

Newbury Pharmaceuticals AB

Interim report September 2024 – February 2025

Quarter 2, December 2024 – February 2025

- Net revenue was 12 434 (3 135) tkr.
- EBITDA was -973 (-4 147) tkr.
- Operating cash flow was -6 371 (-7 977) tkr.

Interim period, September 2024 – February 2025

- Net revenue was 18 972 (14 320) tkr.
- EBITDA was -4 732 (-6 881) tkr.
- Operating cash flow was -1 579 (-13 655) tkr.
- Cash position in the end of period was 12 857 (6 412) tkr.
- Licensed products at the end of period were 31 (31).
- Products with distribution rights at the end of the period were 12 (12).
- Products with marketing authorization at the end of the period were 26 (20).
- Products launched in Nordics at end of the period 13 (6).

Significant events during the quarter

- The annual general meeting of Newbury Pharmaceuticals was held on 15 January 2025. The Board was re-elected with Karl Karlsson as chairman.
- Newbury Pharmaceuticals Secures Generic Approval for Azelastine + Fluticasone nasal spray.
- Newbury Pharmaceuticals Secures Generic Approval for Bosutinib tablets.
- Newbury Pharmaceuticals Secures Generic Approval for Pomalidomide capsules.

Significant events after the end of the quarter

- Newbury Pharmaceuticals Secures Approval for Macitentan film-coated tablets
- Newbury Pharmaceuticals is strengthening its distribution partnership with an existing collaborator by adding four already registered products to its portfolio. The company plans to commercialize these products by the end of 2025, acting as the local representative responsible for all commercial activities.

	Q2	Q2	Period	Period	Full year
SEK thousands	Dec24 -Feb25	Dec23 -Feb24	Sep24 -Feb25	Sep23 -Feb24	Sep23 - Aug24
Net revenue	12 434	3 135	18 972	14 320	36 829
EBITDA	-973	-4 147	-4 732	-6 881	-12 340
Operating result / EBIT	-1 443	-4 583	-5 672	-7 681	-14 078
Result before tax	-1 851	-4 923	-6 489	-8 260	-15 409
Cash flow from operating activities	-6 371	-7 977	-1 579	-13 655	-23 707
Cash at the end of the period	12 857	6 412	12 857	6 412	15 303

A word from the CEO

Nordic Sales Growth Continues

Sales across the Nordics maintained strong momentum in Q2. Notably, we gained additional market share with Desmopressin Newbury while also securing new tender sales across multiple products on a month-by-month basis. While turnover and profitability vary by product, it is encouraging to see an increasing number of products contributing to overall sales growth.

As of today, we have 14 products available for sale and remain on track with our expansion strategy. Over the next 9–12 months, we plan to introduce additional products, with new launches expected in the second half of 2025. By the end of 2025, we aim to have 20–25 products available in the market.

Most of this quarter's sales originated from the Nordic market. Nordic sales delivered the second-highest quarterly performance to date, and we reached our highest Moving Annual Total (MAT Feb 2025) turnover at the end of this period. International sales amounted to app 3 MSEK during the quarter with a positive contribution.

Increasing Turnover to Drive EBITDA Profitability

During the quarter, we achieved a turnover of 12,4 MSEK and reported an EBITDA just below -1 MSEK. As we approach year-end, the planned expansion of our product portfolio is expected to create further opportunities for securing tender sales. Operational expenses remain well-managed, with cost increases primarily tied to sales-related profit-sharing arrangements. Based on our projections, reaching a sales level of approximately 15–18 MSEK could bring us to EBITDA break-even.

Sustained Positive Momentum in Business Expansion

Progress continued with the approval of several new product registrations, including Bosutinib, Azelastine + Fluticasone, Pomalidomide and Macitentan. In addition, we have expanded an existing partnership to include four more products under a distribution agreement. These products are already approved, and we expect to launch these by year-end.

We are actively preparing for entry into Finland to strengthen our Nordic footprint. We have recently submitted our first two hospital tenders, and we anticipate announcement of the winner during the summer. Additionally, we plan to introduce further products to the Finnish market in the second half of 2025, reinforcing our Nordic focus as the local champion.

