

Marinomed reports on strong 2021 financial year

- Highest revenues in company's history at € 11.6 m (2020: € 8.1 m; +43 %)
- Highlights: first partnership for Budesolv; promising topline data of phase II clinical trial with Tacrosolv; strong demand for Carragelose products
- Presentation of augmented strategy and positive outlook
- Marinomed reviewing various funding opportunities, including equity funding options

Korneuburg, Austria, 13 April 2022 – Marinomed Biotech AG (VSE:MARI), an Austrian science-based biotech company with globally marketed therapeutics, today announced encouraging results for the 2021 financial year. The upfront payment from the first Budesolv licensing agreement and strong demand for Carragelose products helped the Company to generate the highest revenues in its history, while the operating result (EBIT) for the full year also improved considerably once again.

“We look back on a highly successful financial year. Entering into the first partnership for Budesolv was a particular highlight for Marinomed. With Luoxin Pharmaceutical, a major pharmaceutical company in China, we have gained a strong development and commercialisation partner for their local markets. Launching the Solv^{4U} business unit was another key step, as it will help us make our Marinosolv technology accessible to external customers through technology partnerships”, said **Dr. Andreas Grassauer, CEO of Marinomed**. “In 2021, we also delivered important clinical data for Carragelose and Tacrosolv that unambiguously confirm the potential of our technologies. As a result, we have refined our strategy and are presenting it as part of the 2021 Annual Report. Based on our expertise, we are concentrating on the two therapeutic areas of virology and immunology with the aim of developing drugs designed to fight viral infections and autoreactive immune diseases. Our efforts in these areas will focus on illnesses with high unmet medical needs. We want to make these innovations available to patients worldwide by forming strong partnerships.”

“2021 was a highly successful year not just from a scientific perspective, but also in terms of our business performance. In addition to generating record revenues of € 11.6 m – an increase of 43 % compared to the previous year – we also continued the positive trend in EBIT of the last few years. We will use this as motivation to keep developing the Company on a successful trajectory,” added **Pascal Schmidt, CFO of Marinomed**.

Operational highlights in 2021 and after the reporting period

- Marinomed boosted the expertise of its team in key positions during the past financial year. As Chief Business Officer, Dr. Cornelia Kutzer has been responsible for expanding the Company's business development and partnering activities since the start of 2022, while Stephanie Kniep began supporting the capital market communications as Head of Investor Relations in the fourth quarter of 2021.

- Marinomed was once again ranked number 1 in a list of Austria's 50 largest listed companies in the Boston Consulting Group (BCG)'s Gender Diversity Index Austria 2021.
- Marinomed secured financing totalling up to € 5.4 m via a flexible Convertible Notes Funding Program (CNFP) from Swiss investment company Nice & Green S.A. and received the final tranche of € 6 m from its financing agreement with the European Investment Bank in February 2022. The Company is using these funds to invest in its own R&D pipeline.

Marinosolv

Marinomed made significant progress with its Marinosolv technology during the past year. Based on this, Marinomed will pursue the future development of drugs designed to fight autoreactive immune diseases.

- A dose-finding phase II clinical trial with Tacrosolv (eyedrops containing the immunosuppressant Tacrolimus solubilised using Marinosolv technology) yielded encouraging results. Data on the treatment of allergic rhinoconjunctivitis demonstrated the efficacy of Tacrosolv at different doses, supporting its further development to treat inflammatory eye diseases.
- The Marinosolv platform received patent protection in China.
- The first license agreement was signed for a product from the Marinosolv platform. Luoxin Pharmaceutical Group Stock Ltd. will develop Budesolv for Mainland China, Hong Kong, Macau, and Taiwan and subsequently market the product in this territory; the agreement includes upfront, milestone and royalty payments.
- Marinomed established the Solv^{4U} business area to make its proprietary Marinosolv technology accessible to external customers through technology partnerships.

