

# Xbrane Biopharma Interim Report Jan-Mar 2023 Presentation



*Xbrane has started its journey  
towards profitability.*

*The launch of Ximluci® has been  
successful, as confirmed by the  
frame agreement with NHS England.*

Martin Åmark, CEO

Solna

May 31<sup>st</sup>, 2023

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## Key achievements in 2023

- **January:** Ximluci<sup>®</sup> approved in UK
- **March:** Ximluci<sup>®</sup> launched in Europe by our partner STADA
- **April:** STADA awarded as one of two suppliers of ranibizumab to NHS England
- **April:** BLA (Biologics License Application) for Ximluci<sup>®</sup> submitted to FDA
- **May:** Net financing of around 350 SEK m via a convertible with net proceeds of 225 SEK m and a directed share issue of 125 SEK m

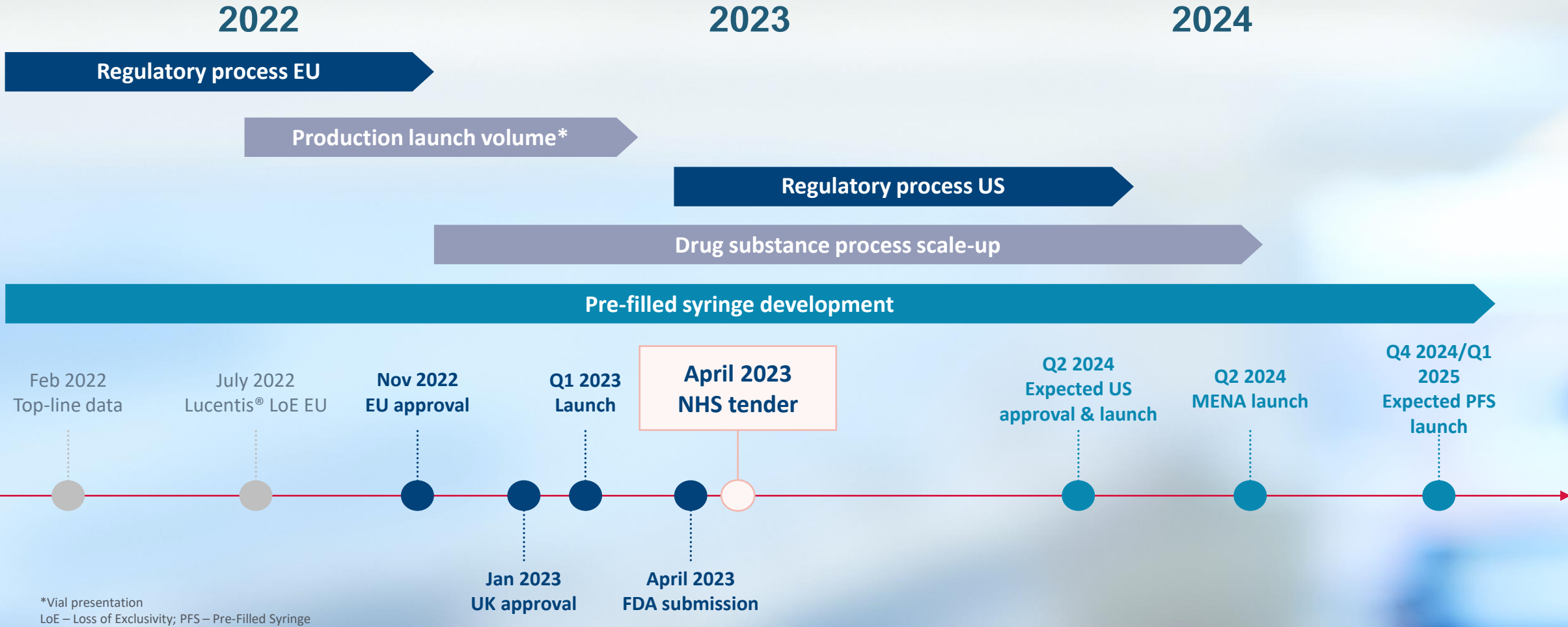
# Our portfolio addresses €53 billions of reference product peak sales

