



Annual Report 2025

Lytix Biopharma Overview

Lytix Biopharma is a clinical-stage immuno-oncology company developing innovative cancer therapies designed to activate the body's immune system to fight cancer.

The company's technology is based on oncolytic molecules derived from host defense peptides. These molecules work through a dual mechanism: direct destruction of tumor cells and activation of systemic anti-tumor immune responses.

Lytix's lead drug candidate, ruxotemitide (LTX-315), is currently being evaluated across multiple cancer indications. Clinical studies have demonstrated that ruxotemitide induces both local tumor destruction and systemic immune responses, including regression of distant non-treated tumors.

The company's development strategy focuses on three key areas:

- Basal cell carcinoma, in partnership with Verrica Pharmaceuticals, where the program is advancing toward Phase III development
- Neoadjuvant melanoma, through the NeoLIPA Phase II study evaluating ruxotemitide in combination with pembrolizumab prior to surgery
- Next-generation intratumoral therapies, including LTX-401, which is being prepared for clinical development

Through its differentiated mechanism of action and growing clinical validation, Lytix aims to establish intratumoral immunotherapy as an important component of future cancer treatment.

Targeting Multiple Markets with Significant Commercial Opportunity

Market size

The global immuno-oncology market is substantial, potentially exceeding **USD 150 billion by 2030**.¹

Growing demand

Driven by the high incidence of skin cancers, the market is expected to grow at a **CAGR of 10 to 15%**.¹

High incidence

Skin cancer is the most common cancer type globally. For BCC, more than 3.6 million patients are diagnosed annually in the US alone**

Challenges in current cancer treatment and Lytix approach to bridge the gap

Skin cancer treatment is driven by significant scientific advances, yet major challenges remain. Many solid tumors are resistant to therapy, often remaining immunologically “cold” and prone to recurrence. Tumor heterogeneity further complicates treatment, as diverse cancer cell populations, including therapy-resistant clones, can coexist within the same tumor. In skin cancers such as basal cell carcinoma (BCC), surgery remains the standard of care, but it can be associated with procedural risks and cosmetic burden, underscoring the need for new treatment modalities.

Lytix Biopharma is addressing these challenges with ruxotemitide, a locally administered oncolytic peptide designed to directly kill cancer cells while converting “cold” tumors into immunologically “hot” tumors and activating systemic anti-tumor immune responses. This localized approach enables higher effective dosing with limited systemic exposure, targeting both primary tumors and distant lesions.

¹ Sources: * GlobalData, Pharma Intelligence Center, ** <https://www.skincancer.org/skin-cancer-information/skin-cancer-facts/>

Letter from the CEO

From Clinical Validation to Strategic Acceleration



Dear Shareholders,

2025 marked a defining year for Lytix Biopharma. During the year, the company transitioned from clinical validation toward a clearer path to commercialization, supported by strong scientific results, increasing strategic focus, and growing external validation of our technology platform.

The most significant milestone during the year was the presentation of interim results from the NeoLIPA study at the Nordic Melanoma Meeting in November. This investigator-initiated Phase II trial evaluates ruxotemitide in combination with pembrolizumab as a neoadjuvant treatment in early-stage melanoma. Among the first evaluable patients, the study demonstrated a pathological complete response (pCR) rate of 44% and an overall pathological response approaching 90%. Importantly, no relapses have been reported to date.

These results represent the first clinical evaluation of ruxotemitide in earlier-stage, immune-competent cancer patients and reinforce our conviction that the neoadjuvant setting represents a compelling development path.

At the same time, our partner Verrica Pharmaceuticals continued advancing ruxotemitide toward a pivotal Phase III program in basal cell carcinoma. During the year, Verrica reported additional immune-response data demonstrating that ruxotemitide reprograms the

tumor microenvironment by reducing immunosuppressive cell populations and increasing tumor-infiltrating immune cells. These findings strengthen the mechanistic rationale behind the strong clinical responses observed in the Phase II study, with complete pathological response in more than 50% of the patients, and support ongoing preparations for late-stage development.

Another important milestone during the year was the completion of the ATLAS-IT-05 clinical trial in late-stage metastatic melanoma. Despite studying one of the most difficult-to-treat patient populations, the study demonstrated durable disease control in approximately 40% of patients who had previously failed several lines of therapy. The study also confirmed systemic immune activation, including regression of distant non-injected metastases consistent with systemic immune activation. These findings provided important validation of ruxotemitide's mechanism of action and informed our strategic decision to prioritize earlier-stage disease settings.

Beyond ruxotemitide, we continued advancing our next-generation molecule, LTX-401. During 2025 we progressed preparations toward clinical entry. An independent commercial assessment conducted during the year indicated that LTX-401 may address multiple cancer indications with significant commercial potential across major markets.

To support our continued progress, we strengthened the company's leadership and governance capabilities. During the year, Dr. Karim Benhadji joined the company as acting Chief Medical Officer, bringing extensive experience in oncology, drug development and regulatory strategy. In early 2026, Darlene Deptula-Hicks joined the Board of Directors, further strengthening the company's financial and capital markets expertise as we move toward late-stage development and commercialization.

Following the reporting period, we further strengthened our financial position through a private placement and subsequent offering that together raised NOK 77.3 million in gross proceeds, fully supported by existing shareholders. This strong endorsement from our shareholder base reflects continued confidence in our strategy and provides the financial flexibility to advance our development programs.

Looking ahead

With strong Phase II data across multiple indications, ruxotemitide has now demonstrated reproducible clinical activity alongside a favorable safety profile. This growing body of evidence strengthens the clinical foundation for further development and supports our strategy to advance ruxotemitide toward pivotal clinical development and commercialization.

Looking forward, our priorities are clear:

- Advancing the NeoLIPA study toward full enrollment and top-line results
- Supporting the progression of the basal cell carcinoma program toward Phase III
- Continued preparations for clinical entry of LTX-401
- Pursuing strategic partnerships to maximize the global potential of the platform

We believe that intratumoral immunotherapy and in-situ vaccination approaches will play an increasingly important role in future cancer treatment. Through ruxotemitide and our broader platform, Lytix Biopharma is uniquely positioned to contribute to this transformation.

On behalf of the entire Lytix team, I would like to thank our patients, investigators, partners, employees and shareholders for their continued trust and support.

Together, we are moving closer to our goal of bringing innovative immunotherapies to patients worldwide.

Sincerely,

Øystein Rekdal
CEO and Co-founder
Lytix Biopharma

Key Highlights 2025

Clinical progress:

- Positive interim results from the NeoLIPA Phase II study presented at the Nordic Melanoma Meeting, demonstrating a 44% pathological complete response rate and ~90% overall pathological response among the first evaluable patients.
- Completion of the ATLAS-IT-05 Phase II trial in advanced melanoma confirming systemic immune activation and disease control in approximately 40% of heavily pretreated patients.
- Continued recruitment in the NeoLIPA neoadjuvant melanoma study with plans to expand the study to additional clinical sites.

First Partnership:

- Verrica Pharmaceuticals reported additional immune-response data from the basal cell carcinoma Phase II study supporting ruxotemotide's mechanism of action.
- In alignment with the FDA, preparations for a Phase III study in basal cell carcinoma continued during the year.

Pipeline Development:

- Continued preparations for clinical entry of LTX-401, targeting deep-seated tumors.
- Independent commercial assessment indicated multi-billion-dollar peak sales potential across multiple cancer indications.

Organization:

- Strengthened leadership team and board with senior expertise in oncology development, regulatory strategy and capital markets.

Business and Financial:

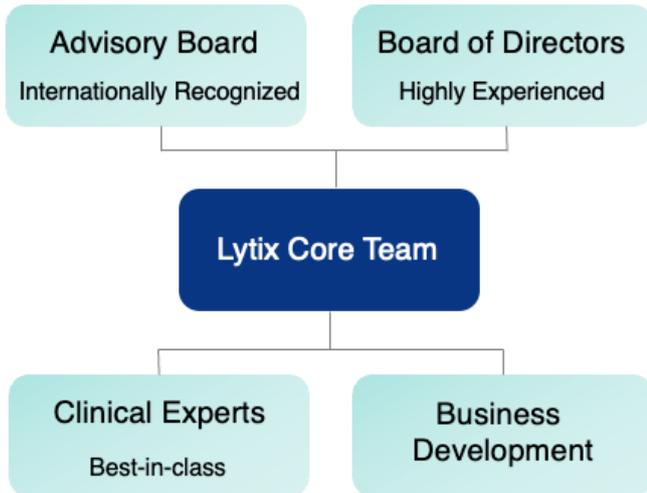
- Total operating expenses decreased compared to 2024 reflecting completion of major clinical activities.
- Post-period financing of NOK 77.3 million raised from existing shareholders.

KEY FIGURES

<i>Amounts in NOK thousands</i>	2025	2024
Total operating income	-	11,134
Total operating expense	(64,028)	(107,029)
Loss from operations	(64,028)	(95,896)
Loss for the period	(59,982)	(94,265)
Property, plant and equipment	5	42
Right of use asset	2,082	2,589
Trade and other receivables	7,078	13,113
Short-term financial investments	61,756	-
Cash position at the end of the period	10,602	130,791
Total assets	81,524	146,535
Total equity	61,750	107,894
Total liabilities	19,774	38,641
Total equity and liabilities	81,524	146,535

Strategic Approach

Lean and effective team structure supported by international expertise



Lean team

Lytix employs a lean, adaptable team structure, combining a core team in Norway with top notch expert support across the US and Europe.

Flexible optionality

This approach ensures the right expertise is engaged at the right time, optimizing progress for our drug candidates.

Lytix is focused on positioning its lead immuno-oncology asset as a high-value, differentiated opportunity for potential partners. By presenting compelling clinical data and clearly articulating the asset’s market potential, the company aims to generate strong interest from pharmaceutical partners.

To drive engagement, Lytix actively identifies and builds relationships with companies whose expertise and strategic priorities align with the asset. Priority is given to organizations with complementary immuno-oncology pipelines or portfolio gaps that the therapy could address. Relationship-building and education remain central to this strategy, with the company leveraging industry conferences, targeted outreach, virtual meetings, and trusted intermediaries to establish meaningful connections.

The ultimate objective is to secure licensing agreements or a strategic acquisition by a mid-sized or large pharmaceutical company, enabling the successful development and commercialization of the therapy.

Lytix Biopharma’s roadmap to create shareholder value



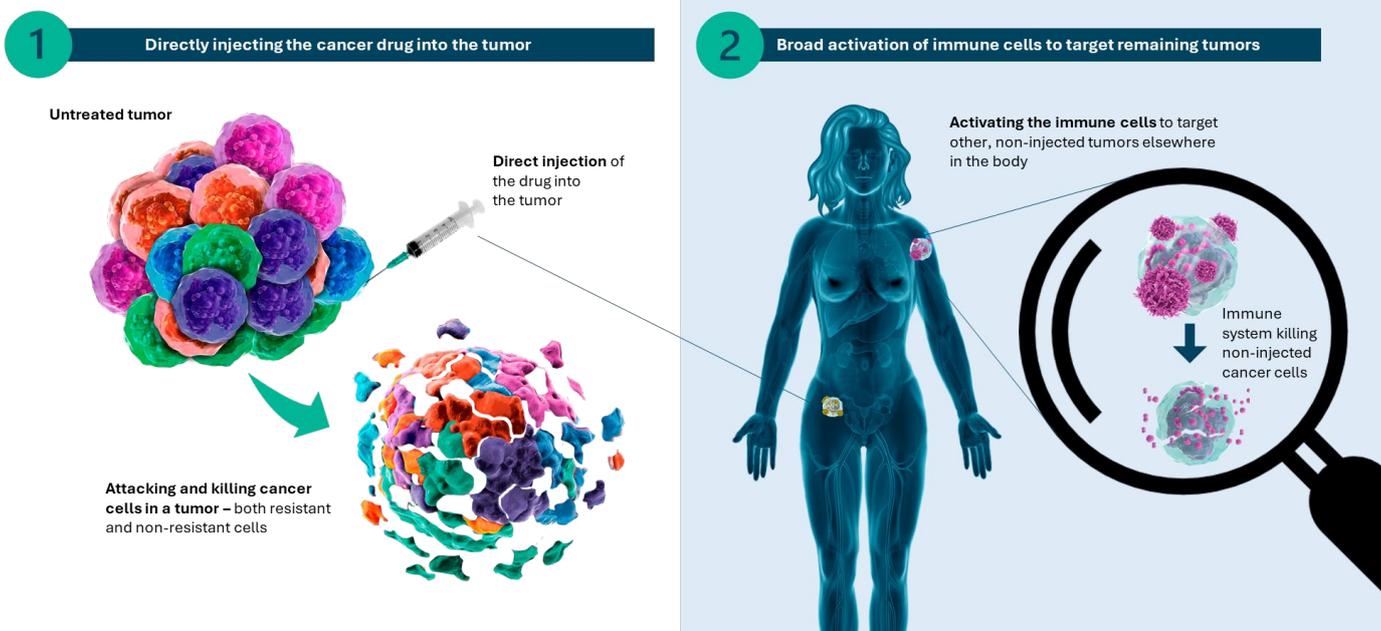
Director's Report

Introduction

2025 marked a defining year for Lytix Biopharma. During the year, the company progressed from early clinical validation toward a clearer strategic pathway to commercialization for its lead immunotherapy candidate, ruxotemitide (LTX-315). Strong clinical results, translational immune analyses, and continued development activities further strengthened the scientific foundation and commercial potential of the company's intratumoral immunotherapy platform.

Lytix develops cancer therapies designed to activate the immune system directly within the tumor microenvironment. The company's technology is based on molecules derived from host-defense molecules that locally destroy tumor cells while simultaneously stimulating systemic immune responses capable of targeting distant metastases.

The Board believes the progress achieved in 2025 significantly strengthens the company's strategic position and further validates the potential of ruxotemitide as a differentiated immunotherapy approach.



Lytix Overview

Lytix Biopharma is a clinical-stage immuno-oncology company focused on developing innovative immunotherapies for multiple cancer indications in the neoadjuvant setting.

