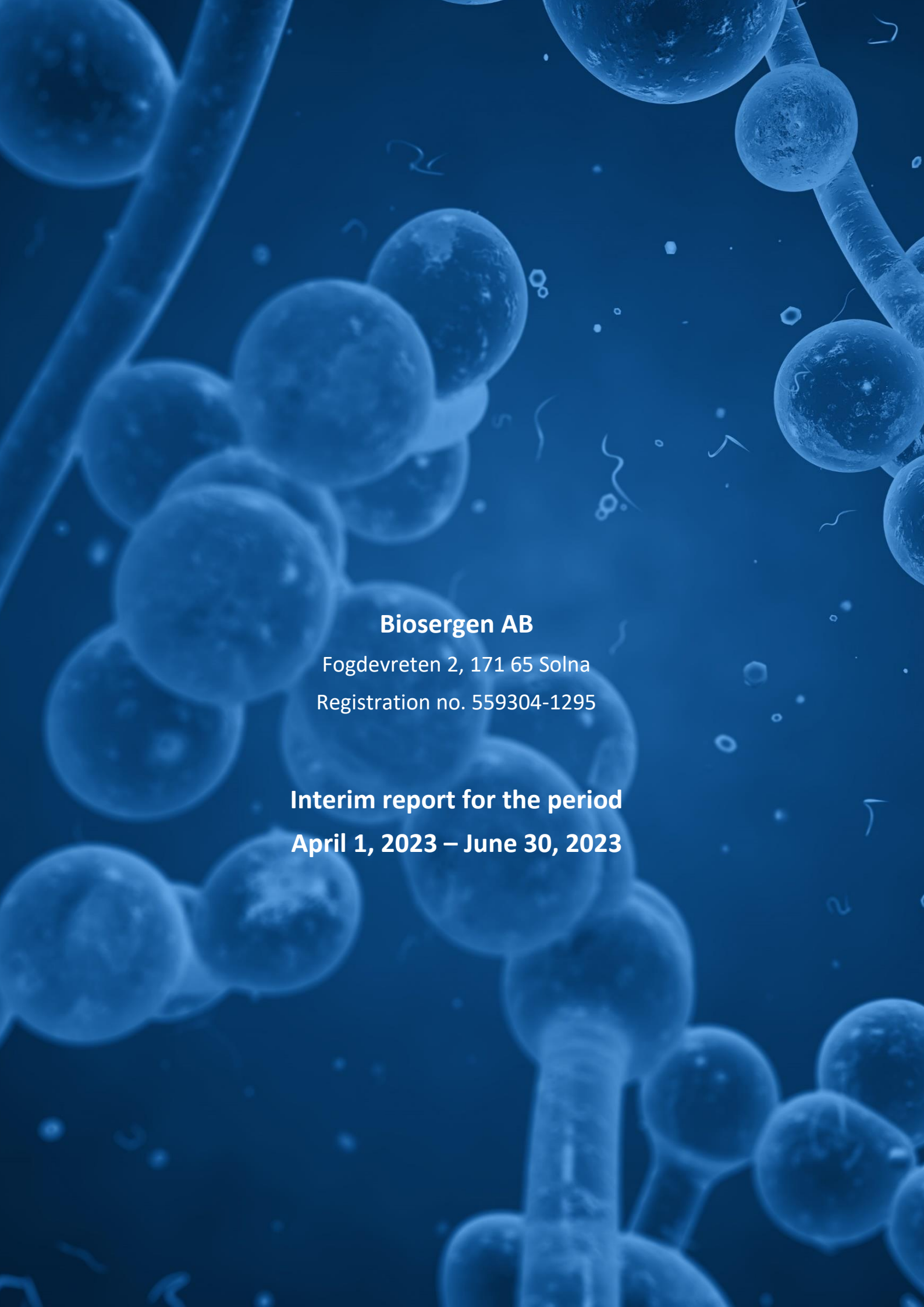


Biosergen AB

Fogdevreten 2, 171 65 Solna

Registration no. 559304-1295

Interim report for the period

April 1, 2023 – June 30, 2023

Contents

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board provide their assurance that the interim report provides a fair and true overview of the Parent Company's and the Group's operations, financial position, and results, and describes material risks and uncertainties faced by the parent Company and the companies in the Group.

Stockholm, Sweden, August 14, 2023

Executive Board

Peder M. Andersen

Board of Directors

Torsten Goesch Chairman	Achim Kaufhold	Henrik Moltke
Marianne Kock	Mattias Klintemar	

CONSOLIDATED FINANCIAL HIGHLIGHTS AND RATIOS

Group

TSEK	2023 April-June	2022 April-June	2023 Jan-June	2022 Jan-June	2022 Jan-Dec
Profit/loss					
Other income	2.456	1.409	7.771	2.726	5.183
Profit/loss before depreciation (EBITDA	-8.038	-7.963	-13.067	-12.981	-34.129
Operating profit/loss before net financials	-8.038	-7.963	-13.067	-12.981	-34.129
Net financials	7	3	9	6	81
Netprofit/loss for the period	-8.031	-7.960	-13.058	-12.975	-34.048
Balance sheet					
Cash	10.101	5.720	10.101	5.720	29.342
Balance sheet totalt	17.360	13.617	17.360	13.617	33.790
Equity	9.132	6.558	9.132	6.558	22.794
Cash flows					
Cash flows from:					
Operating activites	-6.687	-3.982	-19.241	-15.945	-29.441
Financing activites	0	0	0	0	37.118
Ratios					
Solvency (%)	53	48	53	48	67
Earnings per share (SEK)	-0,19	-0,28	-0,31	-0,46	-1,09
Diluted earings per share	-0,19	-0,28	-0,31	-0,46	-1,09

HIGHLIGHTS DURING Q2 2023

- March 29, Biosergen provides Phase 2 clinical development strategy update.

