MODUS THERAPEUTICS
INTERIM REPORT Q1 2025

JANUARY 1 – MARCH 31 2025

THE FIRST QUARTER IN BRIEF

The first quarter in figures

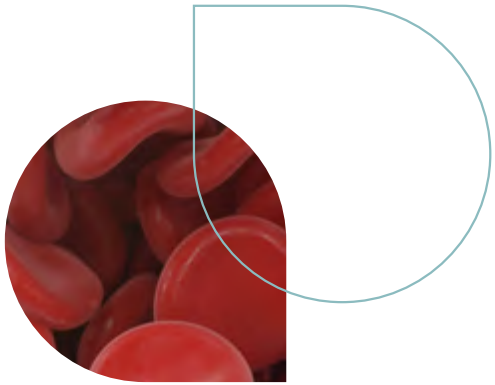
- The loss after tax amounted to TSEK 2 815 (3 105)
- The loss per share amounted to SEK 0,08 (0,09).
- The cash flow from current operations was negative in the amount of TSEK 4 059(3 665).

Important events during the first quarter

- Modus Therapeutics receives a recruitment update from the collaborative SEVUSMART Phase 1b study in severe malaria.
- Modus Therapeutics Announces Completion of Patient Enrollment in the SEVUSMART Phase 1b study for Severe Malaria.
- Modus Therapeutics Secures Bridge Financing from Karolinska Development.

Important events after the end of the period

- Modus Therapeutics to present preclinical data supporting sevuparin's effects in chronic kidney disease at BioIron 2025.
- Modus Therapeutics opens second study site in ongoing Phase IIa CKD-anemia study.



Financial overview

	2025	2024	2024
The Group	**Jan 1 – Mar 31**	**Jan 1 – Mar 31**	**Jan 1 – Dec 31**
Net sales, TSEK	-	-	-
Operating profit/loss, TSEK	-2 715	-3 199	-15 838
Equity/Asset ratio, %	-11%	91%	44%
Cash equivalents, TSEK	5 320	15 395	4 379
Cash flow from operating activities, TSEK	-4 059	-3 665	-14 681
Earnings per share, SEK	-0,08	-0,09	-0,43
Shareholders equity, TSEK	-678	14 577	2 137
Shareholders equity per share, SEK	-0,02	0,41	0,06
R&D expense/operating expense, %	45%	46%	57%
Average number of shares, 000'	35 939	35 939	35 939
Share price at the end of the period, SEK	1,33	1,14	1,81
Average number of employees	2,0	2,0	2,0

Definitions are provided on page 21.

"The Company" or "Modus" refers to the parent company Modus Therapeutics Holding AB with organization number 556851–9523.

"Subsidiary" or "Modus Therapeutics" refers to the subsidiary Modus Therapeutics AB with organization number 556669–2199.

CONTINUED CLINICAL PROGRESS AND GLOBAL ENGAGEMENT IN FOCUS FOR 2025

Modus Therapeutics enters 2025 with clear clinical momentum, strengthened global engagement, and a continued focus on advancing its lead candidate sevuparin in anemia, severe malaria, and sepsis. During the first quarter, the company reached key study milestones and actively contributed to international forums on global health and innovation. The first quarter of 2025 has been marked by important progress for Modus Therapeutics as we continue to deliver on our mission to develop innovative treatments for patients with serious and underserved medical conditions.

Sevuparin Trials Advance with Key Milestones and Strategic Funding

During the period, patient enrollment was successfully completed in our collaborative Phase I SEVUSMART study in severe malaria, a major milestone made possible through the dedication of our partners at Imperial College London and the KEMRI-Wellcome Trust Programme in Kenya and Zambia. This achievement reinforces our commitment to advancing sevuparin for patients facing life-threatening diseases with limited therapeutic options. In parallel, we secured bridge financing from our largest shareholder, Karolinska Development. Their continued support underscores confidence in our development strategy, with a strong focus on completing Part 1 of our ongoing Phase IIa study evaluating sevuparin for anemia associated with chronic kidney disease (CKD).

Phase IIa CKD-Anemia Study on Track with Expanded Enrollment

We are encouraged to see that patient enrollment to part 1 of our Phase IIa CKD-anemia study is progressing according to plan towards its anticipated completion in late H1. The opening of a second study site in Italy after the end of the quarter represents an important step in supporting timely recruitment and advancing the study as scheduled. Part 1 will lay the foundation for dose selection in Part 2, which is expected to start in Q3/Q4. The implementation of Part 2 requires additional funding, and Modus is continuously reviewing multiple options to ensure access to capital, including strengthening our relationships with strategic investors and potential partners.

Modus Strengthens Partnerships at the BioEurope Spring 2025 Conference

In addition, during the quarter, members of the Modus management team participated in BioEurope Spring 2025 in Milan, one of Europe's leading partnering conferences. These meetings provided valuable opportunities to explore potential strategic collaborations and further raise the visibility of our clinical programs. The proximity to our study sites in Verona and Pavia also enabled valuable on-site follow-up visits for the progress of our ongoing Phase IIa CKD-anemia study and to benefit from their impressive expertise in this area.

Looking ahead

Modus will present preclinical data supporting sevuparin's potential in CKD at the upcoming BioIron 2025 congress. Furthermore, we anticipate sharing additional important research findings at major scientific conferences later this year, further strengthening our scientific foundation.

