Oxcia AB (publ)

Year-End Report

January – December 2022

OXCIA

Contents

Oxcia AB (publ) Year-End Report

January 1 – December 31, 2022

Fourth quarter (October–December 2022)

- Operating loss totaled SEK -8,972,042 (-4,190,243).
- Loss for the period totaled SEK -8,912,366 (-4,190,243).
- Cash flow from operating activities totaled SEK -9,565,926 (-4,979,465).
- Earnings per share before dilution totaled SEK -0.41 (-0.21).
- Earnings per share after dilution amounted to SEK -0.41 (-0.21).
- Proposed dividend of SEK 0.00 per share (0.00).

The period (January–December 2022)

- Operating loss totaled SEK -32,280,497 (-11,926,914).
- Loss for the period totaled SEK -32,220,821 (-11,969,591).
- Cash flow from operating activities totaled SEK -25,135,980 (-11,059,072)
- Earnings per share before dilution totaled SEK -1.50 (-0.64).
- Earnings per share after dilution amounted to SEK -1.50 (-0.64).

Significant events during the fourth quarter

- New publication with OXC-201 (TH5487) that demonstrates a positive effect in the treatment of allergic asthma in disease models (*Tanner et al., Frontiers in Pharmacology, October 17, 2022; DOI 10.3389/fphar.2022.999180*).
- Scientific advisory meeting at the Swedish Medical Products Agency for the planned clinical Phase 2 solid cancer study.
- New publication with OXC-101 (TH1579) demonstrating that cancer cells with amplified levels of c-Myc are particularly sensitive to treatment with OXC-101. (*Henriksson et al., Overexpressed c-Myc Sensitizes Cells to TH1579, a Mitotic Arrest and Oxidative DNA Damage Inducer., Biomolecules 2022 Nov 29;12(12):1777. doi: 10.3390/biom12121777*).
- Scaled up OXC-101 synthesis and produced 40 kilograms of drug compound, despite difficulties in obtaining the raw material due to the impact of the COVID-19 pandemic.

Significant events during the period

- Subscription of new shares through the use of warrants was carried out in late January, which thus generated SEK 20,616,102 before issue costs for Oxcia.
- On April 1, 2022, an Extraordinary General Shareholder Meeting resolved on the election of Eva Nordström as a new ordinary Board member of Oxcia and, as a preparation ahead of the IPO, a 10:1 split in shares. Furthermore, decisions were made on two warrants programs: one for management with 120,000 warrants (after the split) and one for the Board of Directors with 120,000 warrants (after the split).
- The Annual General Meeting on June 14 re-elected the Board of Directors and auditor, discharged the Board and CEO from liability, and approved the various proposals of the Board on mandates for share issues.
- New publication with OXC-101 (karonudib, TH1579) demonstrating that OXC-101 can also improve the effect of conventional chemotherapy in preclinical acute myeloid leukemia (AML) disease models. (*Centio et al., "Inhibition of oxidized nucleotide sanitation by TH1579 and conventional chemotherapy cooperatively enhance oxidative DNA-damage and survival in AML", Mol Cancer Ther, doi: 10.1158/1535-7163.*).
- The Swedish Ethical Review Authority approves supplementary application for the clinical Phase 1 blood cancer study concerning the addition of further clinical study centers (Örebro University Hospital) and amendments to exclusion criteria.
- Agreements with Pantheon UK Ltd (Thermofisher) for labeling, packaging, and distribution of OXC-101 ahead of the clinical Phase 2 study.
- Agreements with FGK Clinical Research GmbH in Munich, Germany to write study protocols, and to contact clinical sites in Europe and the US to obtain documentation on which countries and clinical sites are to be contracted ahead of the clinical Phase 2 study.
- Recommended clinical Phase 2 dose and dosage regime for solid cancers established.
- The OXC-201 project was presented at the 6th Annual IPF Summit in Boston, August 29–September 1.
- Delivery from Mercachem Syncom Weert B.V. (Symeres) of scaled-up amounts of OXC-201 and an analogue for impending safety studies.
- Austin Smith was appointed Chief Medical Officer (CMO), succeeding Cecilia Ahlin.
- William Stafford, Translational Director and Sandra Ekstedt, Senior Scientist, began their employment in September.
- The Board of Directors decided to postpone the company's listing of Class B shares, with the intent to wait until the financial market has recovered. At the same time, efforts are under way to locate alternate financing.

Significant events after the end of the period

- Thomas Helleday Foundation and Oxcia obtained approved patent BR112015011497-0 in Brazil with requirements that encompass OXC-101.
- No other significant events that affect earnings and financial position occurred after the end of the period.