Lars Minor



ABOUT

Newbury is a fast-growing company with an in-licensed product portfolio of prescription drugs and a focus on specialty drugs and own brands. Founded in 2020, Newbury in-license proprietary product rights and strives to be an expert in the registration and commercialization of pharmaceuticals with focus on the Scandinavian markets. Along with the focus on building direct business in the Nordics, Newbury is pursuing sales orders from international customers via an indirect business model outside of the Nordics. This gives the Company the opportunity to be a cost-effective organization where the employment of key people is combined with consultants for specialist roles.

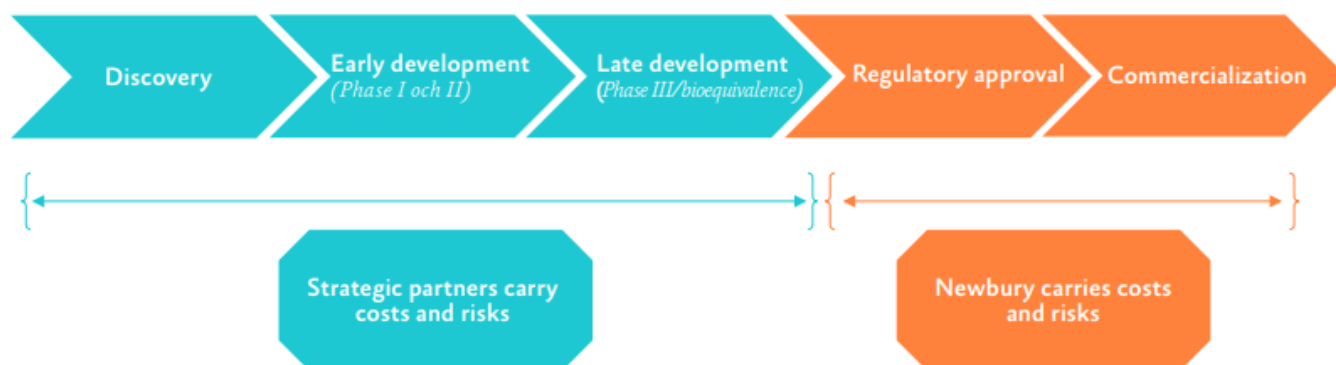
The Company does not have its own drug development but relies on partnerships to expand its drug portfolio. The Company's partnership therefore constitutes a strategic pillar in the business model of offering value-creating specialty drugs and own brands to both patients and other stakeholders.

BUSINESS MODEL

Products are licensed through partnerships. In this way, traditional risks and investments in capital goods, research and development ("R&D") and production are minimized so that Newbury has a business model with a focus on registration and commercialization of pharmaceuticals. As a result of this business model, Newbury can offer its partners and customers a competitive advantage with the opportunity to be among the first in the market with a deep market knowledge. This model is the result of strong partnerships and a network of suppliers that offer flexibility, speed and scalability.

The business model enables Newbury to utilize the strengths of its partners together with the Company's deep knowledge of the Scandinavian market. After building a foundation in the Scandinavian market, the Company wants to strengthen its offering to other markets.

Newbury's partnership model minimizes costs and risks



PORTFOLIO

As of the date of this report, Newbury has built a strong portfolio. Newbury's existing portfolio is focused on the Scandinavian market with an estimated current annual sales value of approximately EUR 800 million in the existing categories in which Newbury will launch its products. The portfolio consists of drugs from several different therapeutic areas with products, including oncology, rare diseases and neurology that represent more than 50 percent.

The existing product portfolio is expected to generate a steady stream of product launches in the coming years. In addition, Newbury has a strong focus on continuously expanding its portfolio of strategically important products.

REVENUE AND PROFIT

Net revenue for the quarter amounted to 12 434 (3 135) tkr and for the interim period 18 972 (14 320) tkr. Of the total net revenue attributable to international sales for the quarter amounted to 2 942 (1 401) tkr and for the interim period 2 942 (9 823) tkr.

Operating results amounted to -1 443 (-4 583) tkr for the quarter and for the interim period to -5 672 (-7 681) tkr. Results for the quarter after taxes amounted to -1 851 (-4 961) tkr and for the interim period -6 489 (-8 485) tkr.

