FINANCIAL SUMMARY FOR THE GROUP

	2024 Oct – Dec	2023 Oct – Dec	2024 Jan – Dec	2023 Jan – Dec
Revenue (SEK 000)	65,808	66,894	198,721	238,729
Research and development expenses (SEK 000)	–36,371	–78,986	–312,892	–305,783
R&D expenses as percentage of total costs	36%	84%	76%	82%
Operating profit/loss (SEK 000)	–31,696	–86,526	–217,922	–322,164
EBITDA (SEK 000)	–23,235	–77,366	–182,844	–288,428
Profit/loss for the period (SEK 000)	–53,197	–157,533	–266,220	–388,172
Cash and cash equivalents (SEK 000)	124,330	65,402	124,330	65,402
Equity ratio (%)	25%	26%	25%	26%
Earnings per share before dilution (SEK)	–0.03	–0.26	–0.22	–0.63
Earnings per share after dilution (SEK)	–0.03	–0.26	–0.22	–0.63
Number of employees on balance sheet date	65	93	65	93

Year-end report January – December 2024

FINANCIAL OVERVIEW FOURTH QUARTER 2024*

- Revenue amounted to SEK 65.8 m (66.9).
- Other operating income amounted to SEK 7.1 m (3.7).
- EBITDA amounted to SEK –23.2 m (–77.4).
- R&D costs amounted to SEK –36.4 m (–79.0), corresponding to 36 percent (84) of total operating costs.
- The loss for the period was SEK 53.2 m (–157.5).
- Earnings per share was SEK –0.03 (–0.26).
- Cash and cash equivalents at the end of the period amounted to SEK 124.3 m (65.4).

FINANCIAL OVERVIEW FULL YEAR 2024*

- Revenue amounted to SEK 198.7 m (238.7).
- Other operating income amounted to SEK 15.8 m (13.7).
- EBITDA amounted to SEK –182.8 m (–288.4).
- R&D costs amounted to SEK –312.9 m (–305.8) corresponding to 76 percent (82) of total operating costs.
- The loss for the period was SEK 266.2 m (–388.2).
- Earnings per share was SEK –0.22 (–0.63).
- Cash and cash equivalents at the end of the period amounted to SEK 124.3 m (65.4).

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

SIGNIFICANT EVENTS DURING THE FOURTH QUARTER 2024[1)]

- In November, the company announced that it had entered into an exclusive licensing and development agreement with Intas Pharmaceuticals for Xbrane's Nivolumab biosimilar candidate (reference product Opdivo®). Intas will finance the clinical and regulatory development activities as well as the global commercialization. Xbrane received an upfront payment of EUR 10 m as well as milestone payments and royalties on revenue after launch. The partnership is expected to facilitate the launch of Xdivane in the US in December 2028, when the patent for the reference product Opdivo® expires.
- In November, Xbrane Biopharma AB announced that Chief Financial Officer & Head of IR, Anette Lindqvist, informed CEO Martin Åmark of her intention to scale down her operational work and leave her position in Spring 2025.
- In December, the company submitted a BLA (Biologics License Application) for its biosimilar candidate for LUCENTIS® to the FDA. The review process for a submitted BLA typically takes up to six months.

SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER[1)]

- The Company announced in January that Jane Benyamin has been appointed as acting Chief Financial Officer.

1) See page 8 for more information.

"Strong growth in Ximluci® sales."

CEO's letter

Dear shareholder,

Ximluci® continued to show strong growth in volume during Q4, with a total increase of more than 225 percent compared with Q4 2023 and a growth of 20 percent during Q4 compared with Q3 2024. In addition, we out-licensed Xdivane to Intas during the quarter, which gives us a strong partner in the continued development and commercialization of Xdivane. We finished the year by resubmitting the application for Biologics License Application (BLA) for Ximluci® to the FDA.

Continued strong sales growth and income generation from Ximluci®

We have had continued strong sales growth of Ximluci® in Europe. During Q4, we saw a 20 percent growth in volume compared with Q3 2024, and, as a result of this, an increase in profit sharing. Ximluci® has now been launched in 21 countries and has a market share of 3 percent of the approximately EUR 1.2 bn ranibizumab market[1]. This indicates the significant further potential of the product and of income generation for Xbrane as the acceptance of biosimilars continues to grow within the European ophthalmology community.

Partnership with Intas for global development and commercialization of Xdivane

We are proud of our partnership with Intas for the continued development and commercialization of Xdivane (Opdivo® biosimilar candidate). We now expect that clinical studies will begin in Q2 2025. Based on an optimized clinical development plan that has been agreed on with the EMA and the FDA, we are working toward approval and launch when the patent expires in the US in December 2028. We are enthusiastic about this program and our collaboration with Intas. Developing and producing biosimilars to the immunooncology PD1 inhibitors Opdivo and Keytruda is critical to ensuring that healthcare systems can afford more effective treatment alternatives going forward, including combination therapies based on PD1 inhibitors. We are convinced that we are contributing an important part of the puzzle for better cancer treatments globally. We are also convinced that Xdivane, which will be commercialized by Intas and the leading sales firm Accord, will produce significant revenue for the company starting in 2029.

Application for Biologics License Application submitted to the FDA

In December, we resubmitted the application for marketing authorization to the FDA (US Food and Drug Administration). We expect that the FDA will respond to us with a BsUFA date, or decision date, in April 2025, as it is uncertain whether or not a re-inspection of a production facility is required. We still believe that an approval in the middle of the year is possible, but will return to this question in April, when we expect to have more clarity. At the same time, we are preparing for a subsequent launch together with our partner Valorum Inc in the US. We are undergoing a renegotiation of the agreement together with STADA and Valorum to create financial capacity for Valorum to carry out the preparatory commercial activities leading up to the launch. This revision could result in changes to the current milestone and royalty structure.

Financial outlook

At the end of 2024, Xbrane's cash amounted to SEK 124 m, after the receipt of the upfront payment of EUR 10 m from Intas and the final milestone payment from Biogen. Following this, we have repaid the short-term liability of SEK 20 m to Systematic Group as well as portions of the outstanding accounts payable. Our focus is now on finalizing a partnership with XB003 (biosimilar candidate to Cimzia®) before the end of the first quarter of 2025, as well as exploring various opportunities with stakeholders, investors, and development partners as part of ensuring that the company's capital needs are met.

Thank you for your continued support.

Solna, February 20, 2025

Martin Åmark,
CEO

1) Lucentis® and Lucentis® biosimilars

Biosimilar candidate portfolio

Xbrane has a portfolio of four biosimilar candidates for a range of treatment areas. This includes a number of serious eye diseases, several different types of cancer and, among others, rheumatoid arthritis, psoriasis and Crohn's disease.

