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Active Biotech

2025

ANNUAL REPORT 2025 | ACTIVE BIOTECH AB

Ongoing studies with tasquinimod in myelofibrosis and positive data with laquinimod in the LION study

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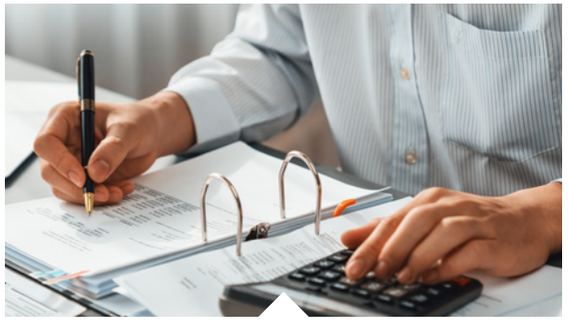

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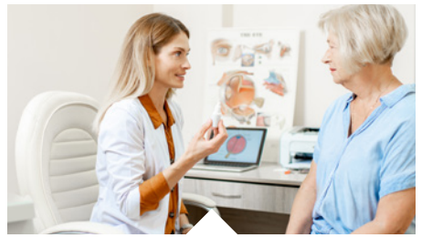

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This Annual Report contains certain forward-looking information on Active Biotech. Although we believe that our expectations are based on reasonable assumptions, forward-looking statements could be affected by factors causing the actual outcome and trend to differ materially from the forecast. The forward-looking statements comprise various risks and uncertainties. There are significant factors that could cause the actual outcome to differ from that expressed or implied by these forward-looking statements, some of which are beyond our control. These include the risk that patent rights might expire or be lost, exchange-rate movements, the risk that research and development operations do not result in commercially successful new products, competition effects, tax risks, effects resulting from the failure of a third party to deliver products or services, difficulties in obtaining and maintaining official approval for products, and environmental responsibility risks. The Company's formal annual report and consolidated financial statements are included on pages 48-95 in this document.

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Introduction

2025 WITH ACTIVE BIOTECH

Active Biotech in Brief

Active Biotech develops pharmaceutical products within medical areas where the immune system is of significant importance, including cancer and inflammatory diseases. The project portfolio comprises both small, orally active immunomodulatory molecules and antibody-based immunotherapy.

Based in Lund, Sweden | **Formed in 1998** | **Traded on Nasdaq Stockholm** | **Three programs in the porfolio**

TASQUINIMOD

Tasquinimod is being developed for the treatment of hematological cancers, is being evaluated in two clinical proof-of-concept studies in patients with myelofibrosis.

LAQUINIMOD

Laquinimod is being developed for the treatment of inflammatory eye diseases, has a proprietary eye drop formulation that has been documented as safe and provide distribution of laquinimod to the posterior parts of the eye in a clinical phase I program. Activities are underway to establish a partnering collaboration for continued Phase II/III clinical development.

NAPTUMOMAB

Active Biotech has out-licensed Naptumomab, a tumor-targeted immunotherapy in development for advanced solid cancer indications, to the immuno-oncology company NeoTX that is fully responsible for all development and commercialization, with no financial or operating contributions from Active Biotech.

The Year in Review

Our projects continue to progress. Here we highlight a selection of milestones from 2025.

STUDIES IN MYELOFIBROSIS: In February, the first patient was enrolled in the HO172 study of tasquinimod in myelofibrosis. The study is a Phase Ib/II clinical trial conducted within the Stichting Haemato-Oncologie Volwassenen Nederland (HOVON) network of trial sites in the Netherlands and Germany. The Oncode Institute is the principal funder. "We are pleased to have enrolled the first patient in the study in which tasquinimod will be evaluated in a patient population with a great need for new treatment options with a novel mechanism of action. I look forward to following the progress of the study," said Dr. Erik Vahtola, CMO of Active Biotech. In March, the first patient was dosed in the Phase II clinical study in the US with tasquinimod. The study is being conducted at The University of Texas MD Anderson Cancer Center in Houston, with Dr. Lucia Masarova, M.D., Associate Professor of Leukemia at MD Anderson, as the principal investigator.

» Read more about tasquinimod on page 14

THE LION STUDY: At the prestigious 129th Annual Meeting of the American Academy of Ophthalmology (AAO 2025) in Orlando, Florida, held on 18–20 October, the positive results from the LION ocular biodistribution study were presented. The results from the LION study were also presented in two oral sessions at the prestigious international conference FLORetina 2025, held in Florence, Italy, on 4–7 December.

» Read more about laquinimod on page 18

SCIENTIFIC PROGRESS: Our preclinical collaborations with MD Anderson and Erasmus MC continue to provide strong support for the clinical development of tasquinimod in myelofibrosis. In 2025, important research findings from both groups were published, highlighting tasquinimod's mechanism of action and therapeutic potential both as monotherapy and in combination treatments in myelofibrosis. Toward the end of the year, an abstract presenting preclinical data on tasquinimod in combination with T-cell activation was also presented at the annual meeting of the American Society of Hematology (ASH 2025). The abstract is the result of our collaboration with Vrije Universiteit Brussel, Belgium.

» Read more about tasquinimod on page 14

CAPITAL INJECTION: In December, a rights issue was completed, providing the company with SEK 70.3 million before issue costs. The primary purpose was to fund the advancement of the two ongoing tasquinimod studies through their expected completion at the end of 2027, as well as to carry out business development activities relating to laquinimod.

» Read the Comments from the CEO on page 7

PATENTS: In January, the United States Patent and Trademark Office (USPTO) granted a patent for laquinimod in eye diseases. In addition, several patent applications were granted during the year, amongst other a patent for tasquinimod in myelofibrosis and a pharmaceutical formulation of tasquinimod in Europe.

» Read more about our patents on page 33

KEY FIGURES

Net sales
0.0
SEK M
(2024: 0.0)

Operating loss
-37.6
SEK M
(2024: -39.8)

Loss for the year
-37.3
SEK M
(2024: -39.4)

Earnings per share
-0.03
SEK/share
(2024: -0,09)

Equity/assets ratio
79
%
(2024: 76)

FINANCIAL CALENDAR

- 2026 **7** May — Interim Report Q1
- 2026 **20** May — Annual General Meeting
- 2026 **20** August — Interim Report Q2
- 2026 **5** November — Interim Report Q3
- 2027 **11** February — Year-end Report

Comments from the CEO

Active Biotech continues to advance the development of tasquinimod in blood cancers, with myelofibrosis as the lead indication, through collaborations with leading international academic groups. In 2025, two clinical proof-of-concept studies in myelofibrosis were initiated, while the two studies in multiple myeloma and the LION study with laquinimod were successfully concluded. Together, these milestones strengthen the scientific and clinical foundation for our ongoing development programs, and we continued to reinforce our intellectual property portfolio with new patents granted in both the US and Europe.

Toward the end of the year, we completed a fully guaranteed rights issue of approximately SEK 70 million before transaction costs. The proceeds secure essential funding for 2026 and 2027, supporting the continued clinical development of tasquinimod and our business development activities for laquinimod.

Ongoing proof-of concept studies in myelofibros supported by strong scientific data

The tasquinimod program in myelofibrosis includes two ongoing clinical proof-of-concept studies in collaboration with MD Anderson Cancer Center in the US and Erasmus MC and Oncode Institute within the HOVON research network in Europe. The study protocols have been amended to enable an initial dosing regimen, reflecting the one used in previous phase III studies in prostate cancer, for increased flexibility in the clinical management of patients.

In the US study, the combination of tasquinimod with the recently marketed JAK inhibitor momelotinib has been included in the combination cohort to broaden the targeted patient population. We recently received approval for the amendment from the FDA and the institutional review board at MD Anderson, and enrolment has resumed. Likewise, we anticipate approval in Europe in the first half of 2026. We expect protocol-defined interim readouts in 2026 and efficacy results toward the end of 2027.

Our preclinical collaborations with MD Anderson and Erasmus MC continue to provide strong support for the clinical development of tasquinimod in myelofibrosis. In 2025, key publications from both groups highlighted tasquinimod's mechanism and therapeutic potential. Research from Rebekka Schneider's team at Erasmus showed that tasquinimod can reduce bone marrow fibrosis by blocking the S100A9-driven interaction between hematopoietic and stromal cells.

Our preclinical collaborations with MD Anderson and Erasmus MC continue to provide strong support for the clinical development of tasquinimod in myelofibrosis

Helén Tuvesson
Chief Executive Officer

Complementary findings from Kapil Bhalla's group demonstrated that tasquinimod lowers S100A9 expression, selectively increases disease-cell mortality, and reduces leukemia burden while improving survival in advanced myelofibrosis models. Importantly, a combination treatment with ruxolitinib or a BET inhibitor further enhanced these effects. The data support the potential of tasquinimod both as monotherapy and in combination regimens for myelofibrosis.

Clinical learnings from multiple myeloma support the myelofibrosis program

In May, positive study results for tasquinimod in heavily pretreated multiple myeloma patients were presented, showing a clinical benefit rate (CBR) of 47% in the combination cohort. These findings provide valuable insights into tasquinimod's activity in blood cancer and strengthen the scientific foundation for our main development program in myelofibrosis. However, we have decided not to pursue further clinical development in multiple myeloma for now.

Confirmed posterior eye delivery positions laquinimod for strategic partnership

In May, we also reported positive topline data from the LION study with laquinimod, conducted in collaboration with the Byers Eye Institute at Stanford University School of Medicine. The results clearly demonstrate that laquinimod, when administered locally as an eye-drop formulation, reaches the posterior part of the eye at therapeutic concentrations. These findings confirm that laquinimod can overcome intraocular barriers and reach the back of the eye, providing strong support for its continued clinical development.

The data were well received by the clinical community and were presented at several major conferences throughout the year, including the IOIS meeting in Rio de Janeiro in June, the American Academy of Ophthalmology (AAO) annual meeting in October, and FLORetina in December.

We see significant potential for laquinimod as a non-invasive local treatment for inflammatory eye diseases such as non-infectious uveitis, as well as conditions characterized by abnormal blood vessel growth, including wet AMD. The key priority moving forward is to secure a commercial partnership with an organization active in ophthalmology, with the expertise needed to support the next stages of clinical development in this area of substantial medical need.

