Science for high quality biosimilars

Q1

Interim Report January – March 2025

FINANCIAL SUMMARY FOR THE GROUP

	2025 Jan–Mar	2024 Jan–Mar	2024 Full year
Revenue, (SEK 000)	93,237	14,065	148,098
Research and development costs, (SEK 000)	–22,818	–76,114	–162,014
R&D costs as percentage of total costs	67%	86%	68%
Operating profit/loss, (SEK 000)	27,661	–73,836	–97,224
EBITDA, (SEK 000)	32,572	–68,822	–77,335
Profit/loss for the period, (SEK 000)	8,165	–97,405	–266,220
Cash and cash equivalents, (SEK 000)	24,709	269,758	124,330
Equity ratio, %	31%	44%	25%
Earnings per share before dilution, SEK	0.01	–0.30	–0.22
Earnings per share after dilution, SEK	0.01	–0.30	–0.22
Number of employees on balance sheet date	64	75	65

FINANCIAL OVERVIEW FIRST QUARTER 2025*

- Revenue amounted to SEK 93.2 m (14.1).
- Other operating income was SEK 8.8 m (5.2).
- EBITDA amounted to SEK 32.6 m (–68.8).
- R&D costs amounted to SEK –22.8 m (–76.1), corresponding to 67 percent (86) of total operating costs.
- The loss for the period was SEK 8.2 m (–97.4).
- Earnings per share was SEK 0.01 (–0.30).
- Cash and cash equivalents at the end of the period amounted to SEK 24.7 m (269.8).

SIGNIFICANT EVENTS DURING THE FIRST QUARTER 2025

- In January, the company announced that it had appointed Jane Benyamin as acting Chief Financial Officer, as Anette Lindqvist had left her position.
- In March, the company announced that it had entered into an agreement to sell XB003 (a biosimilar candidate for Cimzia®) and parts of its organization to Alvotech for a total consideration of around SEK 275 m and included full assumption of the outstanding convertible bonds, a share of accounts payables directly attributable to XB003 and a cash consideration of about SEK 102 m. The reduction of Xbrane's organization will reduce annual fixed costs by approximately SEK 120 m. Final implementation of the transaction will be subject to approval by Xbrane's shareholders at an Extraordinary General Meeting (EGM) and approval in accordance with the Foreign Direct Investments (FDI) Act (2023:560).
- In March, the company called an EGM, which was held on April 14, 2025.

SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

- In April, the EGM resolved to approve the Board's proposal of sale of certain assets in the company to Alvotech hf. Alvotech will acquire the assets through a wholly-owned subsidiary, Alvotech Sweden AB, co. reg. no. 559522-0673. The agreement is further subject to approval in accordance with the FDI Act (2023:560).

*Figures in parentheses refer to the corresponding period in the previous year.

"The transaction with Alvotech strengthens Xbrane's financial position and enables the company to fully focus on realizing the full value of Ximluci® and Xdivane™, as well as generating significant revenues in the form of royalties and profit sharing."

CEO's letter

Dear shareholder,

Q1 2025 marked an important milestone in Xbrane Biopharma's development. We entered into an agreement with Alvotech to sell the biosimilar candidate XB003 (reference drug Cimzia®) and parts of our organization for around SEK 275 m.

Sale of XB003 to Alvotech

Through the deal with Alvotech, we will significantly strengthen our financial position and reduce our fixed costs by around SEK 120 m annually. We have retained over 75 percent of the competitively adjusted addressable market in our portfolio, including Ximluci® (biosimilar to Lucentis®), which has already been approved and launched in Europe, and Xdivane™ (biosimilar candidate to Opdivo®), recently out-licensed to Intas. We will now focus on realizing the full value of these programs and generating royalty income and profit sharing in the coming years. The new, more focused organization with about 25 employees gives us the flexibility to run our remaining programs effectively. We will continue our operations from the transferred facility at Campus Solna for a transition period of 12 months, in accordance with a service agreement with Alvotech. Xbrane retains its platform technology and related patents as well as the expertise to drive the development of biosimilar candidates from cell line to approval. However, the focus in the coming years will be on Ximluci® and Xdivane™.

At the end of Q1, we had cash of approximately SEK 25 m, which is estimated to finance the operations until the transaction with Alvotech closes at the end of May and the payment is received. The company is also in talks with several stakeholders, including suppliers, development partners, investors, and lenders, to secure additional funding. These alternatives include licensing income through partnerships, the raising of capital from both existing shareholders and external investors, and credit and loan financing.

Continued strong growth for Ximluci® in Europe and regulatory process underway in the US

We saw continued strong growth for Ximluci® with a 36 percent volume growth in Q1 2025 compared to Q4 2024. The product was launched in the last of the five major European countries, France, in Q1 2025. The review process for marketing authorization in the US is now underway with the FDA and we expect them to announce a BsUFA date (application decision date) and whether they will re-inspect our partners' production facilities.

