

# 20 ANNUAL REPORT 24



The enabler of effective inhalation

# Introduction

# Quick facts about Iconovo

Iconovo (Nasdaq First North Growth Market: ICO) develops complete inhalation drug products using proprietary dry powder inhalers. The company offers a range of patent-protected inhalers, creating significant commercial opportunities for both the development of innovative new drugs and generic medicines. Iconovo's products are licensed to international pharmaceutical companies.

The company's most advanced drug development projects are generic versions of the asthma and COPD treatment Symbicort®, with a market authorization application expected in 2027. In addition, ICOPre® is being prepared to address the upcoming patent expirations of the blockbuster products in the Ellipta® portfolio, with the first products expected to lose patent protection beginning in 2027.

*This annual report in English is an abbreviated version of the annual report in Swedish (Årsredovisning). In case of any discrepancies between the Swedish annual report and the English abbreviated annual report, the Swedish annual report shall prevail.*



Based in

# Lund



No.  
consultants

# 5



No.  
employees

# 25



Women

# 49%



Non-binary

# 3%



Men

# 48%



No. patent  
families

# 17

# Year in brief

**In 2024, Iconovo made significant progress across several of its inhaler platforms, particularly ICOPre® and ICOres®.**

A major milestone was reached when the U.S. Food and Drug Administration (FDA) issued a positive preliminary opinion that ICOPre® could be considered interchangeable with the reference medicine Breo Ellipta. The FDA's assessment indicated that the design and use of ICOPre® are suitable for an Abbreviated New Drug Application (ANDA), strengthening its market potential. Global sales of inhalation medicines in the Ellipta portfolio reached USD 5.9 billion in 2024.

Development partner Amneal Pharmaceuticals conducted a pharmacokinetic pilot study comparing ICOres® budesonide/formoterol to Symbicort® Turbuhaler®. The results indicated that ICOres® is likely to meet bioequivalence criteria in a full-scale study, representing an important step toward regulatory approval. At the same time, Iconovo received a Notice of Allowance from the Chinese patent office for ICOres®, securing patent protection in China until 2040.

Early in 2024, Iconovo launched improved versions of its **ICOone®** Nasal powder inhalers, developed in collaboration with the Gates Foundation. These updates optimize technical performance and reduce the risk of user error. Scientific studies show that intranasal vaccine delivery can achieve better efficacy than injected vaccines.

The company also expanded its collaboration network through a new agreement with the Danish company **Kiox Pharma** to develop an inhalable treatment for interstitial lung disease (ILD) using **ICOcap®**. The market for ILD treatments is valued at over USD 4 billion.

In addition, Iconovo and **Afflogic** presented promising results from a feasibility study showing that antiviral **Nanofitins®** can be formulated as an inhalable powder and administered with ICOone®. The study results confirmed that Nanofitins® maintain their stability and efficacy when inhaled for treatment against SARS-CoV-2.

Another major achievement was that Iconovo received an evaluation order from one of the world's ten largest pharmaceutical companies to test a multi-dose inhaler for a new original medicine.

In line with its strategic expansion, the company filed a broad patent application for inhaled GLP-1 receptor agonists, a new initiative focused on obesity treatment. The market for GLP-1 therapies is currently valued at USD 53 billion and is expected to grow to USD 200 billion by 2031. In September 2024, Iconovo initiated the development of an inhalable version of the GLP-1 analogue semaglutide using ICOone® Nasal, aiming to create a more user-friendly treatment for obesity and related metabolic diseases.

To strengthen its scientific expertise, Iconovo recruited **Dr. Gary Pitcairn**, a recognized expert in inhaled drug formulations, as Senior Scientific Advisor.

Finally, the company received a grant of SEK 680,000 from **Innowwide** to conduct a market study regarding potential establishment in South Korea, which has already resulted in several promising business opportunities.

Sales in 2024 amounted to MSEK 2.9 (compared to MSEK 7.1 in 2023) and were primarily related to compensation from two projects, compared to six projects in 2023. The operating result improved from MSEK -45.8 in 2023 to MSEK -41.1 in 2024. The net result for the year improved by more than MSEK 4.5, with earnings per share in 2024 amounting to SEK -2.57 (-4.39). Equity at year-end increased to MSEK 129.2 (113.5), mainly driven by new share issues. During 2024, the company completed a directed share issue and a rights issue, which together raised MSEK 56.0 in net proceeds.

The average number of full-time employees in 2024 was 28.5, consisting of 13.5 women, 14.0 men, and 1 non-binary person (compared to 31.3 employees in 2023, of which 15.6 were women, 14.7 men, and 1 non-binary person). At the end of December 2024, the number of full-time employees was 25.



