# Q3

Initiator Pharma



# 2026

# BUSINESS HIGHLIGHTS

## Business highlights in Q3 2026

- In August the Company announced that the European Patent Office (EPO) has granted two new patents – one covering the treatment of pain and one covering an immediate-release oral formulation, adding further patent protection for its lead drug candidate pudafensine in Europe.
- In September the Company announced the appointment of Annette Säfholm, PhD, as Chief Operating Officer (COO) and a member of the management team. She will support the CEO in ongoing business development, partnering and strategic discussions, while contributing to key operational activities across the company.

## Business highlights after this reporting period

- In October the Company announced final dosing of the last planned patient in its Phase IIa clinical proof-of-concept study evaluating pudafensine in women suffering from the genital pain condition vulvodynia.
- In November the Company announced the resolution to carry out a directed issue of 5,913,170 new shares, each with one warrant, to Klockhuset Investment AB raising gross proceeds of approximately DKK 8.2 million (EUR 1.1 million) before transaction costs. The subscription price is SEK 2.05 per share. Together with existing cash, the proceeds are expected to fund operations into 2028.

## Financial highlights

Initiator Pharma A/S is a Danish registered company, and is reporting its financial situation in Danish kroner (DKK).

| TDKK | Q3-2026 | Q3-2025 | 9M-2026 | 9M-2025 | FY-2025 |
|---|---|---|---|---|---|
| Net sales | - | - | - | - | - |
| Total operating expenses | -8,508 | -4,318 | -29,439 | -10,815 | -17,781 |
| Operating profit/loss | -8,508 | -4,318 | -29,439 | -10,815 | -17,781 |
| Net result | -8,500 | -4,250 | -29,535 | -10,767 | -13,687 |
| Earnings per share before and after dilution (DKK) | -0.12 | -0.06 | -0.43 | -0.16 | -0.20 |
| Cash flow from operating activities | -5,173 | -4,431 | -21,867 | -15,337 | -17,727 |

| TDKK | Q3-2026 | Q3-2025 | 30.09.2026 | 30.09.2025 | 31.12.2025 |
|---|---|---|---|---|---|
| Cash and cash equivalents | 14,172 | 28,674 | 14,172 | 28,674 | 26,245 |
| Equity | 11 | 32,466 | 11 | 32,466 | 29,546 |
| Total equity and liabilities | 17,538 | 36,836 | 17,538 | 36,836 | 33,760 |
| Equity ratio, % | 0 % | 88 % | 0 % | 88 % | 88 % |
| | | | | | |
| *Number of shares outstanding* | *68,452,892* | *68,452,892* | *68,452,892* | *68,452,892* | *68,452,892* |
| *Number of shares, diluted* | *68,452,892* | *69,110,392* | *68,452,892* | *69,110,392* | *68,452,892* |
| *Average number of shares outstanding* | *68,452,892* | *68,417,267* | *68,452,892* | *60,244,663* | *62,296,720* |
| *Average number of shares, diluted* | *68,452,892* | *69,074,767* | *68,452,892* | *60,902,163* | *62,954,220* |

# LETTER FROM THE CEO



*During the third quarter, Initiator Pharma continued to make progress in advancing pudafensine and preparing for the next stage of its development. Most importantly, in October we announced the completion of patient dosing in our Phase IIa proof-of-concept study in vulvodynia. Our focus now turns to the upcoming results, expected in February 2027. At the same time, we have further strengthened our intellectual property position, expanded our organizational capabilities and, following the end of the quarter, secured additional financing.*

## An important clinical milestone in vulvodynia

The completion of dosing of the final patient in our Phase IIa study represents a significant achievement for Initiator Pharma. Conducted in collaboration with MAC Clinical Research, the randomized, placebo-controlled study has enrolled and treated all 24 women with vulvodynia, a chronic and debilitating pain condition for which there are currently no specifically approved pharmacological treatments.

The study uses a four-way crossover design in which each participant receives three different doses of pudafensine and placebo during separate treatment periods. This allows each patient to serve as her own control, providing an opportunity to evaluate the treatment's pain-relieving effects while accounting for the placebo responses often observed in pain studies.

We are pleased with the execution of the study and the collaboration with MAC Clinical Research. So far, we have not observed any safety concerns during the study. This is encouraging, as it is the first time pudafensine has been given to women.

With dosing completed, the study has now entered the data management and analysis phase. Readout is expected in February 2027 instead of at the end of 2026, due to the time required to complete the final patient visits. Our priority has been to ensure the quality and integrity of the study.

## Financing in place ahead of data read out

Following the end of the quarter, we announced a directed share issue of approximately DKK 8.2 million to Klockhuset Investment AB, with accompanying warrants that could provide an additional approximately DKK 8.2 million if fully exercised.

Together with our existing cash resources and the available financing under our agreement with MAC Clinical Research, the proceeds from the directed share issue are expected to fund our planned operations into Q2:2028. This is particularly important as we approach the vulvodynia data readout and continue discussions with potential partners.

Our objective is to realize the value of pudafensine through partnerships, licensing agreements or other strategic transactions. With financing in place ahead of the results, we have more flexibility in these discussions and strengthens our negotiation position.

# LETTER FROM THE CEO

## Three-track partnering approach

The positive Phase IIb data in erectile dysfunction, together with the upcoming results from the vulvodynia study, provide a strong foundation for our three-track partnering approach for pudafensine, encompassing an erectile dysfunction combination-product program, neuropathic pain and vulvodynia, and female sexual dysfunction.