Start of clinical trial for Xdivane™ in Q2 2025

Preparatory work to start a clinical trial with Xdivane™ has now been completed together with our partner Intas. The documentation for the application to start the study has been completed, the clinical material manufactured and a global CRO contracted. Intas is responsible for, and financing, the clinical trial, in which approximately 340 patients with skin cancer will be recruited, and which is expected to be completed in good time to submit a marketing authorization application to the FDA in Q4 2027.

We look forward to continuing our journey as a focused and financially stronger company, with the aim of providing cost-effective biologics to patients worldwide.

Solna, May 8, 2025

Martin Åmark, *CEO*

1) The market for VEGF inhibitors including both vials and prefilled syringes for ophthalmic use.
2) Source: Xbrane's estimate based on reported sales from each product.

Portfolio of biosimilar candidates

Xbrane has a portfolio of three biosimilar candidates, for different treatment areas. These include a number of serious eye diseases and several different types of cancer.

Ximluci®

Ximluci® is a biosimilar candidate to ranibizumab, the original drug Lucentis®, a VEGFa inhibitor used to treat a number of serious eye diseases. Ximluci® addresses a market of around EUR 13 bn[1] per year.

The European Medicines Agency (EMA) approved Ximluci® for the treatment of wet age-related macular degeneration (AMD), diabetic macular edema (DME), diabetic retinopathy (PDR), retinal vein occlusion (RVO) and visual impairment due to choroidal neovascularization (CNV) in 27 member states in Europe in 2022. Ximluci® was launched by Xbrane's partner STADA Arzneimittel AG (STADA) in Q1 2023 and by the end of the quarter, Ximluci® was available in sixteen markets in Europe and one market outside Europe.

At the end of December 2024, the company submitted a BLA to the FDA and the review process for marketing authorization in the US is now underway with the FDA and we expect them to announce a BsUFA date in Q2 2025. It is expected that a standardized review process will take six months. STADA is also actively working to bring Ximluci® to other regions such as the Middle East, Latin America and Southeast Asia, where, among other things, applications for market approval have been submitted to various regulatory authorities in these regions. STADA and Xbrane signed a collaboration agreement with Valorum in May who will commercialize Ximluci® in the US.

Ximluci® is approved in Europe in a vial containing the active substance, from which the ophthalmologist extracts the product into a syringe for injecting into the eye. Xbrane is also working on the development of a pre-filled syringe with the ambition to submit an application for approval to the EMA in 2025.

1) Evaluate Pharma; "Originator Peak Sales Estimate 2026".

Xdivane™

Xdivane™ is the first product on Xbrane's mammalian cell-based technology platform. Xdivane™ is a biosimilar to the programmed cell death protein 1 (PD1) inhibitor nivolumab (Opdivo®), a renowned immuno-oncology product. Opdivo® is expected to generate sales of EUR 13 bn[1] and lose its patent protection in December 2028 in the US and June 2030 in Europe. Xbrane's clear ambition for Xdivane™ is to become the leading biosimilar to Opdivo®, both in terms of cost-effectiveness and the time of launch. Xbrane expects that Xdivane™ can be launched in conjunction with the expiration of the Opdivo® patent, which will occur in December 2028. In November 2024, Xbrane entered into a strategic partnership with INTAS for the development and commercialization of Xdivane™. The company has sought approval from the regulatory authorities for a reduced clinical development program and received positive feedback from both the EMA and the FDA. This affects the program's timeline and increases the value of the business case, as a reduced clinical development plan entails significant cost savings. For Xdivane™, development is proceeding according to plan, with the production process scaled up at contract manufacturers and demonstrating scalability, which minimizes the risks for the company's future production of clinical material. The next step in the development is to initiate the clinical study, which the company's partner INTAS will run and is expected to happen during Q2 2025.

Xdarzane™

Xdarzane™ is a biosimilar candidate to daratumumab, original drug Darzalex®, an antibody that binds to CD38 for the treatment of multiple myeloma (around EUR 9 bn[1] in estimated sales). The patent protection for Darzalex® is expected to expire in 2029–2031 depending on the country.

For internal resource reasons the development of Xdarzane™ has continued at a slower pace and is still at the preclinical development stage with a focus on developing a cost-effective production process and demonstrating a biochemical similarity to the original drug.

Product portfolio

Product	Original drug	Primary indication	Estimated annual sales of original drugl[1]	Patent expiration for original drug	Development stage
Ximluci®	Ranibizumab (Lucentis®)	Wet age-related macular degeneration, diabetes-related eye damage and retinal vein occlusion.	EUR 1 bn[2]	2022 (Europe) 2020 (US)	Launch phase
Xdivane™,	Nivolumab (Opdivo®)	Melanoma, lung cancer, kidney cell cancer, head and neck cancer and bladder and urinary tract cancer.	EUR 13 bn[1]	2026–2031 depending on country	Preclinical phase
Xdarzane™,	Daratumumab (Darzalex®)	Multiple Melanoma.	EUR 9 bn[1]	2029–2031 depending on country	Preclinical phase
			EUR 23 bn[1]		

Source:
1) Evaluate Pharma; "Originator Peak Sales Estimate 2026". 2) Novartis Annual Report 2024, Roche Annual Report 2024

Xbrane – An investment in the future of drugs

World-leading in biosimilars

- Xbrane Biopharma combines ground-breaking technology with global reach to revolutionize access to biologics. Through smart partnerships and patented platform technology, Xbrane develops biosimilars that are both cost-effective and life-changing.

