nanoform
small is powerful

Financial Statement Review

JANUARY-DECEMBER 2024

Nanoform's January-December 2024 review:

Deal discussions around product kernels intensify

After a strong second half, 2024 showed a record number of new projects signed. Revenue growth is back and is expected to continue in coming quarters and years. Other operating income (incl. product kernel milestones) is also expected to grow. Manufacturing of GMP material for pivotal studies and registration batches in Project Nanoenzalutamide has continued in a 3-shift pattern, pivotal studies will start early 2Q25, with first read-out in the same quarter. The dealmaking discussions around our product kernels has intensified and we expect to sign deals on our first three product kernels (Nanoenzalutamide, Nanoapalutamide and Nanoencorafenib) in the coming weeks and months. Company mid-term business targets 2030 to be announced during 2025 in conjunction with Capital Markets Day.

10-12/2024 key financials

- Revenue grew by 87% to EUR 0.8 million, compared with EUR 0.4 million in 4Q23.
- The gross profit almost doubled to EUR 0.6 million, as the gross margin rose to 82% (EUR 0.3 million, 74%).
- Total operating costs* increased by 12% to EUR 6.5 million (EUR 5.8 million).
- The number of employees grew by 10% to 181 (165) compared with one year ago.
- EBITDA was flat at EUR -5.4 million (EUR -5.4 million).
- The operating free cash flow came in at EUR -5.9 million (EUR -5.9 million).
- Basic EPS was EUR -0.07 (EUR -0.07).
- Cash position** was 41.5 million on December 31, 2024 (EUR 47.5 million).

1-12/2024 key financials

- Revenue came in at EUR 2.8 million, stemming from 43 different customer projects (EUR 2.6 million, 33 projects in 1-12/2023).
- The gross profit was EUR 2.2 million, with a gross margin of 80% (EUR 1.7 million, 67%), impacted by external GMP QC costs related to the nanoenzalutamide project.
- The number of employees grew to 181 (165).
- Total operating costs* increased by 11% to EUR 24.7 million (EUR 22.2 million).
- EBITDA came in at EUR -21.0 million (EUR -19.6 million).
- The operating loss was EUR -24.2 million (EUR -22.5 million).
- The operating free cash flow improved to EUR -22.6 million (-23.1 million).
- Basic EPS was EUR -0.28 (EUR -0.26).

(Numbers in brackets refer to the corresponding last year reporting period, unless otherwise mentioned.)

* Defined as materials & services expenses, employee benefit expenses, and other operating expenses.

** Including Treasury bills. Part of the cash has been invested in short-term government bond.

Significant events during 1-12/2024

- On January 5, 2024, Nanoform announced it had completed the First Subject First Visit (FSFV) in a trial to evaluate the relative bioavailability of its nanocrystalline enabled alternative to an amorphous solid dispersion (ASD); formulation of nanoenzalutamide and Xtandi®[1], the number one prescribed androgen receptor inhibitor[2] first approved by the FDA in 2012 to treat prostate cancer. The single-dose, randomized, comparative bioavailability study, performed by a contract research organization in North America, compared enzalutamide 160 mg film-coated tablets (Bluepharma Farmacêutica S.A.) and Xtandi 4x40 mg film-coated tablets (Astellas Pharma Europe B.V.).
- On January 26, 2024, Nanoform announced that the relative bioavailability study of nanoenzalutamide had received promising clinical results. The nanoenzalutamide tablet formulation was developed in a partnership with the ONConcept® Consortium (Bluepharma, Helm, and Welding) whereby Nanoform's proprietary controlled expansion of supercritical solutions (CESS®) technology provides the opportunity for an improved and differentiated finished product. Tablet burden and dysphagia are well-documented challenges for prostate cancer patients, and the development of a 160mg, single tablet per day regimen may be preferable for patients in need of reducing their total number of daily pills. A patent application for the nanoenzalutamide formulation has already been jointly filed by Helm and Nanoform. The partners aim for product launch after the expiry of the enzalutamide substance patent in the respective territories. For the United States this patent expiry is expected in 2027, and in Europe in 2028. The unique IP position may allow the nanoenzalutamide product to enter the market prior to other generic competition based on the ASD formulation, which is currently patent protected in the US and Europe until 2033. [1] Xtandi® is a registered trademark of Astellas Pharma Inc. [2] Source: xtandi.com
- On February 15, 2024, Nanoform announced that it has won a grant of up to 4.3 million euros from Business Finland, the Finnish government organization for innovation funding and

trade. The grant represents 50% of the costs associated with Nanoform's research and development project for nanoparticle-enabled formulation platforms for oral, inhaled, long-acting injectable, and high-concentration subcutaneous injectable drug delivery technologies for next generation medicines. The work is expected to take place during 2024 and 2025.

- On February 29, 2024, Nanoform announced it had received positive results from its own preclinical, *in vivo* study of a nanocrystalline-enabled apalutamide oral formulation, which shows potential to enable a much smaller tablet than Erleada®[3], a nonsteroidal antiandrogen (NSAA) blockbuster amorphous solid dispersion (ASD) medicine used to treat prostate cancer.

  [3] Erleada is a registered trademark for Apalutamide owned by Johnson & Johnson / Janssen Biotech Inc.
- On April 8, 2024, Nanoform announced that effective April 10, 2024, onwards, the Certified Adviser to Nanoform Finland Plc is Carnegie Investment Bank AB (publ). The Certified Adviser to Nanoform Finland Plc until April 9, 2024, was Danske Bank A/S, Finland Branch.
- On April 9, 2024, Nanoform announced a collaboration with PlusVitech, a biotechnology company developing treatments for cancer, to use Nanoform's state-of-the-art nanomedicine technology to repurpose the anti-nausea medicine aprepitant as a treatment for lung cancer. The development program will include nanoforming the current active ingredient into crystalline nanoparticles and formulating a simplified dose regimen with fewer and smaller pills. The partnership is expected to include API supply for late-stage clinical programs and eventual product launch. Following PlusVitech's positive first time in human studies, a Phase 2 study with 24 patients has commenced, investigating the efficacy of high dose aprepitant in a non-small cell lung cancer (NSCLC) population that is refractory to standard treatment. The current formulation carries a high pill burden of potentially dozens of capsules per day, with a complicated regimen for patients that are most often frail and have trouble swallowing (dysphagia). The new formulation by Nanoform is designed to deliver substantially higher drug load with better bioavailability, which simplifies the dose regimen and improves patient convenience and compliance. Re-purposing an existing drug offers a potentially faster, risk-reduced and cost-effective development path to new treatments for high medical need indications like NSCLC.
- On April 11, 2024, Nanoform announced a strategic partnership whereby CBC Co., Ltd. ("CBC"), will utilize its extensive experience in the Japanese pharmaceutical industry to identify opportunities for Nanoform's cutting-edge nanomedicine engineering technologies.
- Nanoform's Annual General Meeting (the "AGM") was held on April 16, 2024. 46 shareholders representing more than 60 per cent of all outstanding shares and votes were represented at the meeting. The Annual General Meeting supported all the Board of Directors' proposals. The AGM approved the financial statements and discharged the Board of Directors and the CEO of the Company from liability for the financial year 2023. The AGM further resolved the number of members of the Board of Directors to be four and the AGM re-elected Miguel Calado (Chairperson), Mads Laustsen, Albert Hæggström and Jeanne Thoma as ordinary members of the Board of Directors for the next term of office.
- On April 24, 2024, Nanoform announced that it had successfully completed a new share issue raising approx. EUR 15.4m by issuing 7m new shares (8.9% dilution) at EUR 2.20 (SEK 25.60) per share in order to invest in the commercialization of nanoparticle enabled formulations for next generation medicines. The placing attracted a considerable number of leading Nordic and international investors. The proceeds will be used to build a GMP level formulation facility to produce solid oral dosage forms for clinical trials, to development of up to a dozen preclinical nanocrystalline alternatives to ASD medicines ready for partnering in clinical trials and to co-fund several projects to be taken by Nanoform and its partners into clinical trials in the EU and the US, and ultimately through to the market.
- On May 22, 2024, at the 15th Global Drug Delivery & Formulation Summit in Berlin, Andreas Liebminger, Ph.D., Global Head of Plasma-derived Therapies Pharmaceutical Sciences, Takeda, presented data obtained in a proof of concept study, conducted in collaboration with Nanoform. Controlling the viscosity and aggregation of protein-based solutions is important for pharmaceutical formulators. Because injection volume is limited by the device, therapeutic protein formulations which are to be delivered via intramuscular or intravenous injection need to be highly concentrated. At protein concentrations greater than 200 mg*mL-1 however, viscosity increases to significantly higher than 20 cP (centipoise) to quickly exceed the maximum 40 cP viscosity deemed acceptable for a conventional subcutaneous injection. The data support the potential of Nanoform's patented biologics platform to achieve high protein concentrations in suspension formulations that are suitable for subcutaneous injection, as shown by results of syringeability and injectability studies.
- Nanoform has a shared facility license to nanoforming of Active Pharmaceutical Ingredients (APIs) for clinical trials. On June 11-12th, 2024 we had a pre-approval inspection from Fimea to upgrade our license to include new GMP facility and lines, GMP Quality Control laboratory (GMP QC), and the nanoforming of APIs to be used in drug products with a Marketing Authorization. The last part is a significant step, as our pharmaceutical manufacturing facility would then be allowed to manufacture for clinical trials and commercial drug products. Based on the pre-approval inspection, FIMEA suggested that Nanoform split the combined application into two independent applications: one for GMP QC and the other for the new GMP facility and lines, and commercial manufacturing, allowing for faster progression. We followed Fimea's suggestion and submitted the new GMP QC application.
- On June 14, 2024, a total of 85,072 new shares were subscribed for by the members of the Board of Directors. The shares were issued as part of remuneration of the

members of the Board of Directors in accordance with the resolution by the AGM.

