PILA PHARMA AB

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PILA PHARMA INFORMS OF OPTIMIZATION CHANGES TO TRIAL PLAN

PILA PHARMA AB (publ) (FN STO:PILA) today announces it has chosen to alter the operational plan for its next clinical trial, PP-CT03, a phase 2a safety and tolerability trial in people living with obesity and type 2 diabetes.

On 25 July, PILA PHARMA entered into agreement with a UK based clinical research organisation on supply of clinical research services to specifically assist with the submission of a clinical trial application for approval for PP-CT03.

The aim was to conduct PP-CT03 at the clinical research organization's own non-hospital clinical trial site and use digital centric approaches to all facets of trial execution to proactively seek to reduce clinical trial timelines and increase quality through technology.

However, concerns about the non-hospital site's ability to handle problematic safety events has been raised internally. Although the benefit/risk profile of XEN-D0501 has been found to be positive in the previous 8 clinical trials conducted, it is impossible to predict the safety profile at doses that are higher than what has previously been tested. The clinical project team has therefore, today, concluded that PP-CT03 must be conducted at least in the initial part at a hospital site and has thus decided to change the plan for the conduct of PP-CT03.

CSO, Dorte X. Gram comments: "*This is a true "better safe than sorry" decision to revert to the original plan of conducting PP-CT03 at a hospital site. Obviously the down-side will be a slighty longer CTA submission timeline, due to the extra work to include a hospital site in our regulatory submission package.*
However, the up-side is that we can better increase the doses to the maximal tolerable level. Knowing these maximal tolerable dose levels is key for the later phase 2b study.
We will be able to provide the best care for any participant that might experience safety problems, and, we may furthermore benefit from some of the hospitals' sophisticated tools and tests to include in the trial, for instance, body scans to better understand and explain the nature of a given body weight loss."

CEO, Gustav H. Gram comments:
"*As expressed previously, in this trial we want to demonstrate good safety and tolerability of higher doses of our lead molecule, XEN-D0501. But we also aim to see if we can demonstrate a loss of body weight. Recently the industry has increasingly looked at weight loss quality and the benefits of more "lean functional weight loss". If we can use this alteration of the study plan to achieve more meaningful information on our molecule's properties for "functional weight loss", meaning if the body weight loss is mostly fat-mass or muscle-mass, it would be a real optimization of the results package that should outweigh any potential delay. As such I agree with the proposed solution from our clinical team, so we can continue to progress and work to create shareholder value. The PILA team will now assess the potential effects on costs and timelines to keep the market properly guided."*

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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 17 October 2024 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: ca@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 antagonists 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 Type-2 Diabetes, Erythromelalgia, and Abdominal Aorta Aneurism.

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. 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 type 2 diabetic patients. 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, the next clinical phase 2a trial, PP-CT03, is being prepared. The objective is identifying the maximal tolerable dose of XEN-D0501 in obese people with type 2 diabetes and evaluate the safety profile following 3 months chronic treatment. In addition to the safety assessment, PP-CT03 will also include sufficient participants to allow for efficacy readouts on reduction of body weight.

About Diabetes and Obesity
Diabetes is a globally spanning pandemic with a staggering estimated prevalence of more than 537 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.
Obesity is an even larger 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.

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 development plan for this project.

About Abdominal Aorta Aneurism
Abdominal Aorta Aneurism is a cardiovascular disease with 'balooning' 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 Professor Dick Wågsäter from Uppsala University for investigating the effect of XEN-D0501 on Abdominal Aorta Aneurism growth in mice.