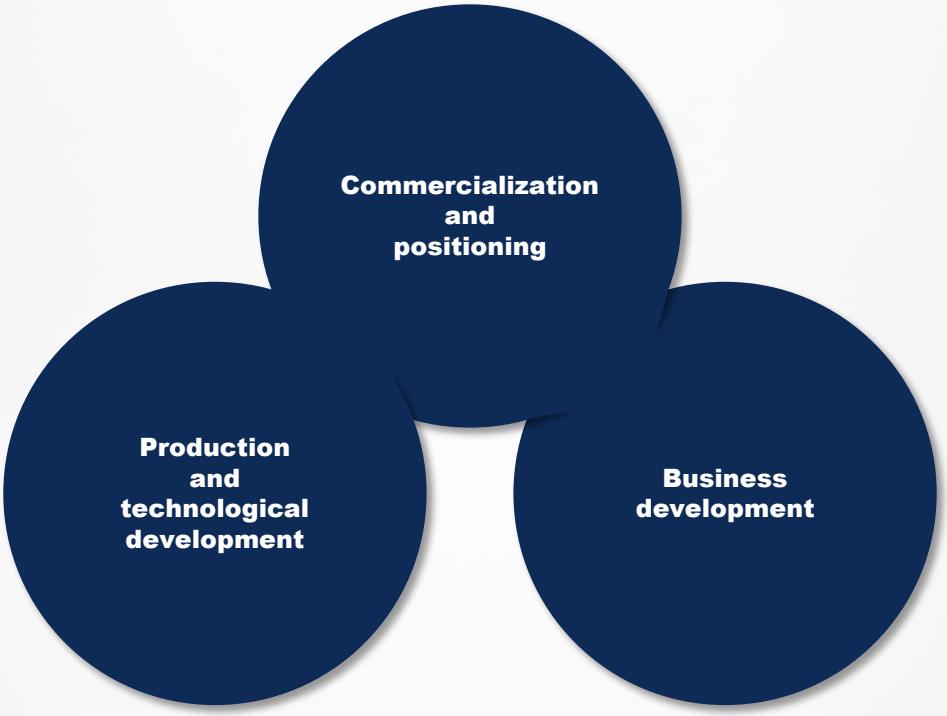
STRATEGY

Nanologica shall be a driving force in reducing the cost of manufacturing peptide drugs, in particular diabetes and obesity drugs.

Nanologica's core competence lies in developing and manufacturing porous silica particles, which the company uses to develop products and expertise in chromatography. The business is focused on *preparative* chromatography, a technique for purification of substances in pharmaceutical production. The company's strategy is to establish a fast-growing, sustainable and profitable business by providing high-performance purification media, offering customers application support and method development and developing customized products in chromatography.

As a producer of advanced inputs to pharmaceutical companies, Nanologica is well positioned to capitalize on the strong market growth that exists in drugs for the treatment of diabetes and obesity

Strategic focus areas



Production and technological development

Robust and efficient production is a prerequisite for profitability. Through process optimization and technical development, the company intends to shorten lead times, increase product yield and improve production economy. Moreover, a more efficient production will reduce the environmental impact.

Nanologica also works strategically with risk mitigation to make the company less vulnerable to possible downtime in production in the future.

Commercialization and positioning

Nanologica has several products launched on the market, of which the main product NLAB Saga® is in the beginning of its commercialization phase. Nanologica primarily targets manufacturers of insulin, GLP-1 analogues, and other peptide drugs that require a chemically and mechanically stable silica in purification processes, where NLAB Saga® has clear advantages compared to competitors. Sales are conducted directly and together with partners in all major markets; India, China, the US and Europe, with an initial focus on the markets in Asia.

By working closely with customers in the development of their processes, the strategy is to build strong references through satisfied customers and take a market position characterized by high quality, reliable delivery times and superior application support. The commercialization of the company's silica-based purification media is expected to generate significant recurring sales.

Business development

The company's main focus is on the commercialization of NLAB Saga®. However, an important part of the company's long-term growth strategy is to expand the product portfolio with additional products and services, through own development and through collaborations. This creates opportunities to offer customers additional cost-saving workflows and tie customers closer to the company, while increasing the size of the company's addressable market.

Chromatography

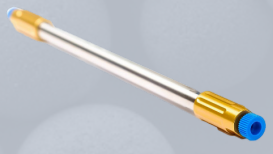
Nanologica's main focus in chromatography is HPLC (high-performance liquid chromatography) on an industrial scale. HPLC is a separation method based on different substances in a solution passing through a column at different paces.

In an HPLC system, there is a mobile phase (moving phase, liquid) and a stationary phase (solid phase, e.g. silica). The task of the mobile phase is to transport the sample to be analyzed or purified through the system, and the task of the stationary phase is to interact with the different substances in the sample. Inside the column, the substances in the mobile phase interact differently with the stationary phase. This means that the substances are slowed down more or less and migrate through the column at different paces and thus come out of the column at different times.
In this way, the substances in the sample are separated from each other, which means that for example impurities can be removed from a pharmaceutical substance.

HPLC is a well-established purification method that was introduced just over 50 years ago and is currently used in the production of many different types of pharmaceuticals.

Preparative chromatography is used as a purification process in the production of peptide drugs.

Purification media (e.g. silica) is packed in preparative columns that can hold up to hundreds of kilograms.



Analytical chromatography is used as an analysis method in the pharmaceutical and food industries, among others, to find out which substances are present in a solution and in what concentration.

For this, analytical columns containing a few grams of silica are used. Analytical chromatography is also used for evaluation of media before the customer chooses material (purification media) for preparative chromatography.

FIVE REASONS TO INVEST IN NANOLOGICA

Through chromatography products and services that enable pharmaceutical manufacturers to streamline their workflows and lower their production costs, Nanologica strives to both create value for its shareholders, and to contribute to that more patients worldwide have access to adequate treatments, at an affordable price.

1 Fast-growing addressable market	Nanologica supplies advanced consumables to pharmaceutical manufacturers in a global and growing market for purification of protein and peptide drugs, such as insulin and GLP-1 analogues. The market is not sensitive to economic cycles and growth is driven by an increased incidence of diabetes and obesity in combination with the launch of new drugs for treating these diseases.
2 Oligopoly market with lack of capacity	The market for high-quality silica for chromatography is an oligopoly market with a few producers, with only one producing the same type of high-quality silica as Nanologica. The growth in the underlying markets has resulted in a lack of capacity in the production of high-quality silica.
3 High-quality products	Nanologica's silica-based purification media is specially formulated for insulin and peptide purification and has been successfully tested by several customers. The products purify efficiently and last a long time, enabling an increased productivity and lowered production costs for pharmaceutical manufacturers.
4 Ongoing commercialization and a clear growth strategy	Commercialization of the company's products is expected to lead to a sharp increase in sales and Nanologica intends to build strong references through high product quality, reliable delivery times, and superior application support. By broadening the offering with complementary products and services to the same customer base, the addressable market will increase significantly, and customers will be tied closer to the company.
5 Medicines for more patients	By providing products and services that contribute to lower costs and more efficient production for pharmaceutical manufacturers, Nanologica can enable more people access to life-saving medicines at affordable prices.

1

Fast-growing market

MARKET TRENDS

The need for silica for preparative chromatography is driven by the amount of the active substance in a drug that needs to be produced. Both the well-established insulin manufacturing and the fast-growing peptide drug segment (which includes GLP-1 analogues and other weight-regulating drugs) must use silica-based preparative chromatography in the final stage of manufacturing to achieve the purity required for the drug.

Megatrends that positively affect Nanologica's business

- The number of patients with diabetes is increasing
- The number of patients with obesity is increasing
- Strong development of new peptide drugs
- Medicines need to become cheaper

The number of patients with diabetes is increasing

Globally, more than 535 million people are currently living with diabetes, of which 4 out of 5 live in low- or middle-income countries. The number of patients with diabetes is expected to increase to 784 million by 2045. The increase is primarily occurring in India, China, Pakistan, Bangladesh and Indonesia[1], driven mainly by an increasing and aging population, increased proportion of overweight people, changed lifestyles, and improved diagnostics.

The number of patients with diabetes requiring insulin treatment is expected to increase by approx. 45 percent by 2045.[2] The increasing prevalence of diabetes globally, especially in low- and middle-income countries, is a strong driver behind a rapidly growing demand for peptide-based drugs.

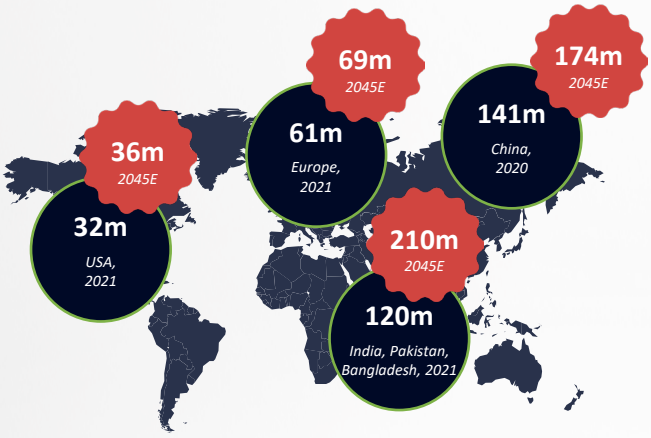
The number of patients with obesity is increasing

In 2020, the number of patients in the world with obesity (BMI[3] ≥30kg/m²) was estimated to amount to approximately 810 million and the number is expected to grow to almost 1.8 billion by 2035. The number of patients with obesity or overweight (BMI ≥25kg/m²) is expected to reach almost 3.3 billion globally by 2035. With current trends, more than 750 million children (5-19 years old) are expected to be overweight and obese by 2035.[4]

BMI ≥25kg/m² is estimated to cause more than five million deaths annually and has a major impact on both healthcare systems and society at large. The obesity epidemic is thus one of the greatest threats to global health and is also a major threat to the global economy. High BMI is projected to reduce the global economy by over USD 4 trillion by 2035, nearly 3 percent of global gross domestic product.[4]

The diabetes population is increasing

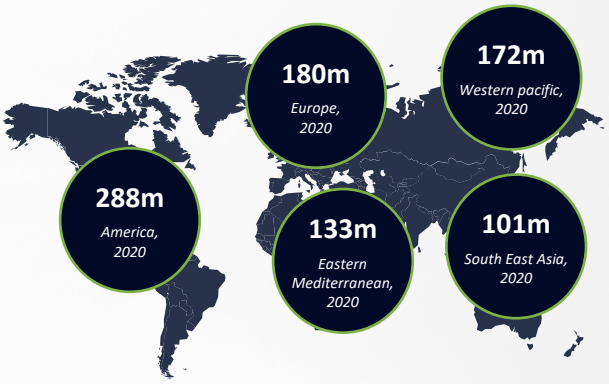
Number of patients with diabetes, milion



The number of diabetes patients in the world exceeds 500 million, many in need of insulin or similar medicines to survive.

Obesity is an ongoing epidemic

Number of adults with obesity, million



More than half of the world's population is expected to be obese by 2035 at a global cost of USD 4 trillion per year.

[1] International Diabetes Federation. IDF Diabetes Atlas, 10th edn. Brussels, Belgium: 2021. https://www.diabetesatlas.org.

[2] Keeping the 100-year-old promise: making insulin access universal. Geneva: World Health Organization; 2021

[3] Body Mass Index, a measurement for body weight in relation to a person's length.

[4] World Obesity Federation. World Obesity Atlas 2024

Development of new peptide drugs

Since the introduction of insulin for the treatment of diabetes a century ago, more than 80 peptide drugs have reached the market for a wide range of diseases including diabetes, obesity, cancer, multiple sclerosis, osteoporosis, HIV, and chronic pain. Peptide-based drugs are available in more than 400 clinical trials and there are currently more than 200 approved peptide drugs worldwide.

A large proportion of peptide drugs under development are related to obesity. Previously, there were limited treatment options for obesity. Treatment options have included lifestyle changes (diet and physical activity), moderate-effect drugs (e.g. Orlistat) and bariatric surgery (e.g. gastric bypass). A second generation of GLP-1 analogues with semaglutide and liraglutide, which were previously only used for the treatment of diabetes, has in recent years been approved for the treatment of obesity in the US and the EU, among other countries. At the end of 2023, tirzepatide, which is a dual incretin receptor agonist (GIP and GLP-1), was also approved for the treatment of obesity after earlier only being approved for the treatment of diabetes. Tirzepatide is the first drug in a third generation of incretin drugs and is the first in a series of drugs being developed where the common mechanism of action is the activation of several receptors.

Another trend is increased launches and approvals of new peptide drugs for more indications. Obesity is expected to be a strong driver of the market, but in early 2025 semaglutide was approved also for treating chronic kidney disease. Studies are also underway in indications such as cardiovascular diseases, Alzheimer's, NASH and sleep apnea. This is likely to lead to further increased use of GLP-1 analogues and similar peptide drugs.

Common to the majority of launched peptide drugs and peptide drugs under development is that they are purified through preparative chromatography during manufacturing.

Medicines need to become cheaper

Treatment of patients with insulin-dependent diabetes is mainly done with recombinant human insulin. Of patients with type 2 diabetes, just over 60 million currently need to be treated with insulin. Only about half of these are estimated to receive the insulin they need, often because of the fact that human insulin is expensive and the country's health care system does not pay for it.[6,7] While the cost of diabetes treatment in high-income countries is largely covered by the general insurance system, many patients in low- and middle-income countries have to pay themselves without the support of insurance systems.[8]

There is a lot of pressure and several government initiatives to produce peptide drugs cheaper, especially in India and China. The WHO has defined several measures to increase the availability of and reduce the price of human insulin and insulin analogues. These include a requirement for increased transparency in the pharmaceutical market, policies and regulations to prevent unreasonably high pharmaceutical prices, that healthcare actors should be forced to promote the medicines with the lowest price, and simplification of the approval process for biosimilars to get more players to enter the market.[9]

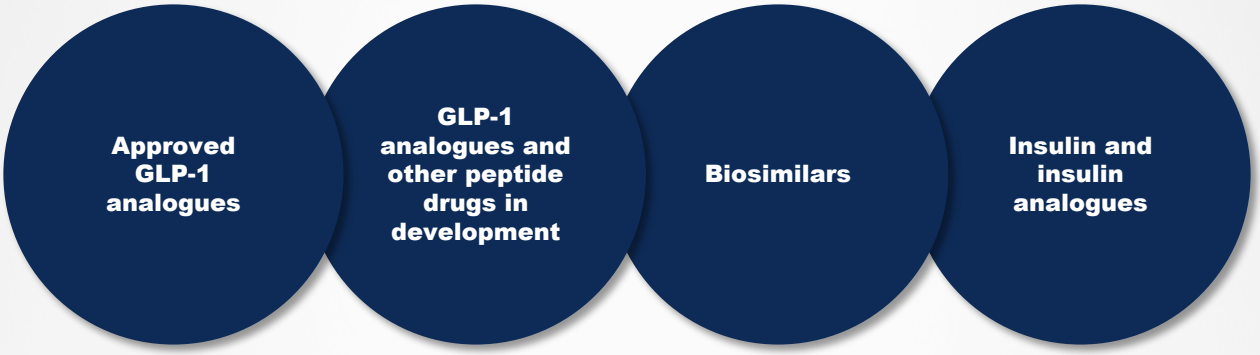
[6, 9] Keeping the 100-year-old promise: making insulin access universal. Geneva: World Health Organization; 2021.

[7] International Diabetes Federation. IDF Diabetes Atlas, 10th edn. Brussels, Belgium: 2021. https://www.diabetesatlas.org.

[8] David Beran et al. A Global perspective on the issue of access to insulin, Diabetologica, 64, 954-962, 2021.

The number of doses of drugs drives the market for silica for preparative chromatography

The market for silica media for preparative chromatography has grown steadily over the past 40 years. Nanologica estimates that the market will grow even faster over the next 20 years, driven by a need for more doses of drugs, primarily in four categories.



Approved GLP-1 analogues

The market for GLP-1 analogues is mainly dominated by Novo Nordisk and Eli Lilly. They are behind *Ozempic®*, *Wegovy®* and *Mounjaro®*, for example, and after the market launch of these drugs, demand has not been able to be met. Production capacity is being expanded, for example at subcontractors to these leading companies.

The global GLP-1 analogue market is expected to go from USD 25 billion in 2023 to USD 56 billion in 2032, corresponding to an average annual growth rate of approx. 10 percent.[10]

The total market for obesity drugs is difficult to assess as it is a new market, but is estimated to grow to as much as USD 131 billion by 2027[11].

GLP-1 analogues and other peptide drugs in development

Novo Nordisk and Eli Lilly are also leaders in the development of new GLP-1 analogues and other peptide drugs. However, there are a number of players working on drug candidates under development in different phases. Common to the majority of these is that they are molecules that will need preparative chromatography for purification during production.

Among drugs under development, there are also oral formulations of, for example, semaglutide (the active substance in for example *Ozempic®* and *Wegovy®*). An oral formulation requires a significantly higher dose of active substance than an injection formulation (more than 100 times the amount of drug), which would lead to a greatly increased need for silica as well.

[10] Eurostat, Trust for America's Health.
[11] IQVIA Forecast Link, IQVIA Institute, December 2023.

Biosimilars

A biosimilar is a biological drug that has been developed to be similar and comparable to an original biological drug and that contains a version of the same active substance as the original drug. Companies that manufacture biosimilars do not have to go through the same kind of costly research required for an original medicine, which allows them to maintain a lower, more competitive price. This also means that production volumes can quickly become very large. Authorized biosimilars may be placed on the market as soon as the market protection (the patent) of the original drug has expired.

Several patents in the field of insulin and insulin analogue have recently expired and a number of patents will expire in the coming years. The same applies to GLP-1 analogues, where, for example, the patent for semaglutide expires in China in 2026. This is driving the development of biosimilars. It is mainly countries in Asia, such as China and India, that are quick to bring biosimilars to the market and here strong growth is expected to take place. The healthcare system and the authorities in Europe and the United States have also become aware of the cost savings that can be made by replacing original drugs with biosimilars, and several initiatives are being taken to increase the prescription of biosimilars.

Nanologica believes that as more biosimilar producers enter the market, prices for these drugs will be lowered. This is likely to lead to increased volumes as well as an even stronger focus on cost savings in the production process for these drugs.

Insulin and insulin analogues

The market for insulin has had a stable growth for a long time and is expected to continue to grow in the future.[12] The global human insulin market is projected to grow from USD 27 billion in 2023 to USD 33 billion in 2028, corresponding to an average annual growth rate of approx. 4 percent.[13]

The market for silica for preparative chromatography

What drives the market for silica for preparative chromatography is not *the value* of the markets for insulin or other peptide drugs, but the *amount of drugs* manufactured. To date, there is no alternative purification method to silica-based preparative chromatography that can reach the purity required for peptide drugs, despite the fact that the method has been around for more than 40 years. This suggests that silica-based preparative chromatography will be the gold standard[14] for the foreseeable future.

Nanologica believes that an increased demand for insulin and insulin analogues, peptide drugs such as GLP-1 analogues and similar incretin drugs, as well as biosimilars will lead to a sharp increase in the market for preparative silica – a market that is already struggling with capacity problems. In particular, the demand for the type of high-quality silica produced by Nanologica is expected to increase.[15] Using a chemically and mechanically durable product such as Nanologica's NLAB Saga® can mean significant cost savings for the producer when purifying these types of drugs.

Nanologica estimates that the global market for silica-based chromatography media for the manufacture of insulin and other peptide drugs in 2024 amounted to USD 100 million. The company estimates that this market will grow to at least USD 150 million by 2030. The total chromatography market (including other purification media, hardware, and services) for customers in this segment is estimated to be at least twice as large and grow by 5-10% year-on-year.

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[12] Basu S, Yudkin JS, Kehlenbrink S, Davies JI, Wild SH, Lipska KJ, et al. Estimation of global insulin use for type 2 diabetes, 2018-30: a microsimulation analysis. Lancet Diabetes Endocrinol. 2019; January;7(1):25–33.10.1016/S2213-8587(18)30303-6PMID:30470520..

[13] Mordor Intelligence.

[14] Generally accepted as the best available method.

[15] The assessment is based on dialogues with customers, potential customers, competitors, advisore within chromatography, as well as collection of data from open sources.

2

Oligopoly market with a lack of capacity

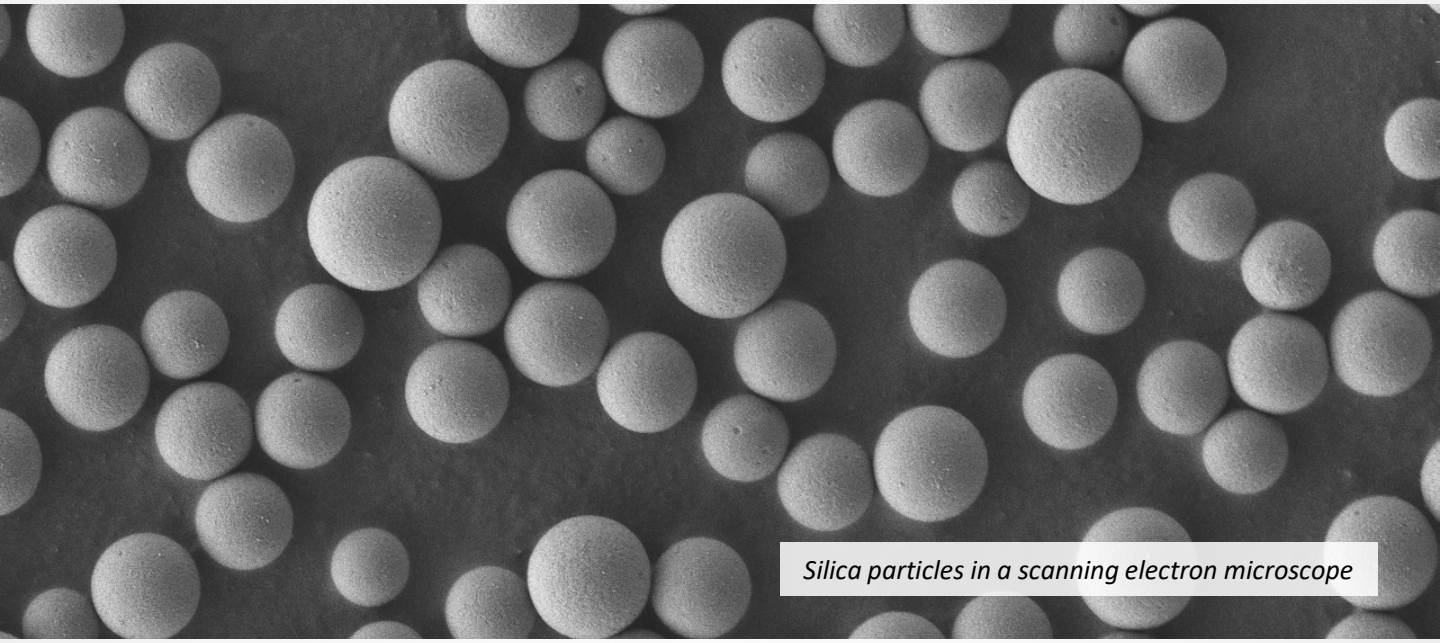
COMPETITORS

Producing high-purity spherical silica particles for preparative chromatography is a complex process, and developing and establishing large-scale production of such silica takes a long time. This means that the barriers of entry for new players are high and has led to the market for silica for preparative chromatography being considered as an oligopoly market.

There are only a handful of large-scale manufacturers of high-purity spherical silica particles in the world. Competition in silica as a purification media in the insulin and peptide area consists primarily of the product/brand Kromasil, which is currently the unchallenged market leader thanks to its silica quality. Other than Kromasil, the biggest competitors are Osaka Soda and YMC.

Recently, some new players have appeared in the Asian markets, including NanoMicro in China, which clearly indicates that there is a need for additional suppliers of silica for preparative chromatography. The quality of Nanologica's silica is on par with the market leader Kromasil, which is why the company believes that the opportunities to take substantial market shares in a growing market are good.

The expected increase in drugs that need silica for purification means that the global need for high-quality silica is expected to increase sharply. Capacity expansion has taken place among competitors, but Nanologica makes the assessment that this expansion will not be able to meet the increased demand, which means that the capacity shortage that customers are currently testifying to is expected to increase further.



Silica particles in a scanning electron microscope

3
High-quality products

PRODUCTS

Nanologica has three market-launched product families; NLAB Saga®, NLAB® Siv and SVEA®, as well as additional products under development. In addition to products, Nanologica offers services in application and method development in chromatography.

NLAB Saga®

The company's main product NLAB Saga® is used in preparative chromatography on an industrial scale and is specially developed to suit purification processes for insulin and other peptide drugs such as GLP-1 analogues. The longevity and performance of silica in preparative chromatography are largely determined by the mechanical and chemical stability of silica. Through a proprietary manufacturing process, Nanologica is one of the few suppliers in the world that has a silica that is mechanically and chemically stable enough to withstand the processes and conditions that prevail in, for example, insulin purification. This means that the purification process in many cases can be streamlined, and that the purification product lasts a long time, which results in lower production costs for customers.

NLAB Saga® has been tested and evaluated with excellent results by several customers regarding quality, performance and durability. Large-scale production of NLAB Saga® takes place at a manufacturing partner with facilities in the UK and Ireland.

NLAB® Siv

NLAB® Siv is a non-silica-based purification media used in preparative chromatography for purification of molecules other than peptides. NLAB® Siv was developed on behalf of a customer and the first products were sold in 2024. Production takes place at a partner in Europe.

SVEA®

SVEA® is Nanologica's pre-packaged columns for analytical chromatography which are used for analysis in the pharmaceutical and food industries. Analytical columns are also an important tool for evaluation of silica before the customer chooses material (purification media) for preparative chromatography. Since the start of large-scale silica production, analytical chromatography has developed into a supporting business for the company and a springboard for preparative chromatography.

Application development and similar services

Through application and method development, tailor-made methods are offered, as well as expertise and support in optimization of customers' workflows. In 2024, the company completed the first major project in application development.

Products under development

Nanologica is currently developing the purification media NLAB® Idun. Expected launch in 2025. NLAB® Idun is a non-silica-based purification media used in preparative chromatography as a complement to NLAB Saga®. Production takes place at a partner in Europe.

COMMERCIALIZATION

Nanologica primarily targets customers who need a high-quality silica with high mechanical and chemical stability. These are pharmaceutical companies or contract manufacturers of insulin and insulin analogues, GLP-1 analogues, biosimilars to insulin and GLP-1 analogues, as well as certain other peptide drugs.

The company has been working with these types of customers since 2016, and several customers have successfully evaluated Nanologica's silica in various stages. The customer starts evaluating the material in an analytical column (a few grams of silica) and gradually increase to evaluation on a full production scale (up to hundreds of kilograms). The sales cycle is normally between 3 to 18 months.

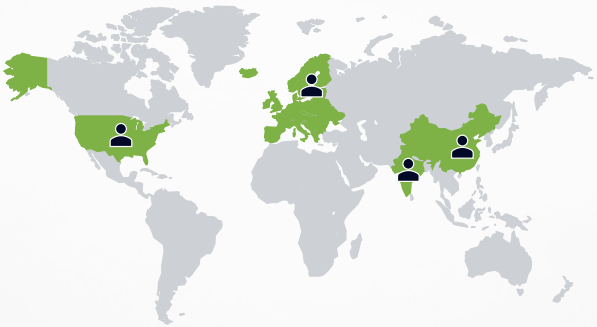
In 2024, Nanologica received several orders for NLAB Saga® from a customer in China that uses silica in its production of several GLP-1 analogues. During the year, the company's first non-silica-based purification media NLAB® Siv was also delivered to a customer in India.

Nanologica's main focus is on the commercialization of NLAB Saga®. At the same time, work continues on the development of complementary products, most notably the purification media NLAB® Idun, which is expected to be launched in 2025. The company has also completed the first comprehensive application development project for a pharmaceutical manufacturer in Asia.

In general, there is a generational shift going on globally in the field of chromatography, where a lot of knowledge and experience disappears as an older generation retires and a younger generation with limited experience takes over. By creating an application laboratory at the head office in Södertälje, Nanologica can assist with expertise in chromatography to help customers bridge this. This can add value to the customer offering, enabling stronger customer relationships.

The development of new products and services is a step towards being able to offer customers a broad portfolio of effective products, tailor-made methods, as well as expertise and support in optimizing workflows. This will increase the addressable market, which is an important part of the company's long-term growth strategy.

Nanologica has its own sales organization that covers all major markets. The organization, which includes dedicated sales representatives for India, China, the United States and Europe, is led by a Senior Vice President Chromatography.