The company's technology platform is designed to convert immunologically "cold" tumors into "hot" tumors by releasing tumor antigens and activating tumor-specific immune responses.

Its lead drug candidate, ruxotemitide (LTX-315), has demonstrated clinical activity across multiple studies and is currently being evaluated in several late-stage development programs.

Key programs include:

- Basal cell carcinoma – Phase II study completed by partner Verrica Pharmaceuticals
- NeoLIPA – Phase II neoadjuvant melanoma study

- ATLAS-IT-05 – Completed Phase II study in metastatic melanoma
- LTX-401 – Next-generation candidate targeting deep-seated tumors

Through these programs, Lytix is working to redefine the standard of care in the neoadjuvant setting, with ruxotemitide positioned to be a first-in-class treatment in the neoadjuvant setting.

	Population	Pre-clinical	Phase I	Phase II	Phase III	Partner
Ruxotemitide (LTX-315)						
Pivotal Study Combination with pembrolizumab	TBD					
Monotherapy	Basal cell carcinoma					
NeoLIPA	Neoadjuvant resectable melanoma patients					
LTX-401						
Mono-and combination therapy	Solid tumors (deep seated lesions)					

Strategic Development During 2025

The year 2025 marked a strategic transition for the company. Historically, Lytix focused on demonstrating proof of concept for its technology in patients with advanced cancers who had limited treatment options. These studies validated the company’s mechanism of action and demonstrated the ability of ruxotemitide to induce systemic anti-tumor immune responses.

Building on these findings, the company strategically prioritized development in earlier-stage cancer patients, where immune systems are stronger and the potential for durable disease control is greater.

Three key developments defined the year:

- Completion of the ATLAS-IT-05 study, confirming systemic immune activation.
- Presentation of interim NeoLIPA data, demonstrating promising activity in the neoadjuvant setting.
- Continued evaluation of non-dilutive funding and partnership options by partner Verrica Pharmaceuticals, for progressing ruxotemitide (VP-315) into Phase III development in basal cell carcinoma.

Together, these developments strengthened both the scientific rationale and the commercial opportunity for Lytix’s intratumoral immunotherapy platform.

Equity Story

Lytix Biopharma is building a differentiated position in immuno-oncology through its intratumoral immunotherapy platform.

The investment case for the company is based on four key pillars:

1. Clinically validated technology platform

Multiple Phase II studies demonstrate the ability of ruxotemotide to induce both local tumor destruction and systemic immune activation.

2. Clear path toward commercialization

The basal cell carcinoma program through the Verrica partnership represents the most advanced development pathway.

3. Expansion into earlier-stage cancer

The NeoLIPA study demonstrates the potential for ruxotemotide in the neoadjuvant setting where larger patient populations and improved outcomes may be achievable.

4. Platform expansion through LTX-401

The next-generation molecule significantly expands the potential scope of the technology.

The Board believes that these elements position Lytix as an attractive strategic partner for pharmaceutical companies seeking innovative immunotherapy platforms.

Operational Review

Partnerships

Ruxotemotide development in partnership with Verrica

Lytix has licensed global rights for dermatologic oncology indications of ruxotemotide to Verrica Pharmaceuticals. The partnership provides Lytix with milestone payments and future royalty potential while allowing Verrica to lead late-stage clinical development and commercialization within dermatology.

During 2025, Verrica continued to pursue non-dilutive funding and co-development opportunities for their pivotal Phase III trial in basal cell carcinoma (BCC) with ruxotemotide (LTX-315, VP-315). In Q4, Verrica reported additional immune-response data from the Phase II BCC program demonstrating that ruxotemotide actively remodels the tumor immune environment, reducing suppressive immune cells and increasing cancer-fighting immune cells. These findings support both the observed clinical activity and the differentiated profile of ruxotemotide. These findings contribute to increasing confidence in the program’s ability to deliver durable clinical benefit and informed ongoing preparations for Phase III development. With continued progress toward pivotal development, Lytix remains well positioned to capture upcoming milestone opportunities in partnership with Verrica.

Licensing Deal with Verrica Pharmaceuticals

Clinical Validation of Ruxotemotide Established in Ph II BCC (N=92)

Led by partner Verrica Pharmaceuticals (VP-315)

PATHOLOGICAL COMPLETE RESPONSES
100% tumor elimination



RESPONSE RATE
Overall calculated objective response rate¹



REDUCTION
Overall reduction of tumor size



License includes dermatological indications including **basal cell carcinoma** and **squamous cell carcinoma**

Milestone payments up to USD \$110M plus double-digit royalties on future sale

Research and development

ATLAS-IT-05 trial (Ruxotemitide in combination with pembrolizumab in advanced melanoma)

The ATLAS-IT-05 study evaluated ruxotemitide in combination with pembrolizumab in patients with advanced metastatic melanoma who had failed prior immune checkpoint inhibitor therapy. Despite studying one of the most difficult-to-treat cancer populations, the study demonstrated disease control in approximately 40% of patients and durable responses lasting up to 24 months. Importantly, regression was also observed in distant non-injected lesions, indicating systemic immune activation consistent with an abscopal effect.

The study provided strong validation of the company’s platform technology and informed the company’s strategic shift toward earlier-stage cancer settings.

Complete regression in injected tumors	Complete regression in non-injected tumors	Key Findings
<p>Before Treatment</p>  <p>Day 43</p> 	<p>Baseline scan 28 mm lesion in left gluteus muscle</p>  <p>Day 547 scan No lesion in left gluteus muscle</p> 	<ul style="list-style-type: none"> • All responses were durable, (>24 months) • Safety profile was consistent with known effects of IT immunotherapy and pembrolizumab. • Manageable safety in heavily pretreated patients • Complete regression of injected tumors • Abscopal effect in distant metastases

NeoLIPA study (ATLAS-IT-06 – Ruxotemitide in a neoadjuvant setting in early-stage melanoma)

Lytix’s early clinical work was focused on non-resectable, heavily pre-treated and severely immunocompromised patients, a population with high unmet medical need and a strategic focus for Lytix and ruxotemitide. In the ATLAS-IT-05 study patients were treated with a combination of ruxotemitide and pembrolizumab resulting in disease control in roughly 40% of patients for up to 24 months. While complete tumor regression was observed in many treated lesions, notable tumor regression was also observed in distant, non-treated metastatic lesions. These findings are consistent with an abscopal effect and support the ability of locally administered ruxotemitide to induce systemic immune activation. Encouraged by these findings, and the mechanism of action of ruxotemitide, we shifted our strategic focus toward resectable tumors, beginning with neoadjuvant melanoma and the NeoLIPA study.

NeoLIPA is a phase II, open-label study assessing the use of ruxotemitide as a neoadjuvant treatment in combination with pembrolizumab, i.e. before surgery, in patients with fully resectable stage III-IV melanoma. The goal is to evaluate whether this combination can reduce tumor burden ahead of surgery and stimulate a systemic immune response that may reduce the risk of relapse post-operatively.

Dr Henrik Jespersen, the lead investigator of the study, presented interim results of the Nordic Melanoma Meeting in Tromsø, Norway, in November 2025. Among the first 9 evaluable patients, 44% achieved pathological complete response (pCR), and 55% major pathological response (MPR). Overall pathological response was observed in nearly 90% of patients, and no relapses have been reported to date. As of the

reporting date, 15 patients have been treated so far and plans to open a second site to speed up recruitment rate are in place. Top-line results are planned to be presented in second half of 2026.

The patient number is small, but the interim data is strong, and we are confident with our strategic prioritization of treating patients prior to surgery. Based on a recent independent external commercial assessment, ruxotemitide is projected to have multi-billion-dollar peak revenue potential in neoadjuvant settings across superficial cancer indications such as melanoma, breast cancer and head & neck cancer.

EU-CT No: 2023-508649-42-00

Clinical Validation of Ruxotemitide Established in Ph II Neoadjuvant Melanoma (N=9)

Interim data presented at Nordic Melanoma Meeting – November 2025, by Dr. Henrik Jespersen and team



LTX-401

In 2025, Lytix prioritized two activities for LTX-401, continuing preparations for a first in human trial, and actively engaging in partnering discussions. These recent partnering discussions provided external validation that LTX-401 is a highly attractive asset for deep-seated tumors. Further external validation was provided through our recent commercial assessment conducted by an independent third party concluded that LTX-401 has the potential to become the first-line standard of care across multiple indications, with a projected multi-billion-dollar revenue at peak sale across major markets.

Business

Strengthening leadership and governance to drive global growth and late-stage execution

During the second half of 2025, Lytix Biopharma continued to take important steps to strengthen its leadership and governance in line with its plan to advance ruxotemitide into pivotal trials and for LTX-401 to enter the clinic. Dr Karim Benhadji was appointed as acting Chief Medical Officer in September 2025 and in January 2026 Darlene Deptula-Hick was elected to the board at an extraordinary general meeting.

Dr Benhadji and Ms. Deptula-Hicks bring a broad and complementary mix of expertise spanning oncology drug development, clinical and regulatory strategy and corporate finance. This combination of senior management and board-level capabilities builds upon the foundation built in the first half of 2025, and positions Lytix Biopharma as ready for late-stage execution, international partnering and long-term value creation.

With these additions, Lytix is positioned to accelerate pipeline execution, expand strategic collaborations, and advance innovative cancer therapies globally, supported by organizational strengthening and continued clinical progress.

Dr. Karim Benhadji was appointed Acting Chief Medical Officer in September 2025, bringing extensive experience in oncology drug development and clinical strategy.

Subsequent to the reporting period, in January 2026, Darlene Deptula-Hicks was elected to the Board of Directors at an extraordinary general meeting. Ms. Deptula-Hicks brings significant expertise in global biotechnology strategy, corporate development, and capital markets.

These additions complement the existing management team and board capabilities and further position Lytix Biopharma to advance its clinical programs, expand strategic collaborations and support long-term value creation.

Financial review

Accounting policies

The financial statements of Lytix Biopharma AS (the “Company”) have been prepared in accordance with IFRS® Accounting Standards as adopted by the European Union (EU) and in accordance with the disclosure requirements applicable to companies listed on Euronext Growth Oslo under the Norwegian Accounting Act.

Profit and loss

The financial development in 2025 reflects the Company’s transition from intensive late-stage clinical activity toward preparation for the next phase of development of ruxotemitide.

Revenue for 2025 totaled NOK 0.0 million compared to NOK 11.1 million in 2024. Revenue in 2024 primarily related to the production and sale of API (LTX-315) to the Company’s licensee Verrica Pharmaceuticals in connection with its clinical development program. No comparable deliveries occurred during 2025.

Personnel expenses totaled NOK 32.6 million in 2025 compared to NOK 22.6 million in 2024. The increase primarily reflects share-based payment expenses associated with option grants during the year, while underlying salary expenses remained relatively stable.

Depreciation and amortization expenses amounted to NOK 1.0 million in 2025 compared to NOK 0.9 million in 2024 and mainly relate to depreciation of right-of-use assets associated with the Company’s office lease.

Direct research and development expenses totaled NOK 13.8 million in 2025 compared to NOK 72.6 million in 2024. The significant reduction reflects the completion and wind-down of the ATLAS-IT-05 clinical study during 2025. In addition, previously recognized accruals related to the study were partially reversed following updated cost estimates for certain clinical trial components.

Other operating expenses increased to NOK 16.6 million in 2025 compared to NOK 11.0 million in 2024. The increase primarily reflects strengthening of the Company’s organizational capabilities, business development activities, and costs associated with operating as a publicly listed company.

As a result, loss from operations improved to NOK 64.0 million in 2025 compared to NOK 95.9 million in 2024.

Net financial items contributed positively with NOK 4.0 million in 2025 compared to NOK 1.6 million in 2024, mainly reflecting interest income generated on the Company’s liquidity and short-term financial investments.

The loss for the year amounted to NOK 60.0 million compared to NOK 94.3 million in 2024.

Cash flow

Net cash flow from operating activities amounted to negative NOK 59.9 million in 2025 compared to negative NOK 70.4 million in 2024. The improvement reflects the lower operating loss and reduced clinical trial expenditures following completion of the ATLAS-IT-05 study.

Cash flow from investing activities amounted to negative NOK 59.4 million in 2025 compared to positive NOK 24.7 million in 2024. The negative cash flow in 2025 primarily reflects the allocation of a portion of the Company's liquidity into short-term financial investments.

Cash flow from financing activities amounted to negative NOK 0.9 million in 2025 compared to positive NOK 149.1 million in 2024. The financing inflow in 2024 related to two successful capital raises completed during that year, while no new equity financing was conducted during 2025.

As a result, cash and cash equivalents decreased by NOK 120.2 million during 2025.

Statement of financial position / balance sheet

Cash and cash equivalents totaled NOK 10.6 million as of 31 December 2025 compared to NOK 130.8 million at the end of 2024. In addition, the Company held short-term financial investments totaling NOK 61.8 million at year-end 2025.

Total assets amounted to NOK 81.5 million at 31 December 2025 compared to NOK 146.5 million at the end of 2024. The decrease primarily reflects the utilization of cash resources to fund the Company's operations during the year.

Equity amounted to NOK 61.8 million at year-end 2025 compared to NOK 107.9 million at the end of 2024, corresponding to an equity ratio of 75.8%.

Total liabilities decreased to NOK 19.8 million compared to NOK 38.6 million at the end of 2024. The reduction primarily reflects lower accrued clinical trial expenses following the completion of the ATLAS-IT-05 study.

The financial position at year-end 2025 reflects the completion of major clinical activities during the year and positions the Company to focus on advancing ruxotemide toward its next stage of clinical and strategic development.