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. In December 2024, twenty months after launching, Ximluci® was available in eighteen European markets and two markets outside of Europe.

In April 2024, Xbrane received a CRL (Complete Response Letter) in response to our application for market approval for Ximluci® on the US market. In December, the company submitted a new application for market authorization to the FDA. The decision date, also known as the BsUFA date, is expected to be received in April 2025. Xbrane's commercialization partner STADA is actively working to take Ximluci® to other regions such as the Middle East, most recently Bahrain, Latin America and Southeast Asia. Applications for market approval have been submitted to various regulatory authorities in these regions.

In May, STADA and Xbrane signed a collaboration agreement with Valorum Biologics, which 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 injection into the eye. Xbrane is also developing a pre-filled syringe for which a supplemental authorization is planned to be applied for in 2025.

1) Prevalence and incidence of age-related macular degeneration in Europe: a systematic review and meta-analysis British Journal of Ophthalmology (bmj.com)

XB003

XB003, formerly BIIB801, is a biosimilar candidate to certolizumab pegol, original drug Cimzia®, a TNFalpha inhibitor particularly used in the treatment of rheumatoid arthritis and psoriasis. Cimzia® has sales of over EUR 2 bn2) and lost its patent protection in autumn 2024 in Europe and in 2025 in the US.

To Xbrane's knowledge, XB003 is currently one of few, if not the only, biosimilar candidate to Cimzia® globally now under development. The production process for the biosimilar candidate has been successfully upscaled and analytical similarity to the reference product has been demonstrated. Xbrane will seek scientific advice from the EMA and the FDA during the first half of 2025 regarding the clinical development plan. The production process, which enables high productivity, is patented by Xbrane. A renewed licensing process is underway with a few potential partners carrying out active evaluation of the biosimilar candidate. Assuming out-licensing is carried out during Q1 2025, an approval could be obtained in Europe and the US in the second half of 2028.

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 between 2026 and 2031 depending on the country. 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. Xdarzane™ is at the preclinical development stage with a focus on developing a cost-effective production process and demonstrating a biochemical similarity to the original drug. XDARZANE™ is a biosimilar candidate to the reference product Darzalex® (daratumumab), a monoclonal antibody targeting CD38 för the treatment of multiple myeloma (MM).

For internal resource reasons driven primarily by the resubmission of the BLA for Ximluci and the out-licensing processes regarding Xdivane and XB003, the development of Xdarzane™ has continued at a slower pace during the quarter 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 drug[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 2 bn[3)]	2022 (Europe) 2020 (US)	Launch stage
XB003	Certolizumab pegol (Cimzia®)	Rheumatoid arthritis, axial spondylarthritis and psoriatic arthritis.	EUR 2 bn[2)]	2024 (US) 2025 (Europe)	Preclinical stage
Xdivane™,	Nivolumab (Opdivo®)	Melanoma, lung cancer, kidney cell cancer, head and neck cancer and bladder and urinary tract cancer.	EUR 13 bn[1)]	Dec 2028 (US) Jun 2030 (Europe)	Preclinical stage
Xdarzane™,	Daratumumab (Darzalex®)	Multiple myeloma.	EUR 9 bn[1)]	2029–2031 depending on country	Preclinical stage
			EUR 26 bn[1)]		

Source:
1) Evaluate Pharma; "Originator Peak Sales Estimate 2026".
2) UCB 2023 Integrated Annual report".
3) "Novartis Full year 2023 product sales" and "Roche's Full-Year Results 2023"

Patent protection

Xbrane is an innovative company that invests significantly in research and development, which is why strategic patents to protect our technologies and products are essential. A growing patent portfolio strengthens the company's brand. Xbrane's most important regions for the protection of intellectual property rights (IP) are Europe and the USA, but applications may also be made in other countries.

Expanding patent portfolio

The expanding patent portfolio will facilitate the implementation of commercially important initiatives such as licensing and strategic business partnerships or alliances for commercializing biosimilars and biosimilar production platforms.

Xbrane plans to file patent applications that protect a wide range of technologies, from protein production and protein purification to novel formulations of biosimilars.

The most important regions for patents are Europe and the US, but patent applications may also be filed in Canada, China, South Korea, India, Japan and Australia if the company's products and methods are thought to have a market there. Other international patent applications may also be involved.

Xbrane's LEMO™ technology platform is protected by two patents in Europe and the US until 2029. Between 2020 and 2024, these two patents, originally filed in 2009, have been complemented with 17 further patents as well as 64 applications "harvested" from four different development programs.

Strengthen the Xbrane brand

The Swedish Intellectual Property Office (PRV) granted eight patents in 2021. Of these, three related to DNA constructs for the regulation of protein production and were co-filed with CloneOpt AB. Five of the patents resulted from the development of Xdivane™ and enable a broadening of the technology platform for high-yield antibody production in mammalian cells. A large part of the upcoming development of the biosimilar candidate Xdarzane™ is based on this platform.

The five Swedish patents were followed up, via an international patent application, with applications in the US, Canada, Europe, India, China, South Korea, Singapore, Australia and Japan in autumn 2022. Patents were granted in Australia and South Korea in Q1 2023 and divisional applications were submitted in these two countries before the patents were announced. In addition, patents were granted in Singapore and South Korea during Q2 2024. The patent applications protect new DNA sequences in genes that are introduced into host cells and instruct the cells to express the protein of interest. These DNA sequences have resulted in a significant increase in yield and can also be applied to future biosimilar candidates to be expressed in mammalian cells. In addition, three patent applications were filed in February 2024 to protect Xdivane™ formulations.

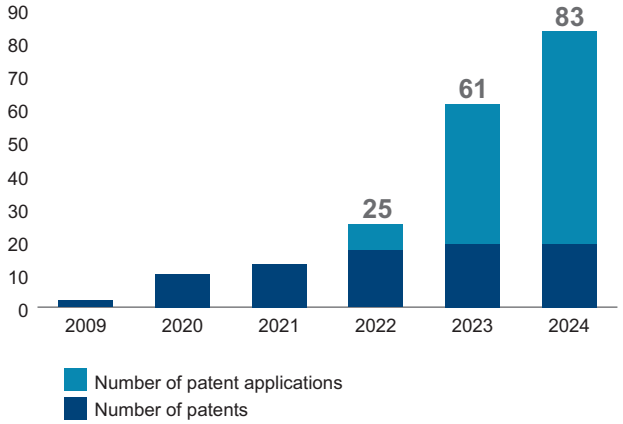
A large portion of the rest of the patent applications relate to DNA constructs, host cells and/or methods for producing Ximluci® and XB003.