Proven Growth – Ximluci®

- First Product: Ximluci® (biosimilar to Lucentis®)
- Launched Q1 2023 – available today in 23 countries
- +36% sales growth in Q1 2025 compared to Q4 2024
- In a market worth EUR 5 bn

A strong debut with continual growth potential.

World-class strategic partnerships

Xbrane collaborates with global drug companies to:

- Upscale development
- Maximize market penetration
- Accelerate launches

Low risk – high potential returns.

Unique technology = competitive advantage

- Proprietary and patented platform technology
- Ensures low costs and high scalability
- Enables development of world-class biosimilars

Why invest in Xbrane?

- Proven commercial success
- Clear route to more market launches
- Strong partners
- Significant market potential
- Solution to a global health problem

Financial overview

Group results

Revenue

The Group's net revenue amounted to SEK 93.2 m (14.1), of which SEK 46.4 m related to upfront payment for the out-licensing of Xdivane™ and SEK 46.6 m was attributable to product sales of Ximluci®.

Gross profit

The cost of goods sold amounted to SEK –40.3 m (–4.8) and the gross profit was SEK 52.9 m (9.3).

Operating expenses

Operating expenses for Q1, excluding cost of goods sold, amounted to SEK –34.1 m (–88.4).

Administrative costs

Administrative costs amounted to SEK –11.0 m (–11.2).

Research and development expenses

Research and development expenses amounted to SEK –22.8 m (–76.1). R&D expenses including capitalized development expenditure amounted to SEK –46.8 m (–76.1).

Other operating expenses

Other operating expenses amounted to SEK –0.3 m (–1.1) and consisted of exchange rate losses on operating receivables and liabilities.

Profit/loss and tax

The operating profit was SEK 27.7 m(–73.8). The profit before tax was SEK 19.2 m (–85.0). There was no taxable profit during the quarter and thus no tax expense (0.0). Q1's profit after tax from continuing operations thus amounted to SEK 19.2 million (–85.0). The loss from discontinued operations amounted to SEK 11.1 m (–12.4). In connection with Xbrane entering into an agreement with Alvotech to divest XB003 and parts of its organisation, this was reported under "profit/loss from discontinued operations" in the income statement. The comparative figure for the previous year has also been adjusted for discontinued operations. The loss for the period was SEK 8.2 m (–97.4). Earnings per share for continuing operations amounted to SEK 0.01 (–0.26) and earnings per share amounted to SEK 0.01 (–0.3).

Group cash flow

Cash flow from operating activities amounted to SEK –68.6 m (–113.2). Cash flow from investment activities amounted to SEK –24.0 m (–0.5) and mainly related to capitalized research and development expenses.

Cash flow from financing activities amounted to SEK –6.7 m (316.0).

The Group's financial position and continued operations

The Board of Directors and the CEO continuously monitor the Group's liquidity and financial resources in both the short and long-term. As of March 31, the company's cash and cash equivalents amounted to SEK 24.7 m (269.8). Existing liquidity is estimated to be able to finance operations until the end of May when the deal with Alvotech is expected to close. In March, Xbrane took a short-term loan from Systematic Group to secure the company's short-term financing.

The company is also in talks with several stakeholders, including suppliers, development partners, investors, and lenders, to secure additional funding. These alternatives include licensing income through partnerships, the raising of capital from both existing shareholders and external investors, and credit and loan financing.

The Board of Directors and the CEO believe that there are alternatives with good opportunities to ensure the company's financing for at least the coming twelve-month period. If key assumptions about these options change or prove not to be feasible, there is a risk to the company's ability to continue operations, which could cast significant doubt on the company's ability to continue as a going concern.

Changes in equity

Share capital on the balance sheet date amounted to SEK 343.5 m (342.9). Other contributed capital amounted to SEK 1,394.7 m (1,412.4). Total equity amounted to SEK 216.3 m (394.1) and the equity ratio was 31 percent (44).

Parent Company

The core business of Xbrane, i.e. the development of biosimilars, is conducted in the parent company. As the parent company constitutes such a large part of the Group, a statement of the current company's results, financial position and cash flow does not provide any additional information beyond what is described in the Group report. Therefore, this is presented only in report format on pages 10–11. The effects of discontinued operations has not been separated in the income statement or the balance sheet for the parent company. See note 6 for further information.

Share information

Xbrane's share capital at the end of the period was SEK 343.5 m (342.9) divided into 1,532,190,295 registered shares (1,529,483,397). The quota value of all shares is SEK 0.224 and all the shares have equal rights to the company's assets and earnings. Since September 23, 2019, Xbrane's shares have been listed on the Nasdaq OMX main list under the XBRANE ticker. Xbrane had around 12,800 shareholders on the balance sheet date. The closing price of the share on the balance sheet date was SEK 0.2 generating a market capitalization of around SEK 316 m.