> *We see significant potential for laquinimod as a non-invasive local treatment for inflammatory eye diseases*

Strategic patent advancements across both key programs

We continue to strengthen the patent protection for our compounds. Recent achievements include a U.S. patent granted in January 2025 for the use of laquinimod in treating eye diseases associated with excessive vascularization, a European patent granted in May 2025 covering tasquinimod for the treatment of myelofibrosis, and, most recently, a U.S. patent issued in early 2026 for a pharmaceutical formulation of tasquinimod. Together, these patents further secure the long-term value and development potential of our projects.

Naptumomab in combination with durvalumab in phase 2 expansion for esophageal cancer

In the naptumomab project, developed by our partner NeoTX, the combination of naptumomab and durvalumab is evaluated at the Recommended Phase 2 Dose in an expansion cohort of subjects with advanced/metastatic carcinoma of the esophagus. For more information, see NCT03983954.

Funded to deliver key clinical and business milestones in 2026–2027

In December, we completed a fully guaranteed rights issue of approximately SEK 70 million before transaction costs. The rights issue will provide the company with funding for 2026 and 2027 for the advancement of the two clinical studies with tasquinimod in myelofibrosis with results expected by the end of 2027, and for business development activities of laquinimod to secure its continued development in inflammatory eye diseases.

With important milestones ahead in 2026, including the interim results from our tasquinimod studies, we look forward to an exciting year. Thank you for your continued support - we remain committed to keeping you informed as we move our clinical programs forward for diseases with significant medical need.

Helén Tuvesson, CEO

Goal and Strategy

HOW WE WORK TOWARDS OUR TARGETS

We Develop Medicines that are Needed

The business model of Active Biotech aims to advance projects in indications with high medical need and commercial value potential in cancer and inflammatory eye diseases.

Pharmaceutical development is a time-consuming and resource-intensive process that is heavily regulated by various regulatory authorities, primarily the EMA and the FDA. Drug development from discovery to registered drug takes generally about twelve years, and the cost typically amounts to between SEK five to ten billion. During development, each substance goes through multiple stages, and at each stage, a number of projects or candidates are eliminated due to various priorities. Out of 10–15 substances in Phase 1 studies, only one makes it to approval.

The preclinical data on our projects, tasquinimod and laquinimod, is extensive and solid. Both projects have been studied in comprehensive previous tests and have demonstrated good safety. Thanks to this background material, the development of tasquinimod and laquinimod can proceed cost-effectively. Phases for our projects can be seen on page 13.

Preclinical Research
- A suitable drug candidate is found
- Safety analysis
- Preparation form is being produced

Clinical Phase I
- Substance is administered to healthy volunteers

Clinical Phase II
- Substance is administered to patients

Clinical Phase III
- Double-blind randomized trial

Regulatory Approval
- Application for regulatory approval submitted to relevant drug competent authorities

PARTNERSHIPS

Active Biotech advances projects through the initial clinical development phases and then develops the programs in different forms of partnerships. Several academic partnerships are currently in place, including Abramson Cancer Center, University of Pennsylvania (tasquinimod in multiple myeloma), MD Anderson Cancer Center, Texas and Stichting-Haemato-Oncologie Volwassenen Netherlands (HOVON) (tasquinimod in myelofibrosis), as well as Stanford Medicine and the Global Ophthalmic Research Center (GORC) (laquinimod). Naptumomab is out-licensed to NeoTX since 2016 for the development and commercialization of naptumomab in cancer indications.

Our Strategy Guides Our Day-to-Day Work

BUSINESS CONCEPT

Active Biotech's business concept is to utilize knowledge of the immune system to develop pharmaceuticals in therapeutic areas in which an unmet medical need can be addressed to generate an attractive share-holders' return.

GOAL

Active Biotech's goal is to develop efficacious and safe treatements for indications with high medical need within hematological cancer and inflammatory eye disorders.

ASSETS

We have several values such as:

- Experienced team with dedicated collaborators
- Board with extensive expertise and complementary skills
- International network of KOLs and experts
- Strong academic partnerships
- Listed on Nasdaq, Stockholm
- Strong shareholder base, incl MGA Holding and Sjuenda Holding

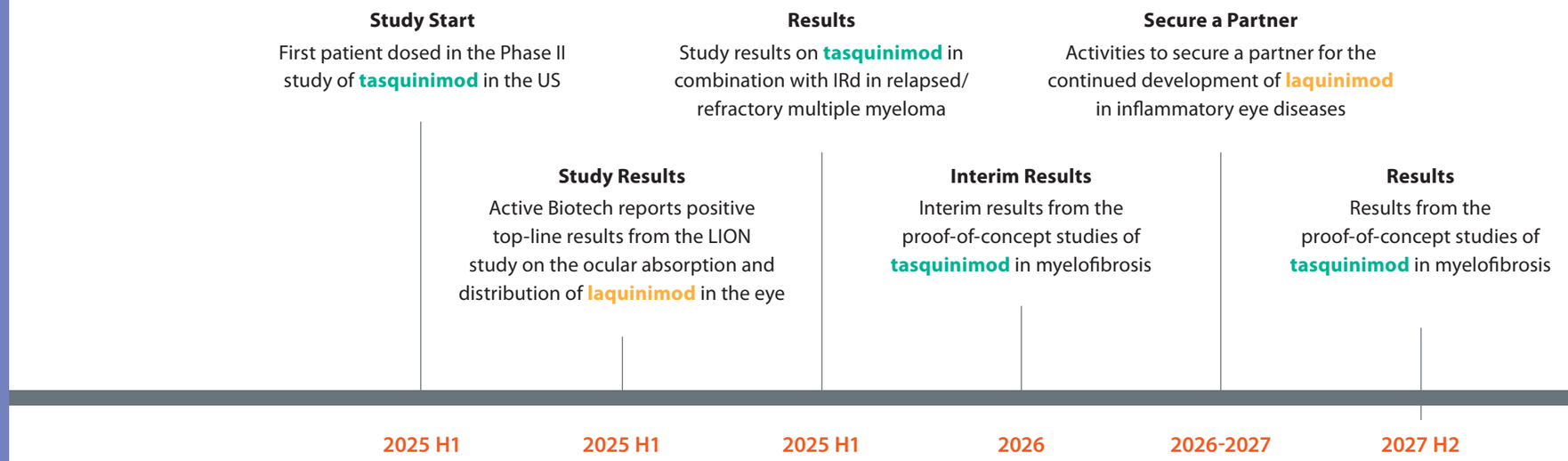
BUSINESS STRATEGY

We shall:

- Leverage the extensive knowledge and previously generated documentation of our wholy owned clinical assets to develop novel treatments
- Advance clinical development through partnership with leading scientific institutions for a cost-effective and value-growth development
- Secure rights to data for regulatory and commecial use and to IP
- Protect Know-how through an active patent strategy
- Limit development costs by use of external expertise within targeted disease areas
- Create financial sustainability through commercial partnerships with support from existing and new shareholders

Project Related Milestones

Two clinical proof-of-concept studies of tasquinimod in myelofibrosis are ongoing, with interim readouts expected in 2026 and efficacy data towards the end of 2027. For laquinimod, activities are underway to establish a partnership for continued development.



Our Business

WE DEVELOP TREATMENTS FOR DISEASES WITH HIGH MEDICAL NEED

Projects

Active Biotech's focus is on the development of tasquinimod in hematological malignancies, with myelofibrosis as the primary indication. For laquinimod in inflammatory eye diseases, partnering activities are ongoing.

FULLY OWNED PROJECTS

Disease Area	Discovery	Preclinical	Phase I	Phase II	Phase III	Partner
Hematological malignancies	**Tasquinimod** Myelofibrosis					The University of Texas MD Anderson Cancer Center
	Tasquinimod Myelofibrosis					HOVON
	Tasquinimod Multiple myeloma					Penn Medicine
Inflammatory eye disorders	**Laquinimod** Eye drops, safety and tolerability					
	Laquinimod Eye drops, ocular biodistribution					Stanford Medicine, GORC

LICENSED PROJECTS

Disease Area	Discovery	Preclinical	Phase I	Phase II	Phase III	Partner
Solid tumors	**Naptumomab** Combination with anti-PDL1 (durvalumab) in solid tumors					NeoTX, AstraZeneca

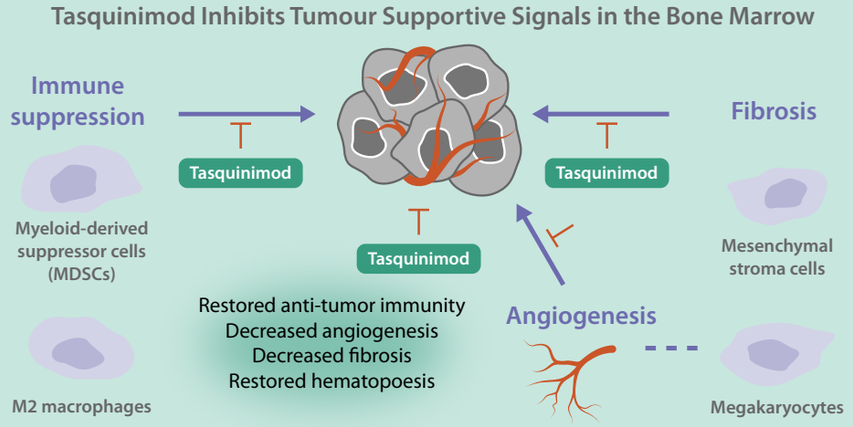
Study ongoing

Tasquinimod – Treatment of Hematological Malignancies

Tasquinimod is an orally active small molecule immunomodulator with a novel mode of action, blocking tumor supporting pathways in the bone marrow microenvironment. Tasquinimod is being developed for the treatment of blood cancers, such as myelofibrosis.

The tumor microenvironment in the bone marrow is essential for development of blood cancers and a key driver of disease recurrency as well as resistance to treatment.

Tasquinimod targets cells in the microenvironment of the bone marrow, immunosuppressive myeloid cells, endothelial cells, and mesenchymal cells, which play a central role in the development of blood cancers. Tasquinimod affects the function of these cells, leading to reduced tumor growth, reduced fibrosis, and restored hematopoiesis.



Myelofibrosis

Myelofibrosis is a rare form of blood cancer. The sex- and age-adjusted incidence is estimated at approximately 1.5 cases per 100.000 people with a prevalence of 12 patients per 100.000 people (Slowley et al., 2024). This would translate to a prevalence of more than 100.000 people with myelofibrosis in the EU, US, UK, and Japan.

