Science for high quality biosimilars

Q2

Interim report January–June 2025

FINANCIAL SUMMARY FOR THE GROUP

	2025 Apr–Jun	2024 Apr – Jun	2025 Jan–Jun	2024 Jan – Jun	2024 Full year
Revenue, (SEK 000)	39,911	52,034	133,148	66,099	148,098
Research and development costs, (SEK 000)	–26,334	–59,388	–49,152	–135,501	–162,014
R&D costs as percentage of total costs	52%	81%	58%	84%	68%
Operating profit/loss, (SEK 000)	–7,716	–6,947	19,946	–80,783	–97,224
EBITDA, (SEK 000)	–3,580	–1,927	28,991	–70,749	–77,335
Profit/loss for the period, (SEK 000)	169,588	–70,502	177,752	–167,907	–266,220
Cash and cash equivalents, (SEK 000)	5,862	72,835	5,862	72,835	124,330
Equity ratio, %	64%	36%	64%	36%	25%
Earnings per share before dilution, SEK	0.11	–0.05	0.12	–0.18	–0.22
Earnings per share after dilution, SEK	0.11	–0.05	0.12	–0.18	–0.22
Number of employees on balance sheet date	26	71	26	71	65

FINANCIAL OVERVIEW SECOND QUARTER 2025*

- Revenue amounted to SEK 39.9 m (52.0).
- Other operating income was SEK 3.1 m (0.8).
- EBITDA amounted to SEK -3.6 m (–1.9).
- R&D costs amounted to SEK –26.3 m (–59.4),
- corresponding to 52 percent (81) of total operating costs
- The profit for the period was SEK 169.6 m (–70.5).
- Earnings per share was SEK 0.11 (–0.05).
- Cash and cash equivalents at the end of the period amounted to SEK 5.9 m (72.8).

FINANCIAL OVERVIEW FIRST HALF-YEAR 2025

- Revenue amounted to SEK 133.1 m (66.1).
- Other operating income was SEK 11.9 m (6.1).
- EBITDA amounted to SEK 29.0 m (–70.7).
- R&D costs amounted to SEK –49.2 m (–135.5), corresponding to 58 percent (84) of total operating costs
- The profit for the period was SEK 177.8 m (–167.9).
- Earnings per share was SEK 0.12 (–0.18).
- Cash and cash equivalents at the end of the period amounted to SEK 5.9 m (72.8).

SIGNIFICANT EVENTS DURING THE SECOND QUARTER 2025

- In December, Xbrane submitted a renewed marketing authorization application (BLA) for its biosimilar candidate Lucentis® (ranibizumab) to the FDA. The FDA has now announced that October 21 is the BsUFA date (decision date). Any approval can only be obtained after an approved re-inspection of the manufacturing facilities. Both manufacturing facilities addressed the observations identified during the 2024 FDA inspections and submitted additional documentation to the agency.
- In early June, it was announced that the transaction with Alvotech hf and its subsidiary Alvotech Sweden AB regarding the sale of the biosimilar candidate XB003 (Cimzia) and parts of its organization had been completed and that all regulatory conditions had been met. The transaction, which was announced on March 20, 2025, and approved at the extraordinary general meeting (EGM) on April 14, 2025, involved a total purchase price of around SEK 275 m.
- In June, the Board of Directors decided to carry out a directed issue of 1,043,478,260 shares for around SEK 240 million (the "Directed Issue"). The Issue is subject to approval at an EGM scheduled for July 3, 2025. A number of Swedish and international institutional and strategic investors, including OneSource Specialty Pharma Limited, a family office based in Singapore, Hallberg Management, a Swedish fund manager specialized in healthcare, and the Company's largest shareholder, Ashkan Pouya via his company, have subscribed for shares in the Directed Issue.

SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

- On July 3, the EGM resolved, in accordance with the Board's proposal, to approve the Board's decision from June 10, 2025, to issue a maximum 1,043,478,260 shares. The total increase in the Company's share capital amounts to a maximum of SEK 233,933,281.23. The subscription price for the shares will be SEK 0.23 per share, totaling SEK 239,999,999.8 if all shares are subscribed for.
- The new share issue will raise around SEK 240 m for the Company before issue costs.