Organization and employees

Xbrane is headquartered at Campus Solna, outside of Stockholm, Sweden, where the company also has a laboratory for the research and development of biosimilars. On the balance sheet date, the Group had a total of 64 employees (75), of which 64 (75) in the parent company.

Annual General Meeting

The Annual General Meeting for 2025 was held on May 5, 2025. The minutes and report from the Annual General Meeting are available on Xbrane's website, www.xbrane.com.

Auditor's review

This interim report has not been subject to review by the company's auditor.

Presentation of the Interim Report

Presentation of the Interim Report for January-March 2025 will take place virtually on May 8 at 09:00 P.M., during which CEO Martin Åmark and CFO Jane Benyamin will present the interim report. The presentation will be held in English and is expected to last around 20 minutes, after which there will be an opportunity for questions. To participate in the presentation, visit the following link: https://xbrane-biopharma.events.inderes.com/q1-report-2025

Consolidated income statement

Amounts in SEK thousand	Notes	2025 Jan – Mar	2024 Jan – Mar	2024 Full year
Revenues	2	93,237	14,065	148,098
Cost of goods sold		–40,297	–4,753	–18,225
Gross profit		**52,940**	**9,312**	**129,873**
Other operating income		8,777	5,237	11,659
Administrative expenses		–10,981	–11,172	–40,805
Research and development expenses		–22,818	–76,114	–162,014
Other operating expenses		–257	–1,099	–35,936
Operating profit/loss		**27,661**	**–73,836**	**–97,224**
Net financial costs		–8,414	–11,138	–32,498
Profit/loss before tax		**19,247**	**–84,974**	**–129,723**
Tax			–	–11,589
Profit/loss for the period from continuing operations		**19,247**	**–84,974**	**–141,311**
Profit/loss from discontinued operations		–11,083	–12,431	–124,908
Profit/loss for the period		**8,165**	**–97,405**	**–266,220**
Profit/loss for the period attributable to:				
– Owners of the Company		8,165	–97,405	–266,220
– Non-controlling interests		–	–	–
Total comprehensive income for the period		**8,165**	**–97,405**	**–266,220**
Earnings per share from continuing operations				
– Before dilution (SEK)		0.01	–0.26	–0.11
– After dilution (SEK)		0.01	–0.26	–0.11

Amounts in SEK thousand	Notes	2025 Jan – Mar	2024 Jan – Mar	2024 Full year
Earnings per share				
– Before dilution (SEK)		0.01	–0.30	–0.22
– After dilution (SEK)		0.01	–0.30	–0.22
Number of outstanding shares at the end of the reporting period				
– Before dilution		1,532,190,295	1,529,483,397	1,529,483,397
– After dilution		1,532,190,295	1,529,483,397	1 532 162 295
Average number of outstanding shares				
– Before dilution		1,532,190,295	324,613,685	1,229,911,966
– After dilution		1,532,190,295	324,613,685	1 230 021 757

Consolidated income statement and other comprehensive income

Amounts in SEK thousand	2025 Jan – Mar	2024 Jan – Mar	2024 Full year
Profit/loss for the period	8,165	–97,405	–266,220
Other comprehensive income			
Items that have been transferred to, or can be transferred to the profit/loss for the year			
Reclassification of foreign currency translation differences	–137	139	111
Comprehensive income for the period	**–137**	**139**	**111**
Total comprehensive profit/loss attributable to:			
– Owners of the Company	8,028	–97,266	–266,109
– Non-controlling interests	–	–	–
Total comprehensive income for the period	**8,028**	**–97,266**	**–266,109**

Consolidated statement of financial position

Amounts in SEK thousand	Notes	03-31-2025	03-31-2024	12-31-2024
ASSETS				
Intangible assets		188,987	96,952	167,687
Property, plant and equipment		232	30,703	23,855
Right of use assets		–	51,616	41,044
Long-term receivables		3,945	3,945	3,945
Non-current assets		**193,163**	**183,217**	**236,532**
Inventory	3	209,772	187,284	246,902
Accounts receivables		6,989	1,150	16,854
Other receivables		13,566	39,313	16,973
Prepaid expenses and accrued income		117,235	214,844	198,851
Cash and cash equivalents		24,709	269,758	124,330
Assets held for sale		130,886	3,085	1,988
Current assets		**503,158**	**715,433**	**605,898**
TOTAL ASSETS		**696,321**	**898,650**	**842,429**