"Innovation must continue to be prioritized, and we are proud to be advancing new solutions where the needs are greatest"

Global Roundtable on Health Innovation

In March, I had the privilege of representing Modus at the global roundtable *"Leveraging Technology and Innovation to End AIDS, Tuberculosis and Malaria"*, hosted by the Swedish Ministry for Foreign Affairs and the Global Fund. The discussions highlighted the critical importance of innovation and collaboration in addressing the world's most pressing health challenges. I was inspired by the energy and commitment shared among participants and reaffirmed Modus potential to contribute meaningfully to global health progress.

World Kidney Day: Addressing CKD and Anemia

World Kidney Day, celebrated in March, serves as a reminder of the critical need for innovation in chronic kidney disease. Today, CKD affects nearly 10% of the global population and is often complicated by anemia, which significantly worsens patient outcomes. There is a clear and urgent need for new therapeutic solutions. Through our research with sevuparin, Modus aims to contribute to transforming the care landscape for these patients.

Reflecting on World Malaria Day

April was also an important month for engagement in our key focus areas. April 25 marked World Malaria Day, a moment to reflect on both the achievements and the persistent challenges in malaria control. Despite remarkable global efforts, malaria continues to claim more than 600,000 lives annually, predominantly among young children in sub-Saharan Africa. This burden underlines the importance of continued innovation, and we are proud to be contributing through our development of sevuparin as a potential new treatment option.

The Importance of Sustained Global Health Investment

The importance of sustained global health investment was further underscored by a recent *Nature* article, highlighting that a withdrawal of key funding could result in millions of preventable deaths over the next decade. As a company committed to addressing serious global health challenges, we firmly believe that innovation must continue to be prioritized, and we are proud to be advancing new solutions where the needs are greatest.

Insights from the World Sepsis Congress 2025

I had the opportunity to participate in the World Sepsis Congress 2025, a global digital event that gathered over 90 international experts to discuss the latest advances in sepsis research and care. Particular emphasis was placed on the importance of early diagnosis, with new biomarkers and AI-driven tools emerging as promising solutions for improving early detection and intervention. These insights reinforce our commitment to developing sevuparin as a novel treatment addressing critical needs in the management of severe systemic inflammation such as sepsis.

Moving Forward in 2025

As we move further into 2025, Modus remains focused on delivering on our key priorities:

- Advancing patient recruitment and data generation in our Phase IIa CKD study (Part 1).
- Preparing for the next stages of clinical development (Part 2).
- Strengthening our financial position to enable long-term growth.

With a robust development platform, strong partnerships, and a passionate team, we are well positioned to make meaningful contributions to improving the lives of patients worldwide.

John Öhd, CEO, Modus Therapeutics

ABOUT MODUS THERAPEUTICS

Modus is developing sevuparin for patients with severe diseases and high unmet medical needs
Modus Therapeutics is a Swedish biotechnology company developing sevuparin, an innovative drug candidate with the potential to transform the treatment of diseases for which there are currently no effective therapeutic options. Our goal is to establish a new treatment paradigm and improve care for patients with serious and chronic illnesses.

Focus on anemia in chronic kidney disease (CKD)

In 2024, Modus took a decisive step in the development of sevuparin by initiating a Phase IIa clinical study targeting anemia in chronic kidney disease (CKD). The study, approved by Italian authorities in November 2023, aims to evaluate the safety and clinical effects of sevuparin in patients with varying degrees of kidney function impairment. The first part of the study commenced in December, with initial results expected in the first half of 2025.

Anemia in CKD is a major global health issue that adversely affects quality of life and disease progression for millions of patients. Current treatment options are limited, and the need for new therapeutic solutions is significant. Sevuparin's ability to influence key mechanisms in the disease's pathophysiology makes it a promising candidate in this area.

Sevuparin is also being developed for acute inflammatory conditions

Beyond CKD, Modus is also exploring the potential of sevuparin in sepsis and severe malaria—both life-threatening conditions characterized by intense systemic inflammation. Previous research has indicated that sevuparin may exert a protective effect by modulating inflammation in malaria and sepsis. We are now evaluating the possibilities for further development in these areas.

Looking ahead – continued clinical and business development

With an ongoing Phase IIa study in CKD, a strong intellectual property portfolio, and a team with deep scientific expertise, Modus is well-positioned to advance to the next stage of its development. In 2025, we will focus on driving our clinical programs forward while actively exploring business development opportunities to maximize the value of sevuparin.

Sevuparin in short

Sevuparin, a heparinoid (a heparin-like molecule), treats conditions with acute systemic inflammation, such as sepsis, severe endotoxemia, severe malaria as well as states of anemia related to chronic inflammatory disease. Sevuparin is design with inflammation modifying properties without causing any significant blood-thinning. As a result, higher doses of Sevuparin can be administered compared to other heparinoids, allowing treatment of a broader range of conditions caused by severe inflammation.

Modus pipeline

Indication	Development	Preclinical	Phase Ia	Phase Ib	Phase IIa	Phase IIb	Phase III
CKD/Anemia	Modus	CKD/Anemi			Ongoing Phase IIa 2025		
Malaria	Collaboration*	Severe malaria			Recruitment completed March 2025		
Sepsis	Modus	Sepsis/septic shock			Planning Phase IIa 2026		

CKD: *Chronic Kidney Disease. * In collaboration with Imperial College London and financed by grant from Wellcome.*

SEVUPARIN – A DRUG CANDIDATE WITH BROAD CLINICAL POTENTIAL

Modus Therapeutics is developing innovative treatments for patients suffering from serious diseases where current therapeutic options are limited. With our drug candidate sevuparin, we have the opportunity to target multiple core disease mechanisms simultaneously addressing significant unmet medical needs in chronic kidney disease (CKD) with anemia, severe malaria, and sepsis.