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

This document is a translation of the original Swedish version. In the event of any inconsistency or discrepancy between this translation and the Swedish original, the Swedish version shall be deemed the legally binding and prevailing document.

"Xdivane™ is entering the clinical phase."

CEO's Letter

Dear shareholders,

During Q2 2025, we took several crucial steps towards building a more focused and financially sustainable company.

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

Ximluci® has now been launched in 24 countries, of which 20 are countries in Europe as well as Bahrain, Uzbekistan, the UAE, and Iraq. Overall, volume growth was –8% during Q2 2025 compared with Q1 2025, while the growth in Europe alone was 11%. Sales outside of Europe were found to vary significantly from quarter to quarter in the early launch phase. Ximluci's® market share by volume for ranibizumab (Lucentis® and Lucentis® biosimilars) in Europe sat at 8 percent during the quarter. Together with our partner STADA, we will invest in optimizing our supply chain during the coming year to reduce production costs and ensure the product's long-term position and income potential. The regulatory process for approval in the US is proceeding according to plan, with FDA inspections in the coming weeks and the BsUFA date (decision date) on October 21.

Initiation of clinical study for Xdivane™

The application to initiate the registration-based clinical study for Xdivane™ has been submitted to a handful of countries, by our partner Intas. In accordance with the agreement, Xbrane will receive a milestone payment from Intas. The program is progressing along the timeline for submission of the application for market approval to the US FDA in Q4 2027, to receive approval and launch the product in conjunction with the expiration of the reference product's main patents during Q4 2028.

Strengthened financial position in connection with sale to Alvotech and directed share issue

In early June, we finalized the sale of XB003 and parts of the organization to Alvotech. Our remaining fixed costs sit at around SEK 50 m annually, which was realized in June, even though Q2 as a whole was weighed down by one-time costs connected to the transaction with Alvotech as well as higher costs during April and May. The cash from the transaction with Alvotech has primarily been used to repay liabilities. In early July, after the end of Q2, a directed share issue was carried out which brought in about SEK 240 m to the company before issue costs. The company therefore has a significantly stronger financial position, with greatly reduced liabilities and a strong cash position.

We look forward to continuing our journey as a focused and financially solid company, with the objective of providing cost-effective biological drugs to patients the world over.

Solna, August 26, 2025

Martin Åmark,
CEO

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 twenty markets in Europe and four markets outside Europe.

Xbrane submitted a renewed application for market approval for its biosimilar candidate to Lucentis® (ranibizumab) to the FDA in December 2024. Following the receipt of further documentation from the manufacturing facilities, the official inspection cycle was initiated. The FDA has now communicated that the BsUFA date (decision date) will on October 21. Approval can only be granted after a successful re-inspection of the manufacturing facilities. Both manufacturing facilities have addressed the observations addressed during the FDA's inspections in 2024 and submitted complementary documentation to the authority.

STADA is also working actively to bring Ximluci® to other regions such as the Middle East, Latin America, and Southeast Asia, where applications for market approval have been submitted to various regulatory authorities. In May 2024, STADA and Xbrane signed a collaboration agreement with Valorum, 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 injecting into the eye. Xbrane also plans to submit an application for approval of a pre-filled syringe in 2026.

1) valuate 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 bn1) 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 has initiated.

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 bn1) 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 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 1 bn[2)]	2022 (Europe) 2020 (US)	Launch phase
Xdivane™	Nivolumab (Opdivo®)	Skin cancer, 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 Myeloma.	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 24 countries
- +11% sales growth in Q2 2025 compared to Q1 2025 in Europe
- In a market worth EUR 5 bn

A strong debut with continual growth potential.

World-class strategic partnership

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 for the quarter amounted to SEK 39.9 m (52.0), of which SEK 37.9 m related to upfront and milestone payments for the out-licensing of Xdivane™. For the first half of the year, net revenue amounted to SEK 133.1 m (66.1).