INVESTMENTS

Newbury Pharmaceuticals continues to invest in the development of the portfolio. During the quarter 203 (1 279) tkr was invested and for the interim period investments amounted to 867 (3 622) tkr.

LIQUIDITY AND FINANCING

Operating cashflow amounted to -6 371 (-9 482) tkr for the quarter and for the interim period to -1 579 (-13 655) tkr. Cashflow from financing activities amounted to 0 (-229) tkr and for the interim period to 0 (15 161).

Of the group's total receivable at end of the year, 3 752 tkr relates to customer receivables from international sales where the payments are delayed. The company is in a dialogue with the customer who has confirmed the rest of the payments in the coming quarters.

Of the total receivables, 6 939 tkr relates to a receivable from a partner for canceled pipeline products and can be used for acquisition of new licensed products from the partner.

On 18 September 2023 Newbury took out a loan totaling 15 000 tkr from a private investor with maturity 2024-12-31 and 11 percents interest per year. On 30 September 2024 Newbury agreed to a 12-month extension of the loan agreement. The loan terms remain unchanged except for a new maturity date of 31 December 2025.

Newbury Pharmaceuticals cash and cash equivalents amounted to 12 857 (6 412) tkr at the end of the period.

The Board of Directors wishes to inform stakeholders that the company's current cash reserves may not be sufficient to cover ongoing operations through the end of the financial year. We recognize the importance of this situation and are actively working on multiple fronts to secure the necessary funding to support the company's ongoing operations and future growth with a focus on inventory build-up. Efforts are underway and we explore various financing options. The Board remains committed to ensuring the long-term stability and success of the company and will continue to update stakeholders as progress is made.

EQUITY

Newbury Pharmaceuticals equity in the end of period amounted to 44 784 (40 779) tkr and equity per share to 1,85 (2,09) kr.

Share capital at the end of the period amounted to 773 801 kr divided on 24 258 654 shares. Each share has a quota value amounting to approx. 0,032 kr.

SHARE-BASED INCENTIVE PROGRAMS

On May 20, 2021, the Company's Board of Directors, in accordance with the authorization from the Extraordinary General Meeting on November 18, 2020, decided to issue 1 000 000 warrants to the Company. The price was 0 kr per option, for the warrants. Each warrant entitles the holder to subscribe

for one new share in the Company at a subscription price of SEK 5.5 during the period 21 June 2021 to 21 June 2031. Upon full utilization of the warrants, the Company's share capital will increase by 31 898 kr, which will result in a dilution effect of approximately 4 percent. The purpose of the warrants is to be used as hedging for the Company's obligations under current (see below) and future employee benefit programs. Usual conversion terms apply to the warrants.

Newbury has four employee stock option agreement with a total of 490 000, in accordance with Swedish employee stock option program. The agreements contain an earnings clause which states that the number of options that the holder can use to subscribe for new shares in the Company depends on how long the employee has been employed. In other respects, the agreement contains customary terms for an employee stock option agreement. Vested employee options at the end of the period were 344 644 options. Costs for the employee stock option programs amounted to -27 (-60) tkr for the quarter and for the interim period to -26 (82) tkr.

On July 31, 2024, the Extraordinary General Meeting decided to issue 1 000 000 warrants to directors of the Company. The price was 0 kr per option, for the warrants. Each warrant entitles the holder to subscribe for one new share in the Company at a subscription price of SEK 5,0 during the period 1 September 2028 to 30 November 2028. Upon full utilization of the warrants, the Company's share capital will increase by 31 898 kr, which will result in a dilution effect of approximately 4 percent.

PERSONNEL

The average number of employees in the quarter amounted to 6 (6). The number of employees at the end of the quarter amounted to 6 (6). Newbury are using a wide range of specialist consultants to support the ongoing operating activities.

PARENT COMPANY

Newbury Pharmaceuticals AB is the parent company. Net revenue for the Parent Company during the quarter amounted to 9 493 (1 733) tkr and for the interim period 16 031 (4 497) tkr. Operating results amounted to -2 149 (-4 497) tkr for the quarter and for the interim period to -6 261 (-9 247) tkr.