Allocation of the 2025 result

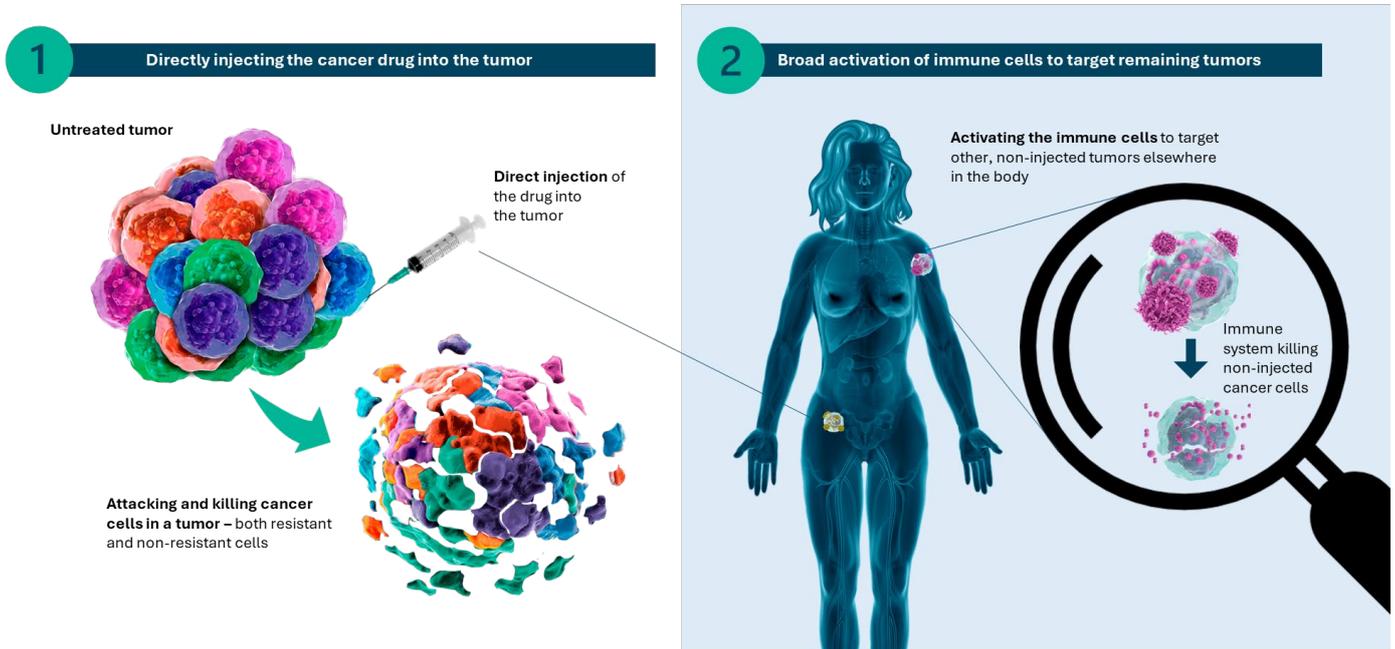
The Company reported a loss of NOK 60.0 million in 2025. The Board of Directors proposes that the loss be transferred from the Share Premium Reserve.

Platform technology

Lytix's technology platform is based on robust preclinical and clinical research and originates from UiT, The Arctic University of Norway in Tromsø. The company has successfully developed a portfolio of highly active oncolytic molecules derived from naturally occurring host-defense peptides. These molecules are designed to address multiple fundamental challenges in cancer treatment such as tumor heterogeneity, tumor cell resistance, and insufficient T cell infiltration into the tumor microenvironment.

Oncolytic molecules exert their effects through a dual mechanism of action independent of tumor heterogeneity and tumor cell resistance: direct killing of cancer cells and activation of anti-tumor immunity. When administered intratumorally, Lytix's oncolytic molecules induce localized tumor cell death while simultaneously stimulating the infiltration and activation of the patient's tumor-specific T-cells. This process enables the activation of a systemic immune system response, facilitating the recognition and attack of cancer cells throughout the body. To date, preclinical and clinical data support the ability of Lytix's molecules to generate a systemic and durable anti-tumor immune response.

Separate from demonstrating activity as a monotherapy, Lytix’s oncolytic molecules are synergistic with other immunotherapies such as immune checkpoint inhibitors. By recruiting and activating immune cells within the tumor microenvironment, the effectiveness of subsequent treatment with immune checkpoint inhibitors is enhanced, unlocking a significant improvement in patient outcomes.



Oncology represents the largest segment of the global pharmaceutical market by revenue. In 2021, oncology therapeutics generated approximately USD 184 billion in sales, accounting for nearly 20% of total global pharmaceutical revenues. Despite significant advances, unmet medical need remains high, and the oncology market is expected to grow to approximately USD 441 billion by 2029.² This growth is expected to be driven largely by the continued expansion of immuno-oncology combination therapies. Lytix’s oncolytic molecules are designed to be synergistic and complementary to existing immuno-oncology approaches, with the potential to enable new treatment paradigms and contribute to redefining the standard of care across multiple cancer indications.

By addressing a key efficacy-limiting challenge across multiple cancer indications, and through their ability to be safely combined with a wide range of immuno-oncology therapies, Lytix’s oncolytic molecules have the potential to play an important role in cancer treatment, improve patient outcomes, and drive long-term value for Lytix.

Product candidates and portfolio

Lytix Biopharma’s highly differentiated oncolytic molecule platform underpins multiple product opportunities and has the potential to improve outcomes for patients across a broad range of cancer indications.

The company’s portfolio is led by ruxotemotide, which has demonstrated a favorable safety and tolerability profile, as well as clinical activity as both a monotherapy and in combination with pembrolizumab across multiple cancer indications and disease settings.

LTX-401 represents a next-generation candidate that has generated strong preclinical proof-of-concept data in multiple hard-to-treat animal models. Development efforts are focused on deep-seated tumors, including liver cancer, where significant unmet medical need remains.

² Global Oncology Trends 2-25, IQVIA

	Population	Pre-clinical	Phase I	Phase II	Phase III	Partner
Ruxotemotide (LTX-315)						
Pivotal Study Combination with pembrolizumab	TBD					
Monotherapy	Basal cell carcinoma					
NeoLIPA	Neoadjuvant resectable melanoma patients					
LTX-401						
Mono-and combination therapy	Solid tumors (deep seated lesions)					

Partnerships

Verrica Pharmaceuticals Inc.

Verrica is a Nasdaq-listed dermatology therapeutics company focused on developing treatments for skin diseases requiring medical intervention and is headquartered in West Chester, Pennsylvania. In August 2020, Lytix entered into a license agreement granting Verrica an exclusive, worldwide license to develop and commercialize ruxotemotide for all malignant and pre-malignant dermatological indications. Lytix retains full rights to ruxotemotide for the treatment of metastatic melanoma and metastatic Merkel cell carcinoma as well as all other non-dermatological indications. Under the agreement, Verrica is responsible for manufacturing the ruxotemotide drug product, while Lytix retains responsibility for manufacturing the active pharmaceutical ingredient (API).

Under the terms of the exclusive worldwide license agreement, Lytix has received upfront and development milestone payments totaling USD 3.5 million to date. Lytix is eligible to receive up to USD 110 million in additional milestone payments tied to clinical, regulatory, and commercial achievements, as well as tiered royalties on worldwide net sales ranging from the low double digits to the mid-teens.

Verrica is initially focusing development of ruxotemotide on basal cell carcinoma (BCC) and squamous cell carcinoma. BCC is the most common cancer globally, with approximately 3–4 million new cases diagnosed annually in the United States alone. The disease primarily affects sun-exposed areas, with approximately 80% of cases occurring on the face and head. Given the substantial unmet need for effective non-surgical treatment options, ruxotemotide has the potential to offer a compelling alternative to invasive surgery, with advantages that may include reduced pain, bleeding, infection risk, and scarring. The global BCC market is projected to reach approximately USD 11.5 billion by 2028, reflecting a compound annual growth rate of 7.9%.

In August 2024, Verrica reported positive top-line results from its ongoing Phase II clinical trial of ruxotemotide in BCC. The data demonstrated high rates of complete clearance and meaningful tumor size reduction, underscoring ruxotemotide’s potential as a differentiated, non-surgical treatment option for skin cancer patients. These results provide a strong foundation for advancing the program toward late-stage development and further validate the strategic and commercial value of the partnership with Verrica.

Environment, social and corporate governance (ESG)

ESG reporting provides transparency regarding environmental, social and governance impacts and enables Lytix to communicate how sustainability considerations are integrated into the company’s operations, strategy and risk management.



While Lytix is not currently subject to mandatory sustainability reporting requirements under the Corporate Sustainability Reporting Directive (CSRD), the company recognizes the increasing importance of ESG considerations for investors, partners and other stakeholders. Lytix therefore maintains an active focus on ESG matters and continues to gradually strengthen its approach to sustainability reporting.

This report covers sustainability topics that are of importance to Lytix and the company’s stakeholders.

Lytix is in regular contact with stakeholder groups and strives for an active stakeholder dialogue. Consequently, the company will continue to update the stakeholder dialogue and materiality assessment as part of future ESG reporting.

LYTIX’S STAKEHOLDERS



1. **Employees** Lytix’ employees are directly affected by the company’s internal policies and activities and directly influence the company through their performance and actions. We are proud of our employees who are at the core of our services and who shape our values-based culture. We are committed to providing a workplace where our people’s health and safety is of paramount importance.

2. **Investigators/Patients** Lytix' customers consist of oncologists, hospitals, clinics and the cancer patients they treat. Customers are directly affected by the quality and safety of Lytix' products, and we are committed to conducting our business in a way that best protects them. We aim to be a trusted partner through providing tailored information to all healthcare professionals and their patients, with compassion for each and every one of them.
3. **Subcontractors/Suppliers** Managing supply chain risks, impacts, and capturing opportunities for sustainable value creation is complex. However, the fundamental steps are common across all companies and organizations: understanding, planning and implementing. Learning from outcomes is essential in order to continuously improve and strengthen supply chain strategies. Suppliers directly affect the company through the quality and pricing of their products and services, and Lytix carefully evaluates potential suppliers before entering into contractual relationships.
4. **Civil society** Local communities are indirectly socially, environmentally and economically affected by Lytix' activities in terms of job creation, contribution to local value creation and environmental impact. We want to have a positive impact on the communities in which we operate.
5. **Partners** Lytix' partners are directly affected by Lytix' activities and the quality and safety of Lytix' products. Lytix is in return directly affected by the partners performance and actions.
6. **Investors/Shareholders** Lytix' investors and owners are primary stakeholders and directly affect the company's priorities and strategic direction. Lytix' economic and business performance may affect the priorities of investors and shareholders.
7. **Government authorities** Government and regulatory authorities affect the company's operating conditions directly and indirectly through laws and regulations.

As Lytix continues to grow and adapt to evolving stakeholder expectations, the company's values remain at the core of how we conduct our business.

As our ESG program develops so too does our focus, away from a mostly compliance driven approach to one that is led by organizational strategy and stakeholder views.

ESG considerations have become increasingly important for investors and partners in the life science sector. Lytix therefore continues to strengthen its dialogue with stakeholders to ensure that sustainability considerations are appropriately reflected in the company's operations and strategic priorities.

Lytix' materiality assessment

The ESG materiality assessment is a tool used to identify and prioritize ESG issues that are the most critical to a company. The materiality assessment presented below is designed to identify and understand the relative importance of specific ESG topics to Lytix. This involves looking at a variety of factors from two different vantage points: importance to business success and importance to stakeholders.

In preparation for evolving regulatory expectations, including the gradual implementation of the EU Corporate Sustainability Reporting Directive (CSRD), Lytix will continue to refine its materiality assessment and ESG reporting framework. As the company grows, ESG priorities will be reassessed to ensure alignment with both stakeholder expectations and the company's strategic development.

Based on stakeholder input and priorities, as well as an assessment of the company's business impact, the materiality of each suggested ESG topic was considered.

The results are presented in the materiality matrix below, with topics considered material for Lytix in the upper right section.

Through the materiality assessment Lytix has identified ESG topics that are important to follow up on, based on business relevance and stakeholder interest. These ESG topics are presented in the list below:

Environment

1. Environment and climate impact
 - a. Climate change – Greenhouse gas emissions (GHG)

- b. Natural capital - deforestation, biodiversity, water
- c. Pollution and waste

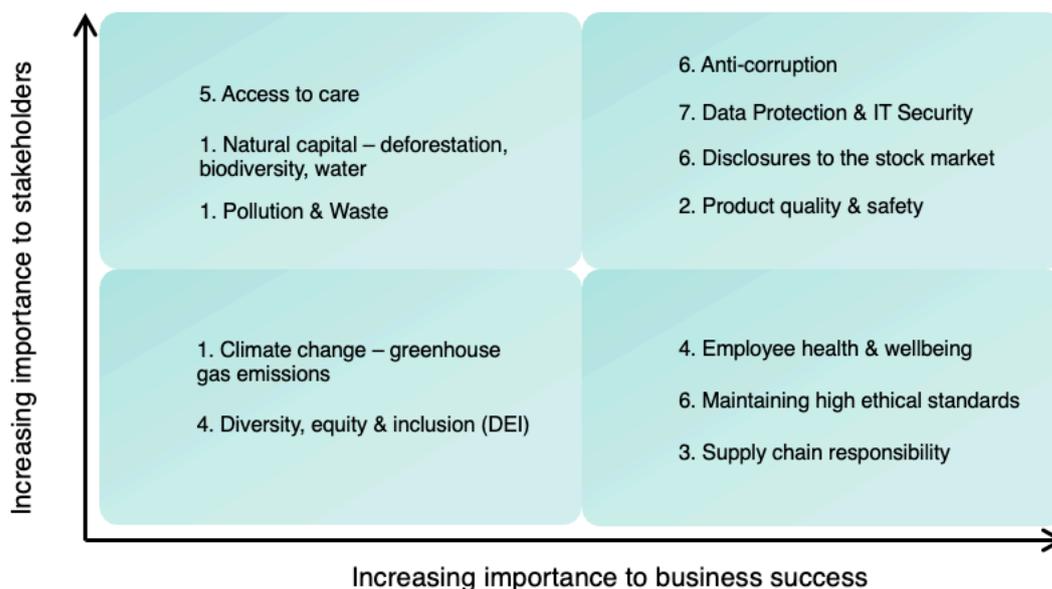
Social

- 2. Product quality and safety
- 3. Supply chain responsibility
- 4. Human rights and human capital
 - Employee health and wellbeing
 - Diversity and inclusion
- 5. Access to care

Governance

- 6. Business ethics and transparency
 - Anti-corruption
 - Maintaining high ethical standards
 - Disclosures to the stock market
- 7. Data protection and IT security

Materiality matrix



ENVIRONMENT

Environment and climate impact

Lytix strives to minimize its environmental footprint. The environmental footprint stems mainly from the resources consumed in office spaces as well as indirect business activities such as travel and supply chain operations. As such, Lytix' operations have a limited impact on the external environment with regards to direct pollution and emissions, as production and distribution activities are outsourced. Nonetheless, we acknowledge that our subcontractors – and their emissions – are part of our supply chain and, hence, indirect emissions. We acknowledge that the pharmaceutical industry as a whole has a significant environmental footprint. Even the most innovative and advanced modern pharmaceuticals often have key ingredients sourced from the natural world. We are highly aware that the massive loss of biodiversity is a threat to medical innovations and potential treatments that are yet to be discovered. Alongside the climate crisis, we are facing a nature crisis. Many critical ecosystems, such as tropical rainforests, are under threat.

