Neola Medical

Q4 report 2025

Published February 12, 2026

"This year we initiated our first clinical pilot study on preterm born babies in Sweden, representing the first real-world use of Neola® for continuous monitoring of its target patient population."

CEO Hanna Sjöström

Advancing IP Protection as a Core Strategic Asset across Key Markets

Fourth quarter, October-December 2025

- Revised timeline announced as preliminary findings in ongoing clinical pilot study indicates robust safety and need for optimization of Neola®.
- Patent grants in both the U.S. and China for a technical method that improve the accuracy of continuous lung monitoring with the company's medical device, Neola®.
- Chinese patent granted for reducing optical noise in lung monitoring measurements.
- Patent granted in the U.S. for disposable probes, strengthening future revenue model in target market.
- Neola Medical expands leadership team with appointment of Director Disposable Product Development.

Summary
Operating income: SEK 0k (0)
Operating result: SEK -2 520 (-2 742)
The period's cash flow: SEK -6 000k (-4 606)
Result per share: -0,03 SEK (-0,04)

Yearly report, January-December 2025

- The company's first clinical pilot study on preterm born babies was initiated at Södra Älvsborg Hospital in Borås, Sweden, followed by a regulatory approval from the Swedish Medical Products Agency (Läkemedelsverket) and the Swedish Ethical Review Authority (Etikprövningsmyndigheten).
- A directed share issue was completed of approximately SEK 20 million before rights issue costs, welcoming two new institutional investors complementing a strong shareholder base.
- Stronger IP portfolio with seven new patents granted for five different inventions in key target markets as China, Europe and the U.S.
- Strengthened leadership team, ensuring strong clinical, scientific and disposable development expertise.

Summary
Operating income: SEK 0k (0)
Operating result: SEK -8 573k (-10 797)
The period's cash flow: SEK -3 432k (-2 002)
Result per share: -0,14 SEK (-0,14)

CEO comments

Hanna Sjöström, CEO

Clinical Pilot Study in Sweden

2025 we reached a key milestone with the initiation of our first clinical pilot study on preterm born babies in Sweden. This represents the first real-world use of Neola® for continuous monitoring of its target patient population in a neonatal intensive care setting. It marks an important step towards validating the safety and performance of the medical device, given that the lung physiology and clinical needs of preterm born babies differ substantially from those of full-term newborns.

Preliminary findings indicated further optimization of Neola® before progressing to the U.S. pivotal clinical study. With only one baby remaining to be enrolled, we will communicate key insights from the study once all enrolled babies have completed the study, the data has been analyzed, and the final results are available.

Welcoming Director Disposable Product Development

During the quarter we announced the appointment of Charlotta Lagerblad as Director Disposable Product Development. She will add valuable strength to the the leadership team within disposables as these are a key component of the company's revenue model. Charlotta brings extensive hands-on expertise in developing disposable medical products for daily clinical use and full-scale mass production.

Strategically important assets

We continue to systematically strengthen our intellectual property base behind our core technology, measurement methods that support future clinical applications and disposable components. During the quarter four new patents were granted within three patent families, adding in total of seven new patent grants during 2025. This marks our strongest year to date in terms of IP protection across our key target markets – Europe, the U.S. and China.

With strengthened protection around both foundational and product-specific innovations, our IP portfolio is now one of our most strategically important assets.

Focus forward

As we enter 2026, we look forward to continuing the intensive work toward a future where our technology has the potential to support improved care for the most vulnerable patients.

Significant events

During the quarter

- Neola Medical was granted patents in both the U.S. and China for a technical method that improve the accuracy of continuous lung monitoring with the company's medical device, Neola®. Together with previously granted patent in Europe, the company now holds IP coverage for Neola Medical's proprietary innovation for offset compensation across all target markets.

- Revised timeline announced as clinical pilot study indicates robust safety and need for optimization of Neola®.

- Neola Medical granted patent in China for reducing optical noise in lung monitoring measurements.

- U.S. patent granted for disposable probes, strengthening future revenue model in target market.

- Neola Medical expands leadership team with appointment of Director Disposable Product Development.