TRANSACTIONS WITH RELATED PARTIES

Newbury has rented an apartment from chairman Karl Karlsson for twelve months for 15 tkr per month during the financial year. The rent has taken place on market terms and is used to facilitate housing for an expat employee. Apart from the above, no transactions took place between Newbury and related parties during the financial year.

ACCOUNTING PRINCIPLES

Newbury Pharmaceuticals prepares its accounts in accordance with the Annual Accounts Act and the Accounting Boards general advice 2012:1(K3). Information on accounting principles in general is provided in the Annual Report for 2023/2024, available on newburypharma.com/investors/.

RISKS AND UNCERTAINTIES

Newbury Pharmaceuticals operations, financial position and earnings can be affected by several risks and uncertainties. These are described in Newbury Pharmaceuticals Annual Report for 2023/2024 and in Newbury Pharmaceuticals prospectus of 11 January 2022, pages 28-30. Both documents are available on newburypharma.com/investors/.

AUDIT

This report has not been reviewed by Newbury Pharmaceuticals auditor.

Lund, 9 April 2025

The Board of Directors and the CEO assure that the interim report provides a fair overview of the group's operations, position and results.

Lars Minor
CEO

Karl Karlsson
Chairman

Andreas Hedskog

Anil Okay

Johan Strömqvist

Ramon Vila

Ivailo S. Georgiev

Income Statement - Group

SEK thousands	Q2 Dec24 - Feb25	Q2 Dec23 - Feb24	Period Sep24 - Feb25	Period Sep23 - Feb24	Full year Sep23 - Aug24
Net revenue	12 434	3 135	18 972	14 320	36 829
Other operating income	860	596	1 871	1 752	2 907
Cost of goods sold	-5 827	-1 401	-8 849	-8 224	-20 796
Other external expenses	-5 714	-3 253	-11 114	-8 032	-18 970
Personnel expenses	-2 415	-2 618	-4 781	-5 292	-9 796
Depreciation and amortization	-470	-436	-940	-800	-1 738
Other operating expenses	-311	-606	-831	-1 405	-2 514
Operating result / EBIT	-1 443	-4 583	-5 672	-7 681	-14 078
Financial net	-408	-340	-817	-579	-1 331
Result before tax	-1 851	-4 923	-6 489	-8 260	-15 409
Tax	0	-38	0	-225	4
Result for the period	-1 851	-4 961	-6 489	-8 485	-15 405

(Attributable to the parent company's shareholders)

Balance Sheet - Group

SEK thousands	28 Feb 2025	29 Feb 2024	31 Aug 2024
Assets			
Fixed Assets			
Intangible fixed assets	46 825	48 505	46 898
Total Fixed Assets	46 825	48 505	46 898
Current Assets			
Inventory	6 933	6 458	4 995
Other receivables	21 055	22 751	23 675
Cash and bank balances	12 857	6 412	15 303
Total Current Assets	40 845	35 621	43 973
Total Assets	87 670	84 126	90 871
Equity and Liabilities			
Equity	44 784	40 779	51 917
Liabilities			
Long-term Liabilities	9 160	11 930	9 508
Short-term Liabilities	33 726	31 417	29 446
Total Liabilities	42 886	43 347	38 954
Total Equity and Liabilities	87 670	84 126	90 871

Cash Flow Analysis - Group

SEK thousands	Q2 Dec24 - Feb25	Q2 Dec23 - Feb24	Period Sep24 - Feb25	Period Sep23 - Feb24	Full year Sep23 - Aug24
Cash flow from operating activities before changes in working capital	-2 020	-4 444	-6 541	-7 802	-13 886
Cash flow from working capital	-4 351	-3 533	4 962	-5 853	-9 821
Cash flow from operating activities	-6 371	-7 977	-1 579	-13 655	-23 707
Cash flow from investing activities	-203	-1 279	-867	-3 622	-2 954
Cash flow from financing activities	0	-229	0	15 161	33 436
Cash flow for the period	-6 574	-9 485	-2 446	-2 116	6 775
Cash and cash equivalents opening balance	19 431	15 897	15 303	8 528	8 528
Cash and cash equivalents closing balance	12 857	6 412	12 857	6 412	15 303