HIGHLIGHTS AFTER THE PERIOD

- August 7, Biosergen Announces Abstract Accepted for Presentation at the 11th Congress on Trends in Medical Mycology (TIMM-11)

CEO LETTER

Dear Shareholders,

I am pleased to provide you with an update on Biosergen's progress during the second quarter of 2023. It has been a period of significant achievements as we continue to advance our lead antifungal drug candidate, BSG005, towards our goal of revolutionizing the treatment of invasive fungal infections.

The most important event that is coming up during the coming period is the submission of the Clinical Trial Application to the Central Drugs Standard Control Organization (CDSCO) in India for initiation of the Phase 2 dose-escalation study to investigate efficacy and safety of BSG005 in patients with invasive fungal infections, who cannot tolerate amphotericin B treatment. This will be an important milestone in our journey, as this upcoming trial will bring us much closer to demonstrating the potential of BSG005 as a rescue treatment for patients who are currently left without any drug treatment options. The trial will provide valuable data that will guide our future development plans and further help us in our long-term objective of establishing BSG005 as a first-line antifungal drug in the market. The submission file requires a few administrative issues completed and it will be submitted in the next few weeks.

In addition to our clinical advancements, I want to draw your attention to an exciting opportunity for our shareholders. As part of our funding strategy, we issued warrants of series TO2, which grant the right to subscribe for one share during the exercise period from August 14 to August 25, 2023. By exercising these warrants, you have the opportunity to contribute to the further development of BSG005 and secure your share in the potential rewards that lie ahead. In essence, for every warrant you hold and convert into a share, you get to buy a new Biosergen share at a discount, namely at a price equivalent to seventy percent of the volume-weighted average price of our share during the period July 28 - August 10, 2023, and which is 0.66 SEK/warrant.

Overall, we are thrilled about the prospects of BSG005 and its potential to address an urgent unmet need in the field of invasive fungal infections. The positive results from our Phase 1 trial, demonstrating the safety of BSG005 on the kidney, have provided us with a solid foundation for moving forward. Our commitment to bringing this innovative and effective treatment to the market remains unchanged, as we see it as a life-changing therapy, especially for the group of patients who has to be taken off treatment with amphotericin B because of its high level of toxicity.

I would like to express my gratitude to our shareholders for their continued support, which has been instrumental in our progress. Your belief in our mission drives us to push boundaries and make a real difference in patients' lives.

As we enter the next phase of our journey, I invite you to consider exercising your warrants and join us in shaping the future of Biosergen. Together, we can make a meaningful impact on the lives of patients suffering from invasive fungal infections.

Thank you for your ongoing trust and support. We will continue to keep you informed of our progress and look forward to sharing more exciting updates in the coming months.

Best regards,

Dr. Peder M. Andersen

CEO, Biosergen

ABOUT BIOSERGEN

Vision and mission of the Company

Biosergen's mission is to develop BSG005, including any derivatives and novel formulations of this compound, into the new first line treatment choice for invasive fungal disease, to save thousands of lives every year while generating significant returns to the Company's shareholders.

The Company intends to achieve its mission through a combination of academic and commercial excellence, strategic partnerships, and highly experienced leadership. Biosergen's vision is to emerge as a leading international biotechnology company in the global fight against fungal infections, building its own commercial infrastructure and strong partnerships with pharmaceutical companies, key opinion leaders, NGOs, and government agencies all over the world.

BSG005 in brief

In brief, BSG005 can be described as an important new drug in the field of antifungals because of its fungicidal effect (it kills the fungus), which is preferable to drugs with a fungistatic effect (inhibiting the fungus, not killing it). BSG005 does not create resistance to treatment as fungistatic antifungals does. Moreover, it is a broad-spectrum antifungal agent, the only approved comparable antifungal drug with a similarly broad cover of fungal strains is Amphotericin B. However, BSG005 does not possess the same toxic properties as Amphotericin B and other drugs from the same drug group (Polyenes), as shown in a Phase 1 trial conducted by Biosergen. In addition, BSG005 has also shown effect against resistant fungal strains and other strains that have been difficult to treat with the drugs available on the market. Finally, in preclinical trials, BSG005 has shown up to three to four times higher potency than Amphotericin B at the same dose levels.

Business model

Biosergen is a clinical stage research and development biopharmaceutical company, who intends to employ its financial and organizational resources on developing and commercializing its unique and only clinical asset BSG005 into becoming the gold standard for antifungal therapy. The Company is developing BSG005 in collaboration with its academic partners and will be sought funded whenever possible through public grants from Norwegian, European, or other international sources. In time, the Company will establish limited sales and marketing infrastructure necessary to cover specific regions, first and foremost Europe and the United States, and otherwise form strategic partnerships with pharmaceutical and biotechnology companies when relevant to commercialize its products in the different regions of the world.

Patents

Biosergen has strong patent protection in four regions, USA, EU, Japan, and China and other countries. The patent is a composition of matter patent.

Orphan drug status

Biosergen was in June 2021 granted orphan drug status for BSG005 with the FDA on the basis that less than 200,000 patients per year, with invasive aspergillosis in the United States, will be treated with the drug. With an orphan drug status, one of the benefits is guaranteed market exclusivity for 7 years after the drug is approved.

Similarly, the United States Congress created GAIN in 2012 (Generating Antibiotic Incentives Now) to provide incentives for the development of antibacterial and antifungal drugs for human use, intended to treat serious and life-threatening infections. Under GAIN, a drug may be designated as a qualified infectious disease product (QIDP) if it meets the criteria outlined in the statute, which the Company expect BSG005 would do. A drug that receives QIDP designation is eligible under the statute for fast-track designation and priority review, as well as additional market exclusivity (currently 7 years).

Biosergen intends to apply for GAIN/QIPD status in the USA however expect that clinical phase 2 data will be expected to submit a QIPD application. Application can be done at any time in the development process.