The underlying cause of myelofibrosis is unknown. Patients with myelofibrosis have an abnormal production of blood-forming cells leading to the replacement of healthy bone marrow with scar tissue (fibrosis).

Due to the lack of normal blood cell production, patients typically show laboratory value abnormalities, such as anemia and changes in white blood cell counts, and blood cell-differentiation. Later symptoms include enlargement of the spleen, an increased risk for infections, night sweats and fever. Myelofibrosis is associated with shortened survival, due to for instance bone marrow failure and transformation into acute leukemia.

Current Treatments

Myelofibrosis can be treated with bone marrow transplantation for eligible individuals, erythropoietin to manage anemia and JAK2 inhibitors to reduce spleen size. Today the following drugs are approved for these patients as symptom-directed therapy: Hydroxy-urea, ruxolitinib, pacritinib, momelotinib and fedratinib (the latter four are JAK2 inhibitors, JAKi). At present there are no approved treatment options that would reverse bone marrow fibrosis in myelofibrosis, and there are only limited treatment options available for myelofibrosis patients whose disease progress during JAKi treatment or cannot tolerate JAKi.

Tasquinimod in Myelofibrosis

Preclinical studies have shown that tasquinimod reduces myeloproliferation, splenomegaly (enlarged spleen), and fibrosis in models of myelofibrosis (Leimkühler et al. Cell Stem Cell. 2021, Gleitz et al HemaSphere, 2025). Preclinical experiments using malignant cells from patients have further shown that tasquinimod works synergistically with a JAK- or BET inhibitor to reduce spleen size and prolong survival (Fiskus et al Blood Advances 2025). These promising results suggest that tasquinimod could be a valuable addition to the treatment options for myelofibrosis patients.

In collaboration with research groups at Erasmus MC, the Netherlands and at The University of Texas MD Anderson Cancer Center, US, Active Biotech will explore myelofibrosis as a new high value orphan indication for tasquinimod. In February 2022, a global patent license

agreement was signed with Oncode Institute, acting on behalf of Erasmus MC, for tasquinimod in myelofibrosis.

Under the agreement, Oncode Institute grants to Active Biotech a global exclusive license to develop and commercialize tasquinimod in myelofibrosis. Proof of-concept studies with tasquinimod in myelofibrosis patients are ongoing in Europe and at MD Anderson Cancer Center, TX.

The study in Europe is conducted by the HOVON (Stichting HematoOncologie voor Volwassenen Nederland) research network at clinics in The Netherlands and Germany. The study is mainly funded by Oncode Institute. Preclinical results from a collaboration with a research group at MD Anderson were published in November 2025 in Blood Advances. The results demonstrated tasquinimod's efficacy as monotherapy and in combination with approved and investigational drugs in models of advanced myelofibrosis. These positive results create a rationale for the ongoing clinical study in patients with myelofibrosis at MD Anderson.

Tasquinimod was granted orphan designation in myelofibrosis by the US Food and Drug Administration (FDA) in May 2022.

Ongoing Clinical Development

In July 2024, Active Biotech announced that it has entered into a clinical trial agreement with MD Anderson Cancer Center, US, to start a clinical phase II trial in patients with myelofibrosis.

MD Anderson is one of the world leading cancer centers performing cutting edge clinical and translational science. The study is composed of two separate cohorts which recruit patients parallelly. Cohort 1 evaluates tasquinimod as a single agent in patients with JAKi refractory disease and in patients who are ineligible for JAKi treatment. Cohort 2 evaluates tasquinimod in combination with JAKi in patients who have a suboptimal response to JAKi alone. The primary endpoint for both cohorts is efficacy: Objective Response Rate (ORR) according to the International Working Group (IWG-MRT) criteria for treatment response in myelofibrosis. ORR is defined as the proportion of patients with Complete Remission, Partial Response or Clinical Improvement after six cycles of treatment. Secondary endpoints include safety and tolerability, time to response, response duration, changes in spleen volume and symptom score as well as bone marrow fibrosis grade. The study enrolled its first patient in March 2025. For more information about the study, see clinicaltrials.gov (NCT06327100).

A clinical trial agreement has been signed between Active Biotech, Oncode Institute and HOVON, which is one of the leading European clinical study groups in hematologic malignancies and will be the legal sponsor of the study. The clinical study is mainly financed by Oncode Institute. The study evaluates tasquinimod as monotherapy in patients with myelofibrosis that have previously been treated with a JAKi or who are not suitable for treatment with JAKi.

Apart from safety and tolerability, the study will investigate the efficacy of tasquinimod on the disease by measuring changes in clinically meaningful variables including spleen volume, symptom control and bone marrow fibrosis grade. The study enrolled its first patient in February 2025. For more information about the study, see clinicaltrials.gov (NCT06605586).

Marie Törngren
VP R&D Active Biotech

These findings clearly highlight the potential of tasquinimod as monotherapy and in combination with other drugs for the treatment of myelofibrosis

The protocols have been amended to enable a dosing regimen reflecting the one used in previous phase III studies in prostate cancer for increased flexibility. In the US study, the combination of tasquinimod with the recently marketed JAK inhibitor momelotinib will be included in the combination cohort.

Since both studies are open-label studies, preliminary results may be available during the study. Preplanned interim analyses will be conducted as part of the protocols and will be reported at scientific meetings as applicable.

Multiple Myeloma

Multiple myeloma is an incurable blood cancer where abnormal plasma cells in the bone marrow grow uncontrollably while other blood forming cells, such as white and red blood cells and blood platelets, are suppressed. This leads to anemia, infections, destruction of bone tissue and progressive loss of renal function.

Despite new treatments which have greatly improved survival of multiple myeloma patients, the biological heterogeneity of the disease and the emergence of drug resistance is a major challenge, and the medical need of innovative treatment modalities remains high.

Current Treatments

Multiple myeloma patients undergo several lines of treatment. In both early and later treatment lines, the goal is to reduce tumor burden, improve symptoms and thereby achieve as long a period of effective disease control as possible. To support deeper and durable responses and overcome treatment resistance patients are as standard treated with combinations of drugs from available product classes. Currently, the market is dominated by drugs that can be divided into the following classes: immunomodulatory imides (IMiDs), proteasome inhibitors (PI), monoclonal antibodies, bispecific antibodies, Chimeric Antigen Receptor T- cells (CAR-T) and alkylating agents.

Clinical Development in Multiple Myeloma

Tasquinimod was evaluated in a two-part clinical study initiated in August 2020, with final results presented at ASCO in June 2025. Part A assessed tasquinimod monotherapy and showed that it was generally well tolerated, establishing an optimal dose of 1 mg daily after a short run-in. Although no partial responses were observed, three heavily pre-treated and triple-class refractory patients achieved prolonged stable disease, indicating single-agent anti-myeloma activity. Part B evaluated tasquinimod in combination with IRd (ixazomib, lenalidomide, dexamethasone) in 17 patients with a median of seven prior therapies. The combination yielded one partial response and seven minimal responses, resulting in a 47% clinical benefit rate. In the subgroup refractory to their latest IMiD/PI regimen, a durable partial response and three minimal responses produced a 33% clinical benefit rate. These patients were unlikely to benefit from IRd alone, suggesting synergistic efficacy when tasquinimod is added. Overall, the study provides important information about tasquinimod supporting further exploration in hematologic indications like myelofibrosis.

The study was carried out in an academic partnership with Abramson Cancer Center in Philadelphia, PA, US, with Dr. Dan Vogl as the principal investigator. More information about the study design is available at clinicaltrials.gov (NCT04405167).

Tasquinimod was granted orphan designation in multiple myeloma by the US Food and Drug Administration (FDA) in 2017.

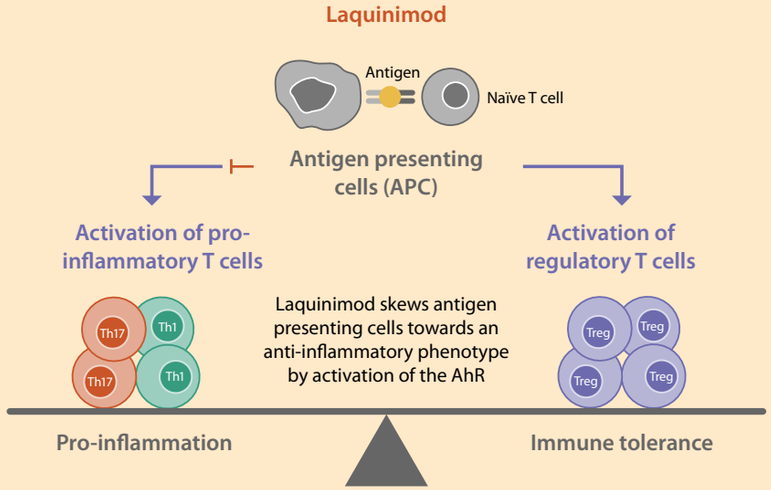
Clinical Experience

Tasquinimod has been in development for the treatment of prostate cancer. While the results from the phase III trial in prostate cancer showed that tasquinimod prolonged progression-free survival (PFS) compared to placebo, tasquinimod did not extend overall survival (OS) in this patient population and the development for prostate cancer was discontinued. Tasquinimod was studied in both healthy volunteers and cancer patients. Clinical effects and a favorable safety profile have been demonstrated in more than 1,500 patients, equivalent to more than 650 patient-years of exposure to tasquinimod. Extensive datasets including a regulatory package of preclinical and clinical safety and full commercial scale CMC documentation has been generated.

Laquinimod – Treatment of Inflammatory Eye Disorders

Laquinimod is a first-in-class immunomodulator with a novel mode of action in development for the treatment of severe inflammatory eye diseases such as non-infectious non anterior uveitis.

Laquinimod is an immunomodulator with a novel mode of action compared to the treatments currently available for uveit. It has been shown in experimental models of autoimmune/inflammatory diseases that laquinimod targets the aryl hydrocarbon receptor (AhR) that is present in antigen-presenting cells and involved in the regulation of these cells. By targeting the AhR, antigen presenting cells are re-programmed to become tolerogenic, so that instead of activating pro-inflammatory T cells, regulatory T cells with anti-inflammatory properties are activated leading to a dampening of the inflammation.