As a response, the pharmaceutical industry must contribute to protecting ecosystems that provide essential resources and potential sources of future medical innovation.

During 2025, Lytix continued to focus on minimizing its environmental footprint through responsible procurement practices, digital collaboration tools reducing travel needs, and the use of external partners that operate according to recognized industry standards. As the company does not operate its own manufacturing facilities, the majority of environmental impacts occur within the supply chain. Lytix therefore seeks to work with partners that maintain appropriate environmental management practices.

SOCIAL

Product quality and safety

To guarantee the highest possible levels of health and safety for patients, Lytix is committed to ensuring product quality and safety throughout its supply chain.

During the research phase, specific clinical studies are carried out to ensure the efficacy and safety of the products and confirm the absence of any possible dangerous side effects. Furthermore, the results of these studies are assessed by regulatory bodies in Europe and in the US.

Within the supply chain, Lytix' suppliers are selected according to stringent criteria and are periodically audited to confirm compliance with the applicable quality and regulatory standards required.

All medicinal products are produced in accordance with Good Manufacturing Practices (GMPs). Lytix does not have its own production facilities and therefore uses third parties for production. All third-party production facilities used by Lytix are subject to periodic audits, verifying the existence of the necessary regulatory authorizations required and ascertaining that all manufacturing and control activities are conducted in compliance with the highest quality standards.

All personnel engaged in GxP-related activities receive appropriate training at least once a year on topics related to product quality and safety. All personnel receive periodic updates on the various procedures, with particular reference to procedures regarding deviations, complaints and safety reporting.

Benefit to society – access to care

Social impact and benefits to society is the cornerstone of Lytix' mission, with the aim of improving the lives of patients around the globe through novel cancer treatment. This aligns with the UN Mission on Cancer, which aims to ensure that more than three million lives are saved by 2030 and that cancer patients live longer and better lives. Our work will contribute to achieving the UN Sustainable Development Goal ("SDG") 3: "Ensure healthy lives and promote well-being for all at all ages" and fits into Target 3.4 by reducing the number of deaths due to cancer by providing products for effective treatment. Our projects are now benefitting patients as they have the possibility to be included in the clinical program and get access to new innovative treatment several years before the treatment becomes available on the market.

Health, safety and wellbeing

The health, safety and wellbeing of our employees is of great importance for Lytix, and we strive to promote a culture that supports a sustainable work-life balance. During 2025, the company had 14 employees (2024: 11), corresponding to approximately 9.9 man-years (2024: 7.7) including contracted personnel. The Board considers that the working environment in the company is good, and no special measures have been implemented in this regard. The employees have not suffered any accidents or injuries in connection with their work. Absence due to illness was all short term and less than 1.0%, which is a slight increase from the previous year.

Externally, the biotech industry and regulatory authorities demand high standards for safeguarding patients during clinical trials. During 2025, Lytix continued to conduct clinical studies in accordance with the highest

ethical and regulatory standards. All clinical trials are conducted in accordance with the Declaration of Helsinki, International Council for Harmonization (ICH) Good Clinical Practice guidelines, and applicable national regulations. These requirements are further addressed in our partner selection processes.

Animal studies are performed with the highest standards of animal welfare and is subject to European Directive No. 2010/63/UE. All studies are conducted in accordance with national legislation, under national approval and by the CRO's internal Committee on Animal Research and Ethics. General procedures for animal care and housing are in accordance with applicable Laboratory Animal Care recommendations.

Lytix has established a quality management system consisting of a Quality manual, SOPs and forms to be in compliance with Norwegian, European and US health authorities' rules and regulations for drug manufacturing, clinical trials, drug safety and quality and to safeguard the patients. The GLP standard for laboratory practice, GMP standard for drug manufacture, GDP standard for drug distribution and GCP standard for clinical trials are embedded in our quality system.

Diversity, equity, and inclusion (DEI)

Lytix aims to be a workplace providing equal opportunities for all. We consider employee diversity to be a competitive advantage, and in order to attract and retain the best talent, we do our outmost to ensure fair and equal employment practices.

Lytix continues to focus on maintaining diversity in its workforce and governance structures. The company recognizes that diverse teams contribute to stronger decision-making and innovation, which are essential in the biotechnology sector.

The company has traditionally recruited from environments where women and men are relatively equally represented. In terms of gender balance within the company, women constitute 33% of the Board members and 17% of the senior management team. The company promotes a productive working environment, has zero tolerance for disrespectful behavior, and is an equal opportunity employer. Discrimination in hiring, compensation, training, promotion, termination, or retirement based on ethnic and national origin, religion, sex, or other distinguishing characteristics is not acceptable.

Whistleblowing

Employees are encouraged to report any sort of misconduct within the company, which can be violations of statutory provision, internal provision, or ethical norms. Lytix recognizes that whistleblowing is of value to the firm, as it offers an opportunity to remedy misconduct. Lytix ensures that employees reporting misconduct are entitled to protection against reprisals, and matters may be reported anonymously to the organization's whistleblower contact, through the established whistleblowing e-mail, or alternatively to immediate supervisor or a member of the management team.

GOVERNANCE

Corporate governance

Lytix considers good corporate governance to be a prerequisite for value creation and trustworthiness and for access to equity. To secure strong and sustainable corporate governance, it is important that the Company ensure good business practices, reliable financial reporting, and an environment of compliance with legislation and regulations. The "Code of Conduct" sets the frame for business ethics and compliance. The Company's Board of Directors actively adheres to good corporate governance standards as described in the "Rules of Procedures of the Board of Directors" (the "Board policy") within the framework of "Norwegian Code of Practice for Corporate Governance".

As a company listed on Euronext Growth Oslo, Lytix places strong emphasis on transparency, responsible governance and compliance with applicable market regulations. The company maintains policies including

an Insider Policy, Information Policy and Code of Conduct to ensure responsible market communication and ethical business practices.

Anti-corruption

We have a zero tolerance for corruption. Corruption in the procurement of drugs and medical equipment drives up costs and can lead to sub-standard or harmful products. In addition to this, corruption has a disproportionate impact on the most vulnerable members of society, increasing cost and reducing access to vital health services. As a standard, we conduct all our business activities in a transparent and open matter, and hold all employees, business partners and stakeholders to the same high ethical standard.

Supply chain responsibility

We see it as our ethical responsibility to ensure that the entire value chain relating to our products satisfies our requirements for sustainability and corporate social responsibility.

We aim to work with business partners (subcontractors and suppliers) during the development of our products and execution of pre-clinical and clinical trials that demonstrate the same high standards of responsible business conduct and ethical values as our own. We exercise caution in the selection process, always following Lytix' evaluation and sourcing procedures.

As part of the evaluation, Lytix obtains confirmation that subcontractors or suppliers have adequate systems or policies in place ensuring compliance with applicable laws relating to ethical and responsible standards of behavior, including, without limitation, those dealing with human rights, labor, environmental protection, sustainable development and bribery and corruption in accordance with the principles in the United Nations Global Compact.

When establishing new contracts, we encourage subcontractors and suppliers to confirm their compliance with the principles in the UN Global Compact.

Data protection and IT security

The EU personal data protection framework as laid out in Directive (EU) 2016/680 and Regulation (EU) 2016/679 came into force in 2018. As a biotech company within the healthcare space, Lytix and/or our subcontractors and suppliers may need to store personal data as part of the business. Our GDPR compliance policy, was created to ensure that Lytix process and safeguard personal data in line with the Regulation ("the GDPR"). It describes how we plan to stay compliant on an ongoing basis, with policies and procedures for particularly relevant areas of our business. Lytix has contracted a Data Protective Officer (DPO) as set out in Articles 37 to 39 of the EU Data Protection Regulation (GDPR) to oversee and to be transparent on how personal data is processed, the privacy notice appears on Lytix' homepage. Privacy statements are also included in the e-mail signature for all employees. Data Processing Agreements are established between Lytix as data controller and any data processor as required.

Lytix has outsourced the IT infrastructure and support to an external vendor. The IT solution is cloud-based with firewall and virus protection provided by the vendor. A feature in Outlook enables employees to report suspicious e-mails easily. Local secure access to the exchange is via password protected log-on. The information security platform is based on international standards ISAE3402 and ISAE3000 which is audited annually by PwC. All employees are responsible for storing documents securely and locking their computer when unauthorized people can have access. Lytix regularly reviews its data protection procedures and cybersecurity measures to ensure continued compliance with applicable regulations and evolving digital security requirements.

ESG going forward

Looking ahead, Lytix aims to further strengthen its ESG framework in line with evolving regulatory expectations and stakeholder demands. As the company advances its clinical programs and grows as an organization, ESG considerations will increasingly be integrated into business processes, risk management and strategic planning.

The company will continue to report annually on ESG topics identified in its materiality assessment and gradually enhance its sustainability disclosures in line with Euronext guidelines and emerging EU reporting frameworks.

The Types and Location of the Business

Lytix Biopharma, a clinical-stage biotech company based in Oslo, Norway, develops novel cancer immunotherapies based on world-leading research in host-defense peptide-derived molecules. Its lead product, ruxotemitide, is a first-in-class oncolytic molecule designed to enhance anti-cancer immunity. Lytix's pipeline includes different molecules for various cancer types and treatment settings, both as mono- and combination therapies.

The company was listed on Euronext Growth Oslo in June 2021 after a private placement backed by prominent investors, including PBM Capital, a U.S. based healthcare-focused investment firm.

Lytix has its registered address in Oslo, Norway. The Company is a limited liability company incorporated and domiciled in Norway. The Company rents office in Oslo.

Risks and Uncertainties

Lytix Biopharma operates in the biotechnology sector, where research and development activities involve significant technical, regulatory and financial uncertainty. As a clinical-stage company, Lytix has not yet generated recurring commercial revenues and its operations are subject to a number of risks that could affect the company's financial position, results of operations and future development.

The most significant risk factors are described below.

Financial risks

Lytix is a clinical-stage biotechnology company that is currently incurring operating losses. Operating losses are expected to continue during the development phases of the company's product candidates. Other than potential milestone payments under the licensing agreement with Verrica Pharmaceuticals, the company does not expect to generate material revenues until one or more products are approved and commercialized.

The company has no interest-bearing debt. Bank deposits are exposed to fluctuations in market interest rates, although the impact on financial income is considered limited.

Lytix conducts transactions in currencies other than its functional currency (NOK), primarily USD and EUR, and is therefore exposed to foreign exchange risk. The company may from time to time hold cash balances in foreign currencies in order to partly mitigate this exposure.

Credit risk is considered limited, as the company currently has minimal revenues other than public grants and limited product supply sales to partners.

The company manages its liquidity through continuous monitoring of cash flows and rolling cash forecasts. Lytix has no loan agreements containing covenants or other financial restrictions.

Funding of ongoing operations will for the foreseeable future depend on access to external capital, primarily through equity financing. There is therefore an inherent risk related to the company's ability to secure future funding. The availability and terms of such financing depend on the company's development progress, market conditions and investor sentiment toward the biotechnology sector. Acceptable financing may not be available when needed or may only be available on unfavorable terms.

Non-financial risks

Lytix is engaged in the research and development of pharmaceutical products. The development of new medicines is a long, complex and capital-intensive process subject to significant uncertainty. Product candidates must successfully progress through preclinical development, clinical trials and regulatory review before they can be approved for commercialization. There is a risk of failure at each stage of the development process.

Technology risk

The company's product candidates are still in the development phase, and the outcome of preclinical and clinical studies remains uncertain. Clinical trials may not demonstrate sufficient safety or efficacy to justify continued development or regulatory approval.

Clinical development programs are dependent on the successful recruitment of suitable patients into clinical trials. Delays in patient recruitment may affect development timelines and increase development costs.

In addition, development programs may be delayed or incur higher costs than currently anticipated due to scientific, operational or regulatory factors.

Competitive technology

The fields of immunotherapy and oncology therapeutics are highly competitive and characterized by rapid technological development. Lytix operates in a global and dynamic industry where new treatment approaches are continuously emerging.

Competing technologies or products developed by other companies may affect Lytix's ability to successfully develop its product candidates, complete clinical trials, obtain marketing authorization or achieve commercial success if approval is granted.

Market and regulatory risks

The commercial success of the company's product candidates will depend on several factors, including successful clinical development, regulatory approval, the ability to secure strategic partnerships, and the achievement of market access with acceptable pricing and reimbursement.

There can be no assurance that the company's product candidates will obtain regulatory approval. Approval will require successful interactions with regulatory authorities, including the European Medicines Agency (EMA), the U.S. Food and Drug Administration (FDA), and other relevant authorities in jurisdictions where the company may seek to commercialize its products.

Even if regulatory approval is obtained, the ability to achieve favorable reimbursement and market acceptance may significantly influence the commercial success of the company's products.

D&O insurance

Lytix Biopharma has established a Directors' and Officers' liability insurance program covering members of the Board of Directors, executive management and other relevant employees against personal liability arising from their duties on behalf of the Company.

The insurance program provides a total coverage limit of NOK 100 million per claim and in aggregate for the policy period, on a worldwide basis, including the United States and Canada.

