NurExone Biologic Inc. Announces Second Quarter 2025 Financial Results

TORONTO and HAIFA, Israel, Aug. 28, 2025 -- **NurExone Biologic Inc.** (TSXV: NRX) (OTCQB: NRXBF) (FSE: J90) ("**NurExone**" or the "**Company**"), a preclinical-stage biotechnology company pioneering exosome-based therapies for central nervous system injuries, is pleased to announce its financial results for the second quarter ended June 30, 2025 ("**Q2**"), and provide a corporate update on its recent activities and upcoming milestones.

The Company's full set of unaudited condensed interim consolidated financial statements for the six months ended June 30, 2025, and accompanying management's discussion and analysis can be accessed by visiting the Company's website at www.nurexone.com and its SEDAR+ profile at www.sedarplus.ca.

Key Business Highlights

- **C$2.3 million raised through Private Placement:** On April 10, 2025, NurExone completed a non-brokered private placement of 3,543,238 units (each, a "**April 2025 Unit**") at a price of C$0.65 per April 2025 Unit, raising gross proceeds of approximately C$2.3 million (the "**April 2025 Offering**"). Each April 2025 Unit consisted of (i) one common share in the capital of the Company (each, a "**Common Share**"), and (ii) one Common Share purchase warrant (each, a "**April 2025 Warrant**"). Each April 2025 Warrant entitles the holder thereof to purchase one Common Share at a price of C$0.85 per Common Share for a period of 36 months. The proceeds from the April 2025 Offering will be used primarily for working capital, and also to support general corporate purposes and clinical development activities.
- **Research and development and regulatory pathway.** On May 30, 2025, at the American Spinal Injury Association ("**ASIA**") Annual Meeting, the Company outlined plans to initiate a Phase 1/2a trial of ExoPTEN for acute spinal cord injury in 2026, subject to regulatory clearances.
- **Clinical readiness and manufacturing.** On June 4, 2025, NurExone reported new manufacturing process validation data derived from its proprietary Master Cell Bank, supporting scalability and consistency of exosome production and intended tech transfer to U.S. subsidiary Exo-Top Inc. ("**Exo-Top**") for Good Manufacturing Practices ("**GMP**") manufacturing.
- **Strategic programs and visibility.** On June 20, 2025, the Company was accepted into Advanced Regenerative Manufacturing Institute's ("**ARMI**") HealthTech Hub Accelerator to support U.S. growth and manufacturing strategy. During Q2, the Company also participated in investor and scientific venues, including the spinal cord injuries Investors Symposium (co-presented by the Christopher & Dana Reeve Foundation) on June 27, 2025.

Second Quarter 2025 Financial Results

- **Research and development expenses, net,** were US$0.70 million in the second quarter of 2025, compared to US$0.51 million in the same quarter of 2024. The increase was primarily due to US$0.09 million in higher service provider costs and related stock-based compensation, US$0.06 million in materials and other costs, and US$0.04 million in salaries and employee stock-based compensation.
- **General and administrative expenses** were US$1.13 million in the second quarter of 2025, compared to US$0.81 million in the same quarter of 2024. The increase was mainly driven by US$0.14 million in salaries and employee stock-based compensation, US$0.13 million in higher service provider costs and related stock-based compensation, and US$0.05 million in fees and other costs.
- **Net financial expenses** were US$0.02 million in the second quarter of 2025, compared to US$0.01 million in the same period of 2024.
- **Net loss** for the second quarter of 2025 was US$1.85 million, compared to a US$1.33 million in the same quarter of 2024.

Corporate Highlights and Business Update

- **GMP-Readiness:** Advanced manufacturing readiness anchored by the Company's Master Cell Bank.
- **Tech Transfer & Investigational New Drug Application ("IND") Pathway:** Continued planning for U.S. tech transfer to Exo-Top, progressed pre-IND/IND-enabling activities and towards first-in-human evaluation, subject to regulatory review.
- **Preclinical Package Expansion:** Broadened the preclinical package with additional analyses, yielding a robust, decision-relevant body of evidence aligned with the development plan.
- **Scientific & Strategic Engagements:** Presented findings at leading spinal cord forums (ASIA Annual Meeting and a Christopher & Dana Reeve Foundation forum) and were selected for ARMI's HealthTech Hub Accelerator to support U.S. strategy and partnerships.

Management Commentary

"We are de-risking scale and quality in a rigorous, validation-led manner through our Master Cell Bank–based manufacturing process and advancing U.S. tech transfer planning toward GMP-compliant manufacturing at Exo-Top. In parallel, we are expanding the ExoPTEN preclinical data set. Together, these steps are intended to position ExoPTEN for first-in-human evaluation, subject to regulatory review," said **Dr. Lior Shaltiel, Chief Executive Officer of NurExone**.

