Controlled release

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for better healthcare

Interim report January- March, 2025

Nanexa AB (PUBL)

Significant events during the first quarter 2025

- In January, Nanexa announced that the company had decided to carry out a directed share issue, deviating from existing shareholders' preferential rights, of units amounting to 35 MSEK in two steps. Furthermore, it was announced that the company had taken loans totaling 20 MSEK.
- In January, Nanexa announced that the company is calling shareholders to an Extraordinary General Meeting on February 13, 2025, in connection with the above-mentioned issue.
- In January, Nanexa announced that the Phase I-study with NEX-22, the company's one-month formulation of liraglutide, will resume with further dose escalation with an estimated start in the first quarter of 2025. The study has received regulatory approval for the administration of 30 mg liraglutide in an additional dose group.
- At the Extraordinary General Meeting on February 13, it was decided that the directed share issue would be completed.
- In February, Nanexa announced that the Nomination Committee for the Annual General Meeting 2025 had been appointed. The members of the Nomination Committee are Marlon Värnik, Jonas Pålsson and Göran Ando.
- In March, Nanexa announced that all patients had been included in the fourth and final dose cohort in the Phase I study of NEX-22.

Significant events after the end of the period

- In April, Nanexa announced that initial observations in the phase I study show that the 30 mg dose of NEX-22 has been well tolerated by patients with type 2 diabetes who have not previously received GLP-1 treatment.
- In April, Nanexa announced the appointment of Bridget Lacey as Chief Business Officer.
- In May, Nanexa announced that the analysis of the first samples from the 30 mg dose group in the NEX-22 Phase I study showed continued promising results.

Financial overview

1 January - 31 March 2025

- Turnover amounted to: TSEK 2,877 (7,754)
- Operating profit (EBIT) amounted to: TSEK -8,213 (-3,363)
- Profit after tax amounted to: TSEK -8,987 (-2,823)
- Earnings per share amounted to: SEK -0.06 (-0.02)
- Cash flow for the period amounted to: TSEK 38,924 (-17,328)
- Cash and cash equivalents at end of period: TSEK 49,216 (47,839)

Figures in brackets refer to the corresponding period in the previous year.

CEO’s comment

During the first quarter, we focused on and allocated most of our resources to our own product project NEX-22, a monthly depot of the GLP-1 substance liraglutide, as well as the evaluation of PharmaShell together with Novo Nordisk. In addition, we have increased activities and allocated more resources within business development, which now also focuses more on the licensing of the NEX-22 project.

Earlier this year, we reported that the evaluation with Novo Nordisk, in our assessment, meets the established profile. We believe this gives us the opportunity to complete the evaluation with good results within the agreed timeframe. We look forward to starting negotiations during the year and potentially move forward in a long-term collaboration.

The development of NEX-22 has taken another significant step forward in clinical development as a result of the positive clinical results we obtained at the end of 2024. The release profile extended over a month at the highest dose (10 mg). Safety data from the first three doses were also positive, with very limited reactions at the injection site and no nausea, vomiting or diarrhea. This allowed us to immediately add a higher dose (30 mg) to the study. The German authorities approved this addition at the end of January. Dosing of the three patients in this dose group took place in March. At the beginning of April, we were able to confirm that this dose also provided good tolerability with limited reactions at the injection site and no common side effects, such as nausea. We consider this to be very interesting data, and we have received support from the companies and experts that we have spoken with. We see an opportunity with NEX-22, in addition to changing the dosing from daily injection to once a month, to also minimize the common side effects. This is clearly desirable for a new product in the enormous type 2 diabetes market. It is worth mentioning that this data is not only interesting from a strict NEX-22 perspective but also provides an indication of how PharmaShell can be used to create new, long-acting products from other peptides. This applies both within type 2 diabetes/obesity and entirely different indication areas.

As mentioned earlier, we have significantly increased our presence at conferences, such as JP Morgan and BIO EUROPE. We have given presentations and held meetings with potential partners and will participate in several scientific and commercial conferences in the coming quarters. We see a strong interest in NEX-22 and have also very interesting discussions with companies about completely different uses of PharmaShell.
The financing round of 55 MSEK carried out during the quarter enables continued operation of the company until the first quarter of 2026. I believe that during this time we have good conditions to create significant added value in the company.