The Company

Neola Medical, founded in 2016, is based on years of research at Lund University and addresses the global market for neonatal intensive care with an innovative medical device called Neola®, the Neonatal Lung Analyzer. This device is based on patented technology for the continuous monitoring of the lungs in preterm born babies.

Neola Medical’s headquarters is located at IDEON Gateway, Scheelevägen 27 in Lund, Sweden. In addition to the headquarters in Lund, the Company has a U.S. office at Nordic Innovation House in Palo Alto, Silicon Valley, USA.

Business concept

Neola Medical's business concept is to develop and commercialize the Company's product for continuous lung monitoring, providing instant detection of respiratory complications to neonatal intensive care units globally, with a primary focus on the U.S. market.

Vision

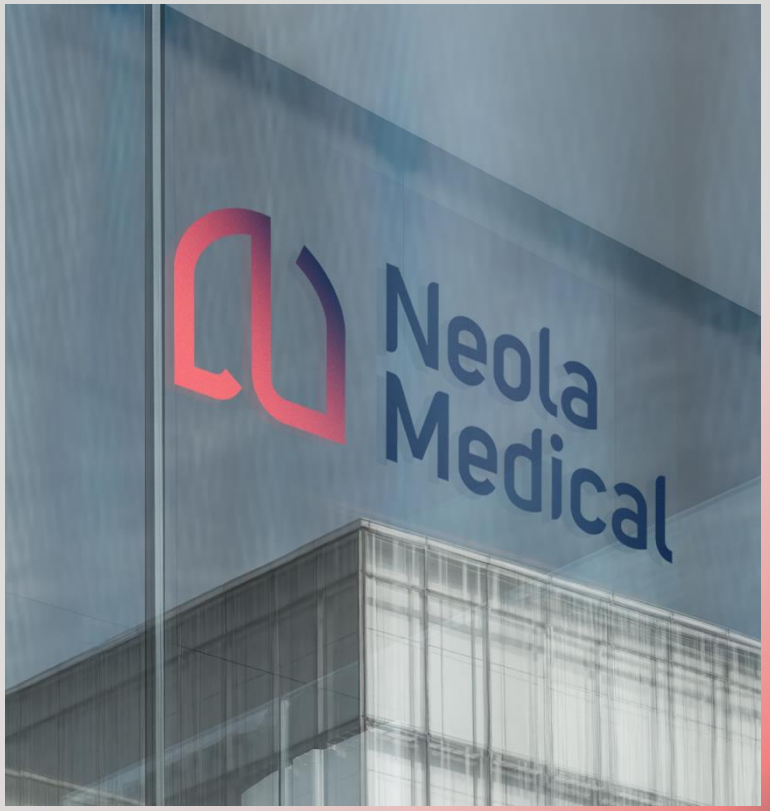
The Company's vision is for preterm born babies to have a better start in life. By providing neonatal intensive care units with the medical device Neola®, with the potential to enable continuous monitoring of the lungs of preterm born babies with instant detection of complications, the Company aims to enhance the care of these vulnerable children and potentially save lives.

Goal

The Company's overarching objective is to create a new market for non-invasive continuous lung monitoring in neonatal intensive care and to be present in the leading neonatal intensive care units globally. The Company's financial goal is to achieve a positive operating profit three years after commercial launch.

Business model

The Company's business model ensures recurring revenue by requiring a Neola® device for a significant proportion of the beds in the neonatal intensive care clinic, with the probes used for monitoring being disposables that are replaced daily on the baby.