FUNGAL INFECTIONS ARE INCREASING

Of the hundreds of thousands of fungal species, only a few hundred can infect humans and even fewer have the capacity to cause serious health problems. However, when they do infect humans, fungi can cause a variety of illnesses with symptoms ranging from a mild rash to life threatening pneumonia and death.

It is estimated that fungal infections kill more than 1.5 million people every year[1] and the number of cases continues to increase[2]. The factors behind the increased incidence of serious invasive (also known as systemic) fungal infections can be grouped into three broad categories:

Opportunistic fungal infection
The incidence of opportunistic fungal infections such as cryptococcosis and aspergillosis is increasing because the number of people with weakened immune systems continues to increase, both in developed and developing countries. This group includes cancer patients, transplant recipients, people taking medications that weaken the immune system and not least, people living with HIV/AIDS.[3] There has also been a widespread use of antifungal drugs as an anti-mold in industry including agriculture and livestock productions.

Hospital acquired infection
Hospital-acquired infections (also known as nosocomial infections) including bloodstream infections, pneumonia and urinary tract infections are on the rise, also in the developed world. The increase has multiple causes, including more hospitalized patients with weakened immune systems, an increasing number of elderly patients, more invasive medical procedures, ever busier medical staff, inadequate sanitation protocols and finally, the routine use of antifungal drugs in hospital settings that creates a selection pressure for the emergence of resistant strains.

Community acquired infection
Certain fungal species live in particular geographies and/or environments and are known to be sensitive to changes in temperature and moisture. There has been an increase in fungal infection outbreaks in recent years in certain regions. These outbreaks are almost certainly linked to demographic changes and climate changes.

INVASIVE FUNGAL INFECTIONS
Most invasive fungal infection-related serious illnesses and deaths are caused by four fungal pathogens: *Candida*, *Aspergillus*, *Cryptococcus* and *Pneumocystis*. But there are also other serious fungal infections such as Mucormycosis as recently seen in an epidemic in India in the middle of the Covid pandemic and Cryptococcus infections, where BSG005 has proven efficacy in vitro.

Candida
Candida is a yeast that causes infections in individuals with deficient immune systems. Systemic *Candida* infections of the bloodstream and major organs, particularly in immunocompromised patients, affect over 90,000 people a year in the United States alone. People with diabetes and HIV are particularly susceptible to Candidiasis. It is estimated that approximately 750,000 people worldwide develop invasive Candidiasis every year[4] and that more than half of all sales of antifungal drugs (52%) are directed against the *Candida* pathogen[5].

Aspergillus
Aspergillus cause aspergillosis which primarily develops in people with weakened immune systems or lung diseases. These fungi also cause allergic reactions. Aspergillosis include allergic bronchopulmonary aspergillosis and invasive aspergillosis, both of which conditions are potentially lethal. It is estimated that more than 300,000 people worldwide develop aspergillosis every year and that approximately 21% of all sales of antifungal drugs are directed against the *Aspergillus* pathogen.

Cryptococcus
Cryptococcus is rare in healthy people but in patients suffering from HIV infections and AIDS it can cause life threatening forms of meningitis and meningo-encephalitis. It is estimated that approximately 200,000 AIDS

[1] Bongomin et al. Journal of Fungi, October 2017

[2] Kainz et al. Microbial Cell, June 2020

[3] Is is estimated that close to 50% of all AIDS related deaths are attributable to an invasive fungal infection. GAFFI (Global Action Fund for Fungal Infection), August 2017

[4] Bongomin et al. Journal of Fungi, October 2017

[5] Market Research Future. *Global Antifungal Treatment Market forecast to 2027*.

patients develop life threatening Cryptococcosis every year and that approximately 7% of all sales of antifungal drugs are directed against the *Cryptococcus* pathogen.

Pneumocystis
Pneumocystis is a frequent source of opportunistic lung infections in people with a weak immune system or other predisposing health conditions. It is often seen in patients suffering from HIV infections and AIDS but is also found in patients using immunosuppressing medications and people with cancer, autoimmune or inflammatory conditions, and chronic lung disease. It is estimated that approximately 500,000 people develop pneumocystis pneumonia every year and that less than 5% of all sales of antifungal drugs are directed against the *Pneumocystis* pathogen.

Mucormycetes
Mucormycetes, a group of molds that can be found in various environments including soil, decaying organic matter like compost piles or rotten wood that can cause is a serious fungal infection called Mucormycosis, currently also known as Black Fungus. The transmission of mucormycosis occurs when individuals come in contact with fungal spores present in the environment. Inhaling spores can result in lung or sinus infections, which primarily affect people with preexisting health conditions (such as diabetes) or those taking medications that suppress the immune system (such as steroids during covid 19 therapy). During the COVID-19 pandemic in India notable opportunistic mucormycosis infection outbreaks emerged leading to sharp increase in deaths.

Often, surgery is required to remove dead or infected tissue (black tissue), examples are removal of an eye or part of the upper jaw.

ANTIFUNGALS USED TODAY
The main classes of antifungal drugs today are the Polyenes, the Azoles and the Echinocandins. A smaller group of products are the Allylamines and the Pyrimidines. The total sales of antifungals for human medicinal use were estimated to be approximately USD 16.7 billion in 2020[6]. Sales are growing by 6-7% per year. Although the majority of serious infections occur in the developing world, the United States and Europe make up approximately 70% of the market.

The Polyenes
The Polyenes were discovered already in the early 1950s based on the observation that certain types of *streptomyces* bacteria were able to kill fungal cells in their vicinity. The polyenes are fungicidal and very effective with almost no resistance build over more than 50 years, but their use is restricted by their toxicity, particularly to the kidney. Amphotericin B is the most well-known of the polyenes. Other drugs in this class include Candicidin and Nystatin. New formulations of Amphotericin B such as the liposomal formulation marketed as Ambisome® aims to achieve lower toxicity with at least similar efficacy compared to the parent compound. However, so far it has not been possible to eliminate nephrotoxicity as the main dose limiting side effect. This is the primary reason that the polyenes despite their effectiveness comprise only approximately 10% of the total antifungal drug market.