To further strengthen our team, we have appointed Bridget Lacey as Chief Business Officer. Bridget has extensive experience in business development within Life Sciences, which will further enhance our internal resources.

I am very much looking forward to Nanexa's continued development in 2025

David Westberg, CEO

Financial comments

Result and cash flow

First quarter 2025

Sales for the quarter amounted to SEK 2,877 (7,754) thousand, of which SEK 632 (3,223) thousand relates to revenue within the framework of evaluation agreements entered regarding the PharmaShell® technology, SEK 2,152 (3,766) thousand relates to accrual of prepaid revenue related to the exclusivity agreement entered with Novo Nordisk A/S and SEK 88 (764) thousand relates to the coating of sensors. The monthly accrued revenue from Novo Nordisk A/S has been adjusted downwards for the rest of the period due to a new assessment. Capitalized development costs amounted to SEK 4,775 (6,285) thousand and mainly relate to investments in NEX-22 and, to a lesser extent, the PharmaShell system.

External project and development costs during the quarter amounted to SEK -3,268 (-4,372) thousand, with costs related to NEX-22 accounting for the majority and the decrease relative to the previous year being attributable to cost reductions during 2024. Other external costs, including costs for premises and external consultants, amounted to SEK -5,364 (-5,259) thousand and were almost unchanged. Personnel costs in the quarter amounted to SEK -4,291 (-5,476) thousand, where the decrease is explained by cost savings.

The result for the fourth quarter amounted to SEK -8,987 (-2,823) thousand.

Cash flow for the quarter amounted to SEK 38,924 (-17,328) thousand. The change in working capital amounted to SEK -1,231 (-7,107) thousand and comes mainly from lower level on accounts receivables, higher level on accounts payables and the deferred income from the exclusivity agreement with Novo Nordisk. Cash flow from investing activities amounted to SEK -6,195 (-8,997) thousand, where investments in capitalized development costs were lower than for the corresponding period last year. The cash flow from financing activities amounts to SEK 51,950 (-515) thousand, where capital injections amounted to net 52,263 thousand.

Financial position

As of March 31, 2025, cash and cash equivalents and short-term investments amounted to SEK 49,216 (47,839) thousand and equity amounted to SEK 94,202 (93,007) thousand.

The Board of Directors believes that the company's current working capital and cash, including the injection of external capital during 2025, are sufficient to finance the business for the next 12 months from the end of the reporting period.

Employees

The number of employees as of March 31, 2025, was 13 (19), of which 4 (8) women and 9 (11) men. The average number of employees (FTE) amounted to 13 (19) in the first quarter of 2025. In addition to employed staff, Nanexa continuously hires consultants with specialist expertise.

Related party transactions

The company has not had any related party transactions either in the first quarter of 2025.

The share

Nanexa AB (publ) was listed on the Nasdaq First North Growth Market on 29 May 2020. The share was previously listed on the Spotlight Stock Market since 17 June 2015. As of March 31, 2025, the number of shareholders in Nanexa was 5,430.

Earnings per share

Earnings per share, before and after dilution, amounted to SEK -0.06 (-0.02) for the first quarter of 2025.

Number of shares

The number of outstanding shares in Nanexa AB as of March 31, 2025, was 156,907,747 (135,695,626), with a quota value of SEK 0.13 per share. The number of shares at full dilution of outstanding warrants was 156,907,747 (138,403,626).

The average number of shares for the first quarter amounted to 148,744,616 (135,695,626). Including full dilution of outstanding warrants, the average number of shares for the first quarter amounted to 148,744,616 (138,403,626).

The outstanding programs for warrants by March 31, 2025, were:

TO6 (2022/2025) that can be used to subscribe for shares between June 15 to July 31, 2025. The number of outstanding warrants in program TO6 is 983,000, corresponding to a dilution of 0.72%. The strike price is set to 4.95 SEK.

TO7 (2023/2026) that can be used to subscribe for shares between July 1 to August 31, 2026. The number of outstanding warrants in program TO7 is 1,345,000, of which the number of subscribed warrants amounts to 425,000, corresponding to a dilution of 0.31%. The strike price is set to 5.31 SEK.

Principles for preparing the report

The interim report has been prepared in accordance with the same accounting principles as in the company's most recent annual report, i.e., in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board's general recommendations BFNAR 2012:1 Annual Report and Consolidated Accounts (K3).