Inspired by the body's own biology

Sevuparin is a refined derivative of naturally occurring heparin molecules, known as heparan sulfates, which evolution has shaped to play essential roles in a range of biological processes—and thus in multiple disease states. Heparan sulfates are found on cell surfaces and within the extracellular matrix, acting as key regulators of inflammation, coagulation, hormonal signaling, cell growth, and immune defense.

Thanks to its structural similarity to these endogenous molecules, sevuparin can interact with and modulate these biological systems. Unlike conventional heparins, which have been used primarily as anticoagulants since the 1930s, sevuparin is engineered to retain the biological functions of native heparan sulfates while significantly reducing its blood-thinning effect. This allows for higher dosing without increased bleeding risk—enabling novel therapeutic applications in serious medical conditions (outlined below).

Focus on CKD with anemia and chronic inflammation

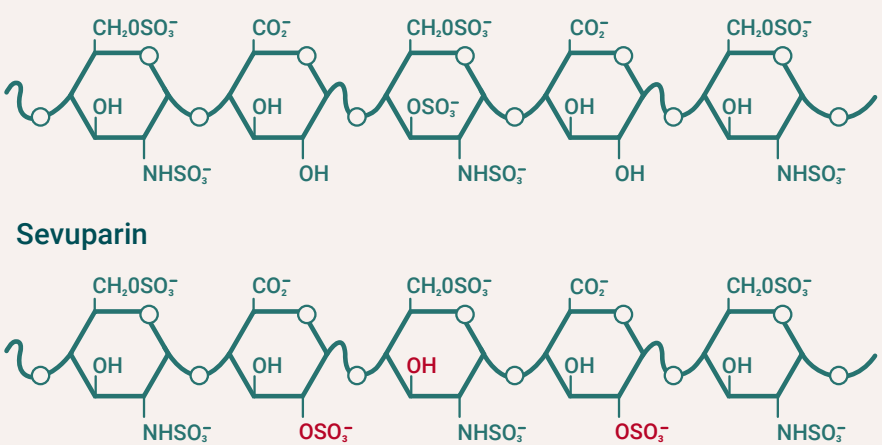
Our primary clinical development focus is the treatment of anemia in chronic kidney disease (CKD), a condition characterized by chronic inflammation and impaired iron metabolism that leads to reduced red blood cell production and diminished quality of life for patients. By targeting hepcidin—a central hormone in iron regulation—sevuparin has shown promising results in preclinical studies, improving both hemoglobin levels and kidney function.

Previous clinical trials have also confirmed a favorable safety profile for sevuparin in humans, providing a strong foundation for continued development in CKD/anemia—a field in urgent need of new and effective therapies.

Potential benefits in severe malaria and sepsis

Beyond CKD/anemia, sevuparin shows considerable promise in severe malaria and sepsis—two life-threatening conditions in which uncontrolled inflammation and vascular endothelial damage are key drivers of disease progression. By protecting the endothelium and neutralizing harmful inflammatory mediators, sevuparin may help reduce disease burden and improve survival in these critical illnesses.

With its unique biological profile—rooted in the body's own defense mechanisms—sevuparin stands out as an innovative drug candidate with the potential to transform the treatment landscape for multiple serious diseases. Modus Therapeutics is well positioned to advance this development and create both medical and commercial value.



MARKET OVERVIEW

With sevuparin, Modus is targeting three challenging indications—each with significant standalone potential.

Anemia in Chronic Kidney Disease (CKD)
One of the most serious complications of CKD is anemia, affecting approximately 25% of patients in stages 3–5—equivalent to over 4.5 million individuals in the U.S. alone. Anemia in CKD worsens disease progression and is linked to poor prognosis, higher rates of hospitalization, and increased mortality. Current treatments primarily rely on erythropoiesis-stimulating agents (ESA/EPO) and iron supplementation. However, a significant unmet need remains—particularly for patients who do not respond to treatment or where anemia is driven by alternative mechanisms.

Sevuparin is a novel, low-anticoagulant heparinoid with anti-inflammatory and hepcidin-lowering properties. Preclinical and clinical data show that sevuparin strongly downregulates hepcidin expression—a key regulator of iron metabolism—through the BMP/SMAD signaling cascade. In a CKD mouse model, sevuparin improved both hemoglobin levels and kidney function, while reducing serum hepcidin and markers of kidney injury and fibrosis. These data suggest that sevuparin may offer dual benefits in treating anemia and preserving kidney function in CKD.

The market potential is substantial. Modus, together with external analytics firm XPLICO, has identified an addressable market for sevuparin in CKD-associated anemia (stage 3–5) projected to include over 10 million patients across the seven major pharmaceutical markets (7MM) by 2038—representing a potential multi-billion-dollar opportunity. This is reflected in previous deals in the field, such as Akebia Therapeutics' partnership with Otsuka Holdings, and the market valuation of companies like Disc Medicine (NASDAQ: IRON), which stood at approximately USD 1.8 billion as of April 2025.

Severe Malaria
Severe malaria is a rapidly progressing, life-threatening condition caused by Plasmodium falciparum and closely resembles sepsis in its clinical presentation—featuring systemic inflammation, vascular injury, and multi-organ dysfunction. It primarily affects children under the age of five and is associated with a mortality rate of 10–20%, even with treatment. While intravenous artemisinin-based drugs are the standard of care, there are currently no approved adjunctive therapies targeting the underlying mechanisms responsible for the early, severe symptoms.

The global situation is further exacerbated by rising drug resistance, particularly in Africa and Southeast Asia, the spread of novel urban-

Anemia/CKD

1.4 million
deaths globally per year.

10 million
patients addressable market 2038.