The patent applications to protect Ximluci® were filed during March–May 2023 together with STADA Arzneimittel AG in thirty-two different countries and regions such as the US, Europe, Canada, China, South Korea, India, Japan and Australia as well as MENA and some Latin American countries. In addition, Xbrane and Arzneimittel AG jointly submitted patent applications in Q3 and Q4 2024 to protect a pre-filled Ximluci® syringe in Australia, Eurasia, Canada, Saudi Arabia, and the US. In September 2024, the Georgian patent authority approved the DNA construct for Ximluci®.

In December 2023, PRV granted 3 patents in the XB003 program. During Q1 and Q2 2024, 13 patent applications were also submitted for XB003 in Australia, Brazil, Canada, China, Europe, India, Indonesia, Japan, Mexico, Singapore, South Africa, South Korea, and the US.

The expanding patent portfolio will strengthen Xbrane's brand, protect the company's products and enable more out-licensing of IP in the future.

Number of patents and patent applications (accumulated)



Shareholders

As of December 31, 2024, Xbrane had around 11,100 shareholders in total. The number of outstanding shares was 1,529,483,397. The ten largest shareholders at the end of the period are shown in the table below[1].

Name	No. of shares	Shareholding, %
Systematic Group AB	181,709,252	11.9
Håkan Stödberg	71,750,000	4.7
Handelsbanken Fonder	51,935,440	3.4
Avanza Pension	49,703,853	3.3
Bengt Göran Westman	43,516,598	2.9
Nordnet Pensionsförsäkring	34,295,506	2.2
Nordea Liv & Pension	20,457,715	1.3
Swedbank Försäkring	17,437,467	1.1
Joakim Ek	13,461,137	0.9
Styrbjörn Zachau	13,270,000	0.9
Total ten largest shareholders	**499,997,022**	**32.7**
Other Swedish shareholders	**638,550,419**	**41.7**
Other foreign shareholders	**390,935,956**	**25.6**
Total outstanding shares	**1,529,483,397**	**100.0**

1) Modular Finance. Based on complete list of owners including directly registered and nominee registered shareholders. Ownership is verified at various times.

Why invest in Xbrane?

Xbrane – a world-leading developer of biosimilars

Platform-based developer of biosimilars with low production costs.

- A patented development platform that ensures a low production cost.
- Business concept of commercializing biosimilars in partnership with large global drug companies, to the benefit of patients and payers.
- Innovative technology for the development of biological drugs and biosimilars, which carry the potential to address great needs within the pharmaceutical market with new, cost-effective alternatives.

The first product, Ximluci®, launched in Europe in Q1 2023 and is now available in 21 countries.

- Ximluci® (biosimilar to Lucentis®) launched in Q1 2023 and reaches a market of EUR 5 bn in Europe. Ximluci® has shown strong growth since its launch, with a total growth of over 225 percent in Q4 2024 compared with Q4 2023.

Attractive portfolio with more candidates to be launched when the patent expires on the original drug.

- XB003 (formerly BIIB801) is, as far as we know, the only biosimilar candidate in development for the TNF inhibitor Cimizia® with annual sales of EUR 2 bn.
- Portfolio of two biosimilar candidates in oncology addressing a combined annual peak sales of the reference products totaling EUR 22 bn.

Strong partnerships

- The company has established partnerships with international players within the pharmaceutical industry, granting it access to the resources, markets, and technical expertise needed to take candidates from the development stage to commercialization.

Financial overview

Group results for October – December 2024
The Group's revenue amounted to SEK 65.8 m (66.9). During the quarter, Xbrane entered into a licensing and development agreement with Intas Pharmaceuticals for Xbrane's Nivolumab biosimilar candidate (Xdivane™) and, in conjunction with this, received an upfront payment of SEK 115.9 m (EUR 10 m). The upfront payment is recognized as income until May 2025. For Q4, the Group has recognized SEK 54.1 m of the total income. Revenue from product sales of Ximluci® amounted to SEK 11.5 m (66.1).

The cost of goods sold attributable to Ximluci® amounted to SEK −4.7 m (−62.7).

Other operating income amounted to SEK 7.1 m (3.7) and consisted of exchange rate gains on operating receivables and liabilities.

Research and development costs amounted to SEK −80.8 (−79.9), of which SEK −44.4 m (0.0) has been capitalized as capitalized development expenditures and presented in the consolidated balance sheet (see page 8 Fixed assets). The remaining research and development costs amounting to SEK −36.4 m (−79.0) are reported in the income statement. During the quarter, work was carried out involving the resubmission of the FDA application for Ximluci® as well as the production of upscaling batches for Xdivane™.

Administration costs amounted to SEK −10.1 m (−8.5).

Other operating expenses amounted to SEK −53.4 m (−7.0), of which SEK −46.4 m (0.0) related to bad debt losses attributable to the partial absence of the milestone payment from Biogen Inc. and the upfront payment from Valorum Biologics. For more information, see Note 3. Otherwise, the item consists of exchange rate losses on operating receivables and liabilities.

The operating loss was SEK 31.7 m (−86.5). The loss before tax was SEK 41.3 m (−92.6). During the quarter, the Group was charged with a tax payment of SEK −11.6 m to India for the upfront payment received from Intas Pharmaceuticals Ltd. Otherwise, there was no taxable profit (0.0). The quarter's loss after tax from continuing operations amounted to SEK 52.9 m (−92.6). Loss for the period amounted to SEK 53.2 m (−157.5). Earnings per share for continuing operations amounted to SEK −0.03 (−0.15) and earnings per share amounted to SEK −0.03 (−0.26).

The Group's cash flow for October – December 2024
Cash flow from operating activities amounted to SEK 93.9 m (−81.1) of which SEK −0.1 m (−0.0) was from discontinued operations (Primm Pharma). During the quarter, the company received an upfront payment from Intas Pharmaceuticals Ltd of SEK 115.9 m (0.0) as well as 50 percent of the milestone payment from Biogen Inc.

Cash flow from investment operations amounted to SEK −17.3 m (–0.2), which refers to capitalized expenditures for Ximluci® and Xdivane™.

Cash flow from financing activities amounted to SEK 16.8 m (−14.1). During the quarter, the Group took out a short-term loan of SEK 20.0 m which was then amortized in January 2025.

