PILA PHARMA AB

Norra Vallgatan 72
211 22 Malmö
Sweden

pilapharma.com

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PILA PHARMA PUBLISHES INTERIM REPORT (1 JANUARY – 30 JUNE 2025)

PILA PHARMA AB (publ) (FN STO: PILA), an innovative biotech company developing novel oral drugs based on TRPV1 inhibition for treatment of obesity and diabetes, today publishes the Company´s interim report for the period January – June 2025.
The report can be found on the Company's website: https://pilapharma.com/financial-reports/

SUMMARY OF INTERIM REPORT

First Half year (1 January – 30 June 2024)
- Operating income amounted to TSEK 851 (681)
- The operating result (EBIT) totalled to TSEK - 4 092 (- 4 082)
- The result for the period totalled to TSEK - 4 102 (- 4 086)
- Earnings per share, basic and diluted, were SEK – 0.15 (- 0.17)
- Cash flow for the first half year totalled to TSEK - 3 811 (- 3 411), whereof the cash flow for the operating activities totalled to TSEK – 3 811 (- 3 411)
- The Company's cash amounted to TSEK 1 082 (2 543) in the end of 30 June 2025
- Equity amounted to TSEK 1 159 (2 575)
- The Company's solvency ratio amounted to 33 % (57 %)

SIGNIFICANT EVENTS DURING THE FIRST HALF YEAR (1 JANUARY– 30 JUNE 2025)

- **30 April 2025:** PILA PHARMA proactively moves forward with PP-CT03 clinical trial application for study in people living with obesity and diabetes

- **19 June 2025:** The Board of Directors of PILA PHARMA has resolved to carry out a rights issue of units of approximately SEK 20 million

SIGNIFICANT EVENTS AFTER THE PERIOD

- **21 July 2025:** PILA PHARMA announces the outcome of its oversubscribed (293,5%) rights issue, raising SEK 19.99 million and resolves on a directed issue for over-allotment, raising a further SEK 8,95 million

- **21 July 2025:** As part of a directed issue for over-allotment, the Board of Directors approved, investment in units through set-off of executive remuneration of SEK 1.25 million for Gram Equity Invest AB, joint holding Company of the CEO Gustav Hanghøj Gram together with Chairman of the Board, Dorte X. Gram

- **23 July 2025:** The board of directors of PILA PHARMA resolves to carry out a directed issue of units to underwriters in the previously ended rights issue. The Board of Directors approved remuneration as set-off of units for underwriters for a total value of SEK 975.000

- **19 August 2025:** PILA PHARMA announces the completion of registration of shares in the rights issue and its associated directed issues to underwriters and over-allotment, marking the end of the rights issue process

CEO comments:

"With more than 1 billion people living with obesity, and more than 4 billion living with overweight, ***the future obesity market should focus on simple and accessible solutions for oral administration****. In the spring we started probing for interest in our drug candidate, as an alternative tablet solution for treating obesity.*

The response was overwhelmingly positive: *PILA PHARMA's TRPV1 antagonist project is a very interesting, oral solution, highly differentiated to other drug classes, it has lots of safety and efficacy data already – but lacks proof of concept data in obesity. So we decided to do* ***'a bet on obesity'****.*

The aim would be to demonstrate Proof-of-Concept in a validated in-vivo animal obesity model, as well as in humans living with obesity. However, to achieve that, more funds were necessary. As such, we set out to assess how to best raise the necessary funds.
We decided on a rights issue of units, ***a highly de-risked model that backloads the risk for investors****.*

The rights issue was, remarkably, very strongly underwritten *due to great support from existing shareholders, and* ***the final result was a staggering oversubscription to 293,5%.*** *The board decided to include an over-allotment in light of the overwhelming interest.*

The Company was in total funded SEK 29.915.584 *before set off's and costs. We now have the means to set things in motion, create value-adding results and pioneer further development of this very special TRPV1 inhibitor.* ***We have a highly optimistic and positive outlook*** *on the Company's trajectory in the short to medium term, and look forward to initiating the studies in order to assess our wholly owned drug, as a potential new first-in-class candidate and* ***secure a compelling and meaningful data package for obesity.***

Thus, it's a really exciting time to be PILA PHARMA shareholder, as we embark on the journey to develop a differentiated and scalable novel tablet for the treatment of obesity. We thank our investors for their continued faith in us and look forward to creating results - the process is already underway!"

For more information:
Gustav H. Gram, CEO
M: ghg@pilapharma.com

This information is such information that PILA PHARMA AB is obliged to publish in accordance with the EU Market Abuse Regulation. The information was submitted for publication on 27 August 2025 at 08:00 CEST.

Pila Pharma's share ticker PILA is subject to trade on Nasdaq First North Growth Market, Sweden with Aqurat Fondkommission AB as Certified Adviser. Contact: M: *info@aqurat.se*, T: +46 (0)8 684 05 800

About PILA PHARMA AB (Publ)

PILA PHARMA is a Swedish biotech company based in Malmö, Sweden. The aim of the company is to develop TRPV1 inhibitors as a novel treatment of type 2 diabetes and potentially of other diseases with an inflammatory background. The Company owns a TRPV1 asset with data and chemical entities including the development candidate XEN-D0501. Further, the Company owns use-patents covering the use of TRPV1-antagonists as treatment of obesity and diabetes and intends to submit further patents regarding the synthesis, formulation, or use of XEN-D0501 or back-up compounds. In July 2022, the Company was awarded orphan drug designation ("Orphan drug designation") for XEN-D0501 as a treatment for erythromelalgia. PILA PHARMA currently focuses on 3 projects within Obesity & Type-2 Diabetes, Erythromelalgia, and Abdominal Aorta Aneurysm.