- On August 15, 2024 Nanoform announced that it has entered into a preclinical development agreement with the Plasma-derived Therapies Business Unit of Takeda Pharmaceuticals, Inc., the R&D-driven biopharmaceutical company headquartered in Japan, to develop innovative plasma-derived therapy formulations for the treatment of rare conditions. Following the completion of *in vitro* proof of concept studies of a novel plasma-derived therapy formulation, Nanoform will provide non-GMP nanomaterial to Takeda for *in vivo* studies. The first results of these studies are expected in early 2025.
- On August 19, 2024 Fimea informed us that they had approved our new GMP QC laboratory. As a result we started to transfer analytical activities from external laboratories into our own laboratory. This will have a positive impact on our gross margin and will improve our flexibility, control and cost position.
- In August, a new global major pharma customer was signed.
- On September 5, 2024 Nanoform announced an expansion of their collaboration with Celanese to cover biologic drug delivery. The companies will combine Nanoform's Biologics platform with the Celanese VitalDose® Drug Delivery platform to further optimize controlled release of biologics from long-acting, therapeutic implants. The collaboration will also include the further development of a long-acting, patient-centric implant for Multiple Sclerosis treatment.
- On December 17, 2024 The Board of Directors resolved to issue stock options to personnel of Nanoform. The total number of option rights to be issued is at most 1,099,593 which entitle to subscribe for at most 1,099,593 shares in Nanoform (stock-option program 1/2025). The subscription price for shares subscribed with stock options is EUR 1.40 per share.

Our nanocrystalline alternatives to ASDs (amorphous solid dispersions)

Nanoenzalutamide, Nanoapalutamide, and as the latest addition Nanoencorafenib, are opportunities for us to show that small is a powerful ingredient in formulation. Due to the inherent poor solubility of the API, the current formulation of these medicines has been an amorphous solid dispersion ("ASD"). Amorphous API materials are unstable, and therefore require high amounts of polymers to stabilize the API – leading to a low drug load in the product and therefore, in the case of oral solid products, often to a high number of large tablets that need to be taken by the patient. This is a known problem, in particular for patient populations with challenges to swallow. The nanocrystalline formulations developed by Nanoform offer an attractive alternative with a substantially higher drug load in the final drug product and consequently a reduced tablet burden for the patient.

In Project Nanoenzalutamide, the manufacturing of the nanoformed drug substance for the pivotal study has progressed well and we have delivered already in excess of 50kg of material to our partner. We expect the clinical study to start in early 2Q 2025, with first read-out in late 2Q 2025. Project Nanoapalutamide is also progressing to plan. Following the positive results from the *in vivo* study comparing Nanoform's tablet prototypes with the currently marketed product, we have continued with the tablet development activities and are actively preparing GMP manufacturing activities and the pilot PK study in humans, which we expect to take place still in 2025.

We remain encouraged by the broad interest shown for these patient centric reformulations in key markets (among them US, Europe, and Japan) and are in ongoing discussions for all three products with potential development and commercialization partners. We expect to sign deals around these product opportunities during the coming weeks and months.

In addition to the patient benefit, we can with our proprietary technology offer opportunities to extend IP protection for the reformulated and improved product, expecting that in many cases our innovative formulations will be patentable. Importantly, current ASD based medicines are often protected by secondary patents that claim aspects of the ASD formulation. These secondary patents, such as in the case of the product in Project Nanoenzalutamide, often extend by several years the expiration of the primary patent claiming the API. In the case of Project Nanoenzalutamide, we believe that our nanocrystalline formulation is not in the scope of the patents claiming the ASD formulation. This should potentially enable entry earlier into the market, in the jurisdictions where the ASD formulation patents remain active, compared to ASD based generic formulations.

ASDs remain a leading formulation strategy for poorly soluble APIs, particularly for oral solid dosage forms. There are currently some 50 marketed medicines that are ASDs and these sell in aggregate for some USD 50bn annually in the world. We continue to actively look at several other opportunities in this field from products both in the market and in the global drug development pipeline. According to STARMAP®, almost 80 per cent of the 46 ASDs we so far have starmapped may be well suited to be nanoformed by CESS®.

2024 Financial Statements Review

Helsinki, Finland – Nanoform Finland Plc ("Nanoform"), will publish its FY 2024 report February 27, 2025, at 8.10 a.m. Finnish time / 7.10 a.m. Swedish time.

The company will hold an online presentation and conference call the same day at 3.00 p.m. Finnish time / 2.00 p.m. Swedish time. Nanoform will be represented by CEO Edward Hæggström, CFO Albert Hæggström, General Counsel/CDO Peter Hänninen, and CCO Christian Jones. The presentation will be delivered in English.

The presentation will be broadcast live as a webcast available at:
https://nanoform.events.inderes.com/q4-report-2024

Teleconference dial-in numbers:
Dial-in number to the teleconference will be received by registering via the link below. After the registration you will be provided phone numbers and a conference ID to access the conference. Questions can be presented by this dial-in function.

https://conference.inderes.com/teleconference/?id=5003370

CEO's review

Nanoform continues to progress on many fronts. After six quarters of negative revenue growth (1Q23-2Q24), we have seen strong momentum during the last two quarters and we expect this to continue in the coming quarters and years. The growth will be fuelled not only by a growing number of non-GMP projects and GMP projects – both in the small molecules and biologics - but also from development, exclusivity and milestone payments and later on from commercialization fees and royalties related to our technology offerings and product kernels.

During 2024 we signed another yearly record number of new projects, with especially the second part of the year showing strong momentum. I am pleased by the fact that our Biologics technology offering is starting to get the attention it deserves. Another area where we see a lot of attention globally is around our product kernels. The deal negotiations around nanoenzalutamide, nanoapalutamide and nanoencorafenib are progressing well, and we expect to sign deals with development partners and commercialization partners in the coming weeks and months.

Manufacturing of GMP material in project Nanoenzalutamide has been extended into a three shift pattern during 4Q. The scale-up from last year's campaign for the pilot study has been close to 100x in the ongoing manufacturing campaign for the upcoming pivotal studies and registration batches. This is a fantastic achievement by our manufacturing staff! On the R&D side we have again demonstrated a further improvement in the production rate, which lays a path for nanoforming to become a cost leader compared with other technologies in the coming years.

We expect nanoenzalutamide to be the first nanoformed medicine to reach the market – with a planned launch in 2027/28 in the US/EU – and to be an income driver for Nanoform already in the upcoming years. Nanoenzalutamide is expected to progress via the ANDA*/Hybrid generic pathway and as such will need to show bioequivalence vs the originator product, Xtandi®. In the eyes of the regulators, bioequivalence means 80% - 125% of the Cmax and AUC in a large cohort study in fed and fasted states with a 90% confidence interval. * ANDA=Abbreviated New Drug Application

The global annual sales of Xtandi® is presently USD 6bn and growing. We plan for nanoenzalutamide to take a meaningful share of this market through its highly patient centric product differentiation (1 tablet vs 4 tablets) and unique IP position (different technology, crystalline product, different excipients), while not forgetting its green attributes. We see the program to be attractive to value added medicine companies as a uniquely differentiated and high value supergeneric product that can enable a product launch before market entry by other generic products based on the ASD formulation, for which the originator currently holds patents in both Europe and the US (with expiry dates in 2033). For the originator company we believe that the nanocrystalline single tablet product offers a patient centric life cycle extension opportunity with compelling sustainability advantages that would be difficult for generic competitors to match. Avoiding

the inherent stability challenges associated with amorphous materials is also a clear benefit for any company considering alternative formulation approaches.

Xtandi-tablets are formulated using a solubility-enhancement spray drying process to create an amorphous solid dispersion. The major challenge with spray drying is that the process often requires large amounts of undesirable and toxic organic solvents. Nanoform's CESS® process uses CO_2 of recycled origin, and is organic solvent-free, offering a greener alternative to medicine developers that seek to be both patient- and planet-centric. Nanoform continuously improves the CESS® technology, e.g. by planning to further recycle the CO_2 used by the process to become a carbon sink. This is an attractive proposition for the pharma industry to achieve its ambitious net zero goals. There are already concerns in the industry that industrial approaches with a heavy carbon footprint, e.g. spray drying, may lose their relevance in the future because of their environmental burden.

The timelines for the commercial launch of nanoenzalutamide are demanding, but achievable. First, we need to manufacture nanoformed GMP material for the registration batches and the pivotal bioequivalence studies. When positive, the submissions of the dossiers will follow, with the aimed product launch after the expiry of the enzalutamide

substance patent in the respective territories (2027/28, US/EU).