Condensed statement of earnings and cash flow

(Amounts in SEK unless otherwise indicated)	2022 3 mos. Oct-Dec	2021 3 mos. Oct-Dec	2022 12 mos. Jan-Dec	2021 12 mos. Jan-Dec
Operating income	-156,656	74,999	429,223	319,721
Operating expenses	-8,815,386	-4,265,242	-32,709,720	-12,246,635
Operating loss	-8,972,042	-4,190,243	-32,280,497	-11,926,914
Loss for the period after financial items	-8,912,366	-4,190,243	-32,220,821	-11,969,591
Cash flow from operating activities	-9,565,926	-4,979,465	-25,135,980	-11,059,072
Key metrics				
Working capital	42,403,105	54,502,167	42,403,105	54,502,167
Acid-test ratio, %	617	3,266	617	3,266
Equity/assets ratio, %	84	97	84	97
Earnings per share before dilution	-0.41	-0.21	-1.50	-0.64
Earnings per share after dilution	-0.41	-0.21	-1.50	-0.64
Average number of shares	21,559,100	20,346,380	21,475,616	18,751,390
Average number of shares after dilution	21,887,100	21,975,560	21,753,686	19,554,820

All key metrics have been restated after the 10:1 split carried out in May 2022.

CEO comment

Dear shareholders,

Despite turbulence in the business environment and in the finance market, in Q4 we continued to maintain focus on developing our drug candidates, OXC-101 and OXC-201, and took several steps toward reaching our milestones for 2023 and 2024. We ended 2022 by publishing two peer-reviewed scientific articles in partnership with key opinion leaders in academia. One article indicated an exciting new possibility for OXC-201 in allergic asthma, and another provided further proof that OXC-101 has promising effects on cancer cells.

Clinical development for OXC-101 is moving forward

In November, we had a fruitful scientific advisory meeting with the Swedish Medical Products Agency that has helped us develop the details for the clinical Phase 2 trial protocol in solid cancers. I am extremely gratified with the very positive response we received from clinics in Belgium and Germany that are interested in participating in the trial.

The clinical Phase 1 trial in advanced solid cancers has planned for an expanded cohort of patience with ovarian, uterine or prostate cancer beginning in Q1 2023. This is intended to include more patients at the recommended Phase 2 dose and to obtain a greater understanding of how OXC-101 can best be used.

In the last quarter of 2022, we also analyzed data from the ongoing clinical Phase 1 trial in advanced blood cancers, where we are seeing promising results in illnesses such as AML, and are now planning for continued trials in 2023.

New supporting preclinical data for OXC-101

In late November, Oxcia partnered with Karolinska Institutet to publish further proof that OXC-101 has interesting and promising effects in cancer cells. The publication shows that OXC-101 is particularly effective in killing cancers with c-Myc[1] and also reduces c-Myc levels in the cancer. c-Myc is a transcription factor[2] and proto-oncogene[3], and is behind many types of cancer such as aggressive prostate cancer and ovarian cancer. There have been many attempts to affect c-Myc, but as yet no one has succeeded in developing a treatment. The fact that OXC-101 affects c-Myc levels and cancers that express c-Myc is therefore a very exciting discovery. c-Myc could be used as a biomarker for treatment with OXC-101 in clinical development, which is something we will continue to study.

Manufacturing OXC-101

In partnership with Thermofisher Scientific, we established a method for large-scale production of the OXC-101 drug compound in accordance with Good Manufacturing Practice (GMP). At the end of the year, we had 40 kilograms of the new OXC-101 compound. This is crucial, and allows us to produce new tablets for continued clinical development.

Significant interest around OXC-201

There is significant interest in OXC-201 as a new type of treatment for pulmonary fibrosis, and we have received confirmation that the project is developing in line with the wishes of drug companies. It was particularly encouraging to note that Mikael Dolsten, Chief Scientific Officer of Pfizer, called attention to Oxcia's ongoing scientific partnership with his company around OXC-201 in his keynote presentation at the Nordic Life Science Days on November 7.

1. Myc is a family of regulator genes and proto-oncogenes that code for transcription factors. The Myc family consists of three related human genes: c-myc, l-myc, and n-myc. There is significant interest in the transcription factor c-Myc (the protein formed by the c-myc gene), since it seems to be important for many types of cancer.
2. Transcription factors are necessary both for the expression of a gene and the amount of its expression, meaning that they are needed to produce cell proteins and are also involved in affecting what levels and amounts of the protein are to be found in the cell.
3. Oncogenes are normal genes that, through introduced genetic deviations, lead to the emergence of tumor cells. Often, oncogenes are over-activated or amplified in tumor cells. The oncogenes that have not been altered and thus fulfill a normal function in the life cycle of the cell are called proto-oncogenes. Through mutations in the proto-oncogene, it becomes an oncogene and can stimulate the transformation into cancer cells.

