KLARIA

Annual Report

2024

KLARIA PHARMA HOLDING AB (PUBL.)

Annual report 2024

Table of content

Selected events in 2024 and so far in 2025

Set-off issue in Klaria Pharma Holding AB (publ)

On May 15, Klaria Pharma Holding's board decided on a set-off issue of approximately 4 million SEK in total regarding part of the claims the company has to lenders. The decision was made with the support of authorization decided on by the annual general meeting 2023. In total, the number of shares increased by 23,258,248.

Klaria Sumatriptan Alginate Film receives marketing authorization in Germany, Italy and Spain

On August 14, Klaria announced that the company had received notification from the German Federal Institute for Drug and Medical Devices (Bundesinstitut für Arzneimittel und Medizinprodukte, BfArM) that the review process of Sumatriptan Alginate Film has been concluded, and that marketing authorization for the treatment is granted for migraine with and without aura.

Set-off issue in Klaria Pharma Holding AB (publ)

On October 4, the company's board of directors decided on a set-off issue to the company's lenders for a total of 6 MSEK regarding part of the claims the company has to these lenders. The decision was made with the support of authorization decided on by the annual general meeting in 2024. The set-off issue increases the number of shares by a total of 15,000,000.

Klaria signs license agreement for Sumatriptan Alginate film in Europe with CNX Therapeutics

On January 10, Klaria announced that the Company has signed a license agreement for Sumatriptan Alginate Film, a pharmaceutical product based on Klaria's patented alginate films for fast and reliable administration via the oral mucosa, which is approved in Germany, Spain and Italy for the treatment of migraine with or without aura, with CNX Therapeutics Limited. The agreement gives CNX Therapeutics the right to market and sell the Product in Europe and the UK under its own brand and product name, and the parties plan an initial launch in Germany, Spain and Italy in the second half of 2025 with further expansion in 2026.

The agreement gives Klaria an up-front payment of EUR 750,000, milestone payments of approx. EUR 500,000 - 1,250,00 based on pricing per geographic market for the first 8 countries, as well as a double-digit royalty based on sales revenue. Furthermore, negotiable milestone payments are possible when expanding the market territory within the EEA.

In addition to the license agreement, Klaria has a long-term business relationship with AdhexPharma SAS, a leading CDMO located in France and Germany, as the parties' production partner. Today, AdhexPharma has an annual production capacity of 200 million units, with plans to scale up to meet market demand for Sumatriptan Alginate Film.

The year in brief

- Net sales amounted to 2.2 MSEK (8.5 MSEK)
- Other operating income amounted to 0.1 MSEK (0.5 MSEK)
- R&D costs amounted to 22.1 MSEK (25.0 MSEK)
- Profit/loss after tax amounted to -47.8 MSEK (-35.8 MSEK)
- Earnings per share amounted to -0.38 SEK (-0.36 SEK)
- Cash flow from operations amounted to -11.9 MSEK (-9.1 MSEK)
- Shareholder's equity as of December 31, 2024 amounted to 3.3 MSEK (41.1 MSEK)
- Cash and cash equivalents as of December 31, 2024 amounted to 0.6 MSEK (1.2 MSEK)

Summary of the results

The Klaria Group, remaining operations TSEK (unless otherwise stated)	2024	2023
Net sales	2,248	8,454
Other operating income	78	549
Research and development costs	-22,105	-24,946
Profit/loss after tax	-47,750	-35,784
Cash flow from operating activities	-11,907	-9,058
Cash and cash equivalents on the balance day	598	1,247
Equity on the balance day	3,305	41,133

Klaria's CEO Scott Boyer comments

In 2024 and early 2025, we achieved two crucial milestones for our leading project Sumatriptan Alginate Film, and thus for Klaria as a whole: market approval in leading European markets and a license agreement with CNX Therapeutics covering Europe including the UK. We now have a solid commercial platform in place, with an expected initial launch in Germany, Spain and Italy in the second half of 2025 while we work to sign more agreements outside Europe.

For 2024, our main goals for the year were to achieve market approval for our leading project Sumatriptan Alginate Film and sign a first license agreement.

In August, we then managed to achieve the first of our two main objectives for the year in the form of a market approval from the German Federal Institute for Drug and Medical Devices (Bundesinstitut für Arzneimittel und Medizinprodukte, BfArM) for the treatment of migraine with and without aura in Germany, Italy and Spain. We have subsequently initiated the formal process of extending the approval to more European markets based on this approval.

Following intensive work, we then managed to sign a first license agreement for Sumatriptan Alginate Film with CNX Therapeutics. The agreement covers Europe, including the UK, which means that we now have all the prerequisites in place to reach the market with a finalized pharmaceutical product. This is of course the most important achievement so far in the company's history, and we are incredibly proud to now belong to the exclusive group of Swedish companies that have taken a pharmaceutical product all the way from invention to use in patients.

I would also like to once again emphasize that we are very pleased to have CNX Therapeutics as a partner. They offer a combination of the experience and networks needed to not only bring our unique product to market, but also to ensure that it is discovered by the large number of patients who are not satisfied with current migraine treatments. Our estimate is that Sumatriptan Alginate Film's distinct advantages over both nasal sprays, injections and tablets mean that we and CNX Therapeutics have a good opportunity to capture a significant market share in a market with approx. 30 million patients.

Even though 2024 was an exciting and successful year, we see it as just the beginning of Klaria's commercial journey towards becoming a profitable pharmaceutical company. Going forward, we are of course looking forward to the expected launch of Sumatriptan Alginate Film in Germany, Spain and Italy during the second half of the year, while we will work intensively to sign more commercial agreements. Our goal is to sign at least one such agreement outside Europe in 2025.

In 2025, Klaria will increase the pace in the United States. With a clear plan for the registration in the U.S., strong IP rights and market approval in the EU, the conditions for an agreement for the U.S. market are already in place. Finally, it is also worth noting that Klaria is not expected to be affected by already introduced or possible future U.S. tariffs as our entire production and distribution chain for Europe is located within the EU's free trade area, and corresponding production and distribution chains for the U.S. market are available in the U.S.

Scott Boyer
CEO Klaria Pharma Holding AB (publ)
Uppsala in April, 2025

In 2024 and early 2025, we achieved two crucial milestones for our leading project Sumatriptan Alginate Film, and thus for Klaria as a whole: market approval in leading European markets and a license agreement with CNX Therapeutics covering Europe including the UK. We now have a solid commercial platform in place, with an expected initial launch in Germany, Spain and Italy in the second half of 2025 while we work to sign more agreements outside Europe.

Collaborative clinical development to maximize the company's potential to solve unmet medical needs

Klaria's collaborative business model, which means that the company is streamlining its portfolio to only include development projects with paying parties, ensures that the company's R&D resources are focused on areas and projects where there is a concrete medical and financial interest in Klaria's Alginate film technology from pharmaceutical companies.

In 2024, Klaria continued to take important steps forward in accordance with its business model. In November 2022, the company submitted a Marketing Authorization Application (MAA) for Sumatriptan Alginate Film for the treatment of migraine in the EU, and in August 2024, approval was obtained for markets in Germany, Italy and Spain. Further authorisations within the EU will take place through the Mutual Recognition Procedure (MRP) and the Repeat Use Procedure (RUP) established between European states (including the UK) for the recognition of an authorised pharmaceutical product in another member state.

In January 2025, Klaria announced that the company had signed a license agreement for Sumatriptan Alginatfim with CNX Therapeutics Limited. The agreement gives CNX Therapeutics the right to market and sell the product in Europe and the UK under its own brand and product name, and the parties plan an initial launch in Germany, Spain and Italy in the second half of 2025 with further expansion in 2026.

At the same time, Klaria's three R&D agreements with paying pharmaceutical companies, Imbrium Therapeutics for research into Adrenaline Alginate Film, FluiMed to develop Sirolimus Alginate Film to counteract rejection of transplanted organs, and PharmaMar to develop an Alginate Film with an as yet to be communicated PharmaMar substance, progressed in a positive manner in 2024. Klaria expects to be able to update on all of these three projects in 2025.

Effective drug development

With its unique drug delivery technology and efficient development process, Klaria has significant advantages compared to traditional pharmaceutical companies to quickly address unmet medical needs.

Unique medical benefits

– The alginate-based films that adhere to the oral mucosa allow for a range of patient benefits. The most important benefit is that the film allows for oral administration of pharmaceuticals that must currently be administered through an injection or as a nasal spray. Such oral administration solves many major problems for patients. Other benefits compared to tablets include easier usage, faster uptake into the bloodstream with high precision as there is no delay or side effects due to the gastrointestinal tract.

Efficient products in a small and convenient format

– The format of the stamp-sized films can also contribute to new opportunities, such as replacing large and difficult-to-handle syringes and nasal sprays.

– The film facilitates the administration of pharmaceuticals for patients and caregivers as it, among other things, reduces the need for uncomfortable syringes.

Klaria's leading projects

Sumatriptan Alginate Film for migraine-related pain

Has strong potential as a fast-acting and reliable alternative to tablets that have a slower uptake into the bloodstream and to nasal sprays, with both of these being poor options for patients suffering from nausea and vomiting.

Positive results from a bioequivalence study were presented in May 2021, and the company received market approval for Germany, Italy and Spain in August 2024. In January 2025, a license agreement was signed with CNX Therapeutics Limited that gives CNX Therapeutics the right to market and sell the product in Europe and the UK under its own brand. An initial market launch in Germany, Spain and Italy is planned for the second half of 2025.

According to an external anaylis by L.E.K., Sumatriptan Alginate film could reach peak sales of 500 million USD per year in Europe and the USA.

Sirolimus Alginate Film to prevent organ transplant rejection

Has potential to significantly improve the safety profile in connection with life-saving organ transplant surgery due to delivery directly into the blood stream via the oral mucosa.

The product is developed together with FluiMed. This pharmaceutical company is financing Klaria's work to develop a pharmaceutical drug candidate, formulated in an Alginate Film, that is ready for clinical trials. Up until today, Klaria has received an upfront payment of 10 MSEK, and the company expects to be able to update on this project in 2025.

Adrenaline Alginate Film for acute allergic reaction

An excellent opportunity to replace the dominating and obsolete injection product EpiPen with a needle-free and effective product in a very small and easy-to-handle format.

In March 2021, Klaria signed an agreement with Imbrium Therapeutics for the US marketing rights of Epinephrine Alginate Film, and up until today, Klaria has received an upfront option payment of 3.5 million USD (30 MSEK) and a payment of 2.6 MSEK in March, 2023 within the framework of the agreement. Should Imbrium exercise its option after completion of clinical studies by Klaria, Klaria will be eligible to receive 66.5 million USD (560 MSEK) in milestone payments as well as a double-digit royalty on the United States net sales. The company expects to be able to update on this project in 2025.

Alginate Film with PharmaMar compound

Klaria is collaborating with PharmaMar, a biotechnology and pharmaceutical company developing treatments based on compounds with marine origin, to develop an Alginate Film with a PharmaMar compound.

Initially, PharmaMar finances Klaria's development of a pharmaceutical drug candidate formulated in an Alginate Film, which is expected to take approximately one year, and the company exptects to be able to update on this project in 2025.

> Klaria's vision is to contribute to an improved quality of life for people with serious medical conditions by utilising the company's unique Alginate Film technology.

Strategy

Klaria's strategy is to maximize shareholder value by focusing all of its development resources on projects where the current treatment fulfil two criteria: 1) the treatment is given as a nasal spray or injection due to weak or non-existing uptake in the stomach, and 2) this presents a significant problem for patients, caregivers or paying entities.

Klaria's existing projects for epinephrine (adrenaline) against acute allergic reaction is an excellent example of projects fulfilling both criteria.

Klaria's strategy utilizes the key feature of Alginate Films; true and full transmucosal drug delivery of pharmaceuticals with no uptake in the stomach. This differentiates Alginate Films from other oral transmucosal technologies such as starch based oral films, fast-dissolving tablets and oral sprays, where a significant portion of the active substance is mixed with saliva and swallowed, which creates a partly oral administration. In contrast to these technologies, Klaria's Alginate Films are able to deliver pharmaceuticals which are not orally available (i.e. uptake from the stomach/intestines to the blood stream is low or non-existent). This is why Klaria has been able to for example develop fully working transmucosal films for adrenaline. None of these drugs are orally available.

With this strategy, Klaria will be able to create substantial shareholder value by developing products which delivers an improved clinical outcome while also improving the user-friendliness compared to the products available on the market today.

The methodology of combining Klaria's patented drug delivery platform with well-known active substances brings great benefits to Klaria as a company, including shorter time to market, lower development costs and a reduced risk level compared to traditional drug development.

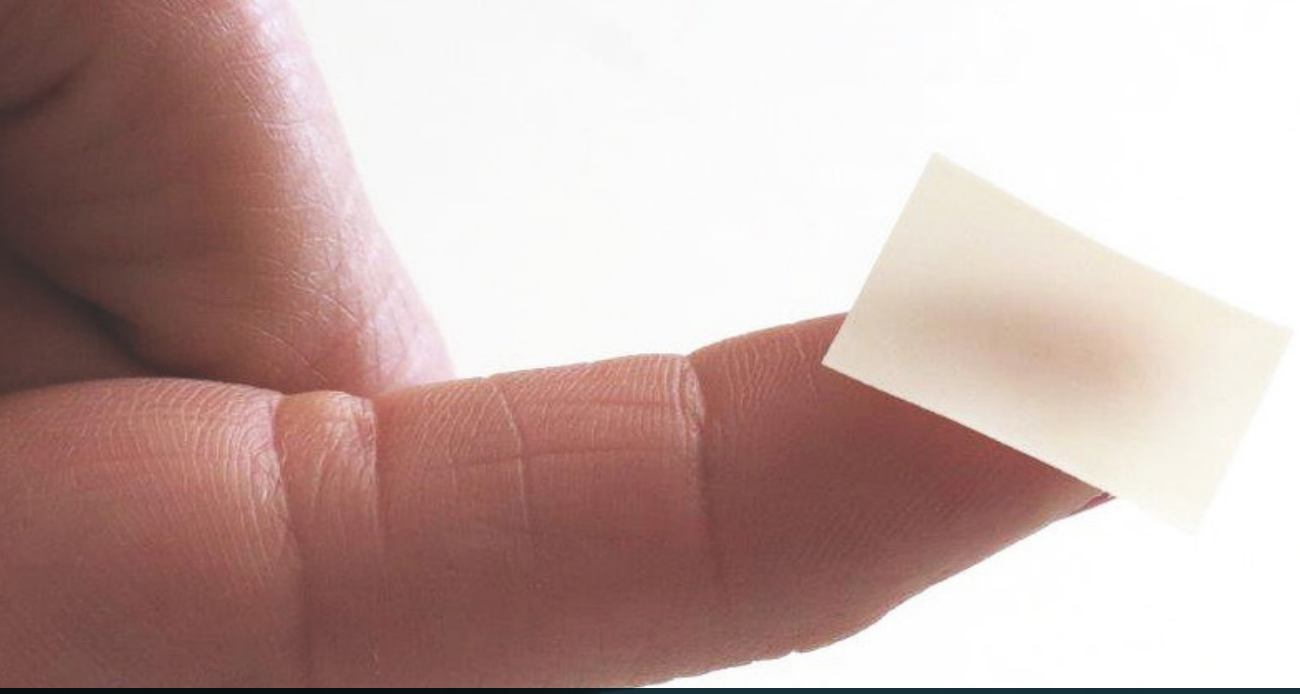
Business model

Our strategy is to conduct research together with paying partners in all our research. We call this a "collaborative business model" with a focus on working together with partners who pay for the development of individual projects. This strategy is important to Klaria, as we see it as the best way for a drug development company with a technology platform to conduct research and development. Of the many advantages this strategy has, these are the three most important:

1. R&D becomes a source of income instead of a source of cost because the research is paid for by the partner. This means that we do not need to raise capital from our owners to pay for the research, instead we raise this capital directly from our partners or customers.