We are seeing interest from potential partners in both sexual health and neuropathic pain, including companies with focus on women's health. While the upcoming vulvodynia results will be particularly important for certain potential partners, discussions relating to the erectile dysfunction program can progress on the basis of our existing clinical data.

The financing will also allow us to advance selected activities within our preclinical IP2016 program, including indication selection, preclinical efficacy studies and planning of further development.

## Additional patent protection for pudafensine

In August, the European Patent Office granted two additional patents for pudafensine, covering its use in pain treatment and an immediate-release oral formulation. These patents complement our existing protection, including the European patent for female sexual dysfunction granted earlier this year, and strengthen our multi-layered intellectual property portfolio. With protection extending into the 2040s, our patent position is a key part of pudafensine's long-term commercial potential and supports our ongoing partnering activities.

## Strengthening our organization and expertise in women's health

During the period, we also strengthened our operational capabilities with the addition of Annette Säfholm as Chief Operating Officer. Annette brings extensive experience in business development, leadership and women's health, and has already taken on significant operational responsibilities across the company.

I am equally pleased with the contribution of Christina Lloyd, who joined our Board of Directors at the Annual General Meeting in May. Christina combines more than 30 years of international experience in clinical medicine, pharmaceutical development and women's health with valuable expertise in commercialization and business development.

Together, Annette and Christina add deep women's health experience to both our management and Board. This is particularly relevant as we advance pudafensine in vulvodynia, an area that has long received too little attention despite large medical needs.

## Looking ahead

As we approach the end of 2026, Initiator Pharma is in a stronger position than at the beginning of the year. We have completed dosing in our key clinical study, strengthened our IP portfolio, reinforced our organization and secured additional financing that provides greater strategic flexibility. Our immediate priority is the vulvodynia study data in February 2027.

# LETTER FROM THE CEO

Positive results would provide the first clinical proof-of-concept for pudafensine in vulvodynia, a condition lacking efficient and specifically approved pharmaceutical treatments, and would be an important value inflection point for Initiator Pharma. With financing in place lasting well into 2028, we are well prepared to act on the data.

I would like to thank our shareholders for their continued support, the team at MAC Clinical Research for their work on the study and, not least, the women who took part in it.

*Copenhagen, November 20, 2026*

**Claus Elsborg Olesen**
CEO, Initiator Pharma

# ABOUT INITIATOR PHARMA

*Initiator Pharma is a clinical stage pharma company developing innovative drugs that target key unmet medical needs within sexual dysfunction and pain. Following the decision to terminate the development of IP2018 in April 2026 the company's pipeline includes one clinical asset, pudafensine, alongside one preclinical program, IP2016. Pudafensine is currently being evaluated in a Phase IIa clinical trial in vulvodynia, a neuropathic pain condition without any approved therapies. The company has previously reported positive proof-of-principle in a clinical Phase 1 pain challenge study, supporting the further progression in neuropathic pain. The company has also reported positive, statistically significant, and clinically meaningful results from a 130-patient Phase IIb trial of pudafensine in erectile dysfunction (ED) of organic origin. Furthermore, pudafensine is currently under investigation as a potential treatment for female sexual dysfunction, with supportive efficacy data from preclinical models.*

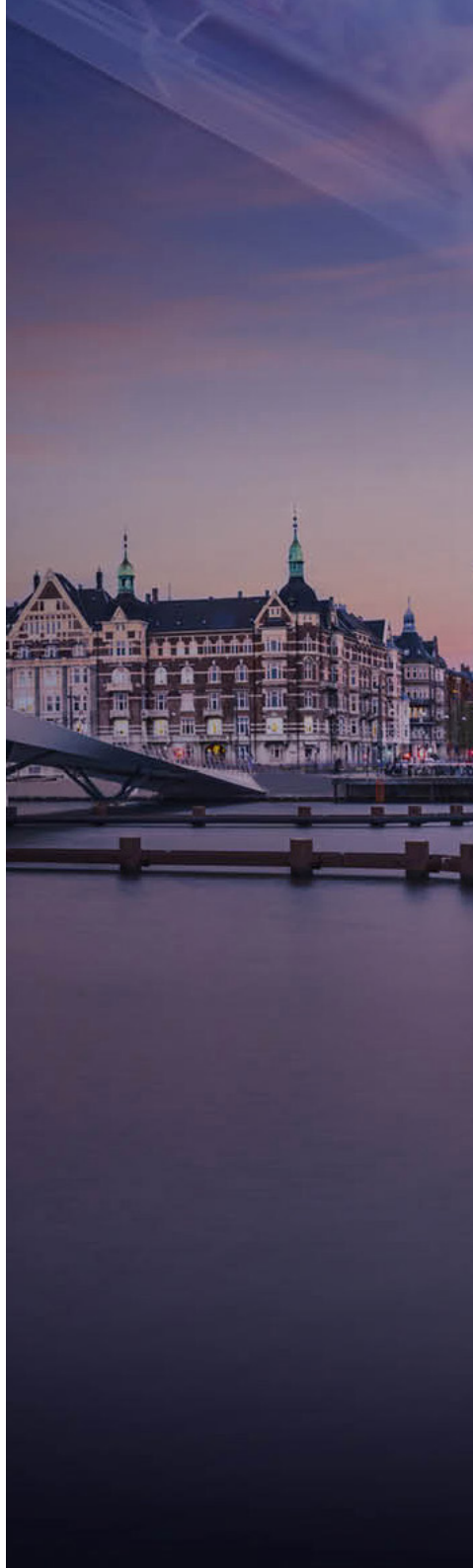
## Vision

Initiator Pharma's vision is to become a leading emerging pharma company developing novel therapeutics within the field of mono-amine reuptake transporters targeting CNS-disorders with significant unmet medical needs.