Sepsis

11 million
deaths globally per year.

4 million
patients addressable market 2038.

Severe malaria

619 thousand
deaths globally per year.

80%
of deaths are children.

adapted mosquito vectors, and climate-related changes that increase the incidence and severity of malaria outbreaks.

Sevuparin has the potential to become a first-in-class adjunctive therapy by targeting the host's inflammatory response and microvascular dysfunction—key drivers in the pathogenesis of severe malaria. Its mechanism of action is independent of parasite resistance, making it particularly relevant in today's evolving therapeutic landscape.

Malaria remains one of the world's deadliest infectious diseases. According to WHO, there were 247 million malaria cases globally in 2021, resulting in 619,000 deaths—80% of which occurred in children under five. Africa accounts for 95% of malaria-related deaths, highlighting the urgent need for new treatment options.

There is growing international commitment to tackling malaria. For example, UNICEF and GAVI have entered into a procurement agreement with GSK for 18 million doses of the first malaria vaccine (RTS,S), valued at up to USD 170 million—demonstrating global willingness to invest in effective solutions. The market for malaria treatments is projected to grow beyond USD 3 billion by 2035, according to current market analyses.

Beyond the global disease burden, malaria drug development also benefits from regulatory incentives in high-income countries. In the U.S., malaria is classified as a rare disease (fewer than 2,000 cases annually—primarily among travelers), making sevuparin eligible for Orphan Drug Designation by the FDA. This would grant seven years of market exclusivity, reduced regulatory fees, and enhanced support. Examples of approved orphan therapies include intravenous artemisinin derivatives, now marketed as orphan drugs in both the U.S. and EU.

Malaria treatments may also qualify for the FDA's Priority Review Voucher (PRV) program, which awards a transferable voucher for accelerated review of another drug upon approval. PRVs have recently been sold for over USD 100 million, underscoring their considerable commercial value.

With its innovative mechanism of action, robust safety profile, and potential to combine clinical efficacy with commercial appeal, sevuparin is well-positioned to become an important future asset in the global fight against severe malaria—from both a public health and investment standpoint.

Sepsis

Sepsis is a life-threatening condition caused by the body's extreme response to an infection, resulting in injury to its own tissues and organs. According to the World Health Organization (WHO), sepsis was linked to an estimated 11 million deaths globally in 2017—about 20% of all global deaths that year. In the U.S., approximately 2 million cases occur annually, and in Sweden, sepsis accounts for more cases than the four most common cancer types combined.

Septic shock, the most severe form of sepsis, is among the leading causes of death in intensive care units worldwide, with an estimated mortality rate of 30%. Despite its severity, there are currently no approved therapies specifically indicated for sepsis or septic shock. Treatment typically focuses on addressing the underlying infection with antibiotics and stabilizing the patient through intensive care interventions. The lack of targeted therapies has kept sepsis among the most resource-intensive conditions in healthcare—with estimated annual costs of USD 22 billion in the U.S. alone, a USD 5 billion increase since 2012.

Sepsis is classified as a high-priority condition (vital indication), enabling potential future treatments to command premium pricing. Modus and XPLICO have identified the target market for sevuparin in sepsis as patients with septic shock—approximately 700,000 individuals across the seven major pharmaceutical markets (7MM). This group represents a potential annual sales opportunity of around USD 6 billion by 2038. An even broader market potential exists in the general sepsis population, which is approximately five times larger.

BUSINESS MODEL & COLLABORATIONS

Business model
Given that sevuparin has the potential to be the first and only treatment specifically targeting the conditions Modus is pursuing, the company expects significant market interest in sevuparin following favorable clinical trial outcomes.

Modus' business model is to independently advance the development of sevuparin through Phase IIa proof-of-concept trials—both in anemia associated with chronic kidney disease and in sepsis. The company also aims to continue progress in severe malaria through advantageous collaborative frameworks.

Based on data from these studies, Modus intends to either initiate a sale of the company or license out sevuparin, with the ultimate goal of establishing the drug on the market. Should market interest not be sufficiently strong based on the Phase IIa data, a potential acquisition or licensing agreement may be revisited at a later stage—such as toward the end of Phase IIb trials. At that point, a larger commercial partner would be able to drive Phase III development in a manner best aligned with their operational and strategic capabilities. According to the current development plan, a market launch and New Drug Application (NDA) could be feasible by 2030.

In general, market authorization requires two large Phase III studies with more than 1,000 patients over an extended time frame. However, treatments that address areas of high unmet need may qualify for regulatory flexibilities. A number of FDA and EMA programs may be applicable to sevuparin, should future clinical trials prove successful. For instance, Modus could be granted Accelerated Approval based on positive Phase IIb or early Phase III results, particularly if improvement in sepsis or severe malaria symptoms can be demonstrated. Such approval would allow earlier market entry for sevuparin while confirmatory Phase III trials are ongoing.

There is also the potential to receive Breakthrough Therapy Designation, which could facilitate the clinical development and regulatory review process, including acceptance of alternative clinical endpoints.

Timeline in traditional drug development

In non-endemic markets such as the US and EU, malaria/severe malaria may be classified as an orphan disease due to its relative rarity, primarily affecting returning travelers from endemic regions. Orphan Drug Designation can provide market exclusivity, regulatory support, and access to a Priority Review Voucher (PRV), enabling faster regulatory review and carrying significant commercial value.

A final scenario could involve Modus continuing development through the completion of Phase III trials, after which a licensing or acquisition strategy would again be pursued. Modus is also prepared to bring sevuparin to market independently, potentially through a network of geographically defined commercial partnerships with local sales partners.