2. The company owns parts of all projects in the form of royalty and/or part ownership. Our long-term goal is to own a portfolio of valuable royalty streams from approved pharmaceuticals. With this model, we can get there with a minimum of risk and capital requirements, seen from our owners' perspective.

3. We only carry out projects where there is already strong interest from other pharmaceutical companies. It becomes a screening process at the very beginning of a project, as we must convince both researchers and commercial teams at a foreign pharmaceutical company to dedicate resources and capital to the project. This differs from the model many other biotech companies use, where they work alone for many years on a project and then try to identify a partner. This is a very risky process. The projects can fail, capital must be secured from investors and finally, even if everything goes well, it is difficult to know today what pharmaceutical companies might be interested in five or six years into the future.



Klaria's operations, cont.

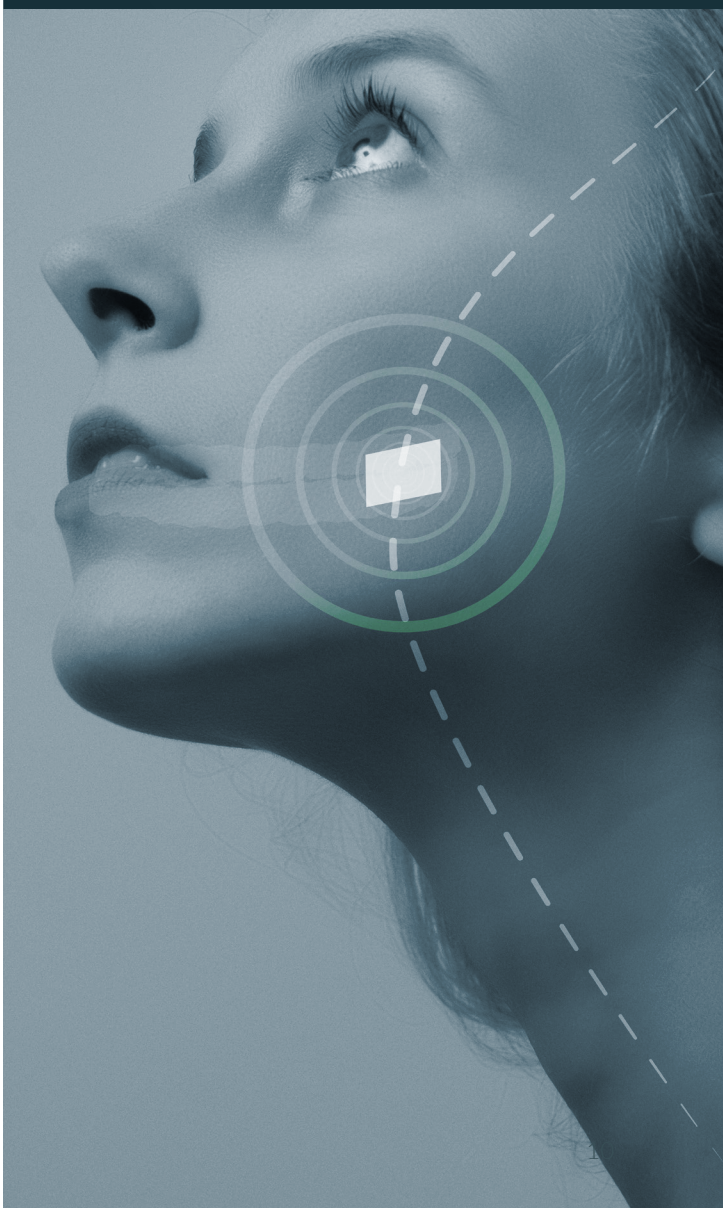
Klaria's drug delivery platform

Klaria's unique and patented drug delivery platform consists of an alginate-based polymer film that enables the absorption of a product's active substance through the oral mucosa. The film is similar to a stamp and is attached to the inside of the cheek or palate. Within ten minutes, the active substance is distributed directly into the bloodstream.

Klaria's Alginate Films offer several clear advantages to nasal sprays and injections:

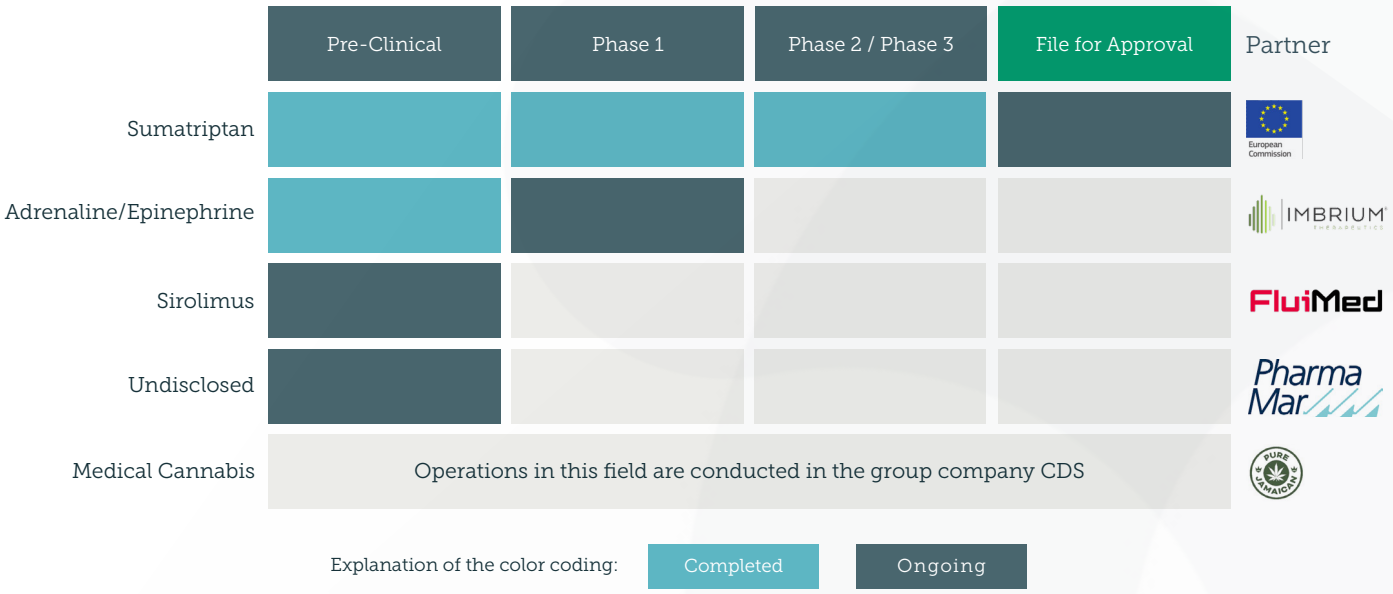
- The convenient size makes the films easy to carry around, enabling a dramatic improvement in cases such as patients with severe allergies, who currently have to bring a large injector with them.
- Patients, caregivers and families do not have to worry about injections. Needle phobia is a widespread problem, in addition to the risks of using needles including spreading of infections.
- The dosage will be more precise compared to nasal sprays as the substance takes a more direct route into the bloodstream. Any risk of the patient vomiting and losing the drug dose is eliminated.

> The film is similar to a stamp and is attached to the oral mucosa. Within ten minutes, the active substance is distributed directly into the bloodstream.



Pipeline for Klaria's development projects

- Collaboration based business model
- Focus where our technology solves unmet medical needs



Sumatriptan

Klaria's Sumatriptan Alginate Film is a novel treatment for migraine. The film achieves transmucosal delivery of Sumatriptan, giving it unique and valuable benefits compared to any other currently available treatments. This is especially true for the 80 percent of migraine patients who suffer from nausea.

In 2018, Klaria received a grant of 21 MSEK in total from the innovation focused EU Horizon 2020 program. The most recent milestone payment was received in fourth quarter of 2021.

Klaria initiated a bioequivalence registration study in the fourth quarter of 2020, and positive results were presented in May 2021. Sumatriptan Alginate Film demonstrated both bioequivalence against two EU/US approved sumatriptan nasal spray products, and a reduced the inter-subject variability.

In November 2022, the company submitted an application for marketing authorization (Marketing Authorization Application, MAA) for Sumatriptan Alginate Film for the treatment of migraine within the EU. In January 2023, the company received a positive validation of the submission, and approval for markets in Germany, Italy and Spain was received in August 2024. Further authorizations within the EU will be through the Mutual Recognition Procedure (MRP) and Repeat Use Procedure (RUP) established between European states (including the UK) for recognition of an approved medication in any other member state.

In January 2025, Klaria announced that the company has signed a license agreement for Sumatriptan Alginate Film with CNX Therapeutics Limited. The agreement gives CNX Therapeutics the right to market and sell the Product in Europe and the UK under its own brand and product name, and the parties plan an initial launch in Germany, Spain and Italy in the second half of 2025 with further expansion in 2026.

In the U.S., Klaria has engaged Healthcare Capital Mergers (HCM) as advisor to identify the best possible marketing partner for the company. Healthcare Capital Mergers has extensive experience within the sale of companies and licensing of products in the pharmaceutical and healthcare sector.

Klaria's operations, cont.

Adrenaline/Epinephrine

Klaria's Adrenaline Alginate Film project aims to: 1. Replace EpiPen (aged incumbent technology with expensive and bulky auto-injector pen) with adrenaline/epinephrine formulated into Klaria's Alginate Film. 2. Disrupt the $4.2 billion/year product EpiPen by offering a superior product with added value for the patient for the benefit of all patients. 3. Become the market leader. This potential makes Epinephrine Alginate Film a massive commercial opportunity for Klaria.

In March 2021, Klaria signed an option agreement with Imbrium Therapeutics for the US marketing rights of Epinephrine Alginate Film. Should Imbrium exercise its option after completion of clinical studies by Klaria, Klaria will be eligible to receive USD 66,5 million (SEK 560 million) in milestone payments as well as a double-digit royalty on the United States net sales.

Cannabis Delivery Sciences

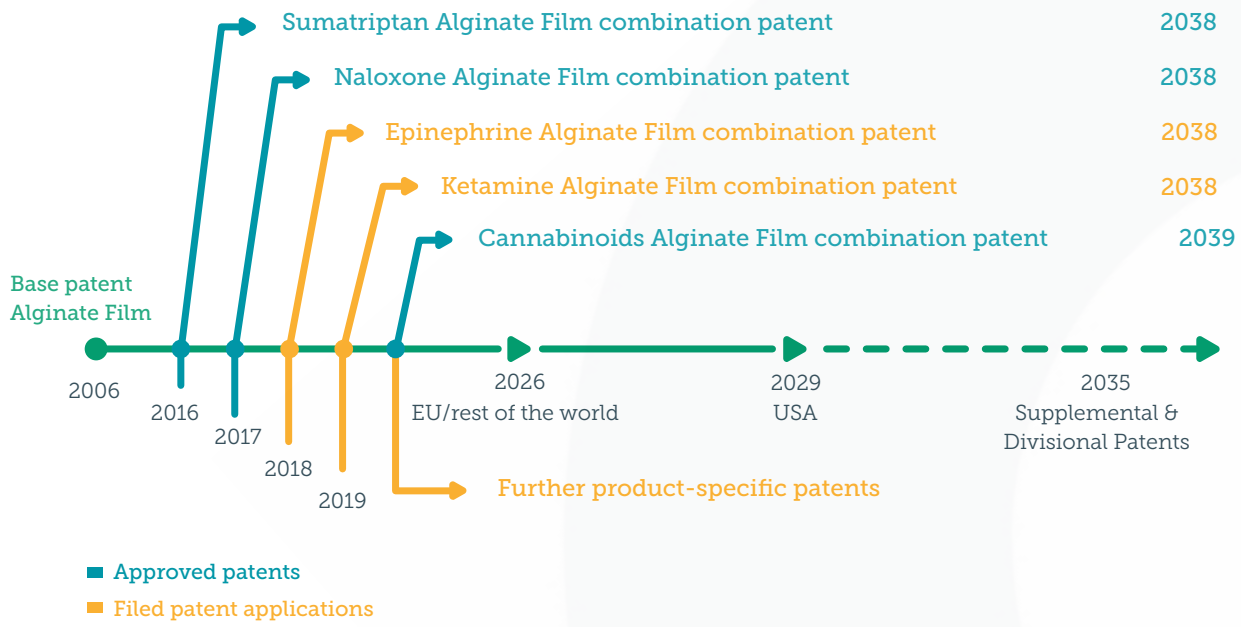
Cannabis Delivery Sciences (CDS) is a separate entity operating within the Klaria group, with the mission to fully realize the commercial opportunities of cannabis/cannabinoids in Klaria's unique film technology. The company has signed an agreement with Pure Jamaican Limited for the commercialization of cannabinoids in Klaria's film technology, followed by sales as a part of the partner's product portfolio. More information is available on CDS's website, www.cannabisdeliverysciences.com.

"The large market and the unique advantages of Klaria's alginate film technology make Adrenalin Alginate Film a great commercial opportunity for Klaria.

Intellectual property rights

Klaria owns a patent portfolio that protects the unique Alginate Film technology which the company's drug delivery platform is based on. To further extend this protection, Klaria is continuously adding project-specific patent protection covering the combinations created within each project.

Klaria's patent families and overall strategy



Business Plan for Sumatriptan Alginate Film

	2024	H1 2025	H2 2025	2026	2027
Europe including the UK	Market approval for main markets in Europe	License agreement for Europe incl. the UK with CNX	Initiated sales in multiple European countries	Initiated sales in additional European countries	Sales in large parts of Europe incl. the UK
United States		Agreement with transaction partner in the U.S.	Identification of potential licensing partners	License agreement for the U.S.	Market approval and initiated sales in the U.S.

In-house development to commercial partnerships, customer-financed R&D collaborations and out-licensing

Klaria's collaborative business model means that the company focuses on externally financed collaborations that can lead to royalties based on global sales. Depending on the available funding opportunities, complexity and cost of clinical studies, Klaria can choose to conduct its own development, which is financed by, for example, EU grants all the way to market approval, conduct customer-funded R&D collaborations or license out entire projects.

Grant financed inhouse development and commercial partnerships

By taking selected projects all the way to market approval, with financing from for example EU programs, Klaria is able to create substantial value that can be realized in the form of commercial agreements with one or several partners.

This business model is currently used for Sumatriptan Alginate Film against migraine-related pain.