## Business model

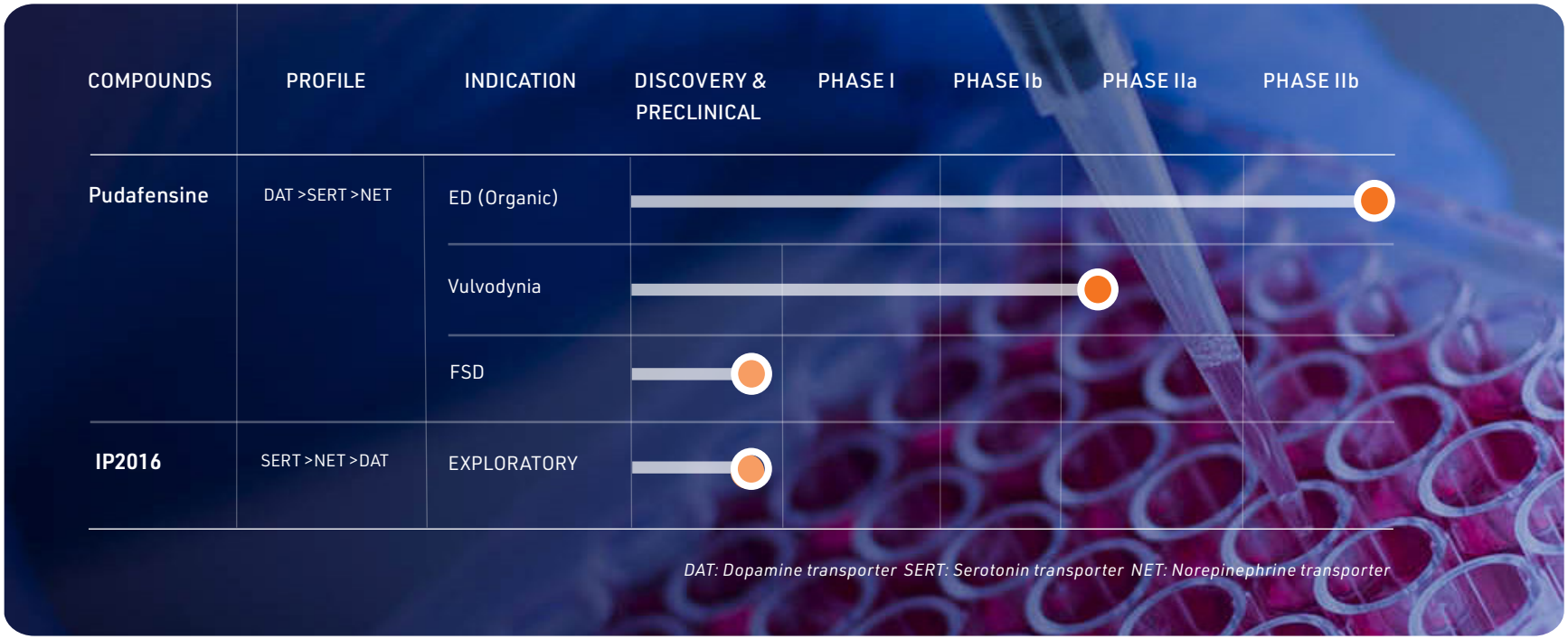
The company aims to commercialize its research efforts through internal development of selected programs through the early phases of clinical drug development, before out-licensing to pharmaceutical companies who will take over the further development of Initiator Pharma's programs, typically with upfront and development milestone payments as well as royalty payments on product sales.

Initiator Pharma aims to progress its portfolio of drug candidates to key value inflection points, where the company anticipates significant partnering interest from international pharma industry for the further development of the company's drug candidates.



# PROJECT PORTFOLIO

As of the end of the reporting period Initiator Pharma had two drug candidate assets in active development phase, pudafensine and IP2016, both belonging to the class known as monoamine reuptake inhibitors. Pudafensine is the company's most advanced asset and main development focus:



# PUDAFENSINE

## Pudafensine:

Pudafensine, Initiator's most advanced asset, is a monoamine reuptake inhibitor primarily targeting the dopamine system. Pudafensine is being developed for both the neuropathic pain condition vulvodynia and treatment resistant organic erectile dysfunction (ED).

Pudafensine is currently being evaluated in a Phase IIa clinical trial for the treatment of vulvodynia. In October the company announced the final dosing of the last planned patient in the study, and the release of topline data is expected during February 2027. The development of pudafensine for the treatment of vulvodynia is backed by promising efficacy data already demonstrated in a healthy volunteer pain challenge study.

The randomized, placebo-controlled Phase IIa study has enrolled 24 women with vulvodynia. Using a four-way crossover design, each participant received single oral doses of pudafensine and a placebo across different treatment periods, separated by washout intervals. The study is focusing on the assessment of pain-relieving effects and the safety of pudafensine.