Local representative and/or partner

5

Medicines to more patients

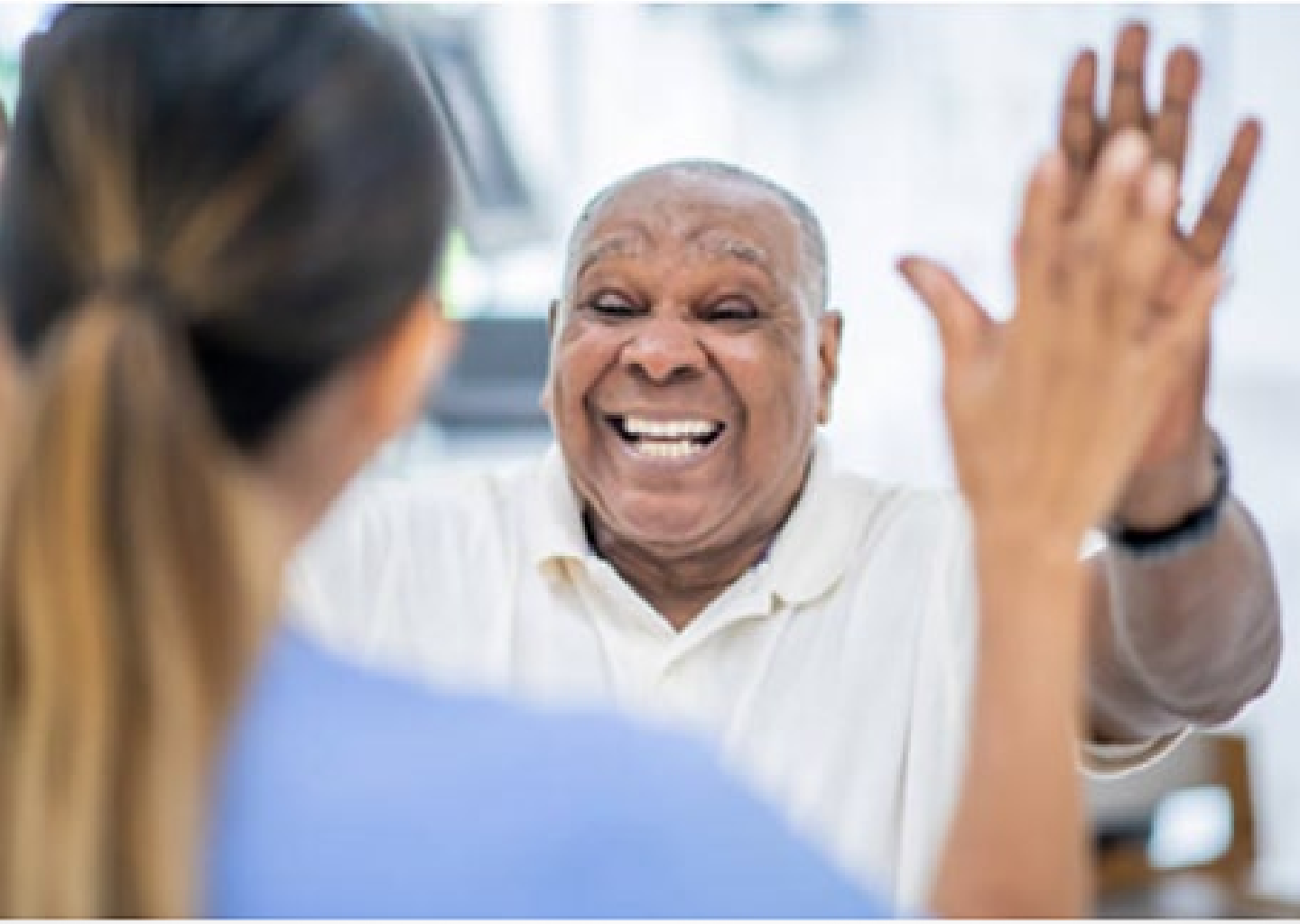
OUR WHY

The number of patients with diabetes and obesity is expected to increase sharply in the coming years and, as a result, also the need for drugs to treat these diseases. In the manufacturing of most diabetes and obesity drugs, high-quality silica is needed to purify the finished drug.

By providing products that purify effectively and last a long time, Nanologica can lower the cost of manufacturing for these drugs.

Nanologica's products for preparative chromatography can thus contribute to increased access to life-saving drugs for patients with diabetes and obesity at affordable prices.

In this way, we can contribute to a more equal and sustainable world – that is our why.



THE SHARE AND SHAREHOLDERS

Nanologica's share has been listed on Nasdaq Stockholm's main market since March 29, 2022 and is included in the Small Cap segment. Before that, the share was traded on Spotlight Stock Market, where the company was listed in 2015. The stock is traded via banks and stockbrokers under the ticker NICA. The ISIN code is SE0005454873. The number of outstanding shares at the end of the year amounted to 88,357,234.

Shareholders

On December 31, 2024, the number of shareholders was 2,511 (2,376). The largest shareholder, Flerie Invest AB, held 42.5 percent of the total number of shares, followed by Kungliga Konstakademien with 4.8 percent and CEO Andreas Bhagwani through Vega Bianca AB with 4.6 percent. In total, the ten largest shareholders' holdings amounted to 68.5 percent of the total number of shares. At the end of the year, Nanologica's board of directors, management team and employees together owned 49.6 percent of the shares.

Owners as of December 31, 2024	Shares	Share %
Flerie Invest AB	37,556,209	42.5
Konstakademien	4,258,218	4.8
Vega Bianca AB	4,034,528	4.6
Avanza Pension	2,651,862	3.0
Swedbank Robur Microcap	2,515,914	2.8
Redeye Nordic Hidden Champions Fund	2,220,000	2.5
Nordnet Pensionsförsäkring AB	2,140,847	2.4
Andre Oscar o Anna Wallenbergs stiftelse	1,835,281	2.1
CJ Hall Invest AB	1,784,746	2.0
Mikael Lönn	1,567,283	1.8
The ten largest shareholders	**60,564,888**	**68.5**
Other shareholders (2,501)	**27,792,346**	**31.5**
Total	**88,357,234**	**100.0**

** Flerie Invest AB is owned by Nanologica's board member Thomas Eldered.*
*** Vega Bianca AB is owned by Nanologica's CEO Andreas Bhagwani.*

Share capital

As of December 31, 2024, the share capital in Nanologica AB amounted to SEK 8,835,723.4 divided into 88,357,234 shares, each with a quota value of SEK 0.1. For the development of the share capital, see note 24.

In January 2025, the Swedish Companies Registration Office (*Bolagsverket*) granted permission for a reduction of the share capital in accordance with the resolution of the Extraordinary General Meeting on September 23, 2024. Therefore, at the time of publication of the annual report, the share capital amounts to SEK 4,506,218.934 and the share's quota value amounts to SEK 0.051 per share.

Share-based incentive programs

Incentive program 2023/2026 for management team and employees

Each warrant of series TO 2023/2026 entitles the holder to subscribe for one new share in the company during the period August 1, 2026 to November 30, 2026 at a subscription price of SEK 30 per share. In the program, 180,000 of the total 245,000 warrants have been subscribed. Based on the number of shares in the company as of the date of the report, the dilution effect will be a maximum of 0.2 percent if all warrants under the program are exercised.

The purpose of the incentive program is to encourage a broad shareholding among Nanologica's employees, attract and retain qualified employees, and to increase employee motivation. Share-based and share-price-based incentive programs shall, if applicable, be resolved by the Annual General Meeting.

For more information about share-based incentive programs, see note 23.

Warrants of series TO5

TO5 was issued as part of each unit in the unit issue resolved in August 2024. Each warrant of series TO5 entitles the holder to subscribe for one new share in the company during the period May 7, 2025 up to and including May 21, 2025 at a subscription price of SEK 3 per share. The warrants of series TO5 are admitted to trading on Nasdaq Stockholm under the ticker NICA TO5. Based on the number of shares in the company as of the date of the annual report, the dilution effect will be a maximum of 11.1 percent if all warrants of the TO5 series are exercised.

Share performance in 2024

At the end of 2024, the share price was SEK 1.82. The share's highest price in 2024 of SEK 10.27 was recorded on January 2 and the share's lowest price in 2024 of SEK 1.63 was recorded on November 29. During the year, the share price fell by 82.5 percent, from SEK 10.40 to SEK 1.82.

Development of the share price during 2024

Graph of the share price development: Closing price in SEK (green line) and volume in number of shares (blue bars).

Rights issues 2024

January 2024

On January 30, the board of directors resolved to carry out a fully underwritten rights issue of approx. SEK 54.2 million, which was approved by an Extraordinary General Meeting on February 22.

The subscription price was SEK 6.75 per share. The issue was subscribed to 100 percent, of which approx. 31.5 percent was subscribed to by underwriters. After issue costs, the company received approx. SEK 40 million in cash in addition to set-off of approx. SEK 6.2 million of outstanding loans from Flerie Invest AB against shares in the issue. The purpose of the rights issue was to strengthen the company's financial position and to finance investments in preparative chromatography.

Through the rights issue, the number of shares in the company increased by 8,032,476 shares to a total of 44,178,618 shares. The company's share capital did not increase as the Extraordinary General Meeting on 22 February 2024 resolved to reduce the share capital by a corresponding amount, by which the share capital would have increased through the new share issue.

August 2024

On August 29, the board of directors resolved to carry out a fully underwritten rights issue of units of approx. SEK 99.4 million, which was approved by an Extraordinary General Meeting on September 23.

Each unit in the issue consisted of four shares and one warrant of series TO5 and the subscription price was SEK 9/unit. The issue was subscribed to 100 percent, of which approx. 13.0 percent by the underwriter Flerie Invest AB. A total of 44,178,616 shares and 11,044,654 warrants of series TO5 were issued.

After issue costs, the company received approx. SEK 79 million in cash proceeds, in addition to set-off of approx. SEK 12.9 million of outstanding loans from Flerie Invest AB and SEK 3 million of outstanding bridge loans against units in the issue.

The main purpose of the rights issue was to strengthen the company's financial position and meet the need for working capital for production and sales in preparative chromatography, with the aim of creating a positive operating cash flow and achieving profitability.

Dividend

The board of directors and the CEO propose that no dividend be paid for the financial year 2024-01-01 – 2024-12-31.

Information

Important events and financial reports are published through press releases and on the company's website www.nanologica.com, where they are also kept available. Through the subscription service on the website, it is possible to subscribe to Nanologica's financial reports and press releases via e-mail. The website also contains general company information, other news, video presentations and information on corporate governance.

Nanologica's communication shall be characterized by swiftness, reliability and transparency. To be reliable, the information must be relevant and accurate, which means, among other things, that Nanologica refrains from speculating on future developments or hypothetical events, as well as commenting on rumors.

Any questions can be directed to ir@nanologica.com and will be answered as soon as possible.

Annual General Meeting

Nanologica's Annual General Meeting 2025 is planned to be held in Stockholm on Thursday, May 22, 2025. All AGM documents, including the notice, are published on the company's website. More information about the Annual General Meeting is stated in the notice.

Financial calendar 2025

Interim Report Q1 2025	April 17, 2025
Interim Report Q2 2025	July 11, 2025
Interim Report Q3 2025	October 24, 2025
Year-End Report 2025	February 6, 2026

Towards a sustainable future

Nanologica aims to contribute to more people having access to adequate medical treatments. By developing our core business and working towards our vision – better and cheaper medicines to a larger number of patients – we have the opportunity to contribute to several of the UN's global sustainability goals. When we are successful in what we do, more people can have access to medicines, while at the same time we can contribute to a more sustainable industry. Thus, we have a direct impact on both people and the environment.

With this comes a requirement for well-defined and responsible action in all the company's activities. Nanologica aims to establish a framework for the company's sustainability work over the next year, to raise sustainability higher on the company's agenda and in preparation for the new sustainability reporting directive requirements that will be introduced in the coming years. Our ambition is to maximize our positive footprint and minimize negative impact on the world around us.

To build a sustainability strategy for the business, we intend to conduct a double materiality analysis in accordance with the EU's CSRD Directive, while also linking to the UN's 17 global sustainability goals. By identifying the goals that our business can contribute to, we can actively work to create value for our customers, employees, owners, and society at large.

Over the next 20 years, the prevalence of diabetes and obesity are predicted to increase sharply, and as a result, the need for insulin and other drugs. In the manufacture of most diabetes and obesity drugs, high-quality silica is needed to purify the finished drug. By providing a silica that purifies effectively and lasts a long time, Nanologica can lower the cost of manufacturing these drugs, which can make them available to more patients in need. Nanologica's products for preparative chromatography can thus contribute to ***reducing the mortality from non-communicable diseases*** through increased access to vital drugs for patients with diabetes and obesity.

Streamlining the purification process in the manufacture of insulin and other peptide-based drugs can contribute to a reduction in the use of solvents in the production of these drugs. In this way, Nanologica's silica for preparative chromatography can contribute to a more sustainable industry, with a ***more efficient use of resources and industrial processes***.

To manufacture silica for preparative chromatography, Nanologica utilizes a production facility that ranks in the top of the EcoVadis sustainability ranking.[16] The plant has a strong focus on ***responsible management of chemicals and waste***, where, for for example, wastewater is treated at a biological treatment plant on site, hybrid waste is handled through anaerobic digestion, and solvent waste is recycled and reused.[17]

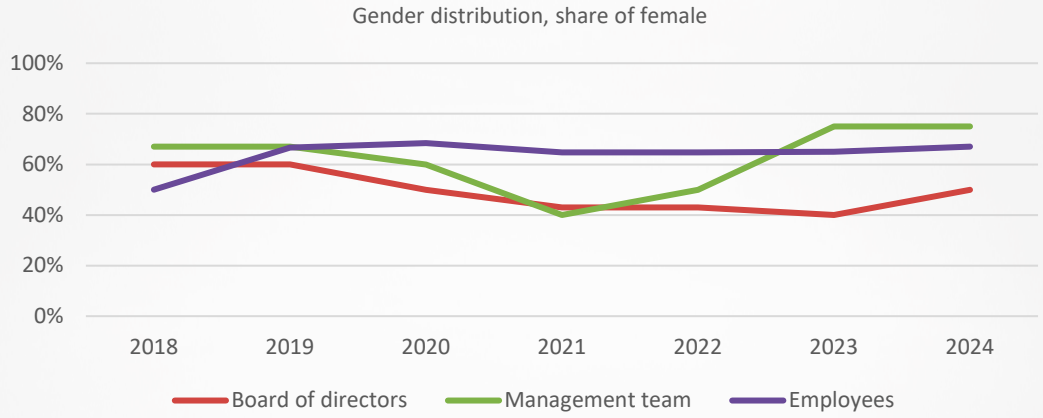
Gender equality is high on Nanologica's agenda. The company offers equal opportunities for employment, promotion, salary and other benefits for men and women, as well as equal opportunities for leadership for men and ***women at all decision-making levels***, including the management team and the board of directors. The company actively takes gender equality into account when appointing new positions and applies salaries based on experience and competence.

Policies

Nanologica has a number of policies that are directly linked to the sustainability perspective and that support the company's work in sustainability. The internal *Code of Conduct* describes ethical principles and provides instructions for how employees should act and conduct business in a responsible manner. The purpose of the Code of Conduct is to promote a well-organized, respectful and cooperative environment, as well as to combat corruption, conflicts of interest and unethical behavior. All employees annually sign that the Code of Conduct must be followed.

With the support of the *HR policy*, Nanologica works actively with diversity and equality issues, working conditions and work environment, skills development, a fair recruitment process and salary setting, as well as zero tolerance for all types of harassment and discrimination. Linked to the HR policy, there is a *whistleblower policy* and a whistleblower function with the aim of increasing security, ensuring independence, and avoiding conflict of interest situations within the company.

The company also has an *environmental policy* that works for a more efficient use of resources, more clean and environmentally friendly technologies and processes, minimizing the climate impact of travel and raising awareness of environmental issues among all employees.



Graph: The proportion of women on Nanologica's board, management team and total number of employees at the end of each year.

[16] Calculated for all companies assessed by EcoVadis in all sectors. Nanologica's contract manufacturer Sterling Pharma Solutions holds the EcoVadis Platinum´ranking (top 1 percent of the companies).

[17] https://www.sterlingpharmasolutions.com/sustainability/.

Employees

Safety and health always come first

The safety of our employees is paramount, and a safe and healthy work environment is a top priority to Nanologica. Security checks are carried out regularly in both the laboratory and office environment. Safety procedures and training are regularly reviewed for all employees.

Nanologica works continuously to promote employee health and work-life balance. The company provides wellness allowances to all employees and carries out activities with the aim of encouraging exercise, personal development, and general well-being.

Diversity and equality

Diversity is a competitive advantage and a success factor for the company, and being able to utilize different perspectives, experiences and ideas leads to a more innovative, competitive and productive organization. A multi-faceted workforce also reflects the international market in which Nanologica operates.

Equality and equal treatment are a matter of course for Nanologica. The company strives for diversity in all parts of the organization, from the board to the management team and employees.

Attractive workplace

Part of Nanologica's strategy focuses on attracting and retaining qualified employees, and as the company grows, there is a strong focus on meeting the business's future skills needs. Having the right people in the right places at the right time increases the chances of success, competitiveness and ultimately stability, long-term and profitability for the company.

The company strives to create an inclusive work environment where people are genuinely engaged in the business and feel needed and valued. We offer a clear vision, promote and encourage career development, and always strive to be inclusive. The ultimate goal is to create an attractive and creative working environment with good collaborations between people and groups so that our employees contribute to Nanologica's success at their full capacity.

Culture

Nanologica's culture is based on the company's core values: collaboration, curiosity and courage. The key to engaged and performing employees lies in a courageous organization characterized by strong security. Employees are encouraged to take initiative and responsibility, to innovative thinking, and to work together to solve challenges. The values guide the organization in what needs to be done to achieve the company's vision and are used actively in the daily work.

CORPORATE GOVERNANCE

A word from the chairman of the board

Gisela Sitbon,
styrelsens ordförande

Expansion and efficiency – driving sales forward!

In recent years, Nanologica has laid a solid foundation to be able to develop into a company with global potential in the life-science tools sector for two of the world's most widespread diseases – diabetes and obesity. These diseases affect hundreds of millions of people globally and place a significant burden on both individuals and healthcare systems. With our strength in method and application development, we provide our customers with the chromatography products necessary to produce these drugs. Our products create conditions for more efficient drug production and thus also increased access to treatment for an increasing number of patients worldwide.

During the year, we have intensified our work to streamline the production of NLAB® Saga to ensure high robustness, delivery reliability and cost-efficiency. Despite progress, work remains to further stabilize and optimize our processes. Through continued investments in production capacity coupled with careful quality management, we can better meet the increasing demand that we are now seeing for our products. This strengthens our competitiveness and positions us well for future growth in a market that is primarily driven by increasing volumes and cost focus.

Our strategy includes building a product portfolio that provides business synergies with NLAB® Saga. Our offering now includes the product NLAB® Siv, which can begin to establish itself as a central part of our product portfolio. During the year, we will also launch NLAB® Idun, a proprietary purification

media that will enable us to offer our customers products for several steps in the pharmaceutical purification process.

One of our most important markets is China, where we have seen stable sales development and a growing interest in our solutions. We have strengthened our relationships with key players to pave the way for a broader commercial launch. In India, we see that the greatest potential lies in strategic collaborations. The market is characterized by a large patient base and a growing need for effective treatment options, and this creates good conditions for our products to make a difference. In the US, we see opportunities to create business relationships with key customers. We work to establish a presence and ensure that our solutions reach the players who can benefit most from them.

With a growing global demand for our products, an increasingly efficient production and a promising sales development in key markets, we are ready to take the next step. We will continue to push forward, push boundaries, and ensure that our products contribute to making medicines reach the patients who really need them. Success is built on passion, knowledge, and hard work – and that is exactly what our amazing team at Nanologica has. We enter the future with a strong belief that our products have the potential to improve the treatment landscape for diabetes and obesity.

Uppsala in March 2025
Gisela Sitbon, chairman of the board

Corporate governance model

Nanologica AB, corporate identity number 556664–5023, is a Swedish limited liability company with head office in Södertälje, Sweden. Since March 29, 2022, the company is listed on Nasdaq Stockholm Main Market (Nasdaq) and belongs to the Small Cap segment. The company has previously been listed on Spotlight Stock Market since October 30, 2015.

Corporate governance in Nanologica is in accordance with Swedish law, rules and regulations for Nasdaq, the Swedish Code of Corporate Governance (the Code), as well as internal instructions and guidelines. Corporate governance is divided into external and internal governance documents.

External governance documents

The external governance documents constitute the framework for corporate governance. These include the Swedish Companies Act, the Swedish Annual Accounts Act, the Nasdaq Main Market Rules, and the Code.

Nanologica reports the following deviation from the Code:

- The basis for the decision for the company's ongoing option program 2023/2026 differs in one respect from what according to the Swedish Corporate Governance Board's rules regarding remuneration to senior executives and on incentive programs ('The Remuneration Rules') is to be considered as good practice on the stock market. The vesting period for the option program 2023/2026 (in this context the period from the acquisition of the option until a share may be acquired under the option) is less than the Remuneration Rules' general rule of three years.

  The decision-making basis does not contain any specific justification for why the vesting period is less than three years, which is not compatible with the Remuneration Rules. In order for the design of the program to nevertheless be compatible with the Remuneration Rules, Nanologica has ensured that all option holders in the option program in connection with the conclusion of the transfer document have undertaken to the company not to exercise the options for subscription of shares until 1 August 2026 at the earliest. This contractual commitment thus means that the options can only be exercised by option holders at the end of the option program's vesting period.

No other deviations from the Code occurred during the year.

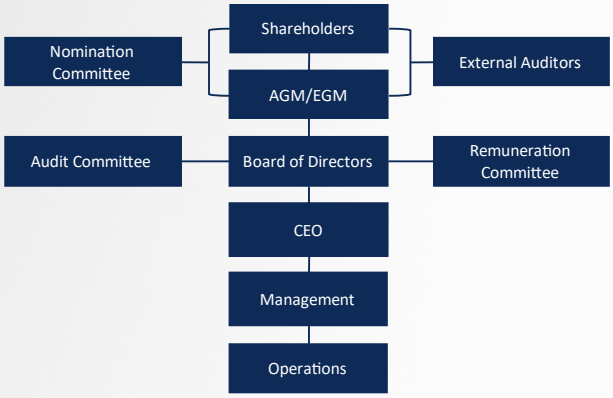
The company was not subject to any decision of the Nasdaq disciplinary board or any statement by the Swedish Securities Council during 2024.

Internal governance documents

The internal governing documents consist primarily of the Articles of Association, internal instructions, policies and guidelines. Examples of internal instructions and guidelines include the board of director's rules of procedure, formal work plans for the committees, and instructions to the CEO. In addition, there are a number of policy documents and manuals that contain internal rules, recommendations and principles, which provide the company and its employees with guidance within the framework of the company's operations.

Nanologica strives to maintain a high standard through clarity and simplicity in its management system and governing documents. In the company's governance model, shareholders are the ultimate decision-makers with regard to the group's governance through the election of the board of directors at the Annual General Meeting. The board of directors is in turn responsible for ensuring that corporate governance complies with applicable legislation and other external and internal governing documents.

Governance, management, and control of Nanologica is divided between the shareholders through the Annual General Meeting, the board of directors, the CEO and the auditors in accordance with the Swedish Companies Act and the Articles of Association. Increased transparency provides good insight into the company's operations, which contributes to effective governance.



Distribution of governance, management, and control of Nanologica.

Shareholders

On December 31, 2024, Nanologica's share capital amounted to SEK 8,835,723.4 and the number of shares to 88,357,234 with a quota value of SEK 0.1 per share. There is one class of shares and all shares have equal voting rights as well as a share in the company's assets and earnings. The share register is maintained electronically by Euroclear Sweden AB. According to this, the number of shareholders at year-end was 2,511 (2,376) and the ten largest shareholders together owned 68.5 percent of the total number of shares. As of December 31, 2024, Flerie Invest AB owned more than thirty percent of the shares in the company.

There are no restrictions on the transfer of shares or restrictions on voting at general meetings. As far as the company is aware, there are no agreements between owners that limit the transferability of shares.

For more information about Nanologica's share, see the section on the share and owners on pages 23–26, or visit www.nanologica.com.

Annual General Meeting

The shareholders' influence is exercised at the general meeting, which is the company's highest decision-making body. Any shareholder who is entered in the share register maintained by Euroclear Sweden AB on the record date of the annual general meeting and who gives notice of attendance in accordance with what is stated in the notice has the right to participate, in person or through an authorized proxy. The annual general meeting may decide on all matters relating to the company that do not fall under the exclusive competence of another corporate body according to the Swedish Companies Act or the Articles of Association. The AGM may, for example, resolve on an increase or decrease in the share capital, amendments to the articles of association, and that the company shall enter into liquidation. With regard to new issues of shares, convertibles or warrants, the annual general meeting has, in addition to the possibility to decide on this, the opportunity to authorize the board of directors to make issue resolutions.

Each shareholder, regardless of the size of the shareholding, has the right to have a specified matter dealt with at a general meeting. Shareholders who wish to exercise this right must submit a written request to the board of directors. Such a request shall normally be received by the board of directors in such time that the matter can be addressed in the notice of the general meeting.

The annual general meeting is held annually within six months of the end of the financial year. The Code stipulates that the chairman of the board of directors, together with the quorum of the board of directors and the CEO, shall attend the annual general meeting. The chairman of the meeting shall be nominated by the nomination committee and elected by the meeting. The tasks of the annual general meeting include electing the company's board of directors and auditors, adopting the balance sheet and income statement, deciding on the appropriation of profit or loss in accordance with the adopted.

An extraordinary general meeting may be convened by the board of directors when the board of directors deems that there is reason to hold a general meeting before the next annual general meeting. The board of directors shall also convene an extraordinary general meeting when the company's auditor or a shareholder holding more than ten percent of the shares requests in writing that a general meeting be held to deal with a specific matter.

According to the articles of association, notice of the annual general meeting shall be given by means of an announcement in the Swedish Official Gazette and by making the notice available on the company's website. Information that a notice has been issued shall be announced in Svenska Dagbladet. Notice of the annual general meeting and extraordinary general meeting shall be given in accordance with the rules set out in the Swedish Companies Act. Shareholders who wish to participate in the negotiations at the annual general meeting must, in addition to the conditions for participation set out in the Swedish Companies Act, also notify the company of their intention to attend the meeting no later than the date stated in the notice of the meeting. The latter day may not be Sunday, another public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and may not fall earlier than the fifth weekday before the meeting.

Annual General Meeting 2024

The 2024 annual general meeting was held on 16 May 2024. At the annual general meeting, 50.7 percent of the total votes were represented. Mårten Steen was elected chairman of the meeting. At the meeting, the following decisions were made:

- Adoption of the income statement and balance sheet for the company and the group for the financial year 2023, as well as resolution on distribution of loss
- Discharge from liability for the members of the board of directors and the CEO for the financial year 2023
- Re-election of board members Gisela Sitbon (chairman), Mattias Bengtsson, Thomas Eldered, Anders Rabbe and Lena Torlegård
- Re-election of BDO as auditors, with Niclas Nordström as auditor-in-charge
- Determination of fees to the board of directors and auditors
- Adoption of principles for the appointment of members of the nomination committee and instructions for the 2025 Annual General Meeting
- Resolution on approval of the remuneration report for the financial year 2023
- Authorization to issue shares with a maximum of twenty (20) percent of the total share capital in the company prior to completion of the issue
- Resolution on adoption of new Articles of Association
- Resolution on reduction of share capital

Complete minutes and information from the AGM are available on nanologica.com/general-meetings.

Extraordinary General Meeting February 22, 2024

At an extraordinary general meeting on 22 February 2024, it was resolved, in accordance with the board of directors' proposal, to issue a maximum of 8,032,476 new shares with preferential rights for existing shareholders, and to reduce the company's share capital by a maximum of SEK 3,293,538.358523 for allocation to non-restricted equity. The share capital shall be reduced by an amount in SEK corresponding to the amount by which the share capital increases through the rights issue and the reduction shall be carried out without cancellation of shares.

Furthermore, the board of directors was authorized to, on one or more occasions during the period until the next annual general meeting, with deviation from the shareholders' preferential rights, resolve on a new issue of not more than 1,481,481 shares in order to be able to accommodate a possible oversubscription in the rights issue and to take advantage of the opportunity to provide the company with additional capital in a time and cost-effective manner and/or to expand the ownership group with one or more owners of strategic importance to the company.

Extraordinary General Meeting September 23, 2024

At an extraordinary general meeting held on 23 September 2024, it was resolved, in accordance with the board of directors' proposal, on a new issue of a maximum of 11,044,654 units with preferential rights for existing shareholders, where each unit consisted of four shares and one warrant of series TO5. Furthermore, the board of directors

was authorized to, on one or more occasions during the period until the next annual general meeting, with deviation from the shareholders' preferential rights, resolve on a new issue of not more than 2,222,222 units in order to be able to meet a possible oversubscription in the rights issue and to take advantage of the opportunity to provide the company with additional capital in a time and cost-effective manner and/or to expand the ownership group with one or more owners of strategic importance to the company.

It was also resolved to reduce the company's share capital by a maximum of SEK 4,417,861.60 for allocation to non-restricted equity. The share capital shall be reduced by an amount in SEK corresponding to the amount by which the share capital increases through the rights issue and the reduction shall be carried out without cancellation of shares.

The AGM also resolved to increase the board of directors from five to six members and to elect Alexandra Blomberg Montgomery as a new member of the board of directors for the period until the end of the next AGM.