Gross profit

The cost of goods sold amounted to SEK −0.0 m (13.4) for the quarter and SEK −40.3 m (8.6) for the first half of the year. Gross profit amounted to SEK 39.9 m (65.4) for the quarter and SEK 92.8 m (74.7) for the first half of the year.

Operating expenses

Operating expenses, excluding cost of goods sold, amounted to SEK −50.7 m (−73.2) for the quarter and SEK −84.8 m (−161.6) for the first half of the year.

Administrative costs

Administrative costs amounted to SEK −18.3 m (−9.5) for the quarter and SEK −29.3 m (−20.7) for the first half of the year. The quarter was affected by non-recurring items amounting to about SEK 9.0 m relating to the divestment of R&D operations to Alvotech.

Research and development expenses

Research and development expenses amounted to SEK −26.3 m (−59.4) for the quarter and SEK −49.2 m (−135.5) for the first half of the year. R&D expenses including capitalized development expenditure amounted to SEK −75.2 m (−69.9) for the quarter and SEK −122.1 m (−146.0) for the first half of the year.

Other operating expenses

Other operating expenses amounted to SEK −6.1 m (−4.3) for the quarter and SEK −6.4 m (−5.4) for the first half of the year. The expenses consisted primarily of exchange rate losses on operating receivables and liabilities.

Profit/loss and tax

The operating loss for the quarter was SEK 7.7 m (−6.9) and the operating profit for the first half of the year amounted to SEK 19.9 m (−80.8). For the quarter, EBITDA for continuing operations amounted to SEK –3.6 m (–1.9) and for the first half of the year to SEK 29.0 m (–70.7). The loss before tax for the quarter amounted to SEK 13.3 m (−12.7) and the profit before tax for the first half of the year amounted to SEK 6.0 m (−97.7). The tax cost for the quarter as well as for the first half of the year amounted to SEK −2.2 m (0.0). The loss after tax from continuing operations for the quarter thus amounted to SEK −15.5 m (−12.7), and the profit after tax from continuing operations for the first half of the year amounted to SEK 3.8 m (−97.7). The profit from discontinued operations amounted to SEK 185.1 m (−57.8) for the quarter and SEK 174.0 m (−70.2) for the first half of the year. In connection with Xbrane entering into an agreement with Alvotech to divest XB003 as well as parts of the organization. Items relating to what was divested are 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. Profit for the period amounted to SEK 169.6 m (−70.5) for the quarter and SEK 177.8 m (−167.9) for the first half of the year. For the quarter, earnings per share for continuing operations amounted to SEK −0.01 (−0.01) and earnings per share amounted to SEK 0.11 (−0.05). For the first half of the year, earnings per share for continuing operations amounted to SEK 0.00 (−0.11) and earnings per share amounted to SEK 0.12 (−0.18).

Group cash flow

Cash flow from operating activities amounted to SEK −65.1 m (−99.5) for the quarter and SEK −133.7 m (−212.7) for the first half of the year. Cash flow from investment activities amounted to SEK 48.6 m (−10.5) for the quarter and SEK 24.6 m (−11.0) for the first half of the year. This is primarily attributable to discontinued operations.

Cash flow from financing activities amounted to SEK −1.1 m (−86.0) for the quarter and SEK −7.8 m (−230.1) for the first half of the year. Cash flow for the period amounted to SEK −17.6 m (−196.0) for the quarter and SEK −117.0 m (6.3) for the first half of the year.

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 June 30, the company's cash and cash equivalents amounted to SEK 5.9 m (72.8).

Xbrane held an EGM in July which approved a share issue, which brought the company about SEK 240 m before issue costs. The cash from the share issue strengthens the company's financial position and, together with existing cash and cash equivalents, is thought to be enough to finance operations up until positive cash flow.

The Board of Directors and the CEO therefore 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 1,393.7 m (1,393.4). Total equity amounted to SEK 384.9 m (304.5), and the equity ratio was 64 percent (36).