The crossover study design allows each participant to serve as her own control, potentially reducing variability and improving statistical efficiency in this proof-of-concept study. This approach allows for meaningful results from a smaller cohort, making it particularly well-suited for proof-of-concept studies in pain and sexual dysfunction.

## Vulvodynia/Neuropathic pain

Vulvodynia is by diagnosis pain in the vulva without a clear identifiable cause that lasts longer than 3 months and is considered a long-lasting, chronic pain condition (Bornstein 2016). The pain of vulvodynia may be described as itching, burning, or stabbing and is often accompanied by dyspareunia (pain during intercourse) (Bornstein 2016).

Women living with vulvodynia experience excruciating pain during routine activities such as walking, sitting, or even wearing tight-fitting pants. Many are unable to use tampons or engage in sexual activities and intercourse, profoundly affecting their quality of life, intimacy, and relationships. Partners also tend to suffer from anxiety and depression symptoms as well as sexual dysfunction (Myrtveit-Stensrud 2023).

The two most important factors leading to the profoundly impaired quality of life in vulvodynia patients are the chronic pain in the vulva and impaired sexual function (Bohm-Starke 2024).

Vulvodynia represents a significant unmet medical need, affecting approximately 10% of females, equivalent to at least 18.5 million women over 18 years in the EU alone (Eurostat 2023, Patla 2023). Despite its high prevalence, there are currently no approved medical therapies. The treatments used often carry unacceptable side effects and have poorly documented efficacy.

Women with vulvodynia endure severe physical pain, emotional distress, and societal stigma due to a lack of effective treatment options.

# PUDAFENSINE

Current therapies are mainly off-label, frequently inadequate, and often accompanied by undesirable side effects. As many as 73% of patients try multiple (off-label) therapies in their search for relief (Lamvy 2018). Despite multiple prescribed therapies, many patients (~70%) remain inadequately treated (Patla 2023). They are experiencing high pain scores, averaging 6.7 out of 10 (Schlaeger 2023), and as many as 64% report the worst quality of life score (Patla 2023). This chronic pain condition not only limits daily activities but also severely impairs sexual function, impacting the partners and incurring significant healthcare costs (Lua 2017, Xie 2012).

Clinicians confirm that existing treatments are mostly ineffective and often have significant side effects, creating a clear readiness to adopt innovative therapies like pudafensine. There is strong evidence of willingness to pay for a novel vulvodynia treatment, driven by a significant unmet medical need and the complete absence of approved or consistently effective therapies. A Commercial Assessment Report on pudafensine by Global Life Sciences highlights consistently positive feedback from prescribing potential first-line therapy with blockbuster potential.

### *Vulvodynia Market*

The economic burden of vulvodynia is significant, with direct annual healthcare costs exceeding $50 billion in the US alone. Informed by feedback from prospective prescribing clinicians, payer insights, and benchmarking against comparable conditions, we have modeled net annual pricing at approximately $4,000 to $4,500 in the U.S. and €900 to €1,000 in the EU4 and UK.

Even under conservative assumptions regarding pricing and market penetration, the base case scenario projects combined peak sales of $1.6 to $1.8 billion across US and EU4 + UK. In an upside scenario–with more effective market development and adoption–peak sales could exceed $4 billion.

Pudafensine's dual mechanism of action, targeting both central pain regulation and sexual function, makes it uniquely suited to fill this therapeutic gap and become the first truly effective treatment option.

## Organic Erectile Dysfunction

Pudafensine is positioned as a novel drug candidate for the treatment of patients suffering from organic ED that do not respond to the currently marketed drugs in the PDE5i class (e.g. Viagra®, Cialis®, Levitra®). Pudafensine - by having a dual action, both a central effect initiating erection and a peripheral effect potentiating erection through smooth muscle relaxation - is unique and aimed for treatment of ED in patients suffering from ED due to metabolic syndrome and diabetes.

The clinical positioning of pudafensine is to improve the quality of life for a large number of patients (and their partners) who do not respond or cannot be treated with currently marketed drugs (PDE5 inhibitors) for ED. It is estimated that this represents 150 million men worldwide[1].

In 2023, Initiator reported statistically significant and clinically relevant efficacy in ED-related endpoints and no observations of critical adverse events from its Phase IIb clinical trial with pudafensine for the treatment of ED.

# PUDAFENSINE

The positive results, both regarding efficacy and safety, support further development of pudafensine aiming at registration and launch in this patient group with significant unmet medical need.

The Phase IIb trial was a randomized, double-blind, placebo-controlled, parallel-dosing group trial studying the efficacy and safety of high and low doses of pudafensine and placebo in otherwise healthy patients suffering from moderate to severe ED. The study comprised 130 patients divided into 3 parallel arms receiving a higher and a lower dose of pudafensine and placebo, respectively, with treatment duration of 4 weeks with frequent assessments of ED, safety and pharmacokinetics. The study was conducted at the MAC clinical sites in the UK.

### *Erectile Dysfunction (ED) Market*

The number of ED patients is estimated at more than 300 million men worldwide. About 30–40% of these patients do not respond to current PDE5 inhibitor treatment and represent a significant unmet medical need. This is Initiator Pharma's primary target group, clearly differentiating pudafensine from the PDE5 inhibitor drugs where patent expiry results in increasing price pressure from generics. Initiator Pharma strongly believes that targeting the PDE5 inhibitor non-responders will allow for premium pricing for pudafensine and thereby generate substantial commercial value.