The Azoles
The first Azole derivatives were discovered in the late 1960s. In contrast to the Polyenes, they are primarily fungistatic rather than fungicidal, but they are effective against a broad range of fungal pathogens and display none of the kidney toxicity seen with the polyenes. Well known drugs in this class include Fluconazole, Ketoconazole, Miconazole and Voriconazole. It is estimated that the Azoles comprise approximately 42% of the total antifungal drug market.

The Echinocandins
Drugs from the Echinocandin class are the newest class of antifungals, although they were in fact discovered in the 1970s. The Echinocandins are fungistatic, have a fairly broad range particularly against candida species, and have low toxicity. They do however have poor bioavailability and must be

[6] Market Research Future. *Global Antifungal Treatment Market forecast to 2027*. The market for fungicides in agriculture and industry is at least as large as the human drug market but is not considered in this discussion.

administered intravenously. Well known Echinocandins include Caspofungin and Micafungin. It is estimated that the Echinocandins comprise approximately 32% of the total antifungal drug market.

The Allylamines and Pyrimidines
Allylamines were discovered in the 1970s. The Pyrimidines were introduced as antifungals in the late 1950s. The Allylamines and Pyrimidines (as well as a few other drugs) make up the remaining 16% of the market.

All three of the main classes of antifungals, the Polyenes, the Azoles and the Echinocandins, target the fungal cell wall because this is the part of the fungal cell that is most different from the human cell. Antifungals whose mechanism of action specifically target the fungal cell wall therefore tend to be less toxic to humans. Because the treatment of invasive fungal infection is often initiated before a precise diagnosis can be reached, the initial treatment usually consists of a combination of drugs. However, common first line treatment combinations consisting of drugs from the Azole and Echinocandin classes are generally only fungistatic, not fungicidal, which makes them vulnerable to resistance development. The Polyenes, the most prominent of which is Amphotericin B, are fungicidal but are used only sparingly as first line treatment because of their toxicity.

Diagnosing and treating invasive fungal infection is difficult
The diagnosis of fungal infection poses a particular problem because diagnostic methods, even in the developed world, often are too slow to be clinically relevant or fail to detect exactly what fungal species is causing the infection. Adding to the problem is that symptoms often present as non-specific, meaning that without access to sophisticated diagnostic tests, a physician would barely be able to establish that the patient is suffering from a fungal infection as opposed to any other invasive microbe, let alone what particular species of fungi the patient is infected with. As a result, fungal infections are often treated in the blind or not treated at all.

Multidrug resistance is an increasing problem
Fungi, like bacteria, can develop resistance when the particular species develop the ability to defeat the drugs designed to kill them. Since only a few types of antifungal drugs currently exist, antifungal resistance severely limits treatment options. Some species, like *Candida auris*, can become resistant to all three main drug types. Resistance is particularly problematic for patients suffering from invasive fungal infections.

One reason resistance is on the rise is the increasing use of Azole and Echinocandin drugs, both of which are fungistatic rather than fungicidal. With fungistatics, some fungal cells survive, and these are the cells that already were resistant to the drug or acquired the ability to resist through mutation during the treatment course. Another reason for the rise in resistant fungal strains is the broad and often indiscriminate use of antifungals in industry including agricultural and livestock production. Certain of the azoles are even used in industrial coatings and for timber preservation. All international public health organizations, including the WHO and the CDC (The United States Centre for Disease Control) as well as the European Commission recognizes the rise in fungal infections and not least the rise in Multi Drug Resistant (MDR) fungal strains as a global health threat[7].

BSG005's position in the market
Invasive fungal infection is an aggressive disease with up to 90% of patients dying in the first two weeks, often before the fungal species is even identified. BSG005 will be positioned as first line treatment for invasive fungal infections based on the drug's fungicidal activity, broad coverage of different fungal species, including single drug and multidrug resistant strains, low risk of resistance development and not least, safety. In the Company's opinion, no other antifungal currently offers this profile. The typical setting would be for BSG005 to be administered intravenously in Intensive Care Units. Because it offers a unique profile, BSG005 will be marketed at a price premium. The market potential is large. The market share covered by Amphotericin B and lipid versions is about 450 M USD and the other products used in invasive fungal infections is in the B USD. None of the products has the profile of BSG005 and the market potential in this field is large because of the unmet medical need in these severe fungal infections.

[7] www.who.int/health-topics/antimicrobial-resistance

Competition
The current standard of care for severely ill patients are treatments with an Azole or Echinocandin antifungal and/or Amphotericin B (possibly in combinations). Drug combinations are chosen because individual products have significant gaps in their fungal coverage. As opposed to the Azoles and Echinocandins, drugs based on Amphotericin B and other Polyenes have fungicidal activity, but they can only be given for a short time and at limited concentrations due to their toxicity, which includes irreversible kidney damage.

Market trends
The antifungal market is impacted by a large number of factors, several of which have already been discussed. Other factors impacting the use of antifungals include:

Demographic and economic development
The aging population in developed countries increases the demand for medicine and health services. Apart from the overall increased number of people that needs healthcare, a general increase in global wealth also creates an increase in demand for proper healthcare, for instance in newly developed countries.

Increased demand for food production
Human population growth fuels a demand for increasing food production. Antifungals are widely used in agriculture and the resulting resistance problems spill over into the human population. The problem is further exacerbated when the plant's natural antifungal defenses are gradually bred out, and yet further exacerbated again by the rising popularity of the Azoles as a fungicide used for crop protection.