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 company's current 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 assets held for sale and profit/loss from discontinued operations have 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 (1,529,483,397) registered shares. 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 0.256, generating a market capitalization of around SEK 392 m.

Organization and employees
Xbrane is headquartered at Campus Solna, outside of Stockholm, Sweden. On the balance sheet date, the Group had a total of 26 employees (71), of which 26 (71) in the parent company.

Annual General Meeting
The Annual General Meeting for 2025 was held on May 5, 2025. The minutes and communiqué from the AGM 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
The presentation of the interim report for January to June 2025 will take place virtually on August 26 at 9:00, where CEO Martin Åmark and CFO Jane Benyamin will present the interim report. The presentation will be held in English and is expected to last about 20 minutes, after which there will be the opportunity for questions. To participate in the presentation, follow the link below: https://xbrane-biopharma.events.inderes.com/q2-report-2025

Consolidated income statement

Amounts in SEK thousand	Notes	2025 Apr – Jun	2024 Apr – Jun	2025 Jan – Jun	2024 Jan – Jun	2024 Full year
Revenues	2	39,911	52,034	133,148	66,099	148,098
Cost of goods sold		–3	13,385	–40,299	8,632	–18,225
Gross profit		**39,908**	**65,419**	**92,848**	**74,731**	**129,873**
Other operating income		3,123	814	11,899	6,051	11,659
Administrative expenses		–18,308	–9,522	–29,289	–20,694	–40,805
Research and development expenses		–26,334	–59,388	–49,152	–135,501	–162,014
Other operating expenses		–6,104	–4,271	–6,361	–5,370	–35,936
Operating profit/loss		**–7,716**	**–6,947**	**19,946**	**–80,783**	**–97,224**
Net financial costs		–5,541	–5,756	–13,955	–16,894	–32,498
Profit/loss before tax		**–13,256**	**–12,703**	**5,991**	**–97,677**	**–129,723**
Tax		–2,227	–	–2,227	–	–11,589
Profit/loss for the period from continuing operations		**–15,484**	**–12,703**	**3,764**	**–97,677**	**–141,311**
Profit/loss from discontinued operations		185,071	–57,799	173,989	–70,230	–124,908
Profit/loss for the period		**169,588**	**–70,502**	**177,752**	**–167,907**	**–266,220**
Profit/loss for the period attributable to:						
– Owners of the Company		169,588	–70,502	177,752	–167,907	–266,220
– Non-controlling interests		–	–	–	–	–
Total comprehensive income for the period		**169,588**	**–70,502**	**177,752**	**–167,907**	**–266,220**
Earnings per share from continuing operations						
– Before dilution (SEK)		–0.01	–0.01	0.00	–0.11	–0.11
– After dilution (SEK)		–0.01	–0.01	0.00	–0.11	–0.11
Earnings per share						
– Before dilution (SEK)		0.11	–0.05	0.12	–0.18	–0.22
– After dilution (SEK)		0.11	–0.05	0.12	–0.18	–0.22

Amounts in SEK thousand	Notes	2025 Apr – Jun	2024 Apr – Jun	2025 Jan – Jun	2024 Jan – Jun	2024 Full year
Number of outstanding shares at the end of the reporting period						
– Before dilution		1,532,190,295	1,529,483,397	1,532,190,295	1,529,483,397	1,529,483,397
– After dilution		1,534,417,013	1,529,483,397	1,534,417,013	1,529,483,397	1,532,162,295
Average number of outstanding shares						
– Before dilution		1,532,190,295	1,529,483,397	1,532,190,295	927,048,541	1,229,911,966
– After dilution		1,534,417,013	1,529,483,397	1,534,417,013	927,048,541	1,230,021,757

Consolidated income statement and other comprehensive income

Amounts in SEK thousand	2025 Apr – Jun	2024 Apr – Jun	2025 Jan – Jun	2024 Jan – Jun	2024 Full year
Profit/loss for the period	169,588	–70,502	177,752	–167,907	–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	65	–57	–72	82	111
Comprehensive income for the period	**65**	**–57**	**–72**	**82**	**111**
Total comprehensive profit/loss attributable to:					
– Owners of the Company	169,653	–70,559	177,681	–167,825	–266,109
– Non-controlling interests	–	–	–	–	–
Total comprehensive income for the period	**169,653**	**–70,559**	**177,681**	**–167,825**	**–266,109**