Customer-financed R&D collaborations

Customer-funded R&D collaborations enable Klaria to utilise capital and in some cases development resources from a strong partner, while the company ensures that there is a concrete medical and financial interest from a pharmaceutical company for all development projects.

This model is Klaria's main focus, and the company currently has three customer-financed R&D projects in its portfolio (Adrenalin Epinephrine Alginate Film with Imbrium Therapeutics, Sirolimus Alginate Film with FluiMed, and an currently undisclosed PharmaMar compound formulated in an Alginate Film with PharmaMar).

Out-licensing

For projects that are outside Klaria's main focus area and/or require significant external development and financial resources in order to reach the market, out-licensing is often the most suitable option. This means that an external partner takes over the entire development project or parts of it, and thus also the financing responsibility.

Cannabis/cannabinoids is one area where Klaria primarily aims to sign licensing agreements through the group company Cannabis Delivery Sciences (CDS). The company has signed an agreement with Pure Jamaican Limited for the commercialization of cannabinoids in Klaria's alginate film technology, followed by sales as a part of the partner's product portfolio.

Sumatriptan Alginate Film for migraine-related pain

In November 2022, Klaria submitted an application for marketing authorization in the EU for its lead project Sumatriptan Alginate film (KL-00119) based on the excellent results obtained from the registration-based bioequivalence study completed in 2021, and in August 2024, approval was obtained for markets in Germany, Italy and Spain. Further authorisations within the EU will take place through the Mutual Recognition Procedure (MRP) and the Repeat Use Procedure (RUP) established between European states (including the UK) for the recognition of an authorised pharmaceutical product in another member state.

In January 2025, Klaria announced that the company had signed a license agreement for Sumatriptan Alginatfim with CNX Therapeutics Limited. The agreement gives CNX Therapeutics the right to market and sell the product in Europe and the UK under its own brand and product name.

This means that Klaria now belongs to the exclusive group of Swedish companies that have taken a pharmaceutical product all the way from invention to use in patients.

Ready for initial launch in Europe and more commercial agreements

CNX Therapeutics and Klaria are now planning an initial market launch in Germany, Spain and Italy in the second half of 2025, with further expansion in 2026.

In 2025, Klaria will also have a strong focus on signing more agreements for markets outside Europe. This includes a higher pace in the United States. With a clear plan for the registration in the United States, strong IP rights and market approval in the EU, the conditions to be able to sign an agreement for the U.S. market are already in place. In March 2025, Klaria engaged Healthcare Capital Mergers as an advisor to identify the best possible marketing partner in the United States.

Positive clinical study results with potential for further development in the United States

At the end of November 2020, Klaria started a bioequivalence registration study with Sumatriptan Alginate film to collect the necessary data for a market application. The first dosing of patients within the framework of the study was carried out on December 15, and positive results were presented in May 2021. Sumatriptan Alginate Film demonstrated both bioequivalence compared to two EU/USA approved comparator products with sumatriptan formulated in nasal spray and a lower variability between study participants.

Since positive study results were obtained against comparison products that are approved in both Europe and the United States, the succesful bioequivalance study has created the foundation for finding a strong partner in the future who can take the product to market approval and launch it in the United States as well.

Market potential – Migraine-related pain

According to the WHO, 12 percent of the global population suffer from recurrent migraines. In reality, this condition is even more common as it is both under-diagnosed and under-treated.

A billion-dollar market – with the United States in focus

The global market for medication for treating migraine amounted to around 38 billion SEK in 2019.The global market is currently dominated by medications based on so-called triptans, which make up around 85 percent of all prescribed migraine medication. Triptans are taken either as a tablet, nasal spray or by injection.

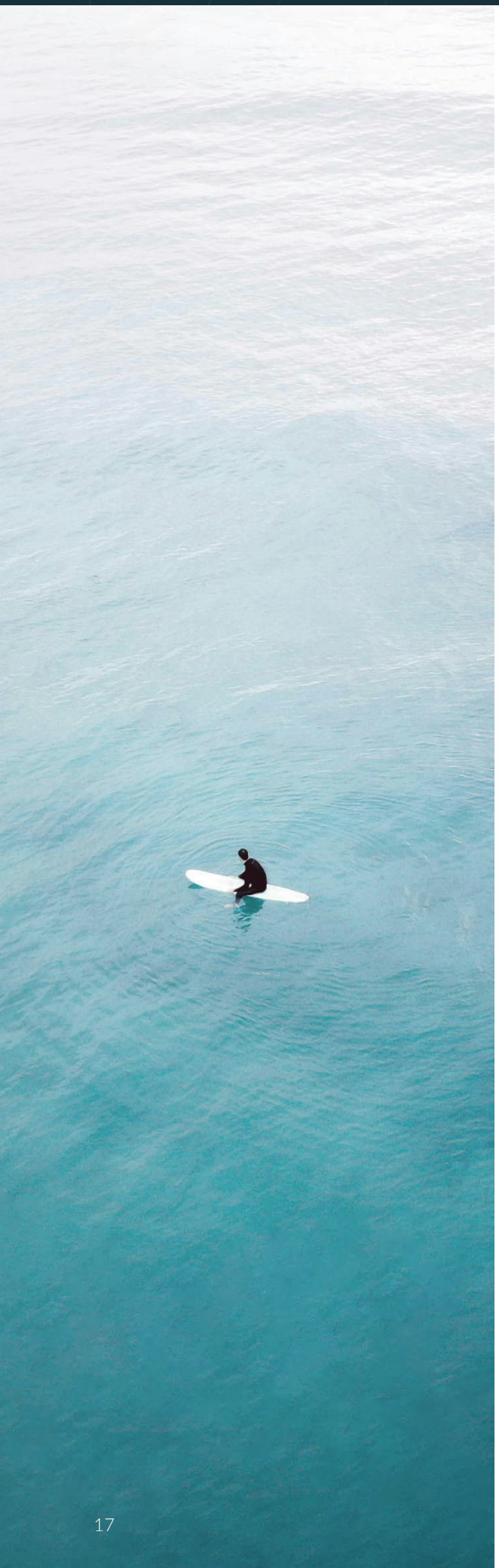
Geographically, the United States is in a league of its own with around 80 percent of the global market. Triptans make up around 80 percent of this market and DHE substances are responsible for around 18 percent[1]. In both of these categories, the patents behind the market leading pharmaceuticals to date have expired. This has opened up possibilities for new companies offering innovative concepts and improved patient benefits.

Increasing market shares for alternative drug delivery methods

Traditional tablets which are swallowed still dominate the market, but as vomiting and reduced intestinal activity are common during migraine attacks, alternative drug delivery methods such as nasal sprays and injections have become more common thanks to significant patient benefits.

Injection provides a rapid and reliable effect, but many patients find injecting themselves to be unpleasant. Nasal sprays also provide a relatively rapid effect, but some patients find them unpleasant and may experience vomiting when the dose is transported from the sinuses into the throat. This means that Alginate films, that are absorbed via the oral mucosa, have the potential to become an attractive alternative.

1 Global Migraine Drugs Market – 2016-2020, 2016, Technavio Research



Adrenaline Alginate Film for acute treatment of severe allergic reaction

For people with severe allergy or hypersensitivity, it is vital to have access to a dose of adrenaline (epinephrine) for preventative purposes. Injectors available on the market today, including the leading product EpiPen, are quite large, difficult to use correctly and frightening for people with needle phobia.

A revolution compared to injectors

Adrenaline Alginate Film (KL-01401) is a completely new type of emergency treatment that is practical and easy to bring at all times, while having a shorter time to effect and being needle-free. It has the potential to revolutionize the product category for the benefit of both patients and caregivers.

Agreement signed with Imbrium Therapeutics in 2021

In March 2021, Klaria signed an agreement with Imbrium Therapeutics for the US marketing rights of Epinephrine Alginate Film. Should Imbrium exercise its option after completion of clinical studies by Klaria, Klaria will be eligible to receive 66.5 million USD (560 MSEK) in milestone payments as well as a double-digit royalty on the United States net sales.

Up until today, Klaria has received an upfront option payment of 3.5 million USD (30 MSEK) and a payment of 2.6 MSEK in March, 2023 from Imbrium Therapeutics within the framework of the agreement.

Klaria expects to be able to update on this project in 2025.

Market potential – Adrenaline against acute allergic reaction

The global market for acute adrenaline treatment is valued at approx. 50 billion SEK in 2025, and the only product category available is large and often expensive injectors.

Since people with severe allergies or hypersensitivity always need to carry a dose of adrenaline (epinephrine) with them as a precaution, Klaria's adrenaline films have the potential to become a very attractive alternative. Klaria's alginate films are smaller and easier to handle, and many patients feel a great deal of discomfort towards injecting themselves.

In addition to direct sales to patients, a smaller and more easy-to-use adrenaline product also has the potential to achieve success with caregivers and emergency personnel. Parents with allergic children would also benefit greatly from the product.

Management team

Scott Boyer

CEO and member of the Board

Born: 1962

Education: Ph.D, University of Colorado, Boulder – Toxicology. NIH Fogarty International Center Postdoctoral Fellow – Karolinska Institute.

Previous experience: Senior Research Scientist, Pfizer; Chief Scientist, AstraZeneca.

Other current engagements: Managing Director, Chemotargets, S.L

Shareholding: 731,042

Holding of warrants: 0

Hans Richter

CFO

Born: 1949

Education: MBA Uppsala University, B.Sc. Stockholm University

Previous experience: Chairman of the Board of Magelungen Utveckling, Vice President Albihns patentbyrå, CFO Wrigley Chewing Gum, CFO Kancera, CFO IMINT, founder and CFO Professionell Ägarstyrning

Other current engagements: Member of the Board of Icehotel and Gällöfsta, CFO for hire at Adventure Box Technolog.

Shareholding: 81,000

Holding of warrants: 0

Marc Willuhn

Head of CMC (Chemistry, Manufacturing and Control)

Born: 1969

Education: PhD in organic chemistry at the Max Planck Institute for Coal Research in Germany, thereafter post-doctoral research at the Faculté de Pharmacie in Paris.

Marc Willuhn has previously held the position as VP R&D at Fresenius Kabi and Head of the Innovation & Development Centre in Uppsala, Sweden. Prior to that, he was Director of Process Development at Baxter Healthcare. Earlier in his career, Marc Willuhn worked in chemical development at Schering AG and Sigma-Aldrich.

Shareholding: 25,000

Holding of warrants: 0

The Board of Directors

Fredrik Hübinette

Chairman of the Board, inventor behind and founder of Klaria Pharma Holding, Nicoccino Holding AB and UppsalaGruppen AB.

Born: 1969

Education: Chemistry Economy at Uppsala University.

Previous experience: Has held leading positions within different biotech companies since the late 1990s.

Main occupation: Responsible for patents, innovation and product development in the Klaria group.

Shareholding: 3,796,375

Holding of warrants: 0

Independent: Dependent in relation to the company as well as major shareholders.

Other current engagements: Chairman of the Board of Nicoccino Holding.

Anders Jacobson

Member of the Board

Born: 1967

Education: Master of Science in Engineering, Technical Physics, Uppsala University

Previous experience: Extensive life science R&D experience. Has held vaious senior positions in companies and on supervisory boards within life science and technical consulting for over 15 years, focusing on research and development, manufacturing, and technical sales.

Main occupation: Chief Innovation Officer, Senzime

Shareholding: 0

Holding of warrants: 0

Independent: Independent in relation to both the company and management as well as major shareholders.

Scott Boyer

CEO and member of the Board

Born: 1962

Education: Ph.D, University of Colorado, Boulder – Toxicology. NIH Fogarty International Center Postdoctoral Fellow – Karolinska Institute.

Previous experience: Senior Research Scientist, Pfizer; Chief Scientist, AstraZeneca.

Other current engagements: Managing Director, Chemotargets, S.L

Shareholding: 731,042

Holding of warrants: 0

Independent: Dependent in relation to the company, independent in relation to major shareholders.

Klaria Holding AB (Publ)'s share is listed on First North under the short name KLAR with ISIN code SE0007280326. Klaria's ICB category is Subsector 4577. FNCA Sweden AB is the company' Certified Advisor. As of December 31 2024, the number of shareholders in the company amounted to approximately 2,400.

Dividend and dividend policy

Klaria is in an expansion phase. The Board of Directors will not propose any dividend to the shareholders until Klarias' earnings, cash flow, financial position and capital requirements together justify this.

Shareholders

As of December 31 2024, the number of shareholders amounted to approximately 2,400.

Share capital

As of December 31, Klaria's share capital amounts to 2,412,646.18 SEK distributed over 144,758,771 outstanding shares.

The shares in Klaria are not, and have not been, the subject of an offer as a result of a mandatory bid, redemption right or solution. The shares have not been the subject of any public offer. The shares have been issued in accordance with Swedish legislation and are denominated in Swedish kronor. There are no pre-emption clauses, refusal clauses or other restrictions on the transfer of shares.

The shareholders

Name	Number of shares held	Holding/votes (%)
Sven-Olov Hjälmstad	12,050,500	8.30%
Avanza Pension	8,285,982	5.70%
Ålandsbanken	7,165,948	5.00%
Nordnet Pensionsförsäkring AB	6,361,774	4.40%
Bo Millstam	5,781,610	4.00%
SEB AB, Luxemburg Branch	4,600,000	3.20%
Jack Weil	4,053,785	2.80%
Promenaden Invest AB	4,000,000	2.80%
Djerdu Invest AB	4,000,000	2.80%
Fredrik Húbinette	3,796,375	2.60%
Other	84,662,797	58.50%
In total	**144,758,771**	**100.00%**

All business activities and all ownership of shares are associated with risks. The following describes a number of risk factors that may affect the company's future development. These are not ranked, nor do they claim to be comprehensive. Risk factors that have not yet been identified or have not been considered significant may nevertheless affect the company's future development.

Risks related to the business and the industry

Klaria's business concept is to combine the company's patented drug delivery technology with well-proven substances in different therapeutic areas where there are unmet medical needs. The company's products require continued research and development as well as regulatory approval before they can generate revenues. The risk level is thus high and there is no guarantee that the company's product development will be successful, that potential products will be safe and effective, that the required permits will be obtained or that the drugs that are launched on the market will be well received.

In order to obtain a marketing authorization, the company must demonstrate that these product candidates are safe and effective through adequate and well-controlled clinical studies. The company cannot predict with certainty when these studies will be completed or even implemented. This type of development is time-consuming and is influenced by a variety of factors, including those that are outside the company's control. During the development work, it may turn out that the company's product candidates do not have the expected effect or that they prove to have unforeseen and undesirable side effects or other properties that can delay or stop the continued product development, and limit or prevent the product candidate's commercial use.

Unforeseen study results can lead to the concept and development program having to be reviewed, which means that further studies may be required at significant costs, or that development programs are closed. This can lead to delayed launches or missing registrations of the company's product candidates, which in that case would have a negative impact on the company's earnings, and financial position.

Regulatory risks

Development, marketing, and sales of pharmaceuticals are subject to extensive regulation and legislation. The company cannot safely predict whether, where, when and how these rules will change and whether such changes can adversely affect the company. For the company to be able to sell pharmaceuticals in the long term, market approval must be obtained for each geographic market.