Going Concern

These financial statements have been prepared on the basis that the Company will continue as a going concern. The going concern assumption implies that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

Lytix Biopharma is a clinical-stage biotechnology company and is currently incurring operating losses as it continues the development of its product candidates. The Company has historically financed its operations primarily through equity issuances and will continue to rely on external funding until such time that its products are commercialized or other revenue streams are established.

During the reporting period and subsequent to year-end, the Company strengthened its financial position through equity financings. On 9 January 2026, Lytix completed a private placement raising gross proceeds of approximately NOK 61 million. In addition, a subsequent offering directed towards eligible existing shareholders was completed in February 2026, raising gross proceeds of approximately NOK 16.3 million.

Based on the Company's current cash position, expected operating expenditures and planned development activities, the Board of Directors believes that the Company has sufficient financial resources to fund its operations for the foreseeable future.

Accordingly, the Board of Directors confirms that the financial statements have been prepared on a going concern basis and that the requirements for such disclosure under the Norwegian Accounting Act §2-2 (8) are satisfied.

Post-balance sheet events

After the reporting date, on 9 January 2026, the Company successfully completed a private placement of new shares, raising gross proceeds of approximately NOK 61 million. The private placement was carried out pursuant to an authorization granted by the Company's general meeting and resulted in the issuance of 6,826,200 new shares.

Following approval by an extraordinary general meeting held on 26 January 2026, the Company also completed a subsequent offering directed towards eligible existing shareholders. The subsequent offering comprised up to 3,333,333 new shares at a subscription price of NOK 9.00 per share. The subscription period expired on 10 February 2026, and a total of 1,811,803 new shares were validly subscribed for. The subsequent offering raised gross proceeds of approximately NOK 16.3 million.

Following these transactions, the Company raised total gross proceeds of approximately NOK 77.3 million in January–February 2026.

Other than the events described above, the Board of Directors is not aware of any events occurring after the reporting date that would have a material impact on the Company's financial position or the financial statements for 2025.

Share information

As of December 31, 2025, there were 68,262,200 ordinary shares outstanding. The company has one class of shares, and all shares carry equal voting rights.

The company had more than 1,409 shareholders on December 31, 2025.

Board of Directors of Lytix Biopharma

As of December 31, 2025, the Board of Directors at Lytix Biopharma is composed of:

- Eric Falcand – Chair
- Claus Andersson
- Julie Dehaene-Puype

- Marie-Louise Fjällskog
- Brynjar Forbergskog
- Kjetil Hestdal

All board members are independent of the Company's executive personnel and material business at year-end. Brynjar Forbergskog controls a significant number of shares in the company through Hifo Invest AS and Saturn Invest AS. At the extraordinary general meeting (the "EGM") held 26 January 2026, Darlene Deptula-Hicks was elected as an additional member of the board.

The Board of Directors held 13 board meetings during the fiscal year 2025.

Outlook

Lytix Biopharma enters the coming period with a strengthened clinical foundation, a clearer strategic development pathway, and an organization increasingly positioned for late-stage execution. The encouraging clinical results generated across multiple Phase II studies during recent years have significantly strengthened the scientific and clinical rationale for the company's intratumoral immunotherapy platform.

Near term, priority will remain on advancing ruxotemitide through the neoadjuvant melanoma setting, where its immunological profile and intratumoral mechanism are expected to deliver meaningful clinical and commercial impact. Building on the interim NeoLIPA data presented in late 2025, Lytix will continue to refine its development strategy and engage with potential partners to define the most efficient path forward. In parallel, continued progress by partner Verrica Pharmaceuticals toward a pivotal Phase III program in basal cell carcinoma represents an important external validation of ruxotemitide's potential and a key value inflection point.

Beyond ruxotemitide, Lytix continues to evaluate strategic opportunities to advance LTX-401, the company's next-generation intratumoral immunotherapy designed for the treatment of deeper-seated tumors. The company remains focused on identifying development pathways and potential partnerships that could accelerate clinical entry while maintaining capital efficiency.

Subsequent to the reporting period, Lytix strengthened its financial position through equity financings raising total gross proceeds of approximately NOK 77 million. Together with the company's existing resources, this funding provides financial flexibility to continue advancing key development activities.

Overall, the coming period is expected to be defined by disciplined execution, targeted investment in value-driving milestones, and continued strategic collaboration. With a de-risked clinical profile, clearly defined regulatory pathways, and a growing network of partners, Lytix is well positioned to sustain momentum and translate its clinical progress into meaningful advances for patients and long-term value for shareholders.

Oslo, March 23, 2026

The Board of Directors and the Chief Executive Officer of Lytix Biopharma AS

Eric Falcand

Chairperson of the Board

Brynjar Forbergskog

Board Member

Claus Andersson

Board Member

Darlene Deptula-Hicks

Board Member

Julie Dehaene-Puype

Board Member

Kjetil Hestdal

Board Member

Marie-Louise Fjällskog

Board Member

Øystein Rekdal

Chief Executive Officer

Financial statements

STATEMENT OF COMPREHENSIVE INCOME

<i>Amounts in NOK thousands</i>	<i>Notes</i>	FY 2025	FY 2024
Revenue	4,5	-	11,134
Total operating income		-	11,134
Payroll and related expenses	6,7,8	(32,622)	(22,590)
Depreciation and amortization expenses	9,10	(1,004)	(915)
Direct R&D expenses	6	(13,798)	(72,565)
Other expenses	6,11,12	(16,604)	(10,960)
Total operating expenses		(64,028)	(107,029)
Loss from operations		(64,028)	(95,896)
Financial income	13	4,262	2,184
Financial expenses	13	(217)	(553)
Net financial items		4,046	1,631
Loss before tax		(59,982)	(94,265)
Tax expense	14	-	-
Loss for the period		(59,982)	(94,265)
Net other comprehensive income (loss), net of tax			
Items that may be reclassified to profit and loss in subsequent periods		-	-
Items that will not be reclassified to profit and loss in subsequent periods		-	-
Total comprehensive loss for the period		(59,982)	(94,265)
Earnings (loss) per share			
Basic and diluted earnings (loss) per share	15	(0.88)	(1.74)

STATEMENT OF FINANCIAL POSITION

<i>Amounts in NOK thousands</i>	<i>Notes</i>	31.12.2025	31.12.2024
Assets			
Non-current assets			
Property, plant and equipment	9	5	42
Right-of-use assets	10	2,082	2,589
Total non-current assets		2,087	2,631
Current assets			
Other receivables	17	7,078	13,113
Short-term financial investments	18,19	61,756	-
Cash and cash equivalents	19,20	10,602	130,791
Total current assets		79,436	143,904
Total assets		81,524	146,535
Shareholder's equity and liabilities			
Issued capital and reserves			
Share capital	21	6,826	6,816
Share premium reserve		54,923	101,078
Total equity		61,750	107,894
Liabilities			
Non-current liabilities			
Lease liabilities	10, 19	1,222	1,878
Total non-current liabilities		1,222	1,878
Current liabilities			
Trade payables	22	6,377	5,015
Other current liabilities	22	11,198	30,987
Lease liabilities	10,19,22	977	762
Total current liabilities		18,552	36,764
Total liabilities		19,774	38,641
Total equity and liabilities		81,524	146,535

Oslo, March 23, 2026

The Board of Directors and the Chief Executive Officer of Lytix Biopharma AS

Eric Falcand
Chairperson of the Board

Brynjar Forbergskog
Board Member

Claus Andersson
Board Member

Darlene Deptula-Hicks
Board Member

Julie Dehaene-Puype
Board Member

Kjetil Hestdal
Board Member

Marie-Louise Fjällskog
Board Member

Øystein Rekdal
Chief Executive Officer

STATEMENT OF CASH FLOWS

<i>Amounts in NOK thousands</i>	<i>Notes</i>	FY 2025	FY 2024
Cash flows from operating activities			
Profit (loss) before income tax		(59,982)	(94,265)
Adjustments for:			
Depreciation of property, plant and equipment	9	37	68
Depreciation of right-of-use assets	10	967	847
Interest income/(expense), net	11	(2,318)	(1,503)
Share-based payment expense	8	13,838	878
Increased/decreased in trade and other receivables		6,034	(336)
Increased/decreased in trade and other payables		(18,427)	23,938
Cash generated from operations		(59,851)	(70,372)
Income tax paid	14	-	-
Net cash flows from operations		(59,851)	(70,372)
Investing activities			
Investment in tangible assets		-	-
Interests received		2,325	1,510
Investment in other short-term investments	18	(61,756)	23,183
Net cash from/(used in) financing activities		(59,431)	24,693
Financing activities			
Interests paid		(7)	(7)
Proceeds from share issue	21	-	161,295
Transaction cost	21	-	(11,333)
Payment of principal portion of lease liabilities	10	(900)	(849)
Net cash from/(used in) financing activities		(908)	149,105
Net increase in cash and cash equivalents		(120,189)	103,426
Cash and cash equivalents at the beginning of the period	20	130,791	27,365
Cash and cash equivalents at the end of the period	20	10,602	130,791

STATEMENT OF CHANGES IN EQUITY

<i>Amounts in NOK thousands</i>	Share capital	Share premium reserve	Other equity	Total equity
Balance as at January 1, 2024	4,007	47,312	-	51,319
Loss for the period	-	-	(94,265)	(94,265)
Net other comprehensive income/(loss)	-	-	-	-
Other comprehensive income/(loss) for the period	-	-	(94,265)	(94,265)
Share based payment	-	878	-	878
Reclassification of accumulated losses	-	(94,265)	94,265	-
Share issues – May	954	49,046	-	50,000
Share issues – December	1,855	109,440	-	111,295
Transaction costs – May	-	(3,011)	-	(3,011)
Transaction costs – December	-	(8,322)	-	(8,322)
Total contribution by and distributions to owners	2,809	53,765	94,265	150,840
Balance as at December 31, 2024	6,816	101,078	-	107,894
Balance as at January 1, 2025	6,816	101,078	-	107,894
Loss for the period	-	-	(59,982)	(59,982)
Net other comprehensive income/(loss)	-	-	-	-
Other comprehensive income/(loss) for the period	-	-	(59,982)	(59,982)
Share based payment	-	13,838	-	13,838
Reclassification of accumulated losses	-	(59,982)	59,982	-
Share issue	10	(10)	-	-
Total contribution by and distributions to owners	10	(46,155)	59,982	13,838
Balance as at December 31, 2025	6,826	54,923	-	61,750

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – GENERAL INFORMATION

Lytix Biopharma AS (the “Company” or “Lytix”) is a clinical-stage biotechnology company focused on the development of immunotherapies for the treatment of cancer. The Company is incorporated and domiciled in Norway and was established in 2003. The registered office is located at Sandakerveien 138, 0484 Oslo, Norway. The Company’s shares are listed on Euronext Growth Oslo.

Lytix is developing a proprietary technology platform based on host-defense peptide–derived molecules designed to stimulate anti-cancer immune responses through intratumoral administration. The Company’s lead drug candidate, ruxotemitide (formerly known as LTX-315), is a first-in-class oncolytic peptide designed to activate the adaptive immune system and induce systemic anti-tumor responses through in situ vaccination.

Ruxotemitide is currently being evaluated in clinical development programs, including investigator-initiated studies in melanoma and clinical studies conducted by the Company’s licensing partner Verrica Pharmaceuticals in dermatologic oncology indications. In addition to ruxotemitide, the Company is advancing other pipeline candidates, including LTX-401, a next-generation molecule intended for the treatment of deep-seated tumors.

As of 31 December 2025, Lytix Biopharma AS has no subsidiaries or affiliated companies.

These financial statements for the year ended 31 December 2025 were approved for issuance by the Board of Directors on March 23, 2026.

The Company’s financial statements are available at www.lytixbiopharma.com

NOTE 2 – BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

The financial statements of Lytix Biopharma AS (Lytix Biopharma or the Company) is prepared in accordance with IFRS Accounting Standards as endorsed by the European Union (EU) (IFRS Accounting Standards) and Norwegian authorities and effective as of 31 December 2025. Lytix Biopharma also provides the additional disclosures as specified under the Norwegian Accounting Act (Regnskapsloven).

The financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at fair value. The preparation of financial statements, including note disclosures, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ.

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are presented in NOK, which is also the Company’s functional currency. Amounts are rounded to the nearest thousand unless otherwise stated.

SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The most significant areas requiring management judgment and estimation relate to share-based payments and accruals related to clinical development activities. Further information is provided in the relevant notes to the financial statements.

REVENUE FROM CONTRACTS WITH CUSTOMERS

Lytix ordinary activities primarily consist of research and development activities aimed at generating patented intellectual property that may be licensed to third parties, and also to sell the Active Pharmaceutical Ingredient (API) to its licensing partners. The Company has applied the five-step model to account for revenue arising from contracts with customers. The Company currently has revenue agreements with only one customer.

The Company's main revenue streams are as follows:

- Licensing its drug candidate ruxotemitide to Verrica Pharmaceuticals Inc, where the performance obligation was to grant exclusive rights within a defined field of use for ruxotemitide, which was satisfied at the point in time the license such rights were granted at. Revenue is recognized for the transaction price which during the development stage of a product containing ruxotemitide, consists of variable payments based on milestones reached. Variable consideration is considered to be constrained because it is highly dependent on factors outside the control of the Company. Therefore, the Company will only recognize revenue when relevant milestones have been reached by the Verrica, which is the point when uncertainty about a milestone payment is resolved, and therefore it is highly certain no reversal of the revenue will occur. The Company is also entitled to royalty revenue during the commercialization phase of a product containing ruxotemitide, which will be recognized the subsequent sale occurs.
- Sale of API to Verrica, recognized as revenue when the transfer of control over the goods is transferred to the customer, which typically is based on the incoterms and right to payment for the goods.

Management have assessed the sale of API and the licensing agreement to be distinct and separately identifiable products.

FOREIGN CURRENCY

Transactions entered by the Company in a currency other than the currency of the primary economic environment in which they operate (their "functional currency") are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognized immediately in profit or loss.

STATEMENTS OF COMPREHENSIVE INCOME

Lytix Biopharma has elected to present the result for the period and other comprehensive income in one statement of comprehensive income. Further, Lytix Biopharma presents an analysis of expenses based on their nature as a common analysis of expenses through Lytix Biopharma's value chain. Lytix Biopharma has elected to present a sub-total "Loss from operations".