# Strategic positioning creates new opportunities



**Johan Wäborg**  
CEO, Iconovo AB

*2024 marked a milestone. When Iconovo turned 10, it was a well-established company, recognized for its ability to develop complete inhalation medicines. I am confident that Iconovo's work has played a key role in advancing the positioning of inhalation therapies. For example, the pharmaceutical industry is increasingly recognizing the advantages of inhalation technology compared to tablets and injections. This opens up new opportunities, with Iconovo leading the way. As one of only a handful of companies in the world, we possess the expertise and resources to act as the pharmaceutical industry's most innovative inhalation partner, enabling us to bring products to market swiftly.*



The past year has been eventful and shaped by an uncertain macroeconomic climate. For Iconovo, however, it has also been a year where we have laid the foundation for future value creation with a clear focus on our three key development areas.

We are now making significant strides with ICORes® budesonide/formoterol – our generic alternative to one of the world's most established asthma and COPD treatments. Backed by strong clinical results, we are approaching the next crucial step: the registration-enabling study that could pave the way for approval in the EU.

At the same time, interest in ICOPre®, our generic version of Ellipta®, is growing. This is an advanced development project that places us in a small, exclusive group of companies capable of offering a licensing-ready solution in a growing segment. With a finished product, support from regulatory authorities, and a clear commercialization strategy, we are very well positioned for the years ahead.

Our third major initiative focuses on something that could change the entire landscape of obesity treatment – GLP-1. By combining this rapidly growing class of medications with our intranasal inhaler ICOone®, we aim to create a new, smoother, and more patient-friendly method of administration.

Iconovo has implemented key efficiencies while maintaining the capacity to deliver on our ambitions. The interest in our technologies is high, and we are engaged in a number of constructive discussions regarding new inhalation projects. With a strong focus on innovation, expertise, and a clear strategy, we look confidently toward a future where inhalation products play an increasingly prominent role in the market.

***Developing complete inhalation products requires a technological platform and formulation expertise that most research-based pharmaceutical companies lack.***



# Board of Directors



**Carl  
Lindgren**

**Born 1968. Chairman of the Board since 2024. Board member since 2023. Member of Iconovo's Audit Committee.**

Education: B.Sc. in Business Administration and Economics, Lund University. Over 25 years of experience in senior commercial positions within the Life Science industry, with companies such as AstraZeneca plc, Lundbeck A/S, Karo Healthcare AB, and EQL Pharma AB.

**Other positions:** Chief Business Development Officer at EQL Pharma AB (publ) and board member of BioMedica AB.

**Ownership in Iconovo:** 225,333 shares and 185,333 traded options.



**Mats  
Johansson**

**Born 1961. Board member since 2021. Chairman of the Board 2013–2020. Member of Iconovo's Audit and Compensation Committees.**

Mats Johansson has more than 30 years of experience in starting and long-term building of companies, as well as listing companies on Nasdaq Stockholm.

**Other positions:** Chairman of the board of Abraxas Holding AB, Easy Depot AB, Volubus AB, and SIB Solutions AB. Board member of KlaraBo Sverige AB and Nudging Capital AB.

**Ownership in Iconovo:** 1,667,633 shares and 416,908 traded options.



**Berndt  
Axelsson**

**Born 1959. Board member since 2013.**

Berndt Axelsson holds a degree in economics from Växjö University and has 20 years of experience at PwC as a management consultant and consulting manager. He has since worked in industry as CFO and CEO, focusing on operational efficiency, IT, M&A, legal & risk, and international distribution.

**Other positions:** CEO and board member of BAN Business Consulting AB. Chairman of the board of INVID Jönköping AB and Nässjö Näringsliv AB.

**Ownership in Iconovo:** 505,332 shares and 185,332 traded options.



**Orest  
Lastow**

**Born 1964. Board member since 2013.**

Orest Lastow holds a degree in Engineering Physics from Lund University and a Ph.D. in Aerosol Physics from Brunel University in the UK. He has over 30 years of experience in inhaled medicines and has invented around thirty inhalers, including all of Iconovo's inhalation platforms. He is behind more than 50 patent applications and numerous research articles and books.

**Other positions:** Board member of Lastow Consulting AB.

**Ownership in Iconovo:** 826,400 shares.



**Agneta  
Walhagen**

**Born 1960. Board member since 2019.**

Agneta Walhagen holds a Ph.D. in Analytical Chemistry and a Master's degree in Chemical Engineering, both from Lund University. She has extensive experience with over 25 years in research and development within the pharmaceutical industry, including at AstraZeneca and LEO Pharma, with a focus on inhalation and inflammatory diseases of the lungs and skin.

**Other positions:** Senior Director R&D Science Information and Alliance Management at LEO Pharma A/S until August 2022, and independent consultant thereafter.

**Ownership in Iconovo:** 6,000 shares and 1,500 traded options.



**Erik  
Ekman**

**Born 1964. Board member since 2013.**

Erik holds a Master's Degree in Industrial Engineering from Linköping University and has over 20 years of experience in the pharmaceutical industry, with experience in manufacturing and production (including Turbuhaler production), global operations, IT, consulting, and corporate management. Prior to his employment at Bluefish Pharmaceuticals, Erik worked at AstraZeneca, Cambrex, and CapGemini Ernst & Young.