About XEN-D0501 and TRPV1 antagonists

XEN-D0501 is a selective, synthetic potent small molecule TRPV1 antagonist that was in-licensed in 2016. TRPV1 antagonists that down-regulate neurogenic inflammation, has demonstrated applications across pain and inflammatory diseases and potentially plays a role in diabetes and potentially other metabolic disorders like obesity. TRPV1 antagonists have been shown to prevent glucose intolerance and body weight gain in spontaneously obese pre-diabetic rats. These results pointed to a new and previously undiscovered role of TRPV1 in regulating both blood glucose and body weight. Prior to in-licensing, XEN-D0501 had been found to have a good safety profile in other (non-diabetic) patient groups. PILA PHARMA has to date completed two phase 2a clinical trials (PP-CT01 and PP-CT02), that both demonstrated that XEN-D0501 is well tolerated by in people living with obesity and type 2 diabetes. Further, PP-CT02, demonstrated that XEN-D0501 (administered as 4 mg bi-daily for 28 days) - with statistical significance versus placebo - enhanced the endogenous insulin response to oral glucose. Furthermore, ANP, a cardiovascular biomarker for heart failure, was highly statistically significantly reduced. During 2023 the Company could report very good tolerability of XEN-D0501 following 13 weeks administration of very high doses in 2 animal species, and XEN-D0501 can thus progress into longer clinical trials. Currently, clinical phase 2a trial, PP-CT03, is being prepared and will be followed by a clinical trial application submission in the UK. The objective of the study is to identify the maximal tolerable dose of XEN-D0501 in people living with obesity and type 2 diabetes and to evaluate the safety profile following 3 months chronic treatment. In addition to the safety assessment, PP-CT03 will also include sufficient participants that should allow for efficacy readouts on reduction of body weight.
The Company is now, from autumn 2025, preparing to assess the drug candidate in preclinical obesity studies as well as clinical studies in humans living with obesity and diabetes.
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About Obesity and Diabetes

Obesity is pandemic with estimates of more than 1 billion people suffering from it in 2025. It is most often preceding the development of type 2 diabetes and is a serious risk-factor for not only developing type 2 diabetes but also co-morbidities resulting in "whole body dysfunction" and subsequent development of several diseases. The accumulated effect is a year-long reduction in quality of life for obese people with or without diabetes. Obesity leads to an increased risk of developing cardiovascular disease that eventually results in premature death and shortening of life duration. Recent advances by "Big Pharma" in the development of effective anti-obesity drugs, has proven that pharmacological weight management is possible and leads to obvious quality-of-life and longevity benefits for people living with obesity. Even long-term, public health costs are expected to be reduced if the clinically negative

effects of the obesity pandemic are limited. This has sparked a general interest in future potential oral treatments that can meet the accessibility criteria needed to stimulate growing demand, and several acquisitions have been done in the obesity segment recently.
Diabetes is a similar spanning pandemic with strong ties to obesity, and with a staggering estimated prevalence of more than 828 million people living with diabetes corresponding to approximately 8-10% of the global adult population. Among these, its estimated that more than approximately 90 % of all diabetics suffer from type-2 diabetes, whilst approximately less than 10% suffers from type-1 diabetes. Despite recent therapeutic advances, large and growing unmet needs exist both from efficacy, safety, and accessibility standpoints.
The Company is now, from autumn 2025, preparing to assess the drug candidate in preclinical obesity studies as well as clinical studies in humans living with obesity and diabetes.

About Erythromelalgia

Erythromelalgia is a rare disease where neurogenic inflammation plays a role in the development of symptoms. The disease can cause near-constant or episodic pain (ranging from mild tingling to severe burning sensations), and redness to extremities. It most commonly affects the feet but may also occur in the hands, face, or other parts of the body with both nerves and blood vessels involved. Symptoms are frequently managed through avoidance of pain triggers. The disorder can be extremely debilitating, with a significant negative impact on quality of life and with potential to impact mortality rates among young people and the suicide rates among adults. Pila Pharma aims to conduct a small proof of concept study in persons with erythromelalgia to demonstrate an effect of XEN-D0501 on reducing perceived pain during "flare ups". There are no current treatments available to patients.
PILA PHARMA has made a draft clinical development plan for this project, and it is available for out-licensing.

About Abdominal Aorta Aneurysm

Abdominal aorta aneurysm is a cardiovascular disease with 'ballooning' of the lower part of the main artery of the body, aorta. The cause is unknown, but risk factors are atherosclerosis, high blood pressure, cardiovascular inflammation and infection as well as trauma. It affects millions of people globally and accounts for the death of 1% of men over the age of 65. It develops gradually over several years up to a dilatation of more than 3mm in diameter when surgery to insert a stent to prevent rupture is then the only treatment option, which is both expensive and with possibility for complications. Currently no preventive treatment is available. In November 2023 a research collaboration was entered with Uppsala University. In December 2024, PILA PHARMAs TRPV1 inhibitor, XEN-D0501, was shown to significantly reduce abdominal aorta aneurysm growth in mice, establishing preclinical proof-of-concept.
The project should be able to progress to proof-of-concept clinical trials and is available for out-licensing.