## Female Sexual Dysfunction

Female sexual dysfunction (FSD) includes a range of issues such as hypoactive sexual desire disorder (low libido), difficulty achieving arousal, pain during intercourse, and inability to reach orgasm.

Female hypoactive sexual desire disorder (HSDD) in the US occurs in approximately 10% of women, independent of age. FSD can profoundly affect the individual's quality of life and relationships due to the distress, low self-esteem, and anxiety it causes. There are two approved medical treatment options for women with FSD in the US, but despite the current options, a large unmet need is to restore the desire for an intimate relationship with the partner. Initiator will investigate the potential for its products with a priority on postmenopausal women with FSD, where there currently is no available treatment option.

Pudafensine offers the potential as a first-line treatment option in generalized, acquired HSDD. It offers the potential of clear differentiation from current FSD drugs, with the key differentiators:

- Non-hormonal mechanism of action
- Clean safety/tolerability, no drug interaction or contraindication issues (as shown in completed trials in men with ED)
- Convenient, oral, on-demand dosing
- Potentially improved efficacy to Addyi and Vyleesi

During the last two years, Initiator has internally investigated pudafensine in preclinical models for FSD. Significant efficacy has been shown for pudafensine in the animal models tested for FSD. The tested models are highly relevant and offer a way to predict efficacy in the clinical setting.

# PUDAFENSINE

### *Female Sexual Dysfunction (FSD) Market*

The commercial potential within the FSD area is considered to be very attractive. An analysis of the commercial assessment has concluded that a product for underserved women suffering from FSD/HSDD should have potential to reach peak sales of at least USD 2 billion. Initiator Pharma is exploring the opportunity of treating postmenopausal women with FSD, where pudafensine could have significant advantages over current treatment options.

[1] *Alberson M, Orabi H, Lue T. Evaluation and treatment of erectile dysfunction in the aging male: a mini-review. Gerontology. 2012;58:3-14.*

# PATENT PROTECTION

## Pudafensine

Initiator Pharma's patent portfolio is concentrated on two assets: pudafensine, covered by seven patent families, and IP2016, covered by two. The pudafensine families are layered. They protect the compound itself, the indications it is being developed for, the dosage regimes used in those indications, the formulations through which it is given, and its use in combination with PDE5 inhibitors.

Because the layers were filed at different times they expire at different times, so the position does not rest on any single patent or any single date.

Composition of matter protection runs to 2031 in the United States. From then the position rests on the medical use, dosage regime and formulation families, which run to 2043 and 2044 and are already granted in Europe for the two indications closest to the clinical programme and for the immediate-release formulation.

The terms shown are the maximum available and assume renewal fees are paid; any regulatory extension would come in addition. Applications that are pending or allowed may still be refused, narrowed or opposed, and a granted patent may be challenged.

## Developments since last quarterly report

- In August the patents covering pudafensine for pain and for the immediate-release and extended-release formulations were granted in South Africa.
- On 2 September unitary effect was registered for EP 4608400 (pain) and EP 4731189 (immediate-release formulation), granted in August.
- In October the patent covering the treatment of female sexual dysfunction was granted in Mexico, and the Australian application was accepted.
- In October the patent covering pudafensine for the treatment of pain was granted in Hong Kong. In November the patent covering the immediate-release formulation was also granted in Hong Kong.
- WO 2025/172422 covering the enantiopure form of IP2016 has entered the national phase in the relevant markets.

### *Ongoing IP strategy*

Initiator Pharma is actively pursuing a vigorous patent strategy to capture the value of developments in its clinical and preclinical programmes, by filing new patent applications when possible. Examination of the pending applications is being advanced in parallel in the key markets, in several of them through accelerated examination based on the European results.

# PATENT PROTECTION

*Pudafensine:*

| PATENT FAMILY | WHAT IT PROTECTS | STATUS | TERM TO |
|---|---|---|---|
| COMPOSITION OF MATTER | The pudafensine compound itself | Granted in the United States | 2031 |
| TREATMENT OF FEMALE SEXUAL DYSFUNCTION | Use in FSD, including vulvodynia, hypoactive sexual desire disorder, arousal and orgasmic disorder and sexual pain disorder | Granted in Europe, Hong Kong, Mexico and South Africa; allowed in Australia and Israel; pending in eight further jurisdictions | 2043 |
| TREATMENT OF PAIN | Use in pain, including neuropathic pain and vulvodynia, together with the associated low-dose regime | Granted in Europe (EP 4608400), Hong Kong, Singapore and South Africa; pending in nine further jurisdictions | 2043 |
| DOSAGE REGIME, ERECTILE DYSFUNCTION | The dosage regime used to treat organic erectile dysfunction | Pending in eight jurisdictions; novelty acknowledged in the international phase | 2044 |
| IMMEDIATE-RELEASE FORMULATION | The immediate-release pellet formulation intended for clinical and commercial use | Granted in Europe (EP 4731189), Hong Kong and South Africa; pending in twelve further jurisdictions | 2044 |
| EXTENDED-RELEASE FORMULATION | The extended-release pellet formulation | Granted in South Africa; pending in fourteen jurisdictions including Europe | 2044 |
| COMBINATION THERAPY WITH PDE5 INHIBITORS | Pudafensine given together with a PDE5 inhibitor, supported by preclinical synergy data | Published on 4 June 2026 as WO 2026/115118; in the international phase | 2046 |

# PATENT PROTECTION

*IP2016:*

| PATENT FAMILY | WHAT IT PROTECTS | STATUS | TERM TO |
|---|---|---|---|
| **COMPOSITION OF MATTER, RACEMATE** | The IP2016 racemate | Granted in the United States and Europe | **US 2030; DE, FR, GB 2029** |
| **COMPOSITION OF MATTER, ENANTIOPURE** | The single enantiomer | National phase entered in the relevant markets; patentability of all claims acknowledged in the international phase | **2045** |

# FINANCIAL REVIEW

## Revenue

Initiator Pharma generated no revenues for the third quarter 2026 and for the first nine months of 2026 (0).