The company cannot predict with certainty which complementary clinical studies must be carried out for different markets, that the manufacturing process will be approved, the time it takes to obtain market approval and that market approval with certainty will be obtained in the markets the company wishes. In this regard, Klaria, like other companies in the pharmaceutical industry, is dependent on assessments and decisions from relevant authorities, such as the Medical Products Agency (Läkemedelsverket) in Sweden, the Food and Drug Administration (FDA) in the US or the European Medicines Agency (EMA) in the EU. Such assessments include, among other things, permission to carry out clinical trials and permits to market and sell pharmaceuticals.

An application for market approval of the company's products as a pharmaceutical requires extensive documentation regarding clinical results, quality assurance and that production meets current regulations for instance. Although the company establishes large parts of this documentation in parallel with the clinical studies, it cannot be ruled out that unforeseen circumstances can cause delays, which would result in applications for market approval being submitted later than expected. Authorities may request additional information or have other views on the company's applications, which means that the time of any market approval is associated with uncertainty. It cannot be ruled out that the company may need to make submit additional information, which can be time-consuming and result in unforeseen costs.

Side effects

The company's main area of operation is within development and sales of medical products, which entails risks that persons who either consume or participate in clinical studies with the company's products or otherwise come in to contact with the company's products suffer from side effects. The consequence of such potential side effects can delay or stop the continued process of obtaining market permits in different markets, imply sales interruptions and thus affect the company's sales, earnings and financial position. Also, it can not be ruled out that the company may be sued by people who suffer from side effects, which may lead to the company being obliged to pay damages.

Competition

The company operates in an industry that is characterized by fierce competition and it cannot be guaranteed that the company's products will be preferred over competing companies' existing or future products on the market. Nor can it be ruled out that competing companies may develop equivalent or better products.

Future products in development of other companies can lead to increased competition and reduced opportunities for the company's products in terms of market share and price. Mentioned uncertainties entail risks that may adversely affect the company's expected sales, earnings and financial position.

Partners and distribution channels

The company's growth is largely deemed to be dependent on the establishment of partnerships with distributors, retailers and other distribution channels. The company cannot guarantee that agreements can be entered into on favourable terms or that agreements entered into are held by the counterparties. If important collaborations cannot be concluded, are terminated or work unsatisfactorily, this can adversely affect the company's continued development, growth and financial position. The company can also be adversely affected if business-critical systems go down or fail.

Product liability and insurance

The company's operations entail risks for product liability. The company will maintain product liability insurance for products where it is considered important. However, any claims for damages directed against the company in the event of damage caused by the company's products or product candidates may exceed the amounts that are reimbursed by the company's insurance. Furthermore, it cannot be ruled out that the company's product liability insurance will not cover a claim for damages. If the company becomes liable for damages in addition to what is covered by the company's insurance, this can adversely affect the company's earnings, and financial position.

Patents, trademarks and know-how

In the business segment where Klaria is active, there is always a risk that the company's patents, in-licensed patent rights or other intellectual property rights do not provide sufficient protection for the company, or that the company's rights cannot be maintained.

Furthermore, patent infringement may occur, which can lead to costly disputes. The outcome of such disputes cannot be guaranteed in advance. Negative outcomes of disputes over intellectual property rights can lead to lost protection for the losing party, the prohibition of continuing to exercise the right in question or obligation to pay damages.

The company's patent has not yet been approved in all countries where an application has been made and there are no guarantees that this will be the case.

Although the company uses non-disclosure agreements and strives to internally retain knowledge and control of the most sensitive components in the production of the company's products, there are no guarantees that uncontrolled distribution and copying of the company's production methods will not occur. Such uncontrolled distribution and copying could damage the company if it is used to produce competing products or if it is used commercially without financial compensation for Klaria.

Klaria is largely dependent on the company's senior executives and other key personnel. If the company lost any of its key employees, this could have a negative impact on the company's expansion and growth.

Business operations

Klaria Pharma Holding AB was formed in 2015. Klaria AB runs the operations with offices and laboratory operations in Uppsala and has employed 4 people in 2024.

Klaria Pharma Holding AB develops and commercializes a new generation of medications for migraine and cancer-related pain as well as opioid overdose and anaphylactic shock. Klaria's concept is based on a patented drug delivery film whics is combined with clinically tested and well-proven active substances. The combination enables the creation of medication with a direct and reliable effect.

The share is traded on NASDAQ OMX First North and the number of shareholders amounts to approximately 2,400. FNCA Sweden AB is the company's Certified Adviser.

Company information

Klaria Pharma Holding AB (publ) (corporate ID 556959-2917) is a Swedish-registered limited liability company with its registered office in Stockholm. The parent company's shares are registered on NASDAQ First North Stockholm. The address of the head office is Virdings Allé 2, 754 50 Uppsala. The Board's registered office is located in Stockholm.

The group's operations are mainly conducted in Sweden. The group consists of the parent company Klaria Pharma Holding AB, Klaria AB, Klaria Incentive AB, CDS Functional Film AB (95%), Uppsalagruppen Medical AB, Karessa Pharma AB, Karessa Incentive, FFT Pharmaceuticals AB i Stockholm and WBC Drug Delivery Technologies GmbH in Munich.

As the company has signed a license agreement for Sumatriptan Alginate Film in Europe with CNX Therapeutics, instead of having divested the Sumatriptan business, as was the intention in 2023 and 2024, the figures for 2023 relating to operations for sale have been reclassified to continuing operations.

Result and financial position

Sales, earnings and cash flow, remaining operations

The group's net sales for the entire year totalled 2.2 MSEK (8.5 MSEK). Other operating income amounted to 0.1 MSEK (0.5 MSEK). The net result amounted to -47.8 MSEK (-35.8 MSEK) or -0.38 SEK (-0.36 SEK) per share for the year. Cash flow from operations for the period amounted to -11.9 MSEK (-9.1 MSEK) or -0.10 SEK (-0.09 SEK) per share.

Liquidity and financial position

At year-end, the group's cash and cash equivalents amounted to 0.6 MSEK (1.2 MSEK). The group's equity at year-end amounted to 3.3 MSEK (41.1 MSEK) and the equity/assets ratio was 6% (56%).

Significant events during the year

Set-off issue in Klaria Pharma Holding AB (publ)

On May 15, Klaria Pharma Holding's board decided on a set-off issue of approximately 4 million SEK in total regarding part of the claims the company has to lenders. The decision was made with the support of authorization decided on by the annual general meeting 2023. In total, the number of shares increased by 23,258,248.

Klaria Sumatriptan Alginate Film receives marketing authorization in Germany, Italy and Spain

On August 14, Klaria announced that the company had received notification from the German Federal Institute for Drug and Medical Devices (Bundesinstitut für Arzneimittel und Medizinprodukte, BfArM) that the review process of Sumatriptan Alginate Film has been concluded, and that marketing authorization for the treatment is granted for migraine with and without aura.

Set-off issue in Klaria Pharma Holding AB (publ)

On October 4, the company's board of directors decided on a set-off issue to the company's lenders for a total of 6 MSEK regarding part of the claims the company has to these lenders. The decision was made with the support of authorization decided on by the annual general meeting in 2024. The set-off issue increases the number of shares by a total of 15,000,000.

Significant events after the end of the period

Klaria signs license agreement for Sumatriptan Alginate film in Europe with CNX Therapeutics

On January 10, Klaria announced that the Company has signed a license agreement for Sumatriptan Alginate Film, a pharmaceutical product based on Klaria's patented alginate films for fast and reliable administration via the oral mucosa, which is approved in Germany, Spain and Italy for the treatment of migraine with or without aura, with CNX Therapeutics Limited. The agreement gives CNX Therapeutics the right to market and sell the Product in Europe and the UK under its own brand and product name, and the parties plan an initial launch in Germany, Spain and Italy in the second half of 2025 with further expansion in 2026.

The agreement gives Klaria an up-front payment of EUR 750,000, milestone payments of approx. EUR 500,000 - 1,250,00 based on pricing per geographic market for the first 8 countries, as well as a double-digit royalty based on sales revenue. Furthermore, negotiable milestone payments are possible when expanding the market territory within the EEA.

In addition to the license agreement, Klaria has a long-term business relationship with AdhexPharma SAS, a leading CDMO located in France and Germany, as the parties' production partner. Today, AdhexPharma has an annual production capacity of 200 million units, with plans to scale up to meet market demand for Sumatriptan Alginate Film.

Klaria engages Healthcare Capital Mergers as advisor in the U.S.

On March 25, it was announced that Klaria has engaged Healthcare Capital Mergers (HCM) as advisor to identify the best possible marketing partner for the company's EU-approved migraine product in the United States. Healthcare Capital Mergers has extensive experience within the sale of companies and licensing of products in the pharmaceutical and healthcare sector. Klaria believes that HCM, with its long experience and large network of contacts, gives the company a good opportunity to achieve the highest possible impact for the company's migraine product at the best possible price in the important U.S. market.

The parent company Klaria Pharma Holding AB (publ)

Klaria Holding AB (publ), corporate ID 556959-2917 is the parent company of the group. The group's operations are mainly conducted in the subsidiary Klaria AB and consist of the development of products in the therapy areas of migraine and cancer-related pain as well as opioid overdose and anaphylactic shock. The parent company's operations consist of administration and brand marketing.

The parent company Klaria Pharma Holding AB's net profit amounted to -80.6 MSEK (-24.9 MSEK). During the year, group contributions to subsidiaries amounted to 11.0 MSEK (12.5 MSEK). The parent company's cash and cash equivalents at the end of the period amounted to 0.1 MSEK (0.5 MSEK). The equity in the parent company at the end of the year was 80.6 MSEK (151.2 MSEK) and the equity/assets ratio was 61% (80%).

Proposed appropriation of retained earnings (SEK)

At the disposal of the Annual General Meeting, the following funds and the profit/loss for the year in the parent company are available.

Share premium reserve	**158,781,044**
Profit/loss for the year	**-80,571,708**
Total non-restricted equity	**78,209,336**

The Board proposes that the profit/loss for the year be carried forward. After the disposal non-restriced equity amounts to:

Share premium reserve	**78,209,336**
Total non-restricted equity	**78,209,336**

With regard to the company's financial position and performance in other respects, refer to the following income statement, balance sheet and cash flow statements, as well as the accompanying notes.

Accounts and notes

As the company has signed a license agreement for Sumatriptan Alginate film in Europe with CNX Therapeutics, instead of having divested the Sumatriptan business, as was the intention in 2023 and 2024, the figures for 2023 relating to operations for sale have been reclassified to continuing operations.

Financial development in summary

TSEK (unless otherwise stated)	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Net sales	2,248	8,454
Operating costs	-33,533	-40,851
Operating profit/loss	-31,207	-31,849
Profit/loss after financial items	-47,732	-35,841
Profit/loss after tax	-47,750	-35,841
Cash flow from current operations	-11,907	-9,058
Cash and cash equivalents on the balance sheet date	598	1,247
Equity on the balance day	3,305	41,133
Key ratios		
Return on equity, %	neg	neg
Return on capital employed, %	neg	neg
Profit/loss per share before and after dilution, SEK	-0.38	-0.36
Profit/loss per share, SEK	-0.10	-0.09
Solidity	6%	56%
Equity per share, SEK	0.02	0.39
Number of employees at the end of the period	4	6

Multi-year overview

TSEK (unless otherwise stated)	2024-01-01 2024-12-31	2023-01-01 2023-12-31	2022-01-01 2022-12-31	2021-01-01 2021-12-31	2020-01-01 2020-12-31	2019-01-01 2019-12-31	2018-01-01 2018-12-31	2017-01-01 2017-12-31	2016-01-01 2016-12-31	2015-01-01 2015-12-31
Net sales	2,248	8,454	5,868	0	0	4,223	0	2,275	0	0
Operating costs	-33,533	-40,851	-61,511	-87,628	-56,735	-32,677	-28,115	-24,472	-24,377	-10,681
Operating profit/loss	-31,207	-31,849	-54,974	-50,109	-48,738	-21,092	-27,293	-21,825	-24,029	-10,369
Profit/loss after financial items	-47,732	-35,841	-63,657	-53,545	-51,410	-22,492	-27,306	-21,568	-24,104	-10,370
Profit/loss after tax	-47,750	-35,784	-63,774	-53,534	-51,439	-22,492	-27,306	-21,568	-24,104	-10,370
Cash flow from operating activities	-11,907	-9,058	-49,729	-24,797	-35,296	-14,796	-9,139	-12,060	-14,393	-4,429
Cash and cash equivalents on the balance sheet date	598	1,247	16,761	25,491	31,251	2,917	7,959	17,098	31,100	45,633
Equity on the balance day	3,305	41,133	76,081	69,415	109,593	82,108	94,700	122,006	145,708	169,812

Key ratios

TSEK (unless otherwise stated)	2024-01-01 2024-12-31	2023-01-01 2023-12-31	2022-01-01 2022-12-31	2021-01-01 2021-12-31	2020-01-01 2020-12-31	2019-01-01 2019-12-31	2018-01-01 2018-12-31	2017-01-01 2017-12-31	2016-01-01 2016-12-31	2015-01-01 2015-12-31
Return on equity, %	neg	neg	neg	neg	neg	neg	neg	neg	neg	neg
Return on capital employed, %	neg	neg	neg	neg	neg	neg	neg	neg	neg	neg
Profit/loss per share before and after dilution, SEK	-0.38	-0.36	-1.10	-1.03	-1.19	-0.72	-0.89	-0.71	-0.80	-0.35
Cash flow per share, SEK	-0.10	-0.09	-0.15	-0.11	0.65	-0.16	-0.30	-0.46	-0.48	2.64
Solidity	0.06	0.56	0.63	0.59	0.83	0.81	0.89	0.98	0.99	0.99
Equity per share, SEK	0.02	0.39	0.97	1.34	2.12	2.56	3.08	3.96	4.86	5.66
Number of employees at the end of the period	4	6	6	6	6	4	4	3	3	2

The multi-year overview is adjusted with accumulated depreciation for right-of-use assets from June 2015.