Candidate	Reference Product	Indication	Patent Expiry	Reference product peak sales estimate*	Development Phase	Next milestone	Commercialization Partner
Ximluci		<ul style="list-style-type: none"> <li>Age-related macular degeneration</li> <li>Diabetic macular edema,</li> <li>Diabetic related retinopathy</li> </ul>	2020/22 (US/EU)	€2.8b	Europe: Commercial US: Registration	Q2 2024: FDA approval	  
BIIB801		<ul style="list-style-type: none"> <li>Rheumatoid arthritis</li> <li>Psoriasis</li> <li>Crohn's disease</li> </ul>	2024/25 (US/EU)	€2b	Process Scale-up	2023 : Production of clinical material	
Xdivane™		<ul style="list-style-type: none"> <li>Multiple oncology indications including Lung, liver, head &amp; neck, kidney, colorectal cancer and melanoma</li> </ul>	2028/30 (US/EU)	€13b	Process Scale-up	2023: Scale up with selected CMO	Ongoing out-licensing
Xtrudane™			2029/31 (US/EU)	€26b	Cell-line development	2023 : Develop pilot scale process	
Xdarzane™			2029/31 (US/EU)	€9b	Cell-line development		

**Ambition to initiate at least one new biosimilar development program per year**

\*) 2026 estimated annual sales - Evaluate Pharma

# Ximluci<sup>®</sup> – European launch successfully underway

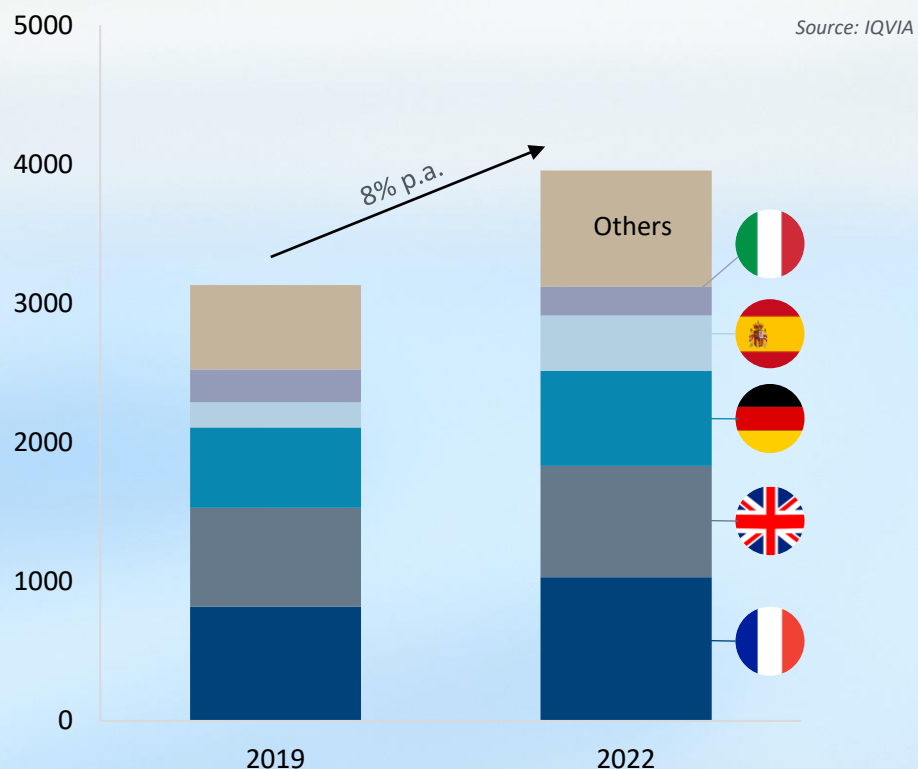




# STADA's Ximluci<sup>®</sup> launch is progressing well

## Europe & UK – a EUR 4bn opportunity

### Europe retinal VEGF inhibitor market EUR million



## Launch progress to date



UK

- STADA UK affiliate one of two companies awarded an NHS Framework agreement.
- Nominal value of supply contract (1 April 2023 – 31 March 2024) is £70 million (SEK 900 million); however actual value to STADA/Xbrane will depend on ability to capture market share



DE

- Presentation at the congress of the Ophthalmological Academy Germany (AAD)
- Focus on driving adoption via top prescribers in Germany
- First shipments in March 2023

- Launch ongoing from March throughout select European markets

# Ximluci<sup>®</sup> generates revenue from three main revenue streams

## Supply of Finished Goods to partners “at cost”

- Sales of Finished Goods to STADA under Supply Agreements “at cost”
- Products delivered & invoiced every 2-3 months
- Steady state safety stock of Finished Goods at STADA is not expected in 2023
- Products delivered during Q1 generated 47 SEK m in revenue