During the past year we have worked on more than 40 different customer projects. These cover both small molecules and biologics, and range across multiple therapy areas and delivery methods. I remain encouraged by the diversity of our nanoparticles and nanoformulations. Not all customer projects progress - for a whole host of reasons - but the momentum I see in many of these projects makes me confident that we will also see some of these ongoing customer projects enter the clinic in the upcoming quarters and years. This also serves as testament to our strategy to work with many different companies and APIs, and not become dependent on any single project.

For Nanoform the last years have been about making large investments and building a capable organization. The coming will be about preparing to launch nanoformed products together with partners onto the global markets. We are ready for the challenge. I look forward with confidence and excitement to the coming years. None of this can be done without our amazing employees and great partners. My sincere THANK YOU to you all for your continued dedication to Nanoform and for the inspiring and innovative work for which we're known.

Best Regards,

Prof. Edward Hæggström, CEO Nanoform

Nanoform Group's key figures

Financial KPI's

EUR thousand	10-12/2024	10-12/2023	1-12/2024	1-12/2023	1-12/2022	1-12/2021
Revenue	750	401	2,778	2,566	3,487	1,955
Revenue growth %	87 %	-59 %	8 %	-26 %	78 %	185 %
Gross profit	615	296	2,226	1,717	3,147	1,792
Gross margin	82 %	74 %	80 %	67 %	90 %	92 %
EBITDA	-5,399	-5,352	-21,015	-19,597	-19,027	-17,745
Operating loss	-6,202	-6,121	-24,236	-22,476	-21,409	-19,705
Loss for the period	-5,693	-5,338	-23,428	-20,756	-22,075	-19,690
Basic EPS (EUR)	-0.07	-0.07	-0.28	-0.26	-0.29	-0.29
Net debt	-35,894	-41,235	-35,894	-41,235	-61,807	-68,070
Net debt excluding lease liabilities	-41,454	-47,493	-41,454	-47,493	-68,740	-75,733
Investments in property, plant, and equipment	-472	-546	-1,582	-3,477	-8,965	-7,737
Operating free cash flow	-5,871	-5,898	-22,597	-23,075	-27,992	-25,482
Cash and cash equivalents excluding short-term government bonds (end of period)	36,471	14,232	36,471	14,232	68,740	75,733
Cash and cash equivalents including short-term government bonds (end of period)	41,454	47,493	41,454	47,493	68,740	75,733

Operational KPIs

	10-12/2024	10-12/2023	1-12/2024	1-12/2023	1-12/2022	1-12/2021
Number of new customer projects signed during the period						
Non-GMP	8	5	24	22	17	16
GMP			1	1	1	2
Total number of new customer projects	**8**	**5**	**25**	**23**	**18**	**18**
Number of lines (end of the period)						
Non-GMP	19	19	19	19	18	14
GMP	1	1	1	1	1	1
Total number of lines (end of period)	**20**	**20**	**20**	**20**	**19**	**15**
Personnel at the end of reporting period	181	165	181	165	150	125

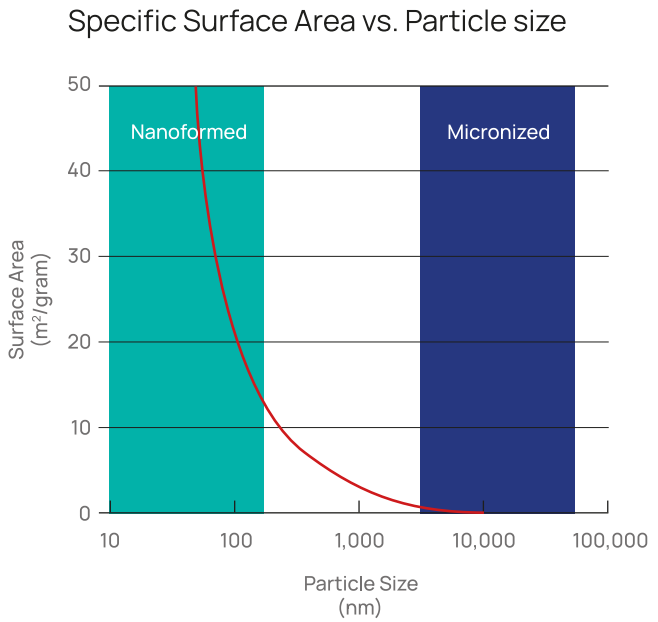
Company near-term business targets for 2025

- To sign development and license/commercial supply agreements on several product kernels during 2025
- First pivotal bioequivalence study with nanoformed medicine
- Increased number of non-GMP and GMP projects signed in 2025 vs 2024
- Improved free cash flow in 2025 vs 2024

Company mid-term business targets 2030

- To be announced during 2025 in conjunction with Capital Markets Day.

Smaller particle size can improve a drug's bioavailability



The surface area increases 30 fold from a 10 micron[1] sized particle once the particle size is reduced to 100nm

Reduction of particle size down to 50nm increases the surface area by 1,000 fold

Small is powerful - Nanoform in brief

Nanoform Finland Plc is the medicine performance-enhancing company that leverages best-in-class innovative nanoparticle engineering technologies, expert formulation, and scalable GMP API manufacturing to enable superior medicines for patients. The company focuses on reducing clinical attrition and on enhancing drug molecules' performance through its nanoforming technologies and formulation services, from pre-formulation to commercial scale. Nanoform will help improve bioavailability and drug delivery profiles, drive differentiation, patient adherence and extend the lifecycle potential of products.

Nanoform's services span the full range from small- to large-molecule drugs, and the company has a growing pipeline of customers that represent global large, mid-sized and specialty pharmaceutical as well as biotechnology companies.

Nanoform's mission is to enable a significant increase in the number of drugs that progress to clinical trials and reach the market. The company targets the pharmaceutical developers and manufacturers of drugs for which safety and efficacy could be improved by increased bioavailability or novel drug delivery routes. Nanoform's size reduction technologies, including its patented and scalable CESS® technology and its biologics platform, vastly increase the surface area of drug particles to enhance bioavailability or open up more patient-centric, local drug delivery routes.

Nanoform has not outsourced or out-licensed its patent protected technologies, to keep control of its technology, service offering and know-how.

Our technologies – Controlled Expansion of Supercritical Solutions (CESS®)

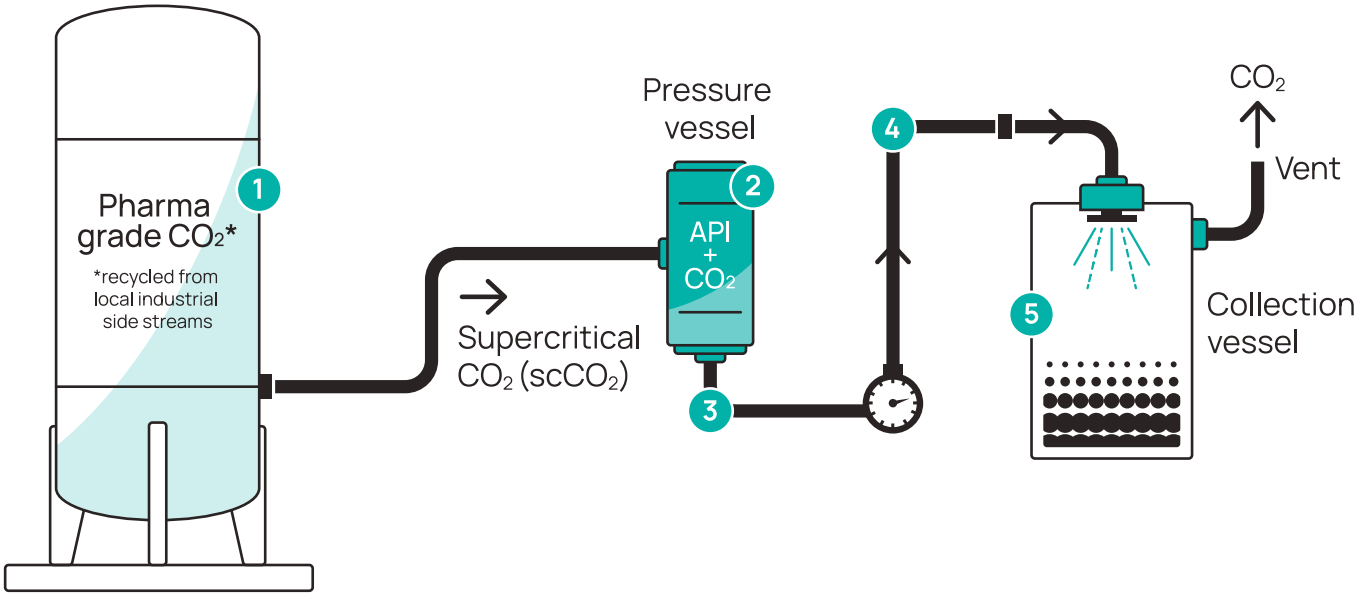
Nanoform's patented CESS® technology has demonstrated its ability to produce crystalline or stable amorphous nanoparticles below 100 nm, and at times as small as 10 nm, from solution without the use of solvents, excipients, or complex production processes. The application of the CESS® technology platform provides an opportunity for Nanoform's customers to improve and tune the particle properties of their small-molecule APIs – for example, size, shape, and polymorphic structure, thus improving API solubility and bioavailability.