Upcoming reporting

Nanexa AB provides recurring financial information according to the following plan.

May 15, 2025,	Annual general meeting 2024
August 27, 2025,	Interim report April-June 2025
October 21,2025	Interim report July-September 2025

Annual general meeting 2025

The Annual General Meeting of Nanexa AB (publ) will be held in Uppsala on May 15, 2025, and the notice will be available on Nanexa's website, www.nanexa.com.

This interim report has not been subject to a comprehensive audit by the company's auditors.

Uppsala 05/06/2025

The board of directors, Nanexa AB

Göran Ando (chairman)

Richard Davis (member) Jakob Dynnes Hansen (member) Eva Nilsagård (member)

Birgit Stattin Norinder (member) Hanna Tilus (member)

David Westberg, CEO Nanexa AB

Income statement

Amounts in TSEK	01/01/2025 – 31/03/2025	01/01/2024 – 31/03/2024	01/01/2024 – 31/12/2024
Operating revenue			
Turnover	2,877	7,754	24,361
Capitalised development costs	4,775	6,285	22,331
Other income	117	153	597
Total revenue	**7,769**	**14,192**	**47,289**
Operating expenses			
External project and development costs	-3,268	-4,372	-16,527
Other external expenses	-5,364	-5,259	-20,607
Personnel costs	-4,291	-5,476	-25,077
Depreciation on intangible and tangible fixed assets	-3,015	-2,427	-10,859
Other operating costs	-44	-21	-281
Total costs	**-15,982**	**-17,555**	**-73,351**
Operating profit (EBIT)	**-8,213**	**-3,363**	**-26,062**
Profit/loss from financial items			
Interest income and similar income statement items	61	632	1,510
Interest expenses and similar income statement items	-862	-119	-461
Total profit/loss from financial items	**-801**	**513**	**1,049**
Taxes			
Tax revenue	27	28	108
Total taxes	**27**	**28**	**108**
Profit/loss for the period	**-8,987**	**-2,823**	**-24,905**
Earnings per share (SEK)	**-0.06**	**-0.02**	**-0.18**

Balance Sheet

Amounts in TSEK	31/03/2025	31/03/2024	31/12/2024
Assets			
Fixed assets			
Intangible fixed assets	63,260	47,649	59,397
Tangible fixed assets	11,901	13,674	12,583
Financial fixed assets	343	235	316
Total fixed assets	**75,504**	**61,559**	**72,296**
Current assets			
Stock	51	259	495
Current receivables	7,324	14,250	8,738
Short-term deposits	30,000	35,000	0
Cash and cash equivalents	19,216	12,839	10,292
Total current assets	**56,591**	**62,348**	**19,525**
Total assets	**132,095**	**123,907**	**91,821**
Equity and liabilities			
Equity			
Share capital	20,307	17,562	17,562
Restricted equity	54,500	39,444	51,318
Share premium reserve	347,479	317,961	317,961
Profit and loss account reserve brought forward	-319,097	-279,138	-291,011
Loss for the period	-8,987	-2,823	-24,905
Total equity	**94,202**	**93,007**	**70,925**
Non-current liabilities			
Liabilities to credit institutions	21,884	1,831	2,197
Total non-current liabilities	**21,884**	**1,831**	**2,197**
Current liabilities			
Accounts payable	3,266	4,810	2,289
Other current liabilities	12,744	24,258	16,409
Total current liabilities	**16,010**	**29,068**	**18,698**
Total equity and liabilities	**132,095**	**123,907**	**91,821**
Pledged assets	**7,015**	**7,015**	**7,015**
Assets with retention of title	**7,023**	**5,755**	**7,353**