Collaborations
Modus has an ongoing research collaboration with Professor Maura Poli and her team at the University of Brescia, which has been instrumental in establishing the therapeutic focus on anemia and kidney disease within Modus' pipeline.

An additional collaboration was initiated in 2021 with Imperial College London to investigate sevuparin's potential as an adjunctive treatment in severe malaria. Under this collaboration, Modus supplies sevuparin for the various phases of clinical trials in patients with severe malaria. The program is funded by research grants awarded to the study sponsor, Imperial College London, by Wellcome.

Accelerated approval
Granted by both the EMA and FDA to enable faster approval of a drug compared to the standard lengthy regulatory process. The FDA will re-evaluate the application and provide a decision within 60 days of submission. Typically granted for indications with high unmet medical needs.

Breakthrough Therapy
A designation that can expedite the development and review of drugs intended for serious medical conditions, where early clinical evidence indicates a substantial improvement over existing treatments or achievement of one or more clinically meaningful endpoints (endpoint = study objective or goal).

Orphan Drug Designation (ODD)
Granted by FDA and EMA for treatments targeting rare diseases, offering benefits such as market exclusivity and regulatory support, including fee waivers. In the US, an approved ODD may also qualify for a PRV, offering commercial and strategic advantages.

DEVELOPMENT OF PROFIT AND FINANCIAL POSITION

First quarter

Operating profit/loss

The operating loss for the period January – March 2025 amounted to 2 715 (3 199) TSEK. Research and development expenses decreased by 274 TSEK compared to the same period last year, mainly due to phasing effects related to clinical activities, including the initiation of the Phase 2a study. At the same time, administrative expenses decreased by 188 TSEK, driven by efficiency improvements and cost control.

Cash flow, investments, and financial position

At the beginning of the period, cash and cash equivalents amounted to TSEK 4 379, and at the end of the period to TSEK 5 320. Cash flow from current operations was negative to the amount of TSEK 4 059 (3 665), of which changes in working capital amounted to a negative TSEK 1 344 (560). The cash flow from financing activities amounted to TSEK 5 000 (0). The total cash flow amounted to a positive TSEK 941 (negative 3 665).

Important events during the quarter

Modus Therapeutics receives a recruitment update from the collaborative SEVUSMART Phase Ib study in severe malaria
On February 18, Modus received a recruitment update from the ongoing collaborative study on patients with severe malaria. A total of 18 out of the expected 20 patients have now been treated with sevuparin in the study, which is led by Imperial College London and funded by Wellcome.

Modus Therapeutics Announces Completed Patient Recruitment in the Phase Ib SEVUSMART Study in Severe Malaria
On March 11, 2025, Modus announced that the clinical Phase I study SEVUSMART, evaluating the safety and tolerability of sevuparin in children with severe malaria, has now completed patient recruitment. The study is conducted in collaboration with Imperial College London and funded by Wellcome.

The SEVUSMART study aims to evaluate the safety of escalating doses of sevuparin in up to 20 children aged 3 months to 12 years, diagnosed with severe malaria at research centers in Kenya and Zambia. By determining the optimal dosage of sevuparin in combination with standard treatment, the study will pave the way for further clinical development. Sevuparin, Modus' proprietary drug candidate, has previously shown promising effects against the malaria parasite in both patients with uncomplicated malaria and in ex vivo studies (Leitgeb et al. 2017, Saiwaew et al. 2017). By targeting key mechanisms in the disease's pathophysiology, sevuparin has the potential to reduce the severity of malaria and improve patient outcomes. Severe malaria remains a major global health challenge, particularly for young children in malaria-endemic regions. The results from SEVUSMART will provide important insights for upcoming clinical research on sevuparin as an adjunctive treatment for this serious disease.

Modus Therapeutics secures access to bridge financing from Karolinska Development
On March 31, 2025, Modus announced that the company has secured access to bridge financing of up to SEK 5.0 million from its largest shareholder, Karolinska Development AB. The financing enables Modus to maintain strong operational momentum in the ongoing Phase IIa study for the treatment of anemia in chronic kidney disease (CKD), with the current focus on completing part 1 of our Phase IIa study in CKD and laying the groundwork for part 2. In parallel, we continue to actively evaluate various options for long-term financing.

Important events after the end of the quarter

Modus Therapeutics to Present Preclinical Data Supporting Sevuparin's Effects in Chronic Kidney Disease at BioIron 2025
On April 1, 2025, Modus announced that preclinical data for the company's drug candidate sevuparin will be presented at the 10th edition of the BioIron Society Congress, held on May 25–29 in Montréal, Canada. The oral presentation, titled "The Heparinoid Sevuparin Improves Anemia and Kidney Status in a Mouse Model of Chronic Kidney Disease," will be delivered on May 27 by Dr. Michela Asperti, senior researcher in Professor Maura Poli's research group at the University of Brescia. The study demonstrates that sevuparin improves both hemoglobin levels and kidney status in a well-established animal model of chronic kidney disease (CKD).

The results show that treatment with sevuparin alone in this mouse model improves hemoglobin levels and inhibits the expression of hepcidin – the central hormone regulating iron metabolism. When sevuparin was combined with erythropoietin (EPO), the standard treatment for anemia in kidney disease, the hemoglobin response was enhanced and prolonged for up to six weeks. Additionally, further positive effects on kidney status were observed through reduced creatinine levels and decreased tissue fibrosis.