The CESS® technology may reduce the failure of drugs during clinical trials by enhancing the performance and safety of APIs. It can also allow drugs that previously failed in clinical trials to be revisited and potentially achieve success. In addition, it may improve the pharmacokinetic properties of drugs (both in the pharmaceutical pipeline and those already on the market), and provide new commercial opportunities for drugs. Ultimately, the benefits unlocked by CESS® will be felt by patients as the technology enables more and enhanced new drugs to reach the market.

STARMAP®– The digital twin of CESS®

STARMAP® Online is a predictive sparse-data AI-based platform that can be applied to pick the winners among candidate molecules. It augments historical experimental results with detailed expert knowledge to determine which APIs are most likely to achieve success through the CESS® nanoparticle engineering process.

STARMAP® presents an opportunity for the rational design of patient-centric drug development, and can be applied to novel APIs, as well as existing brands, to ensure that the projects with the highest chances of success are targeted, avoiding wasted resources and improving efficiency. STARMAP® is currently available as a subscription to Nanoform's customers, which can be accessed online.



1. Supercritical CO_2 is guided into a pressure vessel loaded with API
2. Increasing the pressure and temperature in the vessel dissolves the API in supercritical CO_2
3. The CO_2 and the API are released from the pressure vessel and the flow, pressure and temperature profiles are accuartely controlled
4. The pressure and temperature is controlled to achieve a stable nucleation phase and formation of nanoparticles
5. In a collection vessel the CO_2 is sublimated resulting in final nanoparticles ready for collection and formulation

Biologics

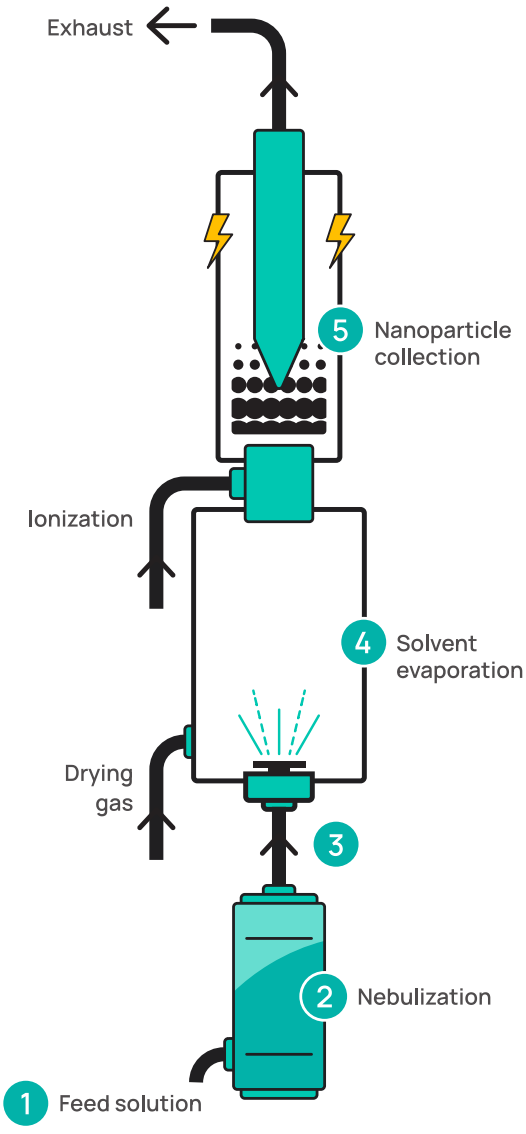
Nanoform's biologics technology is a gentle bottom-up process that nanoforms large-molecule therapeutics, reducing their particle size to as small as 50 nm while retaining their biological activity.

As the technology does not necessitate harsh conditions such as high temperatures, it has wide applicability even for temperature-sensitive therapeutic biomolecules, such as enzymes, and can be applied to large molecules up to 150 kDa.

By reducing particle size, the technology opens up new drug delivery opportunities, and may facilitate enhanced drug loading and tailored release profiles.

Most traditional biologics are administered intravenously, however by utilizing Nanoform's technology, it may be possible to formulate for alternative, more patient-centric administration routes, such as subcutaneous, intranasal, pulmonary, or oral delivery.

1. API containing feed solution is pumped into the nebulizer
2. Feed solution is nebulized into a carrier gas
3. Mist is transported into the drying chamber via a connection pipe
4. Mist is dried using a low-temperature drying gas
5. Dried particles are charged by the ionizer and collected using electrostatic precipitation



Small is an ingredient in formulation

Formulating nanoformed particles the right way

Our pharmaceutical development team leverages their deep understanding of nanomaterials science and nanoformation expertise to unlock the full potential of nanoformed APIs and deliver formulations that meet customer requirements. Nanoform supports all dosage form development, with specific expertise in oral, inhaled, injectable, and ophthalmic formulations.

The team follows a well-designed formulation development and selection process, with the goal of rapidly progressing drug candidates and optimizing the formulation for the development phase, from preclinical through to clinic and lifecycle.

The benefits of partnering with Nanoform for nanoparticle-optimized formulations can include enhanced bioavailability

and the opportunity to reduce dose, simpler formulations, and increased dosage form flexibility. Additional advantages can include reduced side effects, optimized exposure in toxicology studies, and reduced variability in pharmacokinetic parameters.

Nanoform's analytical services ensure consistency

Analytical chemistry plays a crucial role in characterizing and understanding materials made from nanoforming and formulation processes. We use a variety of techniques to analyze our nanoparticles and formulations and ensure that they meet strict quality and safety standards. Our analytical team utilizes state-of-the-art equipment and software to accurately measure the properties of our nanoparticles, including purity, size, shape, and crystallinity. This information is essential for understanding how to develop our formulations and predict how our drugs will interact *in vivo* so as to optimize their efficacy.

Highly-potent APIs can be safely formulated in Nanoform's GMP facilities

Nanoform's globally unique GMP facilities utilize CESS® to manufacture API nanoparticles to GMP standards. The facilities can handle highly-potent APIs (HPAPIs) with occupational exposure limits (OELs) of 30 ng/m^3. Recipe control via automation as well as Wash-in-Place and Clean-in-Place capabilities enable faster and more efficient cleaning between campaigns, reducing the overall downtime of GMP manufacturing, and increasing productivity.

Market outlook

Nanoform operates in one of the world's largest markets, the global pharmaceutical market, which turnover exceeds USD 1,000 billion and where the annual R&D budget exceeds USD 200 billion. Despite the enormous investments in R&D, less than 50 new drugs have been approved by the FDA annually on average during the last ten years. One of the key reasons why so few medicines are approved each year is low bioavailability of the API. With 70 to 90 percent of new drugs being poorly soluble we expect that the challenges with bioavailability will only increase going forward. Hence, we have seen significant interest in our potentially ground-breaking technology platform from the global pharma market. This broad interest comes from global large, mid-sized, specialty pharmaceutical as well as from biotechnology companies. We expect the high customer interest in our technology offering to continue.

The drug development industry is highly regulated and characterized by a step-by-step development process, from discovery and clinical trials to commercialization. It is considered a defensive industry where the underlying demand is non-cyclical and steadily increasing as the global population grows wealthier and older and as chronic diseases become more prevalent.

The high attrition rate in the global drug development pipeline – with one of the key reasons being low bioavailability – limits the number of new drugs that reach the market. This increases the maturity of pharmaceutical companies' commercial product portfolios, with the average share of revenue stemming from drugs that have been on the market for more than ten years amounting to more than half of their revenue for many of the world's largest pharma companies. With an old product portfolio, the vulnerability to upcoming patent expirations increases as does the importance of lifecycle management of existing drugs. As Nanoform's technology platform provides an opportunity to help not only lower the attrition of new drugs in development but also with lifecycle management of existing drugs on the market, we foresee continued interest in the technology. By providing opportunities for pharma companies to seek to extend patent protection by allowing for patents for, among others, new indications, dosage forms, and delivery mechanisms our technology may create significant value to our customers. Many jurisdictions allow for alternative simplified regulatory pathways, such as section 505(b)(2) of the Federal Food, Drug and Cosmetic Act in the U.S., for already commercialized drugs for which clinical safety or efficacy data is already available.

Nanoform's commercial operations are at an early stage and during the period its business operations have included R&D activities, non-GMP projects, tech transfer to GMP, and manufacture of GMP material. Our existing customers include global large, mid-sized, and specialty pharmaceutical as well as biotech companies. Major pharma companies are in general entities integrated across the entire pharmaceutical value chain and therefore often do the marketing and sales of the drugs they have developed. The price of a drug, set by a pharmaceutical company, is often a function of several factors, e.g., the potential competitive landscape it faces, the need for financing future R&D of novel drug candidates, and the benefit or value the drug is deemed to add for its target group. However, actual pricing mechanisms, including, e.g., potential reimbursement and regulatory restrictions on pricing of drugs, vary between different jurisdictions. Contract development and manufacturing organizations (CDMOs) focus specifically on drug development and manufacturing. Pricing of the services of these companies differs from pricing by pharma companies since CDMOs in general do not, by themselves, commercialize the drugs they develop or manufacture. Instead, the compensation for their services is often based on a combination of compensation for supply of material, milestone payments, royalties, and license payments. While price is an important factor in client negotiations, the most important and decisive factor is how much value the technology and service offer. We believe our proprietary technology offers significant value and hence will be priced with a material premium to traditional technologies.