Annual General Meeting 2025

The 2025 annual general meeting is planned to be held in Stockholm on May 22. Notice of the meeting will be published on the company's website www.nanologica.com where the minutes from the annual general meeting will also be published after the meeting.

Nomination committee

The nomination committee for the 2025 annual general meeting has been appointed in accordance with the Code and the principles adopted by the 2024 annual general meeting regarding the nomination committee. As a result of changes in ownership in the company after the rights issue that ended on September 30, 2024, Vega Bianca AB, which after the rights issue was the company's third largest shareholder, has also been offered a seat on the nomination committee, while the second largest owner as of September 30, 2024, Swedbank Robur Microcap, declined to use its seat. The nomination committee for Nanologica AB's annual general meeting 2025 thus consists of the following three members:

- Carl-Johan Spak (Flerie Invest AB)
- Niklas Sjöblom (Konstakademiens stiftelser)
- Kalle Olby (Vega Bianca AB)

The nomination committee together represents 48.5 percent of the voting rights of all voting shares in Nanologica AB as of September 30, 2024.

The nomination committee's task is to prepare and present proposals for the election of the chairman of the board and other board members, board fees and fees for committee work, election of auditors (if applicable) and auditors' fees (if applicable), as well as proposals for principles that shall apply to the composition and work of the nomination committee for the next annual general meeting. The proposals will be published no later than in connection with the notice of the 2025 annual general meeting.

The nomination committee shall, when preparing proposals for matters for the annual general meeting, comply with the provisions of the Code. When preparing the proposal regarding the election of Board members and chairman of the board, the nomination committee shall apply item 4.1 of the Code as a diversity policy. The nomination committee shall, in connection with its assignment, otherwise perform the tasks that are incumbent on the nomination committee according to the Code.

The nomination committee shall meet as often as necessary for the nomination committee to be able to fulfil its tasks, but at least once a year. No remuneration shall be paid to the members for their work in the nomination committee.

External auditors

The external audit of the parent company's and the group's financial statements, as well as the management work of the board of directors and the CEO, is carried out in accordance with generally accepted accounting principles in

Sweden. The auditor participates in at least one Board meeting per year and leads a discussion with the Board without the presence of the CEO or any other senior executive.

The auditor's reporting to the owners takes place at the Annual General Meeting through the auditor's report. The auditor's report shall contain an opinion on whether the annual report has been prepared in accordance with applicable law on annual accounts. In particular, the statement shall state whether the annual report gives a true and fair view of the company's results and position and whether the board of directors' report is consistent with the other parts of the annual report. The auditor shall also report whether a member of the board of directors or the Chief Executive Officer has taken any action or been guilty of any negligence that may give rise to liability for compensation.

According to Nanologica's Articles of Association, the company must have an authorized public accountant or a registered auditing firm as an external auditor. As of the 2020 annual general meeting, the auditing firm BDO Mälardalen AB has been the auditor with the authorized public accountant Niclas Nordström as the auditor in charge. For information on fees to the auditors, see note 6.

The board of directors

The tasks of the board of directors

The board of directors is the company's second highest decision-making body after the annual general meeting. The board of directors bears the ultimate responsibility for the organization and management of the company's operations, which shall be conducted in the interests of the company and all shareholders. Some of the board's main tasks are to manage strategic issues regarding the operations, financing, establishments, growth, earnings, and financial position, and to continuously evaluate the company's financial situation. The board of directors shall also ensure that there are effective systems for monitoring and controlling the operations and ensure that the company's provision of information is characterized by transparency and contains accurate, relevant and reliable information.

Composition of the board of directors

According to the articles of association, the board of directors shall consist of at least three and not more than nine members with a maximum of three deputies. The current board of directors consists of seven members without deputies. The members are normally elected annually at the annual general meeting for the period until the end of the next annual general meeting.

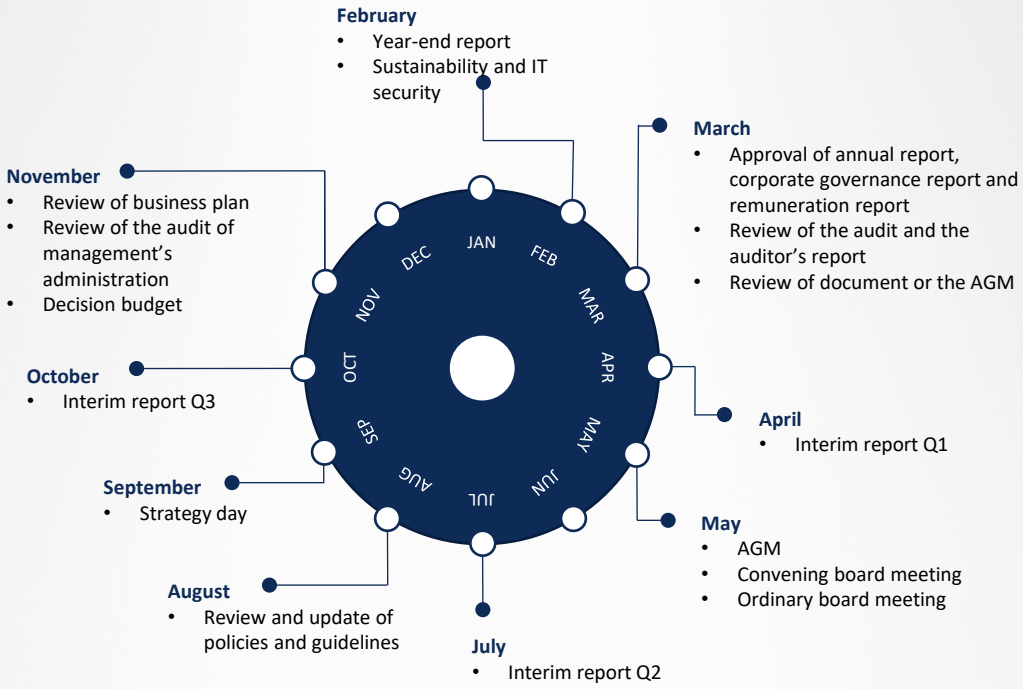
Chairman of the board

The chairman's main tasks are to lead the board's work and to ensure that this work is carried out efficiently and that the board fulfills its obligations and commitments. In its role, the chairman of the board shall, among other things, create the best possible conditions for the board's work and ensure that the board receives satisfactory information and decision support for its work. The chairman of the board shall also be responsible for contacts with shareholders in ownership matters and for conveying the views of the owners to the board of directors.

Working methods of the board of directors

The board of directors follows written rules of procedure that are reviewed annually and adopted at the inaugural board meeting held in connection with the annual general meeting. The rules of procedure regulate, among other things, the board's working methods, duties and meeting arrangements, the duties of the chairman of the board, the order of decision-making within the company, and the division of duties between the board of directors and the CEO. Instructions for the CEO, certification instructions and instructions for financial reporting are also determined in connection with the inaugural board meeting.

The board of directors meet according to an annual schedule and on an annual cycle established by the board of directors at the inaugural board meeting in connection with the annual general meeting. If necessary, extraordinary decisions are made through extraordinary board meetings, such as any decisions on acquisitions or divestments, investment decisions, financing decisions and decisions on structural or organizational issues. CEO Andreas Bhagwani and CFO Eva Osterman are



present at all board meetings, except on occasions when the board of directors has an individual reconciliation, when the CEO is evaluated by the board of directors, or when the board meets with the company's auditor without the presence of the company's management. Eva Osterman serves as secretary of the board. Other senior executives participate in connection with specific issues.

Board of directors 2024

In 2024, Nanologica's board of directors consisted of: Gisela Sitbon (chairman), Mattias Bengtsson, Thomas Eldered, Anders Rabbe and Lena Torlegård. At the extraordinary general meeting on September 23, 2024, Alexandra Blomberg Montgomery was also elected to the board of directors. For more information about the board, see pages 39–40 or visit www.nanologica.com.

The work of the board of directors 2024

The board has a number of scheduled meetings during the year with standing decision items as well as specific decisions for each meeting, which are summarized in the image above. In addition, there may be meetings for other matters that arise.

In 2024, the board held 6 ordinary board meetings. The board of directors also made decisions per capsulam on 13 occasions to approve the interim report, as well as for administrative decisions regarding share issues. Attendance, remuneration and independence of the board members are shown below:

			Independent in relation to		Remuneration [1]				Attendance [2]		
Board member	Position	Instated	Company and management	Large shareholders	Fee	Audit committee	Remuneration committee	Totalt	Board meetings	Audit committee	Remuneration committee
Gisela Sitbon	Ordförande	2012	Yes	Yes	307 500	-	25 000	332 500	6/6	-	3/3
Mattias Bengtsson	Styrelseledamot	2019	Yes	Yes	180 000	0	15 000	195 000	6/6	-	3/3
Lena Torlegård	Styrelseledamot	2014	Yes	Yes	180 000	50 000	-	230 000	6/6	5/5	-
Anders Rabbe	Styrelseledamot	2020	Yes	Yes	180 000	30 000	-	210 000	6/6	5/5	-
Thomas Eldered	Styrelseledamot	2021	Yes	No	180 000	30 000	-	210 000	5/6	5/5	-
Alexandra Blomberg Montgomery	Styrelseledamot	2024	Yes	Yes	34 688	-	-	34 688	1/1	-	-

1) Fees resolved by the Annual General Meeting on 4 May 2023 (period Jan-May 2024) and 16 May 2024 (period Jun-Dec 2024

2) Total number of appointments, excluding per capsulam appointments. Attended vs. total number of meetings.

Evaluation of the board's work

According to the Code, the board of directors shall evaluate its work annually using a systematic and structured process in order to develop the board's working methods and efficiency. The board's work has been evaluated by the board members anonymously answering a number of questions about the board's operations.

The results of the evaluation have been compiled and reported both orally and in writing (anonymized) to the board members and to the nomination committee.

Board committees

Nanologica's board of directors has two committees – an audit committee and a remuneration committee – which are described in more detail below. Minutes are kept at all committee meetings and the minutes are reported in connection with board meetings.

Audit committee

The audit committee is appointed by the board of directors and in 2024 consisted of Lena Torlegård (Chairman), Thomas Eldered and Anders Rabbe. The audit committee's primary task is to support the board in its work to fulfil its responsibility for financial reporting, including accounting, internal control, internal audits and risk management.

The audit committee is also in regular contact with the company's auditor and stays informed and active in decisions relating to financial issues, risks, interim reports and annual reports, as well as internal control. The audit committee is responsible for reviewing and evaluating the auditor's work and shall assist in the preparation of proposals for the annual general meeting's resolution on the election of auditors. The chairman of the audit committee shall report on what has been discussed during the committee's meetings at board meetings.

Remuneration committee

The remuneration committee is appointed by the board of directors and in 2024 consisted of Gisela Sitbon (Chairman), and Mattias Bengtsson. The remuneration committee's primary task is to prepare the board's decisions on matters relating to remuneration principles, including the preparation of proposals for the annual general meeting's resolution on remuneration to the CEO, principles for remuneration and other terms of employment for the management team, as well as follow-up and evaluation of variable remuneration and long-term incentive programs.

CEO and management

The CEO is appointed by the board of directors and is responsible for the day-to-day management in accordance with the board's guidelines and instructions. The CEO is responsible for keeping the board of directors informed about the company's development and for reporting material deviations from established business plans and events that have a major impact on the company's development or operations. The CEO is also responsible for producing relevant decision-making documents for the board of directors, for example regarding establishments, investments, and other strategic issues. The CEO attends and reports at all board meetings, except on occasions when the CEO is evaluated by the board of directors and when the board of directors meets with the company's auditor without the presence of the company's management. The CEO, Andreas Bhagwani, appoints the other members of the executive management.

At the end of the year, the company's management consisted of Andreas Bhagwani (Chief Executive Officer), Eva Osterman (Chief Financial Officer), Åsa Bergström (Chief Operating Officer) and Katarina Alenäs (SVP Chromatography). For more information on the management team, see pages 41–42.

Guidelines for remuneration to the CEO and other senior executives were adopted by the 2023 annual general meeting and remain in force until further notice. These are described in note 7. The application of these guidelines is described in the remuneration report for 2024, which is published on the company's website.

THE BOARD OF DIRECTORS

Gisela Sitbon (1958)
Board member since 2012, Chairman since 2014

Education: PhD in Medical Sciences from Karolinska Institute in Solna

Main experience: Gisela Sitbon has over 25 years of experience from the life science industry, of which more than ten years in senior positions (including CEO) at Professional Genetics Laboratory AB and five years as section manager at Karo Bio AB.

Other assignments: Chairman of the board of Gradientech AB, Emplicure AB, Emplicure Consumer AB och Emplicure Pharma AB. Board member of Uppsala universitet Invest AB, Thioredoxin Systems AB and Sitbon Bioscience Partner Zenz AB.

Total shareholdings (own and related parties): 360,002 shares privately and through the company Sitbon Bioscience Partner Zenz AB.

Independence to the company and the company's management: Yes

Independence to the main owners: Yes

Mattias Bengtsson (1969)
Board member since 2019

Education: Master of Science in Chemical Engineering at Chalmers University of Technology, MBA from the School of Business, Economics and Law in Gothenburg

Main experience: Mattias Bengtsson has more than 20 years of experience from the chemical and life science industry. He has held senior positions within AkzoNobel, more specifically in industrial purification of pharmaceuticals, for example as General Manager Kromasil and Fine Chemicals, Global Sales and Marketing Manager, Manufacturing Manager and Product Category Manager. In addition, Mattias has held several positions in process chemistry at AstraZeneca in Södertälje, and has been the CEO of Biolin Scientific AB.

Other assignments: Business Unit Manager BioMedical & Research AddLife AB. Chairman of the board of Bergman Labora AB, LabRobot Products AB, Biolin Scientific AB and BioNordika (Sweden) AB. Board member of LabVent Control AS, BioNordika AS, Holm&Halby AS, BioCat GmbH, BioConnect and EuroClone Spa.

Total shareholdings (own and related parties): 470,444 shares.

Independence to the company and the company's management: Yes

Independence to the main owners: Yes

Alexandra Blomberg Montgomery (1967)
Board member since 2024

Education: Bachelor's degree from Stockholm University and diploma from Berghs School of Communication

Main experience: Alexandra Blomberg Montgomery has extensive experience in advising companies operating in many sectors through her years as a partner at KREAB, where she has held several senior positions, including in international business development. Furthermore, Alexandra has experience of medical research from a board perspective, for example as a board member of the Ragnar Söderberg Foundation. Alexandra works primarily with investments in both listed and unlisted environments.

Other assignments: CEO and board member of MONTBERG Invest AB. Chairman of the board of Kronprinsessan Lovisas stiftelse för barnasjukvård, Axel Tielmans minnesfond och de Wallenbergska familjestiftelserna. Styrelseledamot i Turbotic AB.

Total shareholdings (own and related parties): 4,577,381 shares privately and through foundations.

Independence to the company and the company's management: Yes

Independence to the main owners: Yes

Thomas Eldered (1960)
Board member since 2021

Education: Master of Science in Industrial Economics, Linköping University of Technology

Main experience: Thomas Eldered is co-founder of Recipharm AB where he also worked as CEO between 2008–2021. Prior to that, Thomas was Vice President of Recip AB and Factory Manager for Pharmacia. Thomas has also held various assignments as chairman of the board, board member or deputy board member in companies primarily in the life science sector.

Other assignments: Chairman of the board of Flerie AB, North X Biologics AB, Prokarium Ltd and Amarna Therapeutics BV. Board member of Chromafora AB, Bohus Biotech AB, Kahr Medical Ltd, T&M Förvaltning AB, Cordivest AB, Pingvinen Penningplacering AB, Xintela AB (publ), Toleranzia AB (publ) and T&M Participation AB.

Total shareholding (own and related parties): 37,556,209 shares through Flerie Invest AB.

Independence to the company and the company's management: Yes

Independence to the main owners: No

Anders Rabbe (1970)
Board member since 2020

Education: Bachelor's Degree in Business and Administration with emphasis in Economics from Webster University, Geneva

Main experience: Anders Rabbe has been CEO of several companies in the biotechnology and financial sector, including Isofol Medical (publ) and WntResearch AB (publ).

Other assignments: CEO of Mindforce Game Lab AB. Board member of Investmentaktiebolaget Akkumula, Albonja AB and Epicyt Pharma AB, and deputy board member of Malira AB.

Total shareholding (own and related parties): 144,587 shares through Investmentaktiebolaget Akkumula.

Independence to the company and the company's management: Yes

Independence to the main owners: Yes

Lena Torlegård (1963)
Board member since 2014

Education: Bachelor of Science in Business Administration from Stockholm School of Economics

Main experience: Lena Torlegård has over 20 years of experience as a communications consultant for a large number of companies, including companies in the life science industry, as well as many years of experience as a board member of listed companies. Lena works as an independent advisor in financial and corporate communication through Lena Torlegård AB.

Other assignments: Communications consultant and board member of Lena Torlegård AB.

Total shareholdings (own and related parties): 168,074 shares

Independence to the company and the company's management: Yes

Independence to the main owners: Yes

MANAGEMENT TEAM

Andreas Bhagwani (1975)
Chief Executive Officer since 2011

Education: EMBA from Stockholm School of Economics, studies in agronomy, Swedish University of Agricultural Sciences in Uppsala

Main experience: Andreas Bhagwani is the co-founder of several companies, most recently Sigrid Therapeutics AB (treatment for obesity) and Atrogi AB (diabetes). Andreas has worked as a management consultant for more than 10 years, with sales and leadership as a focus. In addition to the companies above, he is the co-founder of Kichisaga Leadership, GenderTimer and HIGS.

Other assignments: Board member and owner of Vega Bianca AB. CEO and board member of Nanologica Black AB, Nanologica Yellow AB and Nanghavi AB, deputy board member and owner of Kichisaga Leadership AB. Holder of the individual firm Baraza Konsult.

Total shareholdings (own and related parties): 4,034,528 shares through Vega Bianca AB and 75,000 warrants (of the serie 2023/2026).

Eva Osterman (1971)
Chief Financial Officer since 2017

Education: Master of Science in Business Administration and Economics from Uppsala University.

Main experience: Eva Osterman has many years of experience from the finance side of major companies Lantmännen and PwC, where Eva has worked with, among other things, business controlling, financial controlling, reporting and internal audit. She also has many years of experience from major international groups in the pharmaceutical industry, such as AstraZeneca.

Other assignments: Deputy board member of Nanghavi AB, Nanologica Black AB and Nanologica Yellow AB. Auditor of Rangsta Båtklubb.

Total shareholdings (own and related parties): 53,283 shares and 40,000 arrants (of the series 2023/2026).

Åsa Bergström (1964)
Chief Operating Officer since 2024

Education: MSc in Chemical Engineering and Biotechnology from KTH, MBA Global Executive Management from Copenhagen Business School.

Main experience: Åsa joined Nanologica from Recipharm and the role of Director Global Sustainability. Prior to that, Åsa has held several roles at Recipharm as Site Manager Recipharm Development, Director Corporate Projects, as well as Environmental Manager and has worked with system management, acquisitions, and project management for factory buildings at Recipharm.

Other assignments: Deputy board member of Chiare AB.

Total shareholdings (own and related parties): -

Katarina Alenäs (1970)
SVP Chromatography since 2022

Education: Master of Science in Chemical Engineering at Lund University, Bachelor of Science in Pharmaceutical Sciences at the University of Greenwich.

Main experience: Katarina Alenäs has extensive experience from the life science industry and comes most recently from 10 years with senior positions at Agilent Technologies in business development and sales, as well as 7 years as CEO of Agilent Sweden. Katarina has previously been product manager Shimadzu HPLC/LCMS and has worked as a product and method developer for Kromasil's silica-based packaging media for preparative chromatography.

Other assignments: Board member of Biotech Fluidics AB and Matriks AS.

Total shareholdings (own and related parties): 10,000 options (of the series 2023/2026).

INTERNAL CONTROL

The purpose of internal control regarding financial reporting is to ensure that the financial reporting is reliable and that the financial statements are prepared in accordance with generally accepted accounting principles and otherwise comply with applicable laws and regulations that apply to stock market companies.

In accordance with the Swedish Companies Act and the Swedish Code of Corporate Governance (the Code), the board of directors is ultimately responsible for structuring the company's organization so that financial reporting, administration, and operations are monitored and controlled satisfactorily. The board of directors shall, among other things, ensure that Nanologica has adequate internal control and formal procedures that ensure that established principles for financial reporting and internal control are followed and that there are appropriate systems for monitoring and controlling the company's operations as well as the risks associated with the company and its operations.

In addition to the board of directors, the internal control processes are carried out by the audit committee, the CEO, senior executives, and other employees. The division of responsibilities between the board of directors, audit committees, the CEO and management is set out in established rules of procedure and instructions. The audit committee shall support the board of directors in its work to fulfil its responsibility for financial reporting, including accounting, internal control, and risk management.

The overall purpose of internal control is to ensure, to a reasonable extent, that the business strategies, objectives, and defined risks are monitored and that the owners' investments are protected. Furthermore, internal control shall ensure, with reasonable certainty, that the external financial reporting is reliable and prepared in accordance with generally accepted accounting principles in Sweden, that applicable laws and regulations are followed and that the requirements imposed on listed companies are met.

Nanologica's CEO is ultimately responsible for overseeing that the work on the internal control is carried out in accordance with the form decided by the board of directors. Nanologica's finance department, led by the CFO, leads the group's work with internal control regarding financial reporting.

Since 2019, internal control has been conducted in accordance with the internationally accepted internal control framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), which mainly covers the following five areas: control environment, risk assessment, control activities, information and communication, and monitoring and follow-up. These areas are described in more detail below.

Control environment

The control environment forms the basis for internal control of financial reporting. It is important to clearly define and communicate decision-making paths, authority, and responsibilities in the organization, and that governing documents in the form of internal policies, guidelines and manuals are made available.

The board of directors has the overall responsibility for the company's processes for internal control and for establishing a control environment consisting of written policies, guidelines and instructions that serve as a basis for decision-making and support for management and other employees. The CEO is responsible for the preparation of the documents. The board of

directors has established rules of procedure that regulate the board's responsibilities and how the board's work in committees shall take place. Within the board of directors, an audit committee has been established, the task of which is to ensure that established principles for financial reporting and internal control are complied with and further developed, as well as to maintain ongoing relations with the company's auditors and to review and monitor the auditor's impartiality and independence.

To maintain good internal control, the board of directors has adopted a number of steering documents. These include the following governing documents and policies in which governing documents for accounting and financial reporting are areas that are particularly important for ensuring full and accurate reporting and disclosure:

- Rules of procedure for the board of directors including instructions for the board's committee
- CEO instruction
- Instructions for financial reporting
- Code of Conduct
- Authorization instruction
- Financial policy
- Risk and internal control policy
- Information and insider policy
- Whistleblower policy

The financial handbook is another important steering document that describes processes and routines for the accounting function. In addition to the internal control described above, there is also internal activity-specific control of data regarding production and development, as well as quality control systems, including systematic monitoring and evaluation of the company's research and manufacturing work and products.

All policies and procedures as well as the financial handbook are available on the company's intranet.

Risk assessment

The board of directors is responsible for identifying and managing significant financial risks and risks of errors in financial reporting. This includes identifying areas of financial reporting with an increased risk of material errors and designing control systems to prevent and detect these errors. The management team identifies points in financial reporting and in administrative flows that are specifically relevant and subject to routine testing. The financial risks are regularly managed, assessed, and reported to the audit committee and the board of directors.

Control activities

The control activities aim to ensure that the financial reporting is accurate and complete and are based on the group's requirements for internal control regarding the financial reporting. Nanologica's control structure consists of an organization with clear roles that facilitate an efficient and appropriate division of responsibilities, as well as specific control activities to detect or prevent risks of errors in reporting. Control activities include, for example, account reconciliations and balance sheet specifications, approval of bank transactions and cooperation agreements, proxy and certificate instructions, and accounting and valuation principles. Random checks are also carried out on a regular basis. The board of directors continuously monitors the development of operations through monthly report packages containing detailed financial information, the CEO's comments on the business, as well as results and financial position. Furthermore, the board of directors approves all external financial reports prior to publication.

Information and communication

The company has established information and communication channels regarding risks and internal controls that enable reporting and feedback from operations to the board and management and that help ensure that the right business decisions are made. Governing documents in the form of policies, financial manuals, guidelines (and manuals relating to financial reporting) are communicated primarily on the company's intranet. Particularly important policies are communicated annually to all affected

employees. The financial manual is expanded as needed and is routinely updated. Internal communication on financial reporting and follow-up takes place mainly in the accounting function. Issues related to financial reporting are also discussed at meetings where relevant working groups meet.

To ensure that external information is accurate and complete, the board of directors has established an information and insider policy that specifies what should be communicated externally, by whom, and in what way the information is to be made public.

The company's financial reporting complies with the laws and regulations that apply in Sweden and, in the case of the subsidiaries, the local rules in each country where operations are conducted. Information to shareholders and other stakeholders is provided through the annual report, interim reports, and press releases.

Monitoring and follow-up

The board of directors' monitoring and follow-up of internal control regarding financial reporting is primarily handled through the audit committee. The observations and potential areas for improvement regarding internal control identified in the external audit are reviewed by the audit committee together with the external auditors and the CFO.

The CEO ensures that the board and the company management are regularly informed about how the business is conducted. Internal control work supports the board of directors and company management in their work to assess and evaluate significant risk areas in financial reporting and to design initiatives and follow-up measures in selected areas.

Follow-up that the controls are efficient and relevant is done at several levels, by the board, by the management, and by the employees. The tests are carried out, among other things, through process review, random checks, and verification that documents are signed by the competent authorities. These checks are carried out both on a regular basis, such as in financial statements, as event-based checks such as when purchasing, and as random testing such as random sampling.

The board of directors has assessed that the need for a special audit function (internal audit) is currently not justified. The need for a separate internal audit function is reassessed annually. The board of directors currently considers that the monitoring, documentation and review of the company's internal control that is currently carried out by the board of directors and the audit committee is adequate in relation to the scope of operations and existing internal control structures.

The company's external auditors review the financial year in full.

BOARD OF DIRECTORS REPORT

The board of directors and CEO of Nanologica AB (publ), 556664–5023, hereby submit the annual report for the financial year 2024.

General information

The parent company Nanologica AB is a limited liability company with its registered office in Stockholm. The address of the head office is Forskargatan 20 G, SE-151 36 Södertälje, Sweden. The group's main business is production and sales of silica-based chromatography products.

Group structure

Nanologica AB has four subsidiaries: Nanghavi AB, Nanologica Black AB, Nanologica Yellow AB and Nlab Bioscience SA. Nanologica Bioscience SA is in the process of being liquidated. Other subsidiaries are dormant at the time of publication of the report.

Nature and focus of operations

Nanologica is a Swedish life science tools company that develops, manufactures, and sells advanced consumables to pharmaceutical manufacturing companies. With a foundation in materials science and nanotechnology, the company has developed products and an expertise in chromatography, an analysis and purification technology. Nanologica's products are mainly used to purify pharmaceuticals during production using a purification technique called preparative chromatography. The company's silica-based purification media, NLAB Saga®, is specially developed for the purification of peptide drugs, such as insulin and GLP-1 analogues.

A proprietary production method allows the company to precisely control the shape, size, porosity, and surface properties of silica particles, which provides opportunities to create high-quality chromatography products. Thanks to their efficient and long-lasting purification, they can increase productivity and reduce costs for pharmaceutical manufacturers.

Development of the business 2024

In the spring of 2024, the company approved several large production batches of NLAB Saga® from the production facility, whereby large-scale production of NLAB Saga® can be considered to have been established. During the year, the production facility delivered significantly larger volumes than before, which has meant that larger product volumes were delivered to customers with well-defined and market-based delivery times. During the year, several orders for NLAB Saga® were taken from a customer in China that uses silica in its production of several GLP-1 analogues. During the year, the company's first non-silica-based purification media NLAB® Siv was also delivered to a customer in India, and a first comprehensive paid application development project for a pharmaceutical manufacturer in Asia was completed.

At the beginning of the year, the distribution agreement with the company's distributor in China was renegotiated. This means that the distributor's previous exclusivity has ended and that Nanologica now sells silica for preparative chromatography directly to end customers in China, while the distributor distributes products for analytical and semi-preparative chromatography.

The production time for NLAB Saga® is several months and during this time the company ties up capital, mainly in the form of compensation to the production partner and for raw materials.

Continued production is a prerequisite for long-term delivery capacity, which in itself is a key criterion for customers when choosing a supplier. All in all, this has meant that the company has had a need for working capital during the year and to strengthen its financial position. In 2024, two preferential rights issues were carried out, which provided the company with approx. SEK 119 million after transaction costs, in addition to loans totaling approx. SEK 22.1 million being offset against shares/units in the issues.

Significant events after the end of the financial year

- In January, the fifth order for NLAB Saga® was received from a Chinese pharmaceutical manufacturer, at a value of approx. SEK 8.5 million. The customer has since June 2024 placed orders of NLAB Saga® at a total value of approx. SEK 18 million.
- The end date for the loan from Flerie Invest AB has been extended to July 2, 2027 from previous July 5, 2025. The loan will be paid off in stages according to the following conditions:
  - SEK 5,000,000 to be amortized as of June 30, 2025
  - 1/3 of the remaining to be amortized as of June 30, 2026
  - The remainder to be amortized as of June 30, 2027

Employees

At the end of the year, the number of permanent employees was 15 (16), of which 10 (11) were women and 5 (5) were men. The average number of employees in 2024 was 15 (17).