Consolidated statement of financial position

Amounts in SEK thousand	Notes	06-30-2025	06-30-2024	12-31-2024
ASSETS				
Intangible assets		235,206	104,781	167,687
Property, plant and equipment		154	28,361	23,855
Right of use assets		–	48,068	41,044
Long-term receivables		–	3,945	3,945
Non-current assets		**235,360**	**185,155**	**236,532**
Inventory	3	214,914	214,324	246,902
Accounts receivables		5,869	15,902	16,854
Other receivables		19,730	97,801	16,973
Prepaid expenses and accrued income		118,873	248,522	198,851
Cash and cash equivalents		5,862	72,835	124,330
Assets held for sale		1,183	2,647	1,988
Current assets		**366,431**	**652,030**	**605,898**
TOTAL ASSETS		**601,791**	**837,185**	**842,429**

Amounts in SEK thousand	Notes	06-30-2025	06-30-2024	12-31-2024
EQUITY				
Share capital		343,496	342,889	343,496
Other contributed capital		1,393,703	1,393,350	1,395,030
Reserves		10,160	10,202	10,231
Retained earnings including profit/loss for the year		–1,362,466	–1,441,906	–1,540,218
Equity attributable to parent company's owners		**384,893**	**304,536**	**208,539**
Non-controlling interests		–	**–**	**–**
TOTAL EQUITY		**384,893**	**304,536**	**208,539**
LIABILITIES				
Long-term interest-bearing liabilities	5	–	88,572	66,371
Leasing liabilities		–	36,589	29,580
Long-term non interest-bearing liabilities		–	–	–
Total long-term liabilities		–	**125,161**	**95,950**
Short-term interest- bearing liabilities	4, 5	20,000	31,250	82,500
Accounts payable		112,454	93,183	242,570
Other liabilities		3,476	2,083	10,748
Leasing liabilities		–	12,635	13,267
Accrued expenses and prepaid income		80,725	267,855	188,449
Liabilities attributable to assets held for sale		243	482	407
Total short-term liabilities		**216,899**	**407,488**	**537,940**
TOTAL LIABILITIES		**216,899**	**532,649**	**633,890**
TOTAL LIABILITIES AND EQUITY		**601,791**	**837,185**	**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				177,752	177,752
Other comprehensive income for the period			–72		–72
Total comprehensive income for the period	–	–	**–72**	**177,752**	**177,681**
Transactions with group shareholder					
Issue expenses		–43			–43
Share savings program		–1,284			–1,284
Total contributions from and distributions to shareholders	–	**–1,327**	–	–	**–1,327**
Closing balance 06-30-2025	**343,496**	**1,393,703**	**10,160**	**–1,362,466**	**384,893**

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 Apr – Jun	2024 Apr – Jun	2025 Jan – Jun	2024 Jan – Jun	2024 Full year
Cash flow from operating activities					
Profit/loss for the period before tax	**–13,256**	**–12,703**	**5,991**	**–97,677**	**–129,723**
Profit/loss from discontinued operations	185,071	–57,799	173,989	–70,230	–124,908
Adjustments for items not included in cash flow	–157,577	–968	–150,150	13,243	90,225
Paid income taxes	–	–	–	–	–11,589
Total	**14,238**	**–71,470**	**29,830**	**–154,664**	**–175,995**
Increase (–)/Decrease (+) of inventory	–2,161	–52,535	35,620	–132,963	–166,002
Increase (–)/Decrease (+) of trade and other receivables	6,758	–89,355	32,989	–60,869	–4,555
Increase (+)/Decrease (–) of trade and other payables	–83,892	113,829	–323,136	135,758	212,824
Cash flow from current operations	**–65,057**	**–99,531**	**–133,697**	**–212,738**	**–133,728**
Cash flow from investing activities					
Acquisition of property, plant and equipment	–	–	–	–501	–501
Acquisition of property, plant and equipment*	–48,933	–10,547	–72,950	–10,547	–51,745
Disposal of discontinued operations, net cash effect	97,500	–	97,500	–	–
Cash flow from investing activities	**48,567**	**–10,547**	**24,550**	**–11,048**	**–52,246**