Consolidated income statement and comprehensive income

TSEK (unless otherwise stated)	Note	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Operating income			
Net sales	**Note 2**	**2,248**	**8,454**
Other operating income	Note 3	78	548
Operating costs			
Administrative costs	Note 4	-10,132	-14,106
Sales costs	Note 5	-1,296	-1,799
Research and development costs	Note 5	-22,105	-24,946
Total operating costs		**-33,533**	**-40,851**
Operating profit/loss		**-31,207**	**-31,849**
Earnings from financial investments			
Financial revenues	Note 6	9	7
Financial costs		-16,534	-3,999
Financial net		**-16,525**	**-3,992**
Profit/loss before tax		**-47,732**	**-35,841**
Tax	Note 8	-18	57
Profit/loss for the year		**-47,750**	**-35,784**
Other comprehensive income			
Items to be reclassified to profit/loss for the year			
Items to be reclassified to profit/loss for the year, translation differences		-60	-41
Other comprehensive income for the year		**-60**	**-41**
Comprehensive income for the year		**-47,810**	**-35,825**
Profit/loss for the year attributable to:			
The parent company's shareholders		-47,750	-35,784
Non-controlling interest		0	0
Profit/loss for the year		**-47,750**	**-35,784**
Comprehensive income for the year attributable to:			
The parent company's shareholders		-47,810	-35,825
Non-controlling interest		0	0
Comprehensive income for the year		**-47,810**	**-35,825**
Profit/loss per share before and after dilution	**Note 9**		
Group total		-0.38	-0.36
Average number of shares before dilution (thousands)		124,620	100,798
Average number of shares after dilution (thousands)		124,620	100,798
Number of shares by the end of the year, thousands		144,759	106,501

Consolidated balance sheet

TSEK (unless otherwise stated)	Note	2024-12-31	2023-12-31
Assets			
Non-current assets			
Intangible assets			
Intellectual property rights	Note 10	52,945	68,105
Tangible fixed assets			
Plant and machinery	Note 11	19	27
Financial assets			
Rights-of-use asset	Note 12	1,451	345
Total fixed assets		**54,415**	**68,477**
Current assets	***Note 21***		
Accounts receivable	Note 15	356	532
Other receivables	Note 15	915	1,354
Prepaid expenses and accrued income	Note 15	984	1,337
Total current receivables		**2,255**	**3,223**
Cash and cash equivalents		598	1,247
Total current assets		**2,853**	**4,470**
TOTAL ASSETS		**57,268**	**72,947**
Equity and liabilities			
Equity	***Note 16***		
Share capital		2,413	1,775
Other contributed capital		297,942	279,071
Translation reserve		-123	-63
Retained earnings including profit/loss for the year		-296,929	-239,652
Equity attributable to parent company shareholders		**3,303**	**41,131**
Non-controlling interest		**2**	**2**
Total equity		**3,305**	**41,133**
Liabilities			
Non-current liabilities			
Lease liabilities	Note 12	617	0
Total non-current liabilities		**617**	**0**
Current liabilities	***Note 20, 21***		
Short-term financing	Note 18	21,582	18,932
Accounts payable	Note 17	7,012	5,326
Current part of lease liability	Note 12	870	344
Other liabilities	Note 18	2,080	1,181
Accrued expenses and deferred income	Note 18	21,802	6,031
Total current liabilities		**53,346**	**31,814**
Total liabilities		**53,963**	**31,814**
TOTAL EQUITY AND LIABILITIES		**57,268**	**72,947**

Consolidated cash flow statement (indirect method)

The cash flow statement has been prepared in accordance with the indirect method. The reported cash flow comprises only transactions that entail deposits or payments.

TSEK (unless otherwise stated)	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Operating activities		
Operating profit/loss before financial items	-31,207	-31,849
Received interest	9	7
Paid interest	-28	-18
Adjustments for items not included in the cash flow		
Depreciation	11,219	11,037
Other non-cash items		
- Translation difference	61	41
- Write-down intellectual property rights	4,820	0
- Other	-135	0
Paid tax	49	20
Cash flow from operating activities before changes in working capital	**-15,212**	**-20,762**
Cash flow from changes in working capital		
Increase(-)/decrease(+) in current receivables	968	20,774
Increase(+)/decrease(-) in current liabilities	2,327	-9,070
Cash flow from operating activities	**-11,907**	**-9,058**
Investment activities		
Investments in tangible fixed assets	0	0
Cash flow from investing activities	**0**	**0**
Cash flow before financing activities	**-11,907**	**-9,058**
Financing activities		
New loans	12,650	2,000
Repayment of loans	0	-24,486
Liabilities attributable to financing activities	-1,360	-342
Contributed capital and reduced issuance costs	-18	16,371
Cash flow from financing activities	**11,272**	**-6,457**
Cash flow for the year	**-635**	**-15,515**
Cash and cash equivalents at the beginning of the year	1,247	16,761
Exchange rate differences in cash and cash equivalents	-14	1
Cash and cash equivalents at the end of the year	598	1,247

Consolidated statement of changes in equity

	Share capital	Ongoing new issue	Other contributed capital	Translation reserves	Retained earnings including profit/ loss for the year	Total	Non-controlling interest	Total equity
Opening balance 2023-01-01	**1,306**	**25,626**	**331,388**	**-22**	**-282,217**	**76,081**	**-2**	**76,079**
Comprehensive income								
Allocation of previous year's profit			**-282,217**		**282,217**			
Profit/loss for the year					**-35,784**	**-35,784**		**-35,784**
Other comprehensive income				**-41**		**-41**		**-41**
Comprehensive income for the year	**0**	**0**	**-282,217**	**-41**	**246,433**	**-35,825**	**0**	**-35,825**
Transactions with shareholders								
Correction of opening balance share premium reserve			877			**877**		877
Adjustment of previous year's ongoing new issue		-25,626				**-25,626**		-25,626
New share issue	469		25,157			**25,626**		25,626
Total transactions with shareholders	**469**	**-25,626**	**26,034**	**0**	**0**	**877**	**0**	**877**
Closing balance 2023-12-31	**1,775**	**0**	**75,205**	**-63**	**-35,784**	**41,133**	**-2**	**41,131**
Opening balance 2024-01-01	**1,775**	**0**	**75,205**	**-63**	**-35,784**	**41,133**	**-2**	**41,131**
Comprehensive income								
Appropriation of previous year's profits			-35,784		35,784	**0**		
Profit/loss for the year					-47,750	**-47,750**	0	-47,750
Other comprehensive income				-60		-60		-60
Comprehensive income for the year	**0**	**0**	**-35,784**	**-60**	**-11,966**	**-47,810**	**0**	**-47,810**
Transactions with shareholders								
Adjustment of previous year's ongoing new issue						**0**		0
New share issue	638		9,362			**10,000**		10,000
New issue expeses			-18			**-18**		-18
Total transactions with shareholders	**638**	**0**	**9,344**	**0**	**0**	**9,982**	**0**	**9,982**
Closing balance 2024-12-31	**2,413**	**0**	**48,765**	**-123**	**-47,750**	**3,305**	**-2**	**3,303**

Parent company income statement

TSEK (unless otherwise stated)	Note	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Operating income			
Net sales		**0**	**0**
Other operating income	Note 3	4,922	4,902
Operating costs			
Administrative costs	Note 4	-7,504	-8,920
Sales costs	Note 5	-1,264	-1,168
Research and development costs	Note 5	-1,361	-3,414
Total operating costs		**-10,129**	**-13,502**
Operating profit/loss		**-5,207**	**-8,600**
Profit/loss from financial items	Note 6		
Write-down of shares in subsidiaries		-48,015	0
Interest expenses and similar profit/loss items		-16,383	-3,865
Net interest income		**-64,398**	**-3,865**
Profit/loss after net interest income		**-69,605**	**-12,465**
Group contributions	Note 7	-10,967	-12,457
Profit/loss before tax		**-80,572**	**-24,922**
Tax	Note 8	0	0
Profit/loss for the year		**-80,572**	**-24,922**

Parent company balance sheet

TSEK (unless otherwise stated)	Note	2024-12-31	2023-12-31
Assets			
Non-current assets			
Tangible assets			
Equipment	Note 11	19	27
Financial assets			
Participations in subsidiaries	Note 13	130,324	178,339
Total fixed assets		**130,343**	**178,366**
Current assets			
Receivables from Group companies	Note 14	259	10,000
Other current receivables		100	60
Prepaid expenses and accrued income	Note 15	765	1,146
Total current receivables		**1,124**	**11,206**
Cash and cash equivalents		97	535
Total current assets		**1,221**	**11,741**
TOTAL ASSETS		**131,564**	**190,107**
Equity and liabilities			
Equity	***Note 16***		
Restricted equity			
Share capital, 144,758,771 (106,500,523) shares with a quota value of 0.0167 SEK		2,413	1,775
Ongoing new issue		0	0
Total restricted equity		2,413	1,775
Non-restricted equity			
Share premium reserve		158,781	174,359
Retained earnings		0	0
Profit/loss for the year		-80,572	-24,922
Total non-restricted equity		78,209	149,437
Total equity		**80,622**	**151,212**
Provisions and liabilities			
Current liabilities			
Accounts payable	Note 17	4,423	1,481
Liabilities to group companies		3,557	13,226
Convertible debt	Note 18	21,582	18,932
Other current liabilities	Note 18	652	125
Accrued expenses and deferred income	Note 18	20,728	5,131
Total current liabilities		**50,942**	**38,895**
Total provisions and liabilities		**50,942**	**38,895**
TOTAL EQUITY AND LIABILITIES		**131,564**	**190,107**

Parent company cash flow statement

The cash flow statement has been prepared in accordance with the indirect method. The reported cash flow comprises only transactions that entail deposits or payments.

TSEK (unless otherwise stated)	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Operating activities		
Profit/loss before financial items	-5,207	-8,600
Received interest	0	0
Paid interest	-18	-17
Adjustments for items not included in the cash flow		
Depreciation	8	8
Cash flow from operating activities before changes in the working capital	**-5,217**	**-8,609**
Cash flow from changes in working capital		
Increase(-)/decrease(+) in current receivables	10,082	18,806
Increase(+)/decrease(-) in current liabilities	-6,968	-6,603
Cash flow from operating activities	**-2,103**	**3,594**
Investment activities		
Investments in tangible fixed assets	0	0
Group contributions to subsidiary	-10,967	-12,457
Cash flow from investing activities	**-10,967**	**-12,457**
Cash flow before financing activities	**-13,070**	**-8,863**
Financing activities		
Borrowings	12,650	2,000
Repayment of loans	0	-24,486
Contributed capital	-18	16,371
Cash flow from financing activities	**12,632**	**-6,115**
CASH FLOW FOR THE PERIOD	**-438**	**-14,978**
Cash and cash equivalents, opening balance	535	15,513
Cash and cash equivalents, closing balance	97	535

Parent company statement of changes in equity

TSEK (unless otherwise stated)	Share capital	Ongoing new issue	Share premium reserve	Profit carried forward	Profit/loss for the year	Total equity
Opening balance 2023-01-01	**1,306**	**25,626**	**201,900**		**-53,575**	**175,257**
Appropriation of previous year's profits			-53,575		53,575	
Profit/loss for the year					-24,922	-24,922
Comprehensive income for the year	**0**	**0**	**-53,575**	**0**	**28,653**	**-24,922**
Transactions with shareholders						
Correction of opening balance of share premium reserve			877			877
Adjustment of previous year's ongoing new issue		-25,626				-25,626
New share issue	469		25,157			25,626
Total transactions with shareholders	**469**	**-25,626**	**26,034**	**0**	**0**	**877**
Closing balance 2023-12-31	**1,775**	**0**	**174,359**	**0**	**-24,922**	**151,212**

TSEK (unless otherwise stated)	Share capital	Ongoing new issue	Share premium reserve	Profit carried forward	Profit/loss for the year	Total equity
Opening balance 2024-01-01	**1,775**	**0**	**174,359**	**0**	**-24,922**	**151,212**
Appropriation of previous year's profits			-24,922		24,922	
Profit/loss for the year					-80,572	-80,572
Comprehensive income for the year	**0**	**0**	**-24,922**		**-55,650**	**-80,572**
Transactions with shareholders						
New share issue	638		9,362			10,000
New share issue expenses			-18			-18
Total transactions with shareholders	**638**		**9,344**	**0**	**0**	**9,982**
Closing balance 2024-12-31	**2,413**		**158,781**	**0**	**-80,572**	**80,622**

In RFR 2 Exceptions and additions to IFRS , a general exemption is presented for the parent company regarding certain qualitative disclosure requirements. In cases where the information in the consolidated financial statements is also applicable to the parent company and when the information is provided in such a way that it is clear that they relate to both the group and the parent company, the disclosure requirements from IFRS in the parent company are limited to the requirements that apply to specifications of reported amounts. The limitation does not apply to the disclosure requirements that follow from the Annual Accounts Act.

Note 1 Accounting Policies

Compliance with norms and law

The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the EU. In addition, the Swedish Council for Financial Reporting's (Rådet för finansiell rapportering) recommendation RFR1 Supplementary Accounting Rules for Groups has been applied.

The parent company applies the same accounting principles as the group except in the cases listed below under the section "Parent Company's accounting principles".

The annual report and the consolidated accounts have been approved for issue by the Board of Directors and the CEO on 2025-04-11. The group's report on profit/loss and other comprehensive income and the statement of financial position and the parent company's income statement and balance sheet are subject to approval at the Annual General Meeting on 2025-05-15.

Valuation bases applied in the preparation of the financial reports

Assets and liabilities are reported at historical cost.

Conversion from foreign currency

Functional currency and reporting currency

Items included in the financial statements of the various companies in the group are valued in the currency used in the economic environment in which the relevant company primarily operates (functional currency). Klaria Pharma Holding AB's functional currency is Swedish kronor, which is also the reporting currency for the parent company and the group. This means that the financial reports are presented in Swedish kronor rounded off to the nearest thousand unless otherwise stated. As a result of the rounding to thousands of kronor, the amounts may not match if they are summed up.

Transactions and balance sheet items

Transactions in foreign currency are translated to the functional currency in accordance with the exchange rates applicable on the transaction date. Monetary assets and liabilities in foreign currency are translated into the functional currency at the exchange rate applicable on the balance sheet date. Exchange rate differences arising from the translation are recognized in net financial items in the income statement. Non-monetary assets and liabilities are normally reported at historical cost and are translated at the exchange rate at the time of the transaction.

Consolidated accounts

Subsidiaries are consolidated according to the acquisition method. The purchase price of an acquisition consists of the fair value of assets provided as compensation, issued equity instruments and liabilities incurred or assumed as of the transfer date. Identifiable acquired assets, assumed liabilities and and contingent liabilities in a business acquisition are initially measured at fair value on the acquisition date. The surplus that represents the difference between the acquisition value and the fair value of the group's share of identified acquired net assets is reported as goodwill. Intra-group transactions, balance sheet items and unrealized gains on transactions between group companies are eliminated.

Net sales

All revenues reported as net sales are reported at the fair value of what has been received or will be received less deductions for discounts, VAT and after the elimination of intra-group transactions and are recorded as revenue upon invoicing or payment in connection with delivery when significant risks and benefits such as are associated with the goods' ownership has been transferred to the buyer.

Other income

Invoiced joint development costs and license rights are reported as other income in the income statement during the same period as the costs for the development and license rights have arisen.

Right-of-use

Right-of-use consist of the amount by which the acquisition value exceeds the fair value of the group's share of the acquired subsidiary's identified net assets at the time of acquisition, and which can be allocated to the value of the

right to use a patented right. Right-of-use for the acquisition of the subsidiary's rights is reported as intangible assets. The right of use is written off linearly from the time of acquisition to the end of the patent.

Non-current assets

Non-current assets are reported at cost less depreciation according to plan and any write-downs. Depreciation takes place over the estimated useful life from the time of acquisition.

Depreciation periods

The following depreciation periods are used for the different asset classes:

- right of use, linearly from the time of acquisition to the end of the patent, i.e. 12-15 years
- machinery and equipment, 5 years

Impairment of intangible fixed assets

At each balance sheet date, the reported values for intangible fixed assets are checked to determine whether there is any indication of impairment. If such an indication exists, the recoverable amount of the asset is calculated. The recoverable amount is calculated at the higher of the asset's fair value after deduction of selling costs and the asset's value in use. The value in use is calculated by estimating and discounting the future deposits and payments that the asset gives rise to. If the recoverable amount of an asset is lower than the carrying amount, the asset is written down to the recoverable amount. This write-down is reported directly in the report on earnings and other comprehensive income.