In order to run an efficient business with a cost-effective organization, consultants, advisors and project employees are hired for specific assignments and tasks in areas of expertise that the company lacks or only periodically needs. As of December 31, 2024, the number of consultants and project employees amounted to the equivalent of 4.5 (2.5) full-time positions.

External factors

Wars and geopolitical tensions continue to affect the world. During the quarter, this has not had any direct impact on the company. However, the high level of uncertainty surrounding the impact of the geopolitical situation on the global economy and supply chain may have an impact in the longer term.

From time to time the company is affected by longer delivery times for specific components and shortages of chemicals, as a result of geopolitical situations. The company assesses that this had little impact on earnings, financial position, or cash flow during the year in relation to other factors, such as delayed deliveries to customers.

The company's current loans run at fixed interest rates, which means that the costs for these are not affected by higher interest rates during the term of the loans. Regarding fluctuations in exchange rates, the company's production and commitments are mainly in British pounds and sales mainly in US dollars. Nanologica has not currently hedged any exchange rates.

Climate change poses a major risk to humanity from a global perspective, with financial risks as a result. At present, however, Nanologica assesses that climate risks do not have, or will have in the near future, a significant impact on the company's financial performance.

The company works continuously to identify, evaluate, and manage external factors that have an impact on its operations.

Financial overview

The group's net sales for the full year increased to SEK 14,538 thousand (1,443). Revenues are mainly related to sales of silica for preparative chromatography, but also to sales of non-silica-based purification media, as well as to some extent services in application development and sales of analytical columns.

Compared to previous years, the revenue structure has changed from mainly consisting of project-generated revenues from collaborative

projects to mainly consisting of revenues from the sale of goods, which the company believes will continue to be the case in the future.

Operating expenses for the year amounted to SEK -92,588 thousand (-77,209). The higher costs for 2024 compared to the previous year are mainly attributable to increased costs for raw materials as a result of higher production of silica.

Operating loss for the year amounted to SEK -59,255 thousand (-69,963). Operating loss was (positively impacted by increased sales and increased inventory as a result of higher silica production. Operating loss includes depreciation related to large-scale production, which amounted to SEK -10,353 thousand.

Loss after tax for the year amounted to SEK -65,629 thousand (-75,157).

The company does not currently pay any tax on earnings due to negative earnings.

Financial position and liquidity

Development costs have been capitalized on an ongoing basis as they arise and relate to the development of large-scale production of silica. Capitalized expenses for development amounted to SEK 15,234 thousand (21,809) at the end of the year. Right-of-use assets amounted to SEK 11,212 thousand (12,009), which mainly relates to dedicated equipment at the company's manufacturers for large-scale production of silica.

Inventories amounted to SEK 32,745 thousand (2,973), of which finished goods inventory corresponded to SEK 28,807 thousand (114). This is mainly made up of NLAB Saga®, but partly also of NLAB® Siv. Prepaid costs related to production amounted to SEK 30,505 thousand on the balance sheet date, compared to SEK 22,982 thousand at the beginning of the year. This refers to advances to Nanologica's manufacturers for ongoing production of silica.

The patent portfolio was SEK 0 thousand compared to SEK 1,332 thousand at the beginning of the year. During the year, the value of the company's patents was written down as the company makes the assessment that the business is no longer linked to these patents. Investments in property, plant and equipment amounted to SEK 3,187 thousand (3,749) on the balance sheet date.

To date, the activities have mainly been financed through equity, Swedish and international research grants, credit facility agreements and corporate loans. During the year, two rights issues were carried out, which provided the company with approx. SEK 119 million after transaction costs in addition to set-off of loans totaling approx. SEK 22.1 million. As of December 31, 2024, cash and cash equivalents amounted to SEK 48,430 thousand (10,054).

Cash flow from operating activities amounted to SEK -80,734 thousand (-35,848). Total cash flow amounted to SEK 38,752 thousand (-60,286). Cash flow from financing activities amounted to SEK 115,573 thousand (-4,086).

The group's reported equity on the balance sheet date amounted to SEK 74,112 thousand compared to SEK -1,898 thousand at the beginning of the year. The parent company's reported equity on the balance sheet date amounted to SEK 68,641 thousand compared to SEK -6,940 thousand at the beginning of the year.

Taking into account cash and cash equivalents at the balance sheet date and expected revenues, the management's and the board of directors' combined assessment is that the existing working capital is sufficient to run the company for the next twelve-month period.

Corporate governance

The company's governance is described in the corporate governance report on pages 30–54. The corporate governance report is also available as a stand-alone excerpt from this annual report on the company's website nanologica.com/corporate-governance-reports.

Remuneration to senior executives

Remuneration to senior executives is reported in the remuneration report, which is available on the company's website nanologica.com/remuneration. The remuneration guidelines are described in note 7.

Future prospects

This report contains forward-looking statements. Actual outcomes may differ from those statements. Internal and external factors can affect Nanologica's results.

As the large-scale silica production facility delivers significantly larger volumes than before, it has been possible to create a stock of certain products. This has meant that larger product volumes have been delivered to customers with well-defined and market-based delivery times. This is expected to significantly facilitate the commercialization of NLAB Saga®. The company's opportunities to initiate significantly larger sales with continued sales growth in the coming years are therefore considered to be good.

Multi-year overview

Amounts in TSEK if nothing else is stated	2024	2023	2022	2021	2020
Statement of comprehensive income					
Net sales	14 538	1 443	1 555	12 914	16 135
Total operating expenses	-92 588	-77 209	-55 665	-54 199	-39 601
Operating profit before depreciation and amortization (EBITDA)*	-43 707	-50 598	-38 988	-30 226	-13 899
Operating profit/loss (EBIT)*	-59 255	-69 963	-50 850	-40 689	-19 571
Operating margin,%*	neg	neg	neg	neg	neg
Total financial investments	-6 339	-5 194	-4 381	-4 140	-2 627
Profit/loss before income tax	-65 594	-75 157	-55 231	-44 829	-22 199
Tax	0	0	0	0	0
Total comprehensive profit/loss for the period attributable to owners of parent company	-65 629	-75 157	-55 231	-44 829	-22 199
Consolidated balance sheet					
Total fixed assets	29 633	38 899	37 859	41 512	45 180
Total current assets, excluding cash and cash equivalents	65 036	28 476	46 333	45 816	34 801
Cash and cash equivalents	48 430	10 054	70 322	10 987	66 364
Total equity	74 112	-1 898	73 158	51 596	92 966
Total long-term liabilities	282	67 465	67 841	32 222	35 645
Total current liabilities	68 705	11 863	13 515	14 498	17 735
Consolidated statement of cash flow					
Cash flow from operating activities	-80 734	-35 848	-45 219	-46 493	-43 340
Cash flow from investing activities	-742	-20 353	-7 142	-7 249	-6 523
Cash flow from financing activities	120 228	-4 086	111 697	-1 639	115 052
Total cash flow for actual period	38 752	-60 286	59 335	-55 381	65 189
Other Key Figures					
Equity/assets ratio, %*	52	-2	47	52	64
Number of employees at the end of the period	16	16	20	17	19
Average number of employees during the period	15	17	18	19	19
Average number of employees and consultants during the period	20	20	20	20	20
Data per share					
Earnings per share before and after dilution, SEK	-1,32	-2,08	-1,84	-1,60	-0,93
Equity per share (before dilution), SEK*	0,84	-0,05	2,02	1,83	3,35
Cash flow from operating activities per share, SEK*	-1,63	-0,99	-1,51	-1,66	-1,81
Share price at the end of the period, SEK	1,82	10,40	10,00	13,70	13,40
Number of shares before dilution on average during the period	49 533 602	36 146 142	30 024 392	27 995 090	23 888 809
Number of shares before dilution at the end of the period	88 357 234	36 146 142	36 146 142	28 165 826	27 776 850
Number of warrants at the end of the period	180 000	980 000	800 000	1 719 949	1 336 875

** Alternative performance measures. For definition, see note 36.*

Proposal for appropriation of loss

Profit/loss at the disposal of the annual general meeting:	Amounts in TSEK
Share premium reserve	442 172 596
Loss brought forward	-316 640 748
Loss for the year	-66 007 547
Total	59 524 301

The board of directors proposes that non-restricted equity be carried forward	
Total	59 524 301

With regards to earnings and position in general, reference is made to the subsequent income statement and balance sheet with accompanying notes.

RISKS AND UNCERTAINTIES

The company makes assumptions, assessments and estimates that affect the content of the financial statements. Actual results may differ from these estimates and estimates, as is also reflected in the accounting policies. The objective of the group's risk management is to identify, prevent, measure, control and mitigate risks in the business. Material risks are the same for the parent company and the group.

The risks in Nanologica's operations include strategic risks related to, among other things, the company's operations, industry, legal and regulatory risks, financing of scale-up projects, commercialization, dependence on partners, brands and external requirements, as well as operational risks such as production risks, price changes of raw materials and inputs, as well as currency fluctuations. These risks may have a material adverse impact on the company's operations, results of operations and financial position.

The company has assessed the risks on the basis of the probability of the risk occurring and the estimated negative effects of the risks if they materialize. The probability of the risk occurring is assessed on a scale of low, medium and high.

Production risks

Nanologica has production facilities in Södertälje and at external manufacturers of both silica-based purification media (in the UK and Ireland) and non-silica-based purification media (in Europe). The company does not have its own large-scale production, which means that the company is dependent on an external manufacturer for the production of the amount of purification media needed to meet the demand that arises in relation to the implementation of the company's projects and supply agreements.

In addition, the company's production of silica has certain specific associated risks, such as (i) problems with the manufacturing process, (ii) equipment problems, and (iii) a shortage of raw materials. There is also a risk that the contracted manufacturer does not deliver on time or in accordance with the quality requirements that follow from the manufacturing agreement or applicable laws and regulations. Furthermore, costs may be added and prices may increase, which is beyond the company's control. The company intends to make further investments in production equipment in order to increase production speed, production efficiency and production economy to better meet the demand for the company's products in preparative chromatography, as well as to improve the company's margins. There is a risk of delays in the delivery and installation of new production equipment, which may lead to optimization of these parameters not taking place at the pace planned by the company.

All of these risks can lead to production-related delays, interruptions and/or significantly higher costs, which in turn can lead to delays for the company's customers and ultimately lead to financial risks if the company's products cannot be sold at the pace and extent desired by the company.

Estimated probability of the risk occurring: High.

Product development and commercialization

The company's core competence lies in developing and manufacturing nanoporous silica particles. In 2022, Nanologica launched silica-based products for preparative chromatography on the commercial market. In 2023 and 2024, the company took important steps in developing the business in preparative chromatography and the

company's main value is linked to the potential of commercializing products in this area. At the end of 2023, the first non-silica-based products for chromatography were also sold with the aim of expanding the product portfolio and broadening the offering to customers.

It is of vital importance for Nanologica's future profitability and financial position that the products that the company develops in chromatography are successfully commercialized. Including materials for preparative chromatography in industrial production is a complex process in the pharmaceutical industry, and potential customers who manufacture pharmaceuticals place high demands on, among other things, product quality, delivery capacity, competence and long-term perspectives of their suppliers.

As for the projects where Nanologica and its customers carry out testing of new products, there is a risk that the products will not be commercially successful. Different customers have different test methods and conditions, which means that the company's products may perform more or less well in tests and the products may correspondingly appear more or less attractive to the customer compared to competing products. It is only when the company is in a stage where the majority of customers regularly order products that the technical and business-critical risk is reduced and the commercial potential of the company's products increases. There is thus a specific risk that the company will continue to invest in chromatography products with good test results, but that these investments at a later stage prove to be unprofitable. If the commercialization in chromatography does not meet the company's expectations, it may have a significant impact on the company's continued development.

Estimated probability of the risk occurring: Medium.

Financing and capital requirements

Nanologica has historically generated negative results and the company's cash flows from operating activities have not been sufficient to meet the company's total annual capital needs. The generated cash flow is expected to remain negative until Nanologica achieves significant sales of existing or new products that the company can market.

A continued lack of positive and consistent operational revenue streams may mean that Nanologica will be forced to raise capital in the future. The availability and terms of such capital raises are affected by several factors, including the prevailing economic and investment climate, the current credit market, and the company's creditworthiness and market position. Financing through the issuance of shares or equity-related financial instruments may have significant dilution effects for the company's existing shareholders. Credit financing may contain restrictive conditions for the use of capital, which may hamper the company's flexibility and operations. There is a risk that the company will not be able to raise the necessary capital to implement an up-to-date business plan, or alternatively that such a capital raise can only take place on unfavorable terms. In the event that Nanologica is unable to raise the necessary capital, the company's development, manufacturing and sales activities as well as cash flow/liquidity may be adversely affected, which may force the company to limit or suspend planned marketing, development and investment activities until sufficient capital has been secured.

The company is also exposed to other financial and legal risks such as currency risks, disputes and legal proceedings, inadequate insurance cover, and the loss of all or part of the accumulated tax loss or being subject to time-limited blocking rules.

Estimated probability of the risk occurring: Medium.

Dependence on qualified personnel

Nanologica can be regarded as a small organization, measured in both turnover and number of employees and otherwise committed people. The company's success is highly dependent on the extensive expertise and experience of senior executives and key employees. The work of these persons is

considered to be of great importance for the company's continued operational and financial development. There is a risk that one or more key employees choose to terminate their employment, which may delay or cause interruptions in various development projects, production or commercialization of the company's products.

Estimated probability of the risk occurring: High.

Growth risks

A sudden and sharp increase in demand for the company's products may occur. Such increased demand may require significant business expansion, ultimately through increased production capacity, personnel, and the development of new internal processes, which is expected to place high demands on the company's management and employees. In addition, Nanologica would also need to adjust the operational and financial capacity within the company based on the increased capacity load. In the event that the company does not meet the above-mentioned need for change in a satisfactory manner, the company risks losing business, for example in the form of potential customers choosing competing products instead. This in itself can affect the return on the company's marketing investments and thus negatively affect the company's sales development, sales and earnings.

Estimated probability of the risk occurring: Medium.

Competition and competing technologies

Nanologica's competitiveness is highly dependent on the company's ability to be at the forefront with a product offering that is on par with current market demand. Research and development in competing companies as well as changes in industries that benefit from the company's products may make the company's products obsolete or less in demand. There is a risk that Nanologica, with its current size and current financial resources, does not have sufficient capacity to compete sustainably and that competitors develop products that are more effective, affordable, qualitative and/or useful than what the company can offer. In addition, competitors may have greater financial resources, higher production and distribution capacities, and better conditions in general to develop and achieve commercial success with their competing products.

Estimated probability of the risk occurring: Low.

Share-related risks

For several years, Nanologica has had a negative cash flow, and it is not unlikely that the company will need additional capital to finance its operations. Nanologica may need to raise additional financing through new issues, equity-linked securities, or convertible debentures, which may result in a dilution of existing shareholders' stake in the company.

As a result of the company's ownership, where Nanologica's three largest shareholders hold just over 50 percent of the shares and votes, there is a risk that investors will not be able to exercise any influence or that the interests of major shareholders are not aligned with those of the company or other shareholders. Such major shareholders could exercise significant influence over Nanologica in a way that does not best promote the interests of other shareholders.

The development of Nanologica's share price is dependent on a number of factors, some of which are company-specific, such as the development of sales in preparative chromatography and ongoing expansion, and others are tied to the stock market as a whole and which may not necessarily be related to the company's underlying value.

Potential investors should take into account that an investment in the company's shares is associated with risk and that the shares may both increase and decrease in value. The company also plans to invest its financial resources in development and in building a commercial organization. At present, the company therefore has no intention to pay dividends to shareholders.

Estimated probability of the risks relating to the company's share occur: Medium.

Climate risks

Climate change poses a major risk to humanity from a global perspective. Examples of physical climate risks are extreme weather events that can make components and raw materials more unavailable and lead to higher energy prices. Transition risks are risks arising from changes in legislation, changes in demand for products and services, changes in customer behavior or other structural changes that take place with the aim of transitioning to a climate-neutral economy.

Increased demand from investors for an increased sustainability focus for companies may also constitute significant factors. In addition, environmental policy decisions can affect the company in the form of increased taxes or necessary investments. At present, Nanologica assesses that climate risks do not have, or in the near future will have, a material impact on the company's financial performance.

Estimated probability of the risk occurring: Low.

Risk management

Nanologica works continuously with risk assessment and management in order to prevent, mitigate, and limit events that may adversely affect the business. Risk analysis and a risk management plan are carried out on an ongoing basis for individual projects as well as for the company as a whole. Possible events and scenarios that could negatively affect the company's operations are compiled and evaluated in a risk matrix. Linked to the risk matrix and each individual risk, risk mitigation measures are described with the aim of counteracting, limiting, controlling and managing the risk.

The company's management team works continuously to identify, evaluate and limit risks in the operational activities. The management team reviews the current risk matrix on a monthly basis to ensure adequate risk management. On an annual basis, the company's risks are considered and evaluated by the board of directors, where the audit committee is responsible for preparing documentation.

The factory for large-scale production of silica in Newcastle, Great Britain

NANOLOGICA

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CONSOLIDATED INCOME STATEMENT

Amounts in TSEK	Note	2024 Jan - Dec	2023 Jan - Dec
Net sales	4	14 538	1 443
Change in inventories of products in progress, finished goods and work in progress	19	18 163	2 080
Capitalized work for own use		0	3 229
Other operating income	5	633	494
Operating expenses		**0**	
Raw materials and consumables		-28 408	-6 828
Other external costs	6	-17 127	-13 111
Staff costs	7	-21 555	-27 393
Depreciation and amortization of tangible, intangible and right-of-use assets*	8	-15 548	-19 365
Write-down of other current assets**	8	-9 005	-9 785
Reversal of provisions	26	592	0
Other operating expenses	9	-1 538	-727
Total operating expenses		-92 588	-77 209
		0	
Operating profit/loss		**-59 255**	**-69 963**
Financial items			
Financial income	10	354	516
Financial costs	11	-6 693	-5 710
Total financial items		-6 339	-5 194
Profit/loss before income tax		**-65 594**	**-75 157**
		0	
Income tax	12	-35	0
Profit/loss for the period attributable to owners of parent company		**-65 629**	**-75 157**

** Includes write-downs of SEK 1,426 TSEK related to the company's patents as the company assesses that the business is no longer linked to these patents.*
*** Refers to write-downs of SEK 9,005 thousand related to the fact that the costs of a production campaign are expected to exceed the sales price of the products.*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in TSEK	Note	2024 Jan - Dec	2023 Jan - Dec
Profit/loss for the period attributable to owners of parent company		**-65 629**	**-75 157**
Other comprehensive income		0	0
		0	
Total comprehensive profit/loss for the period attributable to owners of parent company		**-65 629**	**-75 157**
		0	
Earnings per share attributable to shareholders of the parent company, basic and diluted SEK	13	-1,32	-2,08
Average number of shares during the period		49 533 602	36 146 142
Number of shares at the end of the period		88 357 234	36 146 142

CONSOLIDATED BALANCE SHEET

Amounts in TSEK	Note	2024 Dec 31	2023 Dec 31
ASSETS			
Fixed assets			
Intangible fixed assets			
Capitalized expenditure for research and development and similar	14	15 234	21 809
Concessions, patents, licenses, trademarks and similar rights	15	0	1 332
Tangible fixed assets	16	3 187	3 749
Right-of-use assets	17	11 212	12 009
Total fixed assets		**29 633**	**38 899**
Current assets			
Inventories	19	32 745	2 973
Accounts receivable	20	896	473
Other receivables		500	660
Prepaid expenses and accrued income	21	30 894	24 370
Cash and cash equivalents	22	48 430	10 054
Total current assets		**113 466**	**38 530**
TOTAL ASSETS	18	**143 099**	**77 429**
EQUITY AND LIABILITIES			
Equity	23		
Share capital including ongoing issues	24	8 836	14 821
Additional paid-in capital		442 173	308 295
Profit/loss brought forward from actual period		-376 896	-325 014
Total equity attributable to parent company shareholders		**74 112**	**-1 898**
Total equity		**74 112**	**-1 898**
Liabilities			
Long-term liabilities			
Lease liabilities	17	258	136
Provisions	26	0	572
Other long-term liabilities	25	24	66 757
Total long-term liabilities		**282**	**67 465**
Current liabilities			
Accounts payable		13 103	4 914
Lease liabilities	17	2 896	530
Current loan liabilities	25	47 788	0
Other current liabilities		956	1 504
Accrued expenses and deferred income	28	3 963	4 915
Total current liabilities		**68 705**	**11 863**
Total liabilities	18	**68 987**	**79 328**
TOTAL EQUITY AND LIABILITIES		**143 099**	**77 429**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in TSEK	Share capital	Ongoing rights issues	Additional paid-in capital	Retained earnings incl. profit/loss from actual period	Total equity
Equity January 1, 2023	**14 821**	**0**	**308 195**	**-249 858**	**73 158**
Profit/loss for the year				-75 157	-75 157
Other comprehensive income				0	0
Total comprehensive income for the year	**0**	**0**	**0**	**-75 157**	**-75 157**
Transactions with shareholders					
Premiums for issued/repurchased warrants			100		100
Total transactions with shareholders	**0**	**0**	**100**	**0**	**100**
Equity December 31, 2023	**14 821**	**0**	**308 295**	**-325 014**	**-1 898**
Equity January 1, 2024	**14 821**	**0**	**308 295**	**-325 014**	**-1 898**
Profit/loss for the year				-65 629	-65 629
Other comprehensive income				0	0
Total comprehensive income for the year	**0**	**0**	**0**	**-65 629**	**-65 629**
Transactions with shareholders					
Reduction of share capital for allocation to non-restricted equity	-3 294	0	0	3 294	0
Reduction of share capital to cover losses	-10 403	0	0	10 403	0
Rights issue	7 712	0	123 785	0	131 497
Offsett loans through rights issue	0	0	22 125	0	22 125
Premiums for issued/repurchased warrants	0	0	-6	0	-6
Issue costs	0	0	-12 026	0	-12 026
Group adjustment	0	0	0	50	50
Total transactions with shareholders	**-5 985**	**0**	**133 878**	**13 747**	**141 640**
Equity December 31, 2024	**8 836**	**0**	**442 173**	**-376 896**	**74 112**

The equity is entirely attributable to the parent company's shareholders.

CONSOLIDATED CASH FLOW STATEMENT

Amounts in TSEK	Note	2024 Jan - Dec	2023 Jan - Dec
OPERATING ACTIVITIES			
Operating profit/loss		-59 255	-69 963
Adjustment for items not affecting cash flow	29	15 359	18 959
Write-down of other current assets	8	9 005	9 785
Reversal of provision	26	-583	
Interest received		354	464
Interest paid		-6 280	-4 201
Cash flow from operating activities before changes in working capital		**-41 400**	**-44 955**
Increase (-) / decrease (+) of inventories		-29 771	-1 803
Increase (-) / decrease (+) of operating receivables		-12 376	8 667
Increase (+) / decrease (-) of operating liabilities		2 812	2 244
Cash flow from operating activities		**-80 734**	**-35 848**
INVESTING ACTIVITIES			
Investments in intangible assets		-480	-19 224
Investments in tangible fixed assets		-262	-1 756
Compensation for sold tangible assets		0	627
Cash flow from investing activities		**-742**	**-20 353**
FINANCING ACTIVITIES			
Rights issue		131 496	0
Premiums for issued warrants		0	100
Premiums for repurchased warrants		-6	0
Transaction costs		-12 026	0
New loans	30	15 000	0
Amortization of lease liabilities	30	-2 216	-2 873
Amortization of financial loans	30	-12 020	-1 313
Cash flow from financing activities		**120 228**	**-4 086**
Total cash flow for the year		**38 752**	**-60 286**
Cash and cash equivalents, opening balance		10 054	70 322
Exchange rate difference in cash and cash equivalents		-376	18
Cash and cash equivalents, closing balance	22	**48 430**	**10 054**

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 ACCOUNTING PRINCIPLES

The main accounting principles applied in the preparation of these consolidated financial statements are set out below. These principles have been applied consistently for all years presented, unless otherwise stated.

General

This annual report covers the Swedish parent company Nanologica AB (publ), corporate identity number 556664–5023, and its subsidiaries. The parent company is a limited liability company registered in and with its registered office in Stockholm, Sweden. The address of the head office is Forskargatan 20 G, 151 36 Södertälje. The main operations of the group are the production and sales of silica-based products for chromatography.

Fiscal year

The financial statements for the financial year from 1 January to 31 December 2024 include financial information for the parent company and its subsidiaries (collectively, the "group" and each a "group company"). The annual report and the consolidated financial statements have been approved for publication on March 28, 2025, in accordance with the decision of the board of directors on March 27, 2025. The income statements and balance sheets of the group and the parent company will be subject to adoption at the Annual General Meeting on 22 May 2025.

Disclosures regarding changes in the group structure

Note M8 provides an overview of the Nanologica group and a specification of all group companies. No changes have been made to the structure or operations of each group company.

Compliance with legislation and accounting standards

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as well as the interpretative opinions of the International Financial Reporting Interpretations Committee (IFRIC) adopted by the European Commission for application in the EU, with additional requirements in the Annual Accounts Act. The standards and interpretative statements applied are those in force and adopted by the EU on 1 January 2024. Furthermore, the Financial Reporting Council's recommendation RFR 1, Supplementary accounting rules for groups, has been applied.

New and amended standards and interpretations that have not yet been applied by the group

With the exception of IFRS 18, the group believes that changes in standards and interpretations will not have a material effect on the financial statements. IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation and Disclosure in Financial Statements.

IFRS 18 sets out new requirements for how financial statements are presented, with a particular focus on:

- Income statement: Requirements for certain mandatory subtotals are introduced as operating profit. Income and expenses will be classified in the income statement into five categories: operating activities, financing, investment, income tax, and discontinued operations
- Aggregation and disaggregation of information, including the introduction of overarching principles on how information should be aggregated and disaggregated in the financial statements;
- Disclosures of key performance measures (Management Defined Performance Measures, MPMs) shall be provided in a single note, with reconciliations to the nearest IFRS-compliant subtotal.

IFRS 18 will enter into force for accounting periods beginning on or after January 1, 2027 with earlier application permitted. Companies will need to recalculate comparison periods. With regard to IFRS 18, the group has not yet evaluated its effect on the group's financial reporting. IFRS 18 will have no impact on the accounting and measurement of the group's transactions, but will only affect the group's presentation of the financial statements, including the financial statements and notes. IFRS 18 may also affect the key performance indicators presented and how they are calculated.

Guidelines for alternative performance measures

In accordance with ESMA's (European Securities and Markets Authority) guidelines on alternative performance measures, additional information on the use of alternative performance measures, including explanations of use and reconciliation of the performance measures against the most directly reconcilable IFRS items in the financial statements, has been included in the financial statements. Alternative performance measures presented in the financial statements should not be considered as a substitute for IFRS terms and concepts and need not be comparable to similar performance measures of other entities.

Main operations

The group's business consists primarily of the development, manufacture, and sale of silica-based products for chromatography and other advanced consumables and services to pharmaceutical manufacturing companies. The most important markets are countries in Asia, but also Europe and the United States.

Basis for accounting

Assets and liabilities are reported at historical cost except for certain financial assets and liabilities that are measured at fair value in accordance with the accounting principles set out below. All amounts are, unless otherwise stated, rounded to the nearest thousand kronor. The preparation of the financial statements in accordance with IFRS requires management to make certain critical estimates and assumptions that affect the carrying amounts of assets, liabilities, income and expenses.

The estimates and assumptions are based on past experience and a number of other factors that can be assumed to be reasonable under the current conditions. The results of these estimates and assumptions are then used to assess the carrying amounts of assets and liabilities that cannot be easily determined from other sources. The actual outcome may differ from these estimates and assumptions. The estimates and assumptions are reviewed regularly. Changes in estimates are reported in the period in which the change is made if the change only affects this period. If the changes also relate to future periods, these are reported both in the period in which the change is made and in future periods.

Note 2 describes the assessments made in the application of IFRS that have a significant impact on the financial statements, as well as the estimates that may entail material adjustments in the financial statements for the following year. Unless otherwise stated below, the group's accounting principles have been consistently applied to all periods presented in the group's financial statements.

Classification

Non-current assets consist of things that are expected to be recovered or settled later than twelve months from the balance sheet date. Current assets consist of amounts that are expected to be recovered or settled within twelve months from the balance sheet date. Long-term liabilities consist of amounts that the group has an unconditional right to choose to pay later than twelve months after the end of the reporting period at the balance sheet date. If the group does not have such a right at the balance sheet date, or if the liability is expected to be settled within a normal operating cycle, the liability is recognized as a short-term liability.

Consolidation principles

Group structure

All formed and acquired companies are wholly owned, directly by Nanologica AB (publ) and are consolidated from the date on which controlling interest is transferred.