CLASSIFICATION AND ASSESSMENT OF BALANCE SHEET ITEMS

Items in the statement of financial position are classified as current when they are expected to be realized or settled within 12 months after the reporting date.

STATEMENTS OF CASH FLOWS

Lytix Biopharma uses the indirect method to present cash flows from operating activities. Interest received is classified as cash flows from investing activities. Proceeds from owners and principal payment of lease liabilities are included in cash flows from financing activities.

CASH AND CASH EQUIVALENTS

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Cash and cash equivalents include cash, bank deposits, and other short-term deposits which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from original maturity.

PROPERTY, PLANT AND EQUIPMENT

Items of property, plant and equipment are initially recognized at cost. As well as the purchase price, cost includes directly attributable costs. Property, plant and equipment are depreciated on a straight-line basis over the expected useful life of the asset. If significant individual parts of the assets have different useful lives, they are recognized and depreciated separately. Depreciation commences when the assets are ready for their intended use. The estimated useful lives of the assets are as follows:

- Office equipment 3 years
- Furniture and fittings 3 years

INTANGIBLE ASSETS

Expenses for other intangible assets are reflected in the balance sheet providing a future financial benefit relating to the development of an identifiable intangible asset can be identified and the cost can be measured reliably. Otherwise, such expenditure is expensed as and when incurred. Refer to section Research and development for further information. Capitalized development costs are amortized linearly over the asset's expected useful life.

RESEARCH AND DEVELOPMENT

Expenditure on research activities is recognized as an expense in the period in which it is incurred. Internal development costs related to the Company's development of products are recognized in the income statement in the year incurred unless it meets the asset recognition criteria Intangible Assets. An internally generated asset arising from the development phase of an R&D project is recognized if, and only if, all the following has been demonstrated:

- Technical feasibility of completing the intangible asset so that it will be available for use or sale.
- The intention to complete the intangible asset and use or sell it.
- The ability to use or sell the intangible asset.
- How the intangible asset will generate probable future economic benefits.
- The availability of adequate technical, financial, and other resources to complete the development and use or sell the intangible asset.
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

Uncertainties related to the regulatory approval process and results from ongoing clinical trials generally indicate that the criteria are not met until the time when marketing authorization is obtained from relevant regulatory authorities. The Company has currently no development expenditure that qualifies for recognition as an intangible asset.

TRADE RECEIVABLES

Trade receivables and other receivables are recorded in the balance sheet at face value after deduction of provisions for expected credit loss allowances. Provisions for losses are made based on individual assessments of the individual receivables.

FINANCIAL INSTRUMENTS

Financial instruments are recognized when Lytix becomes a party to the contractual terms of the instrument. Financial assets and liabilities are classified based on the nature and purpose of the instruments.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and thereby subsequently measured at amortized cost, fair value through profit or loss and fair value through other comprehensive income (OCI). Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss. Lytix has classified its investments in short-term financial investments at fair value through profit or loss.

Financial assets at amortized cost

This category is the most relevant to the Company. The Company measures financial assets at amortized cost if both of the following conditions are met: The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is either derecognized,

modified or impaired. Lytix's financial assets classified as amortized cost includes trade and other receivables.

Impairment of financial assets

The Company assesses at each reporting date, whether there is objective evidence that a financial asset is impaired. The Company applies the expected credit loss (ECL) model when assessing impairment of financial assets measured at amortized cost. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event'), has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. The Company also considers forward-looking information to determine whether financial assets should be written down.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred).

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Lytix's financial liabilities include accounts and other payables.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost (loans and borrowings)

Lytix only has financial liabilities measured at amortized cost.

SHARE CAPITAL

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's ordinary shares are classified as equity instruments.

DEFINED CONTRIBUTION PLAN

With a defined contribution plan the Company pays contributions to an insurance company. After the contribution has been made the company has no further commitment to pay. The contribution is recognized as payroll expenses.

OTHER LONG-TERM SERVICE BENEFITS

Other employee benefits that are expected to be settled wholly within 12 months after the end of the reporting period are presented as current liabilities.

SHARE-BASED PAYMENTS

Where equity settled share-options are awarded to employees, the fair value of the options at the date of grant is charged to the profit and loss over the vesting period. Non-market vesting conditions are considered by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. If all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the profit and loss over the remaining vesting period.

Where equity instruments are granted to people other than employees, the profit and loss is charged with the fair value of goods and services received.

EARNINGS PER SHARE

Earnings per share are calculated on the basis of the profit or loss for the year after tax but excluding other comprehensive items. The result is divided by a time-weighted average number of outstanding shares over the year. The diluted earnings per share is calculated by adjusting the time-weighted average number of outstanding shares by the number of employee share options that can be exercised.

LEASED ASSETS

In order to determine whether an agreement is a lease agreement or contains a lease element, the substance of the agreement is assessed. Each individual rental component in the contract is recognized as a lease separately from non-lease components in the contract. At the time of commencement of a lease, a lease liability and a corresponding right of use asset are recognized for all leases.

Lytix has chosen the exemption of not capitalizing leases with a short duration (lease period of 12 months or less); or whose underlying assets are considered to be of low value when new. For these leases, the lease payments are recognized as other operating expenses in the income statement when they occur. This includes cancelable short-term leases.

See Note 10 for information on right-of-use assets and lease liabilities recognized by the Company.

RIGHT-OF-USE-ASSETS

The company recognizes right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct cost incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis during the term of the lease.

The company applies IAS 36 Impairments to determine whether the right-of-use asset has been impaired and to recognize any impairment losses.

LEASE LIABILITIES

The lease obligation is classified as an interest-bearing liability in the financial statements. Lease liabilities at the time of commencement are calculated as the present value of future lease payments.

The lease term is the non-terminable term of the lease, in addition to periods covered by an option, either to extend or terminate the lease if it is reasonably certain that the company will exercise the option.

The lease liability is subsequently measured by increasing the carrying amount to reflect the interest rate on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any revaluations or changes to the lease, or to reflect adjustments in the lease payments as a result of adjustments in the indices or rates. The liability has been calculated with a discount rate corresponding to the marginal borrowing rate for each class of underlying asset and adjusted for the agreement's remaining lease term.

TAX

Income tax expense represents the sum of taxes currently payable and deferred tax.

Deferred taxes are recognized based on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for taxable temporary differences and deferred tax assets arising from deductible temporary differences are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Currently, no deferred tax asset has been recognized in the financial statements of the Company.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

GOVERNMENT GRANTS

Government grants are recognized when there is reasonable assurance that the conditions attached to the contribution will be achieved. Government grants are recognized in the income statement in the same period as the related expenses and are presented as a reduction of the related expense.

Where retention of a government grant is dependent on the Company satisfying certain criteria, it is initially recognized as deferred income. When the criteria for retention have been satisfied, the deferred income balance is released to the Profit and loss statement for Lytix Biopharma AS.

PROVISIONS

The Company has recognized provisions for liabilities of uncertain timing or amount. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date, discounted at a pre-tax rate reflecting current market assessments of the time value of money and risks specific to the liability.

RELATED PARTY TRANSACTIONS

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year-end are unsecured, interest free and settled in cash. There have been no guarantees provided or received for any related party receivables or payables.

GOING CONCERN

These financial statements have been prepared on the basis that the Company will continue as a going concern. The going concern basis assumes that the Company will be able to realize its assets and discharge its liabilities and commitments in the normal course of business for the foreseeable future.

Lytix Biopharma is a clinical-stage biotechnology company and is currently incurring operating losses as it continues the development of its product candidates. The Company has historically financed its operations primarily through equity issuances and will continue to depend on external financing until such time that its products are commercialized or other revenue streams are established.

Subsequent to the balance sheet date, the Company strengthened its financial position through equity financings. In January 2026, Lytix completed a private placement raising gross proceeds of approximately NOK 61 million. In addition, a subsequent offering directed towards eligible existing shareholders was completed in February 2026, raising gross proceeds of approximately NOK 16.3 million.

Based on the Company's current cash position, expected operating expenditures and planned development activities, the Board of Directors believes that the Company has sufficient financial resources to fund its operations for the foreseeable future.

The Board of Directors confirms that the financial statements have been prepared on a going concern basis and that the requirements of the Norwegian Accounting Act §2-2 (8) are satisfied.

NOTE 3 – NEW AND AMENDED STANDARDS AND INTERPRETATIONS

The Company applied certain amendments to IFRS standards that became effective for annual reporting periods beginning on or after 1 January 2025. These amendments did not have a material impact on the Company's financial statements.

Lack of Exchangeability – Amendments to IAS 21

The amendments clarify how an entity should determine the exchange rate to use when a currency is not exchangeable and introduce additional disclosure requirements regarding such circumstances.

The amendments did not have any impact on the Company's financial statements.

The Company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

Standards issued but not yet effective**IFRS 18 – Presentation and Disclosure in Financial Statements**

IFRS 18 was issued in 2024 and will replace IAS 1 Presentation of Financial Statements. The standard introduces new requirements for the structure and presentation of the income statement, including defined subtotals and disclosures related to management-defined performance measures.

IFRS 18 will become effective for annual reporting periods beginning on or after 1 January 2027, subject to endorsement by the EU. The Company is currently assessing the potential impact of IFRS 18 on its financial reporting.

The Company expects IFRS 18 primarily to affect presentation and disclosure rather than recognition or measurement of financial items.

NOTE 4 REVENUES

The following table presents the disaggregation of the Company's revenue from contracts with customers:

<i>Amounts in NOK thousands</i>	2025	2024
Revenue		
Sale of API Ruxotemitide	-	10,526
Other revenue	-	607
Total Revenue	-	11,134

The Company's products remain in the research and development phase, and there is no revenue from product sales. However, Lytix generated revenue from the production and sale of API (ruxotemitide) to its licensee, Verrica Pharmaceuticals, for use in their clinical trials. In 2025, Lytix did not record revenue from the licensing agreement or from sales of the active pharmaceutical ingredient (API). This compares to revenues of NOK 10.5 million in 2024, when API sales of Ruxotemitide to our licensee, Verrica Pharmaceuticals, contributed positively to reported income.

Other revenue for the period primarily relates to stability testing of ruxotemitide conducted on behalf of Verrica Pharmaceuticals.

NOTE 5 SEGMENTS

Lytix' primary business is to develop proprietary intellectual property of drug candidates for out-licensing, and the production and sale of API (Ruxotemitide) to its licensees. Operating segments are components of the Company that the chief operating decision maker of the Company ('CODM') regularly reviews to assess performance and allocate resources. The CODM for the Company is considered to be the Board of Directors collectively, which reviews the Company's performance as a whole, and therefore only one operating segment is identified.

The geographical distribution of sales by the client's place of incorporation is the following:

<i>Amounts in NOK thousands</i>	2025	2024
Geographical distribution		
Norway	-	-
US	-	11,134
Total operating income	-	11,134

All non-current assets (other than financial instruments) are located in Norway.

Note 4 includes a disaggregation of revenue by the main products and services provided by the Company.

NOTE 6 GOVERNMENT GRANTS

Government grants are recognized in profit or loss as deduction on Salary, Direct R&D expenses and Other operating expenses with the following amounts:

<i>Amounts in NOK thousands</i>	2025	2024
Government grants		
Tax refund (across all R&D activities)	4,750	4,750
Oslo Regional Research Fund (RRF)	-	-
Total government grants received	4,750	4,750

<i>Amounts in NOK thousands</i>	2025	2024
Costs deducted		
Payroll and related expenses	-	139
Direct R&D expenses	4,687	4,604
Other operating expenses	63	7
Total costs deducted	4,750	4,750

The tax refund (SkatteFUNN) R&D tax incentive scheme is a government program designed to stimulate research and development (R&D) in Norwegian trade and industry. Approved projects may receive a tax deduction of up to 19 percent of the eligible costs related to R&D activity. All costs must be associated with the approved project.

NOTE 7 PAYROLL AND RELATED EXPENSES

<i>Amounts in NOK thousands</i>	2025	2024
Payroll and related expenses, including directors, comprise		
Salaries and bonus	14,756	18,011
Defined contribution pension cost	747	1,043
Share-based payment expense	13,838	878
Social security contributions	3,103	2,704
Other personnel costs	178	92
Government grants	-	(139)
Total payroll and related expenses	32,622	22,590

<i>The number of man-years employed during the year:</i>	2025	2024
Number of man-years employed	5.5	6.1

The number comprises only regular employees on payroll.

Defined contribution pension scheme

Lytix Biopharma AS is required to have a pension scheme in accordance with the Norwegian law of mandatory occupational pension. The company's defined contribution pension scheme fulfils the requirements of the law.

Bonus scheme

Lytix has implemented a bonus system covering all employees. The company recognizes a liability and an expense for bonuses based on a short-term incentive plan for employees linked to achievement of corporate objectives determined by the Board.

MANAGEMENT REMUNERATION 2025

Amounts in NOK thousands	Short-term employee benefits	Other benefits ²	Post- employment benefits	Other long-term benefits	Termination benefits	Share- based payments	Board remuneration	Total
Management team:								
Øystein Rekdal, CEO ¹	4,686		148	10	-	6,724	-	11,568
Other key management personnel	6,212	1,587	431	30	-	6,096	-	14,356
Total key management personnel compensation	10,898	1,587	579	40	-	12,820	-	25,924
Board members (non-executive):								
Eric Falcand, Chair	-	-	-	-	-	117	267	383
Claus Andersson, member	-	-	-	-	-	117	200	317
Julie Dehane-Puype, member	-	-	-	-	-	117	200	317
Marie-Louise Fjällskog, member	-	-	-	-	-	81	300	381
Brynjar Forbergskog, member	-	-	-	-	-	81	300	381
Kjetil Hestdal, member	-	-	-	-	-	81	300	381
Marie Roskrow, former Chair	-	-	-	-	-	(66)	150	84
Jayson Rieger, former member	-	-	-	-	-	(66)	100	34
Evelina Vågesjö, former member	-	-	-	-	-	(66)	100	34
Total board remuneration	-	-	-	-	-	394	1,917	2,311

¹ Management and employees of the company are entitled to an annual bonus based on the achievement of important milestones for the company and for the individual employee. The maximum of such bonus is for the CEO up to 50% of annual base salary.

