

NextCell Pharma's updated growth strategy

NextCell Pharma AB ("NextCell" or the "Company") today announces that the Company has decided to implement strategic changes. The new strategic direction means, amongst other things, that Cellaviva will become a wholly owned subsidiary and that the company's GMP facility will have new sources of revenue. The strategic changes will also result in cost savings as a result of staff reduction.

NextCell develops the cell therapy drug ProTrans for the treatment of type 1 diabetes. ProTrans is now being evaluated in NextCell's largest study to date, ProTrans Young (the paediatric study), a clinical trial that is progressing according to plan. In addition, a five year follow-up of previous studies with ProTrans will be carried out this year, which will provide the Company with valuable longitudinal data.

"It is our conviction that the results from these clinical trials will be sufficient to be able to sign an agreement to out-license ProTrans for type-1 diabetes. To better position NextCell for the future, we have decided on important strategic changes," comments NextCell Pharma's CEO Matthias Svahn.

Cellaviva becomes a subsidiary

Cellaviva is Scandinavia's largest private stem cell bank and the business has shown a strong growth over the past five years. In addition, the range has been broadened with a number of new products and services, both for consumers and companies. During the second half of 2023, it was announced that Cellaviva had entered into an agreement to distribute tissue products to clinics, which was possible thanks to the permission from IVO to operate tissue establishments in Sweden. The fact that Cellaviva will become a wholly owned subsidiary in the first step means that the business will have a clearer focus with its own dedicated management team with the task of increasing sales and achieving profitability.

Developing the GMP facility for more revenue sources

NextCell's GMP facility for manufacturing the drug ProTrans has been completed. Today, the drug ProTrans for the paediatric study is manufactured by NextCell's partner, contract manufacturer PBKM. The new facility has an excellent capacity and the Company has decided to commission the facility according to cleanroom grade D. This means that NextCell will have a new source of revenue through use of the facility for manufacturing cells for research purposes that will be sold to researchers and biotech companies. The study drug ProTrans will continue to be manufactured by PBKM, which is a cost-effective solution. As part of the new direction, NextCell has decided on staff reductions, which is expected to result in cost savings and streamlined activities.

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About NextCell Pharma AB

NextCell is a cell therapy company in Phase II trials with the drug candidate ProTrans for the treatment of type 1 diabetes. The focus is to obtain market approval of ProTrans via a phase III trial. In addition to type 1 diabetes, ProTrans is used in two clinical trials for COVID-19, in Örebro and in Montreal, Canada.

Furthermore, NextCell owns 8.5% in FamicordTX, a CAR-T start-up in oncology, and 100% of Cellaviva, Scandinavia's largest private stem cell bank licensed by the Swedish Health Authority (IVO) to preserve and store stem cells from umbilical cord blood and umbilical cord tissue for family use.