Subsidiary

The consolidated financial statements include the financial information for Nanologica AB (publ) and all subsidiaries. Subsidiaries are all companies that Nanologica AB (publ) controls directly or indirectly. Control is achieved when the group has responsibility for and the right to its variable return through its involvement in the company, as well as the ability to influence this return through its influence over the company. All subsidiaries are consolidated from the date Nanologica AB (publ) acquires controlling interest. In cases where the group acquires subsidiaries, the acquisition method for accounting for business combinations is applied.

The group companies cease to be consolidated from the date on which control ceases. When the group ceases to have a controlling interest, any remaining holdings are revalued at fair value at the time when controlling interest ceases, which is recognized as a change in the value of the income statement. An overview of all consolidated group companies for Nanologica AB (publ) can be found in Note M8.

Transactions eliminated during consolidation

Intercompany transactions, balance sheet items, income and expenses arising from transactions between group companies are eliminated. Profits and losses resulting from intra-group transactions recognized as assets are also eliminated.

Foreign currency

Functional and reporting currency

Items in the respective group companies' financial information are reported in functional currency in the primary economic environment in which operations are conducted. The functional currency of foreign units is generally the local currency. The parent company's functional currency is Swedish kronor (SEK), which is also the reporting currency for the parent company. The consolidated financial statements are presented in SEK. Assets and liabilities are translated at the rate of the balance sheet date. Income and expenses are translated at the average exchange rate for the year.

Transactions and balance sheet items

Transactions in foreign currency are translated into functional currency at the exchange rates in force on the date of the transaction or the date of revaluation. Currency differences arising in connection with the settlement of such transactions, or when translating exchange rates for monetary assets and liabilities in foreign currencies at the balance sheet date, are recognized in the income statement within operating profit.

Currency differences in cash and cash equivalents and liabilities are reported in the income statement under financial income and financial expenses, respectively.

The group has no loans in foreign currencies and does not apply any hedge accounting for foreign exchange profits and losses related to borrowings.

Basis for accounting

The group has consistently applied the accounting principles to all periods reported in this consolidated financial statement. On next page is a summary of the significant accounting principles and definitions, which are described in more detail on the following pages:

The balance sheet, income statement and cash flow statement contain references to the notes.

REVENUE AND EXPENSE ACCOUNTING

I Net sales

Revenue from agreements with customers

The group reports revenue from sales of goods and distribution agreements. Revenue recognition is carried out in accordance with the five-step model specified in IFRS 15.

Sales of goods

The sales of goods include income from the supply of goods after deduction of discounts and the like, excluding value added tax and after the elimination of intercompany sales. Revenue from the sale of goods is recognized when control of the goods has been transferred to the customer. When selling goods, control is usually transferred to the customer when significant risks and benefits have been transferred, which is usually done according to the terms of delivery. Payment is generally received between 30-90 days from the time the control has been transferred. In some orders, there are short-term advances before the goods are delivered, which are deducted as the goods are recognized as income. Any advances from customers are indebted and deducted as revenue is deducted.

Distribution agreements

These agreements usually consist of a number of components (products in the form of silica, sales rights, marketing services and materials). Since customers cannot benefit from each specific component separately or with other resources available to the customer, the agreements as a whole have been deemed to constitute a performance commitment. Any advances from customers are indebted and deducted as revenue is deducted.

Provision of application and method development services

The provision of services such as application and method development is recognized as revenue over time when the services are performed, as Nanologica performs a service without alternative use and is entitled to compensation for work done. In some cases, there are "up-front fees". These are not treated as payment for a separate commitment but are seen as an upfront payment for development services and are indebted and deducted as services are delivered and revenue is deducted.

The group applies an exception which means that information on remaining performance commitments relating to agreements with a term of less than one year is not disclosed.

II Changes in inventory
Changes in the value of inventories, both purchased externally and internally accrued, cost spent for goods including, where appropriate, write-down of inventories according to the principle of minimum value (cost and net realizable value at the balance sheet date). See more in note 2 regarding calculation of manufacturing costs and valuation of inventories.

III Onerous contracts
The company has paid advances to contract manufacturers for ongoing production. These advances are valued on an ongoing basis against the outcome and expected outcome to see if there are onerous contracts. In cases where there are onerous contracts, the inventory is valued according to the principle of minimum value (cost and net realizable value at the balance sheet date). Read more in note 2 on the assessment of onerous contracts.

IV Capitalized expenditure for development work and similar work
Nanologica AB runs several development projects that are expensed on an ongoing basis. Where projects meet the requirements of IAS 38, these expenses are capitalized on their own in the income statement. See more in note 2 regarding valuation of intangible assets.

V Other income
Other income includes foreign exchange profits, capital gains (profit) on disposals of right-of-use assets, tangible and intangible fixed assets, as well as government subsidies and grants.

Grants received and grants for measures that support liquidity, affect the company's cash flow and compensate for costs, and that affect the company's cash flows and/or earnings are recognized when all conditions for grant have been or will be met. Income from government subsidies and grants that are not subject to future performance requirements is recognized as income when the conditions for receiving the grant have been met and the economic benefits associated with the transaction are likely to accrue to the company, and the income can be reliably calculated. Income from government subsidies and grants associated with requirements for future performance is recognized as income when the performance is carried out and the economic benefits associated with the transaction are likely to accrue to the company and the income can be reliably calculated.

Public contributions are valued at the fair value of the asset received by the company. Grants received before the conditions for recognizing the grant as income have been met are recognized as liabilities.

VI Raw materials and consumables
Raw materials for production, purchases from subcontractors from production, analyses, and other costs that are directly linked to reported income.

VII Other external expenses
Refers to the company's other external costs including external costs for research and development.

VIII Staff costs / remuneration of employees
Employee benefits such as wages and social security costs, holidays, and paid sick leave are reported as employees perform services.

Employee commitments are secured through defined contribution pension plans. Defined contribution pension plans are those plans in which the company's obligation is limited to the contributions the company

has undertaken to pay. In such a case, the size of the employee's pension depends on the contributions paid by the company to the plan or to an insurance company and the return on capital that the contributions provide. Accordingly, it is the employee who bears the current risk and investment risk. The company's obligations regarding contributions to defined contribution plans are recognized as an expense in profit for the year at the rate at which they are earned by employees performing services for the company for a period of time.

Termination benefits

Severance pay is paid when an employment relationship ends before the normal time or when an employee accepts voluntary dismissal in exchange for special remuneration. Costs associated with employee layoffs are recognized as a provision if it results from an entity's decision to terminate an employee's employment prior to the normal time or an employee's decision to accept an offer of voluntary termination in exchange for compensation.

Share-based benefits

The group does not apply any share-based compensation. Incentive programs (purchase of warrants) for employees, senior executives and board members are made at market price. Based on the terms of the option programs, see pages 92–93, the premium on the warrant is determined using the Black-Scholes model.

XIX Depreciation/amortization and write-down of tangible and intangible assets, and right-of-use assets

The company uses straight-line depreciation on all of the company's depreciable assets.

An impairment test is carried out as soon as there is an indication that the reported value of the asset exceeds its economic value.

X Other operating expenses

Other operating expenses include foreign exchange losses, capital gains (losses) on disposals of right-of-use assets, tangible and intangible fixed assets.

Capital gains on disposals are determined by comparing the selling price with the reported amount and are recognized at the disposal of the asset under the other income in the income statement.

XI Financial income and expenses

Interest income and interest expenses on third-party loans are recognized in the profit and loss account when they are incurred according to the effective interest method, which also means that the cost of one-off loan arrangement expenses is accrued over the term of the loan. Interest income and cash and bank expenses, respectively, are recognized in the income statement under other financial income when they arise.

Cash and cash equivalents denominated in foreign currency are converted into functional currencies at the exchange rate on the balance sheet date. Any currency differences are recorded under financial expenses.

XII Tax / deferred tax

Income tax for the period consists of current and deferred tax and is recognized in the income statement. Corporate tax is calculated on profit before tax in the income statement, taking into account non-deductible expenses, non-taxable gains and losses, temporary differences resulting from current local tax legislation, as well as other factors affecting the tax rate, such as changes in valuation reserves, adjustments to tax positions and changes in tax legislation, such as changes or decisions on changes in tax rates.

The current tax expense is calculated using the tax rates and tax rules decided or announced at the balance sheet date in the countries where the company's subsidiaries and associated companies operate and generate taxable earnings.

Deferred tax is recognized, using the balance sheet method, on all temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is calculated using tax rates that have been decided or announced at the balance sheet date and that are expected to apply when the relevant deferred tax asset is realized, or the deferred tax liability is settled.

Deferred tax assets on loss deductions are recognized to the extent that it is very likely to be tax surpluses available, against which the deficits can be used.

Deferred taxes relating to temporary differences in holdings in subsidiaries are not recognized as the parent company can in all cases control the timing of the reversal of the temporary differences and it is not considered likely that such a reversal will occur in the foreseeable future.

Deferred tax assets and liabilities are set off when there is a legal right of set-off for current tax assets and liabilities and when the deferred tax assets and liabilities relate to taxes levied by the same tax authority and relate to either the same taxable entity or different taxable entities where there is an intention to settle the balances through net payments.

Positions taken in tax returns regarding situations where applicable tax rules are subject to interpretation are regularly evaluated. Any provisions are made based on the amounts expected to be paid to the respective tax authorities.

Deferred tax is not discounted.

XIII Earnings per share

The calculation of earnings per share is based on the group's profit for the year attributable to the parent company's shareholders and on the weighted average number of shares outstanding during the year. During reported periods, there were no potential ordinary shares that could give rise to dilutive effects, as outstanding options (with the right to subscribe for ordinary shares) are not included in the basis for calculating earnings per share in cases where the company reports a negative result.

PRINCIPLES FOR THE VALUATION OF ASSETS AND LIABILITIES

General

Assets and liabilities are initially accounted for, unless otherwise stated, at the amounts for which they were acquired or that have incurred.

XIV Intangible assets

Estimated economic useful lives of intangible assets:

- Patent 5 years
- Balanced expenditure on development works 5 years

Depreciation method

For all intangible assets, the straight-line depreciation method is used.

Acquisition through internal reprocessing – balanced expenditure on development work

Product development work is divided into a research phase and a development phase. All expenses arising from the company's research phase are recognized as expenses when they are incurred. All development expenses are recognized as an asset if all of the following conditions are met:

- It is technically possible to complete the intangible fixed asset so that it can be used or sold
- The group's intention is to complete the asset
- There are prerequisites for using it or selling the asset
- The asset is expected to generate future economic benefits
- There are necessary and adequate technical, financial, and other resources to complete and complete
- Expenses can be calculated reliably

Directly attributable expenses that are balanced include expenses for staff, remuneration for development services received, as well as direct materials.

After initial recognition, internally generated intangible fixed assets are recognized at cost less accumulated depreciation and any accumulated impairment losses. Depreciation begins when the asset can be used. Capitalized expenses are depreciated linearly over an estimated useful life of 5 years.

Reassessment of useful lives

Estimated useful lives and depreciation methods are reassessed if there is an indication that these have changed compared to the estimate at the previous balance sheet date. The impact of any changes in estimates and judgments is presented in a forward-looking manner. Depreciation begins when the asset can be used.

Removal from the balance sheet

An intangible fixed asset is removed from the balance sheet upon disposal or divestment or when no future economic benefits are expected from the use or disposal/divestment of the asset. The profit or loss arising from the removal of an intangible fixed asset from the balance sheet is the difference between what may have been received, less direct selling expenses, and the reported amount of the asset. This is recognized in the income statement as other operating income or expense.

XV Tangible assets

Tangible assets are reported at historical cost less accumulated depreciation and any impairment losses. The cost consists of the purchase price, directly attributable expenditure for putting the asset in place, and estimated dismantling and disposal expenses. Additional expenditure that meets the asset criterion is included in the reported amount of the asset. Expenditure on current maintenance and repairs is recognized as an expense when incurred.

Depreciation of tangible assets is made on a straight-line basis over the estimated useful life of the asset. Depreciation begins when the asset can be put into use. The group's tangible assets consist of equipment, tools, and installations and the estimated useful life of these amounts to 5–10 years.

Subsidies and grants relating to investments in tangible assets are deducted from the historical cost of the related asset and are reflected in the income statement as part of depreciation.

Capital gains and losses on the disposal of a tangible asset are recognized as other operating income and other operating expenses, respectively.

Impairment of intangible and tangible assets

At each balance sheet date, the company analyzes the reported values of tangible and intangible assets to determine whether there is any indication that these assets have decreased in value. If this is the case, the recoverable amount of the asset is calculated in order to determine the value of a possible impairment loss. When it is not possible to calculate the recoverable amount of an individual asset, the company calculates the recoverable amount of the cash-generating unit to which the asset belongs. An impairment test is also carried out annually on balanced expenses for development works that have not yet been completed.

Recoverable amount is the higher of fair value less selling expenses, and value in use. Fair value less selling expenses is the price that the company expects to be able to obtain in a sale less such costs that are directly attributable to the sale. When calculating value in use, future cash flow is discounted to present value by a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks associated with the asset.

At each balance sheet date, the company makes an assessment of whether previous impairments are no longer justified. If this is the case, the impairment is partially or fully reversed. A reversal of an impairment loss is recognized directly in the income statement.

XVI Right-of-use assets

Leases in which the group is the lessee

The group has leases for premises, production equipment, and vehicles. The group recognizes all leases (with some exceptions listed below) in the financial position statement as a lease liability for the obligation to pay future fixed lease payments and a right-of-use asset as an expression of the right to use an underlying asset. The lease liability is measured at amortized cost using the effective interest method, which is why lease payments are divided between the amortization of the lease debt and the cost of interest. Lease liabilities are recognized as the present value of remaining lease payments in the financial condition statement and include the following lease payments:

- Fixed fees
- Variable lease payments that depend on an index or price, initially valued using the index or price at the commencement date
- Amounts expected to be paid by the lessee under residual value guarantees or when using a purchase option

Lease payments that will be made for reasonably secure extension options are also included in the valuation of the debt. To calculate the lease debt, the lease payments are discounted with the implicit interest rate of the lease. If this interest rate cannot be easily determined, the marginal loan rate of the lessee is used.

The right-of-use asset is valued at cost and is accounted for in an amount equal to the amount at which the lease liability was originally valued after adjusting for deferred lease payments and initial direct expenses, as well as expenses to restore the asset to the condition prescribed by the terms of the lease. Rights-of-use assets are written off linearly in subsequent periods over the shorter of the useful life and lease term. If the group is reasonably certain to exercise a call option, the right to exercise is written off over the useful life of the underlying asset. The group notes that the current holdings of call options have been exercised in full during the year and makes the assessment that these will continue to be exercised in the coming years.

The group has chosen not to report in the financial position statement leases for which the underlying asset is of low value or with a lease term (including an extension period that the group is reasonably certain to be expected to use) of less than 12 months. The group recognizes lease payments covered by the exemption

rules as a lease cost on a straight-line basis over the lease term. The group has chosen to apply the practical solution that gives a lessee the option of choosing not to separate leasing components from non-leasing components for premises leases and instead to account for each leasing component and non-leasing component as a single leasing component.

The group has identified that part of a supplier agreement, a service and contract manufacturing agreement, constitutes a lease. The agreement contains explicitly identified assets that cannot be used by the supplier other than to manufacture Nanologica's products. The supplier does not have the right to replace the equipment and use other assets to produce the products. In addition, the group has an option to buy out the assets at the end of the agreement which is likely to be exercised. The equipment is recognized as a right-of-use asset in the group. As the group has already paid the supplier for the equipment, no leasing liability is recorded in the balance sheet linked to this asset.

XVII Inventories

Reported inventories consist of raw materials and consumables, semi-finished products and work-in-progress products, as well as finished goods inventories. Inventories are valued at the lowest of the cost of acquisition and net realizable value. The cost is determined using the FIFO (first in, first out) method.

The cost corresponds to the value of the expenses required to acquire or manufacture the goods and to get them to the right place and condition for their intended use. The cost of semi-finished and work-in-progress products as well as finished goods includes materials, labor costs, other direct costs, as well as a fair share of fixed manufacturing overheads (based on normal capacity utilization) and variable manufacturing overheads (based on actual production during the period). When calculating, standard values are used that are updated semi-annually or earlier in cases where production changes so that the estimated manufacturing cost is affected.

Net realizable value is the estimated selling price in the ordinary course of business less directly attributable variable selling expenses and costs for the completion of the products. Write-downs, additions, and releases related to the provisions for obsolete inventory are recognized in the income statement under changes in inventories.

XVIII Financial instruments

The group's financial instruments consist of:

- Accounts receivable
- Short-term investments
- Cash and cash equivalents
- Amounts owed to credit institutions
- Other long-term financial liabilities (loans)
- Other short-term financial liabilities (loans)
- Accounts payable

The group does not have any derivatives and hedge accounting does not occur.

XIX Financial assets

Recognition and initial valuation

Accounts receivable and issued debt securities are initially recognized as they arise. All other financial assets and financial liabilities are initially recognized in connection with the group's conclusion of an agreement on

the instrument. A financial asset (if it is not an accounts receivable without a significant financing component) or financial liability is initially measured at fair value plus transaction costs directly attributable to its acquisition or issue, for items that are not recognized at fair value through the income statement (FVTPL). An accounts receivable without a significant financing component is initially recognized at the transaction price.

A financial asset is valued at zero and is lifted from the balance sheet when the contractual rights to the cash flows from the asset cease or when the contractual rights to the cash flows are transferred through a transaction, in which the economic benefits and risks associated with ownership of it are transferred. Any remaining or emerging interests in such transferred financial assets are accounted for as a separate asset or liability.

The group's reported financial assets consist mainly of accounts receivable and cash and cash equivalents and to a lesser extent of other receivables. All these non-derivative financial assets are accounted for at amortized cost.

Subsequent valuation and profit or loss, accounting principle

Financial assets at amortized costs consist of accounts receivable, other receivables and cash and cash equivalents. These assets are measured at amortized cost using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment losses are recognized in the income statement. Any gain or loss on depreciation is recognized in the income statement.

Impairment of financial assets

Impairment requirements for accounts receivable are recognized based on the simplified approach using the expected credit losses for the entire remaining life of the contracts. The group has relatively few accounts receivable, and assessments are made individually for each account receivable. The credit risk is assessed as low.

XX Financial liabilities

Financial liabilities are classified and measured as liabilities valued at amortized cost.

Financial liabilities include the following items:

- Bank loans and other loans are initially carried at fair value less transaction costs directly attributable to the instrument's issue. These interest-bearing liabilities are then measured at amortized cost using the effective interest rate method, which ensures that interest expense is calculated based on a fixed interest rate on the carrying amount of the liability on the balance sheet. The reported annual percentage rate includes initial transaction costs and any premiums payable upon redemption, as well as interest or coupon paid while the debt is outstanding. Loans are classified as short-term liabilities unless the group has an unconditional right to defer payment of the debt for at least 12 months after the balance sheet date, when they are instead classified as long-term liabilities.

  A financial liability is measured at zero and lifted from the accounts when its contractual obligations have been fulfilled, cancelled, or expired.

  Transaction costs arising from the establishment of credit facilities are recognized to the extent that it is likely that part or all of the loan will be used. If this is the case, transaction costs are recognized when the credit is used. If it is likely that part or all of the credit will be used, borrowing costs are recognized as a deferred expense and offset against short-term liabilities over the contract period to which the credit relates, using the effective interest rate method.

- Accounts payable are payment obligations for goods or services that have been acquired from suppliers in the course of the day-to-day operations. Accounts payable are classified as current liabilities if they mature within one year. If payment is expected to be made later than 12 months after the balance sheet date, the liability is recognized as a long-term liability. Accounts payable are initially recognized at fair value and then at amortized cost using the effective interest rate method.

XXI Cash and cash equivalents

Cash and cash equivalents consist of cash and immediately available balances in banks. Cash and cash equivalents are invested in banks with a high credit rating, which is why any credit losses are considered negligible.

XXII Equity

Common shares are classified as equity. The purchase price paid for or in connection with the acquisition, sale and/or issue of new shares is recognized in equity, net of tax. Trading expenses attributable to equity transactions are recognized as a deduction from equity.

XXIII Provisions

Provisions are recognized when the group has an existing legal or constructive obligation at the balance sheet date as a result of an event that has occurred, and it is likely that an outflow of financial resources will be required to settle the obligation and that a reliable estimate of the amount can be made.

If there are several similar commitments, the probability of whether an outflow of financial resources will be required is determined by treating the group of commitments as a whole. A provision is recognized even if there is little likelihood of an outflow of financial resources in respect of a particular item in this group of commitments. Initial recognition, subsequent increase and dissolution of a provision are recognized in the income statement.

Provisions are valued at the present value of the expenses deemed necessary to settle the obligation, calculated on the basis of a pre-tax interest rate that reflects current market assessments of the time value of money and the risks associated with the obligation. The increase in the provision due to the passage of time is recognized as other external financial expenses in the income statement.

If the expenses to settle an obligation are expected to be recovered from third parties and this is virtually safe, the recovery is recognized as an asset in the balance sheet.

XXIV Contingent assets

The group discloses contingent assets as a result of events that have occurred, the occurrence of which will only be confirmed by the occurrence or absence of one or more uncertain future events, which are not entirely within the company's control.

XXV Contingent liabilities

The group discloses contingent liabilities if there is a possible commitment that is confirmed only by several uncertain future events, and it is unlikely that an outflow of resources is required or that the size of the commitment cannot be calculated with sufficient certainty.

XXVI Cash flow statement

The cash flow statement is prepared according to the indirect method. This means that operating profit is adjusted for transactions that did not result in cash receipts or disbursements during the period, as well as for any income and expenses related to the cash flows of investment or financing activities.

NOTE 2 SIGNIFICANT ACCOUNTING ASSESSMENTS AND ASSUMPTIONS

When preparing the financial statements, group management makes estimates and valuations that affect the reported amounts of assets and liabilities, sales and expenses, as well as disclosures of contingent liabilities at the time of the financial statements. The estimates and assumptions that entail a significant risk of significant adjustments to the carrying values of assets and liabilities during the next financial year, as well as being critical for assessments in the application of the group's accounting policies, are discussed below. Reported estimates and assessments are considered reasonable under the current circumstances.

Group management and the audit committee have discussed the development, selection of, and disclosures of, the group's critical accounting principles and estimates. The estimates and assessments that have been made in the application of the group's accounting policies are described below.

Intangible assets

The group conducts development activities. An intangible asset arising from development, so-called capitalized development cost for own account, shall only be recognized as an asset on the balance sheet if all the conditions of IAS 38 are met. The principle is described in more detail in Note 1. For each development project, the group's management team continuously considers whether there are conditions for the finished product to provide economic benefits through increased revenues or lower costs, and whether there are technical expertise and financial resources to complete the asset so that it will be available for use or sale, thereby generating likely future economic benefits.

During the financial year, the company has not capitalized any development expenses. The company uses a time reporting system to ensure that only time related to the development phase is capitalized. Furthermore, a review of project plans and costs is carried out to ensure that they meet the criteria of IAS 38. Development costs are amortized over an estimated useful life of 5 years.

For intangible assets that have not yet been put into use, each reporting period is examined in accordance with the principle described in Note 1 to whether there is a need for impairment. In 2024, it was assessed that there was a need for impairment for the company's patents as the company makes the assessment that the business is no longer linked to these patents. The patents protect technologies, processes, properties and applications for the company's drug delivery platform within the former drug development business area.

The largest item in intangible assets relates to the company's expenses incurred to enable large-scale silica production. The investments relate to both external expenses, primarily for contract manufacturers, and internal expenses for own employees. Large parts of the investments relate to expenses for test production and initial efficiency improvements. When assessing the recoverable value, the company's future revenues, production capacity, and manufacturing costs have been taken into account. The company sees a high demand for its products, future sales with good profitability, and a growing manufacturing capacity. This is the basis for the recovery value exceeding the carrying amount. The company applies a straight-line depreciation over 5 years.

Leasing

The company has different types of leasing, partly operational leasing and partly acquired right-of-use assets. Operating leasing includes, for example, rent for premises and IT equipment, and right-of-use assets include the equipment that the company has with the contract manufacturer Sterling, where Nanologica has a buy-back option in the event that the collaboration is terminated prematurely. The right-of-use asset is measured at cost and recognized at an amount equal to the lease liability at which it was originally valued

after adjusting for prepaid lease payments and initial direct expenses, as well as expenses to restore the asset to the condition prescribed in the terms of the lease. Rights of use are amortized on a straight-line basis in subsequent periods over the shorter period of use and the lease period. If the group is reasonably certain to exercise a call option, the right of use is amortized over the useful life of the underlying asset.

Calculation of manufacturing costs and valuation of inventories

The company's products are largely manufactured by contract manufacturers and payments are made during the production period. Reporting of purchasing costs and inventory takes place in connection with the material being completed according to order and delivered to the company. Nanologica has invested in dedicated production equipment used in manufacturing. Depreciation for this is expensed on a straight-line basis and is also included in the calculation of the acquisition cost of manufactured goods.

Small-scale manufacturing takes place in-house. Manufacturing takes place in several stages, where the cost for each step is reported in the acquisition cost. Costs are calculated based on the use of raw materials and semi-finished products, with a surcharge for own work and use of assets in each production stage. The mark-up is made with standard values for each production step based on a normal production volume.

Inventories are valued at the lowest of the cost and net sales value. Materials that are deemed to have no demand are left without value. The same also applies to raw materials and semi-finished products that can only be finished into a not demanded product.

Calculation of write-down of onerous contract

In 2024, the company made an assessment that the company's current assets were overvalued and that there was therefore a need for impairment.

Loss carry-forwards

The group's loss carry-forward has not been valued and is not reported as a deferred tax asset. Loss carry-forwards are only valued when the group has established a level of profit that the management with certainty assesses will lead to a tax surplus.

Recognition of revenue

The group reports revenues from sales of goods, provision of services, and from distribution agreements. Revenue recognition is carried out in accordance with the five-step model set out in IFRS 15.

See also note I Accounting principles. Sales in the group have mainly consisted of sales of goods, but with components of service sales from application development. The sale of goods is reported in accordance with the applicable payment and delivery terms.

Service sales have had a component of prepayment and a component of payment when projects are met. Prepayment has been distributed evenly over the duration of the project, where applicable, and payment for the achievement of the project's objectives has been recognized when the customer has confirmed that the project has been achieved.

NOTE 3 FINANCIAL RISKS

The group's operations are exposed to various financial risks such as financial market risk (including currency risk, interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The group's

overall risk management focuses on managing uncertainty in the financial markets and strives to minimize possible adverse effects on the group's financial results. Financial risks and transactions are managed centrally by the parent company through the group's CFO and CEO in accordance with policies established by the board of directors. The main market and financial risks are described below.

Currency risk

Currency risk may affect earnings and financial position due to currency fluctuations. Nanologica has trading and production in different currencies and is therefore subject to risks related to fluctuating exchange rates. A large part of the company's costs is in British Pounds (GBP), which means that costs may increase in cases where SEK decreases in value in relation to GBP. The majority of the company's revenue is currently in USD, which means that revenues may decrease in cases where SEK decreases in value in relation to USD. If the company's projects proceed according to plan, it is likely that exposure to exchange rate fluctuations will increase in the future. In accordance with the company's financial policy, no hedging instruments are currently used, which means that fluctuating exchange rates can have a material impact on the company's earnings, cash flow and financial position. See also Note 34 for sensitivity analysis of currency risk. The group has no loans in foreign currency and is therefore not exposed to any currency risk regarding loans.

Interest rate risk

The group is exposed to interest rate risk on interest-bearing long-term and short-term liabilities. The group has had two types of loans: from banks and credit institutions, and from private investors. On the balance sheet day, the group only had loans from private investors. 100 percent of the total loans on the balance sheet day are at fixed interest rate. The interest rate risk is therefore considered to be relatively low. The interest rates and maturities of the loans are set out in note 25.

The group has assets in cash and cash equivalents in the bank that are affected as a result of changes in interest rates. The majority of the financial assets of the bank are without interest and therefore the risk is low.

Credit risk

The group has a limited credit exposure to customers, including outstanding receivables. Prior to the conclusion of an agreement, the group's customers are subject to credit checks, in which information about the customers' financial position is obtained. Other factors are also taken into account in the overall assessment. Credit terms for customers are determined individually and the customers' financial position is monitored and tested on an ongoing basis. Follow-up of accounts receivable takes place on an ongoing basis with control of overdue customer invoices. As the company has and will also have a limited number of customers, there is a concentration risk.

Bad debt losses relating to expected credit losses from accounts receivable are recognized taking into account various possible scenarios that may result in the group not being able to receive the amount due under original payment terms. Indicators that an accounts receivable can be considered uncertain are whether the client is experiencing significant financial difficulties, whether there is a likelihood that the debtor will go bankrupt or undergo financial restructuring, or that payment is a non-payment or delayed (more than 30 days). The amount of the bad debt loss is the difference between the reported amount of the asset and the present value of the estimated future cash flow, discounted by the original annual percentage rate of charge. The reported amount of the asset is reduced by the use of a bad debt account, and the loss is recorded in the income statement under other external costs.

If a loss is definitive, it is written off against the bad debts account.