## Earnings

The company recognized an operating loss of TDKK 8,508 for the third quarter of 2026 (-4,318). The increase in operating costs for the third quarter compared to last year reflects the ongoing conduct of the Phase IIa clinical trial in vulvodynia with pudafensine. For the first nine months of the year the operating loss was TDKK 29,439 (-10,815).

External R&D costs in the third quarter amounted to TDKK 6,180 compared to TDKK 898 in the same period in 2025. The increase reflects the CRO and CMC costs for the vulvodynia Phase IIa study, which entered active dosing in early 2026 and has been running at full operational tempo in this quarter. For the first nine months of the year the external R&D costs totalled TDKK 21,416 (1,315).

Net financial income in the third quarter amounted to TDKK 8, compared to net financial income of TDKK 68 in the same period in 2025. For the first nine months of the year net financial expenses totalled to TDKK 96 compared to net financial income of TDKK 48 in the same period in 2025.

The net loss after tax for the third quarter was TDKK 8,500 (-4,250) and earnings per share totaled to DKK -0.12 (-0.06). For the first nine months of the year net losses came in at TDKK 29,535 (-10,767) and earnings per share was DKK -0.43 (-0.16).

## Financial position

The equity as of September 30 was TDKK 11 compared to TDKK 29,546 at year-end 2025. Cash and cash equivalents amounted to TDKK 14,172 as of September 30 compared to TDKK 26,245 at year-end 2025, and total assets were TDKK 17,538 compared to 33,760 at year-end 2025.

## Cash flow

In the third quarter the total operating cash flow was TDKK -5,173 (-4,431), incl. a reduction in working capital of TDKK 3,327 (181). The reduction in working capital is related to reversal of pre-payments to MAC Clinical Research for the Phase IIa clinical trial in Vulvodynia with pudafensine. For the first nine months of the year the operating cash flow was TDKK -21,867 (-15,337).

Cash flow from investment activities was TDKK 0 (0) in the third quarter and TDKK 0 (0) for the first nine months of the year.

Cash flow from financing activities in the third quarter was TDKK 2,275 (28,405) and relates to the financing of part of the Phase II clinical trial costs through the announced convertible financing agreement with MAC Clinical Research. The reduction in cash flow from financing activities compared to the same period last year is related to the rights issue conducted in the third quarter last year. For the first nine months of the year cash flow from financing activities was TDKK 9,794 (30,640).

Cash flow for the third quarter totalled to TDKK -2,898 (23,974). For the first nine months of the year cash flow amounted to TDKK -12,073 (15,303).

## The share, share capital and ownership structure

As of September 30, 2026, the number of shares outstanding totalled to 68,452,892 shares and that same number on a fully diluted basis, excluding the potential dilution from the MAC Clinical Research convertible credit agreement.

Under the convertible credit agreement with MAC Clinical Research financing up to ca GBP 2.5 million of the clinical trial costs associated with the Phase IIa clinical trial in vulvodynia with pudafensine, MAC can convert the amount into shares at a pre-agreed share price of SEK 7.74. Based on the outstanding convertible balance as of September 30, 2026, conversion would result in approximately 2.26 million additional shares, corresponding to approximately 3.3% of the shares outstanding before conversion, or approximately 3.2% of the enlarged share capital.

The shares in Initiator Pharma are traded on Nasdaq First North Growth Market in Stockholm. As of September 30, the company had around 3,700 shareholders. The 10 largest shareholders in the company on September 30 owned 47.2% of all outstanding shares.

**Top 10 shareholders as of September 30, 2026**

| Owners | Number of shares | Shares % |
|---|---|---|
| LINC AB | 13,464,318 | 19.67 % |
| Avanza Pension | 4,202,629 | 6.14 % |
| MAC Clinical Research Finance LTD | 3,813,333 | 5.57 % |
| Nordnet Pension Insurance | 2,362,030 | 3.45 % |
| Adrigo Asset Management | 1,975,392 | 2.89 % |
| Dan Peters | 1,830,917 | 2.67 % |
| Claus Elsborg Olesen | 1,430,125 | 2.09 % |
| Håkan Kjellman | 1,362,012 | 1.99 % |
| Mats Thóren | 957,473 | 1.40 % |
| Annika Espander Jansson | 943,299 | 1.38 % |
| Ten largest shareholders | 32,341,528 | 47.25 % |
| Other shareholders | 36,111,364 | 52.75 % |
| **Total** | **68,452,892** | **100.00 %** |

### *Directed share issue announced after this reporting period*

On November 9th the company announced the resolution to carry out a directed issue of 5,913,170 new shares, each with one warrant, to Klockhuset Investment AB raising gross proceeds of approximately DKK 8.2 million (EUR 1.1 million) before transaction costs. The subscription price is SEK 2.05 per share. Together with existing cash, the proceeds are expected to fund operations into Q2:2028.