Non-Infectious Uveitis

Non-infectious uveitis (NIU) is the inflammation of the uveal tract (iris, ciliary body, and choroid) but can also lead to an inflammation of nearby tissues, such as the retina, the optic nerve, and the vitreous humor, in the absence of an infectious cause. The uvea is crucial for the delivery of oxygen and nutrients to the eye tissues, and an inflammation of the uvea can cause serious tissue damage to the eye, with symptoms including general vision problems and a risk of blindness. Furthermore, floater spots in the eye, eye pain and redness, photophobia, headache, small pupils, and alteration of iris color are common symptoms.

If left untreated, uveitis can lead to severe eye problems, including blindness, cataract, glaucoma, damage to the optic nerve, and detachment of the retina. Non-infectious uveitis often occurs in connection with systemic autoimmune diseases such as sarcoidosis, multiple sclerosis and Crohn's disease.

NIU can be divided into subtypes depending on the location of the inflammation. Intermediate, posterior and panuveitis (non-anterior non-infectious uveitis, NA-NIU) are the most severe and highly recurrent forms which can cause blindness if left untreated. Laquinimod is developed as a new treatment option for non-infectious uveitis.

Current Treatments

The current standard treatment for patients with non-infectious uveitis is high-dose oral corticosteroids or injections of corticosteroids in or around the eye. Immunosuppressants, such as methotrexate or cyclosporin, are used as corticosteroid-sparing regimen in the 2nd line of treatment, whereas anti-TNF antibodies (Humira) are used as a 2nd or 3rd line of treatment.

There is a high unmet medical need for new effective and safe therapies for non-infectious non-anterior uveitis:

- approximately 35 percent of patients suffer from severe visual impairment with the risk of blindness
- approximately 40 percent of patients fail on cortico-steroids therapy
- long-term treatment of corticosteroids in high doses is associated with severe side effects
- currently no topical treatment options are available

Therefore, there is a need for new treatments with additive effects to corticosteroids to limit failures in the 1st line of treatment. Furthermore, there is a need for safer therapies that can reduce or replace long-term use of steroids and a treatment that could be administered topically and reach to the back of the eye to minimize systemic adverse effects and to reduce injection-related risks.

Laquinimod in Non-infectious Uveitis

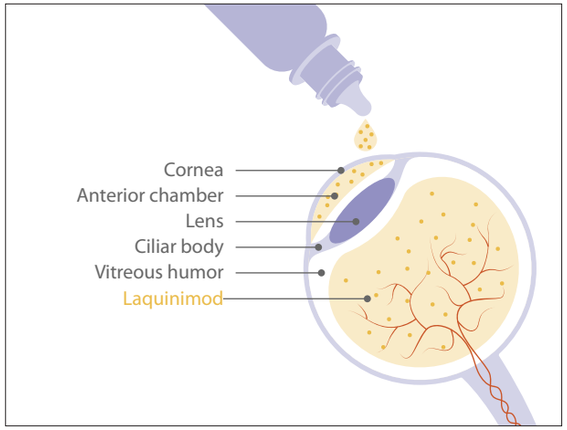
Laquinimod will be developed as a new treatment for non-infectious uveitis and has the potential to be used in the 1st line of treatment as an add-on to corticosteroids, as well as in the 2nd line of treatment for patients that have failed corticosteroid treatment.

Clinical Development

An eye-drop formulation of laquinimod was developed to enable clinically relevant intraocular exposure based on the molecule's physicochemical properties. A preclinical safety program was completed, and a phase I study in healthy volunteers began in December 2021, enrolling 54 subjects who received single or repeated doses. The primary objective was to evaluate safety and tolerability, and laquinimod eye drops were well tolerated with no serious adverse events linked to the drug. These findings, together with rabbit biodistribution data, were presented at the IOIS meeting in 2023. A clinical phase I biodistribution study in individuals undergoing vitreous surgery was later completed at Stanford's Byers Eye Institute and presented at IOIS, AAO, and FLORetina in 2025. In this study, 10 patients received laquinimod eye drops for two weeks before surgery, representing three dose levels. Laquinimod was detected in both the vitreous humor and anterior chamber in a dose-related manner, demonstrating successful distribution to posterior ocular tissues. The results also confirmed that laquinimod reaches therapeutically relevant concentrations in the back of the eye, supporting the plan to progress into phase II development for uveitis. Activities to establish commercial partner collaborations are ongoing.

Previous Clinical Experience with Laquinimod

During its years of advanced product development, clinical efficacy and safety data on laquinimod, oral



formulation, was established in more than 5,000 patients, primarily multiple sclerosis (MS) patients, representing more than 14,000 patient-years of exposure. Extensive datasets have also been generated, including regulatory package of preclinical and clinical safety and full commercial scale CMC documentation.

In 2025, the clinical phase I biodistribution study with laquinimod eye drops was completed, the LION Study. The study met its primary endpoint, demonstrating that laquinimod, self administered as eye drops has the ability to absorb into the posterior parts of the eye. The study was conducted as a collaboration between Active Biotech, Global Ophthalmic Research Group (GORC), Los Altos, CA and clinician-scientists from the Byers Eye Institute, Stanford University, Stanford, CA.

MD, Ophthalmologist Dalia El Feky was the assisting co-investigator of the LION study, and she has been deeply involved in designing and executing the study and reporting the results. Together with the rest of the team, she is now working on a manuscript of the LION study.

Erik Vahtola, CMO of Active Biotech, interviewed Dalia El Feky. Dalia has presented the results from the LION study at several scientific meetings including the International Ocular Inflammation Society (IOIS) meeting in June 2025, American Academy of Ophthalmology (AAO) in Oct 2025 and the FLORetina meeting in Dec 2025

– Could you tell us about your professional background and what has led you to your current role?

– I completed ophthalmology residency followed by subspecialty training in medical retina and uveitis in Egypt and earned a master's degree. I was later awarded a scholarship to pursue PhD-related research under the mentorship of Prof. Dr. Nguyen at Stanford University. Since October 2023, I have been working as a clinical research fellow at Nguyen's lab, where I had the opportunity to lead the LION study.

– How are patients with non-anterior, non-infectious uveitis typically treated today?

– Management primarily relies on systemic immunosuppressive therapies. While effective, these treatments are often limited by systemic adverse effects, long-term adherence challenges, and access or insurance barriers. Intraocular therapies are also used but carry procedural risks and may be inconvenient and burdensome for patients with repeated treatments.

– How do you envision laquinimod eye drops as a potential treatment option?

– Topical therapy is the most patient-friendly route and minimizes systemic exposure, but achieving posterior segment distribution has been challenging. Laquinimod is a first-in-class immunomodulatory agent with neuroprotective properties, and its topical hydrogel formulation has demonstrated promising posterior segment penetration in preclinical models. Furthermore, phase 1 data in healthy participants showed that topical laquinimod is safe and well tolerated, with no clinically meaningful ocular or systemic adverse events.

– What were the most important findings from the LION study, and why are they significant?

– In the LION study, topical laquinimod 10 mg/mL was well tolerated across daily doses of 0.6, 1.2, and 1.8 mg, with no drug-related adverse events or clinically meaningful ocular or systemic safety signals. Dose-dependent laquinimod levels were consistently detected in the anterior chamber as well as vitreous. These results support topical laquinimod as a promising steroid-sparing immunomodulatory therapy for posterior segment inflammatory eye disease.

Dalia El Feky
Ophthalmologist, Uveitis Visiting Scholar

> *These results support topical laquinimod as a promising steroid-sparing immunomodulatory therapy for posterior segment inflammatory eye disease.*
>
> *Dalia El Feky, Ophthalmologist, Uveitis Visiting Scholar*

– What feedback have you received from the scientific community following presentation of the LION study results?

– The data have been presented at major international meetings, including IOIS, AAO, and FLORetina, and were met with enthusiasm for advancing into efficacy studies and defining optimal dosing in patients with uveitis and macular edema secondary to inflammation.

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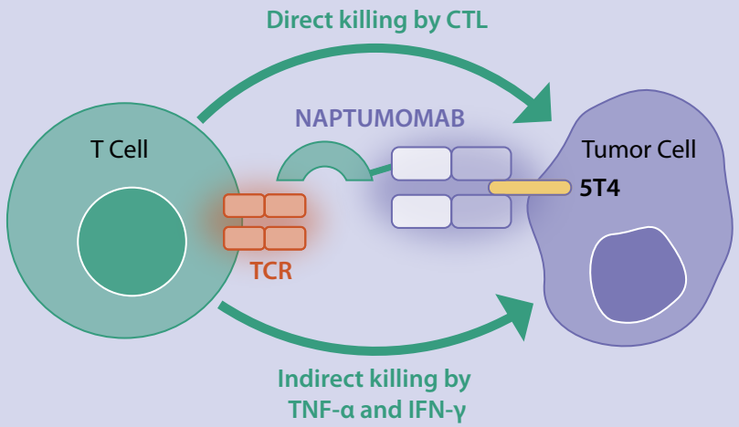
Naptumomab – Tumor Directed Immunotherapy

Naptumomab estafenatox (naptumomab) is a tumor targeting immunotherapy that enhances the ability of the immune system to recognize and kill the tumor. Naptumomab is developed for treatment of solid tumors by Active Biotech's partner NeoTX.

Naptumomab, a Tumor Targeting Superantigen (TTS), is a fusion protein containing the Fab-fragment of an antibody that targets the tumor-associated 5T4 antigen which is expressed in a high number of solid tumors.

The antibody part of naptumomab is fused with an engineered bacterial superantigen that activates specific T cells expressing a particular set of T cell receptors. In short, naptumomab functions by activating T cells and redirect them to 5T4-expressing tumors. This leads to a massive infiltration of effector T cells into the tumor and tumor cell killing.



Solid tumors

Cancer is a collective term for a large group of diseases characterized by the growth of abnormal cells that can invade nearby parts of the body or spread to other organs. Cancer is the second most common cause of death worldwide. Lung, prostate, colorectal, stomach and liver cancers are the most common types of cancer in men, while breast, colorectal, lung, cervical and thyroid cancer is among the most common cancers in women (www.who.int/health-topics/cancer).

Existing treatments

Treatment of solid tumors generally combines several types of therapy, traditionally including surgery, chemotherapy and radiotherapy. Immunotherapy has played a pivotal role in cancer care in recent years, and the immuno-oncology market has grown rapidly. Therapies aimed at reducing immune suppression are dominated by biological medicines classified as checkpoint inhibitors. A number of new checkpoint inhibitors have been approved for the treatment of various solid tumor types.