Receivables

An assessment of bad debts is made when it is no longer probable that the full value will be able to be received. Bad debts are written off in their entirety in the event of a loss.

Financial instruments

Financial instruments reported in the statement of financial position include, on the asset side, cash and cash equivalents, accounts receivable and financial investments. On the liability side, there are accounts payable and loan liabilities.

Accounts receivable

Financial instruments reported in the statement of financial position include, on the asset side, cash and cash equivalents, accounts receivable and financial investments. On the liability side, there are accounts payable and loan liabilities.

A provision for impairment of accounts receivable is made when there is objective evidence that the group will not be able to receive all amounts that are due according to the original terms of the creditors. The reserved amount is reported in the report on earnings and other comprehensive income.

Cash and cash equivalents

Cash and cash equivalents consist of bank balances.

Accounts payable

The expected maturity of accounts payable is short, which is why the liability is reported at nominal amount without discounting according to the method of amortized cost.

Equity

Transaction costs that can be directly attributed to the issue of new shares are reported, net after tax, in equity as a deduction from the issue proceeds.

Transactions with related parties

Short-term remuneration and benefits to senior executives in addition to what is regulated in employment contracts and to other related parties are described in Note 5 and 15 as well as transactions with subsidiaries.

Tax

Deferred tax assets relating to loss carry-forwards are only reported to the extent that it is likely that these will be utilized and result in lower tax payments in the future.

The parent company's accounting principles

The parent company's accounting principles mainly correspond to the accounting principles for the group. In the parent company, the names income statement, balance sheet and cash flow statement are used for the reports that in the consolidated financial statements have the titles report on earnings and other comprehensive income, report on financial position and report on cash flows. The income statement, balance sheet and cash flow statement for the parent company are prepared in accordance with the Annual Accounts Act's schedule, while the report on changes in equity is based on IAS 1 design of financial statements.

Shares in subsidiaries

Shares in subsidiaries are reported at acquisition value, less any write-downs, in accordance with the Annual Accounts Act.

Important estimates and assessments

Estimates and assessments of the business situation are evaluated continuously. These are based on historical experience and other factors as well as expectations of future events that are considered reasonable based on prevailing market and other conditions. The estimates that exist based on future expectations and estimates that exist for accounting purposes will by definition rarely correspond to the actual outcome. The estimates and assumptions that entail a significant risk of significant adjustments in the carrying amounts during the next financial year are discussed below.

Impairment testing of intangible assets

The group regularly investigates the need for impairment of intangible fixed assets. Intangible assets are tested for impairment when events or changes indicate that the carrying amount is not recoverable. When calculating the value in use, future expected cash flows are discounted to interest rate that takes into account the market's assessment of risk-free interest and risk (WACC). The Group bases these calculations on achieved results, estimated forecasts and business plans. The estimates and assumptions made by management in the examination of the need for impairment can have a major impact on the group's reported results. Impairment is made if the calculated value in use is less than the carrying amount and affects the profit/loss for the year. See also note 10 for significant assumptions made. It cannot be ruled out that intangible fixed assets may need to be written down, which can materially affect Klaria's financial situation and results. As of December 31, 2024, the value of these assets amounted to 52.9 MSEK (68.1MSEK).

Tax

Deferred tax assets relating to loss carry-forwards are only reported to the extent that it is likely that these will be utilized and result in lower tax payments in the future. The Board of Directors believes that the reported loss carry-forwards of 233.5 MSEK will not be very likely to be utilized.

Financial instruments and income

As of January 2018, Klaria applies IFRS 15 revenue from contracts with customers, which replaces previous standards related to revenue recognition. The change did not have a significant effect on Klaria's results and position since the company did not report any income before 2018.

As of January 2018, milestone payments are invoiced after completed performance in accordance with the research and development plans contractually determined by customers and Klaria AB, and they are to be paid by the customer in 30 days. See note 2 for a more detailed description.

IFRS 9 has not had any effect on the Group since the Group's financial instruments, which consist of accounts receivable and other receivables as well as loans that are reported at accrued cost, do not occur.

Taxes, accounting for current taxes vs deferred taxes

Deferred taxes have not been reported, so all taxes relate to current tax.

Reporting of group contributions in the parent company.

Submitted and received group contributions are reported under Appropriations. In 2024, submitted group contributions amounted to 11.0 MSEK (12.5).

New and amended standards to be applied by the Group in the current period

All standards that came into force in 2024 have been applied in the consolidated accounts.

During the current year, no new and revised standards and interpretations that have an effect on the current period or previous periods or may affect future periods have been adopted by the company.

Standards, amendments and interpretations of existing standards that will enter into force in 2024 or later and that are deemed to have an impact on the financial statements

No standards, amendments or interpretations that come into force for the financial year beginning on January 1, 2024 or later have any significant impact on the Group's financial reports.

Note 2- Net sales

Klaria's business operation includes only one line of business, developing and commercializing medical products. The business operations takes place within one operating segment, which is why there is no separate segment information to report.

	Group 2024 1 Jan - 31 Dec	Group 2023 1 Jan - 31 Dec	Parent company 2024 1 Jan - 31 Dec	Parent company 2023 1 Jan - 31 Dec
Sales within the EU	2,248	8,454	0	0
	2,248	**8,454**	**0**	**0**
Pharmaceutical drug development	2,248	8,454	0	0
	2,248	**8,454**	**0**	**0**
Assets and liabilities attributable to agreements with customers				
Accounts receivable, refers to invoiced milestone payment	356	532	0	0
	356	**532**	**0**	**0**

There are no contractual debts in the agreements with the customers.

The section describes theoretical future principles for the group regarding revenue recognition. When assessing whether an income should be reported, the Klaria Group follows a 5-step process:
1. Identify the agreement with the customer
2. Identify performance obligations
3. Determination of the transaction price
4. Allocate the transaction price to the performance commitments
5. Report the revenue at the time of fulfillment of the performance obligation

Income from strategic research collaborations

The subsidiary Klaria AB can in the future receive four types of income from strategic research collaborations: cash contributions, research compensation, milestone payments and royalties. The specific accounting criteria for the different revenue types described below must be met before the revenue is recognized.

- Cash contributions are received when research collaborations begin and are non-refundable. Cash contributions are reported as income when there are no further commitments and there is no residual risk in the project for Klaria AB to receive a cash contribution.
- Research compensation is received on an ongoing basis, often quarterly in advance as a fixed amount for a defined number of Klaria AB's researchers who work in the project during the period. Income or cost reduction of received research compensation is distributed over the period to which it relates.
- Milestone payments occur when a certain result is achieved or a certain event occurs, for example when substances enter or finish a significant step in the development process as defined in the respective cooperation agreement. These steps are usually linked to important decision points in the partner's pharmaceutical drug development process. Income from milestone payments is reported when all conditions for the right to compensation according to the agreement are met.

- Income from royalty is based on the sale of finished products originating from a collaboration. Income from royalties is reported when the partner has reported sales for the products on which royalties have been based.

Revenues from out-licensing agreements that are not research and development collaborations can either consist of cash contributions, which are recognized as revenue when all conditions for obtaining them are met, or license maintenance fees which are distributed over the duration of the license period.

Research and development assignments

During 2024, Klaria AB has had two agreements with pharmaceutical companies within the EU. The agreements mean that Klaria AB performs specific research and development services for these customers. The work involves developing, on behalf of customers, the technology to apply pharmaceutical substances onto Klaria's alginate film. The agreements with the customers are research and development plans, where the various achievements are specified in milestones. Performance commitments in the form of research and development services are reported over time as Klaria creates a product without alternative use and is entitled to compensation for work done.

The transaction price is a fixed amount per specified milestone. The milestone amounts are invoiced to the customer after completed performance according to the plan and are to be paid in 30 days. The amounts are recognized as revenue at the time of invoicing. There are no moving components in the contract constructions. According to the agreements, ownership of the products is transferred to the customer after completed research and development projects, after which Klaria is entitled to license fees and royalties for the products. The group applies an exception which means that information about remaining performance obligations is not provided for contracts with a shorter term than one year. Invoiced milestone payments are to be paid by the customer in 30 days. No contractual liabilities are reported in the agreements with the customers, as the project costs are reported continuously during the implementation of the projects.

Note 3 - Other operating income

	Group 2024 1 Jan - 31 Dec	Group 2023 1 Jan - 31 Dec	Parent company 2024 1 Jan - 31 Dec	Parent company 2023 1 Jan - 31 Dec
Operating exchange rate gains	78	335	35	15
Other operating income	0	213	0	0
Management fee	0	0	4,887	4,887
Total	**78**	**548**	**4,922**	**4,902**

Note 4 - Auditor's Fees and costs by type of cost

	Group 2024 1 Jan - 31 Dec	Group 2023 1 Jan - 31 Dec	Parent company 2024 1 Jan - 31 Dec	Parent company 2023 1 Jan - 31 Dec
BDO Mälardalen AB				
Audit assignment	583	328	403	142
Other consultations	0	0	0	0
Total	**583**	**328**	**403**	**142**
Kuhn & Partner Rechtsanwälte Steuerberater Wirtschaftsprüfer mbB, München				
Audit assignment	45	95	0	0
Other consultations	0	0	0	0
Total	**45**	**95**	**0**	**0**

Costs by type of cost

	Group 2024 1 Jan - 31 Dec	Group 2023 1 Jan - 31 Dec	Parent company 2024 1 Jan - 31 Dec	Parent company 2023 1 Jan - 31 Dec
Clinical studies and consumables	1,839	7,960	0	0
Other external costs	10,407	13,082	7,717	10,687
Personnel costs	5,248	8,772	2,404	2,807
Impairment	4,820	0	4,950	0
Depreciation	11,219	11,037	8	8
Total	**33,533**	**40,851**	**15,079**	**13,502**

Note 5 - Employees and remuneration to the Board and senior executives

Average number of employees

	Group 2024 1 Jan - 31 Dec	Group 2023 1 Jan - 31 Dec	Parent company 2024 1 Jan - 31 Dec	Parent company 2023 1 Jan - 31 Dec
Uppsala	4.2	5.4	1.2	1.2
München	0.2	0.8	0	0
Total	**4.4**	**6.2**	**1.2**	**1.2**
Men	3.4	5.2	1.2	1.2
Women	1	1	0	0
Total	**4.4**	**6.2**	**1.2**	**1.2**

Reporting of gender balance in the management and Board of the parent company

	Men	Women
The Board	3	0
Other senior executives	1	0

Salaries and social expenses

	Group 2024 1 Jan - 31 Dec	Group 2023 1 Jan - 31 Dec	Parent company 2024 1 Jan - 31 Dec	Parent company 2023 1 Jan - 31 Dec
Salaries and other remunerations				
Board and Chief Executive Officer	3,524	4,027	2,311	834
Other employees	1,042	3,341	0	1,582
Total	**4,566**	**7,368**	**2,311**	**2,416**
Social expenses				
Board and Chief Executive Officer	1,107	769	726	262
Other employees	327	950	0	497
Total	**1,434**	**1,719**	**726**	**759**
Pension costs				
Board and Chief Executive Officer	102	0	102	0
Other employees	98	144	0	53
Total	**200**	**144**	**102**	**53**

Board member fees

At the Annual General Meeting on May 15, 2024, it was decided that board member fees for the period up to the Annual General Meeting 2025 shall amount to 0 SEK to the Chairman, and 200,000 SEK to each other member. No Board member fee is payed out for members employed by the company.

CEO's terms of employment

CEO Scott Boyer has the following terms of employment: From Klaria Holding Pharma AB, the CEO receives 150 000 SEK per month. Klaria and the CEO have a mutual notice period of 6 months.

Transactions with related parties

In 2024, Klaria has not paid any compensation to related parties.

Other senior executives

Remuneration to other senior executives consists of basic salary, variable remuneration, other benefits and pensions. Other senior executives in Klaria refers to the person who together with the CEO constitute the management.

In addition to the CEO, the management team at Klaria consisted of the following people in 2024:

- CFO (Chief Financial Officer)

Remuneration to senior executives

At the Annual General Meeting on May 27, 2016, the following guidelines were resolved to senior executives in Klaria. The company must offer a market-based total compensation that enables qualified senior executives to be recruited and retained. Remuneration to the CEO and other senior executives may consist of basic salary, variable remuneration, other benefits and pension. The basic salary forms the basis of the total remuneration and shall be proportional to the senior executive's responsibilities and authority. The variable remuneration is based on results in relation to individually defined qualitative and quantitative measures, as well as earnings and cash flow for the company in relation to goals set by the Board. Pensionable earnings consist solely of the basic salary. To the extent that the Board member performs work for the company or a company in the group apart from the Board work, market-based consultancy fees shall be paid. The period of notice must be three months regardless of whether the employee or the company takes the initiative for the termination. Severance shall normally not be paid. Share-related and share-price-related programs shall, where appropriate, be decided by the General Meeting. Allocation shall be made in accordance with the decision of the Annual General Meeting. Except for any warrants granted and what follows from employment contracts as described above, the senior executives are not entitled to any benefits after termination of the employment/assignment. The Board of Directors shall have the right to deviate from the above guidelines for remuneration to senior executives if there are special reasons for doing so.

Remuneration and other benefits during the year for senior executives in the group

	Basic salary/Board member fee	Variable remuneration	Other benefits	Pension costs	Total
Chairman of the Board, Fredrik Hübinette, employed by the company	1,213				1,213
Member of the Board and CEO Scott Boyer, employed by the company	1,812			102	1,914
Member of the Board, Anders Jacobson	200				200
Total	**3,225**	**0**	**0**	**102**	**3,327**

Note 6 - Financial income and costs

	Group 2024 1 Jan - 31 Dec	Group 2023 1 Jan - 31 Dec	Parent company 2024 1 Jan - 31 Dec	Parent company 2023 1 Jan - 31 Dec
Interest income, bank	9	8	3	1
Write-down of shares in subsidiaries	0	0	-4,950	0
Rate losses	-116	-319	-16	-202
Interest costs lease liability	-37	-16	0	0
Interest costs financiers	-16,352	-3,647	-16,352	-3,647
Other interest costs	-29	-18	-18	-17
Total	**-16,525**	**-3,992**	**-21,333**	**-3,865**

Note 7- Appropriations

	Group 2024 1 Jan - 31 Dec	Group 2023 1 Jan - 31 Dec	Parent company 2024 1 Jan - 31 Dec	Parent company 2023 1 Jan - 31 Dec
Group contributions	0	0	-10,967	-12,457

Note 8 - Tax

Tax reported in the income statement

	Group 2024 1 Jan - 31 Dec	Group 2023 1 Jan - 31 Dec	Parent company 2024 1 Jan - 31 Dec	Parent company 2023 1 Jan - 31 Dec
Current tax	0%	0%	0%	0%
Deferred tax	0%	0%	0%	0%
Current tax rate in Sweden	20.6%	20.6%	20.6%	20.6%

Difference between tax recognized in the income statement and tax based on current tax rate.