OXC-201 also has potential in indications other than pulmonary fibrosis. The partnership with Professor Arne Egesten of Lund University continues to yield results. In October, the article "Pharmacological OGG1 inhibition decreases murine allergic airway inflammation" was published in the peer-reviewed journal Frontiers in Pharmacology in partnership with Professor Egesten's and Professor Helleday's research groups. The article shows that OXC-201 could have a broader application with positive effects in disease models for allergic asthma, which is a chronic inflammatory pulmonary disease with a large market potential. The main focus remains on the treatment of pulmonary fibrosis, but this new data will be followed up on and the potential investigated further.

Financing

As announced last autumn, the Board of Directors decided to postpone the planned listing until the business environment and finance market have stabilized. Oxcia's finances look good for 2023, but we need more capital to conduct the planned clinical Phase 2 trial. We will intensify our efforts to evaluate various possibilities for financing in order to choose the best path forward. Oxcia is very well prepared for a listing, and the process will begin when there is a suitable opportunity.

In summary, we are making a strong entry into 2023, a year with several key activities and milestones for our two main projects. Studies will be finalized and new ones initiated. We will present Oxcia's exciting science and projects at conferences. The Oxcia team, which was further reinforced in 2022, is more than ready.

Ulrika Warpman Berglund
CEO

Oxcia in brief

Oxcia AB is a pioneer in oxidative DNA damage and DNA damage response (DDR), with a focus on developing new and safe treatments for patients who suffer from cancer or inflammation.

Oxcia develops unique and revolutionary treatments through the innovative use of oxidative DNA damage and DDR processes to treat not only cancer but also inflammatory and fibrosis-related diseases. The body uses DDR to repair damage to DNA in various ways. Oxcia's projects make use of the fact that the diseased cell has altered DDR, with high levels of DNA damage and oxidative stress, to treat the disease.

Oxcia currently has two DDR drug candidates, both with the potential to be first in their class. OXC-101 (karonudib, TH1579) is in an early phase of clinical development in cancer patients with advanced solid cancers and blood cancers. OXC-201 (TH5487) is being developed to treat inflammatory and fibrosis-related diseases, with a focus on pulmonary fibrosis, and is in the preclinical stage.

Oxcia's project portfolio

Drug candidates	Indication	Pre-clinical	Phase 1	Phase 2	Phase 3
OXC-101	Solid cancer				Potential Fast track / Conditional approval in indications with major unmet medical need.
	Blood cancer				
OXC-201	IPF				Potential for Orphan Drug Designation.

OXC-101 and OXC-201 make use of the diseased cell's altered DDR and oxidative stress to treat the disease. The table below summarizes the problems for which OXC-101 and OXC-201 are the solutions.

	What?	Problem?	Oxcia's solution	Advantages
OXC-101	Treat cancer by making use of the fact that the cancer cell has oxidative stress and a high level of DNA damage.	Cancer is a common cause of death. Continued major unmet medical need. Cancer is heterogeneous among diagnoses and in tumors. Patients are often resistant to treatment or suffer severe side effects.	OXC-101 stops cancer cell division (microtubule inhibition) and causes more oxidative DNA damage (MTH1 inhibition), which cannot be repaired and the cancer cell dies.	Broad anti-cancer effect, new way to treat cancer, well-tolerated, potential efficacy in resistant tumors, tablets, potential to strengthen immunooncology therapy.
OXC-201	Treat pulmonary fibrosis diseases by inhibiting the DDR enzyme OGG1, which is involved in inflammation and fibrosis processes.	Current treatments are unsatisfactory. Risk for serious loss of organ function. High mortality rate and high social costs.	By inhibiting the OGG1 enzyme, OXC-201 halts the fibrotic and inflammatory process.	The potential to cure diseases, and not just treat symptoms. New way to attack pulmonary fibrosis.

Oxcia is deeply involved in oxidative DNA damage and DDR research, and has partnered with both national and international groups of researchers to develop new projects and treatments for patients over several indications, using DDR as a technology platform.