Group results for January – December 2024
The Group's revenue amounted to SEK 198.7 m (238.7). Revenue from product sales of Ximluci® amounted to SEK 63.4 m (209.5). Sales to STADA vary over the course of the year, taking place in larger individual deliveries. During the year, Xbrane, together with STADA, entered into a licensing agreement with Valorum Biologics which resulted in an upfront payment amounting to SEK 26.3 m (USD 2.5 m). During the year, the criteria were also met for milestone payments amounting to SEK 50.6 m (USD 5 m) for XB003 from the previous license agreement with Biogen Inc. At the end of the year, Xbrane entered into a licensing and development agreement with Intas Pharmaceuticals for Xbrane's Nivolumab biosimilar candidate (Xdivane™) which resulted in a further SEK 54.1 m in licensing revenue for 2024.

The cost of goods sold attributable to Ximluci® amounted to SEK −18.2 m (−203.3). During the year, the cost has been affected by, among other things, expenses for cancelled production and retroactive price adjustment for raw materials from a contract manufacturer.

Other operating expenses amounted to SEK 15.8 m (13.7) and consisted of exchange rate losses on operating receivables and liabilities.

Research and development costs amounted to SEK −391.8 m (−315.8) of which SEK −78.9 m (−10.0) has been capitalized as capitalized development expenditures and presented in the consolidated balance sheet (see page 8 Fixed assets). The remaining research and development costs amounting to SEK −312.9 m

(–305.8) are reported in the consolidated income statement. For the Xdivane program, the Company has worked during the year to upscale production volumes in collaboration with contract manufacturers. For the Ximluci® program, the focus has been on the development of the pre-filled syringe and preparations for the resubmission of the FDA application. For the XB003 program, the production process has successfully been scaled up during the year and analytical similarity to the reference product has been demonstrated.

Administrative costs amounted to SEK –40.1 m (–40.0). Personnel expenses attributable to administration amounted to SEK –16.4 m (–18.8). In addition to the usual ongoing administrative costs, the Group also had consulting and legal expenses attributable to financing activities.

Other operating expenses amounted to SEK –61.2 m (–25.4), of which SEK –46.4 m (0.0) relates to anticipated and actual bad debts during the year. Otherwise, the item consists of foreign exchange losses on operating receivables and liabilities.

The operating loss was SEK –217.9 m (–322.2). The loss before tax amounted to SEK –253.4 m (–322.0). During the year, the Group was charged with a tax payment to India of SEK –11.6 m attributable to the upfront payment from Intas Pharmaceuticals. Otherwise, there was no taxable profit during the year and thus no further tax expense (0.0). The loss after tax from continuing operations amounted to SEK 265.0 m (–322.0). Loss for the period was SEK 266.2 m (–388.2). Earnings per share for continuing operations amounted to SEK –0.22 (–0.53) and earnings per share amounted to SEK –0.22 SEK (–0.63).

The Group's cash flow for January – December 2024

Cash flow from operating activities amounted to SEK –133.7 m (–406.7), of which SEK –0.4 m (–0.6) was from discontinued operations (Primm Pharma).

Cash flow from investment operations amounted to SEK –52.2 m (–16.8) which is primarily attributable to capitalized expenditures for development activities relating to Ximluci® and Xdivane™.

Cash flow from financing activities amounted to SEK 243.6 m (298.7). A rights issue was carried out during the first half of the year, bringing in a net SEK 299.8 m after issue costs. A bridge loan of a nominal value of SEK 50 m was taken out during Q1 which was then repaid in connection with the rights issue. In connection with the rights issue, the bond loan was also amortized by SEK –62.5 m. Furthermore, a bridge loan of SEK 20 m was taken out at the end of the year, which was then repaid in January 2025. Amortization of leasing liabilities amounted to SEK –13.6 m (–13.9).

The Group's financial position and continued operations

The Board and the CEO continuously monitor the Group's liquidity and financial resources in both the short and long term. As of December 31, the Group's cash and cash equivalents amounted to SEK 124 m. The existing liquidity is estimated to be able to finance operations until the beginning of the second quarter of 2025 based on the currently approved plan. This plan is dependent on the Company securing a licensing partner for XB003 during Q1 2025 and postponing certain activities and investments. In addition, the company believes that, if the need arises, there are other alternatives 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.

Fixed assets

Fixed assets amounted to SEK 236.5 m (191.8) of which capitalized development expenditures amounted to SEK 167.7 m (99.7). The item also consists of right-of-use assets, and laboratory equipment, machinery, fixtures for office premises and customary monthly depreciation.

Inventory

Inventory amounted to SEK 246.9 m (106.9), consisting primarily of manufactured commercial active substance for Ximluci® ready to be packaged in vials or pre-filled syringes for sale. The drug substance has a shelf life of three years, and no impairment is deemed necessary.

Prepaid costs and accrued income

Prepaid costs and accrued income amounted to SEK 198.9 m (251.9). Essential items consisted of advance payments for production of Ximluci®, amounting to SEK 12.1 m, and advance payments to contract manufacturers for raw materials associated with the development of XB003 and Ximluci® and upscaling of Xdivane™, amounting to a total of SEK 119.7 m.

Changes in equity

Share capital on the balance sheet date amounted to SEK 343.5 m (6.7) of which SEK 0.6 m related to an ongoing new share issue for subscription of shares through the use of TO1. The issue was registered in January 2025.

Other contributed capital amounted to SEK 1,395.0 m (1,428.5). Total equity amounted to SEK 208.5 m (171.3) and the equity ratio was 25 percent (26). A rights issue was carried out during the year which increased equity by a net SEK 300.2 m, of which SEK 336.7 m increased the share capital and the remainder was recognized in other contributed capital.

Accounts payable

Accounts payable amounted to SEK 242.6 m (31.0) and consisted primarily of liabilities to the Company's contract manufacturers. Payment of the liabilities will be made according to the agreed payment schedule.

Accrued expenses and prepaid income

Accrued expenses and prepaid income amounted to SEK 188.4 m (216.3). This consists primarily of advance payments from STADA amounting to SEK 85.0 m (75.4), of which SEK 69.2 m is attributable to the commercialization. In addition, the item consists of prepaid licensing revenue (upfront payment) from Intas Pharmaceuticals of SEK 62.3 m, accrued production costs attributable to Ximluci® of SEK 0.7 m and accrued development costs, primarily for the XB003 project, of SEK 24.9 m.

Significant events during the fourth quarter

- In November, Xbrane Biopharma announced that it had entered into an exclusive global licensing and development agreement with Intas Pharmaceuticals for Xbrane's Nivolumab biosimilar candidate (reference product Opdivo®), which generated USD 9 bn globally in 2023. Through this agreement, Intas will finance clinical and regulatory development as well as global commercialization via its subsidiary Accord Healthcare, which has great expertise within oncology. In accordance with the terms of the agreement, Xbrane received an upfront payment of EUR 10 m and will receive milestone payments and royalties on profits after launch. The partnership is expected to enable the launch of the Nivolumab biosimilar when the Opdivo® patent expires, which could improve access to cost-effective cancer treatments.
- In November, the Company announced that Chief Financial Officer & Head of IR, Anette Lindqvist, intends to scale down her operational work and leave her position in Spring 2025. The recruiting process for a new CFO began immediately.

