



Marinomed

Update Q1

2023

Dear shareholders,

Marinomed's Carragelose business shows resilience and stability: Q1/2023 showed again a strong performance. This underlines that our products have settled their position in the post-pandemic world. The seasonal common cold was back in Q1/2023 and after so much education about viruses, customers appreciate our broad-band virus blocking Carragelose products as a measure for protection and treatment. Furthermore, we have published clinical data demonstrating the efficacy of two different Carragelose nasal sprays in the treatment of allergic rhinitis. These data support the extension of our Carragelose business into allergic indications, thereby creating a non-seasonal all-year product portfolio. In line with this, we are currently in negotiations with our partners targeting to launch Carragelose already in the next allergy season in 2024. In the immunology segment, our clear focus is on the commercialization of our most valuable assets Budesolv and Tacrosolv, which is why we have intensified business development activities together with specialized experts in the first quarter.

Virology – Carragelose

The main focus of our virology business development team is the registration of Carragelose in the USA in the partnership with Procter & Gamble. Similar regulatory work is ongoing with our new partners in other regions. In addition, the recent registration of a competitor product as medical device in Japan created an additional opportunity for Marinomed and potential partners. The Japanese Consumer health care market is attractive and significantly bigger than important markets like e.g., the German market.

Immunology – Marinosolv

The Marinosolv technology allows the solubilization of compounds that are hardly soluble in aqueous formulations. Marinomed is applying the patented technology to its own R&D projects in immunological indications and in technology partnerships with third parties under the brand Solv4U.

For our two Marinosolv-based lead product candidates, Budesolv (clinical phase 3 completed) and Tacrosolv (phase 2 completed), we are actively working on the commercialization. Following our first Budesolv deal with the China-based company Luoxin Pharmaceutical, which generated a USD 2 million upfront payment in 2021, we are now supporting our partner in progressing the development and commercialization of the product for the treatment of allergic rhinitis according to local regulatory requirements in China. In parallel, business development activities are targeting the expansion into other regions. The second product candidate, Tacrosolv, is a Marinosolv-based formulation of the immunomodulator Tacrolimus, which we are developing for inflammatory eye diseases. A structured business development process for potential commercial partnerships is one of our key initiatives. Under the brand Solv4U, we offer our solubilization technology to third parties with the goal to enable new innovative products for our clients as well as future revenue streams for Marinomed. We continue growing this business segment and capitalizing on it by attracting new partners and jointly implemented projects.

Record sales and comfortable cash position

We report a record 38% rise in revenues to EUR 3.3 million for Q1 2023 (Q1 2022: EUR 2.4 million), for our Carragelose products. While these revenues included some order overhang from 2022, it demonstrates that Carragelose sustains its growth potential also in the post-pandemic environment. The operating result (EBIT) was EUR -1.4 million (Q1 2022: EUR -1.2 million). Aside from strong profitable sales of goods, higher R&D expenses and increased personnel costs contributed to the EBIT. Our reported cash position of EUR 7.0 million as of March 31, 2023, is the result of cost-conscious cash management.

Outlook for 2023 and beyond – focus on existing business and most valuable assets

Thanks to the strong clinical and scientific profile of our products and developments, we are optimistic for 2023 and beyond and therefore confirm our outlook. Our short-term strategic efforts focus on reaching operating profitability by growing our existing business and generating revenue with our late-stage product candidates. At the same time, we are striving to give the Company a better risk profile by running clinical trials in co-development with partners, which allows us to keep these costs at the current or a slightly lower level.

Our plan is based on three strategic pillars: First, strengthen our existing business and partnerships to ensure sustainable revenue growth and prepare for reaching profitability; second, establish new partnerships for our most valuable pipeline assets; third, adhere to our mission of improving the lives of patients with our innovations for unmet medical need.



Andreas Grassauer



Eva Prieschl-Grassauer



Pascal Schmidt

Statement of profit or loss and other comprehensive income (loss)

all amounts in kEUR	1-3/2023	1-3/2022
Profit or loss		
Revenues	3,319.0	2,411.6
Other income	102.2	129.0
Expenses for materials	-2,154.4	-1,495.8
Expenses for services	-724.0	-436.0
Personnel expenses	-1,276.1	-1,185.6
Depreciation and amortization	-167.3	-168.2
Other expenses	-490.4	-495.8
Operating result (EBIT)	-1,391.0	-1,240.9
Financial income	-	0.0
Financial expenses	-667.8	-595.7
Financial result	-667.8	-595.7
Loss before taxes	-2,058.8	-1,836.6
Taxes on income	-1.0	-1.0
Loss for the period	-2,059.8	-1,837.6
<i>Thereof attributable to the shareholders of the Company</i>	<i>-2,059.8</i>	<i>-1,837.6</i>
Other comprehensive income (loss) for the period	-	-
Total comprehensive loss for the period	-2,059.8	-1,837.6
<i>Thereof attributable to the shareholders of the Company</i>	<i>-2,059.8</i>	<i>-1,837.6</i>