About OXC-101

OXC-101 is a mitotic MTH1 inhibitor and belongs to a new class of drugs. OXC-101 combines a new and innovative method of attacking how cancer cells defend themselves against oxidative DNA damage with a proven method of stopping the cancer cell from multiplying, which leads to an entirely unique mechanism of action. It does so through inhibiting microtubules, a protein complex vital to cell division, and MTH1, an enzyme crucial to preventing oxidative DNA damage. OXC-101 thus stops cancer cell division, and causes more cancer-specific oxidative stress and oxidative DNA damage. The result is that the cancer cell dies. OXC-101 makes intelligent use of the inherently high levels of oxidative DNA damage and oxidative stress in cancer. Healthy cells are impacted only marginally, which forms the foundation for OXC-101's excellent tolerability.

OXC-101 has been shown to have a broad anti-cancer effect in various disease models, and therefore the potential to treat many different types of cancer – data that has been published in several highly-ranked journals. In the clinical Phase 1 studies, OXC-101 has been shown to be well tolerated and provide clinical benefit for patients with advanced cancers – something that will be investigated further in clinical Phase 2 studies.

About OXC-201

OXC-201 is a small-molecule inhibitor of the OGG1 protein, a potentially ground-breaking approach to treating idiopathic pulmonary fibrosis (IPF), other fibrotic conditions, and inflammatory diseases. By targeting the DNA repair enzyme OGG1 (8-Oxoguanine glycosylase-1), OXC-201 inhibits the binding of OGG1 to DNA and thereby the modulation of gene transcription. OGG1 plays a significant role in the modulation of inflammation and fibrogenesis; genetic deregulation or chemical inhibition of OGG1 has been shown to protect against inflammation and fibrosis in several experimental disease models.

OXC-201 has the potential to revolutionize the market for anti-fibrotic drugs, and also has significant anti-inflammatory effects that have been demonstrated in disease models for acute respiratory distress syndrome (ARDS) and allergic asthma.

Vision, mission, and business strategy

Oxcia's vision is to build a globally profitable Swedish drug company through leading-edge research that offers life-changing treatments for patients who are suffering from cancer and inflammation.

Oxcia's mission is to develop revolutionary treatments for cancer and inflammation by targeting DNA damage response and oxidative stress, with the goal of saving and improving lives globally.

Oxcia's employees put their brains, hands, and hearts into everything they do, because they are inspired by their passion for new knowledge and the desire to improve people's lives.

Through innovative science and openness to global partnerships, Oxcia will develop the next generation of treatments for cancer as well as inflammatory and fibrosis-related diseases.

Oxcia's overarching business strategy is to promote research and development, and the sale of medical products for cancer and inflammation based on the DNA damage response (DDR) and oxidative stress technology platform. Oxcia's business objectives is saving lives and improving quality of life globally by developing novel drugs. From a base in Sweden, Oxcia will develop into a globally profitable drug company. The business model is to use new and existing projects, as well as external financing, to create a sound economy at Oxcia that permits the long-term build-up of the company to attain Oxcia's vision profitably.

Oxcia's goal is to develop the company's previous research projects through preclinical studies and clinical development up to Phase 3 studies, and to prepare the product for pivotal trials and market approval. For commercialization, Oxcia's initial goal is to out-license to, or enter into partnerships with, drug companies that have the capacity to launch the product in the market with broad clinical application.

Oxcia prioritizes indications with significant medical need for new treatments, which could, for example, be less common diseases. This increases the possibility of an orphan drug designation, fast-track opportunities and other special programs such as PRIME (the European Medicines Agency's support program for priority drugs) for a faster path into the market.

Oxcia develops products for the global market, and has a broad patent portfolio that covers Europe, the US, Asia, and large parts of the rest of the world. Its operations are grounded in science, but also prioritize listening to patient needs, understanding their challenges, and working with scientific experts and clinics to find innovative solutions.

Oxcia may enter into partnerships and/or licensing agreements with partners from drug companies, the biotech industry, and academic research groups. Partnerships with players that have projects with products that have mechanisms of action that complement Oxcia's drug candidates are an area of particular interest for Oxcia.

Financial information

Financial performance during the fourth quarter, October 1– December 31, 2022

Operating loss

Operating loss for the quarter totaled SEK -8,972,042 (-4,190,243), which is a change of SEK -4,781,799 compared to the year-earlier period. This is due to increased costs, primarily for development (SEK -4,550,144).

Earnings for the quarter

Loss for the quarter totaled SEK -8,912,366 (-4,190,243). Earnings per share totaled SEK -0.41 (-0.21).

Liquidity and cash flow

- Cash flow from operating activities totaled SEK -9,565,926 (-4,979,465).
- Cash flow from investing activities totaled SEK 0 (0).
- Cash flow from financing activities totaled SEK 267,840 (15,182).
- Cash flow for the quarter totaled SEK -9,298,086 (-4,964,282).
- At the end of the period, the company's cash and cash equivalents totaled SEK 50,308,131 (55,982,865).