**Other positions:** Board member of Bluefish Pharma AB and Bluefish Pharma Incentive AB. External CEO at Bluefish Pharmaceuticals AB (publ).

**Ownership in Iconovo:** 0 shares.



# Executive Management



**Johan  
Wäborg**

**Born 1977. CEO since 2020.**

Over 20 years of experience in commercial leadership, business development, entrepreneurship, and partnership roles within the medical device and pharmaceutical industries across various geographies, including the Nordics, Europe, USA, Japan, South Korea, Latin America, and the Middle East.

**Other positions:** Board member and owner of Phigalia AB, JWSquared AB, and WSquared AB.

**Ownership in Iconovo:** 249 640 aktier, 210,000 options from incentive program, and 142,268 traded options.



**Roger  
Lassing**

**Born 1965. Vice President of Business Development since 2019.**

30 years of experience in business development, marketing, sales, and analysis in the pharmaceutical industry. Involved in over 30 pharmaceutical transactions. Held roles such as VP of Business Development, Global Brand Manager for Symbicort at AstraZeneca, and market analyst at Astra Draco. Previously worked for three years at McKinsey & Co in healthcare in Brussels.

**Ownership in Iconovo:** 22,580 shares, 10,000 options from incentive program, and 4,712 traded options.



**Vesna  
Åkerberg**

**Born 1974. Director of Development since 2023.**

20 years of experience in the development of inhalation products from AstraZeneca and Iconovo, with a focus on pharmaceutical product development. Over 15 years of experience in line positions in product/process/analytical development across various companies.

**Ownership in Iconovo:** 3,830 shares and 10,000 options from incentive program.



**Mikael  
Arinder**

**Born 1964. Vice President of Operations since 2016.**

15 years of experience in the development of inhalation products from AstraZeneca and Iconovo. Has held roles as project manager for pharmaceutical, medical device, and technology projects at AstraZeneca, J&J, and Atos Medical.

**Other positions:** Owner of the sole proprietorship Mikael Arinder.

**Ownership in Iconovo:** 19,178 shares and 10,000 options from incentive program.



**Henrik Damkjær  
Simonsen**

**Born 1963. CFO since 2023.**

More than 30 years of experience in various leadership positions within the life science industry, both in banking and corporate sectors. Most recently, he was Finance Director at SAGA Diagnostics AB and has previously worked as CFO at Nuevolution AB (publ) and as Head of Life Science, Corporate Finance at SEB.

**Ownership in Iconovo:** 0 shares and 60,000 options from incentive program



**Maria  
Ekblad**

**Born 1968. Director of Project Management since 2023.**

More than 25 years of experience in preclinical and clinical drug development, with leadership positions in both line and project organizations at Active Biotech and Follicum.

**Other positions:** CEO and owner of EMK Consulting AB.

**Ownership in Iconovo:** 10,000 shares and 4,350 options from incentive program.

# Financial reporting

# Directors' report

*The Board of Directors and CEO of Iconovo AB, 556938–0156, hereby present the Annual Report for 2024 in English in abbreviated form. The Annual Report is presented in Swedish kronor, SEK. The company's registered office is in Lund.*

## General information

According to WHO, there are globally over 500 million people suffering from the lung diseases asthma and COPD who need medication via inhalation. Many top-selling inhalation products lost their patents during the period 2014-2018, but despite this, their combined sales still amounted to approximately USD 6.0 billion in 2024.

This has opened up a very large market for generic products. The next major wave of patent expirations will affect, among others, GSK's Ellipta portfolio, whose products collectively had sales of USD 5.8 billion in 2024. The first products in the Ellipta portfolio will lose patent protection in 2027. Competition from new generic inhalation products is expected to drive down drug costs and increase the availability of inhaled medications.

Inhalation products consist of two parts: a pharmaceutical formulation in the form of dry powder and an inhaler for dry powder, the container from which the medication is inhaled. Iconovo's business idea is to supply this market with inhalers and specially developed pharmaceutical formulations by developing its own inhalers for licensing to pharmaceutical companies. The long-term vision is to become an internationally leading developer and supplier of inhalers. Iconovo has developed five product platforms based on five different inhalers and variants of these.

The five inhalers are ICOres®, a reservoir-based dry powder inhaler, ICOcap®, a capsule-based inhaler, ICOone®, an endoinhaler, ICOone® Nasal, a nasal endoinhaler, and ICOpre®, a pre-filled dry powder inhaler. Based on a platform product, Iconovo customizes the inhaler and pharmaceutical formulation to the customer's requirements and finalizes the product until it is ready for clinical studies and registration under the customer's responsibility. While Iconovo works on customizing a customer-specific product, the customer makes milestone payments, and when the customer launches the product on the market, Iconovo will receive sales-based

royalties. Iconovo also receives a technology access fee upon signing the licensing agreement, which is a one-time payment for the customer to have exclusivity for the specific product in specific markets. At the turn of the year, Iconovo had 25 employees. Many of them work on the company's development projects. The company is running customer projects on all product platforms except for ICOpre® and expects the first products to be launched in Europe by Iconovo's customers within a few years.