"*In Q2, we continued to advance our preparations and operating activities, with expenses tracking in line with plan. The April 2025 Offering further strengthened our cash position to support ExoPTEN and the Company's operations, and we remain disciplined in aligning spending with milestone objectives*," said **Eran Ovadya, Chief Financial Officer of NurExone**.

About NurExone

NurExone Biologic Inc. is a TSX Venture Exchange ("**TSXV**"), OTCQB, and Frankfurt-listed biotech company focused on developing regenerative exosome-based therapies for central nervous system injuries. Its lead product, ExoPTEN, has demonstrated strong preclinical data supporting clinical potential in treating acute spinal cord and optic nerve injury, both multi-billion-dollar markets[i]. Regulatory milestones, including obtaining the Orphan Drug Designation, facilitates the roadmap towards clinical trials in the U.S. and Europe. Commercially, the Company is expected to offer solutions to companies interested in quality exosomes and minimally invasive targeted delivery systems for other indications. NurExone has established Exo-Top Inc., a U.S. subsidiary, to anchor its North American activity and growth strategy.

For additional information and a brief interview, please watch Who is NurExone?, visit www.nurexone.com or follow NurExone on LinkedIn, Twitter, Facebook, or YouTube.

For more information, please contact:

Dr. Lior Shaltiel
Chief Executive Officer and Director
Phone: +972-52-4803034
Email: info@nurexone.com

Dr. Eva Reuter
Investor Relations – **Germany**
Phone: +49-69-1532-5857
Email: e.reuter@dr-reuter.eu

Allele Capital Partners
Investor Relations – **U.S.**
Phone: +1 978-857-5075
Email: aeriksen@allelecapital.com

FORWARD-LOOKING STATEMENTS

This press release contains certain "forward-looking statements" that reflect the Company's current expectations and projections about its future results. Wherever possible, words such as "may", "will", "should", "could", "expect", "plan", "intend", "anticipate", "believe", "estimate", "predict" or "potential" or the negative or other variations of these words, or similar words or phrases, have been used to identify these forward-looking statements. Forward-looking statements in this press release include, but are not limited to, statements relating to: the use of proceeds from the April 2025 Offering; the Company having scalability and consistency of exosome production; the Company continuing to plan and completing a tech transfer to Exo-Top for GMP manufacturing; the Company initiating phase 1/2a trials of ExoPTEN on the timelines indicated herein; the Company progressing towards pre-IND/IND-enabling activities and first-in-human evaluation; the Company receive all required regulatory clearances and approvals; the Company expending the ExoPTEN preclinical data set; the Company remaining disciplined in aligning spending with milestone objectives; and the Company offering solutions to companies interested in quality exosomes and minimally invasive targeted delivery systems for other indications.

These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof. In developing the forward-looking statements in this press release, we have applied several material assumptions, including: the Company will use the proceeds of the April 2025 Offering as outlined herein; the Company has the requisite scalability and consistency of exosome production; the Company will successfully plan and complete a tech transfer to Exo-Top for GMP manufacturing; the Company will initiate phase 1/2a trials of ExoPTEN and satisfy the timelines indicated herein; the Company will successfully progress towards pre-IND/IND-enabling activities and first-in-human evaluation; the Company has the ability to prepare regulatory submissions; the Company will receive all regulatory approvals; the Company will be within its spending milestone objectives; the Company will carry out its preclinical trials and realizing upon the benefits of the preclinical trials; the Company will have the ability to advance the optimization of ExoPTEN's manufacturing processes and analytical methods; and the NurExone platform technology has the ability to offer novel solutions to drug companies interested in minimally invasive targeted drug delivery for other indications, including recovery of optic nerve function and overall visual health.

Forward-looking statements involve significant risk, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. These risks and uncertainties include, but are not limited to: the Company lacks the requisite scalability and consistency of exosome production; the Company will not use the proceeds of the April 2025 Offering as outlined herein; the Company will not complete a tech transfer to Exo-Top for GMP manufacturing or face delays in satisfying the timelines indicated herein; the

possibility that the Company will not progress towards pre-IND/IND-enabling activities and first-in-human evaluation; the possibility that the Company will not receive all regulatory approvals; failure to achieve spending milestone objectives; the Company will not realize upon the benefits of its preclinical trials; the Company will not advance the optimization of ExoPTEN's manufacturing processes and analytical methods; changes to government regulation; dependence on the Company's strategic partners; the inherent uncertainty of preclinical drug development; the possibility that results from preclinical studies and early-stage trials may not predict later outcomes; risks related to the clinical trial process, including potential delays or failure to achieve effective trial design or positive results; the Company will not be able to protect its intellectual property; and the risks discussed under the heading "Risk Factors" on pages 44 to 51 of the Company's Annual Information Form dated August 27, 2024, a copy of which is available under the Company's SEDAR+ profile at www.sedarplus.ca. These factors should be considered carefully, and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Neither TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

[i] Spinal cord injury, Glaucoma