Amounts in SEK thousand	Notes	03-31-2025	03-31-2024	12-31-2024
EQUITY				
Share capital		343,496	342,889	343,496
Other contributed capital		1,394,727	1,412,374	1,395,030
Reserves		10,094	10,259	10 231
Retained earnings including profit/loss for the year		–1,532,054	–1,371,404	–1,540,218
Equity attributable to parent company's owners		**216,263**	**394,119**	**208,539**
Non-controlling interests		**–**	**–**	**–**
TOTAL EQUITY		**216,263**	**394,119**	**208,539**
LIABILITIES				
Long-term interest-bearing liabilities	5	67,102	95,018	66,371
Leasing liabilities		–	39,320	29,580
Long-term non interest-bearing liabilities		–	–	–
Total long-term liabilities		**67,102**	**134,338**	**95,950**
Short-term interest- bearing liabilities	4, 5	82,500	83,333	82,500
Accounts payable		137,599	49,023	242,570
Other liabilities		922	2,287	10,748
Leasing liabilities		–	13,098	13,267
Accrued expenses and prepaid income		77,890	221,876	188,449
Liabilities attributable to assets held for sale		114,045	576	407
Total short-term liabilities		**412,955**	**370,193**	**537,940**
TOTAL LIABILITIES		**480,057**	**504,531**	**633,890**
TOTAL LIABILITIES AND EQUITY		**696,321**	**898,650**	**842,429**

Consolidated statement of changes in equity

Amounts in SEK thousand	Share Capital	Other contributed capital	Translation reserve	Retained earnings incl.profit/loss for the period	Total
Opening balance 01-01-2025	**343,496**	**1,395,030**	**10,231**	**–1,540,218**	**208,539**
Total comprehensive income for the period					
Profit/loss for the period				8,165	8,165
Other comprehensive income for the period		–	–137		–137
Total comprehensive income for the period		**–**	**–137**	**8,165**	**8,028**
Transactions with group shareholder					
Issue expenses		–43			–43
Share savings program		–260			–260
Total contributions from and distributions to shareholders		**–303**			**–303**
Closing balance 03-31-2025	**343,496**	**1,394,727**	**10,094**	**–1,532,054**	**216,263**

Amounts in SEK thousand	Share Capital	Other contributed capital	Translation reserve	Retained earnings incl.profit/loss for the period	Total
Opening balance 01-01-2024	**6,683**	**1,428,530**	**10,121**	**–1,273,999**	**171,335**
Total comprehensive income for the period					
Profit/loss for the period				–266,220	–266 220
Other comprehensive income for the period			111		111
Total comprehensive income for the period	**–**	**–**	**111**	**–266,220**	**-266,109**
Transactions with group shareholder					
New issue, net	336,813	–36,264	–	–	300,548
New share issue	336,206	8,719			344,925
Ongoing share issue	607	178			785
Issue expenses	–	–45,161			–45,161
Share savings program	–	2,765			2,765
Total contributions from and distributions to shareholders	**336,813**	**–33,500**	**–**	**–**	**303,313**
Closing balance 12-31-2024	**343,496**	**1,395,030**	**10,231**	**–1,540,218**	**208,539**

Consolidated cash flow statement

Amounts in SEK thousand	2025 Jan – Mar	2024 Jan – Mar	2024 Full year
Cash flow from operating activities			
Profit/loss for the period before tax	8,165	–97,405	–266,220
Adjustments for items not included in cash flow	7,427	14,211	90,225
Paid income taxes	–	–	–
Total	**15 591**	**–83,194**	**–175,995**
Increase (–)/Decrease (+) of inventory	37,781	–80,428	–166,002
Increase (–)/Decrease (+) of trade and other receivables	26,231	28,486	–4,555
Increase (+)/Decrease (–) of trade and other payables	–148,244	21,929	212,824
Cash flow from current operations	**–68,641**	**–113,207**	**–133,728**
Cash flow from investing activities			
Acquisition of property, plant and equipment	–	–501	–501
Acquisition of intangible assets	*–24,017*	–	–51,745
Cash flow from investing activities	**–24,017**	**–501**	**–52,246**
Of which discontinued operations	–	–	–

Amounts in SEK thousand	2025 Jan – Mar	2024 Jan – Mar	2024 Full year
Cash flow from financing activities			
Stock options redeemed by staff	–	–	–
New share issue	–	337,242	337,242
Issue expenses	–43	–17,549	–37,479
Loans taken out	20 000	50,000	70,000
Amortization of loans	–23 500	–50,000	–112,500
Amortization of lease liability	–3 194	–3,665	–13,640
Cash flow from financing activities	**–6 737**	**316,028**	**243,623**
Cash flow for the period	**–99,395**	**202,320**	**57,650**
Cash and cash equivalents reported in assets held for sale	–483	–1 062	–727
Cash and cash equivalents at beginning of period	124,330	65,402	65,402
Cash and cash equivalents at beginning of period (reported in assets held for sale)	727	1,166	1,166
Exchange rate differences in cash and cash equivalents	–470	1,931	839
Cash and cash equivalents at end of period	**24,709**	**269,758**	**124,330**