## Owners

The ten largest shareholders as of 31 December 2024, accounted for 63.3 percent of the total number of shares. Shareholders with more than a 10 percent holding include Gerald Engström with 18.1 percent.

## Significant events during the financial year

Several of the company's inhalator platforms made good progress during 2024, particularly ICOpre® and ICOres®.

In September 2024, the U.S. Food and Drug Administration (FDA) gave a positive opinion regarding the generic interchangeability of the company's in-house develo-

ped inhalator **ICOp<sup>re</sup>** with the original medicine Breo Ellipta, concerning its outer design and handling.

The authority's preliminary stance is that ICOp<sup>re</sup> with its current outer design and handling is suitable for submission in an Abbreviated New Drug Application (ANDA) for a generic Breo product. The FDA also provides advice in the preliminary response regarding the design of the final ANDA submission for interchangeability to be granted.

ICOp<sup>re</sup> is based on a unique, patent-pending principle that minimizes the risk of infringing on other inhalator patents. The global sales of inhalation medicines in the Ellipta portfolio amounted to USD 5.89 billion in 2024.

During 2024, the company's development partner Amneal Pharmaceuticals conducted a clinical pharmacokinetic pilot study comparing **ICOres<sup>®</sup> budesonide/formoterol** with Symbicort<sup>®</sup> Turbuhaler<sup>®</sup>. The results of the study indicate that ICOres<sup>®</sup> budesonide/formoterol will meet the bioequivalence criteria in a properly designed study. The study thus represents an important step ahead of a future registration study of the product,

and Iconovo intends to proceed as planned. The completed pharmacokinetic study compared two variants of ICOres<sup>®</sup> budesonide/formoterol with the reference product Symbicort<sup>®</sup> Turbuhaler<sup>®</sup> and was conducted on 24 healthy individuals.

Furthermore, the **Chinese patent** office issued a "Notice of Allowance" for a patent application related to **ICOres<sup>®</sup>**, meaning Iconovo will be granted a patent on the inhalator in China until 2040 after several administrative steps are completed.

In early 2024, the company launched improved versions of the nasal ICOone<sup>®</sup> dry powder inhalators. The inhalators are designed to offer high technical performance and minimize the risk of user errors. The further development of **ICOone<sup>®</sup> Nasal** has been conducted within the framework of a successful development collaboration with the Gates Foundation. The updated versions of ICOone<sup>®</sup> Nasal can deliver vaccines to both the upper and lower airways, which recent scientific studies suggest may have a better effect than injected vaccines.

The company entered into a new agreement to continue formulation development with the Danish company **Kiox Pharma** in rare lung diseases. The project is based on a reformulation of an FDA-approved drug substance in one of Iconovo's patented inhalators; ICOCap<sup>®</sup>. The goal is to develop a new inhalable treatment for interstitial lung disease (ILD). The market value for ILD treatment exceeds USD 4 billion.

Iconovo and **Affilogic** presented positive results from a feasibility study with a Nanofitin<sup>®</sup>-based biologic drug for respiratory viruses in ICOone<sup>®</sup>. The study was part of the previously communicated feasibility agreement between the companies, aiming to develop a new treatment for lung diseases. In this study, the feasibility of delivering Affilogic's antiviral affinity proteins – Nanofitins<sup>®</sup> – against SARS-CoV-2 to the lungs, in powder form, using Iconovo's endosinhalator ICOone<sup>®</sup> was evaluated.

The results confirmed that Nanofitins<sup>®</sup> can be formulated as a spray-dried powder for inhalation, maintaining activity and having a fine particle fraction suitable for delivery to the lungs, and administered using ICOone<sup>®</sup>. "Our Nanofitins<sup>®</sup> are 20 times smaller than antibodies,

highly soluble, and extremely stable proteins. We expected that it would be possible to formulate them for inhalation, but we did not expect Iconovo's results with ICOone® to be so convincing from the very first test," said Olivier Kitten, CEO of Affillogic. "They really pave the way for the easy development of Nanofitin-based® inhaled targeted therapies."

In January 2024, the company received an **order from a company, ranked among the top ten pharmaceutical companies globally**, to evaluate a multi-dose inhalator from Iconovo. The study was an in-vitro study to assess the inhalator's suitability in developing an original medicine.

As a first step in **reformulation**, in May 2024, the company filed a broad **patent application** related to **inhaled GLP-1 receptor agonists**. This is Iconovo's new initiative to develop more convenient, reliable, and cost-effective treatments for obesity. Based on its own developed inhalators, the company aims to license out selected products after achieving preclinical proof-of-concept.