Statement of financial position

	31.03.2023	31.12.2022
all amounts in kEUR		
ASSETS		
Non-current assets		
Intangible assets	1,733.9	1,804.1
Property, plant and equipment	6,220.1	6,203.3
Deposits and other non-current receivables	10.1	11.6
	7,964.2	8,019.0
Current assets		
Inventories	1,298.2	1,562.1
Trade and other receivables	3,187.5	4,527.4
Current tax receivables	2.8	2.8
Cash and cash equivalents	7,022.4	8,175.4
	11,510.9	14,267.5
Total assets	19,475.1	22,286.6

	31.03.2023	31.12.2022
all amounts in kEUR		
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	1,519.2	1,506.2
Capital reserves	44,728.9	44,092.1
Retained losses	-51,815.1	-49,755.3
	-5,567.0	-4,157.1
Non-current liabilities		
Non-current borrowings ¹⁾	20,081.8	20,182.1
Other non-current liabilities	282.5	304.9
	20,364.3	20,486.9
Current liabilities		
Current borrowings	1,814.0	2,445.6
Trade payables	475.3	1,153.2
Current contract liabilities and other current liabilities	2,388.5	2,357.9
	4,677.7	5,956.7
Total equity and liabilities	19,475.1	22,286.6

¹⁾ The line item includes the EIB loan of which the 1st tranche is due in October 2024 (nominal amount: EUR 4 million) and the 2nd tranche due in December 2025 (nominal amount: EUR 5 million), both including accrued interest

Statement of cash flows

	1-3/2023	1-3/2022
all amounts in kEUR		
Cash flow utilized by operating activities	-755.8	-979.5
Cash flow utilized by investing activities	-26.4	-41.8
Cash flow generated from financing activities	-370.8	6,895.9
Total change in cash & cash equivalents	-1,153.0	5,874.6
Cash & cash equivalents at beginning of period	8,175.4	5,802.1
Cash & cash equivalents at end of period	7,022.4	11,676.8

Statement of changes in equity

all amounts in kEUR	Nominal capital/ Share capital	Capital reserves	Retained losses	Total
December 31, 2021	1,480.2	42,068.8	-43,357.6	191.4
Loss for the period	-	-	-1,837.6	-1,837.6
Total comprehensive income (loss) for the period	-	-	-1,837.6	-1,837.6
ESOP 2019	0.9	66.7	-	67.6
Convertible notes	11.3	962.9	-	974.2
March 31, 2022	1,492.3	43,098.4	-45,195.2	-604.5
December 31, 2022	1,506.2	44,092.1	-49,755.3	-4,157.1
Loss for the period	-	-	-2,059.8	-2,059.8
Total comprehensive income (loss) for the period	-	-	-2,059.8	-2,059.8
ESOP 2019	-	1.2	-	1.2
Convertible notes	13.0	635.7	-	648.7
March 31, 2023	1,519.2	44,728.9	-51,815.1	-5,567.0

Research and development expenses

all amounts in kEUR	1-3/2023	1-3/2022
Personnel expenses	-579.5	-532.9
Expenses for services	-521.6	-301.8
Expenses for materials	-25.1	-31.2
Other expenses	-111.2	-103.6
Depreciation and amortisation	-121.8	-124.7
Financial expenses	-579.5	-477.4
Total	-1,938.8	-1,571.6

Legal notice

Marinomed Biotech AG

Hovengasse 25
2100 Korneuburg
Austria
www.marinomed.com

Contact

Pascal Schmidt, Chief Financial Officer
Stephanie Kniep, Investor Relations
Tel. +43 2262 90 300
ir@marinomed.com

Disclaimer

Produced in-house in collaboration with ns.publish

Due to the financial rounding of individual items in this update, it may contain minor calculation differences.

These interim condensed consolidated financial statements of Marinomed Biotech AG was neither fully audited nor reviewed by the Company's statutory auditor.

This update includes forward-looking statements that have been made on the basis of information available at this point in time. As a result of various unforeseen factors, the actual development may deviate from the presented expectations. Marinomed Biotech AG will not update these forward-looking statements, neither on the basis of changed actual circumstances nor on the basis of changed assumptions or expectations. This update is not and shall not be construed as an offer, invitation, recommendation or solicitation to sell, issue, purchase or subscribe for any securities of Marinomed Biotech AG.

Rounding and spelling mistakes reserved.
Published in May 2023



www.marinomed.com