Financial performance during the period January 1–December 31, 2022

Operating loss

Operating loss for the period totaled SEK -32,280,497 (-11,926,914), which is a change of SEK -20,353,583 compared to the year-earlier period. This is due to increased costs, primarily development costs of SEK -20,463,085.

Loss for the period

Loss for the period totaled SEK -32,220,821 (-11,969,591) Earnings per share totaled SEK -1.50 (-0.64).

Liquidity and cash flow

Cash flow is impacted by the negative earnings and the positive effect of the new share issue.

- Cash flow from operating activities totaled SEK -25,135,980 (-11,059,072)
- Cash flow from investing activities totaled SEK -186,027 (25,000).
- Cash flow from financing activities totaled SEK 19,647,272 (64,663,825).
- Cash flow for the period totaled SEK -5,674,735 (53,629,753).
- At the end of the period, the company's cash and cash equivalents totaled SEK 50,308,131 (55,982,865).

Investments

Oxcia's investments totaled SEK 186,027 (-25,000).

Personnel and organization

The number of employees as of December 31 totaled 7 full- and part-time employees, and 4 consultants.

Oxcia's organization encompasses the competence and experience that is necessary to run the company, with expertise in patents, preclinical research, clinical development, drug development, finance, law, the market and business development. Close collaboration has been established with a number of CROs, CDMOs and key consultants in patents, drug development, regulatory expertise for manufacturing and documentation, and quality assurance.

Risks and uncertainties

Apart from the general uncertainty related to research and development, COVID-19, and delays to the start of clinical studies, there are no known tendencies, uncertainties, potential receivables, or other requirements, commitments or events that could be expected to have a material impact on the company's future prospects. The risks are described on pages 34–37 of the Annual Report.

Equity

Equity was impacted by this year's and the previous year's new share issues, and earnings during the period. At December 31, equity totaled SEK 42,051,590 (54,625,139).

Dividend

The Board of Directors and CEO propose that no dividend (SEK 0.00 per share, same as the preceding year) be paid for financial year January 1– December 31, 2022.

Extraordinary General Meeting 2022

An Extraordinary General Shareholder Meeting was held on April 1, 2022 on company premises. The meeting passed a number of resolutions in preparation for listing. The meeting resolved on a 10:1 share split and the election of Eva Nordström as a new ordinary member of the company's Board of Directors. Additionally, resolutions were passed on two warrants programs. One for executive management with a maximum of 120,000 warrants, and one for the Board of Directors with a maximum of 120,000 warrants. Five Board members subscribed for 120,000 warrants, and eight senior executives subscribed for 93,000 warrants.

New shares can be subscribed in April–May 2025 for SEK 37.05 per share (after the split).

Annual General Meeting 2022

The Annual General Meeting was held on June 14, 2022 at the Lifecity offices in Solna, Sweden.

The meeting resolved on the re-election of Jan Zetterberg (chairman), Ulrika Warpman Berglund, Thomas Helleday, Eva Sjökvist Saers, Ingvar Karlsson and Eva Nordström.

Board fees were set at SEK 200,000 for the chairman and SEK 100,000 for non-executive Board members.

EY, with Andreas Nyberg as auditor in charge, was re-elected as auditor.

Nomination Committee

In accordance with the resolution of the Annual General Meeting, the three largest shareholders were asked at the end of the third quarter of 2022 to nominate their representatives on the Nomination Committee. Kristina Edfeldt (representing the Thomas Helleday Foundation for Medical Research) was appointed as chair of the Committee; Thomas Helleday and Mats Persson (representing Martin Scobie) were appointed as ordinary members.

After the end of the period, the Nomination Committee submitted its proposal for re-election of the Board and auditor, with unchanged fees.

Annual General Meeting 2023

The Annual General Meeting will be held on Tuesday, June 13, 2023 at 5:00 pm CEST at the Lifecity offices at Solnavägen 3, Solna, Sweden.

Shareholders will be summoned to attend via a notice in Post- och Inrikes Tidningar and on the company's website, as well as through information in Svenska Dagbladet that the notice to attend has been issued, at the earliest six weeks and at the latest four weeks prior to the meeting.

Shareholders wishing to have a matter addressed at the Annual General Meeting can submit a written request to Oxcia AB (publ), Attn: Board of Directors, Norrbackagatan 70 C, SE-113 34 Stockholm, Sweden. The request must have been received by the Board at the latest seven weeks prior to the Annual General Meeting, or far enough in advance that the matter can be taken up in the notice to attend, if required.