The inhaled GLP-1 products will be developed within Iconovo's existing inhalator platform primarily as a treatment for obesity, with the possibility of including other metabolic diseases such as type 2 diabetes, fatty liver, cardiovascular disease, and sleep apnea. The investments required in the initial development phase are limited.

The patent application for inhaled GLP-1 receptor agonists addresses a large and rapidly growing market currently (2024) worth USD 53 billion, with an expected annual growth rate of 20% to USD 200 billion by 2031.

In September 2024, the company began the **development** of the GLP-1 analogue **semaglutide** in the ICOone Nasal® inhalator for intranasal treatment of overweight and obesity. This initiative is based on in-depth analysis of the commercial opportunities for more user-friendly forms of GLP-1 administration. The company will drive the project through preclinical proof-of-concept while also initiating discussions with potential licensing partners for the product.

In early 2024, Iconovo recruited Gary Pitcairn (PhD) as Senior Scientific Advisor. He is a recognized expert in inhaled drug formulations. He advises the project teams working on reformulations; the reformulation of known active pharmaceutical substances, including biologic drugs, for inhalation and/or new indications requires deep scientific knowledge. By adding Gary to Iconovo's team, we can better support research-based clients.

During 2024, the company received a grant of SEK 680,000 from Innnowwide. The grant has been used to conduct a market study to introduce the company's services and products to the South Korean market, leading to several good and new customer contacts.

The subsidiary Iconovo Pharma had low activity during 2024.

Sales in 2024 fell to MSEK 2.9 (MSEK 7.1 in 2023) and consisted of compensation from two projects. Customer activity in the life science sector was generally lower in 2024 compared to 2023, which negatively affected Iconovo's sales. Two of the company's customers experienced serious financial problems during



2023–2024. As a result, ISR Immune System Regulation AB filed for bankruptcy, and Arcede Pharma AB was liquidated during the year. However, neither had any significant impact on the financial results.

Other operating income for 2024 was also lower compared to the previous year, totaling TSEK 1,330 (TSEK 8,142 in 2023). The largest difference was due to a major project grant from the Gates Foundation, which was recognized and completed during 2023.

Capitalized development costs amounted to TSEK 21,068 (TSEK 21,035) in 2024, relating to the development of the ICOp<sup>re</sup>® and ICOp<sup>cap</sup>® platforms and their associated formulations.

Costs for raw materials and supplies decreased in 2024 to TSEK 4,869 (TSEK 10,536). Besides lower customer activity during the year and costs incurred in the Gates Foundation project in 2023, this was the primary reason for the change.

In 2024, other external costs totaled TSEK 15,847 (TSEK 25,683). The 2023 figure included a provision for doubtful accounts amounting to TSEK 7,931. Excluding these provisions, costs decreased by about TSEK 2,100 due to

lower costs for consultants, legal services, marketing, and IT systems. Other operating expenses amounted to TSEK 85 (TSEK 9) for the October–December 2024 period and TSEK 1,153 (TSEK 108) for the full year, mainly due to a currency difference driven by the revaluation of accounts receivable.

Personnel costs in 2024 decreased to TSEK 33,775 (TSEK 35,623) due to lower salary expenses associated with fewer employees.

The operating result improved to MSEK -41.1 in 2024, compared to MSEK -45.8 in 2023. The annual result improved by MSEK 4.7, while earnings per share in 2024 amounted to SEK -2.57 (compared to SEK -4.39 in 2023) due to the better net result and a higher number of outstanding shares.

Cash flow from operating activities in 2024 amounted to TSEK -24,539 (compared to TSEK -38,522 in 2023). Cash flow from investing activities, mainly into intangible assets, totaled TSEK -21,902 (TSEK -22,910), while cash flow from financing activities amounted to TSEK 52,651 (TSEK 66,467) during the same year. In February and November 2024, the company carried out a directed share issue and a rights issue, which brought in TSEK 56,010 after transaction costs. Following the latest share issue, the number of shares stands at 21,224,500.

Thus, the cash flow for the year amounted to TSEK 6,210 (TSEK 5,034), and the Group's cash and cash equivalents at year-end were TSEK 24,688 (TSEK 18,480). Aside from lease liabilities, the company has no interest-bearing debt.

Equity at year-end increased to MSEK 129.2 (MSEK 113.5), mainly driven by the capitalization of development costs for ICOp<sup>re</sup>®.

### Significant events after the end of the year

In January 2025, Iconovo and Lonza initiated a collaboration to develop spray-dried formulations of an intranasal biologic drug for Iconovo's proprietary inhaler, ICOne Nasal®. This project, based on a reformulated substance targeting obesity, marks the first initiative in Iconovo's strategic focus on reformulating known drugs and replacing injections and oral treatments with inhalation therapies.