Liquidity risk

Liquidity risk is the risk that exists if the company fails to meet its payments due to insufficient liquidity and/or difficulty in obtaining credit from external creditors. The group continuously monitors the sources and size of the group's cash flows and current liquidity and makes rolling forecasts to ensure that there is sufficient liquidity to meet operating activities. This follow-up is reported to the board where the outcome and forecast are compared with the budget that is produced and approved by the board each year.

Liquidity risk is estimated to be medium-low in the short term (1-1.5 years) and medium-low in the medium term (1.5-3 years). See also note 35.

Capital management

The group's goal regarding the capital structure is to ensure financing of the company's development and business plan so that it can generate returns for shareholders and benefit for other stakeholders, as well as to maintain an optimal capital structure that minimizes capital costs. An effective risk assessment combines the group's business opportunities and results with the shareholders' and other stakeholders' demands for sustainable profitability, stable long-term value growth and control.

External risks

- Wars and geopolitical tensions continue to affect the world. During the quarter, this has not had any direct impact on the company. However, the high level of uncertainty surrounding the impact of the geopolitical situation on the global economy and supply chain may have an impact in the longer term.
- From time to time the company is affected by longer delivery times for specific components and shortages of chemicals, as a result of geopolitical situations. The company assesses that this had little
- impact on earnings, financial position, or cash flow during the quarter in relation to other factors, such as delayed deliveries to customers.
- Energy prices and inflation do not affect the company significantly in the current production campaign as the large-scale production of the company's silica runs according to agreement. If high energy prices and high inflation persist for a longer period of time, this may have effects when renegotiation, for example, production agreements, which may affect the cost picture and profitability.
- The company's current loans run at fixed interest rates, which means that the costs for these are not affected by higher interest rates during the term of the loans. Regarding fluctuations in exchange rates, the company's production and commitments are mainly in British pounds and sales mainly in US dollars. Nanologica has not currently hedged any exchange rates.
- Climate change poses a major risk to humanity from a global perspective, with financial risks as a result. At present, however, Nanologica assesses that climate risks do not have, or will have in the near future, a significant impact on the company's financial performance.

Increased financial uncertainty as a result of external factors may make it difficult to sell the company's products to new customers and also impair the availability of financing that the company may depend on to carry out development projects in accordance with the company's business plan. In the event of unfavorable market conditions, financing opportunities for the company may deteriorate, which may lead to the company being forced to limit or suspend planned marketing, development and investments until sufficient financing has been secured.

The company works continuously to identify, evaluate and manage external factors that have an impact on the operational activities.

NOTE 4 DISTRIBUTION OF INCOME

See note 1 (I) for accounting principles.

Nanologica's distribution of revenues from the sales of goods broken down by product type, geographic market, and larger customers. All sales of goods have taken place at a certain time. The provision of services such as application development has been recognized as revenue over time when the services have been performed.

Composition of net sales, per product type (TSEK)	2024 Jan - Dec	2023 Jan - Dec
Preparative chromatography	12 727	390
Analytical chromatography	808	1 054
Application development and similar services	1 003	0
Total	**14 538**	**1 443**

Composition of net sales, per segment and region (TSEK)	2024 Jan - Dec	2023 Jan - Dec
Chromatography	14 538	1 443
China	*8 426*	*654*
India	*5 916*	*188*
USA	*21*	*0*
Rest of the World	*175*	*601*
Total net sales	**14 538**	**1 443**

Composition of net sales, large customers (TSEK)	2024 Jan - Dec	2023 Jan - Dec
Customer A - Chromatography	*129*	*654*
Customer A (%)	*1%*	*45%*
Customer B - Chromatography	*4 715*	*0*
Customer B (%)	*32%*	*0%*
Customer C - Chromatography	*173*	*188*
Customer C (%)	*1%*	*13%*
Customer D - Chromatography	*7 911*	*0*
Customer D (%)	*54%*	*0%*
Others	*1 610*	*601*
Others (%)	*11%*	*42%*
	14 538	**1 443**

NOTE 5 OTHER INCOME

See note 1 (V) for accounting principles.

Amounts in TSEK	2024 Jan - Dec	2023 Jan - Dec
Operational currency exchange gains	633	302
Other items	0	192
Total	**633**	**494**

NOTE 6 AUDITOR FEES

Amounts in TSEK	2024 Jan - Dec	2023 Jan - Dec
BDO	817	565
Audit fee	*817*	*565*
Total	**817**	**565**

For both financial years 2024 and 2023, BDO has been appointed the auditor for the group. The audit fee relates to:

- review of the consolidated financial statements
- review of the statutory financial statements of the parent company and group companies
- review of the management of the parent company by the board of directors and the CEO
- procedures for the auditor's opinion on guidelines for remuneration to senior executives in accordance with Chapter 8. Section 54 of the Swedish Companies Act (2005:551)
- procedures for the auditor's report on compliance with the Regulation on a European Single Electronic Reporting Format (ESEF).
- other tasks that are the responsibility of the company's auditor, as well as advice or other assistance that is prompted by observations made during such audits or the performance of such other tasks.

NOTE 7 STAFF COSTS AND AVERAGE NUMBER OF EMPLOYEES

See note 1 (VIII) for accounting principles.

Average number of employees	2024 Jan - Dec		2023 Jan - Dec	
Sweden	15	67%	17	61%
Total	**15**	**67%**	**17**	**61%**

Gender distribution among senior executives	2024 Dec 31	2023 Dec 31
Share of women on the balance day		
Board of directors	50%	40%
CEO and other senior executives	75%	60%

Staff costs for the board of directors, CEO, senior executives and other staff (TSEK)	2024 Jan - Dec	2023 Jan - Dec
Board of directors, CEO and other senior executives		
Salaries and other remunerations	7 937	10 878
Social security expenses	2 702	3 618
Pension costs	1 166	1 238
Total	**11 805**	**15 734**
Other employees		
Salaries and other remunerations	6 396	8 158
Social security expenses	2 102	2 376
Pension costs	548	633
Total	**9 046**	**11 168**

Remuneration and terms of employment of employees

In the preparation of the board of director's proposal for these remuneration guidelines, salary and terms of employment for the company's employees have been taken into account in that information about employees' total remuneration, the components of the remuneration and the remuneration's increase and

rate of increase over time, formed part of the remuneration committee's and the board's basis for decision when evaluating the reasonableness of the guidelines and the limitations resulting from them. The remuneration committee, together with the CEO, ensures that discrimination is counteracted also from a remuneration perspective and promotes equal opportunities and rights regardless of gender, ethnicity, transgender identity, religion, disability, sexual orientation or age.

Pensions

In the group there are only defined contribution pension plans.

Guidelines for remuneration to senior executives

According to the Swedish Companies Act, the Annual General Meeting shall resolve on guidelines for remuneration to senior executives in public limited liability companies admitted to trading on a regulated market. Proposals for guidelines are prepared by the remuneration committee and present the proposal for resolution at the annual general meeting, at least every four years. The board of directors' discussions of and decisions on remuneration-related matters are made without the presence of the CEO or other members of the executive management, to the extent that they are affected by the issues.

The annual general meeting 2023 has resolved to adopt guidelines for remuneration to senior executives as described below. These guidelines cover the company management of Nanologica and the company's board members to the extent that remuneration other than those resolved by the annual general meeting is paid to board members.

A successful implementation of the company's business strategy and the safeguarding of the company's long-term interests, including its sustainability, requires that the company can recruit and retain qualified employees, in several cases specialists in specific areas. This requires that the company can offer competitive total remuneration. The total remuneration shall be market-based and competitive and be in relation to responsibilities and powers.

Fixed salary and variable remuneration

The fixed salary consists of fixed cash salary and is reviewed annually. The fixed salary reflects the requirements placed on the position regarding competence, responsibility, complexity and how the position is expected to contribute to achieving the business goals. Furthermore, the fixed salary shall be individual and differentiated and reflect predetermined and achieved performance targets.

In addition to fixed salary, the CEO and other members of the executive management may, in accordance with a separate agreement, receive variable remuneration in the event of fulfilment of predetermined criteria. The variable remuneration shall be based on the result of predetermined and measurable criteria, which in turn shall be designed to contribute to an increased value for the company. Any variable remuneration consists of annual variable cash remuneration and may not exceed 50 percent of the fixed annual salary for the CEO and 30 percent for other senior executives.

Other benefits and pensions

For the CEO, pension benefits, including health insurance, are defined contribution and premiums shall not exceed 20 percent of the fixed annual salary. For other members of the company's management, pension benefits, including health insurance, are defined contribution unless the executive is covered by a defined benefit pension in accordance with mandatory collective agreement provisions.

Premiums for defined contribution pensions shall not exceed 30 income base amounts annually. Variable cash remuneration shall not be pensionable.

Other benefits, which may include car benefit, travel benefit and health insurance, are market-based and constitute a limited part of the total compensation. Premiums and other costs arising from such benefits may amount to a maximum of 10 percent of the fixed annual salary.

Remuneration to the CEO

The company's CEO has a fixed monthly salary of TSEK 159 plus payment of pension premiums of approximately TSEK 22. In addition, the CEO may receive a variable remuneration in the form of bonus. However, according to the remuneration guideline, the variable remuneration shall not exceed half (0.5) annual salary. In 2024, Nanologica's CEO received a fixed remuneration of SEK 1,949 thousand, paid pension premiums of SEK 270 thousand, and a non-pensionable variable remuneration of SEK 0. Moreover, the CEO received car benefit and health insurance amounting to a total of SEK 154 thousand during.

Remuneration to senior executives

Senior executives refer to the CEO and the management team, which at the end of the year consisted of a total of four persons. Remuneration to senior executives consists of basic salary, variable remuneration, pension provisions and other benefits. For the financial year 2024, remuneration was paid to the CEO and senior executives in accordance with what is stated in the table in note 7.

Termination and severance pay

For the CEO, a notice period of 6 months applies in the event of termination by the CEO. In the event of termination by the company, a notice period of 12 months applies. In the event of termination by the company, variable remuneration is paid that has been earned, but which has not yet been received by the company at the time of termination of work. Such remuneration shall be paid to the CEO no later than at the time of termination of employment. Otherwise, normal remunerations according to the employment agreement are paid during the termination period. Notice periods for other senior executives normally amount to 3 to 6 months. In the event of termination by the company, the notice period of a maximum of 6 months applies. No severance pay is agreed with senior executives.

Consultant fees to board members

Board members are only entitled to receive such fees as have been resolved by the general meeting. Board members may in special cases be reimbursed for services in their respective area of expertise or competence provided that the service performed is outside what can be considered as a customary assignment as a board member. For these services (including services performed through a wholly owned company by a board member), a market-based fee shall be paid provided that such services contribute to the implementation of the company's business strategy and the safeguarding of the company's long-term interests, including its sustainability. Such consulting fees for each board member may not exceed the annual board fee and shall be regulated in a consulting agreement approved by the board of directors (but in accordance with the Swedish Companies Act's conflict of interest rules).

The board of directors

According to the resolution of the annual general meeting on May 16, 2024, board fees are paid for the period until the next annual general meeting has been held of SEK 315 thousand (300) to the chairman and SEK 185 thousand (175) each to other members. It was also resolved that fees of SEK 50 thousand to the chairman of the audit committee and SEK 30 thousand each to the other members of the audit committee shall be paid, and fees of SEK 25 thousand to the chairman of the remuneration committee and SEK 15 thousand to each member of the remuneration committee shall be paid.

Remuneration and other benefits 2024	Basic salary/ Board fee	Variable remuneration	Other remuneration	Pension costs	Total
Chairman of the board, Gisela Sitbon	332 500	0	0	0	332 500
Board member, Lena Torlegård	230 000	0	0	0	230 000
Board member, Mattias Bengtsson	195 000	0	0	0	195 000
Board member, Anders Rabbe	210 000	0	0	0	210 000
Board member, Thomas Eldered	210 000	0	0	0	210 000
Board member Alexandra Blomberg Montgomery	34 688	0	0	0	34 688
Chief Executive Officer	1 948 526	0	154 384	270 044	2 372 954
Other senior executives (3 positions)*	4 415 686	200 232	6 000	745 421	5 367 339
Total	**7 576 400**	**200 232**	**160 384**	**1 015 465**	**8 952 481**

**At the end of the year, "other senior executives" consisted of three persons (in addition to the CEO).*

Variable remuneration for the financial year 2024 refers to an expensed bonus, which has been paid in 2025.

Remuneration and other benefits 2023	Basic salary/ Board fee	Variable remuneration	Other remuneration	Pension costs	Total
Chairman of the board, Gisela Sitbon	320 000				320 000
Board member, Lena Torlegård	222 500				222 500
Board member, Eva Byröd	85 000				85 000
Board member, Mattias Bengtsson	195 000				195 000
Board member, Anders Rabbe	195 000				195 000
Board member, Tomas Kramar	92 500				92 500
Board member, Thomas Eldered	202 500				202 500
Chief Executive Officer	1 793 077	567 000	46 172	253 980	2 660 229
Other senior executives (3 positions)*	6 339 579	811 920	7 299	984 116	8 142 914
Total	**9 445 156**	**1 378 920**	**53 471**	**1 238 096**	**12 115 643**

**At the end of the year, "other senior executives" consisted of three persons (in addition to the CEO).*

Variable remuneration for the financial year 2023 refers to an expensed bonus, which has been paid in 2024.

Incentive programs

Share-based and share price-based incentive programs shall, if applicable, be resolved by the annual general meeting. Current incentive programs are described on page 23, and in note 23.

	The main conditions of share option plans*					**Information regarding the reported financial year**				
						Opening balance	**During the year**			**Closing balance**
Name of executive (position)	Program name	Date for allotment	Exercise period	Option price	Exercise price	Share options held at beginning of year	Share options awarded	Exercised options	Expired options	Share options held at end of year
Andreas Bhagwani (CEO)	2021/2024	2021-12-19	2024-04-01 - 2024-07-01	0,03 SEK	45,00 SEK	200 000	0	0	-200 000	0
	2023/2026	2023-12-05	2026-08-01 - 2026-11-30	0,56 SEK	30,00 SEK	75 000	0	0	0	75 000
Other executives	2021/2024	2021-12-19	2024-04-01 - 2024-07-01	0,03 SEK	45,00 SEK	270 000	0	0	-270 000	0
	2023/2026	2023-12-05	2026-08-01 - 2026-11-30	0,56 SEK	30,00 SEK	50 000	0	0	0	50 000

NOTE 8 DEPRECIATION / AMORTIZATION OF TANGIBLE AND INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS

See note 1 (VIX) for accounting principles.

Amounts in TSEK	2024 Jan - Dec	2023 Jan - Dec
Depreciation of capitalized expenditure for research and development and similar	-6 578	-7 301
Depreciation patents*	-386	-560
Depreciation of equipment, tools, fixtures and fittings	-727	-444
Depreciation of right-of-use assets	-6 428	-6 320
Write-down of intangible assets	-1 426	-4 738
Write-down of tangible assets	-3	0
Total	**-15 548**	**-19 365**

** includes reversal of depreciations after write-down of patents*

During the third quarter of 2024, the value of the company's patents was written down completely, corresponding to a value of SEK 1,426 thousand, as the company makes the assessment that the operations of the business are no longer linked to these patents. The patents protect technologies, processes, properties and applications for the company's drug delivery platform within the former drug development business area.

Amounts in TSEK	2024 Jan - Dec	2023 Jan - Dec
Write-down of other current assets	-9 005	-9 785
Total	**-9 005**	**-9 785**

During the third quarter of 2024, write-downs of SEK 9,005 thousand were made related to the fact that the costs of a production campaign are expected to exceed the sales price of the products.

NOTE 9 OTHER OPERATING EXPENSES

See note 1 (X) for accounting principles.

Amounts in TSEK	2024 jan - dec	2023 Jan - Dec
Exchange rate losses on operating receivables/liabilities	-1 538	-470
Loss from disposal of fixed assets	0	-257
Total	**-1 538**	**-727**

NOTE 10 FINANCIAL INCOME

See note 1 (XI) for accounting principles.

Amounts in TSEK	2024 Jan - Dec	2023 Jan - Dec
Assets valued at fair value via the income statement		
Change in exchange rates for financial assets	0	**52**
Assets valued at accrued acquisition value		
Interest income	354	**464**
Total	**354**	**516**

NOTE 11 FINANCIAL COSTS

See note 1 (XI) for accounting principles.

Amounts in TSEK	2024 Jan - Dec	2023 Jan - Dec
Liabilities valued at accrued acquistion value		
Change in exchange rates for liabilities	-391	2
Interest expenses, loans	-6 203	-5 630
Interest expenses, leasing contracts	-99	-82
Total	**-6 693**	**-5 710**

NOTE 12 INCOME TAX

See note 1 (XII) for accounting principles.

	2024 Jan - Dec		2023 Jan - Dec	
Reported tax (TSEK)	Tax base	Tax effect	Tax base	Tax effect
Current and reported tax	**0**	**-35**	**0**	**0**
Reconciliation of effective tax rate				
Profit/loss before tax / tax according to applicable tax rate (20,6%)	-65 594	13 512	-75 157	15 482
Other non-deductable expenses	100	-21	57	-12
Reversal of provision	-583	120	0	0
Increase of loss carry-forwards without corresponding capitalization of deferred tax	66 247	-13 647	75 100	-15 471
Tax basis / tax expense	**170**	**-35**	**0**	**0**
Tax-deductible expenses reported against equity				
Tax-deductible issue costs	-12 026	2 477	0	0
Increase of loss carry-forwards without corresponding capitalization of deferred tax	12 026	-2 477	0	0
Tax basis / tax expense	**0**	**0**	**0**	**0**
Total increase of loss carry-forwards without corresponding capitalization of deferred tax	**78 273**	**-16 124**	**75 100**	**-15 471**
Amounts reported as temporary differences				
Valuation of financial assets at fair value	0	0	169	-35
Leasing debt	-3 154	650	-666	137
Right-of-use asset	11 212	-2 310	12 009	-2 474
Write-down of tangible and intangible assets	6 167	-1 270	4 738	-976
Write-down of other current assets	18 790	-3 871	9 785	-2 016
Change/off-set against deferred tax	-33 015	6 801	-26 036	5 363
Tax basis / tax expense	**0**	**0**	**0**	**0**

	2024 Jan - Dec		2023 Jan - Dec	
Taxable loss carry-forward (TSEK)	Tax base	Tax effect	Tax base	Tax effect
Opening balance	281 905	58 073	261 664	53 903
Reversal of loss carry-forwards with regards to changes in ownership	0	0	-43 791	-9 021
Loss deduction for the year	67 840	13 975	49 065	10 107
Total loss carry-forwards	**349 745**	**72 048**	**266 937**	**54 989**

NOTE 13 EARNINGS PER SHARE

See note 1 (XIII) for accounting principles

Earnings per share before and after dilution	2024 Jan - Dec	2023 Jan - Dec
Profit/loss for the year attributable to shareholders of the parent company (TSEK)	-65 629	-75 157
Average number of outstanding ordinary shares	49 533 602	36 146 142
Earnings per share before and after dilution (SEK)	**-1,32**	**-2,08**

When calculating diluted earnings per share, the weighted average number of ordinary shares outstanding is adjusted for the dilution effect of all potential ordinary shares. These potential ordinary shares are attributable to outstanding options to the board of directors, management and employees, see equity disclosure for the group. As the profit for the year is negative, potential ordinary shares are not considered dilutive.

NOTE 14 CAPITALIZED EXPENSES FOR DEVELOPMENT WORK AND SIMILAR WORK

See note 1 (XIV) for accounting principles and note 2 for significant accounting assessments and assumptions.

Amounts in TSEK	2024 Dec 31	2023 Dec 31
Accumulated acquisition values		
Opening balance	48 516	38 303
Capitalized expenses for the year	0	18 539
Disposal of finished projects	0	-8 325
Closing balance	**48 516**	**48 516**
Accumulated depreciations		
Opening balance	-26 707	-23 579
Depreciations for the year	-6 575	-6 947
Disposal of finished projects	0	3 819
Closing balance	**-33 283**	**-26 707**
Reported value at the end of the year	**15 234**	**21 809**
Specification of significant items (TSEK)		
Up-scaling of silica production*	15 234	26 315
Inhouse development drug development**	0	-4 506
Total	**15 234**	**21 809**

* Refers to both internal and external expenses for upscaling to large-scale production of silica. The depreciation period is 5 years and is made linearly.

** Refers to write-downs in connection to the termination of operations within the business area drug development being terminated.

NOTE 15 PATENTS

See note 1 (XIV) for accounting principles.

Amounts in TSEK	2024 Dec 31	2023 Dec 31
Accumulated acquisition values		
Opening balance	3 360	2 876
Investments for the year	479	485
Divestments and disposals	-3 839	0
Closing balance	**0**	**3 360**
Accumulated amortizations		
Opening balance	-2 029	-1 469
Reversal of amortizations of divestments and disposals	2 413	0
Amortizations for the year	-384	-560
Closing balance	**0**	**-2 029**
Reported value at the end of the year	**0**	**1 332**

The company's patents protect technologies, processes, properties and applications for the company's drug delivery platform within the former drug development business area. During the third quarter of 2024, the value of the patents was written down to zero as the company makes the assessment that the business is no longer linked to these patents.

NOTE 16 EQUIPMENTS, TOOLS, FIXTURES AND FITTINGS

See note 1 (XV) for accounting principles.

Amounts in TSEK	2024 Dec 31	2023 Dec 31
Accumulated acquisition values		
Opening balance	7 627	6 616
Acqusitions	262	1 639
Divestments and disposals	-282	-627
Closing balance	**7 607**	**7 627**
Accumulated depreciations		
Opening balance	-3 878	-3 434
Reversal of depreciations and disposals	279	370
Depreciations for the year	-820	-814
Closing balance	**-4 420**	**-3 878**
Reported value at the end of the year	**3 187**	**3 749**

NOTE 17 RIGHT-OF-USE ASSETS AND LEASING LIABILITIES

See note 1 (XVI) for accounting principles.

Nanologica's right-of-use assets consist partly of rental contracts for premises in Södertälje (office and production) and embedded leasing contracts for machines and technical facilities at the partner Sterling Pharma Solutions. The lessee's weighted average marginal loan interest rate applied to lease liabilities regardless of asset type is 4.0 percent. Leases accounted for according to IFRS 16 contain no extension options, early termination terms, residual value guarantees or other relevant contractual terms.

	2024-12-31		
Amounts reported in the balance sheet - right-of-use assets (TSEK)	Buildings/ premises (offices etc)	Machinery and other technical facilities	Total right-of-use assets
Opening balance	0	12 009	12 009
New leases	0	317	317
	5 314	0	5 314
Depreciation during the year	-1 888	-4 540	-6 428
Closing balance	**3 426**	**7 786**	**11 212**

	2023-12-31		
Amounts reported in the balance sheet - right-of-use assets (TSEK)	Buildings/ premises (offices etc)	Machinery and other technical facilities	Total right-of-use assets
Opening balance	2 130	16 417	18 547
Depreciation during the year	-2 130	-4 408	-6 538
Closing balance	**0**	**12 009**	**12 009**

	2024-12-31		
Amounts reported in the balance sheet - leasing liabilities (TSEK)	Long-term debt	Short-term debt	Total leasing debt
Opening balance	136	530	666
New leases	0	317	317
Revaluation	1 591	2 796	4 387
Transfer	46	-46	0
Amortization	-1 514	-702	-2 216
Closing balance	**258**	**2 896**	**3 154**

	2023-12-31		
Amounts reported in the balance sheet - leasing liabilities (TSEK)	Long-term debt	Short-term debt	Total leasing debt
Opening balance	666	2 693	3 359
Transfer	-530	530	0
Amortization	0	-2 693	-2 693
Closing balance	**136**	**530**	**666**

Amounts reported in the income statement - leasing agreements (TSEK)	**2023 Dec 31**	**2023 Dec 31**
Depreciation of right-of-use assets		
Building/premises (offices etc)	1 888	2 130
Machinery and other technical facilities	4 540	4 408
Total depreciation of right-of-use assets	**6 428**	**6 538**
Interest expenses (included in financial expenses)	**99**	**82**

In addition to leases under IFRS16, the company only has a few agreements for leases of software, etc. These are short-term agreements of insignificant value. The total cash flow of leases was SEK 2,216 thousand (2,873). For information on the maturity of the lease liability, see note 35 liquidity risk.

NOTE 18 FINANCIAL ASSETS AND LIABILITIES

See note 1 (XIX and XX) for accounting principles.

The fair value of financial assets and liabilities measured at amortized cost is approximately equal to its reported amount. For short-term liabilities, the maturity is so short that fair value corresponds to the reported amount. Long-term liabilities refer to fixed-rate liabilities that are deemed to be consistent with/close to the current market interest rate.

Valuation at fair value

IFRS 13 Fair value measurement contains a valuation hierarchy regarding input to the valuations. This valuation hierarchy is divided into three levels, consisting of:

- Level 1 - Quoted prices on active markets for identical assets and liabilities
- Level 2 - Observable inputs for the asset or liability other than quoted prices including in level 1, either directly or indirectly (i.e. derived from quotations).
- Level 3 - Input of the asset or liability that is not based on observable market data (i.e. non-observable inputs)

Other financial assets and liabilities

Other financial assets and liabilities included in the group's balance sheet are valued at amortized cost, where applicable using the effective interest method.

Financial assets and liabilities in the balance sheet December 31, 2024 (TSEK)	Financial assets/ liabilities valued at fair value	Financial assets/ liabilities valued at accrued acquisition value	Total reported value
Assets			
Accounts receivable	0	896	896
Other current receivables	0	500	500
Cash and cash equivalents	0	48 430	48 430
Total financial assets	**0**	**49 827**	**49 827**
Liabilities			
Long- and short-term liabilities	0	47 812	47 812
Long- and short-term leasing liabilities	0	3 154	3 154
Accounts payable	0	13 103	13 103
Accrued expenses	0	3 963	3 963
Total financial liabilities	**0**	**68 032**	**68 032**

Financial assets and liabilities in the balance sheet December 31, 2023 (TSEK)	Financial assets/ liabilities valued at fair value	Financial assets/liabilities valued at accrued acquisition value	Total reported value
Assets			
Accounts receivable	0	473	473
Other current receivables	0	660	660
Cash and cash equivalents	0	10 054	10 054
Total financial assets	**0**	**11 187**	**11 187**
Liabilities			
Long- and short-term liabilities	0	66 757	66 757
Long- and short-term leasing liabilities	0	666	666
Accounts payable	0	4 914	4 914
Accrued expenses	0	4 915	4 915
Total financial liabilities	**0**	**77 252**	**77 252**

NOTE 19 INVENTORIES

See note 1 (XVII) for accounting principles and note 2 for significant accounting assessments and assumptions.

Amounts in TSEK	2024 Dec 31	2023 Dec 31
Raw materials and consumables	131	131
Semi-finished products and products in progress	3 807	2 728
Finished products and goods for resale	28 807	114
Total	**32 745**	**2 973**
Valued at acquisition cost	32 745	245
Valued at net sales value	0	2 728
Total	**32 745**	**2 973**

NOTE 20 ACCOUNTS RECEIVABLE

See note 1 (XIX) for accounting principles.

Amounts in TSEK	2024 Dec 31	2023 Dec 31
Accounts receivable, not overdue	508	119
Accounts receivable, 0-180 days	0	0
Accounts receivable, 181-365 days	0	0
Accounts receivable, > 365 days	536	490
Total (gross)	**1 044**	**608**
Write-down	-148	-136
Total accounts receivables (net)	**896**	**473**
Reported amounts, per currency		
SEK	12	119
USD	885	354
Total	**896**	**473**

The maximum exposure to credit risk at the balance sheet date for accounts receivables is the reported amount as described above. Impairment testing is carried out in accordance with stated accounting principles. The fair value of accounts receivables corresponds to its reported amount, as the discount effect is not material. No accounts receivables have been provided as collateral for any liability.

NOTE 21 PREPAID EXPENSES AND ACCRUED INCOME

See note 1 (XIX) for accounting principles.

Amounts in TSEK	2024 Dec 31	2023 Dec 31
Prepaid production costs	30 505	22 982
Other items	389	1 388
Total	**30 894**	**24 370**

Prepaid production costs refer to advances paid to the contract manufacturer Sterling Pharma Solutions, with a deduction for goods and services delivered.

According to the terms of the contract for the first campaigns, Nanologica pays ongoing costs during production, which are then deducted when the products are finalized. A first payment for the start of production was made in June 2020, after which payments have been made on an ongoing basis, generating a prepaid cost. When selling products from these campaigns, the costs of production are partly already taken and will not have a negative impact on cash flow. The agreement is an order and a refund can only be made if the supplier severely abuses their commitment, deficiencies in quality, in production or if they are unable to fulfill their commitment. The company has no right to a refund in cases where demand decreases, or a lesser need arises for other reasons. In future campaigns, the company will pay for raw materials in advance and then pay for the product itself when it is finished

NOTE 22 CASH AND CASH EQUIVALENTS

See note 1 (XXI) for accounting principles.