- Xbrane Biopharma AB (publ) announced in December that it had resubmitted a BLA (Biologics License Application) for its biosimilar candidate to LUCENTIS® (ranibizumab) to the FDA (US Food and Drug Administration). After the first submission to the FDA in April 2023, Xbrane received in April 2024 a Complete Response Letter (CRL) from the FDA, which requested further information about the reference standard and actions that needed to be taken following inspections of contract manufacturers. Xbrane has subsequently, in consultation with the FDA, qualified a new reference standard and worked with its contract manufacturers to ensure that the required measures are in place. The resubmitted BLA will be subject to review with an expected timeline of six months.

Significant events after the end of the quarter

- In January, the Company announced that Jane Benyamin has been appointed as acting Chief Financial Officer to replace Anette Lindqvist, who is stepping down from her position.

The effects of the collaboration and supply agreement with STADA

The collaboration agreement which began in July 2018 with STADA AG regarding projects for research and development of Ximluci® meant that STADA AG and Xbrane would equally share (50/50) research and development costs attributable to the project. Receivables and liabilities attributable to the project are reported in full in Xbrane's balance sheet with a settlement of 50 percent for STADA AG's share. This applies to both the Group and the parent company.

In connection with the first delivery of Ximluci® in 2023, Xbrane also signed a supply agreement with STADA. The agreement means that Xbrane will provide the product for commercialization to STADA and will be reimbursed in accordance with the actual production cost. In accordance with the agreement, Xbrane also has the option of pre-invoicing STADA for future product deliveries. Xbrane and STADA will then share (50/50) revenue from sales to the end customer.

On the balance sheet date, Xbrane had receivables from STADA amounting to SEK 16.9 m (0.0), other receivables amounting to SEK 0.0 m (3.0), other liabilities of SEK 8.8 m (0.0) and advance payments from STADA amounting to SEK 84.9 m (75.4) of which SEK 69.2 m (35.1) is pre-invoicing of upcoming product deliveries.

Effects of the planned sale of Primm Pharma

Assets held for sale

Xbrane's intention, in accordance with its previous decision, is to continue to work towards a divestment of the subsidiary Primm Pharma. In the Q1 interim report for 2021, Primm Pharma's assets and liabilities were reclassified to "Assets held for sale" and "Liabilities attributable to assets held for sale" respectively, in the consolidated balance sheet In the income statement, Primm Pharma's results are reported separately as "Profit/loss from discontinued operations Primm Pharma's share of each business is reported in the cash flow under "Of which from discontinued operations". In December 2023, Xbrane chose to write-down access to its reported net assets, in this case Primm Pharma's equity.

Parent company

The core business of Xbrane, i.e., the development of biosimilars, is conducted in the parent company. As the parent company forms such a large part of the Group, an account of the parent company's results, financial position and cash flow would not provide any additional information to that described in the report on the Group. Therefore, this is only presented in report format on pages 14–15.

Risks and uncertainty factors

Risks and uncertainty factors are described in the Annual Report 2023 on pages 60–61, available on the company's website, www.xbrane.com. At the time of publication of this interim report, these have not changed significantly, with the exception of the financing risk. See the assessment of the Board of Directors and the CEO of the Company's financial position on page 8 of this report.

Share information

Xbrane's share capital at the end of the period was SEK 343.5 m (6.7) divided into 1,529,483,397 registered shares (29,810,364). At the end of the year, Xbrane had an ongoing rights issue for 2,706,898 shares registered in January 2025. 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 11,000 shareholders on the balance sheet date. The closing price of the share on the balance sheet date was SEK 0.16 generating a market capitalization of around SEK 246 m.

Organisation 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 65 employees (93), of which 65 (93) in the parent company.

Nomination committee

At the time of this report's publication, the nomination committee consists of

- Jens Segren, appointed by Systematic Group AB, the Company's largest shareholder.
- Håkan Stödberg, the Company's second largest shareholder.
- Bengt Göran Westman, the Company's fifth largest shareholder.
- Anders Tullgren, Xbrane's Chairman of the Board, deputy member if necessary.

Jens Segren has been appointed as the nomination committee's Chairman.

Presentation of the year-end report

Presentation of the year-end report for 2024 will take place virtually on February 20 at 1:00 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://financialhearings.com/event/51478

Annual General Meeting

The Annual General Meeting for 2025 will be held on May 5, 2025, at 4:30 P.M. in Inghesalen, Widerströmska Huset, 2nd floor, Karolinska Institute, Tomtebodavägen 18a, 171 65 Solna.

Those shareholders who wish to have a matter considered at the Annual General Meeting must communicate this no later than March 1, 2025, to Chairman of the Board Anders Tullgren at valberedning@xbrane.com.

Dividends

The Board proposes that no dividend be paid for the financial year 2024.

Auditor's review

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

Consolidated income statement

Amounts in SEK thousand	Notes	2024 Oct – Dec	2023 Oct – Dec	2024 Jan – Dec	2023 Jan – Dec
Revenues	2	65,808	66,894	198,721	238,729
Cost of goods sold		–4,697	–62,658	–18,225	–203,341
Gross profit		**61,111**	**4,237**	**180,496**	**35,388**
Other operating income		7,055	3,713	15,827	13,707
Administrative expenses		–10,111	–8,499	–40,107	–40,031
Research and development expenses		–36,371	–78,986	–312,892	–305,783
Other operating expenses	3	–53,381	–6,993	–61,246	–25,445
Operating profit/loss		**–31,696**	**–86,526**	**–217,922**	**–322,164**
Net financial costs		–9,607	–6,114	–35,508	137
Profit/loss before tax		**–41,303**	**–92,640**	**–253,430**	**–322,028**
Tax		–11,589	–	–11,589	–
Profit/loss for the period from continuing operations		**–52,892**	**–92,640**	**–265,018**	**–322,028**
Profit/loss from discontinued operations		–306	–64,893	–1,201	–66,144
Profit/loss for the period		**–53,197**	**–157,533**	**–266,220**	**–388,172**
Profit/loss for the period attributable to:					
– Owners of the Company		–53,197	–157,533	–266,220	–388,172
– Non-controlling interests		–	–	–	–
Total comprehensive income for the period		**–53,197**	**–157,533**	**–266,220**	**–388,172**
Earnings per share from continuing operations					
– Before dilution (SEK)		–0.03	–0.15	–0.22	–0.53
– After dilution (SEK)		–0.03	–0.15	–0.22	–0.53