Naptumomab in Solid Tumors

Naptumomab increases the immune system's ability to recognize and attack the tumor and preclinical data from various experimental models show synergistic anti-tumor effects and prolonged overall survival when naptumomab is combined with checkpoint inhibitors, chemotherapy and chimeric antigen receptor (CAR) T-cell therapy. Checkpoint inhibitors are a group of cancer drugs, which function by unleashing the immune system to attack the tumor. Despite the successes over recent years with these immunotherapies, it remains a challenge for the immune system to recognize tumor cells and there is a need to optimize the therapeutic effect of checkpoint inhibitors.

Clinical Development

An open-label, multicenter, dose-finding clinical phase Ib/II study is ongoing with naptumomab in combination with the checkpoint inhibitor durvalumab. The clinical trial enrolls patients with previously treated advanced or metastatic, 5T4-positive solid tumors. The phase Ib part of the study is completed and the recommended phase II dose (RP2D) established. The trial was initiated in H2 2019 and is performed under an agreement with AstraZeneca. Interim safety and preliminary efficacy data from the study were presented at the American Association for Cancer Research (AACR) annual meeting in Orlando, Florida in April 2023. Data based on 59 patients with previously treated advanced or metastatic disease demonstrate that naptumomab in combination with durvalumab is well tolerated with limited toxicity at the RP2D. Durable, including complete, treatment responses were seen in patients where response to checkpoint inhibitor alone was not expected. In addition, the results indicate that pretreatment with obinutuzumab, a B-cell therapy, reduces the formation of anti-drug antibodies against naptumomab.

A cohort expansion of this trial with patients suffering from esophageal cancer is planned. The initiation of the expansion study depends on new funding, and the start date has therefore not been determined. More information about the study is available at clinicaltrials.gov (NCT03983954).

An open label clinical phase IIa study in US testing naptumomab in combination with docetaxel in patients with advanced or metastatic non-small cell lung cancer (NSCLC) previously treated with checkpoint inhibitors is completed and results were presented at the American Society of Clinical Oncology in June 2024. The primary endpoint of the study is objective response rate.The trial enrolled 38 patients with NSCLC previously treated with platinum and checkpoint-inhibitor (CPI) therapy. Safety of NAP was acceptable with mostly grade 1-2 infusion related reactions, were generally easily manageable and rapidly reversable.

32 patients were evaluable for response. Five patients had partial response (PR), two of them unconfirmed, and overall response rate (primary endpoint) was 16%. Two patients had prolonged responses: one lasted for 22 months and the second had a complete response lasting for 24 months despite CNS progression. Mean duration of response was 7.3 months (1.3 – 20.8). Mean PFS was 4.6 months, 18 patients (56%) had stable disease, disease-control rate was 72%, with mean duration of 5.3 months. Median OS was 8 months with 11 patients (34%) still alive at database lock. Pretreatment with obinutuzumab successfully eliminated anti-drug antibodies (ADAs), which enables prolonged naptumomab exposure. In conclusion, the combination of NAP and docetaxel show preliminary evidence of activity but no increase in overall response rate (primary endpoint) compared to docetaxel alone. The safety of the combination was acceptable in these heavily pretreated NSCLC patients. For more information about the trial, visit clinicaltrials.gov (NCT04880863) and at neotx.com.

Previous Clinical Experience with Naptumomab

Safety and tolerability of naptumomab as monotherapy and in combination with standard treatment have been established in clinical studies that include more than 300 patients. Clinical development of naptumomab includes phase I studies in patients suffering from advanced non-small cell lung cancer, renal cell cancer and pancreatic cancer and a phase II/III study in combination with interferon alpha in patients with renal cell cancer.

Marie Törngren, VP R&D at Active Biotech, has extensive experience in drug research and development and is, among other things, responsible for the company's preclinical research collaborations. A large part of Active Biotech's research – both preclinical and clinical – is conducted in close collaboration with leading international research groups, with Marie playing a central role in driving and coordinating the preclinical projects. During the year, several important publications have been released in our key projects.

– What is the main importance of scientific articles?

– To reach researchers in relevant fields and share new results generated with our compounds. It is important for us to disseminate knowledge and reach researchers, physicians, and other companies with information about how the compounds work, preferably in conjunction with clinical results. We are contacted by many researchers, primarily in oncology and hematology, who want to collaborate with us to deepen the research on our compounds. They often reach out because they have seen an article that has already been published. This enables us to choose the research groups that are best suited for the projects.

– How long is the process from submission to publication?

– It varies how long it takes for an article to be published, but the researchers we collaborate with today are very skilled at planning the work and compiling the results into manuscripts when the findings are publishable. For the articles published in 2025, the research has taken up to three years, but interim results have been published as abstracts, presented as posters, or shared at relevant conferences before the full article was published.

– Who decides on the publication itself?

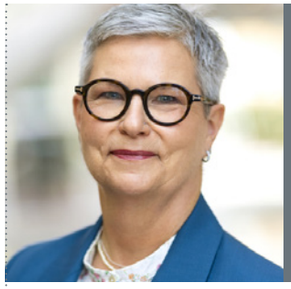
– Together with the researchers, we set plans for what the research collaboration will include, and we always review publications before they are published, but the researchers have full freedom to publish their findings.

– You have had many articles published recently. Can we expect as many going forward?

– Two articles are currently under review for publication, and we expect them to be published in 2026. After they are published, it will likely take a bit longer until the next potential publication, since we have also focused the preclinical work on myelofibrosis, and the collaborations with the groups working on myelodysplastic syndrome (MDS) and multiple myeloma have ended.

– How many journals are there where you can be published?

– Very many. We usually aim for the top journals that are read by the greatest number of researchers, and these are often linked to the major organizations, such as the American Society of Hematology (ASH) and its European counterpart, the European Hematology Association (EHA).



Marie Törngren
VP R&D Active Biotech

We are contacted by many researchers, primarily in oncology and hematology, who want to collaborate with us to deepen the research on our compounds

– Who is the target audience?

– Researchers and physicians in both academia and industry who work in the areas where our compounds are intended to become approved. Right now, we are focused on myelofibrosis – a hematological cancer indication for tasquinimod – as well as the severe eye disease non-infectious uveitis for laquinimod. The articles published in 2025 appeared in HemaSphere (EHA's journal) and Blood Advances, a journal affiliated with ASH.

Market

MARKET AND COMPETITION FOR OUR PROJECTS

Growing Markets with a Great Need for New Treatments

Active Biotech's projects show a substantial market potential with growing markets due to an elderly population with greater incidence and need for more treatment alternatives.

Active Biotech focuses on the development of pharmaceuticals in therapeutic areas such as cancer and inflammatory diseases where the need for new effective treatments is huge. Active Biotech's projects have market advantages such as easy administration for patients with oral or topical formula and the possibility to use them in combination therapy. In addition, tasquinimod has been granted orphan drug status in the US for myelofibrosis and multiple myeloma.

Myelofibrosis – tasquinimod

Myelofibrosis (MF) is a rare blood cancer belonging to a group of disorders starting in the bone marrow, called myeloproliferative neoplasms (MPN). Patients with MF have an abnormal production of blood-forming cells leading to the replacement of healthy bone marrow with scar tissue (fibrosis). Due to the lack of normal blood cell production patients typically present with laboratory value abnormalities such as anemia and changes in white blood cell counts and blood cell-differentiation. Later symptoms include enlargement of the spleen, an increased risk for infections, night sweats and fever. MF is associated with shortened survival due to, among other things, bone marrow failure and transformation into acute leukemia.

Current Treatment Options

Myelofibrosis can be treated with bone marrow transplantation for eligible individuals, erythropoietin to manage anemia, and JAK2 inhibitors to reduce spleen size. Information about this product class is found in the table below.

Therapeutic Agent	Target	1st US Approval
Momelotinib (Ojjaara)	JAK1/2, ACVR1	2023
Pacritinib (Vonjo)	JAK2/IRAK1	2022
Fedratinib (Inrebic)	JAK2, FLT3	2019
Ruxolitinib (Jakafi)	JAK1/2	2011

https://www.fda.gov/drugs/development-approval-process-drugs/novel-drug-approvals-fda
JAK – Janus kinase, ACVR1 – Activin A receptor type 1, IRAK1 - Interleukin-1 receptor-associated kinase 1, FLT3 - FMS-like tyrosine kinase

PROJECTED GLOBAL DRUG SALES

60.0 Billion USD 2028 — Checkpoint Inhibitors

29.3 Billion USD 2032 — Multiple Myeloma Drugs

2.9 Billion USD 2031 — Myelofibrosis Drugs

0.8 Billion USD 2029 — Uveitis Drugs

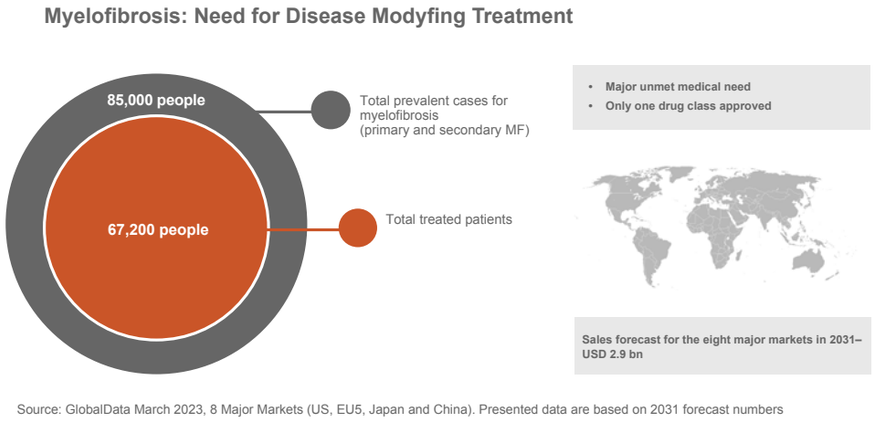
Currently, there are no approved therapies that would reverse bone marrow fibrosis in myelofibrosis, and there are only a limited number of treatment options available for patients whose disease progresses on JAKi or who are intolerant to JAKi.