Amounts in TSEK	2024 Dec 31	2023 Dec 31
Swedish crowns (SEK)	40 436	9 575
Euro (EUR)	29	0
US dollar (USD)	6 777	301
Singapore dollar (SGD)	0	0
British pounds sterling (GBP)	83	177
Australian dollar (AUD)	1 106	0
Total	**48 430**	**10 054**

The full amount, excluding a deposit of TSEK 50 (50), relates to bank balances available on request.

NOTE 23 EQUITY

See note 1 (XXII) for accounting principles.

As of December 31, 2024, **the share capital** amounted to SEK 8,835,723.4 divided into 88,357,234 shares, each with a quota value of SEK 0.1. All shares issued are fully paid for and no shares are reserved for transfer.

In January 2025, the Swedish Companies Registration Office granted permission for a reduction of the share capital in accordance with the resolution of the Extraordinary General Meeting on 23 September 2024. This means that at the time of publication of the annual report, the share capital amounted to SEK 4,506,218.934 and the share's quota value amounted to SEK 0.051 per share.

Other capital contributed consists of capital contributed by the company's owners that exceeds the quota value and less transaction costs. The amount also includes compensation for issued warrants

Amounts in TSEK	Number of shares #	Share capital	Ongoing rights issue	Other contributed capital
Opening balance January 1, 2023	**36 146 142**	**14 821**	**0**	**308 195**
Premiums for issued warrants	0	0	0	100
Closing balance December 31, 2023	**36 146 142**	**14 821**	**0**	**308 295**
Rights issue 2024-04-03	8 032 476	3 294	0	54 219
Premiums for repurchased warrants	0	0	0	-6
Reduction of share capital for allocation to non-restricted equity	0	-3 294	0	-3 294
Reduction of share capital to cover loss	0	-10 403	0	0
Rights issue 2024-11-15	44 178 616	4 418	0	94 984
Transaction costs	0	0	0	-12 027
Closing balance December 31, 2024	**88 357 234**	**8 836**	**0**	**442 173**

Issued warrants

The company has ongoing incentive programs that include warrants. The purpose of the incentive programs is to encourage broad shareholding among Nanologica's employees and board members, to attract and retain competent employees, and to increase employee motivation and achievement of goals. In all incentive programs with warrants, market premiums have been paid for the options and the programs have not been charged to the company's costs.

The company also has warrants that were issued in the rights issue of units that was resolved in August 2024.

Incentive program 2023/2026 for management team and employees

Incentive program 2023/2026 for the management team and employees was resolved by the Annual General Meeting on May 4, 2023. In the program, 180,000 of the total 245,000 warrants have been subscribed for. Each warrant entitles the holder to subscribe for one share in the company at a subscription price corresponding to SEK 30 during the period August 1, 2026 to November 30, 2026. Based on the existing number of shares, the dilution effect will be a maximum of 0.2 percent if all warrants under the program are exercised.

A market premium, calculated using the Black-Scholes pricing model, was paid for the warrants to Nanghavi AB. The premium of a total of SEK 100,440 was transferred to Nanologica in December 2023 and added to the company's share premium reserve. For the calculation of premiums, exercise price, etc., the so-called Black-Scholes model has been used. The volatility used to calculate the value of the option is 43 percent. During the period, a risk-free interest rate of 5 per cent has been used and no dividend has been adopted. In addition to the above, no other assumptions have been taken into account in the calculation of fair value.

The incentive program was resolved by the 2023 Annual General Meeting and does not entail any cost for the company.

Warrants of series TO 5

On August 29, 2024, the board of directors resolved to carry out a rights issue of approximately SEK 99.4 million, which was approved by an Extraordinary General Meeting on September 23. Each unit in the issue consisted of four shares and one warrant of series TO 5 and the subscription price was SEK 9/unit. A total of 11,044,654 warrants of series TO 5 have been issued. Each warrant of series TO 5 entitles the holder to subscribe for one new share in the company during the period May 7, 2025 up to and including May 21, 2025 at a subscription price of SEK 3 per share.

The warrants of series TO 5 are admitted to trading on Nasdaq Stockholm under the ticker NICA TO5. Based on the number of shares in the company as of the date of the report, the dilution effect will be a maximum of 11.1 percent if all options of series TO 5 are exercised.

Outstanding warrants	Average price, SEK	2024	2023
Program 2021/2024*			
Opening balance	45.00	800 000	800 000
- Allotted	0	0	0
Closing balance		**800 000**	**800 000**
Program 2021/2024*			
Opening balance	0	180 000	0
- Allotted	30.00	0	180 000
- Revoked			
Closing balance		**180 000**	**180 000**
All programs			
Opening balance	42.24	980 000	800 000
- Allotted	30.00	0	180 000
- Repurchased	0	0	0
- Exercised	0	0	0
- Expired	45.00	-800 000	0
Closing balance		**180 000**	**980 000**

** * Program 2021/2024 for management team and employees: a warrant entitles the holder to subscribe for one share at a subscription price corresponding to SEK 45 during the period April 1, 2024 to July 1, 2024. The program expired on July 1, 2024. No warrants were exercised.*

*** Program 2023/2026 for management team and employees: a warrant entitles the holder to subscribe for one share at a subscription price corresponding to SEK 30 during the period August 1, 2026 to November 30, 2026.*

NOTE 24 DEVELOPMENT OF THE SHARE CAPITAL

Date	Type of issue	Number of issued shares	Balance number of shares	Share capital	Balance of share capital
2004-07-30	New formation	1 000	1 000	100 000	100 000
2009-04-01	Rights issue	50	1 050	5 000	105 000
2009-08-10	Rights issue	117	1 167	11 700	116 700
2010-12-13	Rights issue	999 069	1 000 236	11 700	128 400
2011-12-19	Rights issue	20 000	1 020 236	2 567	130 967
2012-03-15	Rights issue	24 000	1 044 236	3 081	134 048
2012-11-12	Rights issue	13 064	1 057 300	1 677	135 725
2012-12-07	Rights issue	8 000	1 065 300	1 027	136 752
2012-12-07	Rights issue	50 000	1 115 300	6 418	143 171
2013-02-01	Rights issue	30 000	1 145 300	3 851	147 022
2013-02-13	Rights issue	20 000	1 165 300	2 567	149 589
2013-03-22	Rights issue	54 130	1 219 430	6 949	156 538
2013-06-12	Stock dividend	0	1 219 430	343 462	500 000
2013-08-06	Rights issue	2 000	1 221 430	820	500 820
2013-08-22	Rights issue	62 760	1 284 190	25 733	526 554
2014-02-04	Rights issue	148 845	1 433 035	61 031	587 584
2014-06-23	Rights issue	212 245	1 645 280	87 026	674 611
2015-02-04	Rights issue	61 698	1 706 978	25 298	699 908
2015-09-02	Offsetting issue	187 755	1 894 733	76 985	776 893
2015-10-26	Rights issue	1 073 170	2 967 903	440 030	1 216 923
2015-10-26	Rights issue	390 244	3 358 147	160 011	1 376 934
2016-10-14	Rights issue	1 259 305	4 617 452	516 350	1 893 284
2018-05-09	Rights issue	12 001 995	16 619 447	4 921 151	6 814 435
2020-04-01	Rights issue	5 539 815	22 159 262	2 271 478	9 085 913
2020-06-09	Rights issue	5 539 815	27 699 077	2 271 478	11 357 391
2020-12-03	Warrant exercise	77 773	27 776 850	31 889	11 389 280
2021-02-02	Warrant exercise	17 630	27 794 480	7 229	11 396 509
2021-06-15	Warrant exercise	371 346	28 165 826	152 262	11 548 771
2022-09-30	Ongoing rights issue	9 944	28 175 770	4 077	11 552 849
2022-11-08	Finalized rights issue	7 970 372	36 146 142	3 268 074	14 820 923
2024-04-03	Rights issue	8 032 476	44 178 618	3 293 538	18 114 461
2024-04-03	Reduction of share capital	0	44 178 618	-3 293 538	14 820 923
2024-07-01	Reduction of share capital	0	44 178 618	-10 403 061	4 417 862
2024-10-22	Ongoing rights issue	30 719 488	74 898 106	3 071 949	7 489 811
2024-10-28	Ongoing rights issue	7 704 108	82 602 214	770 411	8 260 221
2024-11-15	Finalized rights issue	5 755 020	88 357 234	575 502	8 835 723

The Extraordinary General Meeting on September 23, 2024 resolved to reduce the share capital by an amount in SEK corresponding to the amount by which the share capital increased through the rights issue resolved in August (regarding the part that the share capital increase is attributable to a new issue of shares), with relevant adjustments to achieve an appropriate quota value. In accordance with this resolution, a decrease in the share capital of SEK 4,329,504.466 was registered on January 23, 2025, from SEK 8,835,723.4 to SEK 4,506,218.934. After the reduction, the share's quota value amounts to SEK 0.051 per share.

NOTE 25 LOANS / CURRENT AND LONG-TERM LIABILITIES

See note 1 (XX) for accounting principles.

Amounts in TSEK	2024 Dec 31	2023 Dec 31
Liabilities due within one year from the balance sheet date	47 875	0
Other liabilities	47 875	0
Liabilities due later than one year from the balance sheet date	0	67 000
Other liabilities	0	67 000
Summa	**47 875**	**67 000**
Arrangement fees (one-time payments distributed over the duration of the loan period)	-87	-243
Total	**47 788**	**66 757**

Lenders and terms	Debt	Debt
Flerie Invest AB, yearly interest rate 8%, due for payment July 1, 2025 according to agreement*	0	17 000
Flerie Invest AB, yearly interest rate 8%, due for payment July 5, 2025 according to agreement*	47 875	50 000
	47 875	**67 000**

** Flerie Invest AB is Nanologica's largest shareholder (42.5 percent) and is owned by Thomas Eldered, who has been a member of the company's board of directors since the Annual General Meeting in May 2021.*

There are no covenants in the above loans.

NOTE 26 PROVISIONS

See note 1 (XXIII) for accounting principles.

Amounts in TSEK	2024 Dec 31	2023 Dec 31
Other provisions	0	572
Total other provisions	**0**	**572**

In the fourth quarter of 2024, the company reversed a provision after the company made an assessment that it is unlikely that the requirement will be enforced as 10 years have passed since the provision was made. The provision was made following a decision in 2014 and related to an expected repayment of misreporting for an EU project. The provision was in EUR, whereby conversion to the balance sheet date exchange rate was made upon reversal of the provision.

NOTE 27 CONTRACTUAL LIABILITIES

See note 1 (I) for accounting principles.

Contractual liabilities consist entirely of advances from customers.

Amounts in TSEK	2024 Dec 31	2023 Dec 31
Opening balance	0	427
Settled contractual liabilities (delivered goods)	0	-427
Total current contractual liabilities	**0**	**0**

NOTE 28 ACCRUED EXPENSES AND DEFERRED INCOME

Amounts in TSEK	2024 Dec 31	2023 Dec 31
Accrued salary costs	2 110	3 377
Accrued social security expenses	643	1 056
Other items	1 210	481
Total accrued expenses and deferred income	**3 963**	**4 914**

NOTE 29 ITEMS NOT AFFECTING CASH FLOW

Amounts in TSEK	2024 Jan - Dec	2023 Jan - Dec
Depreciations	14 119	14 479
Write-downs/disposals of intangible assets	1 426	4 738
Write-downs/disposals of tangible assets	3	-257
Other items	-189	0
Total	**15 359**	**18 959**

NOTE 30 CHANGES IN FINANCIAL LIABILITIES WHOSE CASH FLOW IS REPORTED IN FINANCING ACTIVITIES

	Liabilities to credit institutions	Other financial loan liabilities	Leasing liabilities	Total group
Opening balance January 1, 2024	**0**	**66 757**	**666**	**67 423**
Loans	0	15 000	317	15 317
Amortizations	0	-18 020	-2 216	-20 236
Set-off of loans	0	-15 949	0	-15 949
Revaluation	0	0	4 387	4 387
Closing balance December 31, 2024	**0**	**47 788**	**3 154**	**46 556**

	Liabilities to credit institutions	Other financial loan liabilities	Leasing liabilities	Total group
Opening balance January 1, 2023	**1 333**	**66 601**	**3 359**	**71 293**
Loans	0	0	0	0
Amortizations	-1 333	0	-2 693	-4 026
Items not affecting cash flow	0	156	0	156
Closing balance December 31, 2023	**0**	**66 757**	**666**	**67 423**

Loans refer to bridge loans of SEK 15,000 thousand that were raised in August 2024. The bridge loan has been amortized in full in 2024.

NOTE 31 PLEDGED ASSETS AND CONTINGENT LIABILITIES

Amounts in TSEK	2024 Dec 31	2023 Dec 31
Pledged collateral		
Corporate mortgages	10 050	10 050
Other pledged assets	50	50
Total	**10 100**	**10 100**

NOTE 32 RELATED PARTY TRANSACTIONS

Related party transactions have been made on market terms.

Transactions with Flerie Invest AB regarding loans. Flerie Invest AB is Nanologica's largest shareholder. Thomas Eldered is the main owner and chairman of the board of Flerie Invest AB, as well as a board member of Nanologica AB.

Loans from Flerie Invest AB have been taken out on market terms. Loan 1 totaling SEK 17 million was raised in the autumn of 2019 and spring of 2020. Loan 2 totaling SEK 50 million was raised during the first half of 2022. The yearly interest rate on the loans is 8 per cent and the loans are due for payment in July 2025. Interest on the loans is paid quarterly. On the balance sheet date, loan 1 was repaid and loan 2 amounted to approximately SEK 47.8 million. The year's costs for these loans amount to SEK 4,832,759.

The company's CEO (Andreas Bhagwani) and CFO (Eva Osterman) have on behalf of Nanologica until October 5, 2024, been members of the board of directors of the Indian company Nanghavi Chromatography Solutions Pvt. Ltd. (Nanghavi Chrom). During the year, Nanghavi Chrom purchased goods from Nanologica with a total value of SEK 173,818.

NOTE 33 INFORMATION ON TRANSACTIONS WITHIN THE GROUP

No purchases or sales have been made within the group.

NOTE 34 CURRENCY RISK, SENSITIVITY ANALYSIS

See note 3 regarding financial risks.

Assets and liabilities in foreign currencies, TSEK	2024 Dec 31	2023 Dec 31
Accounts receivable (USD)	1 045	490
Other receivables (AUD)	0	2
Cash and cash equivalents (AUD)	80	80
Cash and cash equivalents (EUR)	29	0
Cash and cash equivalents (GBP)	1 106	0
Cash and cash equivalents (USD)	6 777	301
Provisions (EUR)	0	-572
Accounts payable (AUD)	0	-6
Accounts payable (EUR)	-4 089	-381
Accounts payable (GBP)	-6 703	-2 042
Accounts payable (USD)	-385	-367
Total	**-2 142**	**-2497**

Summary and sensitivity analysis, TSEK	2024 Dec 31	2023 Dec 31
Net (USD)	7 436	424
Effect on equity if the exchange rate fluctuates +/-5%	372	21
Effect on equity if the exchange rate fluctuates +/-10%	744	42
Effect on equity if the exchange rate fluctuates +/-15%	1 115	64
Net (EUR)	-4 060	-954
Effect on equity if the exchange rate fluctuates +/-5%	-203	-48
Effect on equity if the exchange rate fluctuates +/-10%	-406	-95
Effect on equity if the exchange rate fluctuates +/-15%	-609	-143
Net (GBP)	-5 598	-2042
Effect on equity if the exchange rate fluctuates +/-5%	-280	-102
Effect on equity if the exchange rate fluctuates +/-10%	-560	-204
Effect on equity if the exchange rate fluctuates +/-15%	-840	-306
Net (AUD)	80	75
Effect on equity if the exchange rate fluctuates +/-5%	4	4
Effect on equity if the exchange rate fluctuates +/-10%	8	7
Effect on equity if the exchange rate fluctuates +/-15%	12	11
Total	**-2 142**	**-2497**
Effect on equity if the exchange rate fluctuates +/-5%	-107	-125
Effect on equity if the exchange rate fluctuates +/-10%	-214	-250
Effect on equity if the exchange rate fluctuates +/-15%	-321	-374

NOTE 35 LIQUIDITY RISK

See note 3 on financial risks.

The group's contractual and undiscounted interest payments and repayments of financial liabilities are shown in the table below. All debts are in Swedish kronor. Liabilities have been included in the period repayment can be required at the earliest.

	December 31, 2024		
Expiry structure for undiscounted cash flow, TSEK	Within 1 year	Year 2	Year 3 - 4
Leasing liabilities	3 502	354	0
Current liabilities, interest bearing	47 788	0	0
Accounts payable and other financial liabilities	13 103	0	0
Total	**64 393**	**354**	**0**

	December 31, 2023		
Expiry structure for undiscounted cash flow, TSEK	Within 1 year	Year 2	Year 3 - 4
Long-term liabilities, interest bearing	5 360	5 360	68 379
Leasing liabilities	547	137	0
Accounts payable and other financial liabilities	9 829	0	0
Total	**15 736**	**5 497**	**68 379**

NOTE 36 DEFINITIONS OF KEY FIGURES

The company presents certain financial measures that are not defined under IFRS. These alternative performance measures are used in internal reporting and as part of management's follow-up of the group's results and financial position. The company believes that these measures provide valuable supplementary information to investors and the company's management, as they enable evaluation and benchmarking 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 under IFRS. Reported key figures are defined according to IFRS unless otherwise stated. ESMA's guidelines on alternative performance measures are applied, which means disclosure requirements for financial measures that are not defined according to IFRS.

Alternative performance measure definitions

Operating profit/loss (EBIT)
Profit/loss before net financial items and taxes. (Earnings Before Interest and Taxes).

*Operating margin, %**
Operating profit/loss in relation to net sales. In cases where the margin is negative, the margin is only reported as "neg".

*Earnings before depreciation and amortization (EBITDA)**
In the quarterly data, the performance measure EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization). EBITDA is calculated as operating profit/loss with the re-arrangement of depreciation and amortization of intangible and tangible assets and right-of-use assets.

*Equity/assets ratio**
Equity in relation to the balance sheet total.

*Equity per share**
Equity divided by the number of shares outstanding at the end of the period.

Cash flow from operating activities per share
Cash flow from operating activities in relation to the average number of shares before dilution.

Average number of shares during the period
Calculated as an average of the number of ordinary shares outstanding during the reporting period on a daily basis.

Derivation of alternative performance measures

	Group		Parent company	
	2024 Dec 31	2023 Dec 31	2024 Dec 31	2023 31 dec
A. Operating profit/loss, TSEK	-59 255	-69 963	-59 768	-42 075
B. Net sales, TSEK	14 538	1 443	14 538	12 914
A/B Operating profit loss, %	**neg**	**neg**	**neg**	**neg**
A. Operating profit/loss, TSEK	-59 255	-69 963	-59 768	-42 075
B. Depreciation and amortization of tangible, intangible and right-of-use assets, TSEK	-15 548	-19 365	-13 384	-6 272
A-B Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA), TSEK	**-43 707**	**-50 598**	**-46 384**	**-35 803**
A. Equity according to balance sheet, TSEK	74 112	-1 898	68 641	47 834
B. Number of shares before and after dilution*	88 357 234	36 146 142	88 357 234	28 165 826
A/B*1 000 Equity per share, SEK	**0,84**	**-0,05**	**0,78**	**1,70**
A. Cash flow from operating activities, TSEK	-80 734	-35 848	-82 957	0
B. Average number of shares before dilution*	49 533 602	36 146 142	49 533 602	54
A/B*1 000 Cash flow from operating activities per share, SEK	**-1,63**	**-0,99**	**-1,67**	**0,00**
A. Equity according to balance sheet, TSEK	74 112	-1 898	68 641	47 834
B. Total assets according to balance sheet, TSEK	143 099	77 429	134 450	88 413
A/B. Equity/assets ratio %	**52%**	**-2%**	**51%**	**-10%**

** In the event of a negative result, no recalculation is made for dilution.*

NOTE 37 SIGNIFICANT EVENTS AFTER THE END OF THE YEAR

- In January, the fifth order for NLAB Saga® was received from a recurring customer in China, with a value of approx. SEK 8.5 million. Since June 2024, the customer has placed orders for NLAB Saga® to a total value of approx. SEK 18 million.

- The end date for the loan from Flerie Invest AB has been extended to July 2, 2027 from previous July 5, 2025. The loan will be paid off in stages according to the following conditions:
    - SEK 5,000,000 to be amortized as of June 30, 2025
    - 1/3 of the remaining to be amortized as of June 30, 2026
    - The remainder to be amortized as of June 30, 2027

INCOME STATEMENT FOR THE PARENT COMPANY

Amounts in TSEK	Note	2024 Jan - Dec	2023 Jan - Dec
Net sales	4	14 538	1 443
Change in inventories, finished goods	19	18 163	2 080
Capitalized work for own use		0	3 229
Other operating income	5	633	494
		33 333	7 246
Operating expenses			
Raw materials and consumables		-28 408	-6 828
Other external costs	6, M2	-19 804	-16 111
Staff costs	7	-21 555	-27 393
Depreciation and amortization of tangible, intangible and right-of-use assets	M3	-13 384	-17 000
Write-down of other current assets	M3	-9 005	-9 785
Reversal of provision	26	592	0
Other operating expenses	9	-1 538	-727
Total operating expenses		-93 101	-77 845
Operating profit/loss		**-59 768**	**-70 599**
Financial items			
Profit/loss from group companies	M4	0	-169
Profit/loss from other financial items		-391	0
Interest income and similar profit/loss items	10	354	516
Interest expense and similar profit/loss items	M5	-6 203	-5 628
Profit/loss from financial items		-6240	-5 281
Profit/loss after financial items		**-66 008**	**-75 880**
Profit/loss before income tax		**-66 008**	**-75 880**
Income tax	M6	0	0
Profit/loss for the year attributable to the owners of the parent company		**-66 008**	**-75 880**

STATEMENT OF COMPREHENSIVE INCOME FOR THE PARENT COMPANY

Amounts in TSEK	Note	2024 Jan - Dec	2023 Jan - Dec
Profit/loss for the period		**-66 008**	**-75 880**
Other comprehensive income		0	
Items included in the total profit/loss		0	0
Comprehensive income for the period		**-66 008**	**-75 880**

BALANCE SHEET FOR THE PARENT COMPANY

Amounts in TSEK	Note	2024 Dec 31	2023 Dec 31
ASSETS			
Fixed assets			
Intangible assets			
Capitalized expenditure for research and development and similar	M7	16 642	27 391
Concessions, patents, licenses, trademarks and similar rights	15	0	1 332
Total intangible assets		16 642	28 723
Tangible assets			
Equipment, tools, fixtures and fittings	16	3 187	3 749
Total fixed assets		3 187	3 749
Financial assets			
Participation in group companies	M8	100	100
Total financal assets		100	100
Total fixed assets		**19 929**	**32 572**
Current assets			
Inventories etc		0	
Inventories	19	32 745	2 973
Total inventories etc		32 745	2 973
Current receivables			
Accounts receivable	20	896	473
Other receivables		500	659
Prepaid expenses and accrued income	M9	32 128	25 124
Total current receivables		33 524	26 256
Cash and cash equivalents			
Cash and cash equivalents	M10	48 252	9 878
Total cash and cash equivalents		48 252	9 878
Total current assets		**114 521**	**39 107**
TOTAL ASSETS		**134 450**	**71 678**

BALANCE SHEET FOR THE PARENT COMPANY

Amounts in TSEK	Note	2024 Dec 31	2023 Dec 31
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	23, 24, M11	8 836	14 821
Fund for development expenditure		281	748
Total restricted equity		9 117	15 569
Non-restricted equity			
Share premium reserve		442 173	308 295
Profit/loss brought forward		-316 641	-254 924
Profit/loss for the period		-66 008	-75 880
Total non-restricted equity		59 524	-22 509
Total equity		**68 641**	**-6 940**
Liabilities			
Provisions			
Provisions	26	0	572
Total provisons		0	572
Long-term liabilities			
Other long-term liabilities	25	0	66 757
Total long-term liabilities		0	66 757
Current liabilities			
Accounts payable		13 103	4 914
Current loan liabilities	25	47 788	0
Other liabilities		956	1 461
Accrued expenses and deferred income	M12	3 963	4 915
Total current liabilities		65 809	11 290
Total liabilities		**65 809**	**78 619**
TOTAL EQUITY AND LIABILITIES		**134 450**	**71 678**

STATEMENT OF CHANGES IN EQUITY FOR THE PARENT COMPANY

	Restricted equity			Non-restricted equity			
Amounts in TSEK	Share capital	Share capital, ongoing rights issues	Fund for development costs	Share premium reserve	Retained earnings	Profit/loss for the year	Total equity
Equity January 1, 2023	**14 821**	**0**	**6 572**	**308 195**	**-204 960**	**-55 788**	**68 840**
Transfer of previous year's loss	0	0	0	0	-46 225	55 788	**9 563**
Redistribution of items	0	0	-5 824	0	-3 739	0	**-9 563**
Profit/loss for the year, total profit/loss	0	0	0	0	0	-75 880	**-75 880**
Transactions with shareholders							
Rights issues	0	0	0	0	0	0	**0**
Premiums for issued warrants	0	0	0	0	0	0	**0**
Premiums for repurchased warrants	0	0	0	100	0	0	**100**
Transaction costs	0	0	0	0	0	0	**0**
Total transaction with owners	**0**	**0**	**0**	**100**	**0**	**0**	**100**
Equity December 31, 2023	**14 821**	**0**	**748**	**308 295**	**-254 924**	**-75 880**	**-6 940**
Equity January 1, 2024	**14 821**	**0**	**748**	**308 295**	**-254 924**	**-75 880**	**-6 940**
Transfer of previous year's loss	0	0	0	0	-75 880	75 880	**0**
Redistribution of items	0	0	-467	0	467	0	**0**
Profit/loss for the year, total profit/loss	0	0	0	0	0	-66 008	**-66 008**
Transactions with shareholders							
Reduction of share capital for allocation to non-restricted equity	-3 294	0	0	0	3 294	0	0
Reduction of share capital to cover losses	-10 403	0	0	0	10 403	0	0
Rights issues	7 712	0	0	123 784	0	0	131 496
Off set loans through rights issue	0	0	0	22 125	0	0	22 125
Premiums for issued warrants	0	0	0	-6	0	0	-6
Transaction costs	0	0	0	-12 026	0	0	-12 026
Total transaction with owners	**-5 985**	**0**	**0**	**133 877**	**13 697**	**0**	**141 589**
Equity December 31, 2024	**8 836**	**0**	**281**	**442 172**	**-316 641**	**-66 008**	**68 641**

CASH FLOW STATEMENT FOR THE PARENT COMPANY

Amounts in TSEK	Note	2024 Jan - Dec	2023 Jan - Dec
OPERATING ACTIVITIES			
Operating profit/loss		-59 768	-70 599
Adjustment for items not affecting cash flow	M13	13 372	16 594
Write-down of other current assets	M3	9 005	9 785
Reversal of provision	26	-583	0
Interest received		354	464
Interest paid		-6 180	-4 098
Cash flow from operating activities before changes in working capital		**-43 800**	**-47 853**
Increase (-) / decrease (+) of inventories		-29 771	-1 803
Increase (-) / decrease (+) of operating receivables		-16 274	8 850
Increase (+) / decrease (-) of operating liabilities		6 888	2 244
Cash flow from operating activities		**-82 957**	**-38 562**
INVESTING ACTIVITIES			
Investments in intangible assets		-480	-19 224
Investments in tangible fixed assets		-262	-1 755
Compensation for sold tangible assets		0	-129
Investments in group companies		0	627
Compensation for divested financial assets		0	-40
Cash flow from investing activities		**-742**	**-20 520**
FINANCING ACTIVITIES			
Rights issue		131 496	0
Premiums for issued warrants		0	100
Premiums for repurchased warrants		-6	0
Transaction costs		-12 026	0
New loans	30	15 000	0
Amortization of financial loans	30	-12 020	-1 313
Cash flow from financing activities		**122 444**	**-1 212**
Total cash flow for the year		**38 745**	**-60 295**
Cash and cash equivalents, opening balance		9 878	70 157
Exchange rate difference in cash and cash equivalents		-371	17
Cash and cash equivalents, closing balance	M10	**48 252**	**9 878**

NOTES TO THE PARENT COMPANY'S FINANCIAL STATEMENTS

General information

The operations of the parent company are consistent with the group's operations. Most references to notes are linked to the group's notes. In cases where the parent company has its own notes, these notes are marked with M followed by the number of the note.

NOTE M1 ACCOUNTING AND VALUATION PRINCIPLES

The parent company has prepared its annual report in accordance with the Annual Accounts Act (1995:1554) and the recommendation of the Swedish Financial Reporting Council RFR 2, Reporting for Legal Entities. The Council's rules on listed companies are also applied. According to RFR 2, the parent company must apply in the annual accounts of the legal entity all IFRS approved by the EU and statements as far as possible within the framework of the Annual Accounts Act and taking into account the connection between accounting and taxation. This recommendation defines exemptions and additional disclosure requirements compared to IFRS. The financial statements include financial information for the parent company for the period from January 1 to December 31, 2024. Unless otherwise stated below, the stated accounting principles of the parent company have been applied consistently during the period.

Changes in accounting standards

Neither revised IFRS nor revised RFR 2 that entered into force on January 1, 2024 has brought about any practical change in the parent company's accounting principles.