Income statement, Parent company

Amounts in SEK thousand	2025 Jan – Mar	2024 Jan – Mar	2024 Full year
Revenues	93,237	14,069	198,721
Cost of goods sold	–40,297	–4,753	–18,225
Gross profit	**52,940**	**9,316**	**180,496**
Other operating income	8,777	5,237	15,827
Administrative expenses	–11,324	–11,472	–42,133
Research and development expenses	–33,223	–87,785	–313,359
Other operating expenses	–257	–1,099	–61,246
Operating profit/loss	**16,914**	**–85,803**	**–220,414**
Financial items			
Impairment loss on shares in subsidiary	–	–	–
Financial expenses	–8,414	–11,138	–32,498
Net finance costs	**–8,414**	**–11,138**	**–32,498**
Profit/loss before tax	**8,500**	**–96,941**	**–252,912**
Tax	–	–	–11,589
Profit/loss for the period	**8,500**	**–96,941**	**–264,501**

Income statement and other comprehensive income, Parent company

Amounts in SEK thousand	2025 Jan – Mar	2024 Jan – Mar	2024 Full year
Profit/loss for the period	**8,500**	–96,941	–264,501
Other comprehensive income	–	–	–
Comprehensive income for the period	**8,500**	**–96,941**	**–264,501**

Balance sheet, Parent company

Amounts in SEK thousand	03-31-2025	03-31-2024	12-31-2024
ASSETS			
Fixed assets			
Intangible assets	188,987	96,952	167,687
Property, plant and equipment	21,663	30,703	23,855
Financial assets			
Shares in group companies	3,766	3,766	3,766
Other non-current receivables	3 945	3,945	3,945
Total financial assets	**7,711**	**7,711**	**7,711**
Total non-current assets	**218,361**	**135,367**	**199,253**
Current assets			
Current receivables			
Inventory	209,772	187,284	246,902
Accounts receivables	6,989	1,150	16,854
Other receivables	13,566	39,313	16,973
Prepaid expenses and accrued income	188,730	216,790	200,148
Total current receivables	**419,057**	**444,537**	**480,877**
Cash and bank	24,709	269,758	124,330
Current assets	**443,766**	**714,294**	**605,207**
TOTAL ASSETS	**662,127**	**849,661**	**804,461**

Amounts in SEK thousand	03-31-2025	03-31-2024	12-31-2024
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	343,496	342,889	343,496
Reserve for development expenditure	188,987	96,952	167,687
Unrestricted equity			
Share premium	1,394,727	1,412,374	1,395,030
Retained earnings	–1,714,754	–1,358,218	–1,428,954
Profit/loss for the period	8,500	–96,941	–264,501
TOTAL EQUITY	**220,956**	**397,055**	**212,759**
Long-term liabilities			
Long-term interest-bearing liabilities	67,102	95,018	66,371
Long-term non interest-bearing liabilities	–	–	–
Total long-term liabilities	**67,102**	**95,018**	**66,371**
Current liabilities			
Short-term interest-bearing liabilities	82,500	83,333	82,500
Liabilities to subsidiaries	1,006	1,066	1,062
Accounts payables	185,142	49,023	242,570
Other current liabilities	1,628	2,289	10,751
Deferred income and prepaid revenue	103,794	221,876	188,449
Current liabilities	**374,070**	**357,587**	**525,331**
TOTAL LIABILITIES	**441,172**	**452,606**	**591,702**
TOTAL EQUITY AND LIABILITIES	**662,127**	**849,661**	**804,461**

Notes

NOTE 1 Accounting principles

This consolidated year-end report for the Group has been prepared in accordance with IAS 34, Interim Financial Reporting, as well as applicable regulations from the Annual Accounts Act. The year-end report for the parent company has been prepared according to the Annual Accounts Act, chapter 9, Interim Reports. For the Group and the parent company the same accounting principles and calculation bases as the previous annual report have been applied except for the changed or additional accounting principles described below. Information according to IAS 34.16A is included in these financial statements and related notes as well in other parts of this interim report.

NOTE 2 Revenue from contracts with customers

Amounts in SEK thousand	2025 Jan – Mar	2024 Jan – Mar	2024 Full year
Revenue			
License revenue	46.6	0.0	81.4
Product sales	46.6	14.0	63.4
Contract manufacturing	0.0	0.0	0.0
Other	0.0	0.1	3.3
Total	**93.2**	**14.1**	**148.1**
Of which North America	0.0	*0.0*	*26.4*
Of which Germany	46.6	*14.0*	*66.5*
Of which India	46.4	*0.0*	*54.1*
Of which Other	0.2	*0.1*	*1.1*

For the year, there were two individual customers that accounted for more than 10 percent of revenue. These accounted for SEK 46.6 m (14.0) and SEK 46.4 m (0.0) of revenue, respectively.

NOTE 3 Inventory

Amounts in SEK thousand	03-31-2025	03-31-2024	12-31-2024
Products in progress	209,772	187,284	246,902
Finished goods	–	–	–
Total inventory	**209,772**	**187,284**	**246,902**

Reported amounts in the income statement
During Q1 2025, the cost of goods sold was reported in the income statement as SEK −40.3 m (2024 SEK −4.8 m). inventory includes a reserve for obsolete goods of SEK −3.0 m (2024 SEK −2.8 m). The inventory has not been written down.