## Profit sharing with partners

- Profit split with STADA calculated as:
  - *STADA product net-sales*
  - *minus production costs*
  - *minus Sales and Marketing expenses*
  - *50/50 split of resulting contribution*
- Product is profitable even at relatively low volumes during March. Xbrane profit share 1 SEK m
- Large part of Sales & Marketing expenses are fixed, hence significantly higher as % of net sales in Q1 than expected at scale

## License proceeds from partners

- License proceeds expected from Bausch + Lomb at FDA approval and launch in the US

## Key priorities next 12 months

- » Establish Ximluci<sup>®</sup> as a leading biosimilar to Lucentis<sup>®</sup> in Europe with STADA
- » Obtain US market approval for Ximluci<sup>®</sup>, to support launch with Bausch + Lomb Inc.
- » Obtain market approval for Ximluci<sup>®</sup> in select countries in MENA
- » Complete pre-clinical development of BIIB801, to hand over continued development to partner Biogen
- » Out-license Xdivane<sup>™</sup> to a commercial partner
- » Become cash flow positive first half of 2024





# Jan-Mar Interim Report 2023

## Financials

# Ximluci<sup>®</sup> generating first commercial revenue in Q1, 2023 (Q by Q)



## Revenues in Q1

### Product sales

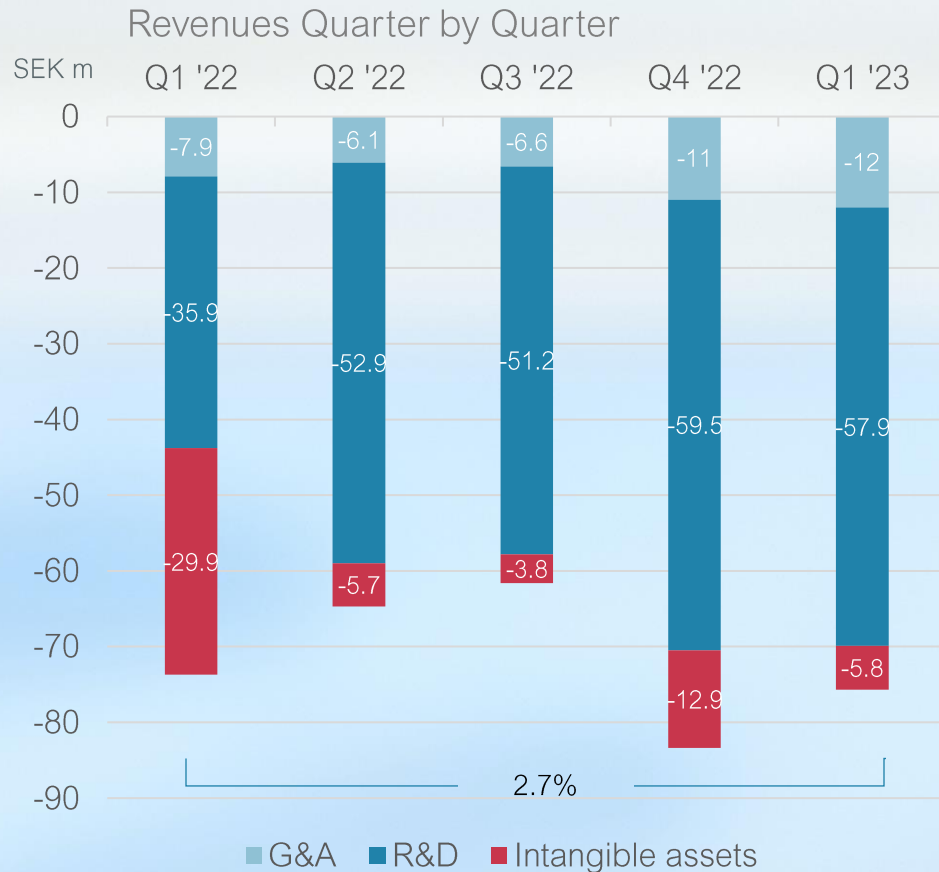
- Supplies to STADA "at cost" around 47 SEK m
- Positive profit split around 1 SEK m