Medical advances increase the susceptible population
Medical advances leading to greater initial survival of cancer or organ transplants inadvertently leave more patients susceptible to secondary attack from opportunistic fungi, further fueling a vicious cycle where more antifungals are used, leading to yet more resistance development.

Environmental changes
There is increasing evidence that climate changes could result in an expansion of fungal diseases simply by increasing the geographical reach of certain species[8].

BSG005

BSG005 is a polyene macrolide antifungal molecule belonging to the same antifungal class as Nystatin and Amphotericin B. As with the other Polyenes, BSG005's mode of action is inference with the fungal cell wall by creating pores from which ions and other matter can leak out of the cell and causes cell death.

Preclinical data for BSG005
In preclinical trials, BSG005 has shown up to three to four times higher potency than Amphotericin B at same dose levels. More importantly, in toxicology studies the molecule is completely safe for the kidneys with a wide therapeutic window.

The *in vitro* testing of BSG005 against more than 200 different fungal strains has shown a fungicidal effect against most strains, including strains resistant to Azoles and Echinocandins. Preliminary data also shows strong effect on multi resistant Candida auris. *In vivo* testing has revealed excellent antifungal protection against *Aspergillus* and *Candida* strains also resistant strains.

In summary, BSG005 has in preclinical studies shown to have a very broad spectrum of action, not least against Azole and Echinocandin resistant *Aspergillus* and *Candida* strains as well as multi resistant Candida auris. At similar dose levels, the drug demonstrates a potency advantage over new liposomal formulations of Amphotericin B, the current standard of care for patients not responding to Azole and Echinocandin treatment, of three to four times. The Company is not aware of any other antifungal on the market or in development with a similar profile.

The central ambition of the entire program behind BSG005 was to develop a drug with a superior safety profile over Amphotericin B. Early on, the toxicology tests included comparisons of different solid forms of the drug, drug formulations, formulation preparation procedures, intravenous (IV) dosing methods and

[8] Garcia-Solache and A. Casadevall: Hypothesis: global warming will bring new fungal diseases for mammals. mBio, May 2010.

infusion durations, just to name a few. No genotoxicity has ever been seen. Later safety pharmacology studies found BSG005 to be free of cardiovascular, central nervous and respiratory adverse effects.

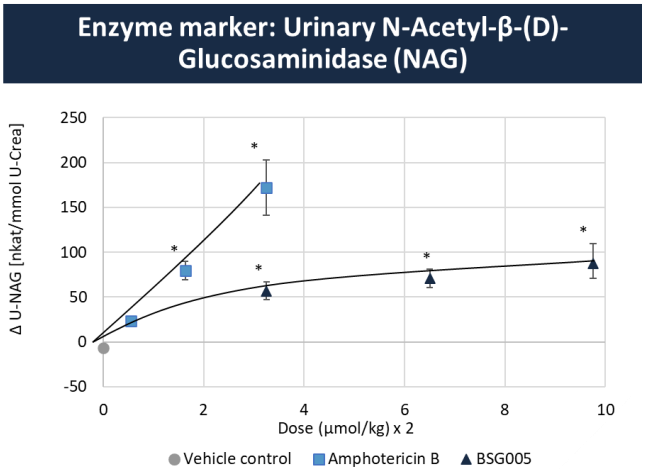
None of the preclinical tests have indicated a significant kidney toxicity potential.

Phase I clinical trial data for BSG005

These promising preclinical safety data were confirmed in the first-in-human Phase I clinical trial in 36 volunteers at the Nucleus Network phase I Unit in Melbourne, Australia. Topline data showed a satisfactory safety profile with no serious adverse events reported and no impact on kidney and liver function after BSG005 administration both as single infusions as well as after 7-days repeated IV infusions at multiple dose levels. The clinical phase 1 trial was a double-blinded, placebo-controlled study (randomised 4:2), meaning that out of the total of the 36 volunteers, 24 subjects received a single dose in the SAD part and another 12 volunteers received a dose every day for 7 days in the MAD part in a dose escalation fashion. The review of the data by the Safety Review Committee revealed that there were no major safety concerns.

All in all, data from both preclinical studies and the Phase I study show that BSG005 has a favorable and crucial differentiation from Amphotericin B, the drug with which BSG005 will most directly compete. The results from one of the preclinical tests are illustrated below.

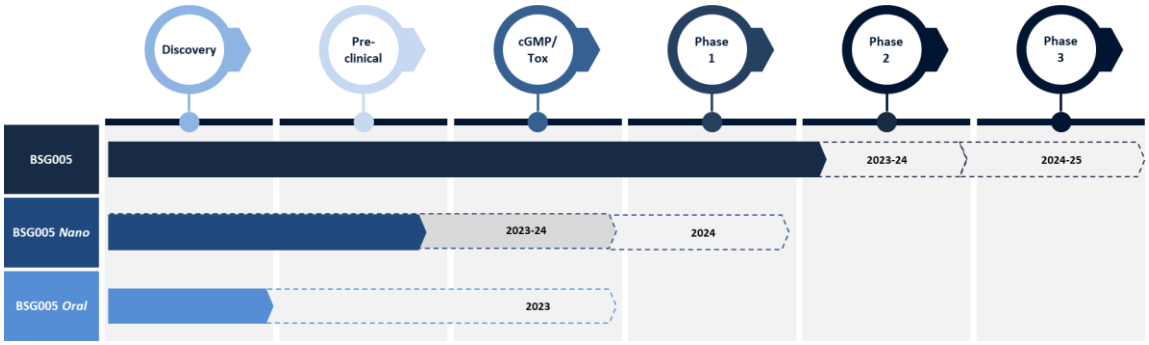
<u>BSG005 shows significantly less toxicity in the kidneys in a preclinical test</u>



In this standard model of kidney toxicity, a kidney enzyme called NAG is measured. NAG is known to be strongly correlated with the destruction of certain tubular microstructures in the kidney. Even at a dose three times as high, BSG005 showed less than half the kidney damage when compared to Amphotericin B.