Amounts in SEK thousand	Notes	2024 Oct – Dec	2023 Oct – Dec	2024 Jan – Dec	2023 Jan – Dec
Earnings per share					
– Before dilution (SEK)		–0.03	–0.26	–0.22	–0.63
– After dilution (SEK)		–0.03	–0.26	–0.22	–0.63
Number of outstanding shares at the end of the reporting period					
– Before dilution		1,529,483,397	29,810,364	1,529,483,397	29,810,364
– After dilution		1,529,483,397	29,810,364	1,529,483,397	29,810,364
Average number of outstanding shares					
– Before dilution		1,529,483,397	29,807,780	1,229,911,966	28,705,554
– After dilution		1,529,483,397	29,807,780	1,229,911,966	28,705,554

Consolidated income statement and other comprehensive income

Amounts in SEK thousand	2024 Oct – Dec	2023 Oct – Dec	2024 Jan – Dec	2023 Jan – Dec
Profit/loss for the period	–53,197	–157,533	–266,220	–388,172
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	52	–2 473	111	–201
Comprehensive income for the period	**52**	**–2 473**	**111**	**–201**
Total comprehensive profit/loss attributable to:				
– Owners of the Company	–53,145	–160,007	–266,109	–388,373
– Non-controlling interests	–	–	–	–
Total comprehensive income for the period	**–53,145**	**–160,007**	**–266,109**	**–388,373**

Consolidated statement of financial position

Amounts in SEK thousand	Notes	12-31-2024	12-31-2023
ASSETS			
Intangible assets		167,687	99,670
Property, plant and equipment		23,855	32,537
Right of use assets		41,044	55,663
Long-term receivables		3,945	3,945
Non-current assets		**236,532**	**191,815**
Inventory	5	246,902	106,856
Accounts receivables		16,854	–
Other receivables		16,973	34,213
Prepaid expenses and accrued income		198,851	251,907
Cash and cash equivalents		124,330	65,402
Assets held for sale		1,988	3,314
Current assets		**605,898**	**461,693**
TOTAL ASSETS		**842,429**	**653,508**

Amounts in SEK thousand	Notes	12-31-2024	12-31-2023
EQUITY			
Share capital		343,496	6,683
Other contributed capital		1,395,030	1,428,530
Reserves		10,231	10,121
Retained earnings including profit/loss for the year		–1,540,218	–1,273,999
Equity attributable to parent company's owners		**208,539**	**171,335**
Non-controlling interests		**–**	**–**
TOTAL EQUITY		**208,539**	**171,335**
LIABILITIES			
Long-term interest-bearing liabilities	6	66,371	112,897
Leasing liabilities		29,580	42,711
Long-term non interest-bearing liabilities	6	–	8
Total long-term liabilities		**95,950**	**155,616**
Short-term interest- bearing liabilities	6	82,500	62,500
Accounts payable		242,570	30,974
Other liabilities		10,748	2,810
Leasing liabilities		13,267	13,371
Accrued expenses and prepaid income		188,449	216,296
Liabilities attributable to assets held for sale		407	606
Total short-term liabilities		**537,940**	**326,557**
TOTAL LIABILITIES		**633,890**	**482,173**
TOTAL LIABILITIES AND EQUITY		**842,429**	**653,508**

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 01-01-2024	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 share issue	336,206	8,719			344,925
Issue expenses		–45,161			–45,161
Ongoing share issue	607	178			785
Share savings program	0	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**

Amounts in SEK thousand	Share Capital	Other contributed capital	Translation reserve	Retained earnings incl. profit/loss for the period	Total
Opening balance 01-01-2023	6,166	1,294,227	10,322	–885,827	424,888
Total comprehensive income for the period					
Profit/loss for the period				–388,172	–388,172
Other comprehensive income for the period			–201		–201
Total comprehensive income for the period	**–**	**–**	**–201**	**–388,172**	**–388,373**
Transactions with group shareholder					
New share issue	517	134,545			135,062
Issue expenses		–962			–962
Share savings program		720			720
Total contributions from and distributions to shareholders	**517**	**134,303**	**–**	**–**	**134,820**
Closing balance 12-31- 2023	**6,683**	**1,428,530**	**10,121**	**–1,273,999**	**171,335**

Consolidated cash flow statement

Amounts in SEK thousand	Notes	2024 Oct – Dec	2023 Oct – Dec	2024 Jan – Dec	2023 Jan – Dec
Cash flow from operating activities					
Profit/loss for the period before tax		–53,197	–157,533	–266,220	–388,172
Adjustments for items not included in cash flow	7	61,610	81,934	90,225	100,650
Paid income taxes		–	–	–	–
Total		**8,412**	**–75,599**	**–175,995**	**–287,522**
Increase (–)/Decrease (+) of inventory		–34,433	26,806	–166,002	–56,596
Increase (–)/Decrease (+) of trade and other receivables		91,485	34,839	–4,555	–85,132
Increase (+)/Decrease (–) of trade and other payables		28,448	–67,171	212,824	22,572
Cash flow from current operations		**93,912**	**–81,125**	**–133,728**	**–406,678**
Of which discontinued operations		*–90*	*–48*	*–439*	*–645*
Cash flow from investing activities					
Acquisition of property, plant and equipment		–	–176	–501	–6,791
Acquisition of intangible assets		–17,300	–	–51,745	–9,978
Cash flow from investing activities		**–17,300**	**–176**	**–52,246**	**–16,769**
Of which discontinued operations		–	–	–	–

Amounts in SEK thousand	Notes	2024 Oct – Dec	2023 Oct – Dec	2024 Jan – Dec	2023 Jan – Dec
Cash flow from financing activities					
Stock options redeemed by staff		–	–	–	18
New share issue		–	–	337,242	120,000
Issue expenses		–	–	–37,479	–962
Loans taken out		20,000	–	70,000	225,000
Costs of loans taken out		–	–	–	–10,617
Amortization of loans		–	–10,417	–112,500	–20,833
Amortization of lease liability		–3,244	–3,684	–13,640	–13,909
Cash flow from financing activities		**16,756**	**–14,101**	**243,623**	**298,696**
Of which discontinued operations		–	–	–	–
Cash flow for the period		**93,368**	**–95,402**	**57,650**	**–124,752**
Cash and cash equivalents reported in assets held for sale		–727	–1,166	–727	–1,166
Cash and cash equivalents at beginning of period		30,591	167,284	65,402	193,994
Cash and cash equivalents at beginning of period (reported in assets held for sale)		817	1,264	1,166	1,811
Exchange rate differences in cash and cash equivalents		282	–6,578	839	–4,485
Cash and cash equivalents at end of period		**124,330**	**65,402**	**124,330**	**65,402**