Modus Therapeutics Opens Second Site in Ongoing Phase IIa Study in CKD-Related Anemia
On April 2, 2025, Modus announced that a second study site has now been opened in the company's ongoing Phase IIa study with sevuparin for the treatment of anemia in chronic kidney disease (CKD). The new clinic is located at Unità di Nefrologia e Dialisi, Istituti Clinici Scientifici Maugeri S.p.A., in Pavia, Italy. The study's first site, Centro Ricerche Cliniche di Verona/Policlinico G.B. Rossi, was opened in Verona at the study's initiation in December 2024. The study aims to evaluate the safety, tolerability, and preliminary efficacy signals of sevuparin in both non-dialysis-dependent and dialysis-dependent patients with CKD and anemia. The activation of an additional study site is an important step to enable continued efficient patient recruitment and to keep the study aligned with planned timelines.

OTHER DISCLOSURES

Ownership structure
At the end of the first quarter 2025, there were 917 shareholders in Modus Therapeutics Holding AB, of which the three largest shareholders owned 79,6% of the capital and votes. The total number of shares was 35 938 899. The largest shareholders, on March 31, 2025, were Karolinska Development AB, KDev Investment AB and Hans Wigzell.

Parent Company
Modus Therapeutics Holding AB, corporate identity number 556851-9523 is the parent company of the group and was formed in 2011. The actual operations are conducted by the fully owned subsidiary Modus Therapeutics AB. As per March 31 2025, there were two employees, the CEO and the groups finance department. The company's main task is of a financial nature to fund the group's operational activities. Net sales for the period reached TSEK 185 (185). The loss for the period amounted to TSEK 1 645 (1 667). The company's net sales consist of invoiced consultancy fees to the fully owned subsidiary Modus Therapeutics AB.

Employees
The number of employees at the end of the period was 2 (2).

Financing
The Board of Directors regularly reviews the company's existing and forecast cash flow to ensure that the company's funds and resources necessary to pursue operations and strategic focus adopted by the board. As Modus is primarily a research and development company, the company's long-term cash needs are determined by the scope and results of the clinical research conducted with regard to the company's drug candidate sevuparin. As of the last March 2025, the Group's cash and cash equivalents amounted to SEK 5,3 million.

On November 19, 2024, and March 31, 2025, respectively, Modus announced that the company had secured access to bridge financing of up to SEK 10 million (5+5 MSEK) from its largest shareholder, Karolinska Development AB. The financing enables continued progress in the ongoing Phase IIa study in chronic kidney disease (CKD) with anemia, where the focus is on completing part 1 and establishing the foundation for part 2.

Modus is continuously exploring future opportunities for the financing required to complete the clinical research plan for its drug candidate sevuparin. There are no guarantees that the necessary capital can be raised on favorable terms, or that such capital can be raised at all. The Board of Directors and the CEO assess that these projects will be completed and brought into use, and they also believe that the prospects for future capital raising are favorable, provided that the development projects deliver according to plan. Should the capital raising as outlined above not be realized, there is a risk concerning the Group's continued operations.

Financial risks
Modus operates in a global environment where external factors increasingly affect the conditions for capital raising. Geopolitical events such as Russia's invasion of Ukraine, increased trade barriers, inflation, interest rate hikes, and a generally deteriorated investment climate in the capital markets create uncertainty for research-intensive companies within life sciences. These factors may affect Modus' ability to secure necessary financing on favorable terms in a timely manner. In addition, unforeseen delays in clinical development could lead to further pressure on the company's refinancing needs. The Board closely monitors developments, and Modus is working intensively to minimize the impact of crises and other external circumstances.

Risks and uncertainties
Modus Therapeutics risks and uncertainties include, but are not limited to, risks related to drug development and financial risks such as future financing. Further information on the Company's risk exposure can be found on page 25 of Modus Therapeutics Holding's annual report for 2024.

Consolidated summary income statement

TSEK	2025 Jan 1 – Mar 31	2024 Jan 1 – Mar 31	2024 Jan 1 – Dec 31
Net sales	-	-	-
Research and development costs	-1 211	-1 485	-9 067
Administration costs	-1 514	-1 702	-6 727
Other operating income	10	-12	-44
Operating profit/loss	**-2 715**	**-3 199**	**-15 838**
Net interest income	-100	94	293
Profit/loss after financial items	**-2 815**	**- 3 105**	**-15 545**
Income tax	-	-	-
PROFIT/LOSS FOR THE PERIOD	**-2 815**	**-3 105**	**-15 545**
Earnings per share before and after dilution (SEK)	-0,08	-0,09	-0,43
Net profit/loss attributable to: Parent company shareholders	**-2 815**	**-3 105**	**-15 545**

Consolidated summary balance sheet

TSEK	2025 Mar 31	2024 Mar 31	2024 Dec 31
Assets			
Fixed Assets			
Other financial fixed assets	52	51	52
Total fixed assets	**52**	**51**	**52**
Current assets			
Other receivables	794	561	453
Cash equivalents	5 320	15 395	4 379
Total current assets	**6 144**	**15 956**	**4 832**
TOTAL ASSETS	**6 166**	**16 007**	**4 884**
Equity and liabilities			
Share capital	2 156	2 156	2 156
Additional paid-in capital	332 899	332 899	332 899
Retained earnings including net loss for the period	-335 733	-320 478	-332 919
Total equity attributable to parent company shareholders	**-678**	**14 577**	**2 137**
Current liabilities			
Interest-bearing liabilities	5 000	-	-
Accounts payable	818	661	1 555
Other liabilities	173	197	229
Accrued expenses and deferred income	853	573	963
Total current liabilities	**6 844**	**1 430**	**2 747**
TOTAL EQUITY AND LIABILITIES	**6 166**	**16 007**	**4 884**

Consolidated change in shareholder's equity in summary

TSEK	2025 Jan 1 – Mar 31	2024 Jan 1 – Mar 31	2024 Jan 1 – Dec 31
Opening balance equity	**2 137**	**17 681**	**17 681**
Profit/loss for the period	-2 815	-3 105	-15 545
Total comprehensive income	**-2 815**	**-3 105**	**-15 545**
New issue of shares	-	-	-
Costs for new issue	-	-	-
Total transactions with shareholders	**-**	**-**	**-**
CLOSING BALANCE EQUITY	**-678**	**14 576**	**2 137**

The equity is assignable the shareholders of the parent company.