Differences between the group's and the parent company's accounting principles

Differences between the group's and the parent company's accounting principles are set out below.

Classification and presentation

The parent company's income statement and balance sheet have been prepared in accordance with the Annual Accounts Act. The deviations from IAS 1, Presentation of financial statements, relate primarily to financial income and expenses, equity, and the existence of a separate provision item in the balance sheet.

Shares and units in subsidiaries

Holdings in subsidiaries are valued on the basis of cost, which includes acquisition-related expenses. In cases where the reported amount of the investment exceeds the recoverable amount, an impairment loss is made. Dividends from subsidiaries are recognized as income when the right to receive dividends is deemed safe and can be calculated reliably.

Group contributions and shareholder contributions

Shareholder contributions are reported directly against the equity of the recipient and are activated as shares in subsidiaries of the donor, to the extent that impairment is not required.

Financial instruments

The parent company has chosen to apply IFRS 9 in legal entity. Impairment testing of accounts receivable and group receivables is done according to the simplified method in IFRS 9.

Lease agreements

The parent company applies the exemption in RFR 2 and thus does not apply IFRS 16 in legal entity. In the parent company, lease payments are recognized as costs on a straight-line basis over the lease term.

NOTE M2 OPERATIONAL LEASING – LESSEE

Amounts in TSEK	2024 Jan - Dec	2023 Jan - Dec
Future minimum leasing fees regarding operational leasing agreements that cannot be cancelled:		
Within one year	2 873	3 016
Between one and five years	356	3 657
Total	**3 229**	**6 673**
Expensed leasing fees for the fiscal year	3 546	2 957

In accounting, the operational lease consists essentially of rented premises and leasing/rental of IT equipment and software including so-called cloud service for storage and documentation. The lease with Södertälje P19 AB extends until 2025-12-31 (with annual extension). In addition, the company leases a car where any early termination can generate interest costs that are offset against the residual value of the car

NOTE M3 DEPRECIATION/AMORTIZATION AND WRITE-DOWNS OF TANGIBLE AND INTANGIBLE ASSETS

Amounts in TSEK	2024 Jan - Dec	2023 Jan - Dec
Depreciation and amortization of capitalized expenses for development work and similar	-10 749	-10 888
Depreciation patents	-386	-560
Depreciation equipment, tools, fittings and fixtures	-820	-814
Write-down of immaterial assets	-1 426	-4 738
Write-down of material assets	-3	
Total	**-13 384**	**-17 000**

Amounts in TSEK	2024 Jan - Dec	2023 Jan - Dec
Write-down of other current assets	-9 005	-9 785
Total	**-9 005**	**-9 785**

NOTE M4 PROFIT/LOSS FROM SHARES IN GROUP COMPANIES

Amounts in TSEK	2024 Jan - Dec	2023 Jan - Dec
Write-down of claims on subsidiary	0	-169
Total	**0**	**-169**

NOTE M5 INTEREST EXPENSES AND SIMILAR PROFIT AND LOSS ITEMS

Amounts in TSEK	2024 Jan - Dec	2023 Jan - Dec
Liabilities valued at accrued acquisition value		
Interest costs, loans	-6 203	-5 628
Total	**-6 203**	**-5 628**

NOTE M6 INCOME TAX

	2024 Jan - Dec		2023 Jan - Dec	
Reported tax (TSEK)	Tax basis	Tax effect	Tax basis	Tax effect
Current and reported tax	**0**	**0**	**0**	**0**
Reconciliation of effective tax rate				
Profit/loss before tax / tax according to applicable tax rate (20,6%)	-66 008	13 598	-75 880	15 631
Other non-deductable expenses	100	-21	57	-12
Reversal of provision	-583	120	0	0
Increase of loss carry-forwards without corresponding of capitalization of deferred tax	66 490	-13 697	75 823	-15 620
Tax basis / tax expense	**0**	**0**	**0**	**0**
Tax-deductible expenses reported against equity				
Tax-deductible issue costs	-12 026	2 477	0	0
Increase of loss carry-forwards without corresponding capitalization of deferred tax	12 026	-2 477	0	0
Tax basis / tax expense	**0**	**0**	**0**	**0**
Total increase of loss carry-forwards without corresponding capitalization of deferred tax	**78 516**	**-16 174**	**75 823**	**-15 620**
Amounts reported as temporary differences				
Valuation of financial assets at fair value	0	0	169	-35
Write-down of tangible and intangible assets	6 167	-1 270	4 738	-976
Write-down of other current assets	18 790	-3 871	9 785	-2 016
Change/off-set against deferred tax	-24 957	5 141	-14 693	3 027
Tax basis / tax expense	**0**	**0**	**0**	**0**

For the previous year, an adjustment has been made where an incorrect sign was entered for non-deductible expenses.

	2024 Jan - Dec		2023 Jan - Dec	
Deferred tax (TSEK)	Tax basis	Tax effect	Tax basis	Tax effect
Opening balance	281 902	58 072	264 563	54 500
Reversal of loss carry-forwards withe regards to changes in ownership	0	0	-43 791	-9 021
Loss deduction for the year	68 083	14 025	61 131	12 593
Total loss carry-forwards	**349 985**	**72 097**	**281 902**	**58 072**

NOTE M7 CAPITALIZED EXPENDITURE ON DEVELOPMENT WORK AND SIMILAR WORK

Amounts in TSEK	2024 Dec 31	2023 Dec 31
Accumulated acquisition values		
Opening balance	69 387	59 173
Capitalized expenses for the year	0	18 539
Disposal of finished projects	0	-8 325
Closing balance	**69 387**	**69 387**
Accumulated depreciations		
Opening balance	-41 996	-34 694
Depreciations for the year	-10 749	-11 120
Disposal of finished projects	0	3 819
Closing balance	**-52 745**	**-41 996**
Reported value at the end of the year	**16 642**	**27 391**
Specification of significant items (TSEK)		
Up-scaling of silica production*	16 642	31 900
Inhouse development drug development**	0	-4 509
Total	**16 642**	**27 391**

** Refers to both internal and external expenditure on scale-up to large-scale production of silica. Depreciation period is 5 years and occurs linearly.*
*** Refers to write-downs in connection with the termination of operations within the business area drug development being terminated.*

NOTE M8 SHARES IN GROUP COMPANIES

Amounts in TSEK	2024 Dec 31	2023 Dec 31
Accumulated acquisition values		
Opening balance	100	100
Reported value at the end of the year	**100**	**100**

Specification of the parent company's holding of shares and units in group companies. Reported is the ownership share of the capital, which also corresponds to the share of the votes for the total number of shares.

Subsidiary / reg no / reg office	Number of shares	as %	2024 Dec 31 Reported value	2023 Dec 31 Reported value
Nanghavi AB / 559074-2515 / Stockholm, Sweden	50 000	100	50	50
Nanologica Australia Pty Ltd / 638 898 727 / Queensland, Australia*	12	100	0	0
Nanologica Yellow AB / 559290-2620 / Stockholm, Sweden	250	100	25	25
Nanologica Black AB / 559290-2646 / Stockholm, Sweden	250	100	25	25
Nlab Bioscience S.A / B85814820 / Malaga, Spain*	3 003	100	-	-
Total			**100**	**100**

Subsidiary / reg no / reg office	Equity	Equity
Nanghavi AB / 559074-2515 / Stockholm, Sweden	48	48
Nanologica Australia Pty Ltd / 638 898 727 / Queensland, Australia*	-	-837
Nanologica Yellow AB / 559290-2620 / Stockholm, Sweden	25	25
Nanologica Black AB / 559290-2646 / Stockholm, Sweden	25	25
Nlab Bioscience S.A / B85814820 / Malaga, Spain*	-	-

** Nanologica Australia Pty Ltd was liquidated in 2023 och Nlab Bioscience S.A is under liquidation.*

NOTE M9 PREPAID EXPENSES AND ACCRUED INCOME

Amounts in TSEK	2024 Dec 31	2023 Dec 31
Prepaid rent	570	572
Prepaid leasing	0	0
Prepaid production costs*	30 505	22 982
Other items	1 052	1 570
Total	**32 128**	**25 124**

** Prepaid production costs refer to advances paid to contract manufacturer Sterling Pharma Solutions, with settlement for goods and services supplied.*

NOTE M10 CASH AND CASH EQUIVALENTS

Amounts in TSEK	2024 Dec 31	2023 Dec 31
Swedish crowns (SEK)	40 340	9 575
Euro (EUR)	29	0
US dollar (USD)	6 777	301
British pounds sterling (GBP)	1 106	0
Total	**48 252**	**9 878**

The entire amount relates to bank accounts.

NOTE M11 EQUITY

Share capital

See notes 23 and 24 for information on the parent company's share capital.

Unrestricted equity

Unrestricted equity available for distribution consists of leveraged earnings including premium funds. Retained earnings consist of the profit for the year and retained earnings from the previous year.

NOTE M12 ACCRUED EXPENSES AND DEFERRED INCOME

Amounts in TSEK	2024 Dec 31	2023 Dec 31
Accrued salary costs	2 110	3 377
Accrued social security costs	643	1 056
Other items	1 210	481
Total accrued costs and deferred income	**3 963**	**4 914**

NOTE M13 ITEMS NOT AFFECTING CASH FLOW

Amounts in TSEK	2024 Jan - Dec	2023 Jan - Dec
Depreciations	11 955	9 514
Write-downs/disposals of intangible assets	1 426	8 305
Write-downs/disposals of tangible assets	3	0
Other items	-11	-1 225
Total	**13 372**	**16 594**

NOTE M14 APPROPRIATION OF LOSS

Proposed appropriation of loss (TSEK)	2024 Dec 31
Dividend to shareholders	0
Carried forward	-66 008
Total	**-66 008**

ASSURANCE

The board of directors and the CEO hereby assure that the consolidated financial statements and the annual accounts have been prepared in accordance with generally accepted accounting principles in Sweden and that the consolidated financial statements have been prepared in accordance with with the international accounting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards and generally accepted accounting principles, respectively, and give a true and fair view of the position and results of the Group and the Parent Company. The annual report for the parent company and the group gives a fair overview of the development of the parent company's and the group's operations, position and results, and describes significant risks and uncertainties that the parent company and the companies that are part of the group face. The group's income statement and balance sheet and the parent company's income statement and balance sheet will be subject to adoption at the annual general meeting on May 22, 2025.

Södertälje
March 27, 2025

Gisela Sitbon
Chairman of the board

Mattias Bengtsson
Board member

Alexandra Blomberg Montgomery
Board member

Thomas Eldered
Board member

Anders Rabbe
Board member

Lena Torlegård
Board member

Andreas Bhagwani
Chief Executive Officer

Our auditors' report was left on March 27, 2025

BDO Mälardalen AB

Niclas Nordström
Authorized public accountant

AUDITORS REPORT

To the annual general meeting of the shareholders of Nanologica AB (publ), org.nr 556664–5023

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Statement

We have performed an audit of the annual report and consolidated financial statements for Nanologica AB (publ) for the year 2024. The company's annual report and consolidated financial statements are included on pages 46–110 of this document.

In our opinion, the annual report has been prepared in accordance with the Annual Accounts Act and provides a fair view in all material respects of the parent company's financial position as of 31 December 2024 and of its financial results and cash flow for the year in accordance with the Annual Accounts Act. The consolidated financial statements have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the group's financial position as of 31 December 2024 and of its financial results and cash flow for the year in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The board of directors' report is consistent with the other parts of the annual report and the consolidated financial statements.

We therefore recommend that the Annual General Meeting adopt the income statement and balance sheet for the parent company and the group.

Our statements in this report on the annual report and the consolidated financial statements are consistent with the content of the supplementary report submitted to the parent company's audit committee in accordance with Article 11 of the Auditors' Regulation (537/2014/EU).

Basis for statements

We have carried out the audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing practice in Sweden. Our responsibilities under these standards are described in more detail in the Auditor's Responsibilities section. We are independent in relation to the parent company and the group in accordance with generally accepted auditing practice in Sweden and have otherwise fulfilled our professional ethical responsibilities in accordance with these requirements. This includes that, based on our best knowledge and belief, no prohibited services referred to in Article 5(1) of the Auditors' Regulation (537/2014/EU) have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate as a basis for our opinions.

Areas of particular significance

Particularly significant areas for the audit are those areas that, in our professional judgment, were the most significant for the audit of the annual accounts and consolidated accounts for the period in question. These areas were addressed in the context of the audit of, and in our position statement on, the annual accounts and the consolidated accounts as a whole, but we do not make separate statements on these areas.

Accounting and valuation of prepaid production costs

In the group's balance sheet, "Prepaid production costs" are reported in an amount of SEK 30,505

thousand. These relate to advances paid to the contract manufacturer Sterling Pharma Solutions, with a deduction for goods and services delivered. See Note 21 and accounting principles on page 67 of the annual report and the consolidated financial statements for detailed information and a description of the area.

The valuation of the item is subject to the contract manufacturer being able to deliver the finished product whose net sales value is not less than the value of the payments made and any remaining agreed payments to the contract manufacturer.

How our audit has taken the area of particular significance into account

We have evaluated the processes relating to the group's assessments and positions for the valuation of prepaid production costs, including their identification and recognition of loss contracts.

As part of our review, we have also:

- Taken note of agreement with the contract manufacturer
- Reviewed management's documented assessment of the expected net sales value of the end product and verified estimated sales prices against entered customer agreements.
- Obtained confirmation from the contract manufacturer of the remaining quantities to be delivered and the remaining agreed payments.

In addition, we have reviewed a selection of the transactions that have been reported within the balance sheet item and examined whether appropriate accounting principles have been applied and that the required information has been provided.

Information other than the annual report and consolidated financial statements

This document also contains information other than the annual report and the consolidated financial statements and can be found on pages 3-45. The board of directors and the CEO are responsible for this other information.

Our opinion regarding the annual report and the consolidated financial statements does not include this information and we do not make any statement with assurance with respect to this other information.

In connection with our audit of the annual report and the consolidated financial statements, it is our responsibility to read the information identified above and consider whether the information is materially inconsistent with the annual report and the consolidated financial statements. In this review, we also take into account the knowledge we have otherwise acquired during the audit and assess whether the information otherwise appears to contain material inaccuracies.

If, based on the work that has been done on this information, we conclude that the other information contains a material misstatement, we are obliged to report this. We have nothing to report in this regard.

Responsibilities of the board of directors and the CEO

The board of directors and the CEO are responsible for ensuring that the annual accounts and consolidated financial statements are prepared and that they present a true and fair view in accordance with the Annual Accounts Act and, with regard to the consolidated financial statements, in accordance with IFRS Accounting Standards as adopted by the EU. The board of directors and the CEO are also responsible for the internal control that they deem necessary to prepare the annual and consolidated financial statements that do not contain any material misstatements, whether due to irregularities or mistakes.

In preparing the annual report and the consolidated financial statements, the board of directors and the CEO are responsible for assessing the company's and the group's ability to continue operations. They disclose, where applicable, conditions that may affect the ability to continue operations and to use the going concern assumption. However, the going concern assumption does not apply if the board of

directors and the CEO intend to liquidate the company, cease operations or have no realistic alternative to doing any of the same.

The board's audit committee shall, without prejudice to the board's responsibilities and duties in general, monitor the company's financial reporting.

Responsibility of the auditor

Our objectives are to obtain a reasonable degree of assurance as to whether the annual accounts and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to provide an auditor's report that incorporates our opinions. Reasonable assurance is a high degree of assurance, but is no guarantee that an audit carried out in accordance with ISA and generally accepted auditing practice in Sweden will always detect a material misstatement, if any. Misstatements may arise due to irregularities or mistakes and are considered material if they individually or collectively can reasonably be expected to influence the financial decisions made by users on the basis of the annual and consolidated financial statements.

As part of an ISA audit, we use professional judgment and maintain a professional skeptical attitude throughout the audit.
Furthermore:

- we identify and assess the risks of material misstatement in the annual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures based on those risks, among other things, and obtain audit evidence that is sufficient and appropriate to form the basis of our opinions. The risk of not detecting a material misstatement as a result of irregularities is higher than that of a material misstatement resulting from mistakes, as irregularities may include collusion, falsification, deliberate omissions, misinformation or disregard for internal control.
- we gain an understanding of the part of the company's internal control that is relevant to our audit in order to design audit procedures that are appropriate to the circumstances, but not to comment on the effectiveness of internal control.
- we evaluate the appropriateness of the accounting principles used and the reasonableness of the estimates of the board of directors and the CEO in the financial statements and related disclosures.
- we draw a conclusion on the appropriateness of the board of directors and the CEO using the going concern assumption in the preparation of the annual report and the consolidated financial statements. We also draw a conclusion, based on the audit evidence obtained, as to whether there is any material uncertainty relating to events or circumstances that could give rise to significant doubts about the company's and the group's ability to continue operations. If we conclude that there is a material uncertainty factor, we must draw attention in the auditor's report to the information in the annual report and consolidated financial statements about the material uncertainty factor or, if such information is insufficient, modify the opinion on the annual accounts and consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of the audit report. However, future events or circumstances may mean that a company and a group can no longer continue operations.
- we evaluate the overall presentation, structure and content of the annual and consolidated financial statements, including the disclosures, and whether the annual accounts and consolidated financial statements present the underlying transactions and events in a fair manner.
- We plan and conduct the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of companies or business units within the group as a basis for making an opinion regarding the consolidated financial statements. We are responsible for the management, monitoring and review of the audit work carried out for the purpose of the group audit. We are solely responsible for our statements.

We must inform the board of directors of, among other things, the planned scope and focus of the audit and the timing of it. We also need to disclose any significant findings during the audit, including any significant deficiencies in internal control that we identified.

We must also provide the board with a statement that We have complied with relevant ethical requirements regarding independence, and address all relationships and other circumstances that could reasonably affect our independence, as well as, where applicable, measures that have been taken to eliminate the threats or countermeasures that have been taken.

Of the areas communicated to the board of directors, we determine which of these areas have been the most significant for the audit of the annual report and the consolidated financial statements, including the most important assessed risks of material misstatement, and which are therefore the areas of particular importance for the audit. We describe these areas in the auditor's report unless laws or regulations prevent disclosure of the matter.

REPORT ON OTHER REQUIREMENTS UNDER LAWS AND REGULATIONS

The auditor's review of management and proposals for the appropriation of the company's profit or loss

Statement

In addition to our audit of the annual report and the consolidated financial statements, we have also performed an audit of the administration of the board of directors and the CEO of Nanologica AB (publ) for the year 2024 and of the proposed appropriation of the company's profit or loss.

We recommend that the Annual General Meeting dispose of the profit in accordance with the proposal in the board of directors' report and discharge the members of the board of directors and the CEO from liability for the financial year.

Basis for statement

We have carried out the audit in accordance with generally accepted auditing practice in Sweden. Our responsibilities under this section are described in more detail in the section Auditor's Responsibilities. We are independent in relation to the parent company and the group in accordance with generally accepted auditing practice in Sweden and have otherwise fulfilled our professional ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate as a basis for our opinions.

Responsibilities of the board of directors and the CEO

The board of directors is responsible for the proposed appropriation of the company's profit or loss. In the case of a dividend proposal, this includes, among other things, an assessment of whether the dividend is justifiable with regard to the requirements that the company's and the group's business nature, scope and risks place on the size of the parent company's and the group's equity, consolidation needs, liquidity and position in general.

The board of directors is responsible for the company's organization and the management of the company's affairs. This includes, among other things, continuously assessing the company's and the group's financial situation, and ensuring that the company's organization is designed so that accounting, asset management and the company's financial affairs in general are controlled in a satisfactory manner. The CEO shall manage day-to-day administration in accordance with the board's guidelines and instructions and, among other things, take the measures necessary to ensure that the company's accounting is carried out in accordance with the law and that the management of funds is carried out in a satisfactory manner.

Responsibility of the auditor

Our objective with regard to the audit of the management, and thus our discharge from liability, is to obtain audit evidence in order to be able to assess with a reasonable degree of certainty whether any member of the board of directors or the CEO in any material respect

- has taken any action or been guilty of any negligence that may give rise to liability for damages against the company, or
- in any other way acted in violation of the Swedish Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective with regard to the audit of the proposed appropriation of the company's profit or loss, and thus our statement on this, is to assess with a reasonable degree of certainty whether the proposal is in accordance with the Swedish Companies Act.

Reasonable assurance is a high degree of assurance, but no guarantee that an audit carried out in accordance with generally accepted auditing practice in Sweden will always detect actions or omissions that may give rise to liability for compensation to the company, or that a proposal for the allocation of the company's profit or loss is not in accordance with the Swedish Companies Act.

As part of an audit according to generally accepted auditing practice in Sweden, we use professional judgment and have a professional skeptical attitude throughout the audit. The audit of the company's management and the proposal for the allocation of the company's profit or loss are primarily based on the audit of the accounts. The additional audit procedures that are carried out are based on our professional assessment based on risk and materiality. This means that we focus our review on such measures, areas and conditions that are essential to the business and where deviations and violations would be of particular importance to the company's situation. We review and examine decisions made, decision documentation, measures taken and other matters that are relevant to our discharge statement. As a basis for our statement on the board's proposal for appropriation of the company's profit or loss, we have examined whether the proposal is in accordance with the Swedish Companies Act.

The auditor's review of the Esef report

Statement

In addition to our audit of the annual report and the consolidated financial statements, we have also conducted an audit of the fact that the board of directors and the CEO have prepared the annual report and the consolidated financial statements in a format that enables uniform electronic reporting (the ESEF Report) in accordance with Chapter 16. Section 4a of the Securities Market Act (2007:528) for the year 2024.

Our review and statement relate only to the statutory requirement.

In our view, the ESEF report has been prepared in a format that essentially allows for uniform electronic reporting.

Basis for statement

We have conducted the audit in accordance with FAR's recommendation RevR 18 Auditor's review of the ESEF report. Our responsibilities under this recommendation are described in more detail in the section Auditor's Responsibilities. We are independent in relation to Nanologica AB (publ) in accordance with generally accepted auditing practice in Sweden and have otherwise fulfilled our professional ethical responsibilities in accordance with these requirements.

We believe that the evidence we have gathered is sufficient and appropriate as a basis for our opinion.

Responsibilities of the board of directors and the CEO

It is the board of directors and the CEO who are responsible for ensuring that the ESEF report has been prepared in accordance with Chapter 16. Section 4a of the Securities Markets Act (2007:528), and because there is such internal

control as the board of directors and the CEO deem necessary in order to prepare the ESEF report without material misstatements, whether these are due to irregularities or mistakes.

Responsibilities of the auditor

Our task is to state with reasonable certainty whether the ESEF report is essentially prepared in a format that meets the requirements of Chapter 16. Section 4a of the Securities Market Act (2007:528), on the basis of our review.

RevR 18 requires us to plan and implement our audit procedures to obtain reasonable assurance that the ESEF report is prepared in a format that meets these requirements.

Reasonable assurance is a high degree of assurance, but is no guarantee that an audit carried out in accordance with RevR 18 and generally accepted auditing practice in Sweden will always detect a material misstatement, if any. Errors may arise from irregularities or mistakes and are considered material if they can reasonably be expected to influence, individually or together, the financial decisions made by users on the basis of the ESEF report.

The audit firm applies the International Standard on Quality Management 1, which requires the firm to design, implement and manage a quality management system including guidelines or procedures regarding compliance with ethical requirements, standards for the practice of profession and applicable legal and regulatory requirements.

The audit includes obtaining evidence through various measures that the ESEF report has been prepared in a format that allows for uniform electronic reporting of the annual accounts and Consolidated financial statements. The auditor chooses which actions are to be performed, including by assessing the risks of material misstatement in reporting, whether these are due to irregularities or mistakes. In this risk assessment, the auditor takes into account those parts of internal control that are relevant to how the board of directors and the CEO produce the documentation in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of making an opinion on the effectiveness of internal control. The review also includes an evaluation of the appropriateness and reasonableness of the assumptions of the board of directors and the CEO.

The audit procedures mainly include validating that the ESEF report has been prepared in a valid XHTML format and reconciling that the ESEF report conforms to the audited annual and consolidated financial statements.

Furthermore, the review also includes an assessment of whether the group's income statements, balance sheet and equity statements, cash flow statement and notes in the ESEF report have been marked with iXBRL in accordance with the ESEF Regulation1.

BDO Mälardalen AB, Sveavägen 53, SE-113 59 Stockholm, Sweden, was appointed Nanologica AB's auditor by the Annual General Meeting on 16 May 2024 and has been the company's auditor since 18 June 2020.

Stockholm, March 27, 2025

BDO Mälardalen AB

Niclas Nordström
Authorized Public Accountant

AUDITOR'S STATEMENT ON THE CORPORATE GOVERNANCE REPORT

To the annual general meeting of the shareholders of Nanologica AB (publ), org.nr 556664–5023

Assignment and division of responsibilities

The board of directors is responsible for the corporate governance report for 2024 on pages 30-45 and for ensuring that it is prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our review has been conducted in accordance with FAR's recommendation RevR 16 Auditor's review of the corporate governance report . This means that our review of the corporate governance report has a different focus and a significantly smaller scope compared to the focus and scope of an audit in accordance with International Standards on Auditing and generally accepted auditing practice in Sweden. We believe that this review provides us with sufficient basis for our statements.

Statement

A corporate governance report has been prepared. Information in accordance with Chapter 6. Section 6, second paragraph, items 2–6 of the Annual Accounts Act and Chapter 7. Section 31, second paragraph, of the same Act are in accordance with the Annual Accounts and the consolidated financial statements and are in accordance with the Annual Accounts Act.

Stockholm March 27, 2025
BDO Mälardalen AB

Niclas Nordström
Authorized Public Accountant

GLOSSARY

Biosimilar
A biosimilar is a biological medicine that contains a version of the active substance contained in an already authorised biological medicine (the reference medicine). For biosimilars, shorter studies are required to get the drug approved than for an original drug.

BMI, Body Mass Index
BMI is an international measure of overweight and obesity. The measurement is based on the ratio between height and weight and is calculated by taking weight in kilograms divided by length in meters squared.

Chromatography
A method in chemistry to separate different molecules in a mixture from each other.

Analytical chromatography
Analytical chromatography is used to investigate whether a particular substance is present in a mixture, or which substances are present and in which quantity.

Preparative chromatography
Preparative chromatography is used as a purification step in pharmaceutical production to remove impurities from the final drug product.

Column
A hollow tube filled with silica used for chromatography.

Evergreening
Strategy used to extend the term of protection of a patent. A slight change is made to the reference drug, resulting in a 'new' drug (successor) and a new term of protection.

GIP
Glucose-dependent insulinotropic peptide. GIP is an incretin hormone that is released when you eat. GIP stimulates the release of insulin and has a glucose-lowering effect.

GLP-1 (glucagonlike peptide 1)
GLP-1 is an incretin hormone that is released at every meal. GLP-1 stimulates the release of insulin, inhibits the secretion of glucagon, slows down gastric emptying, and provides a feeling of fullness. Overall, GLP-1 has a glucose-lowering effect.

GLP-1 analogue
Medicines that mimic the endogenous hormone GLP-1.

HPLC
HPLC stands for high-performance liquid chromatography and is a separation method for chemical compounds in solutions. In an HPLC system, there is a mobile phase (moving phase, liquid) and a stationary phase (solid phase, e.g. silica). The task of the mobile phase is to transport the sample to be analyzed or purified through the system, and the task of the stationary phase is to interact with the different substances in the sample.

In the column, the substances in the sample are separated from each other because different substances interact differently with the stationary phase. This means that they migrate through the column at different speeds and therefore come out of the column at different times.

Incretin drugs
Incretin drugs are a class of drugs with the general mechanisms of action to stimulate the release of insulin, inhibit the release of glucagon, slow down the emptying of the stomach and provide a feeling of satiety. Incretin drugs are used for weight loss and for regulating blood sugar levels.

Nanoporous
Materials where the size of the material's pores is of nanometer size, which gives the material a large surface area per gram. Mesoporous materials are a class of nanoporous materials with pore sizes between 2 and 50nm.

NASH
Non-alcoholic steatohepatitis, a form of fatty liver with liver damage that is not caused by heavy alcohol consumption.

Obesity
Abnormal or excessive accumulation of adipose tissue that poses a risk to health. BMI ≥30kg/m² is classified as obese and BMI ≥25kg/m² is classified as overweight.

Packing media
The material (e.g. silica) with which chromatography columns are filled, through which substances to be separated from each other pass.

Recombinant human insulin
Treatment of patients with insulin-requiring diabetes is currently mainly done with recombinant human insulin. Recombinant human insulin is produced from bacteria that have been given a gene (DNA) that allows the bacteria to produce insulin.

Silica
A chemical compound of silicon and oxygen (SiO_2), silicon dioxide. Crystalline silica in the form of quartz is a common mineral in the earth's crust and is a component of many rocks, as well as the largest constituent of sand. Silica also occurs in amorphous form that naturally occurs as opal and in seashells. Amorphous silica can be made synthetically and is used in various products as fillers or anti-caking agents in foods and pharmaceuticals.

Sleep apnea
Short, repeated pauses in breathing during sleep. A risk factor for high blood pressure and stroke.

NANOLOGICA

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