### Outlicensing

- Accrued income for BIIB801 from Biogen Inc. around 14 SEK m



## Total Company Expenses (G&A and R&D) increased ~3% Q by Q



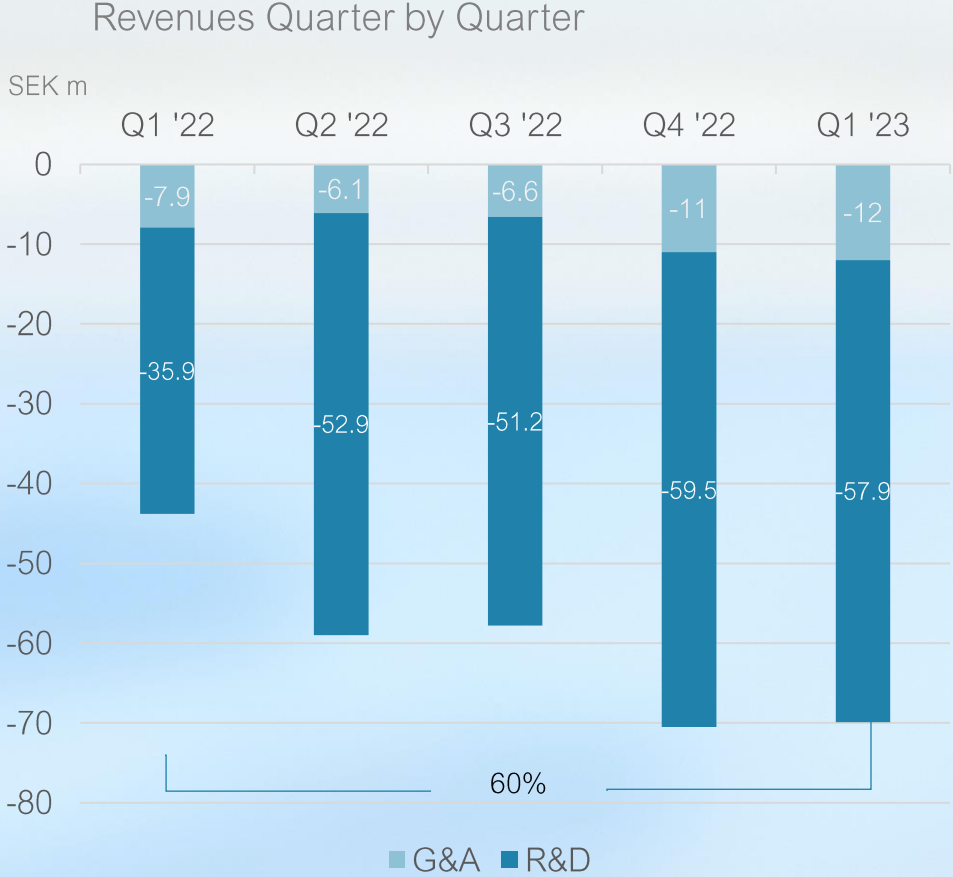
Comparing “like-for-like” year-on-year, our total Operating Costs have increased by 2.7%

The total R&D costs (incl. Intangible Asset of 5.8 SEK m) amounted to 75.7 SEK m. ~84% of our total costs in the first quarter of 2023.

Total G&A amounted to 12 SEK m. ~16% of total operational costs in first quarter.

Reclassification of the development costs for Ximluci® in accordance with IAS 38 started July 1<sup>st</sup>, 2021 now representing a lower proportion of the total spend. 108 SEK m is capitalized on the Balance Sheet related to Ximluci®

# Net Company Expenses (G&A and R&D) as reported in P&L



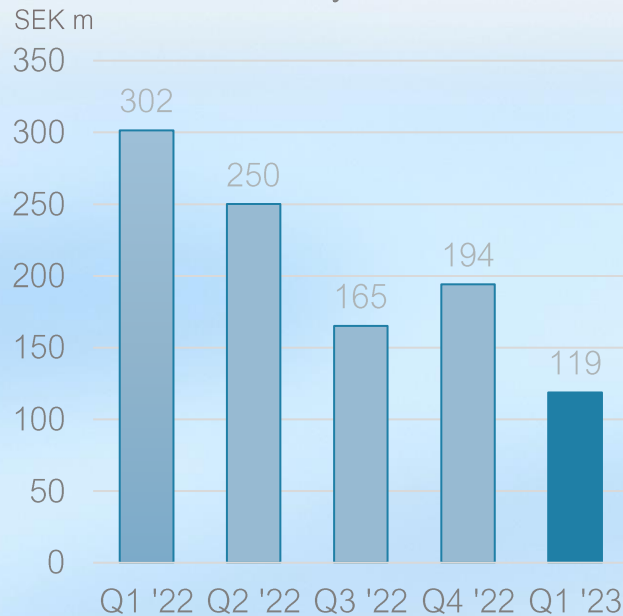
Total Company Expenses expensed in the P&L and as in the Q1 Interim Report have increased by 26 SEK m.