The Annual Report will be made available on the website at the latest four weeks prior to the meeting.

Name	No. of shares	Share of votes/capital (%)
Thomas Helleday Foundation for Medical Research	8,035,140	38.6 (78.5)
Thomas Helleday	5,842,540	13.2 (27.7)
Martin Scobie	575,000	0.6 (2.7)
Gryningskust Holding AB	574,500	0.9 (2.8)
Föreningen Sv. Smärtafonden	463,540	0.5 (2.2)
Other owners	6,193,540	7.3 (28.7)
Total number of shares	**21,599,100**	**100 (100)**

The share

The subscription warrants from the spring of 2021 gave each warrant the right to subscribe for one (1) new share during the period from December 1, 2021 to January 31, 2022 at an exercise price of SEK 247 (24.70 after the split).

Through the subscription of new warrants supported by subscription rights, Oxcia generated 834,660 new shares and SEK 20,616,102. The number of shares increased from 20,764,440 to 21,599,100 (restated after the split). Share capital increased from SEK 622,933.20 to SEK 647,973.00.

Loss after tax divided by the average number of shares for the period totaled SEK -1.50 (-0.64) for the reporting period. At the end of December 2022, Oxcia had approximately 100 shareholders. The number of shares totaled 21,599,100 (after the split, where one old share yielded 10 new ones) at the end of the period. There are 8,186,370 Class A shares with 10 votes each and 13,41,273 Class B shares with 1 vote each.

In addition, there are the TO series: 2021/2025 with 75,000 warrants, and 2022/2025 with a total of 213,000 warrants.

Accounting policies

The company complies with the Swedish Council for Financial Reporting recommendation RFR2 Accounting for Legal Entities.

The transition from K3 to RFR 2 was completed in 2021, and entailed no effects on the statement of profit or loss or the balance sheet for earlier periods. The purpose of the change was to fulfill the requirements in conjunction with listing on First North Premier.

The report was prepared in accordance with IAS 34, taking into account exemptions from and additions to IFRS as indicated in RFR 2.

The accounts were prepared in accordance with the Swedish Annual Accounts Act and the Council for Financial Reporting recommendation RFR 2, including a number of new or re-worked standards, interpretations and improvements as adopted by the EU.

The statement of profit and loss, and the balance sheet, for the company were prepared in accordance with the layout forms of the Annual Accounts Act, whereas the statement of comprehensive income, statement of changes to equity, and the statement of cash flows are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows.

The company does not have any subsidiaries, and no consolidated statements are therefore issued. This means that reporting in accordance with IFRS accounting is not applicable.

The accounting policies are indicated on pages 46–47 of the latest submitted annual report.

Related-party transactions

Oxcia has a consulting agreement with two Board members.

Jan Zetterberg provides legal service through his company Zedur AB. Invoicing for the full period totaled SEK 129,500 (129,211 in the preceding year).

Ingvar Karlsson provides financial services concerning listing in the stock market via his company St. Jacob Finans AB. SEK 724,258 (250,500) was invoiced during the period.

The Helleday Foundation has been invoiced SEK 25,000 per month for various services provided throughout the period (0 in the preceding year).

Pricing has been on market terms.

Events after the end of the period

No other significant events that affect the Year-End Report occurred after the end of the period.

Review by auditor

The Year-End Report has not been reviewed by the company's auditor.

Assurance of the Board

The Board of Directors and CEO give their assurance that this Year-End Report provides a true and fair overview of the company's operations, financial position and earnings, and describes the material risks and uncertainties faced by the company.

Stockholm, February 15, 2023
Board of Directors of Oxcia AB (publ)