Income statement, Parent company

Amounts in SEK thousand	2024 Oct – Dec	2023 Oct – Dec	2024 Jan – Dec	2023 Jan – Dec
Revenues	65,808	66,894	198,721	238,729
Cost of goods sold	–4,697	–62,658	–18,225	–203,341
Gross profit	**61,111**	**4,237**	**180,496**	**35,388**
Other operating income	7,055	3,713	15,827	13,707
Administrative expenses	–10,619	–9,005	–42,133	–41,684
Research and development expenses	–36,457	–79,153	–313,359	–306,299
Other operating expenses	–53,381	–6,993	–61,246	–25,445
Operating profit/loss	**–32,291**	**–87,200**	**–220,414**	**–324,332**
Financial items				
Impairment loss on shares in subsidiary	–	–70,300	–	–70,300
Financial expenses	–8,932	–5,226	–32,498	2,887
Net finance costs	**–8,932**	**–75,526**	**–32,498**	**–67,413**
Profit/loss before tax	**–41,223**	**–162,725**	**–252,912**	**–391,745**
Tax	–11,589	–	–11,589	–
Profit/loss for the period	**–52,811**	**–162,725**	**–264,501**	**–391,745**

Income statement and other comprehensive income, Parent company

Amounts in SEK thousand	2024 Oct – Dec	2023 Oct – Dec	2024 Jan – Dec	2023 Jan – Dec
Profit/loss for the period	–52,811	–162,725	–264,501	–391,745
Other comprehensive income	–	–	–	–
Comprehensive income for the period	**–52,811**	**–162,725**	**–264,501**	**–391,745**

Balance sheet, Parent company

Amounts in SEK thousand	12-31-2024	12-31-2023
ASSETS		
Fixed assets		
Intangible assets	167,687	99,670
Property, plant and equipment	23,855	32,537
Financial assets		
Shares in group companies	3,766	3,766
Other non-current receivables	3,945	3,945
Total financial assets	**7,711**	**7,711**
Total non-current assets	**199,253**	**139,919**
Current assets		
Current receivables		
Inventory	246,902	106,856
Accounts receivables	16,854	–
Other receivables	16,973	34,213
Prepaid expenses and accrued income	200,148	254,069
Total current receivables	**480,877**	**395,139**
Cash and bank	124,330	65,402
Current assets	**605,207**	**460,541**
TOTAL ASSETS	**804,461**	**600,459**

Amounts in SEK thousand	12-31-2024	12-31-2023
EQUITY AND LIABILITIES		
Equity		
Restricted equity		
Share capital	343,496	6,683
Reserve for development expenditure	167,687	99,670
Unrestricted equity		
Share premium	1,395,030	1,428,530
Retained earnings	–1,428,954	–969,191
Profit/loss for the period	–264,501	–391,745
TOTAL EQUITY	**212,759**	**173,947**
Long-term liabilities		
Long-term interest-bearing liabilities	66,371	112,897
Long-term non interest-bearing liabilities	–	8
Total long-term liabilities	**66,371**	**112,905**
Current liabilities		
Short-term interest-bearing liabilities	82,500	62,500
Liabilities to subsidiaries	1,062	1,032
Accounts payables	242 570	30,974
Other current liabilities	10,751	2,807
Deferred income and prepaid revenue	188,449	216,296
Current liabilities	**525,331**	**313,608**
TOTAL LIABILITIES	**591,702**	**426,512**
TOTAL EQUITY AND LIABILITIES	**804,461**	**600,459**

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	2024 Oct – Dec	2023 Oct – Dec	2024 Jan – Dec	2023 Jan – Dec
Net sales				
Outlicensed products	54.3	0.0	132.0	28.4
Product sales	11.5	66.1	63.4	209.5
Contract manufacturing	0.0	0.0	0.0	0.0
Other	0.1	0.8	3.3	0.9
Total	**65.8**	**66.9**	**198.7**	**238.7**
Of which North America	*0.0*	*0.3*	77.0	*28.7*
Of which Germany	11.5	*66.1*	66.5	*209.5*
Of which India	54.1	–	54.1	–

The Group's revenue during the year consisted of, among other things, sales of Ximluci® to STADA, as well as an upfront payment of SEK 26.4 m from Valorum Biologics for the licensing rights to Ximluci® on the US market. During the year, the group also met the criteria for milestone payments from Biogen Inc relating to the agreement for XB003, resulting in licensing revenue of SEK 50.6 m (USD 5 m). At the end of the year, the Group also received an upfront payment from Intas Pharmaceuticals for out-licensing rights for Xdivane, which added an additional SEK 54.1 m to the licensing revenue for the year.

NOTE 3 Other operating expenses

Amounts in SEK thousand	12-31-2024	12-31-2023
Exchange losses on operating receivables/liabilities	14,882	25,445
Expected and actual bad debt losses	46,364	–
Total	**61,246**	**25,445**

During the year, the Group reported expected and actual bad debt losses amounting to SEK 46.4 m. SEK 25.3 m is attributable to the milestone payment from Biogen Inc. In Q4, the parties reached a settlement regarding the milestone payment in which Xbrane received 50 percent. The remaining amount has been written down and is recognized as a bad debt. SEK 22.0 m relates to a provision for anticipated bad debt attributable to the upfront payment from Valorum Biologics, for which the agreement is under negotiation.

NOTE 4 Transactions with related parties

STADA Arnzeimittel AG has been a shareholder in Xbrane since 2019. Related party transactions with STADA refers to product sales and cost sharing for the agreement with Ximluci®.

NOTE 5 Inventory

Amounts in SEK thousand	12-31-2024	12-31-2023
Goods in progress	246,902	106,856
Finished goods	–	–
Total inventory	**246,902**	**106,856**

Determination of acquisition value of inventory
The acquisition value of assets in inventory is determined, among other things, by using contract prices. Volume discounts or other discounts are included in the cost of inventory when it is probable that they have been earned and will accrue to the Company.

Reported amounts in the income statement
During the 2024 financial year, the cost of goods sold has been reported in the income statement as SEK −18,225 thousand (2023 SEK −203,341 thousand). inventory includes a reserve for obsolete goods of SEK −3,656 thousand (2023 SEK −1,637 thousand). The inventory has not been written down.