Cash flow analysis

Amounts in TSEK	01/01/2025 – 31/03/2025	01/01/2024 – 31/03/2024	01/01/2024 – 31/12/2024
Current activities			
Operating result	-8,213	-3,363	-26,062
Adjustments for items not included in cash flow	3,015	2,427	10,452
Interest received	61	156	1,316
Interest paid	-462	71	-396
Cash flow from operating activities before change in working capital	**-5,599**	**-709**	**-14,689**
Cash flow from change in working capital			
Change in inventories and work in progress	444	1,652	1,415
Changes in accounts receivable - trade	1,042	-1,252	230
Change in receivables	371	-1,994	1,878
Change in accounts payable - trade	977	-3,017	-5,538
Change in other liabilities	-4,066	-2,496	-9,728
Total from change in working capital	**-1,231**	**-7,107**	**-11,742**
Cash flow from current activities	**-6,831**	**-7,816**	**-26,430**
Investing activities			
Investments in intangible fixed assets	-6,195	-8,845	-26,784
Investments in tangible fixed assets	0	-152	-1,336
Investments in financial fixed assets	0	0	0
Cash flow from investment activities	**-6,195**	**-8,997**	**-28,120**
Financing activities			
New share issue	35,000	0	0
Issue costs	-2,737	0	0
Borrowings	20,000	0	2,422
Amortisation of loans	-312	-515	-2,749
Cash flow from financing activities	**51,950**	**-515**	**-327**
Cash-flow for the period	**38,924**	**-17,328**	**-54,877**
Cash and cash equivalents at the beginning of the period	10,292	65,168	65,168
Cash and cash equivalents at the end of the period	**49,216**	**47,839**	**10,292**

Change in equity

Amounts in TSEK	Share capital	Not registered share capital	Fund for development work	Share premium reserve	Profit/Loss brought forward	Profit/Loss for the period	Total equity
Amount as of 01/01/2025	**17,562**	**0**	**51,318**	**317,961**	**-291,011**	**-24,905**	**70,925**
Previous year's result					-24,905	24,905	**0**
New share issue	2,745			32,255			**35,000**
Ongoing new issue							**0**
Subscription warrants							**0**
Issue expenses				-2,737			**-2,737**
Capitalized development costs for the period			4,775		-4,775		**0**
Depreciation on capitalised development costs for the period			-1,593		1,593		**0**
Profit/loss for the period						-8,987	**-8,987**
Amount as of 31/12/2024	**20,307**	**0**	**54,500**	**347,479**	**-319,098**	**-8,987**	**94,202**

Amounts in TSEK	Share capital	Not registered share capital	Fund for development work	Share premium reserve	Profit/Loss brought forward	Profit/Loss for the period	Total equity
Amount as of 01/01/2024	**17,562**	**0**	**34,282**	**317,961**	**-197,577**	**-76,398**	**95,830**
Previous year's result					-76,398	76,398	**0**
New share issue							**0**
Ongoing new issue							**0**
Subscription warrants							**0**
Issue expenses							**0**
Capitalized development costs for the period			22,331		-22,331		**0**
Depreciation on capitalised development costs for the period			-5,295		5,295		**0**
Profit/loss for the period						-24,905	**-24,905**
Amount as of 31/12/2024	**17,562**	**0**	**51,318**	**317,961**	**-291,011**	**-24,905**	**70,925**

Pledged assets

	31/03/2025	31/03/2024	31/12/2024
Corporate mortgages	7,015	7,015	7,015

Assets with retention of title

	31/03/2025	31/03/2024	31/12/2024
Assets with retention of title	7,023	5,755	7,353

About Nanexa

Nanexa develops PharmaShell® – a drug delivery-system with great potential

Nanexa is a pharmaceutical company that develops long-acting injectable drugs based on PharmaShell® – a proprietary patented drug-delivery system for controlled release of various types of active pharmaceutical substances. Based on PharmaShell, Nanexa both develops its own drugs and collaborates with other pharmaceutical companies, including Novo Nordisk and AstraZeneca, to develop products with their active substances.

Addresses important disease areas and markets

Nanexa focuses its own development projects on disease areas with high medical need where the market is large and growing. Today, the company focuses primarily on the NEX-22 project with the goal of developing a one-month depot formulation of the GLP-1 substance liraglutide for the treatment of type 2 diabetes. The company also has two oncology projects for the indications myelodysplastic syndrome (MDS) and multiple myeloma, which are two forms of blood cancer.

In Nanexa's own projects, the company starts from existing and proven drug substances where the patent protection has expired. In this way, Nanexa minimizes the biological risk, reduces development time and facilitates the approval process. At the same time, Nanexa can use its technology to create new patent protection and thus create great value, both in its own product projects and for products in partner-driven projects.