After the directed share issue, the number of outstanding shares in the company will be 74,366,062.

# FINANCIAL REVIEW

## Personnel
As of September 30, the number of employees was 1 (2), of which 0 (1) was a woman. Initiator Pharma follows a strategy of using an extensive network of consultants to support the development activities in the company. Such a strategy is well established in drug development and ensures

## Operational risks and uncertainties
All business operations involve risk. Managed risk-taking is necessary to maintain good profitability. Risk may be due to events in the external environment and may affect a certain industry or market. Risk may also be specific to a certain company.

The main risks and uncertainties which Initiator Pharma is exposed to are related to drug development, the company's collaboration agreements, competition, technology development, patent, regulatory requirements, capital requirements and currencies.

No new risks have arisen during the quarter. A more detailed description of the company's risk exposure and risk management is included in the Annual Report for 2025.

## Prerequisites for continued operation
This financial information has been prepared under the assumption of continued operations. The company has historically reported losses. The company's ability to meet its future liquidity needs is highly dependent on securing external capital.

The board continuously evaluates different financing possibilities to ensure the continued operation of the business. The management and the Board of Directors are aware that there are uncertainties in the estimation of future cash flows as well as uncertainties in the financing of operations, however the board and management's assessment are that the company is well positioned to secure the necessary financing when need arises.

After the directed share issue announced on November 9th and including the undrawn portion of the convertible facility with MAC Clinical Research, the company expects its current resources to fund operations into Q2:2028.

## Audit review
This interim report has not been subject to review by the company's auditor.

## Certified Advisor
As a business listed on Nasdaq First North Growth Market Stockholm, the Company is obliged to have a Certified Advisor. Initiator Pharma has appointed Redeye Nordic Growth AB as its Certified Advisor.



## Financial calendar

| | |
|---|---|
| Year-end report 2026 (Q4) | 26 February 2027 |
| Annual report 2026 | Week of April 26 2027 |
| Interim Q1 2027 report | 7 May 2027 |
| Annual General Meeting 2027 | 28 May 2027 |
| Interim Q2 2027 report | 20 August 2027 |
| Interim Q3 2027 report | 19 November 2027 |

*The financial reports will be disclosed on https://www.initiatorpharma.com/en/investors/financial-reports/*

The Board of Directors and the CEO certify that this interim report provides a true and fair view of the operations, financial position and earnings of the Company and describes the material risks and uncertainties faced by the Company.

*Copenhagen, November 20, 2026*

| | |
|---|---|
| ***Magnus Persson***<br>Chairman | ***Annette Colin***<br>Board member |
| ***Peter Holm***<br>Board member | ***Gunilla Ekström***<br>Board member |
| ***Christina Lloyd***<br>Board member | ***Claus Elsborg Olesen***<br>Board member and CEO |

FINANCIAL STATEMENTS

## Statement of income

| TDKK | Q3-2026 | Q3-2025 | 9M-2026 | 9M-2025 | FY-2025 |
|---|---|---|---|---|---|
| Gross loss | -8,247 | -3,840 | -27,971 | -8,662 | -14,828 |
| Staff costs | -261 | -478 | -1,468 | -2,153 | -2,953 |
| **Operating profit/loss** | **-8,508** | **-4,318** | **-29,439** | **-10,815** | **-17,781** |
| Financial income | 13 | 131 | 41 | 186 | 1,310 |
| Financial expenses | -5 | -63 | -137 | -138 | -225 |
| **Profit/loss before tax** | **-8,500** | **-4,250** | **-29,535** | **-10,767** | **-16,696** |

FINANCIAL STATEMENTS

## Statement of financial position

| TDKK | September 30, 2026 | Dec 31, 2025 |
|---|---|---|
| **ASSETS** | | |
| **Total non-current assets** | **17** | **17** |
| Other receivables | 340 | 1,109 |
| Income tax receivables | 3,009 | 3,009 |
| Prepayments | - | 3,380 |
| Cash and cash equivalents | 14,172 | 26,245 |
| **Total current assets** | **17,521** | **33,743** |
| **Total assets** | **17,538** | **33,760** |
| **EQUITY AND LIABILITIES** | | |
| Contributed capital | 7,187 | 7,187 |
| Retained earnings | -7,176 | 22,359 |
| **Total equity** | **11** | **29,546** |
| Convertible credit agreement | 11,943 | 2,149 |
| **Total non-current liabilities** | **11,943** | **2,149** |
| Trade payables | 716 | 864 |
| Other current liabilities | 52 | 195 |
| Accrued expenses | 4,816 | 1,006 |
| **Total current liabilities** | **5,584** | **2,065** |
| **Total equity and liabilities** | **17,538** | **33,760** |