Profit/loss before tax	-47,750	-35,784	-37,507	-24,922
Tax based on current tax rate	9,837	7,372	7,726	5,134
Non-deductible costs	-61	-8	-60	-7
Non-deductible interest expenses	-3,365	0	-3,365	0
Non-deductible write-downs	0	0	-48,015	0
Tax effects of deficits where tax assets is not taken into account	-6,411	-7,363	34,841	-5,127
Tax adjustment previous year	0	0	0	0
Tax in foreign subsidiary	-18	57	0	0
Reported effective tax rate	-18	57	0	0

Deferred tax

Opening loss carry-forwards	-217,612	-192,253	-205,998	-181,952
Loss carry-forwards of the year	-15,907	-25,359	-15,935	-24,046
Closing loss carry-forwards	-233,519	-217,612	-221,933	-205,998

There are currently not convincing enough reasons to indicate fiscal surpluses in the future that can justify capitalisation of the fiscal deficits.

Note 9 - Profit/loss per share

Profit/loss per share are calculated as profit/loss for the year in relation to the weighted average of the number of shares during the year.

	Group 2024	Group 2023
The Group's net income	-47,750	-35,784
Number of shares, weighted average in 2017 before dilution, thousands	124,620	100,798
Profit/loss per share before and after dilution	-0.38	-0.36

	Group 2024 Number of shares	Group 2023 Number of shares
Weighted average during the year, before dilution	124,620,261	100,797,772
Weighted average during the year, after dilution	126,620,261	100,797,772
At the end of the year	144,758,771	106,500,523

Note 10 - Right-of-use

Reclassification in the group's accounts

Klaria Pharma Holding AB acquired Klaria AB in June 2015. At the time of acquisition, Klaria AB did not conduct any operations, but held a right-of-use of a license agreement valid from June 1, 2015 with Uppsalagruppen AB regarding the manufacture of their alginate buccal film in combination with certain active substances in the therapeutic areas of migraine and cancer pain.

The purchase price paid by Klaria Pharma Holding AB amounted to 130,000 TSEK, of which 69 TSEK consisted of Klaria AB's use of overdraft facilities. The paid purchase price including negative cash balance was regarded as goodwill at the time of acquisition, which was subsequently tested annually by impairment tests according to the DCF valuation model.

Since Klaria AB did not conduct any operations at the time of acquisition, the surplus value, according to IFRS, should have been classified as a right-of-use and not as goodwill. A depreciation plan should also have been established at that time. As of December 31, 2018, a reclassification in the consolidated accounts of the balance sheet item has therefore been made, which has had the following effects on comparative figures on earnings and equity.

The acquisition cost of 130.1 MSEK of goodwill is reclassified as rights-of-use. Accumulated depreciation of 23.9 MSEK, based on the lifetime of the patent under the patent (12-15 years, 75% of the value based on patents in the US until 2029, 25% of the value based on patents in other markets until 2026) is adjusted in opening balance as of 1 January 2017.

The reclassification had no effect on the cash flow.

Note 10 - Right-of-use, cont.

	Group 2024-12-31	Group 2023-12-31
Opening acquisition cost	154,994	154,994
Acquisition value of the year through acquisitions	0	0
Closing acquisition cost	**154,994**	**154,994**
Opening accumulated depreciation	86,889	76,549
Impairment for the year	4,820	0
Depreciation for the year	10,340	10,340
Closing accumulated impairments	**102,049**	**86,889**
Reported net value	**52,945**	**68,105**

The right-of-use has a fixed useful life based on the lifetime of the underlying patent of the license right(12-15 years, 75% of the value based on patents in the US until 2029, 25% of the value based on patents in other markets until 2026) but is tested annually to assess if there is a need for impairment. In the impairment test, present value, expected future cash flows from the group's product portfolio are calculated. The future cash flows are based on both next year's budget set by the Board, and a forecast for the next few years. The adopted budget is based on a large number of assumptions regarding market growth, market shares, volumes, exchange rates, prices, cost development, investment needs etc. Forecasts for periods subsequent to the year's budget and onwards are based on the management's long-term plans/strategies, which are based on more general assumptions, such as e.g. industry trends, cyclical developments, consumption patterns, volume growth, competition, cost development, investment needs, financing etc. The calculations and forecasts are based on external market assessments and regulatory aspects as well as internal trend analysis. This, together with the management's experience, estimated forecasts, business plans and existing agreements with suppliers and major customers, have been the basis for the assessments. The most significant assumptions applied in this year's test include volume growth, margins, organizational growth, market investments, investment needs and discount rates (WACC).

WACC

The discount rate used is calculated as WACC (weighted average cost of capital) and amounts to 18% before tax. The discount rate is based on a market-based assessment of the average cost of capital, taking into account the estimated risk level in the Klaria deal. The discount rate used is calculated as WACC (weighted average cost of capital) and is estimated at 18% before tax. The discount rate is based on a comprehensive analysis of the overall risk in the company's pre-clinical and clinical development projects. The discount rate thus does not take in to account the risk in the individual development projects.

Other essential assumptions

The calculations are based on a forecast period of 5 years, after which the growth rate is estimated to be 2% per year. Klaria has only one cash flow generating unit.

Sensitivity analysis

Sensitivity analyzes are performed to analyze how changes with 10% deterioration or improvement of WACC and other forecast parameters affect the assessed value-in-use.

Note 11 - Plant and machinery

	Group 2024-12-31	Group 2023-12-31	Parent company 2024-12-31	Parent company 2023-12-31
Opening acquisition cost	205	205	73	73
Acquisition cost for the year	0	0	0	0
Closing acquisition cost	**205**	**205**	**73**	**73**
Opening accumulated depreciation	178	170	46	38
Depreciation for the year	8	8	8	8
Closing accumulated depreciation	**186**	**178**	**54**	**46**
Reported net value	**19**	**27**	**19**	**27**

Depreciation of laboratory equipment in the subsidiary Klaria AB takes place at 20%, which reflects the useful life.

Note 12 - Leases, right-of-use asset and lease liabilities

The text below refers to the previous year and refers to rents for premises in operations that are for sale.

FRS 16 Leases supersedes IAS 17 Leases and three related interpretations (IFRIC 4 Determining whether an Arrangement Contains a Lease agreement, SIC 15 Operating Leases - Incentives and SIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease).

The transition to the new standard has resulted in the group reporting a right-of-use asset with associated lease liability in respect of the leases previously classified as operating leases. Exceptions have been made for the contracts identified as of low value or with a remaining lease period of less than 12 months from the date of first application.

The new standard has been introduced through the application of the modified retrospective method, where the cumulative effect of the transition to IFRS 16 is recognized as an adjustment of the opening balance of retained earnings for the current period. Comparative information has not been recalculated.

For agreements already entered into on the first day of application, the group has chosen to apply the leasing definition in IAS 17 and IFRIC 4 and has therefore not applied IFRS 16 to agreements that were not previously identified as leases in accordance with IAS 17 and IFRIC 4.

The group has chosen not to include direct expenses in valuing the right-of-use in respect of operating leases that existed under the first application of IFRS 16, which is 2019-01-01. As of this date, the group has also chosen to value the right-of-use to the same amount as the lease liability adjusted for any prepaid or accrued lease payments that existed on that date.

Instead of impairment testing of the right-of-use asset on the first day of application, the group has relied on its historical assessment of whether leases constitute loss contracts prior to the transition to IFRS 16.

At the time of the transition, the group has applied the optional exemption not to report any right-of-use asset, but to account for the leases on a straight-line basis over the lease period for the leases previously reported as operating leases with a remaining lease period of a maximum of 12 months and leases of low value.

For leases previously classified as finance leases, the group has assessed the right-of-use asset and lease liability at the time of the transition to IFRS 16 to the same amount as those reported under IAS 17 before the date of first application.

At the time of the transition to IFRS 16, the weighted implicit interest rate for the lease liabilities reported in accordance with IFRS 16 amounted to 6.5%.

The group has taken advantage of the possibility of making retrospective assessments when assessing opportunities to extend and terminate leases when determining the lease period.

The group rents office and laboratory premises in Uppsala. Except for short-term leases and for leases for which the underlying asset has a low value, a right-of-use and a lease liability is reported in the statement of financial position.

Lease liabilities presented in the statement of financial position are as follows:

	Group 2024-12-31	Group 2023-12-31
Current	870	344
Non-current	617	0
Total	**1,487**	**344**

The lease is limited so that only the group can use the asset. The lease expired in May 2024 unless it was terminated nine months in advance of that date, which has not happened, whereby the lease agreement has been extended by three years. The group may not sell or pledge the underlying asset as collateral. The group must keep the leased premises for offices and laboratories in good condition and restore them to their original condition at the end of the lease period. Furthermore, the group must insure the leased assets and pay maintenance costs for them in accordance with the lease agreement.

Further information on the right-of-use per asset category is as follows:

	Group 2024-12-31	Group 2023-12-31
Office and laboratory premises	1,487	344
Total right-of-use asset	1,487	344

Note 13 - Shares in group companies

	Parent company 2024-12-31	Parent company 2023-12-31
Opening acquisition cost	178,339	178,339
Acquisitions	0	0
Share holder contributions	0	0
Closing accumulated acquisition cost	**178,339**	**178,339**
Impairments for the year, impairment of the subsidiary WBC DDT, Munich and Karessa Pharma AB	-48,015	0
Closing carrying amount	**130,324**	**178,339**

Company information etc.

Company name, corporate identity number and registered office	Number of shares	Capital share	Carrying amount
Klaria AB, 559012-2577, Täby	278,750	100%	130,000
FFT Pharmaceuticals AB, 556955-6573, subsidiary of Klaria AB	54,500	100%	
Klaria incentive AB, 559084-7793, Täby	50,000	100%	50
Uppsalagruppen Medical AB, 556847-3390	500	100%	100
WBC Drug Delivery Technologies GmbH AG Munich, HRB 247 378	500	100%	0
CDS Functional Film AB, 559222-7374	50,000	95%	50
Karessa Pharma AB, 556966-7420, Täby	278,750	100%	74
Karessa Incentive AB, 559114-6573, Täby	1,000	100%	50
Closing carrying amount			**130,324**

Note 14 - Related parties

The parent company is a related party to its subsidiaries.

	Sales of services to related parties as of Dec 31	Receivables from related parties as of Dec 31	Liabilities to related parties as of Dec 31
Subsidiaries	4,887	259	3,557

Note 15 - Accounts receivable, current receivables and prepaid expenses

	Group 2024-12-31	Group 2023-12-31	Parent company 2024-12-31	Parent company 2023-12-31
Accounts receivable	356	532	0	9
Taxes and fees receivable	24	368	0	0
Tax assets	234	215	23	24
VAT recoverable	578	728	0	0
Other current receivables	80	43	77	27
Prepaid rental expenses	220	215	0	0
Other prepaid expenses and accrued income	763	1,122	765	1,146
Total	**2,255**	**3,223**	**865**	**1,206**

Note 16 - Equity

Klaria Pharma Holding's capital under management consists of equity. Changes in managed capital are shown in "Report on Consolidated statement of changes in equity", page 33 and "Parent company statement of changes in equity", page 37.

Share capital growth	Common shares	Share capital	Quota value	Subscription price	Invested capital
Company formation	1,000,000	50.0	0.05		50
Share issue, June 2015, cash	2,500,000	125.0	0.05	20	50,000
Share issue for non cash consideration, June 2015	6,500,000	325.0	0.05	20	130,000
Share split	20,000,000		0.0167		
Share issue, June 2017, cash	72,000	1.2	0.0167	6.94	500
Share issue for non cash consideration, June 2017	720,000	12.0	0.0167		4,997
Share issue for non cash consideration, Sep 2019	1,301,248	21.7	0.0167	7.61	9,900
Merger with Karessa Pharma Holding AB, March 2020	6,635,200	110.6	0.0167	7.41	49,170
Share issue, April 2020	5,697,960	95.0	0.0167	3.00	17,094
Share issue, July 2020	3,800,000	63.3	0.0167	3.00	11,400
Share issue, Nov 2020	3,581,871	59.7	0.0167	6.84	24,500
Share issue, Dec-Jan 2022, cash and non cash consideration	2,158,678	36.0	0.0167	6.17	13,319
Share issue, Feb 2022, cash	5,200,000	86.7	0.0167	4.00	20,800
Share issue, Dec 2022, cash	19,211,439	320.2	0.0167	1.25	24,014
Total as of 31 Dec 2022	**78,378,396**	**1,306**			**355,744**
Transactions 2023					
Share issue, Dec 2022-Jan 2023, cash	15,615,061	260.3	0.0167	1.25	19,519
Share issue, Dec 2022-Jan 2023, offsetting	12,507,066	208.5	0.0167	1.25	15,634
Total as of 31 Jan 2023	**106,500,523**	**1,775**			**390,897**
Transactions 2024					
Share issue May 15, 2024, offsetting	*23,258,248*	*387.6*	*0.0167*	*0.17*	*4,000*
Share issue Oct 4, 2024, offsetting	*15,000,000*	*250.0*	*0.0167*	*0.40*	*6,000*
Total	**144,758,771**	**2,413**			**400,897**

Holders of common shares are entitled to a dividend that is determined as the shareholding entitles the holder to one vote per share at the general meeting. All shares have the same right to the company's remaining net assets.

Note 17 - Accounts payable

All accounts payable are due within one month of the closing date.

Note 18 - Convertible debt, other liabilities, accrued expenses and deferred income

	Group 2024-12-31	Group 2023-12-31	Parent company 2024-12-31	Parent company 2023-12-31
Income tax liability	0	0	0	0
VAT liability	84	180	84	22
Withholding tax, employees	137	239	72	80
Social expenses	41	42	19	23
Liability additional consideration*	21,582	18,932	21,582	18,932
Other current liabilities to lenders	1,357	667	348	0
Other current liabilities	461	54	129	0
Total other liabilities	**23,662**	**20,114**	**22,234**	**19,057**
Accrued holiday pay	968	1,229	626	858
Accrued social security charges	305	386	197	270
Accrued payroll tax	224	144	26	22
Accrued interest expenses	19,778	3,425	19,778	3,425
Other accrued expenses	527	847	101	556
Total accrued expenses and deferred income	**21,802**	**6,031**	**20,728**	**5,131**

*Liability additional consideration consists of two loan packages.
14,650 TSEK (12,000 TSEK) has a maturity of two years and must be repaid no later than December 31, 2025. The lenders receive market relevant interest and 10% of the value of royalties received in 2025 as a result of the license agreement with CNX Therapeutics.
b. 6,932 TSEK (6,932 TSEK) expires in 2025 and entitles the lenders to conversion into shares at a price of 0.30 SEK per share. The loan has an interest rate of 18%.