A patented drug delivery-system

PharmaShell enables the development and production of a completely new generation of long-acting injectable drugs. With PharmaShell, Nanexa coats small particles of an active pharmaceutical substance with an extremely thin, dense coating of an inorganic material, like the shell of an egg. The coating process takes place using Atomic Layer Deposition (ALD) technology, which allows the thickness and composition of the coating material to be adjusted. In this way, it is possible to control the dissolution time of the coating and thus the release of the pharmaceutical substance from the depot into the body.

Nanexa's products consist of injectable drug formulations that are placed as a depot under the skin or locally, for example in a cancerous tumor. This depot continuously releases active drug substances over a long period of time without the patient having to frequently keep track of their medication or come to the clinic for treatment. This streamlines treatments, makes everyday life easier for the patient and frees up resources for healthcare providers. Nanexa's proprietary and patented PharmaShell drug delivery system allows the company to customize and control the rate of release of both biological and small molecule drug substances.

The benefits of depot formulations

For patients

- Depot drugs make it easier for the patient. Instead of needing to monitor daily medication or visiting the clinic to get treatment, depot drugs are released over a long period.
- Depot drugs can deliver a more even, continuous dose, which can reduce certain side-effects associated with other modes of administration.

For the healthcare sector

- Depot drugs produce greater adherence in the treatment as there is no need for the patient to monitor tablets or injections.
- Greater adherence in turn leads to greater efficacy for the treatment.

For the payers

- Fewer patient visits to clinics and hospitals save money for society.
- Greater adherence produces more cost-effective treatment.

For pharmaceutical companies

- Increases revenue streams as long-acting and injectable products offer great opportunities to improve treatments in many indications and allow for product differentiation.
- Improves existing products and provide better product life cycles.
- Extends patent protection via new dosage forms on existing products.

Sustainability

- Depot drugs provide greater control over pharmaceutical substances and reduce the risk of them being handled incorrectly.
- Patients avoid handling the drug, which reduces the risk, for example, of it being flushed down the toilet or thrown into the rubbish.
- Depot medicines reduce the number of plastic syringes and other components, thus reducing the impact on the environment.

PharmaShell® – unique features

- Possibility of controlling the depot length in order to optimize treatment. Everything from one week to one month or several months
- Possible to control the initial release after administration in the body, which is a common problem for most competing depot preparation systems
    - Makes depot formulation of high potency substances possible
    - Enables high doses in depot preparations
- Very high drug load (up to 80 per cent)
    - Minimizes injection volumes
    - Enables depot preparation of less potent drugs
    - Enables longer depot preparations
- Flexible, can be used for many different drugs
    - Small molecules
    - Biological substances such as peptides and proteins
    - Substances with high and low solubility
- Prevents breakdown of the drug after injection into the body
    - The PharmaShell coating protects the substances from being broken down while they are in depots
- Numerous applications
    - Subcutaneous or intramuscular administration for systemic exposure
    - Local administration in the case of tumors or other tissue for local effect

Nanexa's business model

Nanexa has a two-part business model where the company develops its own products and enters into licensing agreements for PharmaShell®. In its own product projects, Nanexa takes them through the preclinical and clinical phases, mainly until proof of concept (Phase I or II). Then an assessment is made of how the commercialization should take place - either in-house or in collaboration with a licensing partner. A license agreement usually includes an initial payment, known as a signing fee, and milestone payments when defined development goals are achieved. A milestone payment is also made in connection with market approval of the drug, after which sales-based royalties are paid. Desirable partners are, for example, global pharmaceutical companies with strong market positions in the relevant area. Another possibility is license deals with one or more operators with a strong market presence in important regions. Decisions are made based on what is considered to create the most value for the company.

At the same time, Nanexa works actively to out-license its technology to other pharmaceutical companies that want to develop long-acting drugs. Nanexa currently has a number of evaluation agreements in place with the aim of creating a basis for further collaborations and out-licensing agreements. These include a very interesting project with Novo Nordisk and evaluations with several of the world's largest pharmaceutical companies.

Although the revenues from the company's product projects are expected to be significantly higher than the revenues from out-licensing agreements regarding PharmaShell, the company sees significant opportunities for attractive license agreements also from several of the evaluation projects. In addition, the technology licenses can be more numerous, closer in time and make a significant contribution to the total revenues.

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