Jan Zetterberg
CHAIRMAN OF THE BOARD

Ingvar Karlsson
BOARD MEMBER

Thomas Helleday
BOARD MEMBER

Eva Sjökvist Saers
BOARD MEMBER

Eva Nordström
BOARD MEMBER

Ulrika Warpman Berglund
CEO AND BOARD MEMBER

Condensed statement of profit and loss, and other comprehensive income

(Amounts in SEK)	2022 3 mos. Oct–Dec	2021 3 mos. Oct–Dec	2022 12 mos. Jan–Dec	2021 12 mos. Jan–Dec
Operating income				
Net sales	-156,656	74,999	429,223	319,721
Total operating income	**-156,656**	**74,999**	**429,223**	**319,721**
Operating expenses				
Other external costs	-6,295,586	-2,898,686	-25,201,221	-8,983,735
Employee benefit expenses	-2,510,498	-1,366,556	-7,476,725	-3,262,900
Depreciations/Amortizations	-9,302	–	-31,774	–
Total operating expenses	**-8,815,386**	**-4,265,242**	**-32,709,720**	**-12,246,635**
Operating loss	**-8,972,042**	**-4,190,243**	**-32,280,497**	**-11,926,914**
Interest income and similar profit items	59,676	–	59,676	–
Interest expense and similar loss items	–	–	–	-42,677
Loss before tax	**-8,912,366**	**-4,190,243**	**-32,220,821**	**-11,969,591**
Tax	–	–	–	–
Loss for the period	**-8,912,366**	**-4,190,243**	**-32,220,821**	**-11,969,591**
Earnings per share before dilution	-0.41	-0.21	-1.50	-0.64
Earnings per share after dilution	-0.41	-0.21	-1.50	-0.64
Average number of shares	21,599,100	20,346,380	21,475,616	18,751,390
Number of shares at end of period	21,599,100	20,764,440	21,599,100	20,764,440

Condensed statement of comprehensive income

(Amounts in SEK)	2022 3 mos. Oct–Dec	2021 3 mos. Oct–Dec	2022 12 mos. Jan–Dec	2021 12 mos. Jan–Dec
Loss for the period	-8,912,366	-4,190,243	-32,220,821	-11,969,591
Other comprehensive income	–	–		–
Comprehensive income for the period	**-8,912,366**	**-4,190,243**	**-32,220,821**	**-11,969,591**

Condensed balance sheet

(Amounts in SEK)	31 Dec 2022	31 Dec 2021
ASSETS		
Intangible assets		
Leases	100,000	100,000
Total intangible assets	**100,000**	**100,000**
Financial assets		
Participations in Group companies	–	–
Other non-current receivables	22,972	22,972
Total financial assets	**22,972**	**22,972**
Tangible assets		
Machinery and equipment	154,253	–
Total tangible assets	**154,253**	**–**
Total fixed assets	**277,225**	**122,972**
Other receivables	208,781	185,865
Prepaid expenses and accrued income	85,201	55,107
Cash and bank balances	50,308,131	55,982,865
Total current assets	**50,602,113**	**56,223,860**
TOTAL ASSETS	**50,879,338**	**56,346,832**
EQUITY		
Restricted equity		
Share capital	647,973	622,933
Total restricted equity	**647,973**	**622,933**
Non-restricted equity		
Share premium reserve	73,624,438	85,963,133
Profit brought forward	–	-19,991,336
Conditional shareholder contribution		–
Loss for the year	-32,220,821	-11,969,591
Total non-restricted equity	**41,403,617**	**54,002,206**
Total equity	**42,051,590**	**54,625,139**
Provisions	**628,739**	**–**
Non-current liabilities	**–**	**–**
Current liabilities		
Accounts payable – trade	1,373,858	962,068
Tax liabilities	–	–
Other liabilities	463,581	192,954
Accrued expenses and deferred income	6,361,569	567,671
Total current liabilities	**8,199,008**	**1,721,693**
TOTAL EQUITY AND LIABILITIES	**50,879,338**	**56,346,832**

Condensed statement of changes in equity

(Amounts in SEK)	Restricted equity	Non-restricted equity				
	Share capital	Share premium reserve	Conditional shareholder contribution	Capitalized earnings	Loss for the year	Equity
Opening balance at January 1, 2021	**517,241**	**20,582,277**	**12,500,000**	**-3,320,703**	**-29,170,633**	**1,108,682**
Appropriation of earnings as proposed to AGM				-29,170,633	29,170,633	
New share issue	90,510	69,903,890				69,994,400
Capital-raising expenses	–	-4,523,534	–	–	–	-4,523,534
Loss for the period	–	–		–	-7,779,348	-7,779,348
Other comprehensive income for the period					–	–
Closing balance at September 30, 2021	**607,751**	**85,963,133**	**12,500,000**	**-32,491,336**	**-7,779,348**	**58,800,200**

(Amounts in SEK)	Restricted equity	Non-restricted equity				
	Share capital	Share premium reserve	Conditional shareholder contribution	Capitalized earnings	Loss for the year	Equity
As of October 1, 2021	**607,751**	**85,963,133**	**12,500,000**	**-32,491,336**	**-7,779,348**	**58,800,200**
New share issues	15,182	–				15,182
Conversion to unconditional shareholder contribution			-12,500,000	12,500,000	–	–
Loss for the period	–	–		–	-4,190,243	-4,190,243
Other comprehensive income for the period					–	–
Closing balance at December 31, 2021	**622,933**	**85,963,133**	**–**	**-19,991,336**	**-11,969,591**	**54,625,139**