Amounts in SEK thousand	2025 Apr – Jun	2024 Apr – Jun	2025 Jan – Jun	2024 Jan – Jun	2024 Full year
Cash flow from financing activities					
Stock options redeemed by staff	–	–	–		–
New share issue	–	–	–	337,242	337,242
Issue expenses	–	–19,930	–43	–37,479	–37,479
Loans taken out	–	–	20,000	50,000	70,000
Amortization of loans	–	–62,499	–23,500	–112,499	–112,500
Amortization of lease liability	–1,085	–3,539	–4,280	–7,204	–13,640
Cash flow from financing activities	**–1,085**	**–85,967**	**–7,823**	**230,060**	**243,623**
Cash flow for the period	**–17,575**	**–196,045**	**–116,970**	**6,275**	**57,650**
Cash and cash equivalents reported in assets held for sale	–402	–877	–402	–877	–727
Cash and cash equivalents at beginning of period	24,709	269,757	124,330	65,402	65,402
Cash and cash equivalents at beginning of period (reported in assets held for sale)	483	1,062	727	1,166	1,166
Exchange rate differences in cash and cash equivalents	–1,353	–1,062	–1,823	869	839
Cash and cash equivalents at end of period	**5,862**	**72,835**	**5,862**	**72,835**	**124,330**

Income statement, Parent company

Amounts in SEK thousand	2025 Apr – Jun	2024 Apr – Jun	2025 Jan – Jun	2024 Jan – Jun	2024 Full year
Revenues	39,911	52,034	133,148	66,103	198,721
Cost of goods sold	–3	13,385	–40,299	8,632	–18,225
Gross profit	**39,908**	**65,419**	**92,848**	**74,735**	**180,496**
Other operating income	180,947	814	189,724	6,051	15,827
Administrative expenses	–18,542	–9,824	–29,866	–21,296	–42,133
Research and development expenses	–21,685	–116,444	–54,908	–204,229	–313,359
Other operating expenses	–6,104	–4,271	–6,361	–5,370	–61,246
Operating profit/loss	**174,523**	**–64,306**	**191,437**	**–150,109**	**–220,414**
Financial items					
Impairment loss on shares in subsidiary	–	–	–	–	–
Financial expenses	–5,541	–5,756	–13,955	–16,894	–32,498
Net finance costs	**–5,541**	**–5,756**	**–13,955**	**–16,894**	**–32,498**
Profit/loss before tax	**168,983**	**–70,061**	**177,482**	**–167,003**	**–252,912**
Tax	–2,227	–	–2,227	–	–11,589
Profit/loss for the period	**166,755**	**–70,061**	**175,255**	**–167,003**	**–264,501**

Income statement and other comprehensive income, Parent company

Amounts in SEK thousand	2025 Apr – Jun	2024 Apr – Jun	2025 Jan – Jun	2024 Jan – Jun	2024 Full year
Profit/loss for the period	166,755	–70,061	175,255	–167,003	–264,501
Other comprehensive income	–	–	–	–	–
Comprehensive income for the period	**166,755**	**–70,061**	**175,255**	**–167,003**	**–264,501**

Balance sheet, Parent company

Amounts in SEK thousand	06-30-2025	06-30-2024	12-31-2024
ASSETS			
Fixed assets			
Intangible assets	235,206	104,781	167,687
Property, plant and equipment	154	28,361	23,855
Financial assets			
Shares in group companies	3,766	3,766	3,766
Other non-current receivables	–	3,945	3,945
Total financial assets	**3,766**	**7,711**	**7,711**
Total non-current assets	**239,126**	**140,853**	**199,253**
Current assets			
Current receivables			
Inventory	214,914	214,324	246,902
Accounts receivables	5,869	15,902	16,854
Other receivables	19,730	97,801	16,973
Prepaid expenses and accrued income	118,873	250,252	200,148
Total current receivables	**359,386**	**578,278**	**480,877**
Cash and bank	5,862	72,835	124,330
Current assets	**365,249**	**651,113**	**605,207**
TOTAL ASSETS	**604,375**	**791,966**	**804,461**