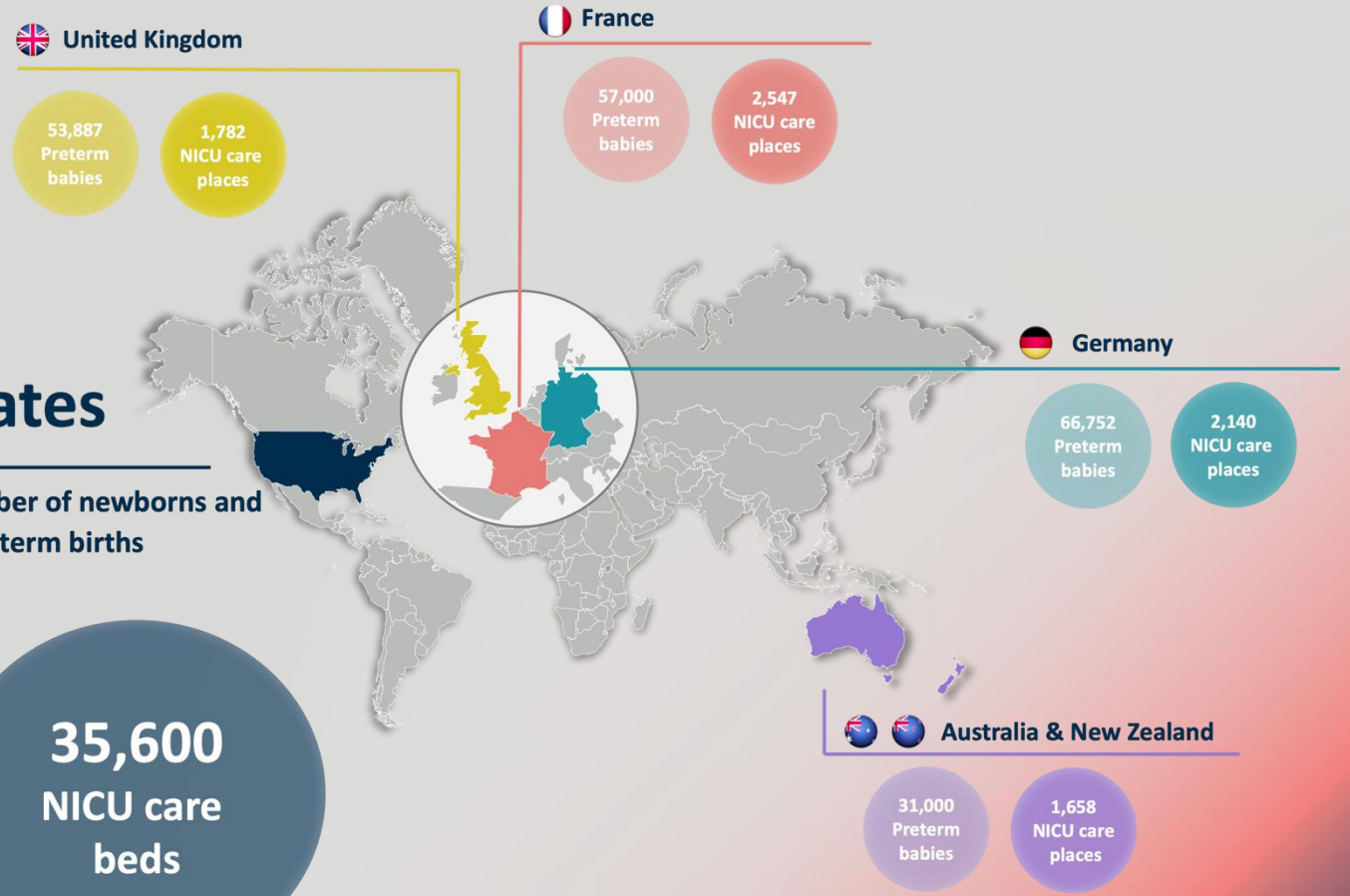
Neola®

Designed to enable continuous lung monitoring and instant detection of potentially life-threatening pulmonary complications for proactive care, reduced morbidity and improved quality of life.

Market

A highly significant and growing global market

Neola® aims to be introduced to the global market for respiratory equipment focused on neonatal intensive care, which was valued above USD 1.5 billion in 2025. The market is projected to expand with a compound annual growth rate (CAGR) of 4.9% from 2025 to 2032.



United States

- **Focus market due to large number of newborns and the particularly high rate of preterm births**

400,000 Preterm babies

35,600 NICU care beds

- Pineda, Roberta et al. "NICUs in the US: levels of acuity, number of beds, and relationships to population factors." Journal of perinatology vol. 43,6 (2023): 796-805. doi:10.1038/s41372-023-01693-6

The patients

Today, one in ten babies is born preterm, many of whom require intensive care to survive the first days due to underdeveloped lungs. Current methods for monitoring preterm born babies only provide a snapshot of their condition, and complications are detected only after severe physical symptoms have appeared. Neola® addresses a clear and significant clinical need for a continuous monitoring method. Neola® may result in better care, fewer days in intensive care, and ultimately, reduced morbidity and mortality in preterm born babies.