Financial review for January 1-December 31, 2024

Revenue

Nanoform Group's revenue in January-December increased by 8% to EUR 2,778 (2,566) thousand.

The revenue in 1-12/2024 stemmed from 43 (33) different customer projects. Working hours account for the vast majority of project expenses booked, and revenues are recognized over the course of the projects based on the percentage of completion method. Other operating income is related to the grant from Business Finland.

Results

Nanoform Group's gross profit increased to EUR 2,226 (1,717) thousand and the gross margin was 80% (67%) in January-December 2024.

The gross profit increased as a result of increased usage of internal QC GMP laboratories and decrease of external GMP QC services. The operating result was mostly affected by options related non-cash costs, an increased headcount, investments in spare parts & building an internal maintenance function, in addition to costs from the Nanoenzalutamide project.

The loss before tax was EUR -23,397 (-20,733) thousand. Earnings per share was EUR -0.28 (-0.26).

Financial position and cash flows

Nanoform Group's total assets at the end of the review period were EUR 71,806 (78,135) thousand, and equity accounted for EUR 60,032 (66,947) thousand. Cash and cash equivalents were EUR 36,471 (14,232) thousand excluding T-bills. T-bills amounted to EUR 4,982 (33,261) thousand in the reporting period (carrying value). Net debt amounted to EUR -35,894 (-41,235) thousand including T-bills.

Nanoform Group's net cash flow from operating activities in January-December was EUR -18,276 (-18,001) thousand. The

change in the working capital was EUR -765 (-229) thousand. The Group investments decreased significantly as the investments in manufacturing capacity have already been made in previous years (several GMP lines with separate cleanrooms, the 40m³ CO_2 bulk tank system, an Enterprise Resource Planning (ERP) system and a Biologics pilot line for GMP in addition to additional non-GMP production lines). The total cash-based investments amounted to EUR -1,582 (-3,477) thousand. The net cash flow from investing activities was EUR 27,443 (-35,471) thousand including T-bills repayments. Cash flow from financing activities was EUR 13,640 (-1,195) thousand.

Investments, research and development

The Group's investments in property, plant, and equipment in January-December 2024 amounted to EUR 1,582 (3,477) thousand, consisting mainly of investments in GMP QC equipment, GMP and non-GMP line upgrades. Additions to GMP2&3 facilities are classified as construction in progress until Manufacturer's Authorization (MIA) is updated. Non-GMP production lines are classified as construction in progress until the non-GMP production lines are commissioned.

The Group R&D expenditure including employee benefit expenses and external R&D services amounted to EUR 5,660 (4,150) thousand. This includes e.g. the nanoenzalutamide and nanoapalutamide related costs.

Personnel and the Board of Directors

During the last twelve months the number of employees has grown by 10% and at the end of the review period, the Group had 181 (165) employees representing 34 nationalities. Within Nanoform's international team of highly skilled professionals there are 43 PhD's from different fields including e.g. physics, chemistry, pharma, and biology. Nanoform Group has been able to attract talent with diverse skills. At the end of the review period 24 employees worked in GMP Manufacturing, 48 in R&D (including non-GMP customer projects), and 6 in Customer Project Management. Quality Control had 30 and Quality Assurance 11 professionals. The Commercial team consisted of 10 professionals. The Engineering & Maintenance teams employed 17 employees and Industrialization and Technical Development teams 4 employees. Nanoform has also been able to attract talent in Legal 5 and IT 7 and in corporate functions 19 (e.g., Business Operations, Finance, Procurement, IR, HR).

The company's Annual General Meeting convened on April 16, 2024, re-elected Miguel Calado (Chairperson), Mads Laustsen, Albert Hæggström, and Jeanne Thoma as ordinary members to the company's Board of Directors for the next term of office. The CEO was Edward Edward Hæggström.

Share and shareholders

Nanoform's share is listed on the Premier segment of Nasdaq First North Growth Market in Helsinki (ticker: NANOFH) and Stockholm (ticker: NANOFS).

Nanoform's registered share capital amounted to EUR 80,000 (80,000). At the end of the review period, the company had 85,531,236 (78,433,964) shares. The share's volume weighted average price during the review period was EUR 2.05 (1.97) and SEK 23.86 (22.99). The highest price paid during the January-December review period was EUR 3.50 (3.30) and SEK 37.50 (38.95) and the lowest price paid EUR 1.05 (1.47) and SEK 12.42 (17.15). The closing price of the share at the end of review period was EUR 1.39 (1.59) and SEK 15.24 (18.80). The market value of the share capital on December 31, 2024, was EUR 118.7 (124.3) million.

Nanoform had more than 10,500 shareholders at the end of the period - some 1,000 more than a year ago - with roughly ¾ of them holding EUR nominated shares and some ¼ of them holding SEK nominated shares. The 25 largest shareholders held some 70 percent of all Nanoform's shares and votes at the end of the review period. The ownership structure can be found on Nanoform's internet pages Ownership structure – Nanoform small is powerful. (Source: Monitor by Modular Finance AB. Compiled and processed data from various sources, including Euroclear Sweden, Euroclear Finland and Morningstar)

Share-based incentive plans

During the review period Nanoform had 20 active share-based incentive plans for the members of the Board of Directors, key persons, and employees of the Group: option programs 1-5/2019, 1-5/2020, 1-5/2021, 1/2022, 1/2023, 1-2/2024 and 1/2025. Based on all the option programs, with strike prices ranging from EUR 1.10 to EUR 9.00 a total maximum number of 6,988,280 shares could potentially be subscribed (For more info see Note 7).

Near-term risks and uncertainties

Nanoform operates in a strictly regulated industry, the pharmaceutical industry. The Group's business is based on new technology that has not yet been widely applied in humans. As Nanoform is an early stage company, the viability of its business model has not yet been proven and the Group has been operating at a loss, with no proof so far of being able to sustainably cover its costs with revenues without additional external funding. The most important business-related risks are associated with the Group's growth targets and their achievement with the company's chosen strategy. Industry-related risks are mainly associated with a target market that is both highly regulated and conservative and where adaptation of new technologies can take longer than expected.

Risks associated with the Group's financial position mainly consist of currency-, credit- and counterparty risks as well as the stock market risk from share investment. Foreign exchange fluctuations arise from SEK, GBP, USD, NOK, and JPY currency exposure. The Company's counterparty risks consist mainly of contracts between external customers, suppliers and partners in co-operation and financial institutions. Direct stock market risk stems from the changes in the market value of the owned Herantis Pharma Plc shares. Investments into short-term government bonds (Treasury Bills, duration less than one year) are considered risk free investments from a counterparty (credit risk) point of view but may include currency risk. Nanoform does not hedge its currency or stock market risk.

Risks related to legislation, rules and regulatory compliance are associated with the group's sector of industry. For further risk analysis see Nanoform's annual report: Investors – Nanoform small is powerful.

Decisions by the Annual General Meeting and the Constitutive Meeting of the Board of Directors

Nanoform held its Annual General Meeting (the "AGM") for 2024 on April 16, 2024.

The AGM approved the financial statements and discharged the Board of Directors and the CEO of the Company from liability for the financial year 2023. The AGM decided that no dividend will be paid for the financial year that ended on December 31, 2023.

The number of members of the Board of Directors was confirmed to be four and the AGM re-elected Miguel Calado as Chairperson, Mads Laustsen, Albert Hæggström, and Jeanne Thoma as ordinary members of the Board of Directors for the next term of office.

The AGM confirmed a monthly compensation of EUR 8,000 for the Chairman and EUR 5,000 for the Board Members, EUR 2,500 for the Chairman of the Audit and Compensation Committee and EUR 1,500 for the Members of the Audit and Compensation Committee. The AGM resolved further that the remuneration will be paid in one (1) installment during the term, after the publication of the interim report for the period 1 January 2024–31 March 2024. According to the Remuneration Policy adopted by the Company, the members of the Board of Directors are recommended to hold a certain number of shares in the Company. The Company recommends each board member to use approximately 50% of the aforementioned remuneration to subscribe for shares in the Company. Therefore, the members of the Board of Directors will be offered a possibility to subscribe for shares at a price corresponding to volume-weighted average share price over ten (10) trading days following the publication of the interim report of the Company for 1 January 2024 – 31 March 2024. The Annual General Meeting also resolved that the travel expenses of the members of the Board of Directors are compensated in accordance with the Company's travel rules.

The AGM resolved that PricewaterhouseCoopers Oy with Tomi Moisio as the auditor in charge were re-elected as the Group's auditor. The Auditor's fee will be paid in accordance with a reasonable invoice approved by the Company.