Amounts in SEK thousand	06-30-2025	06-30-2024	12-31-2024
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	343,496	342,889	343,496
Reserve for development expenditure	235,206	104,781	167,687
Unrestricted equity			
Share premium	1,393,703	1,393,350	1,395,030
Retained earnings	–1,760,973	–1,366,047	–1,428,954
Profit/loss for the period	175,255	–167,003	–264,501
TOTAL EQUITY	**386,687**	**307,970**	**212,759**
Long-term liabilities			
Long-term interest-bearing liabilities	–	88,572	66,371
Long-term non interest-bearing liabilities	–	–	–
Total long-term liabilities	**–**	**88,572**	**66,371**
Current liabilities			
Short-term interest-bearing liabilities	20,000	31,250	82,500
Liabilities to subsidiaries	1,032	1,052	1,062
Accounts payables	112,454	93,183	242,570
Other current liabilities	3,476	2,083	10,751
Deferred income and prepaid revenue	80,725	267,855	188,449
Current liabilities	**217,688**	**395,423**	**525,331**
TOTAL LIABILITIES	**217,688**	**483,995**	**591,702**
TOTAL EQUITY AND LIABILITIES	**604,375**	**791,966**	**804,461**

Notes

NOTE 1 Accounting principles

This consolidated interim 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 interim 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 as in other parts of this interim report.

NOTE 2 Revenue from contracts with customers

Amounts in SEK m	2025 Apr – Jun	2024 Apr – Jun	2025 Jan – Jun	2024 Jan – Jun	2024 Full year
Revenue					
License revenue	37.9	27.2	84.5	27.2	81.4
Product sales	2.0	21.7	48.6	35.7	63.4
Contract manufacturing	–	–	–	–	0.0
Other	–	3.1	–	3.2	3.3
Total	**39.9**	**52.0**	**133.1**	**66.1**	**148.1**
Of which North America	–	26,4	–	26,5	*26.4*
Of which Germany	2.0	24,8	48.6	38,8	*66.5*
Of which India	37.7	0,0	84.1	0,0	*54.1*
Of which Other	0.2	0,8	0.4	0,9	*1.1*

For the year, there were two individual customers that accounted for more than 10 percent of revenue. These accounted for SEK 48.6 m (38.8) and SEK 84.1 m (0.0) of revenue, respectively. Refer to Note 1 in the 2024 Annual Report for information on Xbrane's accounting principles related to revenue recognition

NOTE 3 Inventory

Amounts in SEK 000	06-30-2025	06-30-2024	12-31-2024
Products in progress	214,914	214,324	246,902
Finished goods	–	–	–
Total inventory	**214,914**	**214,324**	**246,902**

NOTE 3 Inventory

Reported amounts in the income statement
During the 2025 financial year, the cost of goods sold was reported in the income statement as SEK −40.3 m (SEK 8.6 m). Inventory includes a reserve for obsolete goods of SEK −3.0 m (SEK −3.2 m). The inventory has not been written down.

NOTE 4 Transactions with related parties

During Q1 2025, Xbrane took out a short-term loan from Systematic Group AB, amounting to SEK 20 million, with an interest rate of 1% for the first quarter and 3% thereafter. The transaction was made on market terms. The loan was repaid in July 2025.

NOTE 5 Convertible bonds

In June 2025, the convertible bond was taken over in its entirety by Alvotech as part of the divestment. As of June 30, 2025, there is no value attributable to the convertible bond in the balance sheet.