In April 2025, Iconovo announced plans for an organizational restructuring expected to reduce annual costs by approximately MSEK 14–16 from the third quarter of 2025. The reason for the change is that the need for internal product development resources has decreased following the successful completion of the company's

five inhaler platforms. Iconovo will now focus on the commercialization of its existing products, including ICOPre®-based generic versions of Ellipta drugs, and the development of semaglutide-based drugs in ICOone® Nasal.

In April 2025, the Board of Directors of Iconovo AB decided on a rights issue of shares totaling approximately MSEK 36.6 before deduction of transaction costs. The subscription price per share is SEK 1.15. The main purpose of the rights issue is to support licensing activities for ICOPre®, with the goal of achieving separate or combined license agreements, to provide advisory support to Amneal in the development of a budesonide/formoterol product in ICORES®, and to further advance the intranasal semaglutide project through preclinical proof-of-concept. The rights issue is subject to approval by an Extraordinary General Meeting, scheduled to be held on 12 May 2025. The rights issue is fully covered (100%) by subscription intentions, subscription commitments, and guarantee undertakings.

### Sustainability

During the year, Iconovo's management continued efforts to identify the goals that best align with the company's operations and its current development phase.

Iconovo aims to remain transparent and will hold regular meetings with investors and other stakeholders. Annual ESG reports will be published. The next step is a materiality analysis, which will be conducted in 2025.

The sustainability goals have been incorporated into the overall corporate objectives, and all employees have reflected these goals in their individual targets. Goal achievement is evaluated during performance assessments and impacts employee compensation.

Iconovo has prioritized four of the 17 UN Sustainable Development Goals (SDGs). These four goals are important to Iconovo's employees, customers, and shareholders, and represent one goal from each dimension of sustainability — social, economic, and environmental: Goal 3: Good Health and Well-being, Goal 8: Decent Work and Economic Growth, Goal 12: Responsible Consumption and Production, Goal 13: Climate Action.

### Significant risks and uncertainties

Iconovo's sales are affected by the investment appetite of its customers, which today mainly consist of generic pharmaceutical companies, smaller biotech firms, and one large pharmaceutical company. Investment willing-

ness within inhalation products is influenced by several factors, such as the economic climate and political decisions, and there is a risk that a lack of investment interest could lead to limited or absent commercialization of the company's products.

Increased competition from existing or new players, or a diminished ability of Iconovo to meet demand for its products and services, could negatively impact Iconovo's operations, financial position, and results. The time to market launch is largely determined by the customer's commitments, such as commercial manufacturing, clinical trials, and registration.

The market for inhalable medicine is strongly influenced by technological advancements. Delays in the company's development work or an inability to keep pace with technological progress could therefore result in reduced or lost competitiveness.

Iconovo is evolving its business model to include industrial collaborations, where the company licenses its patented products primarily to generic

pharmaceutical companies. The company's licensing revenues are largely dependent on the sales performance of its partners.

Iconovo is reliant on qualified personnel in various positions. The ability to retain current employees and to recruit new talent is critical for the company's future development.

The company depends on proprietary products and proprietary product designs. Most of the company's intellectual property is protected by patents or other copy-right protections. Patent applications provide protection for an invention during their validity period, but there is a risk that current or future patent applications may not be granted or that future patent protection may not offer sufficient protection against competitors.

Iconovo's customers are located across large parts of the world, and sales are conducted in EUR, USD, and SEK. Exchange rates relative to the Swedish krona tend to fluctuate over time, and there is a risk that future fluctuations could negatively affect the company's results and financial position.

Iconovo has a comprehensive insurance program for its operations. However, there is a risk that the insurance coverage could prove insufficient in the event of damage and that Iconovo might not receive full compensation for any damages that may arise or for claims that could be directed against the company. Currently, the company is not involved in any disputes. However, there is always a risk that the company could in the future become involved in disputes or be subject to legal claims from customers, competitors, authorities, and other market actors. To help mitigate risk, the company has developed a legal contract process over the years, which includes several review stages and levels.

The company currently cannot demonstrate profitability on a full-year basis, and thus it may be difficult to evaluate the company's future potential and revenue generation. This also implies a risk that future revenues could be partially or entirely absent, which in turn would negatively affect the company's earnings capacity and profitability.

Based on the presented budget, decided measures regarding reorganization, and the planned fully guaranteed rights issue, the Board and management assess that the financing of the company's plans for the next 12 months is secured.

### Proposed appropriation of the company's profit and loss

	2024
Share premium reserve	318 293 305
Retained earnings	-239 732 454
Profit/loss for the year	-40 937 931
<b>Total</b>	<b>37 622 920</b>
The Board proposes the following amount to be carried forward	
Share premium reserve	318 293 305
Retained earnings	-280 670 385
<b>Sum</b>	<b>37 622 920</b>

As regards the other earnings and financial position, please refer to the statements of income, comprehensive income, financial position, changes in equity and cash flows in this annual report (English); for related notes please refer to the Swedish annual report (Årsredovisning).