Consolidated cash flow statement in summary

TSEK	2025 Jan 1– Mar 31	2024 Jan 1– Mar 31	2024 Jan 1– Dec 31
Operating activities			
Operating profit/loss	-2 715	-3 199	-15 838
Interest received	-	94	292
Interest paid	-	-	-
Cash flow from operating activities before changes in working capital	**-2 715**	**-3 105**	**-15 546**
Changes in working capital	-1 344	-560	865
Cash flow from operating activities	**-4 059**	**-3 665**	**-14 681**
Cash flow from investment activities	-	-	-
Cash flow from financing activities	5 000	-	-
Cash flow for the period	**941**	**-3 665**	**-14 681**
Cash equivalents at the beginning of the period	4 379	19 060	19 060
Changes in cash equivalents	941	-3 665	-14 681
CASH EQUIVALENTS AT THE END OF THE PERIOD	**5 320**	**15 395**	**4 379**

Parent company income statement in summary

TSEK	2025 Jan 1– Mar 31	2024 Jan 1– Mar 31	2024 Jan 1– Dec 31
Net sales	185	185	740
Research and development costs	-358	-701	-1 450
Administration costs	-1 372	-1 245	-6 110
Other operating expenses	-	-	-1
Operating profit/loss	**-1 545**	**-1 761**	**-6 821**
Net interest income	-100	94	293
Profit/loss after financial items	**-1 645**	**-1 667**	**-6 528**
Appropriation	-	-	-8 440
Income tax expense	-	-	-
PROFIT/LOSS FOR THE PERIOD	**-1 645**	**-1 667**	**- 14 968**

Parent company balance sheet

TSEK	2025 Mar 31	2024 Mar 31	2024 Dec 31
Assets			
Non-current assets			
Financial assets	70 052	70 051	70 052
Total non-current assets	**70 052**	**70 051**	**70 052**
Current assets			
Other receivables	581	686	162
Cash equivalents	5 256	14 913	2 519
Total current assets	**5 837**	**15 599**	**2 681**
TOTAL ASSETS	**75 889**	**86 550**	**72 733**
Equity and liabilities			
Restricted equity			
Share capital	2 156	2 156	2 156
Non-restricted equity			
Share premium reserve	332 773	332 773	332 773
Retained earnings	-277 759	-262 791	-262 791
Profit/loss for the period	-1 645	-1 667	-14 898
TOTAL EQUITY	**55 525**	**70 471**	**57 170**

TSEK	2025 Mar 31	2024 Mar 31	2024 Dec 31
Current liabilities			
Interest-bearing liabilities	5 000	-	-
Accounts payable	567	322	144
Liabilities to Group companies	13 835	14 201	14 366
Other liabilities	174	243	229
Accrued expenses and deferred income	788	413	823
Total current liabilities	**20 364**	**15 179**	**15 563**
TOTAL EQUITY AND LIABILITIES	**75 889**	**85 650**	**72 733**

NOTES

Note 1. Accounting principles

Modus Therapeutics Holding AB's consolidated accounts have been prepared in accordance with the annual accounts act and the Swedish accounting standards board's general advice BFNAR 2012: 1 Annual Report and the Consolidated Financial Statements (K3). The interim report for the company has been prepared in accordance with chapter 9 of the annual accounts act and the same accounting principles have been applied as in the most recent annual report for 2024 note 1.

Note 2. Transactions with related parties

During the period, the parent company Modus Therapeutics Holding AB has invoiced TSEK 185 (185) to the fully owned subsidiary Modus therapeutics AB, which corresponds to 100% of the parent company's turnover for the period. During the reporting period there were no other transactions with related parties that had any material impact on the group or parent company's position and earnings.

Note 3. Incentive program

There are no outstanding share related incentive programs in the Company.

Note 4. Equity

The share capital of the Parent Company consists only of fully paid ordinary shares with a nominal (quota value) of SEK 0,06/share. The company has 35 938 899 shares.

	2025	2024
Shares/SEK	Jan 1 – Mar 31	Jan 1 – Mar 31
Subscribed and paid shares:		
At the beginning of the period	35 938 899	35 938 899
Share merger	-	-
Offset issue	-	-
Rights issue	-	-
Subscribed and paid shares	**35 938 899**	**35 938 839**
Shares for sharebased payments	-	-
SUM AT THE END OF THE PERIOD	**2 156 334**	**2 156 334**

SIGNATURES

The Board of Directors and the CEO provide their assurance that this interim report provides an accurate view of the operations, position and earning of the group and the parent company, and that it also describes the principal risks and uncertainties faced by the parent company and the companies included within the group.

This report has been prepared in both Swedish and English. In the event of discrepancies between the versions, it is the Swedish version that applies.

This interim report has not been subject to review by the Company's auditors.