A Market under Development for Treatment of Myelofibrosis

Myelofibrosis is a rare hematological cancer, and its underlying cause remains unknown. For patients whose disease progresses or who cannot tolerate JAK2 inhibitors, very limited treatment options are available. The sex- and age-adjusted incidence is estimated at approximately 1.5 cases per 100,000 people, with a prevalence of 12 patients per 100,000 people. This corresponds to a prevalence of more than 100,000 individuals with myelofibrosis in the EU, the U.S., the U.K., and Japan.[1]

In 2021, sales of drugs for the treatment of myelofibrosis in the eight major pharmaceutical markets (the U.S., 5-EU, Japan, and China) amounted to USD 2.3 billion and are projected to reach USD 2.9 billion by 2031.[2]

The expected market growth will be driven by new JAK-inhibitors as well as new product candidates under development, to be used in monotherapy or in combination with JAK-inhibitors.



Source: GlobalData March 2023, 8 Major Markets (US, EU5, Japan and China). Presented data are based on 2031 forecast numbers

Multiple Myeloma – Tasquinimod

Multiple myeloma is an incurable blood cancer where abnormal plasma cells in the bone marrow grow uncontrollably while other blood forming cells such as white and red blood cells and blood platelets are suppressed. This leads to anemia, infections, destruction of bone tissue and progressive loss of renal function. Despite new treatments which have greatly improved survival of multiple myeloma patients the biological heterogeneity of the disease and the emergence of drug resistance is a major challenge, and the medical need of innovative treatment modalities remains high.

Current Treatment Options

Multiple myeloma is considered a chronic disease, for which the potential of a cure is limited, but the treatment methods are continuously improving. In both early and late treatments, the goal is to reduce tumor burden, alleviate symptoms and thereby achieve as long a period of effective disease control as possible. To support deeper and more durable effects and overcome treatment resistance, patients are routinely treated with combinations of drugs from available product classes. Currently, the market is dominated by drugs that can be divided into the following main classes: immunomodulatory imides (IMiDs), proteasome inhibitors (PIs), monoclonal antibodies, bispecific antibodies, chimeric antigen receptor T cells (CAR-T) and alkylating agents. Information on the available product classes is shown in the table on following page.

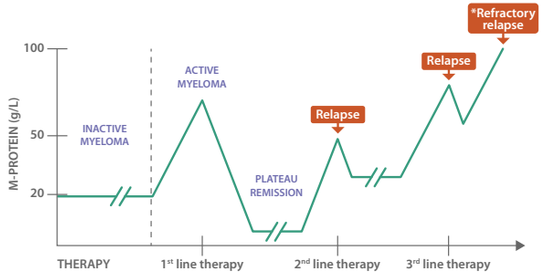
Therapeutic Agent Class	Target	Substances (highlighted = most frequently used)	1st US Approval
Alkylating Agents	DNA Alkyl Groups	**Melphalan (generic)**	1960s[1]
		Cyclophosphamide (generic)	
		Bendamustine (Treanda)	2008
		Melphalan flufenamide (meflufen; Pepaxto)	2021[2]
Corticosteroids	Glucocorticoid Receptor	Prednisone (generic)	1960s[1]
		Dexamethasone (generic)	1980s[1]
Proteasome Inhibitors	Proteasome	**Bortezomib (Velcade/generic)**	2003
		Carfilzomib (Kyprolis)	2012
		Ixazomib (Ninlaro)	2015
Immunomodulators (IMiDs)	Cereblon	Thalidomide (Thalidomid/generic)	1998[3]
		Lenalidomide (Revlimid)	2006
		Pomalidomide (Pomalyst/Imnovid)	2013
Histone Deacetylase Blocker	Histone Deacetylase	Panobinostat (Farydak)	2015[4]
Monoclonal Antibodies	CD38	**Daratumumab (Darzalex)**	2015
		Isatuximab (Sarclisa)	2020
	CS1/SAMF7	Elotuzumab (Empliciti)	2015
Nuclear Export Inhibitors	Exportin-1	Selinexor (Xpovio)	2019
Antibody Drug Conjugate	BCMA	Belantamab mafodotin-blmf (Blenrep)	2020[5]
CAR-T Cell	BCMA	**Idecabtagene vicleucel (ide-cel; Abecma)**	2021
		Ciltacabtagene autoleucel (cilta-cel; Carvykti)	2022
Bispecific T-Cell Engager	BCMA x CD3	Teclistamab-cqyv (Tecvayl)	2022
		Elranatamab-bcmm (Elrexfio)	2023
		Linvoseltamab (Lynozyfic)	2025[6]
	GPRC5D x CD3	Talquetamab-tgvs (Talvey)	2023

1 Dates refer to wide spread use in MM.
2 Withdrawn from US market in 2021, approval in EU 2022.
3 Initial approval for leprosy, 2006 approval in MM 2006.
4 Withdrawn in 2021.
5 Withdrawn in 2022. Rarely used cytotoxic drugs (like carmustine or doxorubicine) and supportive agents like bisphosphonates or growth factors not listed.
6 Approval recommended by EMA in 02/2025. Resubmitted to FDA in 02/2025, PDUFA date is 07/2025

The market for the treatment of multiple myeloma is currently undergoing rapid advances and innovative combinations of drugs are expected to become standard treatment. A key driver for market growth is that the number of patients that survive for five years or longer has increased significantly, a consequence of new drugs directed at treatment in the earlier stages of the disease. Median survival is estimated to eight to ten years from diagnosis. The fact that more patients have more of a long-term remission in the earlier stages of the disease, due to more treatment options, results in a market increase for drugs intended for use in patients with recurring relapses in later stages of the disease.

Multiple myeloma patients undergo several lines of treatment. However, after three to four lines of treat-

ments there are very few treatment options left for the patient due to development of drug resistance, and co-morbidity. Poor tolerability further limits the treatment options. There is therefore an urgent need of efficacious and safe combination regimens including drugs with novel mode of actions to mitigate drug resistance. Active Biotech's candidate drug tasquinimod represents a new class of drugs with a mechanism of action that differs from the others and thus has the potential to overcome the problem of drug resistance. This could change the treatment landscape for patients with multiple myeloma. The figure shows the disease course of multiple myeloma.



* Life expectancy of ~9 months
Source: Gandhi et al., Leukemia 2019

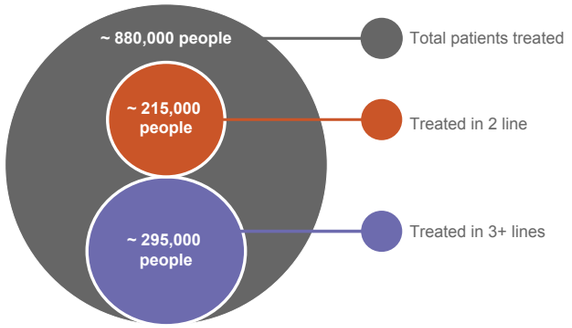
The Market for Treatment of Multiple Myeloma is Substantial

The number of diagnosed cases of multiple myeloma in the eight largest markets (US, 5 largest EU markets, Japan and China) was approximately 317,000 in 2022 and is expected to increase to approximately 352,000 by 2032. In 2022, the US accounted for 49 percent of diagnosed cases, the five largest EU markets for 26 percent and Japan and China together for 25 percent.[3]

Sales of medicines for the treatment of multiple myeloma in the eight largest pharmaceutical markets amounted to USD 21.2 billion in 2022 and are estimated to amount to USD 29.3 billion in 2032.[3]

The market for drugs for the treatment of multiple myeloma is growing strongly and is expected to continue to show good growth as a result of increased incidence due to the higher prevalence of an older population, longer progression-free and overall survival and reduced mortality due to the availability of new treatments and combination options. Of the estimated total market in 2032, the USA represents approximately 68 percent, the five largest markets within the EU approximately 20 percent, and Japan and China approximately 4 and 8 percent, respectively.[3]

Multiple Myeloma: Market Driven by Novel Treatments



→ Duplet → Triplet → Quadruplet → Quintuplet multiple myeloma drug combination regimens

Sales forecast for the eight major markets 2032– USD 29 bn

Tasquinimod - novel, safe oral therapy to be used in combinations → opportunity in earlier lines of treatment

Source: Global Data Report July 2024, Multiple Myeloma – Eight Market Drug Forecast 2022 - 2032.

Non-Infectious Uveitis – Laquinimod

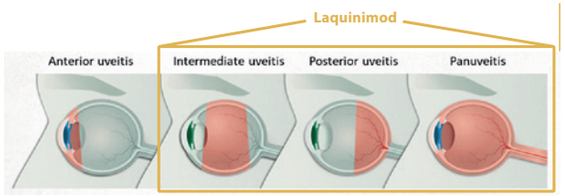
Non-infectious uveitis is the inflammation of the uveal tract (iris, ciliary body and choroid), but can also lead to inflammation of nearby tissues, such as the retina, the optic nerve and the vitreous humor, in the absence of an infectious cause. The uvea is crucial for the delivery of oxygen and nutrients to the eye tissues, and inflammation of the uvea can cause serious tissue damage to the eye with symptoms including general vision problems and a risk of blindness. Furthermore, floater spots in the eye, eye pain and redness, photophobia, headache, small pupil and alteration of iris colour are common symptoms. If left untreated, uveitis can lead to severe

eye problems, including blindness, cataracts, glaucoma, damage to the optic nerve and detachment of the retina.

Non-infectious uveitis often occurs in association with systemic autoimmune diseases such as sarcoidosis, multiple sclerosis, and Crohn's disease.

The disease, which can be caused by an infection or be non-infectious, can be divided into subtypes depending on the location of the inflammation. Intermediate, posterior, and panuveitis (non-anterior non-infectious uveitis, NA-NIU) are the most severe and highly recurrent forms that can cause blindness if left untreated. Laquinimod is being developed as a new treatment option for non-infectious uveitis.

The figure below shows uveitis divided into different subgroups depending on location of the inflammation in the eye.



Current Treatments

Patients with non-infectious non-anterior uveitis are today as standard treated with high-dose oral corticosteroids or injections of corticosteroid in or around the eye. Immunosuppressants, such as methotrexate or cyclosporine, are used as a corticosteroid-sparing regimen in the second line of treatment, while anti-TNF antibodies (Humira) are used as second or third line of treatment.

There is a high unmet medical need for new effective and safe therapies for non-infectious non-anterior uveitis since[4]:

- approximately 35 percent of these patients suffer from severe visual impairment with risk of blindness;
- approximately 40 percent of these patients fail on corticosteroid therapy;
- long-term treatment of corticosteroid in high doses is associated with severe adverse events; and
- currently no topical treatment options available.