² Other benefits include remuneration to two members of the management team who are not hired as employees but hired as consultants.

MANAGEMENT REMUNERATION 2024

Amounts in NOK thousands	Short-term employee benefits	Other benefits ³	Post- employmen t benefits	Other long- term benefits	Terminatio n benefits	Share- based payments	Board remuneratio n	Total
Management team:								
Øystein Rekdal, CEO ¹	2,970		134	10	-	507	-	3,621
Other key management personnel	4,841	1,636	216	28	-	(318)	-	6,403
Total key management personnel compensation	7,811	1,636	350	38	-	189	-	10,024
Board members (non-executive):								
Marie Roskrow, Chairperson	-	-	-	-	-	82	570	652
Marie-Louise Fjällskog, member	-	725	-	-	-	82	380	1,187
Brynjar Forbergskog, member	-	-	-	-	-	82	380	462
Kjetil Hestdal, member	-	-	-	-	-	82	380	462
Jayson Rieger, member	-	-	-	-	-	82	380	462
Evelina Vågesjö, member	-	-	-	-	-	82	380	462
Total board remuneration	-	725	-	-	-	491	2,470	3,686

¹ Management and employees of the company are entitled to an annual bonus based on the achievement of important milestones for the company and for the individual employee. The maximum of such bonus is for the CEO up to 50% of annual base salary. I 2024 no bonus was paid.

²⁾ Board remuneration – In accordance with the resolution passed at the 2024 General Meeting, Lytix changed its practice in 2024 from paying board remuneration annually to paying it monthly. As a result, in May 2024, board members received remuneration covering the period from the 2023 General Meeting to the 2024 General Meeting. Thereafter, board members have received monthly remuneration for seven months (June through December).

³⁾ Other benefits include remuneration to two members of the management team who are not hired as employees but hired as consultants.

In 2024, board remuneration was paid in accordance with the resolution from the Annual General Meeting. In addition to her role as a board member, Marie-Louise Fjällskog assisted Lytix as a Medical Advisor for a limited period during the year. She received separate compensation for these services, which have also been disclosed under transactions with related parties. No other remuneration has been given for services outside the normal functions as a manager or non-executive director.

No loans or guarantees have been given to any members of the management, the Board of Directors, or other corporate bodies.

Benefits upon termination

The CEO has a notice period of 12 months. If the employment is terminated by the Company, the CEO shall receive a severance pay equivalent to 100% of his ordinary fixed salary for 12 months after the expiry of the notice period.

Shares controlled by the management team and board members

Amounts in NOK thousands	2025	2024
Shares controlled by the management team and board members		
Management team:		
Øystein Rekdal, CEO	176,179	166,179
Gjest Breistein, CFO	37,778	37,778
Baldur Sveinbjörnsson, CSO	19,213	16,613
Board members (non-executive):		
Kjetil Hestdal	13,500	13,500
Brynjar Forbergskog (through Hifo Invest AS and Saturn Invest AS)	5,804,492	5,804,492
No. of shares controlled by the management team and board members	6,051,162	6,047,809

As of December 31, 2024, the Company operates one equity-settled share-based remuneration scheme for employees, management, the Board and other key personnel. See note 5.

Options held by the management team and board members

2025	Opening balance	Granted	Lapsed/ Forfeited	Ending balance
Options held by the management team and board members				
Eric Falcand, Chair	-	100,000	-	100,000
Claus Andersson, member	-	100,000	-	100,000
Julie Dehane-Pyupe, member	-	100,000	-	100,000
Marie-Louise Fjällskog, member	60,000	40,000	-	100,000
Brynjar Forbergskog, member	60,000	40,000	-	100,000
Kjetil Hestdal, member	60,000	40,000	-	100,000
Marie Roskrow, former Chair	60,000	-	(60,000)	-
Jayson Rieger, former member	60,000	-	(60,000)	-
Evelina Vågesjö, former member	60,000	-	(60,000)	-
No. of options owned by board members	360,000	420,000	(180,000)	600,000
Øystein Rekdal, CEO	1,403,516	1,627,860	(983,516)	2,047,860
Baldur Sveinbjörnsson, CSO	493,407	923,930	(393,407)	1,023,930
Gjest Breistein, CFO	329,271	615,620	(262,271)	682,620
Mette Husbyn, CTO	-	341,310	-	341,310
Brent Meadows, CBO	-	614,358	-	614,358
No. of options owned by the management	2,226,194	4,123,078	(1,639,194)	4,710,078

2024	Opening balance	Granted	Lapsed/ Forfeited	Ending balance
Options held by the management team and board members				
Marie Roskrow, Chair	60,000	-	-	60,000
Marie-Louise Fjällskog, member	60,000	-	-	60,000
Brynjar Forbergskog, member	60,000	-	-	60,000
Kjetil Hestdal, member	60,000	-	-	60,000
Jayson Rieger, member	60,000	-	-	60,000
Evelina Vågesjö, member	60,000	-	-	60,000
No. of options owned by board members	360,000	-	-	360,000
Øystein Rekdal, CEO	1,403,516	-	-	1,403,516
Baldur Sveinbjörnsson, CSO	493,407	-	-	493,407
Gjest Breistein, CFO	329,271	-	-	329,271
Gry Stensrud, CTO	263,703	-	(263,703)	-
Stephen Worsley, CBO	300,000	-	(300,000)	-
Graeme Currie, CDO	50,000	-	(50,000)	-
No. of options owned by the management	2,839,897	-	(613,703)	2,226,194

NOTE 8 SHARE OPTION PROGRAMS

Lytix Biopharma AS has established share-based incentive programs for the Company's management, employees, and consultants, under which services are received in exchange for equity instruments. The incentive programs consist of share options.

As of 31 December 2025, the Company has one active share-based incentive program, Program E. During 2025, the Chairman and Strategic Advisor programs expired in accordance with their contractual terms.

	Program E	Sum
No of options in program	6,826,200	6,826,200
No of options allocated to employees, management, chairpersons, and advisors	6,259,984	6,259,984
<i>Remaining options (can be allocated to individuals)</i>	566,216	566,216

Incentive Program E: Option program for employees, management, the Board and other key personnel

Incentive Program E is a long-term share option program for employees, management, board members, and other key personnel. Options are granted without consideration and entitle the holder to subscribe for one share in the Company per option. The Board determines the exercise price, terms, and allocation of options. Vesting is subject to continued eligibility in the Company's long-term incentive scheme, and all options expire five years after the grant date.

During 2025, 1,835,898 options with an exercise price of NOK 12.0 expired. On May 21, 2025 Lytix granted 420,000 new share options to the Board of Directors, and on September 1, 2025 Lytix granted 4,910,484 new share options to management and key personnel.

As of December 31, 2025, a total of 6,259,984 share options (2024: 2,972,898) were outstanding under Program E, of which 3,277,413 (2024: 711,593) were still subject to vesting.

Incentive Program – Chairman

The Chairman program includes 600,000 share options granted to current and former chairmen of the Board. All options are granted without consideration and expire on 1 May 2025. As of 31 December 2024, 600,000 options remain outstanding, and none are subject to vesting. This program expired in 2025.

Incentive Program – Strategic advisors (1)

This program consists of 467,220 share options granted to selected strategic advisors. The options are subject to quarterly vesting over two years and expire on 6 June 2025. As of year-end 2024, all options are fully vested. This program expired in 2025.

Incentive Program – Strategic advisors (2)

This program includes 125,119 share options granted to strategic advisors. The options are subject to quarterly vesting over two years and expire on 6 June 2025. The exercise price is NOK 18. As of year-end 2024, all options are fully vested. This program expired in 2025.

General Terms

Participants must meet certain conditions during the vesting period and until full exercise of the options, including:

- Not engaging in any competing business without prior written consent from the Company.
- Not engaging in activities related to the Company's customers, partners, or employees unless approved or clearly part of their role.

	Program E		Chairman		Strategic advisors (1)	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding as of January 1, 2024	10.29	3,686,601	12.0	600,000	12.0	467,220
Granted during the period		-				
Forfeited during the period		-				
Exercised during the period		-				
Lapsed during the period	9.37	713,703				
Outstanding as of December 31, 2024	10.51	2,972,898	12.0	600,000	12.0	467,220
Outstanding options vested by December 31, 2024		2,261,305		600,000		467,220

	Program E		Chairman		Strategic advisors (1)	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding as of January 1, 2025	10.51	2,972,898	12.0	600,000	12.0	467,220
Granted during the period	7.75	5,330,484		-		-
Forfeited during the period		-		-		-
Exercised during the period		-		-		-
Lapsed during the period	11.59	2,043,398	12.0	(600,000)	12.0	467,220
Outstanding as of December 31, 2025	7.82	6,259,984	-	-	-	-
Outstanding options vested by December 31, 2025		2,982,571		-		-

	Strategic advisors (2)	
	Weighted average exercise price	Number of options
Outstanding on January 1, 2024	18.0	125,119
Granted during the period		
Forfeited during the period*		
Exercised during the period		
Lapsed during the period		
Outstanding at December 31, 2024	18.0	125,119
Outstanding options vested by December 31, 2024		125,119
Outstanding on January 1, 2025	18.0	125,119
Granted during the period		
Forfeited during the period*		
Exercised during the period		
Lapsed during the period	18.0	(125,119)
Outstanding at December 31, 2025	-	-
Outstanding options vested by December 31, 2025		-

The following information is relevant in the determination of the fair value of options granted under the equity-settled share-based option agreement operated by the Company:

Equity settled	Program E	Program E	Program E	Program E
Expiration date	14.12.2027	18.04.2028	16.04.2030	1.09.2030
Option pricing model used	Black & Scholes	Black & Scholes	Black & Scholes	Black & Scholes
Weighted average share price at grant date (NOK)	8.50	6.55	5.00	7.98
Exercise price (NOK)	8.50	7.30	5.00	7.98
Expected volatility	66.3%	68.0%	63.1%	64.6%
Expected dividend growth rate	0	0	0	0
Risk-free interest rate	2.73%	3.13%	3.78%	3.73%

The volatility assumption, measured at the standard deviation of expected share price returns, is based on a statistical analysis of comparable companies.

The share-based remuneration expense comprises:

<i>Amounts in NOK thousands</i>	2025	2024
Equity settled schemes	13,838	878
Total remuneration expense	13,838	878

NOTE 9 PROPERTY, PLANT AND EQUIPMENT

<i>Amounts in NOK thousands</i>	<i>Machinery and equipment</i>	Total 2025
Acquisition cost January 1, 2025	203	203
Additions	-	-
Acquisition cost December 31, 2025	203	203
Accumulated depreciation January 1, 2025	(160)	(160)
Depreciation and write-downs	(37)	(37)
Accumulated depreciation December 31, 2025	(197)	(197)
Acquisition cost	203	203
Accumulated depreciation and write-downs	(197)	(197)
Carrying amount December 31, 2025	5	5

<i>Amounts in NOK thousands</i>	<i>Machinery and equipment</i>	Total 2024
Acquisition cost January 1, 2024	203	203
Additions	-	-
Acquisition cost December 31, 2024	203	203
Accumulated depreciation January 1, 2024	(92)	(92)
Depreciation and write-downs	(68)	(68)
Accumulated depreciation December 31, 2024	(160)	(160)
Acquisition cost	203	203
Accumulated depreciation and write-downs	(160)	(160)
Carrying amount December 31, 2024	42	42

NOTE 10 LEASES

Right-of-use assets	Office space	Total
Acquisition cost		
1 January 2024	2,680	2,680
Additions	2,998	2,998
Disposals	(2,680)	(2,680)
31 December 2024	2,998	2,998
Additions	460	460
Disposals	-	-
31 December 2025	3,458	3,458
Depreciation and write-downs		
1 January 2024	2,242	2,242
Depreciation for the year	(847)	(847)
Accumulated depreciation on disposals for the year	(2,680)	(2,680)
31 December 2024	(409)	(409)
Depreciation for the year	(967)	(967)
Accumulated depreciation on disposals for the year	-	-
31 December 2025	(1,376)	(1,376)
Carrying amount		
Acquisition cost	2,998	2,998
Depreciation and write-downs	(409)	(409)
31 December 2024	2,589	2,589
Acquisition cost	3,458	3,458
Depreciation and write-downs	(1,376)	(1,376)
31 December 2025	2,082	2,082

Contractual maturities	2025	2024
Less than 1 year	977	762
1-3 years	1,222	1,878
4-5 years	-	-
More than 5 years	-	-
Total contractual cash-flows	2,199	2,639

Lease liability	2025	2024
1 January	2,639	491
Additions	460	2,998
Interest expense	204	119
Lease payments	(1,105)	(968)
31 December	2,199	2,639
Current	977	762
Non-current	1,222	1,878
Total lease liability	2,199	2,639

Leases held by the Company do not contain any restrictions on the Company's dividend policy or financing.

Recognition exemptions used

Leases whose underlying asset is considered of low value and lease contracts with a lease term of 12 months or less at commencement are not recognized as right-of-use assets and lease liabilities. The lease costs of such contracts were as follows:

<i>Amounts in NOK thousands</i>	2025	2024
Leases with a lease term of 12 months or less	-	-
Leases of low value	44	43
Total leases of short-term or low value	44	43

Total cash outflow for leases in 2025 was NOK 1,170 thousand (2024: NOK 1,110 thousand).

NOTE 11 TRANSACTIONS WITH RELATED PARTIES

<i>Amounts in NOK thousands</i>	2025	2024
Marie-Louise Fjällskog, Board Member (US)	-	725

Transactions with related parties consist of invoiced fees for consultancy services. In 2024, Board Member Marie-Louise Fjällskog provided services to Lytix in the role of Medical Advisor.

NOTE 12 SPECIFICATION OF AUDITOR'S FEE

<i>Amounts in NOK thousands</i>	2025	2024
Specification of the auditor's fee		
Statutory audit	592	293
Other non-assurance services	30	218
Tax consultant services	-	26
Total auditor's fee	622	536

VAT is not included in the fees specified above.