NOTE 6 Assets held for sale and classification of divested operations

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. The

NOTE 6 Assets held for sale and classification of divested operations

operation was divested on June 2, 2025 and is reported in the current period as a discontinued operation.

Effects of the sale of operations to Alvotech
The financial information presented below refers to the time up to the divestment on June 2, 2025, as well as 2024.

Amounts in SEK 000	2025 Q2	2024Q2	2025 Acc	2024 Acc	2024FY
Revenue	**0**	**0**	**0**	**4**	**50 624**
Other operating profit/loss	12,061	0	12,061	0	–21,141
Expenses	4,798	–56,718	–5,360	–68,024	–150,180
Operating profit/loss	**16,859**	**–56,718**	**6,701**	**–68,020**	**–120,697**
Net financial items	–389	–779	–1,012	–1,609	–3,010
Profit/loss after financial items	16,471	–57,497	5,689	–69,629	–123,707
Tax	0	0	0	0	0
Profit/loss for the period after tax, discontinued operations	**16,471**	**–57,497**	**5,689**	**–69,629**	**–123,707**
Capital gains from divestment of operations	168,902	0	168,902	0	0
Profit/loss from divested operations	185,373	–57,497	174,591	–69,629	–123,707

Divestment of operations

Purchase price received	2025
Cash and cash equivalents	97,500
Unpaid purchase price	5,000
Fair value of convertible bonds	132,233
Assumption of liability, contract manufacturers	20,000
Total purchase price	**254,733**
Divested net assets	–85,831
Profit on divestment of operations before tax	**168,902**

NOTE 6 Assets held for sale and classification of divested operations

Purchase price received	2025
Tax expense on profit from divestment of operations	0
Profit from divestment of operations after tax	**168,902**

Reported values for assets and liabilities divested as of June 2, 2025

Amounts in MSEK	2025
Tangible fixed assets[1]	55,410
Total fixed assets	55,410
Prepaid expenses and accrued income	68,929
Total assets	**124,339**
Leasing liabilities	38,508
Total liabilities	**38,508**
Net assets	**85,831**

1) Including 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 000	06-30-2025	06-30-2024	12-31-2024
Tangible fixed assets	–	–	24,445
Inventory	155,971	43,927	156,697
Chattel mortgages	25,000	–	25,000
Total	**180,971**	**43,927**	**206,142**

The Group's pledged assets amounted to SEK 181.0 m (43.9) of which SEK 112.6 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 August 26, 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 Apr–Jun	2024 Apr–Jun	2025 Jan–Jun	2024 Jan–Jun	2024 Full year
Gross profit	39,908	65,419	92,848	74,731	129,873
Gross margin	**100%**	**126%**	**70%**	**113%**	**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 Apr–Jun	2024 Apr–Jun	2025 Jan–Jun	2024 Jan–Jun	2024 Full year
Operating profit/loss	–7,716	–6,947	19,946	–80,783	–97,224
Depreciation and impairment	4,135	5,020	9,046	10,034	19,890
EBITDA	**–3,580**	**–1,927**	**28,991**	**–70,749**	**–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 Apr–Jun	2024 Apr–Jun	2025 Jan–Jun	2024 Jan–Jun	2024 Full year
Research and development expenses	–26,334	–59,388	–49,152	–135,501	–162,014
Operating expenses	–50,746	–73,181	–84,802	–161,565	–238,756
Research and development expenses as a percentage of operating expenses	**52%**	**81%**	**58%**	**84%**	**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	06-30- 2025	06-30-2024	12-31-2024
Total equity	384,893	304,536	208,539
Divided by total assets	601,791	837,185	842,429
Equity ratio	**64%**	**36%**	**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–September 2025	October 24, 2025
Interim report January–December 2025	February 20, 2026
Annual Report 2025	March 31, 2026
Annual General Meeting	May 5, 2026
Interim report January–March 2026	May 5, 2026

FOR FURTHER INFORMATION

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This is information which Xbrane Biopharma is required to publish in accordance with the EU's Market Abuse Regulation. The information was submitted for publication by the authority of the CEO on August 26, 2025 at 08:00 CET.

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