Therefore, there is a need for new treatments with complimentary effects to corticosteroids to limit failures in the 1st line of treatment. Furthermore, there is a need for safer therapies that can reduce or replace long-term use of corticosteroids and a treatment that could be administered topically and reach to the back of the eye to minimize systemic adverse effects and to reduce injection-related risks.

A Market with Few Options for Treatment

There are limited treatment options for patients with non-infectious uveitis. The treatment that most patients undergo is long-term treatment with high doses of corticosteroids. Still, about 40 percent of patients do not achieve disease control, or cannot continue with high doses of corticosteroids due to side effects.[5]

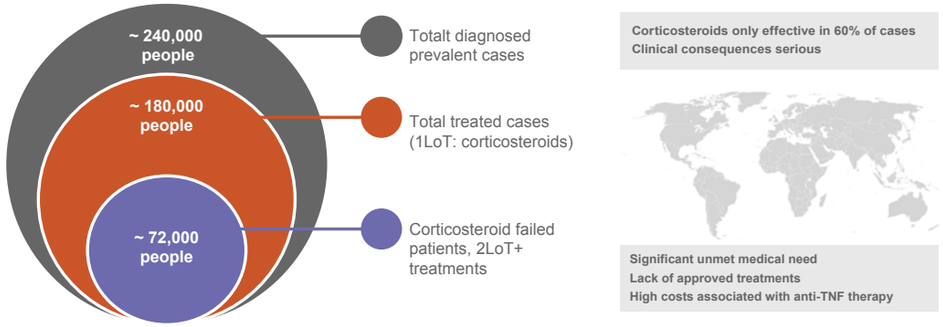
More recently, intraocular injections of corticosteroids have been introduced with positive effects for some patients and with limited systemic corticosteroid-related side effects. Injecting a depot with delayed release of corticosteroids into the eye is associated with risks such as cataracts and increased intraocular pressure.

Approximately 1.8 million patients in the nine largest markets are expected to be diagnosed with uveitis by 2031. Of these, approximately 670,000 are expected to be treated for their disease, of which approximately 70 percent for non-infectious anterior uveitis and approximately 30 percent for non-infectious non-anterior uveitis. Of a total of approximately 240,000 diagnosed patients with NIU-NA, approximately 180,000 patients are expected to be treated, of which approximately 72,000 patients are estimated to be refractory to corticosteroid therapy and are candidates for second-line therapy.[6]

Global sales of drugs for the treatment of uveitis amounted to approximately USD 522 million in 2023 and sales are expected to increase to approximately USD 1.5 billion by 2033.[6]

Laquinimod will be developed as a new treatment for non-infectious non-anterior uveitis and has the potential to be used in the 1st line of treatment as an add on to corticosteroids as well as in the 2nd line of treatment for patients that have failed corticosteroid treatment.

Non-infectious non-anterior uveitis: Addressable opportunity as an orphan indication



Source: GlobalData Report mars 2025, Uveitis-opportunity Assessment and Forecast

Naptumomab – Treatment of Solid Tumors

Cancer is the second most common cause of death in the world. Lung, prostate, rectal, stomach and liver cancer are the most common types of cancer among men, while breast, rectal, lung, cervical and thyroid cancer are the most common types among women.[7]

Immunotherapy has been of decisive importance for cancer care in recent years and the immuno-oncology market has demonstrated strong growth. Therapies aimed at targeting immune suppression are dominated by biological drugs classified as checkpoint inhibitors. Several new checkpoint inhibitors have been approved for the treatment of various solid forms of tumors, including malignant melanoma, non-small cell lung cancer, head and neck cancer, liver cancer and cervical cancer. Despite the enormous successes in recent years of checkpoint therapies, it remains a challenge for the body's immune system to find and recognize tumor cells, which is reflected in relatively few patients responding to treatment, and there is thus a need to optimize this.

Naptumomab increases the immune system's ability to recognize and redirect immune cells to the tumor, and the clinical development program that NeoTX is pursuing is directed towards combining naptumomab with checkpoint inhibition. There are several pharmaceutical companies that, similar to Active Biotech, develop tumor-targeting immunotherapy. Two examples of this type of treatment are CAR-T cell therapy and bispecific antibodies, which are currently in the early development phase for the treatment of solid tumours.

Naptumomab differs significantly from competing tumor-targeting therapies as a result of its already established safety profile in solid tumors, and a relatively simple and thus cost-efficient manufacturing procedure.

Market in Strong Growth

Immunotherapy is one of the major breakthroughs of recent years in cancer therapy, which is reflected in the checkpoint inhibitors Keytruda, Opdivo, Imfinzi and Tecentriq achieving combined global sales of USD 30.7 billion in 2021. The strong sales development for checkpoint inhibitors is expected to continue and sales are forecast at USD 60.0 billion in 2028.[8]

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Intellectual Property Rights

Active Biotech has built its patent portfolio through strategically defined patent families, primarily in the areas of cancer and inflammation. The work of keeping the company's patent portfolio updated is is always ongoing.

Strong patent protection is a requirement for investments in the development of a product for commercialization. Active Biotech's patent portfolio covers new biochemical structures, pharmaceutical preparations, methods, uses and processes related to the Company's operations in key markets. Patents and patent applications refer primarily to such commercially important markets as Europe, the US and Japan, but the key patent families also include patents and patent applications in several other countries (RoW). Tasquinimod, laquinimod and naptumomab are specifically protected by several patent families. The patent portfolio also provides patent protection for inventions related to compounds that are structurally similar to tasquinimod and laquinimod.

New Patents During the Year

Active Biotech works continuously to optimize its patent portfolio to secure the projects with the best possible protection in the most important markets. The portfolio of strategically important patents and patent applications protects the use of tasquinimod in the treatment of three different hematologic cancers: myelofibrosis, multiple myeloma and myelodysplastic syndrome, and the use of laquinimod for the treatment of eye diseases associated with inflammation or excessive vascularization.

During 2025, several important patents were added. For example, the United States Patent and Trademark Office (USPTO) granted a patent for laquinimod in eye diseases associated with excessive vascularization, and the European Patent Office (EPO) granted patents for tasquinimod in myelofibrosis and in myelodysplastic syndrome, respectively. In addition, both the USPTO and the EPO granted patents for a pharmaceutical formulation containing tasquinimod. The new patents provide protection and market exclusivity through at least 2040, and several of them through 2042.

The Company's projects are protected by close to 200 granted national patents and further applications are expected to be granted in the next few years, see the table on the next page.

	Type of patent (publication number)	Area	Status	Year of expiry
Tasquinimod	Pharmaceutical product (WO2023/275248)	EU US Japan RoW (11)	Application Application Application Application	2042 2042 2042 2042
	Treatment method (WO2022/152902)	EU US Japan RoW (11)	Patent Application Application Patent/Application	2042 2042 2042 2042
	Pharmaceutical product (WO2022/248401)	EU US Japan RoW (11)	Patent Patent Application Patent/Application	2042 2042 2042 2042
	Treatment method (WO2022/018240)*	EU US Japan RoW (11)	Patent Application Patent Patent/Application	2041 2041 2041 2041
	Treatment method (WO2021/175924)	EU US Japan RoW (11)	Patent Application Patent Patent/Application	2041 2041 2041 2041
	Treatment method (WO2016/146329)	EU US Japan RoW (3)	Patent Application Patent Patent	2036 2036 2036 2036
	Treatment method (WO2016/078921)	EU US Japan RoW (13)	Patent Patent Patent Patent	2035 2035 2035 2035
	Treatment method (WO2016/042112)	EU US Japan RoW (13)	Patent Patent Patent Patent	2035 2035 2035 2035
	Manufacturing method (WO2012/004338)	US	Patent	2031
	Treatment method (WO2025/006886)	EU USA Japan RoW (9)	Application Application Application Application	2044 2044 2044 2044

	Type of patent (publication number)	Area	Status	Year of expiry
Laquinimod	Pharmaceutical product (WO2022/207773)	EU US Japan RoW (11)	Patent Application Application Application	2042 2042 2042 2042
	Treatment method (WO2021/123142)	EU US Japan RoW (12)	Patent Patent Patent Patent/Application	2040 2040 2040 2040
	Treatment method (WO2013/184650)	US	Patent	2033
	Treatment method (WO2014/028397)	US	Patent	2033
	Treatment method (WO2013/116657)	US	Patent	2033
	Pharmaceutical product (WO2013/123419)	US	Patent	2033
	Pharmaceutical product (WO2009/082471)	US	Patent	2030
	Treatment method (WO2011/019375)	US	Patent	2033
	Pharmaceutical product (WO2010/001257)	US	Patent	2029
	Pharmaceutical product (WO2007/146248)	US	Patent	2029
	Pharmaceutical product (WO2005/074899)	US	Patent	2027
Naptumomab	Treatment method (WO2022/224041)**	EU US Japan RoW (1)	Application Application Application Application	2042 2042 2042 2042
	Pharmaceutical product Treatment method (WO2022/018726)**	EU US Japan RoW (5)	Application Application Application Application	2041 2041 2041 2041
	Pharmaceutical product Treatment method (WO2022/074464)**	EU US Japan RoW (8)	Application Application Application Application	2041 2041 2041 2041
	Pharmaceutical product Treatment method (WO2017/122098)**	EU US Japan RoW (8)	Patent Patent Patent Patent/Application	2037 2037 2037 2037

* Application by Erasmus University Medical Center Rotterdam. ** Application by NeoTX.

Sustainability

HOW WE WORK WITH SUSTAINABILITY

We Take Responsibility for our Impact

Our business concept—to develop medicines in therapeutic areas where there is a significant unmet medical need—is inherently sustainable. We enable more people to access treatment.

In our quest to develop these medicines, it is our responsibility to ensure that we do so in a way that causes as little harm as possible to the environment and climate, while also taking our social and ethical responsibility for the people we meet in the process.

Enviromental work – how we manage resources

Our operations have a limited environmental impact with minimal emissions from office and laboratory facilities. A significant portion of our energy consumption is related to the leased office spaces, which are rented from the real estate company Ekebeck AB, leaving Active Biotech with limited opportunity to influence this aspect.