Carragelose

- The market for traditional cold remedies experienced a dramatic slump during the 2020/21 season as a result of the COVID-19 preventive measures. However, the opposite was true for Marinomed's Carragelose products, which experienced strong demand that was further boosted by the emergence of the Omicron variant and new studies confirming Carragelose's efficacy against SARS-CoV-2 and its variants.
- The Company established new partnerships to expand global availability. M8 Pharmaceuticals is the new licensing partner for Carragelose-based products in Mexico and Brazil, while Perrigo Company plc is bringing Carragelose nasal sprays to the market in Finland, Norway, Sweden and France.

The following trial results were published:

- Topline results of the phase II clinical trial of Tacrosolv eye drops to treat allergic ocular inflammation caused by hay fever were announced in July 2021. This study was conducted in Vienna as a randomised, placebo-controlled, crossover, double-blind phase II clinical trial. The trial subjects received Tacrosolv eyedrops (50 µg / ml eyedrops) in either a high dose (2 drops per day) or low dose (1 drop per day) compared to placebo (3% propylene glycol in saline) in two treatment cycles. The

higher dose showed significant relief of allergic symptoms. This topline data supports the hypothesis that fully solubilised Tacrolimus can be an effective treatment for ocular inflammation.

- Marinomed and the Friedrich-Alexander-Universität Erlangen-Nürnberg released joint publications on the in vitro efficacy of Carragelose against SARS-CoV-2 in the peer-reviewed journal *PLOS ONE* in February 2021¹ and on the efficacy of Carragelose against the Alpha, Beta, Gamma and Delta variants of SARS-CoV-2 in the *International Journal of Molecular Sciences* in December 2021.²
- An independent group of researchers published clinical data with an iota-carrageenan nasal spray that shows an 80% reduction in COVID-19 cases among healthcare workers compared to placebo. The results were published in the *International Journal of General Medicine* in July 2021.³
- Positive clinical data for Carragelose lozenges were published in the *International Journal of General Medicine* in September 2021.⁴
- Marinomed initiated a clinical study with Inhaleen, an inhaled formulation of iota-carrageenan, to treat hospitalized patients with respiratory symptoms due to COVID-19.

Business and financial performance in 2021

Marinomed ended the year with a 43% **increase in revenues** to € 11.6 m (2020: € 8.1 m).

As planned, **research and development** spending rose by 26% to € 7.5 m (2020: € 5.9 m), the majority of which was used for clinical development projects. **Personnel expenses** amounted to € 4.5 m in 2021 (2020: € 4.1 m) and include expenses for the employee stock option plan. The increase is mainly due to growth in the workforce (+16% mean FTE (full time equivalents)). **Other expenses** amounted to € 2.1 m (2020: € 1.8 m).

The high level of investment in Marinomed's future growth trajectory was reflected in the Company's earnings performance. Despite this, the **operating result** (EBIT) was up year-on-year at € -4.1 m (2020: € -5.8 m). The **financial result** for 2021 was € -1.5 m (2020: € -0.2 m) and derives mainly from the loan disbursed by the European Investment Bank (EIB) in the amount of € 9.0 m. In 2020, an adjustment to the carrying amount of the EIB loan amounting to € 0.5 m had a positive effect on the financial result. The **loss for the period** improved slightly to € -5.9 m in 2021 (2020: € -6.0 m). Basic earnings per share were € -4.0 (2020: € -4.1).

Total assets amounted to € 21.3 m as at the 2021 reporting date (31 December 2020: € 23.5 m). **Equity** in accordance with IFRSs was € 0.2 m (31 December 2020: € 5.4 m).

Non-current liabilities increased to € 15.1 m (2020: € 12.5 m). This rise is mainly due to the drawdown of the second tranche of the ERP loan (€ 0.8 m) and the first tranche of the

¹ <https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0237480>

² <https://www.mdpi.com/1422-0067/22/24/13202>

³ <https://www.dovepress.com/efficacy-of-a-nasal-spray-containing-iota-carrageenan-in-the-postexpos-peer-reviewed-fulltext-article-IJGM>

⁴ https://www.dovepress.com/articles.php?article_id=68558

NÖBEG financing (€ 1.0 m) to finance the property for the new company headquarters. **Current liabilities** increased to € 6.0 m (2020: € 5.6 m).

