

Xlife Sciences publishes 2022 results and 2023 outlook

Xlife Sciences AG (SIX: XLS) today reported its 2022 results and 2023 outlook. The company also published the independent valuation report covering its project portfolio as of December 31, 2022.

Operational progress in 2022

As at December 31, 2022, Xlife Sciences had 26 project companies. Among other things, they made the following pleasing progress in the reporting year:

- Veraxa Biotech was able to further expand its business model in the last financial year. In addition to working on customer projects in the identification of therapeutic antibodies, the development of its own pipeline of therapeutic antibodies for its own product strategy and licensing business was added.
- The Swiss-based licensing partner Baliopharm positively completed the clinical phase I trial of the therapeutic antibody ATROSIMAB for the treatment of non-alcoholic steatohepatitis and potentially other chronic liver diseases. Licensing discussions with global pharmaceutical companies were initiated.
- Laxxon Medical has developed a process to produce so-called "structured" tablets, based on a proprietary 3D screen printing technology. This enables controlled release of multiple doses of a drug at different times. With the granting of the US patent for the release of active pharmaceutical ingredients, Laxxon Medical secured access to the world's most important pharmaceutical market.
- FUSE-AI has been selected as a strategic partner in the field of digitalisation by the pharmacy associations and federations of all 16 German states. And the certification of the artificial intelligence (AI)-based AI software for improved detection of prostate cancer is expected to be completed in Q2 2023 - also the starting signal for the global market launch.
- inflamed pharma has received a patent from the United States Patent and Trademark Office to produce the active ingredient ProcCluster® as well as for its use in pharmaceutical dosage forms and their production. An improved infusion solution for pain therapy was established and sales of ProcCluster® more than doubled. Furthermore, the international distribution network is being steadily expanded.
- alytas therapeutics and a spin-off of the German Diabetes Center signed a cooperation agreement to accelerate research into novel antibody-based therapeutic concepts for the treatment of morbid obesity.
- In 2022, palleos healthcare, Xlife Sciences' contract research organisation (CRO), has successfully helped drive product development of Xlife Science project companies to achieve preclinical and clinical proof of concept goals via strategic consulting. Ongoing breast cancer projects with Roche are expected to deliver latest results in 2023, as well as results from a joint digital health study with Pfizer.

Another goal in the reporting year was to expand the portfolio and strengthen cooperation between the individual projects. A good example of this is the biosurgery company novaxomx, a joint venture between Xlife Sciences and curasan, a leading global provider of biomaterials for bone and tissue regeneration in dental and orthopaedic surgery. novaxomx's research and development approach is based on the patented "exosome" technology of Xlife Sciences' project company Lysatpharma.

Xlife Sciences has also developed a sustainability strategy in 2022. The purposeful management of the ESG (Environment, Health, Safety) priorities of Xlife Sciences lies with the "ESG Committee" under the leadership of Board member Désirée Dosch. As part of the ESG strategy, a Code of Conduct was developed, which is now to be implemented in the portfolio companies.

Oliver R. Baumann, CEO of Xlife Sciences, says: *"Despite the tense geopolitical situation and the corresponding effects on the financial market, our company has developed positively in the reporting year. This is evidenced by the operational progress made by our 26 project companies over the last twelve months. Additionally, we have made further improved our operational processes."*

Portfolio valuation 2022

The Valuation Report 2022 of the independent consultancy Cylad Experts determined a portfolio valuation in the range of CHF 575 million to CHF 703 million as of December 31, 2022. The average value of this range thus corresponds to a factor of 3.5 compared to the current market capitalisation of Xlife Sciences. By comparison, as of December 31, 2021, the valuation range was between CHF 574 million and CHF 701 million.



Carl von Halem, CFO of Xlife Sciences, comments: *“In view of the challenging market environment and the lower company valuations observed in many transactions during 2022, the stable year-on-year valuation of our portfolio confirms Xlife Sciences’ strategy, which is attractive to investors and oriented towards the long term.”*

With Intron Health Research, Baader Bank and Stifel, the Xlife Sciences share is now rated by three financial institutions. This means that investors can obtain information about the company in the form of independent reports. All three analysts rate the share with a buy recommendation (“Buy”).

Financial key figures 2022:

- From the provision of services to project companies, Xlife Sciences generated revenues of approximately CHF 1,03 million in 2022 (2021: CHF 806’066).
- Earnings (non-diluted) per share were to CHF 2.72 (previous year: 11.30).
- The total balance sheet of the company as of December 31, 2022 amounts to CHF 490.2 million (as at December 31, 2021: CHF 480.1 million).
- Shareholders’ equity was CHF 337.7 million (as of December 31, 2021: CHF 319.2 million).

Outlook 2023

The start of the current business year 2023 was dynamic:

- In January, the new project company XRNA Biotech was founded with headquarters in Zurich. The company’s goal is to develop innovative RNA-based active substances.
- Also in January, the Swiss project company Axenoll received a significant patent from the European Patent Office for a process to generate biological tissue.
- In February, saniva diagnostics received approval from the US Food and Drug Administration (FDA) for the marketing and sale in the US of NeuroMex, a proprietary screening device for the detection of neurodegenerative diseases.
- In March 2023 the sale of 31% of Xlife Sciences’ shares in the portfolio company Laxxon Medical generated proceeds of CHF 2.97 million.

The Board of Directors of Xlife Sciences has initiated a process to review strategic options at the end of 2022. The aim is to accelerate business development and increase shareholder value. One aspect of this is to gain additional resources and funding for Xlife Sciences to increase its freedom of action and make the company less dependent on events at the individual project companies. The process is progressing according to plan. Xlife Sciences will inform the market about the result in due course.

Oliver R. Baumann, CEO of Xlife Sciences, says: *“For 2023, the focus is, among other things, on the successful partnering of projects and thus creating added value for our investors. In addition, we will achieve further milestones in the project companies. To continue the exchange with our shareholders, we are already inviting them to our general meeting on 20 June in Zurich.”*

The complete Annual Report 2022 including the consolidated annual financial statements 2022 of the Xlife Group, the annual financial statements 2022 of Xlife Sciences AG and the remuneration report 2022 was also published today, 20 April 2023, at 7:00 am and is available for download as a pdf document (in German) at <https://www.xlifesciences.ch/news-kennzahlen> in the “Finanzberichte” section. An integral English version will be published promptly on <https://www.xlifesciences.ch/en/news-and-key-figures> in the section “Financial Reports” section.

Financial calendar

AGM 2023	June 20, 2023
Half-Year Report 2023	September 21, 2023

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About Xlife Sciences AG (SIX: XLS)

Xlife Sciences is a Swiss company focused as incubator and accelerator on the value development and commercialization of promising research projects from universities and other research institutions in the life sciences sector, with the aim of providing solutions for high unmet medical needs and a better quality of life. The goal is to bridge research and development to healthcare markets. Xlife Sciences takes carefully selected projects in the four areas of technological platforms, biotechnology/ therapies,



medical technology, and artificial intelligence/digital health to the next stage of development and participates in their subsequent performance. For more information, visit <https://www.xlifesciences.ch/en/home>

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