DEVELOPMENT ACTIVITIES

Biosergen's research and development pipeline is built around formulations of BSG005. The most advanced formulation is intravenous, comparable to other treatment regimens for severe systemic fungal infections. BSG005 Nano is a novel nano formulation developed at SINTEF which specifically target the lungs where many systemic fungal infections are first established. BSG005 Oral is also a nano formulation. With BSG005 formulated as a pill, the versatility of the drug would greatly expand (for instance for follow up treatments in the patient's own home after surgery).



Clinical development program

The clinical program for BSG005 is designed to lead to the filing of an NDA (New Drug Application) for sales and marketing approval with the United States FDA (Food and Drug Administration) in multiple indications.

Phase 1 clinical trial

As previously mentioned, Biosergen has conducted a placebo-controlled, double-blinded study, enrolling 36 healthy adult volunteers. The primary objective was to evaluate the safety and tolerability of BSG005 in a healthy adult volunteer population at increasing doses. The secondary objective was to assess the pharmacokinetics of BSG005 after single and multiple dosing in healthy subjects, to assess any plasma accumulation and the excretion of BSG005 in urine. An escalating 7-day dosing was included as a part 2 of this trial with the same objectives as the first single dose part. The review of the complete trial data set revealed that there were no serious safety issues reported and all laboratory data were OK with no impact on kidney and liver function at all, and that the BSG005 was measurable in plasma even at low dosing levels. These safety results from Phase 1 are key to the clinical development as the fungicidal effect of polyenes and BSG005 is well known.

Phase 2 clinical trial program

Biosergen's full phase 2 program consists of an initial, open-label, two-center trial, with the purpose of proving BSG005 potency, as well as its superior safety profile when compared to Amphotericin B. In addition, this initial trial will serve to significantly de-risk the further Phase 2 development of BSG005, and to increase the probability of attracting future non-dilutive funding.

Following data readout from the initial phase 2A trial, Biosergen expects to initiate single-indication registration-oriented Phase 2 clinical trials. The two main targets for registration-oriented Phase 2 trials remain to be mucormycosis indication and, the Aspergillosis indication for which Biosergen has Orphan Drug Designation in the US.

The Phase 2A trial will be conducted at two sites in India and is planned to start Q3 2023 with the enrolment of the first patient in September 2023. The plan is to enroll a total of 15 patients suffering from invasive fungal infections, expected to include the infectious diseases the Company has previously highlighted as the candidates for registration-oriented Phase 2 trials: mucormycosis, aspergillosis, and later febrile, neutropenic patients with symptoms of invasive fungal disease. The key enrolment criteria for the first phase 2A trial is, that the patients are, or have been, undergoing treatment with an Amphotericin B antifungal product but, due to intolerability or toxicity of Amphotericin B, have been taken off this last resort treatment, and are left without any effective treatment options. The trial design serves several purposes, including demonstrating that BSG005 could become a rescue treatment for a large group of patients with no treatment options due to the well-known severe side effects of Amphotericin B treatment, a global patient population with a high unmet medical need. In addition, the trial will serve to significantly

de-risk the further Phase 2 development of BSG005 giving valuable information on effective dose level, treatment periods and safety at higher doses, and off course to increase the probability of attracting future non-dilutive funding. With the data from the initial Phase 2A trial, Biosergen will be able to identify any significant indicative differences in the potency of BSG005 for the treatment of various invasive fungal infectious diseases. Such data will be valuable in qualifying the decision on what disease to initiate the Company's first subsequent registration-oriented single-indication Phase 2 trial and ensure an optimized trial design.

Additionally, having data from a human clinical trial verifying that BSG005 shows potency as a valuable treatment for specific patient populations, which globally currently does not have any real treatment options, could be a starting point for expanding this Phase 2A trial design to other countries and the initiation of regulatory discussions on a real "Compassionate Use treatment approval" and make the way for early revenues from such a program.

Biosergen does not anticipate that the initial Phase 2 trial will prompt a need for additional equity financing.

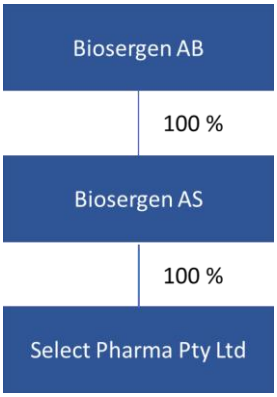
The plans for subsequent registration-orientated Phase 2 trials are to conduct 2, possibly 3, clinical trials within the following indication areas:

- Patients with invasive fungal infection in need for Amphotericin B treatment but who cannot tolerate Amphotericin B/Ambisome
- Patients with Mucormycosis
- Patients with Aspergillosis and possibly
- Neutropenic patients (low white blood cell count after chemotherapy) with clinical symptoms of invasive fungal infection, but with or without a diagnosis of the specific fungal strain

The specific plans for these trials, their time of initiation, any adaptive phase 2/3 design, the financing of them will be highly impacted by the data that will become available as the first phase 2A study is carried out and concluded.

BSG005 Nano and BSG005 Nano Oral
Several of the most serious fungal infections either start or become located in the lungs of the patient. Biosergen and the Nano Group at SINTEF have therefore started a project to develop a special Nano formulation of BSG005, the main purpose of which is to achieve a higher concentration of the drug in the lungs of the patients. The group aims to develop both a Nano lung IV and a Nano Oral formulation of BSG005. Other than the ability to target the lungs specifically, an oral formulation opens up a number of new options. For instance, for prophylactic use or as follow-on treatments in the patient's own home after transplants or chemotherapy with an oral administration of BSG005 is very interesting due to the very broad activity against most of the fungal strains in question.

Biosergen Group
Biosergen AB is the parent company in the group which in addition to the parent company consists of the wholly owned Biosergen AS which in turn owns 100 percent of the Australian subsidiary Select Pharma Pty Ltd.