1. Majority of expenses related to Ximluci<sup>®</sup> are commercial/ launch activities and not capitalized, compared to in Q1, 2022.
2. Production of clinical material for BIIB 801
3. Progressing pre-clinical development for Xdivane<sup>™</sup>, Xtrudane<sup>™</sup> and Xdarzane<sup>™</sup>

# The financing solution will take us to positive cash flow H1 2024

## Cash and Cash Equivalents

Quarter by Quarter



Cash and Cash Equivalents Amounted to ~119 SEK m end of March 31<sup>st</sup>, 2023

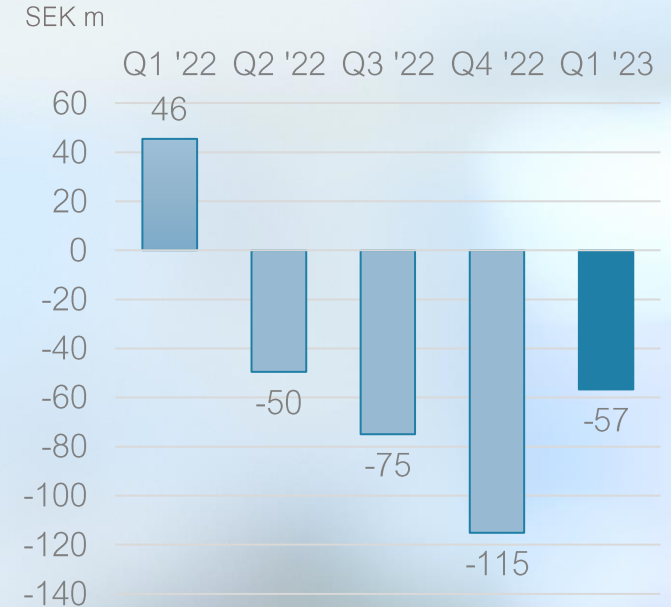
Combined with financing of net ~350 SEK m, will take us to cashflow positive position

## Operating Cash Flow

Levelled-out in Q4, 2022, as a result of primarily stock-build of Ximluci<sup>®</sup> and large pre-payments to CMO's for Ximluci<sup>®</sup> and BIIB801

## Operating Cash Flow

Quarter by Quarter





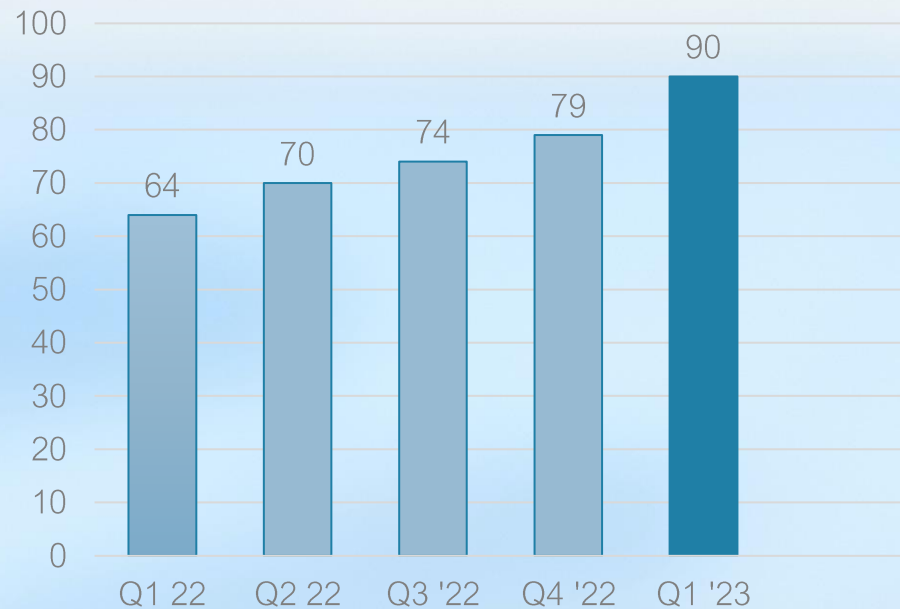
## Successful financing taking us to positive cash flow position