The AGM authorized the Board of Directors to repurchase Nanoform's own shares. Altogether no more than 7,800,000 shares may be repurchased. The authorization will be valid until the beginning of the next Annual General Meeting.

The AGM authorized the Board of Directors to decide on the issuance of shares and the issuance of special rights. The amount of the shares to be issued pursuant to the authorization and the amount of the shares issued by virtue of the authorization to issue special rights entitling to shares would not exceed 7,800,000 shares. The authorization is in force until 16 April 2029. The authorization does not replace or revoke previous unused authorizations of the Board of Directors to resolve on the issuance of shares, issuance of share options and issuance of other special rights entitling to shares.

On April 16, 2024, at the constitutive meeting following the AGM, the Board of Directors resolved to elect as members of the Audit and Compensation Committee (AC): Miguel Calado (Chairperson), Jeanne Thoma (Ordinary member), and Mads Laustsen (Ordinary member). The Audit and Compensation Committee is a permanent committee of the Board of Directors and acts in accordance with its charter as adopted by the Board of Directors.

Condensed financial information January-December 2024

Consolidated statement of comprehensive income

EUR thousand	Note	10-12/2024	10-12/2023	1-12/2024	1-12/2023
Revenue	4	750	401	2,778	2,566
Other operating income		321		885	
Materials and services		-136	-105	-552	-849
Employee benefits	7	-3,733	-4,003	-16,191	-14,726
Depreciation, amortization, and impairment losses	6	-803	-769	-3,220	-2,878
Other operating expenses	5	-2,602	-1,645	-7,935	-6,589
Total expenses		**-7,273**	**-6,522**	**-27,898**	**-25,042**
Operating loss		**-6,202**	**-6,121**	**-24,236**	**-22,476**
Finance income		602	940	1,686	1,946
Finance expenses		-80	-148	-848	-203
Total finance income and expenses		**521**	**791**	**838**	**1,743**
Loss before tax		**-5,681**	**-5,330**	**-23,397**	**-20,733**
Income tax		-13	-8	-30	-23
Loss for the period		**-5,693**	**-5,338**	**-23,428**	**-20,756**
Loss for the period attributable to the equity holders of the parent company		**-5,693**	**-5,338**	**-23,428**	**-20,756**
Other comprehensive income					
Items that may be reclassified to loss in subsequent periods					
Translation differences		12	-5	12	-4
Other comprehensive income, net of tax		**12**	**-5**	**12**	**-4**
Total comprehensive income total		**-5,681**	**-5,343**	**-23,416**	**-20,760**
Total comprehensive income for the period attributable to the equity holders of the parent company		**-5,681**	**-5,343**	**-23,416**	**-20,760**
Basic earnings per share, EUR		-0.07	-0.07	-0.28	-0.26
Diluted earnings per share, EUR		-0.07	-0.07	-0.28	-0.26

The company's potential dilutive instruments consist of stock options. As the company's business has been unprofitable, stock options would have an anti-dilutive effect and therefore they are not taken into account in measuring the dilutive loss per share.

Comparable period modifications: financial income and expenses have been netted, part of the operating expenses are categorized as employee benefits according to IAS19.

Consolidated statement of financial position

EUR thousand	Note	Dec 31, 2024	Dec 31, 2023
ASSETS			
Non-current assets			
Intangible assets		583	614
Property, plant, and equipment	6	25,822	26,704
Investments in shares		996	1,479
Other receivables		614	288
Total non-current receivables		**28,015**	**29,085**
Current assets			
Inventories		228	218
Trade receivables		816	418
Other receivables		120	105
Investments in short-term government bonds	9	4,982	33,261
Prepaid expenses and accrued income		1,173	816
Cash and cash equivalents	8	36,471	14,232
Total current assets		**43,791**	**49,050**
Total assets		**71,806**	**78,135**
EQUITY AND LIABILITIES			
Equity			
Share capital		80	80
Reserve for invested unrestricted equity		167,646	152,651
Accumulated deficit		-84,266	-65,028
Loss for the period		-23,428	-20,756
Total equity		**60,032**	**66,947**
Non-current liabilities			
Lease liabilities	8	4,365	5,203
Advances received			
Trade payables			
Total non-current liabilities		**4,365**	**5,203**
Current liabilities			
Provisions		434	19
Lease liabilities	8	1,195	1,054
Advances received		1,119	443
Trade payables		1,188	883
Other liabilities		485	311
Accrued expenses	10	2,988	3,275
Total current liabilities		**7,409**	**5,985**
Total liabilities		**11,774**	**11,188**
Total equity and liabilities		**71,806**	**78,135**

Consolidated statement of changes in equity

EUR thousand	Share capital	Reserve for invested unrestricted equity	Translation differences	Accumulated deficit	Total equity
At January 1, 2024	**80**	**152,651**	**2**	**-85,786**	**66,947**
Loss for the period				-23,428	-23,428
Other comprehensive income					
Translation differences			12		12
Transactions with equity holders of the Company					
Increase of the share capital					
Share subscription with stock options		14			14
Share issue		14,982			14,982
Share-based payments				1,506	1,506
At December 31, 2024	**80**	**167,646**	**14**	**-107,708**	**60,032**

EUR thousand	Share capital	Reserve for invested unrestricted equity	Translation differences	Accumulated deficit	Total equity
At January 1, 2023	**80**	**152,569**	**6**	**-65,443**	**87,212**
Loss for the period				-20,756	-20,756
Other comprehensive income					
Translation differences			-4		-4
Transactions with equity holders of the Company					
Increase of the share capital					
Share subscription with stock options		81			81
Share issue					
Share-based payments				413	413
At December 31, 2023	**80**	**152,651**	**2**	**-85,786**	**66,947**

Consolidated statement of cash flow

EUR thousand	Note	1-12/2024	1-12/2023
Cash flow from operating activities			
Loss before tax		-23,397	-20,733
Adjustment for:			
Depreciation, amortization, and impairment losses	6	3,220	2,878
Finance income and expenses		304	-1,518
Share-based payments	7	1,506	413
Other adjustments*		320	95
Change in net working capital:			
Trade and other receivables		-1,492	65
Trade payables and other liabilities		736	-82
Change in inventory		-10	-212
Change in other receivables (non-current)		-323	-0
Interest paid		-6	-7
Interest received		892	1,110
Paid tax		-26	-11
Net cash used in operating activities		**-18,276**	**-18,001**
Cash flow from investing activities			
Payments for intangible assets		-148	-329
Payments for property, plant, and equipment	6	-1,582	-3,477
Investments in short-term government bonds		28,748	-32,143
Payments for investments		426	478
Net cash used in investing activities		**27,443**	**-35,471**
Cash flow from financing activities			
Proceeds from share issues		15,574	
Transaction costs from the share issues		-592	
Acquisitions of treasury shares			
Share subscription with stock options		14	81
Repayment of R&D loans			
Repayment of lease liabilities	8	-1,356	-1,276
Net cash from financing activities		**13,640**	**-1,195**
Net increase (+) decrease (-) in cash and cash equivalents		**22,807**	**-54,667**
Cash and cash equivalents at the beginning of period		14,232	68,740
Effects of exchange rate changes on cash and cash equivalents		-567	159
Cash and cash equivalents at the end of the period		**36,471**	**14,232**
Cash and cash equivalents and short-term government bonds at the end of period		41,454	46,375

* Other adjustments

EUR thousand	1-12/2024	1-12/2023
Lease adjustments		
Other operating expenses - provision for onerous contract	415	19
Other adjustments -provision for credit loss	-95	75
Total	**320**	**95**

Comparable period modifications 1–12/2023: Cash and cash equivalents and short-term government bonds at the end of period has been updated to contain the carrying amount of short-term government bonds.

Selected notes

1. Company information

Nanoform ("Nanoform", "Group") is an international group offering services in nanotechnology and drug particle engineering for the global pharma and biotech industry. The parent company, Nanoform Finland Plc (formerly Nanoform Finland Ltd, the "Company") is a company organized under the laws of Finland and its business ID is 2730572-8. The registered address of the head office is Viikinkaari 4, 00790 Helsinki , Finland.

2. Accounting policies

This financial information for the January-December 2024 periods has been prepared in accordance with IAS 34 Interim Financial Reporting. In preparation of this report, Nanoform has applied the same accounting policies, methods of computation and presentation as in the financial statements for the year ended December 31, 2023.

In 2020, the Nanoform Group was formed following the establishment of an entity in the USA. A second subsidiary was founded in the UK in 2023. Nanoform Finland Plc and its US and UK subsidiaries are included in the consolidated financial statements. The parent company holds 100% ownership of its subsidiaries. The subsidiaries are consolidated using the acquisition method. All intragroup transactions, receivables, liabilities, and unrealized gains are eliminated in the consolidated financial statements.

The consolidated financial statements are presented in euros, which is the functional currency of the parent company. The statements of comprehensive income and the statements of cash flows of foreign subsidiaries, whose functional currency is not euro, are translated into euro at the average exchange rates for the reporting period. The statements of financial position of such subsidiaries are translated at the exchange rate prevailing at the reporting date. Translation differences resulting from the translation of profit for the period and other items of comprehensive income in the statement of comprehensive income and statement of financial position are recognized as a separate component of equity and in other comprehensive income. Also, the translation differences arising from the application of the acquisition method and from the translation of equity items cumulated subsequent to acquisition are recognized in other comprehensive income. The figures in this report have been rounded and consequently the sum of individual figures may deviate from the presented sum figure.