New precision care upgrading current standard of care

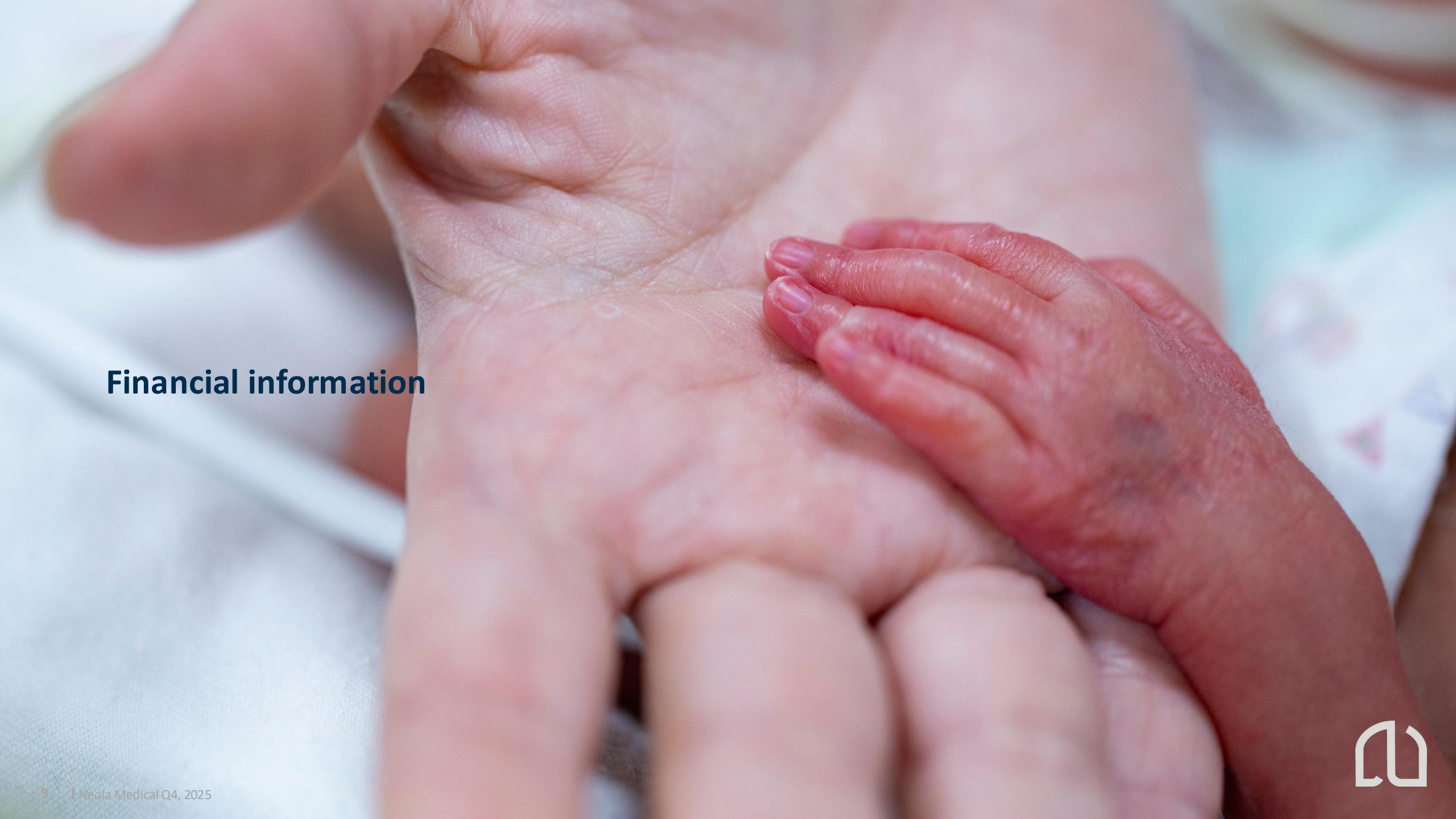
Neola® aims to offer:

01 Faster detection of pulmonary complications preventing further major morbidities

02 Decreased number of days in the expensive neonatal intensive care unit

03 Decreased time for visual observation by nurses

Financial information



Financial summary

Neola Medical, summary	2025-10-01 -2025-12-31 3 mos	2024-10-01 -2024-12-31 3 mos	2025-01-01 -2025-12-31 12 mos	2024-01-01 -2024-12-31 12 mos
Operating revenue (SEK k)	2 140	2 442	8 328	10 392
EBIT (SEK k)	-2 520	-2 742	-11 093	-10 797
Cashflow for the period (SEK k)	-6 000	-4 606	-3 432	-2 022
Cash and cash equivalents (SEK k)	16 123	19 555	16 123	19 555
Equity per share before dilution (SEK)	0,97	0,98	0,97	0,98
Equity ratio (%)	96	94	96	94
Total assets (SEK k)	78 802	73 612	78 802	73 612
Quick ratio (%)	575	453	575	453
Average amount of shares before dilution (no.)*	77 950 234	70 150 234	76 650 234	70 150 234
Result per share before dilution (SEK)	-0,03	-0,04	-0,14	-0,14
Amount of shares by the end of the period (no.)	77 950 234	70 150 234	77 950 234	70 150 234

* 2 270 000 warrants in ongoing programs may give a total dilution of 2,8%

Financial progress January – December 2025

Revenues and results of operations

For the period January to December, operating revenues amounted to SEK 8.328 thousand (SEK 10.392 thousand). As in previous periods, the Company's revenues primarily consisted of capitalized own work. Neola Medical capitalizes expenses for its development projects, as well as for patents, licenses, and similar intangible assets. The capitalization of development work amounted to SEK 8.283 thousand (SEK 10.065 thousand).

Operating expenses for the period January to December amounted to SEK 18.036 thousand (SEK 19.600 thousand). In addition to costs directly attributable to the Company's product development, expenses also included financial and legal advisory services related to legal agreements, stock exchange costs, public reporting, as well as investor relations activities and communication.

The operating result amounted to SEK –11.093 thousand (SEK –10.797 thousand). The Company maintains stability on the cost side with a burn rate according to plan. Neola Medical continues its work focusing on preparation for further clinical studies, and other activities aimed at the certification and market approval of Neola®.
The Company's burn rate averaged SEK –1.774 thousand (SEK –1.805 thousand) per month during the period and is expected to increase with the acceleration of clinical validation over the coming years.

Preparations for a commercial structure are also expected to impact the cost base going forward. The result after tax amounted to SEK –11.022 thousand (SEK –10.064 thousand), and the result per share were SEK -0,14 (SEK -0,14) for the period January to December.

Cash flow and investments

The total cash flow for the period January to December amounted to SEK -3.432 thousand (SEK -2.022 thousand). The cash flow from investing activities alone amounted to SEK –9.342 thousand (SEK –11.184 thousand) and consisted of investments in intangible assets such as capitalized development work, concessions, patents, and similar rights. The inflow of proceeds from new share issues at the beginning of the period increased the cash balance by SEK 17.861 thousand after deducting issuance costs. Cash and cash equivalents at the end of the period amounted to SEK 16.123 thousand (SEK 19.555 thousand).

Financial position and balance sheet

As of December 31, 2025, the equity ratio was 96% (94%), and own capital amounted to SEK 75.803 thousand (SEK 68.963 thousand). The Company was free from interest-bearing debt as of the balance sheet date. Intangible assets amounted to SEK 61.216 thousand (SEK 52.368 thousand). The Board of Directors proposes no dividend for 2025.

Risks and uncertainties

Macroeconomic and Geopolitical Risks

The geopolitical developments currently have no direct impact on the Company's operations. However, the Company closely monitors the global situation and continuously analyzes potential risks and consequences that may affect the operations.

Clinical trials and regulatory approvals

All medical devices developed for market release must undergo a comprehensive registration process with the relevant authority in each individual market. This process includes, where applicable, requirements for preclinical development, clinical trials, registration, approval, marketing, manufacturing, and distribution of new medical devices. Changes in the regulatory landscape for each individual market may affect the company's regulatory process. Clinical studies may necessitate further optimization, refinement or development of Neola®, which could impact the overall timeline. Failure to meet existing or future requirements may necessitate additional clinical studies, product recalls, and may prevent registration approval.