Auditor's fee is included in 'other operating expenses in the statement of comprehensive income.

NOTE 13 FINANCE INCOME AND EXPENSES

<i>Amounts in NOK thousands</i>	2025	2024
Financial income		
Interest income	2,325	1,510
Foreign exchange gains	172	298
Other financial income	1,765	376
Total financial income	4,262	2,184

<i>Amounts in NOK thousands</i>	2025	2024
Financial expenses		
Interest expenses	(7)	(7)
Interest expenses on lease liabilities	(204)	(119)
Foreign exchange losses	-	(379)
Other financial expenses	(5)	(48)
Total financial expenses	(217)	(553)

NOTE 14 TAX

<i>Amounts in NOK thousands</i>	2025	2024
Current tax		
Tax payable	-	-
Correction of previous years current income taxes	-	-
Deferred tax		
Changes in deferred tax	-	-
Changes in tax rate	-	-
Tax expense	-	-

<i>Amounts in NOK thousands</i>	2025	2024
Pre-tax profit	(59,982)	(94,265)
Income taxes at 22%	(13,196)	(20,738)
Changes in unrecognized deferred tax asset	11,602	24,185
Non-deductible expenses	1,594	(3,446)
Tax expense	-	-

From January 1, 2020, the tax rate in Norway is 22 %. There is no effect in this year's tax expense because deferred tax from tax losses carried forward is not recognized. Deferred tax relates to the following:

<i>Amounts in NOK thousands</i>	Balance sheet		Change	
	2025	2024	2025	2024
Deferred tax assets				
Property, plant and equipment	27	26	1	6
Right of use asset	26	11	15	(1)
Provisions for obligations	-	-	-	(197)
Net tax on losses carried forward	230,177	218,591	11,586	24,376
Deferred tax assets	230,230	218,628	11,602	24,185
Net deferred tax assets	230,230	218,628	11,602	24,185
Net deferred tax assets not recognized	(230,230)	(218,628)	(11,602)	(24,185)
Net recognized deferred tax assets	-	-	-	-

Deferred tax assets on losses carried forward, in total NOK 230 million as of December 31, 2025 (2024: NOK 219 million), have not been recognized because it is not probable that taxable profits will be available against which deductible temporary differences can be utilized.

The Company has a total tax loss carried forward of NOK 1,047 million as of December 31, 2025 (2024: NOK 994 million) which has no due date.

NOTE 15 EARNINGS PER SHARE

Earnings per share are calculated on the basis of the profit or loss for the year after tax, excluding other comprehensive items. The result is divided by a time weighted average number of outstanding shares over the year. The diluted earnings per share is calculated by adjusting the time weighted average number of outstanding shares by the number of employee share options that can be exercised. As the company is currently loss-making an increase in the average number of shares would have anti-dilutive effect.

	2025	2024
Loss for the period <i>(NOK thousands)</i>	(59,982)	(94,265)
Average number of outstanding shares during the year	68,210,718	54,113,877
Basic and diluted earnings per share (NOK)	0.88	(1.74)

NOTE 16 INTANGIBLE ASSETS

The company has no intangible assets as all ongoing projects have been classified as research.

NOTE 17 OTHER RECEIVABLES

<i>Amounts in NOK thousands</i>	31.12.2025	31.12.2024
Other receivables		
Trade receivables	346	458
Governmental grants	4,750	5,500
VAT	423	325
Prepayments	926	552
Other receivables	632	6,279
Total other receivables	7,078	13,113

NOTE 18 SHORT-TERM FINANCIAL INVESTMENTS

<i>Amounts in NOK thousands</i>	31.12.2025	31.12.2024
Short-term financial investments		
Arctic Return	61,756	-
Short-term financial investments	61,756	-

In accordance with internal policies, excess liquidity has been placed in a short-term liquidity fund, Arctic Return, managed by Arctic Asset Management AS. The fund primarily invests in Nordic and European bonds and money market instruments with investment grade credit quality. See note 19 on classification and fair value hierarchy.

NOTE 19 FINANCIAL INSTRUMENTS AND RISKS

Classification of financial instruments

	2025	2024
Financial assets		
Financial assets measured at fair value through profit or loss:		
Short-term financial investments	61,756	-
Financial assets measured at amortized cost:		
Cash and cash equivalents	10,602	130,791
Total financial assets	72,358	130,791

Financial liabilities	2025	2024
Financial liabilities measured at amortized cost:		
Lease liabilities:		
Current	977	762
Non-current	1,222	1,878
Trade payables	6,377	5,051
Total financial liabilities	8,576	7,654

The fair-value of short-term financial investments is considered 'level 2' in the fair value hierarchy. Of the assets not measured at fair value, the carrying amounts approximate their fair value.

Operational and market risks

Financial risk

Lytix is a pure research and development company which means that the company is accumulating financial losses. Operating losses are expected to continue during the development phases of the company's products, and other than potential development milestone payments from the licensing agreement with Verrica, potentially cash generating operations are not expected until one or more of the company's products are commercialized.

Interest rate risk

The company has no interest-bearing debt. Bank deposits are exposed to market fluctuations in interest rates, which affects financial income. As the company has no interest-bearing debt, no sensitivity analysis is performed on the development of interest rates.

The Company has invested its excess liquidity in a short-term liquidity fund managed by Arctic Asset Management AS. The fund invests in investment grade bonds or money market instruments with a duration of between 3 and 6 months. The value in the money market instrument is primarily influenced by the changes in the interest rate levels in the market (see note 18).

Exchange rate risk

Currency risk is limited to fluctuations in currencies relating to partners and vendors abroad.

As the company has only a limited foreign currency exposure at opening balance sheet date and at year-end 2024 and 2025, no sensitivity analysis is performed on the development of foreign currency exchange rates.

The company does not hedge its foreign currency exposures using derivatives.

Credit risk

The credit risk is limited as receivables are minimal exclusive of public grants. The short-term investments are invested with low risk in a fund investing in investment grade bonds or money market instruments. Therefore, no provisions have been made as a consequence of the minimal credit risks held by the Company.

Liquidity risk

Funding of ongoing operations is, and will be for some time, depending on external sources, mainly equity contributions. There is an inherent risk around future financing of the company, depending upon the company's own performance and on the financial market conditions. Acceptable sources of funding may not be available when needed or may not be available on acceptable terms.

The company's ability to obtain capital or financing will depend in part upon prevailing market conditions as well as conditions of its business and its operating results, and those factors may affect its efforts to arrange additional financing on satisfactory terms.

The company controls its cash flow from both long- and short-term perspectives through rolling cash forecasts. The company has no loan agreements involving covenants or other financial instruments or requirements.

Non-financial risks

Lytix' activity is development of pharmaceutical medications. Research and development up to approved registration is subject to considerable risk and is a capital-intensive process. Lytix' candidates for cancer medications and technology platform are dependent on research and development and goes through several stages before commercialization and risk of failure is generally inherent throughout the process.

Technology risk

The company's product candidates are still at an early stage and the preclinical and clinical studies may not prove to be successful. Furthermore, the product candidates are dependent on continued research and development which may be delayed and/or incur higher costs than currently expected.

Competitive technology

Immunotherapy and other cancer therapeutics industries are in general highly competitive and dynamic, and as such a high-risk business. Lytix operates in this global and highly competitive industry sector and is subject to the rapid and substantial technological change. Competitive cancer treatments, either within immunotherapy or within the broader space of oncology, may affect Lytix' ability to commence and complete clinical trials, as well as the opportunity to apply for marketing authorization, and may influence future sales if marketing authorization is obtained.

Market risks

The financial success of the company will require beneficiary partner agreements as well as obtaining market access and reimbursement/ pricing at attractive levels. There can be no guarantee that the company's products will meet these requirements. The company will need approvals from the European Medicines Agency (EMA) to market products in Europe and from the U.S. Food and Drug Administration (FDA) to market its products in the US, as well as equivalent regulatory authorities in other foreign jurisdictions to commercialize in those regions.

Capital management: Objectives, policies and processes

The company's objective when managing capital is to:

- safeguard the ability of the Company to continue as a going concern and to provide future returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

NOTE 20 CASH AND CASH EQUIVALENTS

<i>Amounts in NOK thousands</i>	31.12.2025	31.12.2024
Cash and cash equivalents		
Employee withholding tax – restricted cash	713	1,479
Variable rate bank accounts	9,889	129,312
Total cash and cash equivalents	10,602	130,791

At year-end 2025, the Company holds short term financial investments that mature in less than 6 months, that do not meet the definition of cash equivalents and are therefore presented as "short-term financial investments".

NOTE 21 SHARE CAPITAL AND SHAREHOLDER INFORMATION

Share capital on December 31, 2025, is NOK 6,826,200.2 (December 31, 2024: 6,815,943.4), being 68,262,002 ordinary shares at a nominal value of NOK 0.1. All shares carry equal voting rights.

	2025	2024
Ordinary shares at 1 January	68,159,434	40,068,319
Capital increase May 13, 2024 ¹⁾	n/a	9,541,984
Capital increase December 23 rd , 2024 ²⁾	n/a	18,549,131
Share issue January 15, 2025 ³⁾	102,568	n/a
Ordinary shares per December 31	68,262,002	68,159,434

¹⁾ In May 2024, 9,541,984 shares were subscribed for in a private placement among existing shareholders at an average share price of NOK 5.24 for total gross proceeds of NOK 50 million. On April 25th, 2024, the extraordinary general meeting resolved to issue 9,055,607 shares and further authorized the board of directors to issue additional shares. On April 26th, the board of directors resolved to issue 486,377 shares. The final allocation thus amounts to 9,541,984 shares, raising gross proceeds of NOK 50 million. The contribution was confirmed and registered in the Norwegian Register of Business Enterprises on May 13, 2024.

²⁾ In December 2024, 18,549,131 shares were subscribed for in a private placement among existing shareholders and new investors at a share price of NOK 6.00 for total gross proceeds of NOK 111.3 million. On December 17th, 2024, the Board resolved to issue 18,549,131 shares. The contribution was confirmed and registered in the Norwegian Register of Business Enterprises on December 23rd, 2024.

³⁾ In January 2025, 102,568 shares were issued to partly settle the underwriting fee related to the Private Placement completed in December 2024. The shares were issued at a subscription price of NOK 0.10, corresponding to total gross proceeds of NOK 10,256.8. The Board of Directors resolved the share issue on December 17, 2024, and the capital increase was confirmed and registered with the Norwegian Register of Business Enterprises on January 15, 2025.

No. Shareholder	No. of shares	Percentage share of total no. of shares
1 Jakob Hatteland Holding AS	6 895 190	10,1 %
2 Citibank, N.A.	4 903 922	7,2 %
3 Taj Holding AS	4 496 593	6,6 %
4 Saturn Invest AS	4 485 579	6,6 %
5 Skandinaviska Enskilda Banken Ab	2 500 000	3,7 %
6 Lyr Invest AS	2 438 863	3,6 %
7 Brødrene Karlsen Holding AS	2 283 507	3,3 %
8 Per Strand Eiendom AS	2 019 102	3,0 %
9 3T Produkter Holding AS	1 808 764	2,6 %
10 Nordnet Livsforsikring AS	1 449 004	2,1 %
11 Lysnes Invest AS	1 448 987	2,1 %
12 Ynni Invest AS	1 392 889	2,0 %
13 HIFO Invest AS	1 318 913	1,9 %
14 Kvasshøgdi AS	1 307 652	1,9 %
15 LTH Invest AS	896 786	1,3 %
16 Belvedere AS	892 292	1,3 %
17 Dragesund Invest AS	685 436	1,0 %
18 Pettersen, Per Ove Løkke	620 400	0,9 %
19 Vohra, Arun	620 000	0,9 %
20 Care Holding AS	606 512	0,9 %
Total number of shares for top 20 shareholders	43 070 391	63,1 %
Total number of shares for the other shareholders	25 191 611	36,9 %
Total number of shares	68 262 002	100,0 %

NOTE 22 CURRENT LIABILITIES

<i>Amounts in NOK thousands</i>	31.12.2025	31.12.2024
Current liabilities		
Trade payables	6,377	5,015
Accrual for annual leave	1,673	967
Other accruals	4,534	23,476
Tax and social security payments	1,074	1,187
Lease liabilities	977	762
Other payables	3,917	5,356
Total current liabilities	18,552	36,764

NOTE 23 EVENTS AFTER THE REPORT DATE

After the reporting date, on 9 January 2026, the Company successfully completed a private placement of new shares, raising gross proceeds of approximately NOK 61 million. The private placement was carried out pursuant to an authorization granted by the Company's general meeting and resulted in the issuance of 6,826,200 new shares.

In addition, following approval by an extraordinary general meeting held on 26 January 2026, the Company completed a subsequent offering directed towards eligible existing shareholders. The subsequent offering comprised up to 3,333,333 new shares at a subscription price of NOK 9.00 per share. The subscription period expired on 10 February 2026, and a total of 1,811,803 new shares were validly subscribed for. Subject to timely payment, the Company will raise gross proceeds of approximately NOK 16.3 million from the subsequent offering.

At the same extraordinary general meeting held on 26 January 2026, the shareholders resolved to convert the Company into a public limited liability company (ASA). The conversion is subject to registration in the Norwegian Register of Business Enterprises.

Other than the events described above, the Board of Directors is not aware of any other events occurring after the reporting date that would have a material effect on the interim financial statements for the second half of 2025.



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Medlemmer av Den norske Revisorforening

To the General Meeting in Lytix Biopharma AS

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Lytix Biopharma AS (the Company), which comprise the statement of financial position as at 31 December 2025, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025 and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors and Chief Executive Officer (management) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. The other information consists of the information included in the annual report other than the financial statement and our auditor's report. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information presented with the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report and for the other information presented with the financial statements. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the other information presented with the financial statements and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report and for the other information presented with the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report and the other information presented with the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



**Shape the future
with confidence**

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Tromsø, 23 March 2026
ERNST & YOUNG AS

The auditor's report is signed electronically

Monica Sørensen
State Authorised Public Accountant (Norway)

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Monica Sørensen

Statsautorisert revisor

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