Government grants are presented in the other operating income. Grants are recognized when there is reasonable assurance that grants will be received, and the Group will comply with the conditions associated with the grant.

The preparation of interim and annual reports requires management to make decisions, estimates and assumptions that affect the application of accounting policies and the recognized amounts of assets, liabilities, revenue, and expenses. Estimates and judgements are reviewed regularly. The Group's management has used judgment to review, analyze and evaluate revenue recognition for non-GMP and GMP projects. Nanoform recognizes revenue over time as the project performance does not create an asset with an alternative use to the Nanoform Group and the Nanoform Group has an enforceable right to payment for performance to date. The Group's management has used judgment to evaluate the leasing agreements e.g., the options to renew and terminate the leasing agreements at specific dates, the probability of Nanoform using these options and by determining the appropriate discount rate for the leasing agreements. The management has also used judgment to evaluate the economic lifetime of property, plant, and equipment. Management will review technological development regularly in the future to ensure that property, plant, and equipment are carried at no more than at their recoverable amount. The management has also used judgement to evaluate intangible assets economic lifetime.

Nanoform's Board of Directors has approved this report in its meeting on February 26, 2025. This report is not audited or reviewed by the auditors of the Group.

3. Significant changes during the reporting period

The Group's results of operations have fluctuated significantly from period to period in the past and are likely to do so in the future. The financial position and performance of the Group was particularly affected by the following events and transactions during the reporting period:

- Revenue increased during the reporting period with increased number of parallel projects comparing to the comparable period. Revenue consists of multiple projects in which the Group has offered nanoforming, formulation, and analytical services for the global pharma and biotech industry. (See note 4 Segment information and revenue).
- Other operating income stems from the grant from Business Finland related to projects for nanoparticle-enabled formulation platforms for oral, inhaled, long-acting injectable, and high-concentration subcutaneous injectable drug delivery technologies for next generation medicines. The grant represents 50% of the costs.
- Employee benefit expenses continued to represent the majority of the Group's total operating expenses during the review period. Employee benefit expenses consisted of short-term employee benefit expenses (mainly salaries), post-employment benefit expenses (defined contribution pension plans) and share-based payments (stock options).

The employee headcount increased by 10% to 181 (165), and the total employee benefit expenses increased by 10% to EUR -16,191 (-14,726) thousand in the review period.

- Other operating expenses included rents for the premises, IT costs, marketing and communication costs, fees for external consultants and professionals, travel costs, voluntary personnel related expenses, external R&D expenses, and other expenses. The increase in the total other operating expenses is mainly coming from the external R&D expenses, spare parts, machinery service, and consumables (see note 5 Other operating expenses).
- Finance income and expenses stemmed from changes in foreign exchange rates in USD, GBP, JPY, SEK and NOK currencies and fair market value changes in the owned Herantis Pharma shares as well as interest income and expenses.
- Nanoform has invested part of its cash into short-term government bonds issued by Nordic (Finland, Sweden, Norway) and European (Germany, France) governments in order to diversify and decrease bank risk. The short-term government bonds are planned to be held until maturity and measured at amortized cost applying the effective interest rate method. In the future Nanoform may include UK and US T-bills as part of cash management.
- In April 2024 EUR 15,6 million (gross) was raised in a directed share issue. A total of 7,000,000 new shares was issued. The subscription price was EUR 2.20 and SEK 25.60 per share.
- The change in property, plant, and equipment book value is mainly related to completed constructions in non-GMP lines and quality control equipment. GMP 2&3 additions are classified as work in progress until the Manufacturer's Authorization (MIA) is updated. Additions to non-GMP facilities are classified as construction in progress until non-GMP production lines are commissioned (see note 6 Property, plant, and equipment). On August 19, 2024 Fimea informed they had approved Nanoform's GMP QC laboratory. As a result Nanoform has transferred analytical activities from external laboratories into Nanoform's own GMP QC laboratory.
- In June a total of 85.072 new shares were subscribed for by the members of the Board of Directors. The shares were issued as part of remuneration of the members of the Board of Directors in accordance with the resolution by the AGM.
- On December 17, 2024 The Board of Directors resolved to issue stock options to personnel of Nanoform. The total number of option rights to be issued is at most 1,099,593 which entitle to subscribe for at most 1,099,593 shares in Nanoform (stock-option program 1/2025). The subscription price for shares subscribed with stock options is EUR 1.40 per share.

4. Segment information and revenue

Nanoform offers nanoforming, formulation, and analytical services for the global pharma and biotech industry. Nanoform's chief operating decision maker is the Chief Executive Officer (CEO). The CEO manages the Group as one integrated business and hence, the Group has one operating and reportable segment.

Nanoform's revenue during the reported period is recognized from customer contracts in Europe, the United States and other continents (defined by the domicile of customer). The Group's strategy is to offer expert services widely in order to minimize dependence from a single customer or project. Nanoform's revenue consists of non-GMP and GMP projects related to nanoforming, formulation and analytical services provided to customers globally. Nanoform's customer contracts include one or multiple performance obligations. In the customer contracts, every separate nanoformed API is considered as a separate performance obligation, as the customer can receive benefit from every single separately nanoformed API. Nanoform recognizes revenue over time as the project performance does not create an asset with an alternative use to the Nanoform Group and the Nanoform Group has an enforceable right to payment for performance to date. Revenue from two distinct customers during the reporting period accounts for more than 10% of the total cumulative revenue. The following table summarizes the revenue breakdown:

EUR thousand	10-12/2024	10-12/2023	1-12/2024	1-12/2023
Europe	603	264	1,891	1,464
United States	64	137	791	1,103
Other	84		96	
Total	**751**	**401**	**2,778**	**2,566**

EUR thousand	10-12/2024	10-12/2023	1-12/2024	1-12/2023
Services transferred over time	750	401	2,777	2,566
Total	**750**	**401**	**2,777**	**2,566**

5. Other operating expenses

R&D expenses, including e.g. projects nanoenzalutamide and nanoapalutamide, costs related to spare parts, machinery services and consumables are mostly explaining the increased operating expenses as well as the increased legal fees and consulting, administrative costs and loss provision from customer project. According to IAS19, part of the comparable period voluntary personnel related expenses are now categorized as employee benefits impacting also comparable period figures.

EUR thousand	10-12/2024	10-12/2023	1-12/2024	1-12/2023
Premises expenses	89	66	271	242
IT expenses	261	217	1,027	1,019
Marketing and communication expenses	164	225	628	648
Consultant and professional fees	479	286	1,552	1,245
Travel expenses	93	116	358	392
Voluntary personnel related expenses	55	114	404	580
R&D expenses - external	509	251	1,560	999
Other expenses	951	370	2,136	1,464
Total	**2,602**	**1,645**	**7,935**	**6,589**

6. Propery, plant, and equipment

Nanoform's property, plant, and equipment consists of leased premises and apartments (right-of-use assets), improvements to leased premises, machinery and equipment, and construction in progress. GMP 2&3 are classified as work in progress until the new Manufacturer's Authorizations (MIA) are updated. Additions to non-GMP facilities are classified as construction in progress until non-GMP production lines are commissioned. GMP QC machinery and equipment are presented as part of the machinery and equipment assets.

EUR thousand	Machinery and equipment	Right-of-use assets	Improvements to leasehold premises	Construction in progress	Total
Net book value at January 1, 2024	**6,257**	**5,759**	**1,378**	**13,310**	**26,704**
Additions	154	490		1,566	2,210
Disposals*		-11			-11
Reclassification	1,125			-1,166	-40
Depreciations	-1,683	-1,168	-190		-3,041
Net book value at December 31, 2024	**5,854**	**5,071**	**1,187**	**13,710**	**25,822**
Net book value January 1, 2023	**5,295**	**6,437**	**1,124**	**14,272**	**27,127**
Additions	625	398	9	1,652	2,684
Disposals*	-165				-165
Reclassification	2,025		424	-2,613	-163
Depreciations	-1,523	-1,076	-180		-2,779
Net book value at December 31, 2023	**6,257**	**5,759**	**1,378**	**13,310**	**26,704**

* Disposals consist of the changes in right-of-use assets due to shortening of leasing period.

7. Share-based payments

During the reporting period Nanoform had 20 share-based incentive plans: Option programs 1–5/2019, 1–5/2020, 1–5/2021, 1/2022, 1/2023, 1–2/2024 and 1/2025. The option programs are targeted to members of the Board of Directors, key persons, and employees of the Group. Many of the employees are included in the share-based incentive plans. The 1–5/2019 share-based incentive plans are valid until further notice. The 1–5/2020, 1–5/2021, 1/2022, 1/2023, 1–2/2024 and 1/2025 share-based incentive plans have vesting periods from 6 to 12 months from the grant date. The effect of all stock options booked to the earnings of the review period was EUR 1,506 (413) thousand.