Shareholders
The table below presents shareholders with over 5% of the votes and capital in Biosergen AB on December 31, 2022.

Name	Number of shares	Percentage of voting right and capital (%)
ÖSTERSJÖSTIFTELSEN	18,799,417	44.3%
ROSETTA CAPITAL IV SARL	8,931,305	21.1%
Others	14,696,938	34.6%
	42,427,660	**100.0%**

The share
The shares of Biosergen AB were listed on Nasdaq Stockholm First North on June 24, 2021. The short name/ticker is BIOSGN.ST and the ISIN code is SE0016013460. Per June 30, 2023, the number of shares was 42,427,660. The average number of shares in The Company in Q2 2023 was 42,427, 660. The Company has one class of shares. Every stock share equals the same rights to The Company´s assets and results.

Warrants
As an incentive for Board Members, employees, and key persons Biosergen has implemented two Warrant programs. Program 1 consisting of 1,219,423 warrants where each assigned warrant gives the beneficiary the right to subscribe for one new share in the Company against payment of 1.06 SEK. Program 2 consisting of 669,144 warrants where each assigned warrant gives the beneficiary the right to subscribe for one new share in the Company against payment of 10 SEK.

Subscription of shares with the support of warrants may take place no later than December 31, 2031.

Investor warrants
8,595,531 investor warrants were granted to investors in connection with subscription of Offer Units in the rights issued carried out September 2022. One (1) warrant of series TO2 entitles subscription of one (1) new share in the Company. All Warrants were vested as per the grant date. The warrants can be exercised from and including August 14 up to and including August 25, 2023. A warrant entitles the warrant holder to subscribe for one new share in the company at a subscription price corresponding to seventy (70) percent of the volume-weighted average price during a period of ten (10) trading days between July 28, 2023 and August 10 2023, however never lower than the quota value and no more than SEK 4.5 per share.

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Auditor´s review
The interim report has not been reviewed by The Company's auditor.

For further information, please contact

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FINANCIAL REVIEW

Biosergen AB was registered in February 2021. On April 16, 2021, the company acquired Biosergen AS with the subsidiary Select Pharma PTY LTD and formed the group with Biosergen AB as parent company.

Income statement
Other operating income amounted to KSEK 2,456 in the quarter. During the quarter the operating loss amounted to KSEK -8,038.

The financial net amounted to KSEK 7 in the quarter, which lead up to group's net profit thus totaling of KSEK -8,031. Net profit per share was SEK -0,19 for the year to date.

Balance sheet
Total assets amounted to KSEK 17,360 whereof cash and cash equivalents amounted to KSEK 10,101. Current liabilities amounted to KSEK 8,228. At the end of the period, the Group's equity amounted to KSEK 9,132.

Cash flows
The Group's cash flow from operating activities amounted to KSEK -8,031 for the quarter. The outflow from operating activities is attributable primarily to the phase 1 study. The cash flow from investing activities was KSEK 0. The Group's cash flow from financing activities amounted to KSEK 0.

Comments to the Parent company´s financial reports
Income statement
During the quarter EBITDA amounted to KSEK -2,797.

Balance sheet
Total assets amounted to KSEK 161,022, whereof cash and cash equivalents amounted to KSEK 6,283. Current liabilities amounted to KSEK 2,563. At the end of the period, the Company's equity amounted to KSEK 161,022.

Cash flows
The Company's cash flow from operating activities amounted to KSEK -2,725 in the quarter. During the quarter the cash flow from investing activities was KSEK -4,529, relating to transactions with Group companies. The Company's cash flow from financing activities amounted to KSEK 0 in the quarter.

Capital resources and Liquidity
The Board and Management are assessing alternatives to secure the company's long-term capital requirement on an ongoing basis.

Employees
On June 30, 2023, the Company and the Group as well had four employees.

Risk and uncertainty factors
A pharmaceutical development company such as Biosergen is exposed to operational and financial risk. Many factors can have a negative impact on the probability of commercial success. During the quarter no significant changes with respect to these risks or uncertainty factors have arisen.

Principles for preparation of the interim report
Biosergen prepares its financial reports in accordance with the Swedish Annual Accounts Act and BFNAR 2021:1 (K3) Annual Reporting and consolidated reports (K3).

FINANCIAL CALENDAR

Interim Report July- September (Q3)	November 30, 2023
Year end Report 2023	March 29, 2024
Annual Report	March 29, 2024
Annual General Meeting	May 31, 2024
Interim report, January – March (Q1)	May 31, 2024
Interim Report April – June (Q2)	August 30, 2024

Consolidated income statement and statement of comprehensive income

TSEK	2023 April-June	2022 April-June	2023 Jan-June	2022 Jan-June	2022 Jan-Dec
Operating income					
Other operating income	2.456	1.409	7.771	2.726	5.183
	2.456	**1.409**	**7.771**	**2.726**	**5.183**
Operating expenses					
Consumables	-10	-122	-230	-122	-280
Other external expenses	-8.629	-7.618	-16.558	-12.573	-30.481
Personnel costs	-1.694	-1.407	-3.420	-2.653	-7.808
Other operating expenses	-161	-225	-630	-359	-743
Operating profit/loss	**-8.038**	**-7.963**	**-13.067**	**-12.981**	**-34.129**
Net financial items	7	3	9	6	81
Profit after financial items	**-8.031**	**-7.960**	**-13.058**	**-12.975**	**-34.048**
Profit/loss for the period	**-8.031**	**-7.960**	**-13.058**	**-12.975**	**-34.048**

Consolidated balance sheet

TSEK	2023 Jan-June	2022 Jan-June	2022 Jan-Dec
Assets			
Receivables	7.259	7.897	4.448
Cash & Bank	10.101	5.720	29.342
Total assets	**17.360**	**13.617**	**33.790**
Equity and liabilites			
Equity	9.132	6.558	22.794
Current liabilites	8.228	7.059	10.996
Total equity and liabilites	**17.360**	**13.617**	**33.790**