# Financial tables

## Consolidated statement of income

SEK	Note	2024-01-01- 2024-12-31	2023-01-01- 2023-12-31
<b>Net sales</b>	4	2 933 879	7 078 288
Other operating income		1 329 999	8 141 868
		4 263 878	15 220 156
Capitalized work for own account		21 068 296	21 035 351
Raw material and supplies		-4 869 364	-10 535 985
Other external expenses	5	-15 846 877	-25 683 062
Personnel expenses	6	-33 775 245	-35 622 876
Depreciation of tangible and intangible fixed assets	11,12	-10 763 838	-10 082 384
Other operating expenses		-1 152 851	-107 964
<b>Operating result</b>		<b>-41 076 001</b>	<b>-45 776 764</b>
Financial income	7	486 405	401 566
Financial expenses	8	-550 008	-518 633
<b>Profit before tax</b>		<b>-41 139 604</b>	<b>-45 893 831</b>
Tax	9	-	-
<b>Profit for the period</b>		<b>-41 139 604</b>	<b>-45 893 831</b>
Profit for the period attributable to the equity holders of the parent company		-41 139 604	-45 893 831
Earnings per share before dilution, SEK	10	-2,57	-4,39
Earnings per share after dilution, SEK	10	-2,57	-4,39

## Consolidated statement of comprehensive income

SEK	Note	2024-01-01- 2024-12-31	2023-01-01- 2023-12-31
<b>Profit for the period</b>		<b>-41 139 604</b>	<b>-45 893 831</b>
<b>Other results in total</b>		<b>-</b>	<b>-</b>
<b>Other results in total</b>		<b>-41 139 604</b>	<b>-45 893 831</b>
Profit for the period attributable to the equity holders of the parent company		-41 139 604	-45 893 831

## Consolidated statement of financial position

SEK	Note	2024-12-31	2023-12-31
<b>Fixed assets</b>			
<i>Intangible fixed assets</i>	11		
Capitalized expenditures for development work and similar		94 928 691	78 808 169
Capitalized expenditures for software		189 570	372 918
Concessions, patents, licenses, trademarks and similar rights		5 855 952	5 688 456
		<b>100 974 214</b>	<b>84 869 543</b>
<i>Tangible fixed assets</i>			
Improvement leasehold	12	2 044 283	2 926 835
Right-of-use assets	13	8 522 645	8 345 290
Equipment, tools and installations	12	3 709 943	4 501 645
Ongoing new facilities and advances regarding tangible fixed assets	12	363 094	363 094
		<b>14 639 966</b>	<b>16 136 864</b>
<b>Total fixed assets</b>		<b>115 614 180</b>	<b>101 006 407</b>
<b>Current assets</b>			
Trade receivables	14	313 210	3 731 157
Tax receivables	15	1 729 553	1 403 159
Other assets	15	2 023 906	2 270 432
Prepaid expenses and accrued income	16	1 315 865	1 188 487
Cash and cash equivalents	24	24 688 461	18 480 245
<b>Total current assets</b>		<b>30 070 994</b>	<b>27 073 480</b>
<b>Total assets</b>		<b>145 685 174</b>	<b>128 079 887</b>

SEK	Note	2024-12-31	2023-12-31
<b>Shareholders' equity</b>			
Share capital	17	2 122 450	1 175 588
Share premium reserve	18	318 293 305	262 414 621
Retained earnings		-191 203 821	-150 064 215
		<b>129 211 935</b>	<b>113 525 994</b>
<b>Long-term liabilities</b>			
Leasing liabilities	19	4 429 805	4 906 898
		<b>4 429 805</b>	<b>4 906 898</b>
<b>Short-term liabilities</b>			
Accounts payable	20	2 274 632	608 542
Leasing liabilities	19	3 474 074	2 818 012
Other short-term liabilities	21	1 427 710	1 359 580
Accrued expenses and prepaid income	22	4 867 018	4 860 861
		<b>12 043 435</b>	<b>9 646 995</b>
<b>Total shareholders' equity and liabilities</b>		<b>145 685 174</b>	<b>128 079 887</b>



## Consolidated statement of changes in equity

SEK	Share capital	Share premium reserve	Retained earnings	Total equity
<b>Opening balance January 1, 2023</b>	884 750	192 488 448	-104 170 384	<b>89 202 814</b>
Profit for the period			-45 893 831	<b>-45 893 831</b>
Other results in total				
<b>Result in total for the period</b>			<b>-45 893 831</b>	<b>-45 893 831</b>
<b>Owner transactions:</b>				
Issue of shares	290 838	73 876 350		<b>74 167 188</b>
Transaction costs after tax		-5 313 990		<b>-5 313 990</b>
Share related incentive programs		1 363 813		<b>1 363 813</b>
<b>Sum of owner transactions</b>	<b>290 838</b>	<b>69 926 173</b>		<b>70 217 011</b>
<b>Closing balance December 31, 2023</b>	<b>1 175 588</b>	<b>262 414 621</b>	<b>-150 064 215</b>	<b>113 525 994</b>