Neola Medical plans to submit documentation for FDA approval and CE marking for Neola®. The Company relies on these approvals for commercial launch. Therefore, the Company needs a functioning capital market to finance product development until this milestone is reached.

Dependence on expertise and key personnel

The Company depends on specialist expertise and key personnel. Loss of such expertise and key individuals could impede the Company's development.

Intellectual property rights

The Company's intellectual property rights are protected through patents, patent applications, agreements, and legislation safeguarding trade secrets. Infringement of the Company's intellectual property rights could harm its operations. Furthermore, patent protection for biomedical and biotechnological companies is uncertain and involves complex legal and technical issues. There is a risk that patents will not be granted for patent-pending inventions and that granted patents will not provide sufficient protection. Additionally, not all developments and technologies can be patented.

Financing and conditions for continued operations

The Company conducts capital-intensive research and development activities. To date, the Company has financed its operations through equity via new share issues and shareholder contributions. The Company's activities may require additional external financing before generating revenue, and it cannot be guaranteed that the Company will secure the necessary capital. If, for any reason, the Company is unable to continue its operations, this could affect the Company's ability to realize the reported values of its assets, particularly concerning capitalized development costs and patents, which are based on and dependent upon the conditions for continued operations. The Board of Directors assesses that the existing liquidity is not sufficient to fund the planned activities over the coming twelve months. The Board considers it likely that additional liquidity can be secured.

Accounting principles and judgements

Accounting Principles

Neola Medical applies the Annual Accounts Act and the Swedish Accounting Standards Board's general guidelines BFNAR 2012:1 (K3) in the preparation of its financial reports. The applied accounting principles remain unchanged from those used in the Annual report of 2024. For further information, refer to the Group's Annual report of 2024.

Estimates and Judgments

In preparing the financial reports, the Board of Directors and management make judgments and assumptions that affect the Group's results and financial position, as well as the information provided otherwise. Estimates and judgments are continuously evaluated and are based on historical experience and other factors, including expectations of future events deemed reasonable under current circumstances. Actual outcomes may differ from these estimates. The areas where estimates and assumptions could involve significant risks of adjustments to the reported values of results and financial positions in future reporting periods mainly pertain to judgments about market conditions and, consequently, the value of the Group's fixed assets.

Since the operations of the subsidiary Neola Medical, Inc. in Delaware USA, is considered to be insignificant in scope, no consolidated financial statements are prepared.

Financial reports in summary

Profit and loss statement, (SEK k)	2025-10-01 -2025-12-31 3 mos	2024-10-01 -2024-12-31 3 mos	2025-01-01 -2025-12-31 12 mos	2024-01-01 -2024-12-31 12 mos
Operating income	0	0	0	0
Capitalized own work	2 140	2 153	8 283	10 065
Other operating income	0	289	45	327
Operating revenue	**2 140**	**2 442**	**8 328**	**10 392**
Raw materials and consumables	-28	-153	-274	-1 369
Other external costs	-1 828	-2 405	-7 707	-8 883
Personnel costs	-2 457	-2 314	-10 055	-9 348
Depreciation	-347	-327	-1 385	-1 527
Other operating expenses	0	15	0	-62
Operating result	**-2 520**	**-2 742**	**-11 093**	**-10 797**
Financial income and expenses	-139	116	71	733
Result before tax	**-2 659**	**-2 626**	**-11 022**	**-10 064**
Tax on result for the period	0	0	0	0
Result for the period	**-2 659**	**-2 626**	**-11 022**	**-10 064**

Financial reports in summary

Balance sheet, (SEK k)

Assets

Non-current assets	**2025-12-31**	**2024-12-31**
Intangible assets	61 216	52 368
Tangible assets	215	202
Financial assets	134	0
Sum non-current assets	**61 565**	**52 570**
Current assets		
Inventory	0	83
Short-term receivables	1 114	1 404
Cash and bank balances	16 123	19 555
Sum current assets	**17 237**	**21 042**
Sum assets	**78 802**	**73 612**

Balance sheet, (SEK k)