(Amounts in SEK)	Restricted equity	Non-restricted equity			
	Share capital	Share premium reserve	Capitalized earnings	Loss for the year	Equity
Opening balance at January 1, 2022	**622,933**	**85,963,133**	**-19,991,336**	**-11,969,591**	**54,625,139**
Appropriation of earnings as proposed to AGM		-31,960,927	19,991,336	11,969,591	–
New share issues	25,040	20,591,062			20,616,102
Capital-raising expenses		-1,236,670			-1,236,670
Loss for the period	–	–	–	-23,308,455	-23,308,455
Other comprehensive income for the period				–	–
Closing balance at September 30, 2022	**647,973**	**73,356,598**	**–**	**-23,308,455**	**50,596,116**

(Amounts in SEK)	Restricted equity	Non-restricted equity			
	Share capital	Share premium reserve	Capitalized earnings	Loss for the year	Equity
Opening balance as of October 1, 2022	**647,973**	**73,356,598**	**–**	**-23,308,455**	**50,596,116**
New share issue		267,840			267,840
Loss for the period	–	–	–	-8,912,366	-8,912,366
Other comprehensive income for the period				–	–
Closing balance at December 31, 2022	**647,973**	**73,624,438**	**–**	**-32,220,821**	**42,051,590**

Disclosures on shares	No. of shares
Number of shares at start of year	20,764,440
Number of shares at December 31, 2022	21,599,100
Number of subscription warrants at December 31, 2022	288,000

Previous periods have been restated using the 10:1 split.

Condensed statement of cash flows

(Amounts in SEK)	2022 3 mos. Oct–Dec	2021 3 mos. Oct–Dec	2022 12 mos. Jan–Dec	2021 12 mos. Jan–Dec
Operating activities				
Profit/loss before financial items	-8,972,042	-4,190,243	-32,280,497	-11,926,914
Adjustment for non-cash items				
Depreciations/Amortizations	9,302	0	31,774	0
Provisions	628,739		628,739	
Interest received	59,676	0	59,676	0
Interest paid	0	0	0	-42,677
Cash flow from operating activities before changes in working capital	**-8,274,325**	**-4,190,243**	**-31,560,308**	**-11,969,591**
Increase/Decrease in receivables	-15,263	147,116	-52,987	883,637
Increase/Decrease in accounts payable	153,456	180,018	411,790	159,630
Increase/Decrease in other current liabilities	-1,429,794	-1,116,356	6,065,525	-132,748
Cash flow from operating activities	**-9,565,926**	**-4,979,456**	**-25,135,980**	**-11,059,072**
Investing activities				
Investment in intangible assets	–	–	–	–
Investment in financial assets	–	–	–	–
Investment in tangible assets	–	–	-186,027	–
Sale of subsidiaries	–	–	–	25,000
Cash flow from investing activities	**–**	**–**	**-186,027**	**25,000**
Financing activities				
Loans raised	–	–	–	.
Amortization of loans	–	–	–	-822,223
New share issue	267,840	15,182	20,883,942	70,009,582
Capital-raising expenses	–	–	-1,236,670	-4,523,534
Cash flow from financing activities	**267,840**	**15,182**	**19,647,272**	**64,663,825**
Cash flow for the period	**-9,298,086**	**-4,964,282**	**-5,674,734**	**53,629,753**
Cash and cash equivalents at start of period	59,606,218	60,947,148	55,982,865	2,353,112
Cash and cash equivalents at end of period	**50,308,131**	**55,982,865**	**50,308,131**	**55,982,865**

Definitions of key metrics

Working capital
Total current assets (including bank balances) minus current liabilities.

Acid-test ratio
Total current assets (including bank balances) as a percentage of current liabilities.

Equity/assets ratio
Equity in relation to the balance sheet total.

Earnings per share before dilution
Earnings after tax divided by the average number of shares.

Average number of shares
The average of the number of shares calculated from the registration date of the share issue. The spring 2021 share issue was registered in June.

Average number of shares after dilution
The average of the number of shares calculated from the registration date of the share issue plus the average of the number of shares after full redemption of subscription warrants.

Financial calendar

Interim report, January–March 2023 ..... April 27, 2023
2023 Annual General Meeting ..... June 13, 2023
Interim report, January–June 2023..... August 23, 2023
Interim report, January–September ..... November 24, 2023
Year-End Report 2023 ..... February 23, 2024

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