NOTE 4 Transactions with related parties

During Q1 2025, Xbrane took a short-term loan from Systematic Group AB amounting to SEK 20 m. The transaction was made on market terms.

NOTE 5 Convertible bonds

In the balance sheet as of March 31, 2025, the convertible bonds are reported as interest-bearing loans amounting to SEK 129.6 m. The nominal value of the liability amounts to SEK 152.8 m as of March 31, 2025. In March 2025, Xbrane entered into an agreement where the convertible bond will be taken over by Alvotech in its entirety.

NOTE 6 Assets held for sale and discontinued operations

The Group has two operations held for sale. The effects of operations held for sale are presented below.

Effects of planned sale of Primm Pharma
Xbrane's continues to work towards a sale of the subsidiary Primm Pharma, in accordance with previously taken decisions. In the interim report January – March 2021, Primm Pharma's assets and liabilities were reclassified to "Assets held for sale" and "Liabilities attributable to assets held for sale" in the consolidated balance sheet. In the income statement, Primm Pharma's results are reported separately as "Profit/loss from discontinued operations".

Effects of planned sale of operations to Alvotech
During Q1 2025, an agreement was signed with Alvotech hf regarding the sale of XB003 and parts of the organization with its associated assets. In connection with the EGM voting in favor of the proposal, assets and liabilities attributable to the sold operations were reclassified to "Assets held for sale" and "Liabilities attributable to assets held for sale" in the consolidated balance sheet. See the table below for a specification of the effects in the balance sheet and income statement. In the income statement, the result of the discontinued operations is reported separately as "Profit/loss from discontinued operations". See the table below for a specification of the effects in the balance sheet and income statement. The reclassification has also been made to income and expenses for the comparative year, which means that comparative figures are no longer consistent with previous reports.

NOTE 6 Assets held for sale and discontinued operations, continued

Effects of planned sale of operations to Alvotech

Amounts in SEK thousand	2025 Q1	2024 Q1	2024FY
Revenues	**–**	**4**	**50,624**
Other operating income	–	–	4,169
Administrative expenses	164	206	698
Research and development expenses	–10,322	–11,512	–150,878
Other operating expenses	–	–	–25,310
Operating profit/loss	**–10,158**	**–11,302**	**–120,697**
Net financial costs	–624	–830	–3,010
Profit and loss before tax	–10,782	–12,132	–123,707
Tax	–	–	–
Loss for the period from discontinued operations	**–10,782**	**–12,132**	**–123,707**

Amounts in SEK thousand			
Property, plant and equipment[1]	58,972		
Non-current assets	**58,972**	**–**	**–**
Prepaid expenses and accrued income	70,414		
Total Assets	**129,386**	**–**	**–**
Leasing liabilities	39,594		
Accounts payable	47,543		
Other liabilities	706		
Accrued expenses and prepaid income	25,904		
Total liabilities	**113,747**	**–**	**–**

1) Incl. right of use assets

NOTE 7 Risks and uncertainties

Risks and uncertainties
Risks and uncertainties are described in the 2024 Annual Report on pages 44–45, available on the company's website, www.xbrane.com. These have not changed significantly at the time of publication of this interim report.

NOTE 8 Pledged collateral

Reported amounts of assets pledged as collateral for current and long-term liabilities:

Amounts in SEK thousand	03-31-2025	03-31-2024	12-31-2024
Tangible fixed assets	22,631	–	24,445
Inventory	155,331	–	156,697
Chattel mortgages	25,000	–	25,000
Total	**202,962**	**–**	**206,142**

The Group's pledged assets amounted to SEK 203.0 m (0.0), of which SEK 162.0 m is collateral pledged to contract manufacturers for the fulfillment of accounts receivable and future production. In addition, the Group has provided collateral for an advance payment from STADA of SEK 26.1 m (0.0) and for a short-term loan from Systematic Group.

In connection with entering into the license and development agreement with Intas Pharmaceuticals, Xbrane has pledged patents related to Xdivane™ as collateral for the fulfillment of obligations.

NOTE 9 Significant estimates and assessments

The management has discussed with the Audit Committee the development, selection and disclosure of the Group's significant accounting policies and estimates and the application of these policies and estimates.

Significant sources of uncertainty in estimates
The sources of uncertainty in estimates set out below are those that involve a significant risk that the value of assets or liabilities may need to be adjusted to a significant extent during the coming financial year

The Group's financial position and continued operations
The interim report has been prepared on the assumption that the company has the ability to continue operations during the coming 12 months, in accordance with the going concern principle.

Capitalization of development expenses
Capitalized expenses are attributable to the development of Ximluci® and Xdivane™.