Equity and liabilities

Equity	**2025-12-31**	**2024-12-31**
Equity	75 803	68 963
Sum equity	**75 803**	**68 963**
Liabilities		
Long-term liabilities	0	0
Accrued expenses and deferred income	1 556	1 997
Other current liabilities	1 443	2 652
Sum liabilities	**2 999**	**4 649**
Sum equity and liabilities	**78 802**	**73 612**

Financial reports in summary

Changes in own capital, (SEK k)	2025-10-01 -2025-12-31 3 mos	2024-10-01 -2024-12-31 3 mos	2025-01-01 -2025-12-31 12 mos	2024-01-01 -2024-12-31 12 mos
Own capital at beginning of period	78 462	71 589	68 963	79 028
New share issues and subscribed share capital	0	0	19 500	0
Issuance costs	0	0	-1 683	-69
Issued subscription warrants	0	0	44	68
Other adjustments and provisions	0	0	0	0
Result for the period	-2 659	-2 626	-11 022	-10 064
Own capital at end of period	**75 803**	**68 963**	**75 803**	**68 963**

Cash flow, (SEK k)	2025-10-01 -2025-12-31 3 mos	2024-10-01 -2024-12-31 3 mos	2025-01-01 -2025-12-31 12 mos	2024-01-01 -2024-12-31 12 mos
Cash flow from operating activities before changes in working capital	-2 660	-2 299	-10 675	-8 538
Changes in working capital	-1 115	-236	-1 277	-2 300
Cash flow from operating activities	**-3 775**	**-2 535**	**-11 952**	**-10 837**
Cash flow from investing activities	-2 225	-2 071	-9 342	-11 184
Cash flow from financing activities	0	0	17 862	19 999
Cash flow for the period	**-6 000**	**-4 606**	**-3 432**	**-2 022**
Cash and cash equivalents at the beginning of the period	22 123	24 161	19 555	21 578
Cash and cash equivalents at the end of the period	**16 123**	**19 555**	**16 123**	**19 555**

About the share

Share capital, shareholders and the share 2025-12-31

As of December 31st, 2025, Neola Medical's share capital was 5 567 896,30 SEK with a total of 77 950 234 shares. All shares are of the same type, have an equal right to a share in the Company's assets and profits and have the same voting value. Neola Medical had 1 507 owners by the end of the quarter.

Neola Medical's share is listed at Nasdaq First North Growth Market Stockholm under the name NEOLA since October 2, 2020.

Shareholders 2025-12-31 (Top 10)	Amount of shares	Percentage of capital	Percentage of votes
ANMIRO AB	18 447 246	23,70%	23,70%
Pär Josefsson	16 737 411	21,50%	17,50%
Brodvik AB	8 576 566	11,00%	11,00%
LMK-bolagen & Stiftelse	8 300 360	10,60%	10,60%
Cicero Fonder (Aktiespararna småbolag Edge)	3 700 000	4,70%	4,70%
Bengt Nevsten	2 362 914	3,00%	3,00%
Adrigo Small & Midcap	1 200 000	1,50%	1,50%
Avanza Pension	1 051 026	1,30%	1,30%
Hans Ove Sven Åhlén	655 286	0,80%	0,80%
Magnus Kenneby	625 000	0,80%	0,80%
Other shareholders	16 294 425	21,10%	25,10%
Total	**77 950 234**	**100,00%**	**100,00%**

* SEB Life International have 3,9% voting rights through Pär Josefssons shares

Financial calendar and contact

21 Apr 2026	19 May 2026	28 May 2026	20 Aug 2026
Annual report 2025	Q1 report 2026	Annual General Assembly in Lund	Q2 report 2025

Financial reports
Financial reports are available at www.neolamedical.com

Investor letter
Neola Medical publishes investor letters several times a year at www.neolamedical.com

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Questions about the report is answered by:
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David Folkesson, CFO
E-mail: david.folkesson@neolamedical.com

Lund February 12, 2026
The Board


Märta Lewander Xu


Tommy Hedberg


Urban Ottosson


Monica Alfaro Welling


Mattias Lundin

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

Investment highlights

1. Unmet clinical need
2. Innovative technology
3. Strong market potential
4. Scalable business model
5. Proven team and network

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