FINANCIAL STATEMENTS

## Statement of changes in shareholder equity

| TDKK | Contributed capital | Retained earnings | Total |
|---|---|---|---|
| **January 1, 2025** | **5,896** | **8,886** | **14,782** |
| Share issue | 1,291 | 31,620 | 32,911 |
| Costs in connection with increase of capital | | -4,460 | -4,460 |
| Profit/loss for the period | | -13,687 | -13,687 |
| **December 31, 2025** | **7,187** | **22,359** | **29,546** |
| | | | |
| **January 1, 2025** | **5,896** | **8,886** | **14,782** |
| Share issue | 1,291 | 31,620 | 32,911 |
| Costs in association with increase of capital | | -4,460 | -4,460 |
| Profit/loss for the period | | -10,767 | -10,767 |
| **September 30, 2025** | **7,187** | **25,279** | **32,466** |
| | | | |
| **January 1, 2026** | **7,187** | **22,359** | **29,546** |
| Profit/loss for the period | - | -29,535 | -29,535 |
| **September 30, 2026** | **7,187** | **-7,176** | **11** |

FINANCIAL STATEMENTS

## Statement of cash flow

| TDKK | Q3-2026 | Q3-2025 | 9M-2026 | 9M-2025 | FY-2025 |
|---|---|---|---|---|---|
| **Cash flow from operations** | | | | | |
| Operating profit/loss | -8,508 | -4,318 | -29,439 | -10,815 | -17,781 |
| Corporate tax income received | - | - | - | - | 1,904 |
| **Cash flow from operations before change in working capital** | **-8,508** | **-4,318** | **-29,439** | **-10,815** | **-15,877** |
| | | | | | |
| Interest received | 13 | 131 | 41 | 186 | 1,310 |
| Interest paid | -5 | -63 | -137 | -138 | -225 |
| Changes in working capital | 3,327 | -181 | 7,668 | -4,570 | -2,935 |
| **Cash flow from operations** | **-5,173** | **-4,431** | **-21,867** | **-15,337** | **-17,727** |
| | | | | | |
| **Investing activities** | - | - | - | - | - |
| **Cash flow from investing activities** | **-** | **-** | **-** | **-** | **-** |
| | | | | | |
| **Financing activities** | | | | | |
| New share issue | - | 28,451 | - | 28,451 | 28,451 |
| Credit agreement with MAC | 2,275 | -46 | 9,794 | 2,189 | 2,149 |
| **Cash flow from financing activities** | **2,275** | **28,405** | **9,794** | **30,640** | **30,600** |
| **Cash flow for the reporting period** | **-2,898** | **23,974** | **-12,073** | **15,303** | **12,873** |
| | | | | | |
| Cash and cash equivalents at the beginning of period | 17,070 | 4,700 | 26,245 | 13,371 | 13,371 |
| **Cash and cash equivalents at the end of period** | **14,172** | **28,674** | **14,172** | **28,674** | **26,245** |

BUSINESS TERMS

# Business terms - glossary

## CNS
The Central Nervous System, a part of the nervous system consisting of the brain and spinal cord.

## CTA
Clinical Trial Application which a pharmaceutical company files to EMA in order to obtain permission to ship and test an experimental drug in Europe before a marketing application for the drug has been approved. The approved application is called an Investigational New Drug (IND) in the US.

## EMA
European Medicines Agency

## Erectile Dysfunction
Erectile dysfunction (ED) or impotence is sexual dysfunction characterized by the inability to develop or maintain an erection of the penis during sexual activity in humans.

## FDA
US Food and Drug Administration

## Female Sexual Dysfunction
Female sexual dysfunction (FSD) includes a range of issues such as hypoactive sexual desire disorder (low libido), difficulty achieving arousal, pain during intercourse, and inability to reach orgasm.

## Hypoactive sexual desire disorder
Hypoactive Sexual Desire Disorder (HSDD) is the most common Female Sexual Dysfunction (FSD) affecting adult women of any age, including postmenopausal women. HSDD may have significant effects on the relationships and emotional balance of women.

## IND
Investigational New Drug (IND) is a program by which a pharmaceutical company obtains permission to ship and test an experimental drug in the US before a marketing application for the drug has been approved. In Europe, the application is called a Clinical Trial Application (CTA).

## PUDAFENSINE
Pudafensine, Initiator's most advanced drug candidate, is a novel drug candidate for the treatment of patients suffering from Erectile Dysfunction (ED) that do not respond to the currently marketed drugs in the PDE5i class (e.g. Viagra®, Cialis®, Levitra®).

BUSINESS TERMS

# Business terms - glossary

## Monoamine re-uptake inhibitor

A monoamine reuptake inhibitor (MRI) is a drug that acts as a reuptake inhibitor of one or more of the three major monoamine neurotransmitters serotonin, norepinephrine, and dopamine by blocking the action of one or more of the respective monoamine transporters.

## Neuropathic pain

Neuropathic pain is a complex, chronic pain state that usually is accompanied by tissue injury. With neuropathic pain, the nerve fibers themselves may be damaged, dysfunctional, or injured. These damaged nerve fibers send incorrect signals to other pain centers.

## PDE5 inhibitor

A drug used to block the degradative action of the PDE5 enzyme in the smooth muscle cells lining the blood vessels supplying the corpus cavernosum of the penis. These drugs, incl Viagra®, Cialis® and Levitra® are used in the treatment of ED and were the first effective oral treatments available for the condition.

FINANCIAL GLOSSARY

# Financial Glossary

## Earnings per share
Profit/loss for the period divided by the average number of shares outstanding at the end of the period

## Operating profit/loss, EBIT
Earnings Before Interest and Taxes (Operating profit/loss)

## Equity ratio
Shareholders' equity as a proportion of total assets

## Diluted earnings per share
Profit/loss for the period divided by the average number of shares after dilution at the end of the period

## Operating margin
EBIT as proportion of revenue

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# 2026