Viktor Drvota,
Chairman of the board

Ellen K. Donnelly,
Board member

Johan Dighed,
Board member

John Öhd,
CEO

Financial Calendar

AGM 2025	May 20, 2025
Interim Report Q2 2025	August 27, 2025
Interim Report Q3 2025	November 26, 2025
Year-End report	February 25, 2026

QUARTERLY OVERVIEW

	2025	2024				2025		
The Group	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**
Net sales, TSEK	-	-	-	-	-	-	-	-
Operating profit, TSEK	-2 715	-4 846	-2 989	-4 804	-3 199	-3 771	-2 456	4 365
Equity/Asset ratio, %	-11%	44%	80%	79%	91%	88%	-311%	-238%
Cash equivalents, TSEK	5 320	4 379	7 999	11 971	15 395	19 060	3 867	4 822
Cashflow from operating activities, TSEK	-4 059	-3 619	-3 971	-3 424	-3 665	-3 127	-2 955	-4 267
Earnings per share (before and after dilution), SEK	0,08	-0,13	-0,08	-0,13	-0,09	-0,18	-0,19	-0,29
Shareholder's equity at the end of the period, TSEK	-678	2 137	6 851	9 839	14 577	17 682	-16 413	-13 321
Shareholder's equity per share, SEK	-0,02	0,06	0,19	0,27	0,41	0,78	-1,02	-0,83
R&D expense/operating expense, %	45%	59%	61%	61%	46%	33%	40%	53%
Average number of shares, 000'	35 939	35 939	35 939	35 939	35 939	22 626	16 100	16 100
Share price at the end of the period, SEK	1,33	1.81	1.65	1.03	1.14	1.74	1.98	2.77
Average number of employees	2,0	2,0	2,0	2,0	2,0	2,0	2,0	2,0

Definitions

Financial key ratio

Operating profit
Operating income less operating expenses.

Equity/Asset ratio
Equity at the end of the period divided by total assets at the end of the period.

Earnings per share for the period before dilution
Profit for the period divided by the average number of shares before dilution.

Earnings per share for the period after dilution
Profit for the period divided by the number of shares after dilution. Earnings per share after dilution is the same as before dilution because potential ordinary shares do not cause dilution.

Shareholder's equity per share
Equity divided by average number of shares.

R&D expense/operating expense, %
Research and development costs divided by total operating costs.

Number of employees (average)
Weighted average number of employees in the relevant period.

LEADERSHIP TEAM & BOARD

John Öhd, M.D., PhD

CEO since 2020 and previously CMO since 2018.

Born: 1971

Education and experience: MD, PhD. John Öhd has extensive experience in drug development and has previously worked in several different indication areas, including CNS, cancer and blood diseases. His previous qualifications include leadership positions within the research organizations of AstraZeneca and Shire and as Chief Medical Officer at the biotechnology company Medivir.

Other current roles: Board Member at Umecrine Cognition AB, SVF Vaccines AB and Boost Pharma.

Holdings: 1 730 591 shares.

Claes Lindblad

CFO since 2021.

Born: 1967

Education and experience: Master of Sciences in Chemical and administrative sciences from university of Karlstad. Claes Lindblad has over 25 years of broad experience from leading positions in life science. He has previously been CFO of the Medtech company OssDsign, where he led the company's financial and administrative functions and played a key role in the company's listing on Nasdaq First North Growth Market 2019. Before that, he has held several senior positions, including Country manager for the global and market leading Medtec company ConvaTec, and in the role of Sales director for the OTC and generic portfolio at Nycomed / Takeda.

Holdings: 24 327 shares.

Viktor Drvota, M.D, PhD

Chairman since 2016.

Born: 1965

Education and experience: MD, PhD, Assoc Prof in Cardiology at Karolinska Institute. Viktor Drvota has over 18 years' experience from venture capital in life sciences. He was responsible for life science at SEB Venture Capital 2002–2016 and has many years of experience of board duties in biotech and medtech companies.

Other current roles: CEO of Karolinska Development AB. Chairman of the board at Modus Therapeutics AB, Modus Therapeutics Holding AB, Umecrine Cognition AB and KDev Investments AB. Board member at UC Research AB, Dilafor AB and Dilafor Incentive AB. Deputy board member at Promimic AB and Svenska Vaccinfabriken Produktion AB.

Holdings: 0.

Independent in relation to the Company and company management but dependent in relation to the Company's major shareholders.

Johan Dighed

Board Member since September 2024.

Born: 1973

Education and experience: Master of Laws from Lund University. Johan Dighed has over 20 years' experience in financial and business law including positions as Head of Legal with the German bank SEB AG and legal counsel with SEB AB. Prior to joining the financial sector he worked with the international law firm Baker & McKenzie and in the Swedish Judiciary.

Other current roles: Deputy CEO and general counsel at Karolinska Development AB. Board assignments in KDev Investments AB, KDev Invest Consulting AB, KCIF Fund Management, AnaCardio AB, AnaCardio R&D AB, AnaCardio Holding AB, KD Incentive AB, Modus Therapetuics AB and Promimic AB (publ).

Holdings: 0.

Independent in relation to the Company and company management but dependent in relation to the Company's major shareholders.

Ellen K. Donnelly, PhD

Board Member since 2020.

Born: 1974

Education and experience: PhD in Neuroscience from the Yale School of Medicine. Ellen Donnelly has extensive experience from leadership positions within Life Science, including as former CEO of Modus and senior positions within Pfizer and Combinato Rx. She was previously CEO of Epigenetics Division and Juvenescence and management consultant for MEDACorp / Leerink and Swann Strategic Advisors.

Other current roles: Board member of Alzecure Pharma AB.

Holdings: 195 073 shares.

Independent in relation to the Company, the Company management and the Company's major shareholders.

MODUS THERAPEUTICS

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