Note 19 - Maturity analysis financial liabilities

	Within 3 months	3-12 months	1,5 years	Over 5 years	Total
Accounts payable	7,012	0	0	0	7,012
Short-term financing through loans		21,582			21,582
Other current liabilities	2,080	0	0	0	2,080
Total	**9,092**	**21,582**	**0**	**0**	**30,674**

Note 20 - Financial instruments by category

	Loan receivables, accounts receivable and other current assets	Available-for-sale financial assets	Other financial liabilities	Total
Assets in the balance sheet, 2024-12-31				
Loans to credit institutions	598			598
Other assets	1,419			1,419
Total	**2,017**	**0**	**0**	**2,017**
Accounts payable			7,012	7,012
Other liabilities			1,818	1,818
Total			**8,830**	**8,830**

Note 21 - Fair value

Companies should classify valuation at fair value using a fair value hierarchy that reflects the reliability of the data used to make the valuations. The fair value hierarchy should have the following levels:

Level 1: quoted prices (not adjusted) in active markets for identical assets or liabilities

Level 2: input other than quoted prices that are observable for the asset or liability, either directly (e.g. as prices) or indirectly (e.g. derived from prices)

Level 3: input data for the asset or liability that is not based on observable information. Appropriate level is determined on the basis of the lowest level of input data that is essential for the valuation at fair value.

During 2024 and 2023 and at the end of the financial year, Klaria has no assets reported at fair value. Klaria also has no liabilities that are valued at fair value for the years 2024 and 2023.

The company has no financial assets that are reported at acquisition cost but where disclosure of market value is to be provided in accordance with IFRS 13.97.

Note 22 - Pledged assets and contingent liabilities

	Group 2024-12-31	Group 2023-12-31	Parent company 2024-12-31	Parent company 2023-12-31
	None	None	None	None

Ongoing capital adequacy guarantees were issued for the subsidiary Klaria AB for the entire financial year 2024 as well as for 2023.

Note 23 - Information about the parent company

Klaria Pharma Holding AB (publ) (corporate ID 556959-2917) is a Swedish-registered limited liability company with its registered office in Stockholm. The parent company's shares are registered on NASDAQ First North Stockholm. The address of the head office is Virdings Allé 2, 754 50 Uppsala. The Board's registered office is located in Stockholm.

Note 24 - Financial risks and financial policy

Financial risk management

Financing and management of financial risks are managed within the group under the direction and supervision of the Board. Klaria applies a cautious investment policy. Through its operations, Klaria is exposed to various kinds of financial risks, such as fluctuations in the company's earnings and cash flow caused by changes in exchange rates. At present, Klaria's policy is not to protect itself against financial risks relating to transaction and translation risks. This decision has been made taking into account the current share that is exposed in the group and the cost of protection of any risks.

Refinancing risk

Klaria is in an expansion phase and is engaged in development-intensive activities with investments aimed at obtaining revenues in the future, Which means that liquid funds are used. The company's operations are financed through revenues from product sales and owner contributions via new issues. Future investments are expected to be financed by revenues and new issues as well as existing liquid funds.

Refinancing risk refers to the risk that Klaria cannot meet its obligations and continue to expand its operations due to difficulties in finding financiers or lenders who are prepared to invest in the company and the risk that refinancing must take place in unfavorable market conditions at unfavorable conditions.

Currency risk

Currency risk is the risk that exchange rate fluctuations will adversely affect Klaria's income statement, financial position and/or cash flows. Currency risks exist in both the form of transaction and translation risks. Translation exposure arises when operations are conducted outside Sweden in currencies other than SEK. Klaria has a subsidiary in Germany and the translation difference as of Dec 31, 2024, amounted to -123 TSEK. Klaria uses CRO's that invoice in EURO. The Group has not used currency hedging in 2024, but will regularly evaluate the need for currency hedging as the business develops and expands. Such an evaluation was conducted in the spring of 2018 and led to a currency hedging policy adopted by the Board. Operating costs amounted to 33,533 TSEK (29,814 TSEK) of which approximately 8.4% (72,4%) constituted expenses in foreign currency.

In 2024, net operating profit/loss was affected with 78 TSEK (15 TSEK) from exchange rate gains and losses of -116 TSEK (-121 TSEK). Future sales revenues and costs will be affected by fluctuations in foreign exchange rates.

Sensitivity analysis regarding currency risk 2024 (TSEK)

The group's costs will be reduced by 273 TSEK (2,158) if the Swedish krona strengthens by 10%.

Of the group's outstanding receivables as of December 31, 2024, 356 TSEK (0) was in foreign currency. Of the group's outstanding liabilities, 3,174 TSEK (2,261) was in foreign currency.

Interest rate risk and liquidity risk

Liquidity risk is defined as the group not being able to pay unforeseen expenses. Excess liquidity is placed in a bank account with a low interest rate risk. Klaria ensures the short-term payment preparedness by having good liquidity resources in the form of cash.

Counterparty risk

The counterparty risk is the risk that a party in a transaction with financial instruments cannot fulfil its obligations thus causing a loss for the other party. Klaria is exposed to counterparty risk in the case of financial investments. The group limits its counterparty risk by investing excess liquidity with counterparties, banks and fund companies with very high creditworthiness.

Financing of the company

The company's Board of Directors and management believe that operations for the next 12 months are secured and the opportunities for a long-term refinancing of the company's short-term loans at improved terms have been strengthened due to the agreement with CNX. The work to ensure long-term financing of the company is being carried out together with current lenders and other entities.

Note 25 - Transactions with related parties

See note 3 and 12.

Note 26 - Significant events after the reporting period

Klaria signs license agreement for Sumatriptan Alginate film in Europe with CNX Therapeutics

On January 10, Klaria announced that the Company has signed a license agreement for Sumatriptan Alginate Film, a pharmaceutical product based on Klaria's patented alginate films for fast and reliable administration via the oral mucosa, which is approved in Germany, Spain and Italy for the treatment of migraine with or without aura, with CNX Therapeutics Limited. The agreement gives CNX Therapeutics the right to market and sell the Product in Europe and the UK under its own brand and product name, and the parties plan an initial launch in Germany, Spain and Italy in the second half of 2025 with further expansion in 2026.

The agreement gives Klaria an up-front payment of EUR 750,000, milestone payments of approx. EUR 500,000 - 1,250,00 based on pricing per geographic market for the first 8 countries, as well as a double-digit royalty based on sales revenue. Furthermore, negotiable milestone payments are possible when expanding the market territory within the EEA.

In addition to the license agreement, Klaria has a long-term business relationship with AdhexPharma SAS, a leading CDMO located in France and Germany, as the parties' production partner. Today, AdhexPharma has an annual production capacity of 200 million units, with plans to scale up to meet market demand for Sumatriptan Alginate Film.

Klaria engages Healthcare Capital Mergers as advisor in the U.S.

On March 25, it was announced that Klaria has engaged Healthcare Capital Mergers (HCM) as advisor to identify the best possible marketing partner for the company's EU-approved migraine product in the United States. Healthcare Capital Mergers has extensive experience within the sale of companies and licensing of products in the pharmaceutical and healthcare sector. Klaria believes that HCM, with its long experience and large network of contacts, gives the company a good opportunity to achieve the highest possible impact for the company's migraine product at the best possible price in the important U.S. market.

Profit/loss per share

Net profit/loss divided by the average number of shares.

Average number of shares

The average number of shares in Klaria Pharma Holding AB has been calculated on the basis of a weighting of the historical number of issued shares in Klaria Pharma Holding AB after each completed share issue, times the number of days since the respective number of shares were issued.

Equity/assets ratio

Equity in relation to total assets.

Return on equity

Profit/loss before tax in relation to equity.

Return on capital employed

Profit/loss after net interest income in relation to capital employed.

Capital employed

Total assets minus interest-bearing liabilities.

Equity per share

Equity divided by the number of shares on the balance day.

Cash flow from operating activities per share

Cash flow from operating activities divided with the average number of shares.

Cash flow per share

Cash flow for the period divided with the average number of shares.

Declaration of the Board

The Board of Directors and the CEO assure that the annual accounts have been prepared in accordance with generally accepted accounting principles in Sweden and the consolidated financial statements have been prepared in accordance with the international accounting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards. The annual accounts and the consolidated financial statements fairly present the parent company's and group's earnings and financial position. The Directors' report for the parent company and the group provides a true and fair view of the development of the parent company's and the group's operations, position and earnings, and describes significant risks and uncertainties that the parent company and the companies that are part of the group are exposed to.

The annual accounts and consolidated financial statements have, as stated above, been approved for issuance by the Board and the CEO on April 30, 2025. The group's report on profit/loss and other comprehensive income and the statement of financial position and the parent company's income statement and balance sheet are subject to approval at the Annual General Meeting on May 15, 2025.

Stockholm 04/30/2025

Fredrik Hübinette
Chairman of the Board

Anders Jacobson
Member of the Board

Scott Boyer
Board member as well as CEO

Our audit report was issued on the date of digital signing.

BDO Mälardalen AB

Niclas Nordström
Certified Public Accountant

Audit report

To the annual general meeting of Klaria Pharma Holding AB (publ) Corporate ID 556959-2917.

Report on the annual accounts and consolidated financial statements

Opinion

We have audited the annual accounts and consolidated financial statements of Klaria Pharma Holding AB (publ) for the financial year 2024. The company's annual accounts and consolidated financial statements are included on pages 24-57 of this document.

In our opinion the annual accounts have been prepared in accordance with the Swedish Annual Accounts Act and in all material respects fairly present the parent company's financial position as of December 31, 2024 and their financial performance and cash flows for the year in accordance with the Swedish Annual Accounts Act. The consolidated financial statements have been prepared in accordance with the Swedish Annual Accounts Act and in all material respects fairly present the group's financial position as of December 31 2024 and their financial performance and cash flows for the year in accordance with Financial Reporting Standards (IFRS), as adopted by EU, and the Swedish Annual Accounts Act. The administration report is consistent with the other sections of the annual accounts and the consolidated accounts.

We therefore recommend that the AGM adopt the income statement and balance sheet for the parent company and the Group.

Basis for our opinion

We have conducted the audit in accordance with International Standards on Auditing (ISA) and auditing standards generally accepted in Sweden. Our responsibility according to these standards is described in more detail in the section entitled *Auditor's responsibility*. We are independent of the parent company and the Group in accordance with professional ethics in Sweden and we have otherwise fulfilled our professional ethical responsibilities under these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate as a basis for our opinions.

Information other than financial statements and consolidated financial statements

This document also contains information other than the annual report, and the consolidated financial statements and can be found on pages 3-23. The Board of Directors and the CEO are responsible for this other information.

Our opinion in respect of the annual accounts and consolidated financial statements does not cover this information, and we make no substantiating statement concerning this other information.

In the context of our audit of the annual accounts and consolidated financial statements, it is our responsibility to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated financial statements. In this review, we also take into account the knowledge we otherwise obtained during the audit as well as assesses whether the information otherwise seems to contain material misstatements.

If, based on the work that has been done with regard to this information, we conclude that the other information contains a material misstatement, we are obliged to report it. We have nothing to report in this regard.

Responsibilities of the Board and the Chief Executive Officer

The Board and CEO are responsible for ensuring the annual accounts and the consolidated financial statements are prepared and that they give a true and fair view in accordance with the Swedish Annual Accounts Act and, as regards the consolidated accounts, in accordance with IFRS as accepted by EU. The Board and the CEO are also responsible for the internal control they deem necessary for the preparation of annual accounts and consolidated financial statements that do not contain material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board and the CEO are responsible for assessing the ability of the company and the Group to continue operations. They inform, as appropriate, on the conditions that may affect the ability to continue operations and to make a going concern assumption. However, the going concern assumption does not apply if the Board and CEO intend to liquidate the company, cease operations or have no realistic alternative but to do so.

Auditor's responsibility

Our goal is to achieve a reasonable degree of certainty as to whether the annual accounts and consolidated financial statements as a whole do not contain any material misstatement, whether due to fraud or error, and to submit an audit report that contains our opinions. Reasonable assurance is a high degree of certainty, but there is no guarantee that an audit performed in accordance with ISA and other generally accepted auditing standards in Sweden will always detect a material misstatement, should such be present. Misstatements may occur due to fraud or error, and are considered to be material if they severally or jointly can be reasonably expected to affect the economic decisions that users make on the basis of the annual accounts and the consolidated financial statements.

A further description of our responsibility for the audit of the annual report and consolidated financial statements can be found on the Swedish Inspectorate of Public Accountants' website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Report on other legal and regulatory requirements

Opinion

In addition to our audit of the annual accounts and the consolidated financial statements, we have also audited the Board and CEO's management of Klaria Pharma Holding AB (publ) for the year 2024 and also the proposed appropriation of the profit or loss.

We recommend to the AGM that the profit be allocated in accordance with the proposal in the administration report and that the members of the Board and the Chief Executive Officer be discharged from liability for the financial year.

Basis for our opinions

We have conducted the audit in accordance with auditing standards generally accepted in Sweden. Our responsibility in this regard is described in detail in the section entitled "Auditor's responsibility". We are independent of the parent company and the Group in accordance with professional ethics in Sweden and we have otherwise fulfilled our professional ethical responsibilities under these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate as a basis for our opinions.

Responsibilities of the Board and the Chief Executive Officer

The Board is responsible for the proposal for the appropriation of the company's profit or loss. Among the things considered in the proposal are an assessment of whether the dividends are justified with regard to the requirements that the company's and Group's business nature, scope and risks place on the size of the parent company's and the group's equity, the need for consolidation, liquidity and general position.

The Board is responsible for the company's organization and the administration of its affairs. This includes ongoing assessment of the company's and the Group's financial situation and ensuring that the company's organization is structured such that bookkeeping, asset management and the company's financial affairs are otherwise monitored in a reliable way. The CEO takes care of day-to-day administration under the Board's guidelines and instructions and must, among other things, take measures necessary for ensuring that the company's accounting is completed in compliance with legislation and that assets are managed in a satisfactory manner.

Auditor's responsibility

Our goal with regard to the management audit, and therefore our opinion concerning discharge from liability, is to obtain audit evidence that with a reasonable degree of certainty enables us to determine whether any member of the Board or the CEO in any material respect:

- has carried out any act or been guilty of any omission that could give rise to liability for damages against the company, or
- has in some other way acted in contravention of the Swedish Companies Act, the Swedish Annual Accounts Act or the articles of association.

Our goal in regard to the proposal for the allocation of the company's profit or loss, and thus our opinion on this, is to assess with a reasonable degree of certainty whether the proposal is in compliance with the Swedish Companies Act.

Reasonable assurance is a high degree of certainty, but no guarantee that an audit performed in accordance with generally accepted auditing standards in Sweden will always detect the actions or omissions that may give rise to liability for damages against the company, or to a proposal for allocation of the company's profit or loss that is not in accordance with the Swedish Companies Act.

A further description of our responsibility for auditing the administration can be found on the Inspectorate of Public Accountants' website: www.revisorsinspektionen.se/rn/showdocument/documents/rev_dok/revisors_ansvar.pdf. This description is part of the auditor's report.

Remark

During the financial year, the company has not paid deducted tax, social security contributions and VAT on time and in the correct amount.

Stockholm, April 30, 2025,
BDO Mälardalen AB

Niclas Nordström
Certified Public Accountant

Scott Boyer, CEO

+46 8 44 64299

investor.relations@klaria.com

Klaria Pharma Holding AB (PUBL)

Virdings Allé 2

754 50 UPPSALA

www.klaria.com

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KLARIA PHARMA HOLDING AB (PUBL)

Annual report 2024

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