The factors used to determine the fair value and the end of the subscription periods of the 2019–2025 stock option programs are presented in the following table.

Option program	Fair value of the Company share at grant date, EUR	Subscription price of the Company share with options, EUR	Volatility, %	Risk free interest rate, %	Fair value of the option, EUR	End of the share subscription period
01-05/2019	1.30 - 1.62	1.10	64.85	0.01	0.74 - 1.00	Until further notice
01-05/2020	1.77 - 4.30	1.65 - 5.00	43.25 - 64.85	-0.55 - 0.01	0.97 - 2.11	Mar 10, 2025 - Oct 23, 2025
01-05/2021	5.97 - 7.50	9.00	44.97 - 47.62	0.01	1.72 - 2.49	Apr 6, 2026 - Aug 27, 2026
01/2022	3.52	9.00	42.50	1.33	0.65	June 6, 2027
01/2023	2.02	2.50	48.25	3.01	0.79	Sept 11, 2028
01-02/2024	1.82 - 2.40	1.70 - 3.00	47.58 - 54.34	2.50 - 2.66	0.84 - 1.04	Jan 10, 2029 - Mar 26, 2029
01/2025	1.26	1.40	52.45	2.15	0.56	Jan 1, 2030

8. Net debt

The book value of Nanoform's net debt is summarized in the table below:

EUR thousand	Dec 31, 2024	Dec 31, 2023
Cash and cash equivalents	-36,471	-14,232
Short-term government bonds	-4,982	-33,261
Net debt excluding lease liabilities	**-41,454**	**-47,493**
Current lease liabilities	1,195	1,054
Non-current lease liabilities	4,365	5,203
Net debt	**-35,894**	**-41,235**

9. Financial assets and liabilities

Dec 31, 2024 EUR thousand	Fair value hierarchy	Financial assets at fair value	Financial assets at amortized cost	Carrying amount	Fair value
Quoted shares	1	996		996	996
Short-term government bonds			4,982	4,982	4,984
Trade receivables			816	816	816
Other receivables			735	735	735
Cash and cash equivalents			36,471	36,471	36,471
Total		**996**	**43,004**	**44,000**	**44,002**

EUR thousand	Fair value hierarchy	Financial assets at fair value	Financial assets at amortized cost	Carrying amount	Fair value
Trade payables			1,188	1,188	1,188
Lease liabilities			5,560	5,560	5,560
Total			**6,748**	**6,748**	**6,748**

Dec 31, 2023 EUR thousand	Fair value hierarchy	Financial assets at fair value	Financial assets at amortized cost	Carrying amount	Fair value
Quoted shares	1	1,479		1,479	1,479
Short-term government bonds			33,261	33,261	33,030
Trade receivables			418	418	418
Other receivables			393	393	393
Cash and cash equivalents			14,232	14,232	14,232
Total		**1,479**	**48,304**	**49,783**	**49,552**

EUR thousand	Fair value hierarchy	Financial assets at fair value	Financial assets at amortized cost	Carrying amount	Fair value
Trade payables			883	883	883
Lease liabilities			6,257	6,257	6,257
Total			**7,140**	**7,140**	**7,140**

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price.

Level 2: Financial instruments that are not traded in an active market are valued using valuation procedures that minimize the reliance on entity-specific estimations and maximize the use of observable market data to calculate their fair value. An instrument is included in level 2 if all relevant inputs needed to determine its fair value are observable.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

10. Related party transactions

Related parties are the persons or entities related to any of the companies belonging to the Nanoform Group according to the IAS 24 standards.

Compensation recognized as an expense for the members of the Board of Directors:

	1-12/2024		
EUR thousand	**Fees settled in cash**	**Fees settled in shares***	**Share-based payments**
Miguel Maria Calado	79	79	
Albert Hæggström, CFO	38	38	
Mads Laustsen	49	49	
Jeanne Thoma	49	49	
Total	**215**	**215**	

	1-12/2023		
EUR thousand	**Fees settled in cash**	**Fees settled in shares***	**Share-based payments**
Miguel Maria Calado	47	47	
Albert Hæggström, CFO	23	23	
Mads Laustsen	29	29	
Jeanne Thoma	29	29	
Total	**128**	**128**	

* Fees settled in shares include transfer tax.

Total board compensation remained the same in 2023 and 2024. In 2023 Board compensation was paid in four installments and in 2024 Board compensation as one installment after AGM decision. The last installment 2023 was paid in Q1 2024 raising the cost for 2024.

Compensation for CEO and Management team

	1-12/2024		
EUR thousand	**Salaries and other short-term employee benefits**	**Post-employment benefits**	**Share-based compensation**
CEO	190	34	183
Management team*	1,007	187	537
Total	**1,197**	**221**	**720**

	1-12/2023		
EUR thousand	**Salaries and other short-term employee benefits**	**Post-employment benefits**	**Share-based compensation**
CEO	280	50	
Management team*	1,131	203	134
Total	**1,410**	**252**	**134**

* The management team without CEO, whose employee benefit expenses are presented separately

Liabilities to key management

The following related party balance is included in the consolidated statement of financial position:

EUR thousand	Dec 31, 2024	Dec 31, 2023
Liabilities to key management	77	125
Total	**77**	**125**

11. Commitments and contingencies

The Group's purchase order based commitments related to services and property, plant, and equipment amounted to EUR 4,315 (4,167) thousand at the end of the review period.

The Group's management is not aware of any open disputes or litigations, which could have a significant impact on the Group's financial position. At the reporting date the Group doesn't have any contingent liabilities.

12. Events after the review period

The Group does not have material events after the reporting date.

13. The Board of Directors proposal for the distributable equity

The Board of Directors proposes to the Annual General Meeting that the year's parent company's loss of EUR -23,508,159 will be transferred to the accumulated deficit and that no dividend will be paid. The parent company's distributable equity on December 31, 2024, totaled to EUR 59,698 (2023: 66,705) thousand.

Appendix 1

Key figures

EUR thousand	10-12/2024	10-12/2023	1-12/2024	1-12/2023	1-12/2022	1-12/2021
Revenue	750	401	2,778	2,566	3,487	1,955
Revenue growth %	87%	-59%	8%	-26%	78%	185%
Gross profit	615	296	2,226	1,717	3,147	1,792
Gross margin	82%	74%	80%	67%	90%	92%
EBITDA	-5,399	-5,352	-21,015	-19,597	-19,027	-17,745
Operating loss	-6,202	-6,121	-24,236	-22,476	-21,409	-19,705
Loss for the period	-5,693	-5,338	-23,428	-20,756	-22,075	-19,690
Basic EPS (EUR)	-0.07	-0.07	-0.28	-0.26	-0.29	-0.29
Net debt	-35,894	-41,235	-35,894	-41,235	-61,807	-68,070
Net debt excluding lease liabilities	-41,454	-47,493	-41,454	-47,493	-68,740	-75,733
Investments in property, plant, and equipment	-472	-546	-1,582	-3,477	-8,965	-7,737
Operating free cash flow	-5,871	-5,898	-22,597	-23,075	-27,992	-25,482
Cash and cash equivalents excluding short-term government bonds (end of period)	36,471	14,232	36,471	14,232	68,740	75,733
Cash and cash equivalents including short-term government bonds (end of period)	41,454	47,493	41,454	47,493	68,740	75,733
Personnel at the end of reporting period	181	165	181	165	150	125

Calculation of key figures

Key figure	Definition	Reason to the use
Revenue growth %	Percentage increase in revenue between two periods of time	Revenue growth indicates the success of the Nanoform business in its growth trajectory
Gross profit	Revenue - Materials and services	Gross profit is the margin, which the Group generates, when its service production related expenses has been decreased
Gross margin	Gross profit/revenue	A complement to the absolute gross profit, showing the proportion of income that is left after direct material costs and external services have been subtracted from the revenues
EBITDA	Operating loss before depreciation, amortization, and impairments	EBITDA is an indicator of the operating result before investments, i.e. a proxy for cash flow generated by operations, if investments roughly equals depreciations
Loss for the period	Loss for the period as presented in the comprehensive income statement	Loss for the period shows the net profit for the Group's owners
Basic EPS	The loss for the period/the weighted average number of ordinary shares during the year	Measure describes the division of profit to each share
Net debt	Short-term loans + Long-term loans + Short-term lease liabilities + Long-term lease liabilities - Cash and cash equivalents and liquid investments	Net debt is an indicator to measure the total external debt financing of Nanoform
Net debt excluding lease liabilities	Short-term loans + Long-term loans - Cash and cash equivalents	Net debt excluding lease liabilities is an indicator to measure the total external debt financing of Nanoform without lease liabilities
Investments in property, plant, and equipment	Investments in property, plant, and equipment as presented in cash flow statement	Measure generates further information for the cash flow needs of investments
Operating free cash flow	EBITDA - growth capex	Free cash flow indicates the cash flow that is largely available for e.g. paying dividends

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Financial calendar

May 20, 2025, Interim Report January-March 2025

August 21, 2025, Half-year Financial Report January-June 2025

November 20, 2025, Interim Report January-September 2025

February 26, 2026, Annual review 2025, Financial statements Review 2025