Group TSEK	2023 Jan-June	2022 Jan-June	2022 Jan-Dec
Opening balance beginning of period	**22.794**	**20.233**	**20.233**
Profit/loss for the period	-	-	-34.048
Exchange rate	-	-	-510
Jan-Mar			
Profit/loss for the period	-5.027	-5.015	-
Exchange rate	-91	-320	-
April-June			
Profit/loss for the period	-8.031	-7.960	-
Exchange rate	-513	-380	-
Comprehensiv income for the period	**9.132**	**6.558**	**-14.325**
Transactions with shareholders			
New share issue	-	-	42.153
New share issue	-	-	825
Emisson cost	-	-	-5.859
Jan-Mar			
New share issue for the period incl. IPO	-	-	-
April-June			
New share issue for the period incl. IPO	-	-	-
Closing balance end of period	**9.132**	**6.558**	**22.794**

Consolidated cash flow statement

TSEK	2023 April-June	2022 April-June	2023 Jan-June	2022 Jan-June	2022 Jan-Dec
Operating activites					
Operating profit/loss	-8.038	-7.963	-13.067	-12.981	-34.129
Net finacial items	7	3	9	6	81
Cash flow from operating activites before changes in working capital	**-8.031**	**-7.960**	**-13.058**	**-12.975**	**-34.048**
Cash flow from changes in working capital					
Change in receivables	1.337	881	-2.812	-78	3.373
Changes in current liabilites	7	3.097	-3.371	-2.892	1.234
Cash flow from operating activites	**-6.687**	**-3.982**	**-19.241**	**-15.945**	**-29.441**
Financing activities					
New share issue	0	0	0	0	37.118
Cash flow from financing activites	**0**	**0**	**0**	**0**	**37.118**
Cash flow for the period	**-6.687**	**-3.982**	**-19.241**	**-15.945**	**7.677**
Liquid fund at the beginning of the period	**16.788**	**9.702**	**29.342**	**21.665**	**21.665**
Liquid funds at the end of the period	**10.101**	**5.720**	**10.101**	**5.720**	**29.342**

TSEK	2023 April-June	2022 April-June	2023 Jan-June	2022 Jan-June	2022 Jan-Dec
Operating income					
Net sales	810	869	1.646	1.304	3.508
	810	**869**	**1.646**	**1.304**	**3.508**
Operating expenses					
Consumables	0	-61	0	-61	-203
Other external expenses	-1.606	-1.241	-2.886	-1.922	-5.139
Personnel costs	-1.694	-1.407	-3.420	-2.606	-7.760
Other operating expenses	0	0	0	0	0
Operating profit/loss	**-2.490**	**-1.840**	**-4.660**	**-3.285**	**-9.594**
Net financial items	-307	-6	-286	-43	-132.884
Profit after financial items	**-2.797**	**-1.846**	**-4.946**	**-3.328**	**-142.478**
Profit/loss for the period	**-2.797**	**-1.846**	**-4.946**	**-3.328**	**-142.478**

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TSEK	2023 Jan- June	2022 Jan-June	2022 Jan-Dec
Assets			
Financial assets	153.461	261.480	135.201
Receivables	1.278	1.349	1.041
Cash & Bank	6.283	3.163	28.956
Total assets	**161.022**	**265.992**	**165.198**
Equity and liabilites			
Equity	158.459	265.437	163.405
Current liabilites	2.563	555	1.793
Total equity and liabilites	**161.022**	**265.992**	**165.198**

Parent company statement of changes in equity

Parent company	2023	2022	2022
TSEK	Jan-June	Jan-June	Jan-Dec
Opening balance beginning of period	**163.405**	**268.764**	**268.764**
Profit/loss for the period			-142.478
Jan-Mar			
Profit/loss for the period	-2.149	-1.482	-
April-June			
Profit/loss for the period	-2.797	-1.845	-
Compehensiv income for the period	**158.459**	**265.437**	**126.286**
Transactions with shareholders			
New share issue	-	-	42.153
New share issue	-	-	825
Emission cost	-	-	-5.859
April-June			
Deposit of share capital	-	-	-
Apportemission	-	-	-
Reduction of share capital	-	-	-
New share issue for the period incl. IPO	-	-	-
Closing balance end of period	**158.459**	**265.437**	**163.405**

Parent company cashflow statement

TSEK	2023 April-June	2022 April-June	2023 Jan-June	2022 Jan-June	2022 Jan-Dec
Operating activites					
Operating profit/loss	-2.489	-1.840	-4.659	-3.285	-9.594
Net finacial items	-308	0	-287	0	542
Cash flow from operating activites before changes in working capital	**-2.797**	**-1.840**	**-4.946**	**-3.285**	**-9.052**
Cash flow from changes in working capital					
Change in receivables	-327	451	-237	-230	78
Changes in current liabilites	399	22	770	-448	834
Cash flow from operating activites	**-2.725**	**-1.367**	**-4.413**	**-3.963**	**-8.140**
Investing activities					
Investments in other financial fixed assets	-4.529	-4.457	-18.260	-9.635	-16.783
Cash flow from investing activities	**-4.529**	**-4.457**	**-18.260**	**-9.635**	**-16.783**
Financing activities					
New share issue	0	0	0	0	37.118
Cash flow from financing activites	**0**	**0**	**0**	**0**	**37.118**
Cash flow for the period	**-7.254**	**-5.824**	**-22.673**	**-13.598**	**12.195**
Liquid fund at the beginning of the period	**13.537**	**8.987**	**28.956**	**16.761**	**16.761**
Liquid funds at the end of the period	**6.283**	**3.163**	**6.283**	**3.163**	**28.956**