- Proceeds of 350 SEK m with 225 SEK m from convertible and 125 SEK m from directed share issue
- Convertible bond:
  - Investor: CVI Investments, Inc, an affiliate of Susquehanna International Group, LLP (the “Investor”)
  - Principle amount: 250 SEK m.
  - Maturity: four (4) years from closing.
  - Interest rate : 6% per annum, up until FDA approval of Ximluci<sup>®</sup>, thereafter 0% per annum.
  - Amortization: Twenty-four (24) equal instalments, payable every 2 months. Payments can be made in cash at 100% or in shares at 90% of the market price. Cash payments being the default payment option.
  - Accelerated amortization: the Investor can bring forward the payment date of up to 2 amortization payments.
  - The Investor may elect to convert the outstanding bonds at any time during the term at a conversion price equal to 91.4 SEK per share (125% of the Offer Price in the directed share issue)

# Ambition to be the most attractive Employer within our field

Certified as a Great Place to Work<sup>®</sup>

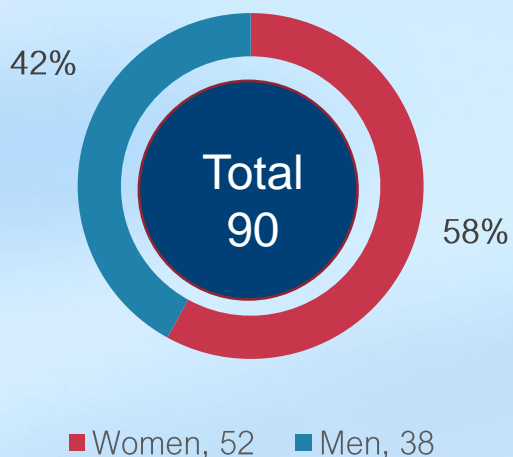
No of employees +41% YoY



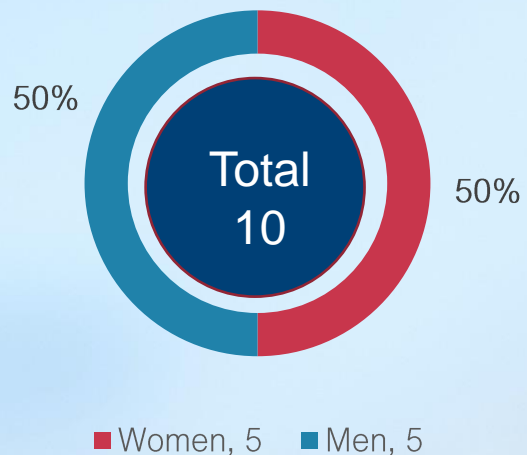
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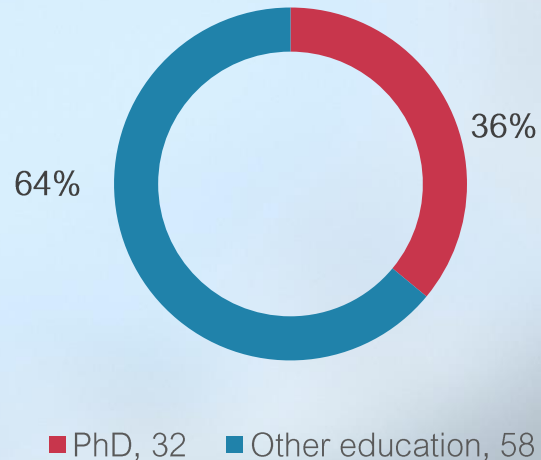
### Gender distribution of employees



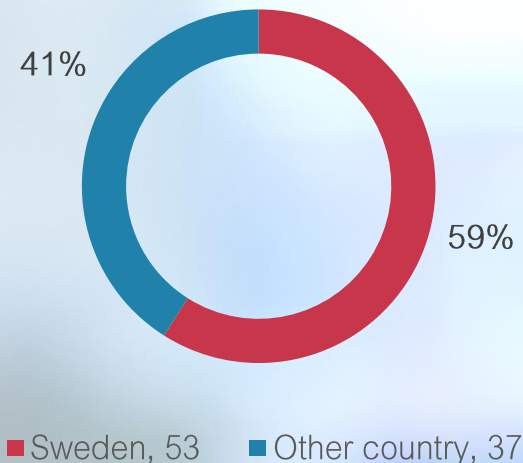
### Gender distribution group management



### Education level



### Country of birth







# Q&A