Cash and cash equivalents fell to € 5.8 m (31 December 2020: € 9.2 m).

Selected financial figures for the 2021 financial year

All amounts in € thousand	2021	2020
Revenues	11,627.8	8,124.4
Personnel expenses	-4,461.7	-4,097.9
Operating result (EBIT)	-4,144.7	-5,816.0
Total comprehensive loss for the period	-5,891.3	-6,010.2
Basic earnings (loss) per share (in €)	€ -4.0	€ -4.1
Equity	191.4	5,357.6
Non-current liabilities	15,132.0	12,535.6
Current liabilities	6,013.7	5,608.4
Cash flow utilised by operating activities	-4,866.3	-6,884.9
Cash and cash equivalents	5,802.1	9,206.9
Total change in cash and cash equivalents	-3,404.8	-2,812.7

2022 outlook

Given its positive business performance in 2021 and promising start to the new financial year, Marinomed is optimistic about the current financial year 2022. The Company's augmented strategy focuses on the development of new therapeutics in the areas of virology and immunology and requires further investment in research and development. As a consequence, Marinomed once again expects to record an operating loss in 2022 and only anticipates achieving operating profitability in the medium term.

Marinomed Biotech AG is currently working hard to implement its 2025 strategy, which focuses on indications with high medical need in the therapeutic areas of viral infectious diseases and autoreactive immune diseases.

As part of the further refinement of Marinomed's strategy, the management board is currently reviewing various funding opportunities, including strategic partnerships, grants, and potential equity financing options via the capital markets.

Marinomed is aiming to take its innovative approaches to the next level and create sustainable value for patients, public healthcare systems, the company and its stakeholders. Marinomed will work hard in 2022 to further expand its business development efforts in line with the 2025 strategy, develop clinical protocols, and advance its research and development work.

Conference call details:

Marinomed Biotech AG will discuss these annual financial results in a conference call held in English today. The call is scheduled to start at 10.00 a.m. CEST. The discussion will be led by Dr. Andreas Grassauer, CEO, and Pascal Schmidt, CFO.

To register, please follow this link:

<https://services.choruscall.de/DiamondPassRegistration/register?confirmationNumber=4034864&linkSecurityString=854f6f3f0>

Participants will then receive an email with further information on how to join the conference call. The online presentation will start at the same time as the conference call. Only registered participants will be able to follow the online presentation.

The presentation will be available to download approximately 15 minutes before the start of the conference call. Please use the following link to the Company's homepage to access the presentation: <https://www.marinomed.com/en/investors/publications>

About Marinomed Biotech AG

Marinomed Biotech AG is an Austrian, science-based biotech company with a growing development pipeline and globally marketed therapeutics. The Company develops innovative patent-protected products in the therapeutic areas immunology and virology based on the platform Marinosolv® and the virus-blocking activity of iota-carrageenan. The Marinosolv® technology improves the solubility and bioavailability of hardly soluble compounds and is used to develop new therapeutics for autoreactive immune disorders. The virology segment includes Carragelose®-based over-the-counter (OTC) products to prevent and treat respiratory viral infections that are partnered in more than 40 countries. Marinomed also develops drugs for other serious viral infectious diseases based on iota-carrageenan. The Company is headquartered in Korneuburg, Austria, and is listed on the prime market of the Vienna Stock Exchange (VSE:MARI). For further information, please visit: <https://www.marinomed.com>.

For further inquiries contact:**Marinomed Biotech AG****PR: Lucia Mayr-Harting**

T +43 2262 90300 158

Email: pr@marinomed.com**IR: Stephanie Kniep**

T +43 2262 90300 226

Email: ir@marinomed.com**International Media Contact****MC Services AG**

Dr. Brigitte Keller, Dr. Regina Lutz

T +49 89 210228 0

UK: Shaun Brown

M: +44 7867 515 918

Email: marinomed@mc-services.eu**Disclaimer**

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