According to Note 1, "Accounting principles" in the 2024 Annual Report, development expenses are recognized as an asset when the product or process is technically or commercially viable and the company has sufficient resources to complete the development and subsequently use or sell the intangible asset. The company has assessed that all criteria for capitalization of the development expenses of Ximluci® have been met from July 2021. From July 1, 2024, the Group has capitalized development expenses for Xdivane™, i.e. at the time when the criteria for capitalization in accordance with IFRS were deemed to be met. The technical risk in the program is considered limited as analytical similarity has been demonstrated on a commercial production scale and a reduced clinical program has been agreed with the EMA and FDA. In November 2024, the Group signed a global license and collaboration agreement with Intas Pharmaceuticals Ltd. Under the license and development agreement, Intas will finance and be responsible for clinical and regulatory development activities, as well as the global commercialization of the Nivolumab biosimilar candidate. This further strengthens the company's assessment that the opportunities for financing and continued development are good.

Certification

The Board of Directors and the CEO hereby certify that this Interim report provides a true and fair view of the Parent Company and the Group's operations, position and results and describes significant risks and uncertainties faced by the Company and the companies that are part of the Group.

Stockholm May 8, 2025

Anders Tullgren
Chairman of the Board

Eva Nilsagård
Board member

Mats Thorén
Board member

Kirsti Gjellan
Board member

Kristoffer Bissessar
Board member

Martin Åmark
CEO

Alternative performance measures

The company presents certain financial performance indicators in the interim report that are not defined in accordance with IFRS. The company believes that these indicators provide valuable supplementary information to investors and the company's management as they enable the evaluation of the company's performance. Since not all companies calculate financial indicators in the same way, these are not always comparable with performance indicators used by other companies. These financial indicators should therefore not be seen as a substitute for performance indicators defined in accordance with IFRS. The tables below present indicators that are not defined in accordance with IFRS.

Gross margin

The gross margin is a measure that the Group considers important for understanding the products' profitability. The gross margin is calculated as gross profit in relation to the revenue. The gross profit is revenue minus cost of goods sold.

Amounts in SEK thousand	2025 Jan – Mar	2024 Jan – Mar	2024 Full year
Gross profit	52,940	9,312	129,873
Gross margin	**57%**	**66%**	**88%**

EBITDA

EBITDA is a measure that the Group considers relevant for an investor who wants to understand profit generation before investing in fixed assets. EBITDA shows the business's earning capacity from cash flow from operating activities without regard to capital structure and tax situation and is intended to facilitate comparisons with other companies in the same industry.

Amounts in SEK thousand	2025 Jan – Mar	2024 Jan – Mar	2024 Full year
Operating profit/loss	27,661	–73,836	–97,224
Depreciation and impairment	4,910	5,014	19,890
EBITDA	**32,572**	**–68,822**	**–77,335**

Research and development expenses as a percentage of operating expenses

The company's direct expenses for research and development refer to costs for personnel, materials and external services. Research and development expenses as a percentage of operating expenses show how large a proportion of operating expenses are related to research and development. This is calculated by dividing research and development expenses by total operating expenses. Total operating expenses consist of selling expenses, administrative expenses, research and development costs and other operating expenses.

Amounts in SEK thousand	2025 Jan – Mar	2024 Jan – Mar	2024 Full year
Research and development expenses	–22,818	–76,114	–162,014
Operating expenses	–34,056	–88,385	–238,756
Research and development expenses as a percentage of operating expenses	**67%**	**86%**	**68%**

Equity ratio

The equity ratio is a measure that the Group considers relevant for an investor who wants to understand the distribution between equity and liabilities. The equity ratio consists of the proportion of assets that are financed with equity to show the company's long-term solvency, i.e. equity divided by total assets.

Amounts in SEK thousand	03-31-2025	03-31-2024	12-31-2024
Total equity	216,263	394,119	208,539
Divided by total assets	696,321	898,650	842,429
Equity ratio	**31%**	**44%**	**25%**

Our objective – to contribute to health equality for everyone

Xbrane is a purpose-driven organization and our objective – to promote access to cost-effective drugs – is part of everything we do. Biological drugs are very effective in treating a number of serious medical conditions that affect many people. At the same time, biological drugs are expensive and only a fraction of the world's population has access to them.

Our purpose is clear – to be able to contribute to health equality for everyone. If there is a treatment, it should be available to everyone who needs it. By applying the latest science, Xbrane can develop cost-effective biological drugs at a lower price. This makes the treatment available to more people.

Xbrane in brief

Xbrane: a world-leading developer of biosimilars
Xbrane Biopharma AB is a biotechnology company that develops biosimilars, i.e. follow-up drugs on already approved biological drugs that can be introduced at a lower price after the patent expires on the original drug.

Xbrane has a patented platform technology that leads to a lower production cost of biological drugs compared to competing systems.

Xbrane has a team with expertise in taking biosimilars from cell-line to approval with long collective experience in drug development.

Xbrane has its headquarters and development lab at Campus Solna, just outside Stockholm. Since September 2019, Xbrane has been listed on Nasdaq Stockholm, with the ticker XBRANE.

FINANCIAL CALENDAR

Interim report January–June 2025	August 27 2025
Interim report January–September 2025	October 24 2025
Interim report January–December 2025	February 20 2026
Annual Report 2025	March 31 2026

FOR FURTHER INFORMATION

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This information is information that Xbrane Biopharma is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the CEO, at 05-08-2025 08.00 CET.

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