SEK	Share capital	Share premium reserve	Retained earnings	Total equity
<b>Opening balance January 1, 2024</b>	1 175 588	262 414 621	-150 064 215	<b>113 525 994</b>
Profit for the period			-41 139 604	<b>-41 139 604</b>
Other results in total				
<b>Result in total for the period</b>			<b>-41 139 604</b>	<b>-41 139 604</b>
<b>Owner transactions:</b>				
Issue of shares	946 862	61 006 212		<b>61 953 074</b>
Transaction costs after tax		-5 943 852		<b>-5 943 852</b>
Share related incentive programs		816 324		<b>816 324</b>
<b>Sum of owner transactions</b>	<b>946 862</b>	<b>55 878 684</b>		<b>56 825 546</b>
<b>Closing balance December 31, 2024</b>	<b>2 122 450</b>	<b>318 293 305</b>	<b>-191 203 819</b>	<b>129 211 936</b>

## Consolidated statement of cash flows

SEK	Note	2024-01-01- 2024-12-31	2023-01-01- 2023-12-31
<b>Operating result</b>		<b>-41 076 001</b>	<b>-45 776 764</b>
Adjustments for items not included in the cash flow:			
Depreciation of tangible and intangible fixed assets		10 832 415	17 930 936
Expenses for share related incentive programs		816 324	1 363 813
Paid interest		486 405	401 566
Received interest		-550 008	-518 633
Paid income tax		-1 016 057	-770 609
<b>Cash flow from operating activities before changes in working capital</b>		<b>-30 506 922</b>	<b>-27 369 691</b>
Increase (-) / Decrease (+) of trade receivables		3 417 947	-562 398
Increase (-) / Decrease (+) of other operating receivables		808 812	4 441 771
Increase (-) / Decrease (+) of accounts payable		1 666 090	-8 464 016
Increase (-) / Decrease (+) of other operating liabilities		74 287	-6 648 460
<b>Cash flow from operating activities</b>		<b>-24 539 786</b>	<b>-38 602 795</b>
<b>Investment activities</b>			
Investments in tangible fixed assets		-	-712 346
Investments in intangible fixed assets		-21 901 750	-22 198 244
<b>Cash flow from investment activities</b>		<b>-21 901 750</b>	<b>-22 910 590</b>
<b>Financing activities</b>			
Payment of leasing liabilities		-3 359 470	-2 305 907
Issue of shares		61 953 074	74 167 188
Transaction costs		-5 943 852	-5 313 990
<b>Cash flow from financing activities</b>		<b>52 649 752</b>	<b>66 547 291</b>
<b>Cash flow for the period</b>		<b>6 208 216</b>	<b>5 033 906</b>
<b>Cash and cash equivalents, beginning of period</b>		<b>18 480 245</b>	<b>13 446 338</b>
<b>Cash and cash equivalents, end of period</b>	24	<b>24 688 461</b>	<b>18 480 245</b>

# Noter

## Note 1. General information

Iconovo AB with registration number 556938-0156 is a company registered in Sweden with its headquarters located in Lund. The address of the main office is Ideongatan 3B, 223 62 Lund. The company and its subsidiaries ("the Group") primarily consist of Iconovo AB and Iconovo Pharma AB. The composition of the Group is disclosed in note 23 in the Swedish annual report (Årsredovisning). The financial reports are presented in Swedish kronor (SEK) unless otherwise stated.

## Note 2. Accounting policies

Iconovo prepares its consolidated accounts in accordance with IFRS, International Financial Reporting Standards, as endorsed by the EU. Furthermore, the Group applies the Annual Accounts Act and the Swedish Accounting Standards Board's recommendation RFR 1, Supplementary Accounting Rules for Groups.

The Swedish annual report (Årsredovisning) has been prepared in accordance with the generally accepted accounting principles in Sweden, and the consolidated financial statements have been prepared in accordance 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 applica-

tion of international accounting standards. The Swedish annual report and consolidated financial statements provide a true and fair view of the position and results of the Parent Company and the Group, and describe the significant risks and uncertainties faced by the parent company and the companies included in the group.

*For a complete description of accounting principles, please refer to the notes in the Swedish annual report (Årsredovisning) pages 57-63.*

*The Swedish annual report (Årsredovisning) has been signed by the Board of Directors, Chief Executive Officer, and auditor (Maria Ekelund, authorized public accountant, Deloitte AB).*

*The Swedish annual report (Årsredovisning) has been externally audited and the auditor's report can be found in this report.*

*In case of any discrepancies between the Swedish annual report (Årsredovisning) and the English abbreviated annual report, the Swedish annual report shall prevail.*

## **ICONOVO AB**

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# ICONOVO