NOTE 6 Convertible debentures

On May 26, 2023, Xbrane issued convertible bonds with a nominal value of SEK 250 m. The debentures mature on May 26, 2027, if they have not been amortized or converted to shares at the holder's request before then. The debt is amortized in twenty-four equal installments during the term of the debenture. Xbrane can choose to settle the amortization with cash payments or in shares at 90 percent of the market price (lowest VWAP during the six trading days before the payment date). The holder of the debenture has the right to advance up to two amortization payments per interest period. The interest rate amounts to 6 percent until formal approval by the United States Food and Drug Administration (FDA) of the company's application for commercialization on the US market, hereafter the interest rate is 0 percent. The conversion rate amounts to 125 percent of the offer price at the time of issue. The conversion rate may be adjusted in the event of capital restructuring. In the balance sheet as of December 31, 2024, the convertible debentures are reported as interest-bearing loans amounting to SEK 128.9 m. The nominal value of the liability amounted to SEK 156.2 m as of December 31, 2024.

NOTE 7 Adjustments for items not included in cash flow

Amounts in SEK thousand	2024 Q4	2023 Q4	2024 Jan – Dec	2023 Jan – Dec
Depreciation	8,685	8,503	35,953	33,736
Expected and actual bad debts	46,364	–	46,364	–
Impairment of goodwill	–	64,618	–	64,618
Other	6,561	8,813	7,908	2,296
Total	**61,610**	**81,934**	**90,225**	**100,650**

NOTE 8 Pledged collateral

Pledged collateral for short-term and long-term debt. :

Amounts in SEK thousand	12-31-2024	12-31-2023	12-31-2023
Property, plant and equipment	24,445	–	–
Inventory	156,697	–	–
Chattel mortgages	25,000	–	–
Total	**206,142**	**–**	**–**

The Group pledged collateral amounting to SEK 206.1 m (0.0) of which SEK 162.0 m consists of collateral pledged to contract manufacturers for the delivery of accounts payable and future production. In addition, the Group has pledged collateral for advances from STADA of SEK 26.1 m (0.0) as well as for the short-term loan from Systematic Group. The loan was repaid in 2025.

In conjunction with the licensing and development agreement with Intas Pharmaceuticals, Xbrane has pledged patents relating to Xdivane™ as collateral for the fulfilment of the agreement.

NOTE 9 Significant estimates and assessments

The management has discussed with the Audit Committee the development, selection and information in relation to the Group's important accounting principles and estimates, as well as the application of these principles and estimates.

Important sources of uncertainty in the estimates
The sources of uncertainty in the estimates indicated below refer to aspects which entail a significant risk that the value of assets or liabilities might need to be adjusted significantly during the forthcoming financial year.

The Group's financial position and continued operations
The year-end report has been prepared on the assumption that the company has the ability to continue as a going concern for the next 12 months, in accordance with the going-concern principle.

Capitalization of development expenses
Capitalized expenditures at the balance sheet date amounted to SEK 167.7 m, of which SEK 119.2 m is attributable to the development of Ximluci and SEK 48.5 m is attributable to Xdivane™. In 2024, sales of Ximluci® amounted to SEK 63.4 m with positive gross profit. According to sales predictions, sales and gross profits are expected to increase in the coming years. Therefore, no impairment is deemed necessary.

As of July 1, 2024, the Group is capitalizing development costs for Xdivane™, i.e., at the time when the criteria for capitalization under IFRS were deemed to be met. The technical risk of the program is considered to be limited, as analytical similarity has been demonstrated at a commercial production scale and a reduced clinical program has been agreed to by the EMA and the FDA. In November 2024, the Group entered into a global licensing and collaboration agreement with Intas Pharmaceuticals Ltd. According to the licensing and development agreement, Intas will finance and take responsibility for the clinical and regulatory activities, as well as the global commercialization of the Nivolumab biosimilar candidate. This further strengthens the company's assessment that the possibilities for financing the continued development are good. As part of the agreement, the Group received an upfront payment of EUR 10 m from Intas in 2024 and in the coming years, development-related milestone payments of an additional EUR 3 m are expected. After the product has been launched, Xbrane will have the right to royalties on profits generated. No impairment is deemed necessary.

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, February 20, 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 measures in the interim report that are not defined in accordance with IFRS. The Company believes that these measures provide valuable supplementary information to investors and the Company's management as they enable evaluation of the Company's performance. Since not all companies calculate financial measurements in the same way, these are not always comparable to measurements used by other companies. These financial measures should therefore not be seen as replacement for measures that are defined in accordance with IFRS. The tables below show measurements 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	2024 Oct – Dec	2023 Oct – Dec	2024 Jan – Dec	2023 Jan – Dec
Gross profit	61,111	4,237	180,496	35,388
Gross margin	**93%**	**6%**	**91%**	**15%**

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	2024 Oct – Dec	2023 Oct – Dec	2024 Jan – Dec	2023 Jan – Dec
Operating profit/loss	–31,696	–86,526	–217,922	–322,164
Depreciation and impairment	8,461	9,160	35,078	33,736
EBITDA	**–23,235**	**–77,366**	**–182,844**	**–288,428**

Research and development expenses as a percentage of operating expenses

The company's direct costs for research and development relate to personnel, materials and external services costs. Research and development expenses as a percentage of operating expenses show the proportion of operating expenses relating to research and development. This is calculated by dividing research and development expenses by total operating expenses. Total operating expenses comprise of selling and distribution expenses, administrative expenses, research and development expenses and other operating expenses.

Amounts in SEK thousand	2024 Oct – Dec	2023 Oct – Dec	2024 Jan – Dec	2023 Jan – Dec
Research and development expenses	–36,371	–78,986	–312,892	–305,783
Operating expenses	–99,862	–94,477	–414,245	–371,259
Research and development expenses as a percentage of operating expenses	**36%**	**84%**	**76%**	**82%**

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 ability to pay, i.e., equity through total assets.

Amounts in SEK thousand	12-31-2024	12-31-2023
Total equity	208,539	171,335
Divided by total assets	842,429	653,508
Equity ratio	**25%**	**26%**

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.

FINANCIAL CALENDAR

Annual Report 2024	March 31, 2025
Annual General Meeting	May 5, 2025
Interim report January–March 2025	May 8,2025
Interim report January–June 2025	August 27 2025
Interim report January–September 2025	October 24 2025

FOR FURTHER INFORMATION

Martin Åmark,
CEO
martin.amark@xbrane.com
+ 46 76-309 37 77

Jane Benyamin,
Interim Chief Financial Officer
jane.benyamin@xbrane.com
+46 73-360 37 33

www.xbrane.com

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.

Xbrane Biopharma AB
Retzius väg 8, 171 65 Solna, Sweden | www.xbrane.com

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 02-20-2025 08.00 CET.