Changes In Equity - Group

SEK thousands	Q2 Dec24 - Feb25	Q2 Dec23 - Feb24	Period Sep24 - Feb25	Period Sep23 - Feb24	Full year Sep23 - Aug24
Opening balance	46 773	45 658	51 917	49 380	49 380
Issue (including issue costs)	0	0	0	0	18 162
Employee stock option program	-27	-60	-26	-82	-86
Translation differences	-111	142	-618	-34	-134
Result for the period	-1 851	-4 961	-6 489	-8 485	-15 405
Closing balance	44 784	40 779	44 784	40 779	51 917

Key figures - Group

	Q2 Dec24 - Feb25	Q2 Dec23 - Feb24	Period Sep24 - Feb25	Period Sep23 - Feb24	Full year Sep23 - Aug24
Net revenue (tkr)	12 434	3 135	18 972	14 320	36 829
EBITDA (tkr)	-973	-4 147	-4 732	-6 881	-12 340
Earnings per share (kr)	neg.	neg.	neg.	neg.	neg.
Earnings per share after full dilution (kr)	neg.	neg.	neg.	neg.	neg.
Cash at the end of the period (tkr)	12 857	6 412	12 857	6 412	15 303
Equity (tkr)	44 784	40 779	44 784	40 779	51 917
Equity per share (kr)	1,85	2,09	1,85	2,09	2,14
Equity per share after full dilution(kr)	1,82	2,06	1,82	2,06	2,11
Solidity	51%	48%	51%	48%	57%
Number of shares, average (thousands)	24 259	19 521	24 259	19 521	21 411
Number of shares, end of period (thousands)	24 259	19 521	24 259	19 521	24 259
Number of shares after full dilution (thousands)	24 604	19 798	24 604	19 798	24 555

Income Statement - Parent Company

SEK thousands	Q2 Dec24 - Feb25	Q2 Dec23 - Feb24	Period Sep24 - Feb25	Period Sep23 - Feb24	Full year Sep23 - Aug24
Net revenue	9 493	1 733	16 031	4 497	17 122
Other operating income	530	600	861	1 752	2 898
Cost of goods sold	-3 703	-419	-6 725	-863	-5 516
Other external expenses	-5 543	-3 310	-10 756	-8 397	-16 398
Personnel expenses	-2 182	-2 278	-4 369	-4 335	-8 374
Depreciation and amortization	-240	-208	-480	-344	-824
Other operating expenses	-504	-615	-823	-1 557	-2 938
Operating result / EBIT	-2 149	-4 497	-6 261	-9 247	-14 030
Financial net	-351	-283	-668	-481	-1 109
Result before tax	-2 500	-4 780	-6 929	-9 728	-15 139
Tax	0	0	0	0	0
Result for the period	-2 500	-4 780	-6 929	-9 728	-15 139

Balance Sheet - Parent Company

SEK thousands	28 Feb 2025	29 Feb 2024	31 Aug 2024
Assets			
Fixed Assets			
Intangible fixed assets	46 026	46 832	45 639
Shares in group companies	4 000	4 000	4 000
Receivables from group companies	10 891	7 296	10 878
Total Fixed Assets	60 917	58 128	60 517
Current Assets			
Inventory	6 933	6 459	4 995
Other receivables	16 583	9 265	18 842
Cash and bank balances	4 552	3 012	7 564
Total Current Assets	28 068	18 736	31 401
Total Assets	88 985	76 864	91 918
Equity and Liabilities			
Equity	46 673	41 045	53 628
Liabilities			
Long-term Liabilities	9 160	11 930	9 508
Short-term Liabilities	33 152	23 889	28 782
Total Liabilities	42 312	35 819	38 290
Total Equity and Liabilities	88 985	76 864	91 918

Financial calendar

Interim report March 2025 – May 2025	9 July 2025
Year-end report June 2025 – August 2025	29 Oct 2025
Annual report 2024-2025	10 Dec 2025
Interim report September 2025 – November 2025	14 Jan 2026
Annual General Meeting	14 Jan 2026

Certified Adviser

Västra Hamnen Corporate Finance is the Company's Certified Adviser on Nasdaq First North and can be reached at ca@vhcorp.se or +46 (0) 40 200 250.

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This information is information that Newbury Pharmaceuticals is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 9 April 2025, 08.00 CEST.