



Xspray Pharma publishes its Year-end Report, January – December 2018

“Following determined efforts, we demonstrated performance in 2018 that has brought us significantly closer to a market launch of HyNap-Dasa and have thus increased Xspray’s possibilities of building shareholder value.”

Per Andersson, CEO Xspray Pharma AB (publ)

Fourth quarter, October – December 2018, parent company

Amounts in brackets refer to the corresponding period for the previous year.

- Earnings before tax amounted to SEK -10,597 thousand (-4,964)
- Net sales amounted to SEK 206 thousand (20)
- Earnings per share before dilution amounted to SEK -0.75 (-0.40)
- Cash flow from operating activities totaled SEK -5,888 thousand (-4,807)

January – December 2018, parent company

Amounts in brackets refer to the corresponding period for the previous year.

- Earnings before tax amounted to SEK -23,098 thousand (-13,817)
- Net sales amounted to SEK 277 thousand (332)
- Earnings per share before dilution amounted to SEK -1.70 (-1.74)
- Cash flow from operating activities totaled SEK -17,747 thousand (-11,658)
- Cash and cash equivalents at the end of the period totaled SEK 221,216 thousand (115,512)
- Total equity amounted to SEK 301,716 thousand (154,355)
- The total number of shares is 15,076,460

The above figures refer to the parent company as the Group was formed first at the end of December 2018 in connection with the company’s acquisition of a newly incorporated subsidiary, which is dormant for the time being. The parent company’s figures are therefore reported above to make comparisons between the periods easier. Figures for the Group will be reported in 2019. As of the fourth quarter, amounts will be reported in accordance with IFRS, with the exceptions that apply for legal entities (RFR 2) See accounting policies in the year-end report and also at www.xspraypharma.com

Significant events during the full year 2018

October – December

- The concluding analysis of the complete data from the clinical Phase 1 study with HyNap Dasa was presented on October 10. The study results confirmed bioequivalence of an optimized formulation of HyNap-Dasa and reinforced the conclusions that could be drawn from the preliminary data.
- Xspray Pharma’s Board of Directors resolved to apply for listing of its shares on Nasdaq Stockholm’s main list. The change in listing is expected to take place within 12 months and is being carried out to enhancing prospects for a broader shareholder base. As a result, the company will be changing its accounting policies as of the fourth quarter in order to comply with IFRS and RFR 2, and it will also switch to a layout classified by function for the income statement. See the year-end report for further information.
- LTI 2018 – an incentive program in Xspray linked to the company’s long-term value growth – was adopted in November.
- Another product patent for HyNap-Dasa was granted in the United States.
- The planned pilot study with HyNap-Sora was begun in December.

- In order to expand the product portfolio, Xspray Pharma completed a targeted new share issue in early December totaling 1.37 million shares, raising approximately SEK 92 million before issue expenses.
- Xspray Pharma acquired a newly incorporated subsidiary in December in order to meet a possible future need for an expanded group structure.

January – September

- Xspray Pharma completed a targeted new share issue totaling 1.35 million shares, raising approximately SEK 88 million before issue expenses.
- The company hired Charlotta Liljebriis as the new head of R&D.
- Xspray Pharma and NerPharMa delivered testing materials to the clinical HyNap-Dasa study, which was duly initiated. The study was completed according to plan and the promising preliminary results were presented on September 9.

Significant events after the reporting period

There have been no significant events after the reporting period.

Read the full year-end report at

<http://xspraypharma.com/wp-content/uploads/2019/02/Xspray-Q4-2018-EN.pdf>

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This information was made available through the offices of the above contact for publication on February 14 at 08:00 CET.

About Xspray Pharma

Xspray Pharma AB (publ) is a product development company with several product candidates in clinical development. Xspray Pharma uses its innovative patented RightSize technology to develop improved generic versions of marketed drugs, primarily protein kinase inhibitors (PKIs) for the treatment of cancer. The segment is the second-largest in the field of oncology and drug prices are high. Through its innovative technology, Xspray Pharma's strategy is, through outlicensing to an appropriate pharmaceutical company, to enter the market as first competitor to the original drugs before the exclusivity from secondary patents expires. Three PKIs have been identified as the initial product candidates (HyNap-Dasa, HyNap-Sora and HyNap-Nilo). Xspray Pharma's goal is to have up to seven products ready for launch in the US market, where the first product to launch in 2021 will be HyNap-Dasa. The substance patents for Sprycel® (dasatinib)*, expire in 2020 and the secondary patents expire in 2026, which can give Xspray Pharma's HyNap-Dasa a five-year period of special position before other competitors get access to the market. The company has patented manufacturing technology, equipment and the resulting products. The shares in Xspray Pharma are traded on Nasdaq First North Stockholm. The company's Certified Adviser is Redeye AB, www.redeye.se.

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