Commuting to and from work is primarily done by bicycle and public transport. The company has one service vehicle, which is a hybrid. Employees have the option to work from home, and digital meetings are frequently utilized. Air travel occurs only a few times per year and only when no alternative is available.

In our efforts to minimize environmental impact, waste is sorted and separated, and special procedures are in place for handling hazardous and biologically dangerous waste.

Ethics – We Strive to Have a Positive Impact

We strive to have a positive impact on the local communities in which we operate and encourage our employees, suppliers, and other stakeholders to do the same. We continue to develop the structures required to ensure that our business operations are managed and developed sustainably. Our commitment to ethics and sustainability permeates all aspects of our business.

ENVIRONMENTAL IMPACT

Energy Consumption
limited ability to influence

Traveling
Primarily by bicycle and public transport.
Air travel only when no alternative is available.

Waste
Procedures in place

Social Work – a Safe and Sound Work Environment

Active Biotech operates on the principle that all employees have equal value and the same opportunities, regardless of their background and individual differences. The company believes that these differences, when combined, enhance development and change capacity and become an asset to the organization. Diversity criteria are considered both when recruiting employees and when contracting consultants. The goal is to achieve strong employee engagement and maintain a low staff turnover.

Active Biotech strives to provide a healthy and safe work environment for all employees. The company offers flexible working hours and workplaces, including the option to work from home, as well as a wide range of benefits to promote employee well-being. Our long average tenure shows that we have satisfied employees.

The Share

THE ACTIVE BIOTECH SHARE

Active Biotech's share is listed on Nasdaq Stockholm (Small Cap). The share was originally listed on December 1, 1986, on what was then known as the O-list of the Stockholm Stock Exchange. The company was converted into a dedicated biotechnology company in 1998.

TICKER:
ACTI

NO. OF SHAREHOLDERS:
18,066

Source: Modular Finance AB

Interim Report, 3 months: May 7, 2026 • Annual General Meeting: May 20, 2026 • Interim Report, 6 months: August 20, 2026 • Interim Report, 9 months: November 5, 2026 • Year-end report 2026: February 11, 2027

The latest price information is available on Nasdaq's website under the ticker ACTI. The Active Biotech share is included in Nasdaq Stockholm's Pharmaceuticals, Biotech & Life Science index. The diagram in this section shows the price trend for the Active Biotech share for the period January 2025 – February 2026.

Share capital

The company's share capital is quoted in SEK and distributed among the shares issued by the company with a quotient value that is also expressed in SEK.
At December 31, 2025, the share capital in Active Biotech amounted to SEK 13,612,629 distributed among 2,636,067,170 shares. The share's quotient value is approximately SEK 0.005164.

Share price development

On the final day of trading in December 2025, the share price was SEK 0.046, while at the same date in 2024, it was SEK 0.1088. The highest price paid for the share during the year was SEK 0.2697 (June 2, 2025).

Changes in share capital

The table on page 40–41 shows the changes in Active Biotech's share capital from 2001 to December 2025.

Dividend policy

In view of Active Biotech's financial position and negative earnings, the Board of Directors does not intend to propose that any dividends be paid for the next few years.
The company's financial assets will be principally used to finance existing and new research programs.

SHAREHOLDERS

In January, 2026, the number of shareholders in Active Biotech amounted to 18,066. This data is based on information known to the company at January 31, 2026.

Shareholder	Shares	Percent
Sjuenda Holding AB/Peter Thelin private	414,299,915	15.7
MGA Holding AB	342,185,042	13.0
Fenja Capital Partners	101,778,699	3.9
Avanza Pension	101,405,818	3.8
Handelsbanken Liv	95,224,707	3.6
Michael Shalmi	44,145,603	1.7
SEB-Stiftelsen	31,657,140	1.2
Madeleine Lennhammer	27,939,100	1.1
Nordnet Pensionsförsäkring	27,565,183	1.0
Ann-Louise Olander	26,546,664	1.0
10 Largest Owners	**1,212,747,871**	**46.0**
All Other	1,423,319,299	54.0
Grand Total	**2,636,067,170**	**100.0**

CHANGES IN SHARE CAPITAL

Year	Transaction	Change in number of shares	Change in share capital	Total no. of shares		Total share capital, SEK	Quotient value, SEK
				Class A shares	Class B shares		
	Opening balance			1,963,745	9,282,547	281,157,300	25.00
2000	Reclassification A to B	0	0	1,287,531	9,958,761	281,157,300	25.00
2001	Reclassification A to B	0	0	1,169,691	10,076,601	281,157,300	25.00
2002	Reclassification A to B	0	0	1,145,024	10,101,268	281,157,300	25.00
2003	Reduction of share capital (June)	0	–168,694,380	1,145,024	10,101,268	112,462,920	10.00
2003	Rights issue (June)	22,492,584	224,925,840	1,145,024	32,593,852	337,388,760	10.00
2003	Reclassification A to B	0	0	1,128,174	32,610,702	337,388,760	10.00
2003	Reorganization as a single share class (Dec.)	0	0	33,738,876		337,388,760	10.00
2005	Conversion (Jan.-May)	1,681	16,810	33,740,557		337,405,570	10.00
2005	Rights issue (June/July)	5,623,426	56,234,260	39,363,983		393,639,830	10.00
2005	Conversion (Aug.-Sept.)	228,241	2,282,410	39,592,224		395,922,240	10.00
2006	Conversion (Jan.-May)	160,644	1,606,440	39,752,868		397,528,680	10.00
2006	Reduction of share capital (May)	0	–247,686,499	39,752,868		149,842,181	3.77
2006	Conversion (June-Dec.)	42,553	160,397	39,795,421		150,002,578	3.77
2007	Conversion (Jan.)	204,579	771,128	40,000,000		150,773,706	3.77
2007	Rights issue (Feb.)	4,000,000	15,077,371	44,000,000		165,851,077	3.77
2007	Conversion (Mar.)	3,300,115	12,439,264	47,300,115		178,290,341	3.77
2008	Rights issue (June)	3,941,676	14,857,527	51,241,791		193,147,869	3.77
2009	Rights issue (June)	12,810,447	48,286,964	64,052,238		241,434,833	3.77
2010	Private placement (Apr.)	1,418,000	5,344,928	65,470,238		246,779,761	3.77
2010	Employee stock options	529,682	1,996,553	65,999,920		248,776,314	3.77
2011	Private placement (Jan.)	2,500,000	9,423,357	68,499,920		258,199,670	3.77
2011	Employee stock options	423,662	1,596,927	68,923,582		259,796,598	3.77
2013	Private placement (March)	6,000,000	22,616,056	74,923,582		282,412,653	3.77
2015	Rights issue (Jan.)	14,984,716	56,482,529	89,908,298		338,895,183	3.77
2016	Rights issue (Dec.)	6,916,022	26,068,857	96,824,320		364,964,039	3.77
2017	Reduction of share capital (June)	0	–364,464,039	96,824,320		500,000	0.005
2018	Rights issue (Apr.)	48,412,160	250,000	145,236,480		750,000	0.005
2021	Rights issue (Jan)	72,618,240	375,000	217,854,720		1,125,000	0.005

Year	Transaction	Change in number of shares	Change in share capital	Total no. of shares		Total share capital, SEK	Quotient value, SEK
				Class A shares	Class B shares		
2021	Incentive program (Mar)	117,000	604	217,971,720		1,125,604	0.005
2022	Incentive program (Mar)	83,000	429	218,054,720		1,126,032	0.005
2022	Rights issue (Sep)	46,832,077	241,841	264,886,797		1,367,873	0.005
2023	Incentive program (Mar)	257,890	1,332	265,144,687		1,369,204	0.005
2023	Rights issue (Sep)	96,594,360	498,813	361,739,047		1,868,018	0.005
2024	Incentive program (Mar)	74,095	383	361,813,142		1,868,400	0.005
2024	Rights issue (Dec)	703,712,580	3,633,969	1,065,525,722		5,502,366	0.005
2025	Rights issue (Jan)	164,638,960	850,195	1,230,164,682		6,352,560	0.005
2025	Rights Issue (Dec)	1,405,902,488	7,260,069	2,636,067,170		13,612,629	0.005

Corporate Governance

MANAGEMENT AND ADMINISTRATION OF OUR BUSINESS

Corporate Governance Report 2025

Active Biotech is a Swedish public limited liability company whose shares are traded on Nasdaq Stockholm (Small Cap).

In accordance with its Articles of Association, Active Biotech is to engage in research, development, production, marketing and sales of medical, chemical and biotechnology products, conduct administrative services for the Group and undertake any other operations compatible therewith. This Corporate Governance Report describes Active Biotech's corporate governance, which includes the management and administration of the company's business and internal control of the financial reporting.

Corporate Governance in Active Biotech is based on applicable rules (primarily the Swedish Companies Act and accounting rules and regulations), the Articles of Association, Nasdaq Stockholm's Rule Book for Issuers, internal guidelines and policies, and the Swedish Corporate Governance Code.

Application of and deviations from the Code

Active Biotech applies the Swedish Corporate Governance Code (the Code). Information about the Code can be found at www.corporategovernanceboard.se. The company deviated from item 2.4 of the Code in 2025. The Election Committee appointed the Chairman of the Board to be the Chairman of the Election Committee. The motivation for this is the Election Committee's assessment that, since the company's main owner Mats Arnhög (MGA Holding) stepped down from the Board and the position as Chairman of Board, it was appropriate given the interest in effective and cohesive Election Committee work that the company´s Chairman of the Board, Michael Shalmi, was also appointed as convener and Chairman of the Election Committee.

An additional deviation from Rule 2.5 of the Code occurred in 2025. The composition of the Nomination Committee was published on 21 January 2026, which deviates from the Code stipulating that such disclosure shall be made no later than six months prior to the Annual General Meeting. The reason for the deviation is that the company carried out a new share issue during the winter of 2025, and the ownership structure following the issue was therefore not established until early January 2026.

Shareholders

On December 31, 2025, the number of shareholders in Active Biotech amounted to 18,038. For information concerning the company's major shareholders and the ownership structure, see page 39 of this Annual Report.

Annual General Meeting

The Annual General Meeting (AGM) is Active Biotech's highest decision-making body. In addition to shareholders' statutory rights to participate in the AGM, Active Biotech's Articles of Association stipulate the requirement of advance notification of participation at the Meeting within a prescribed time as stated in the notice of the AGM. The shareholder is to state the number of accompanying assistants, if any, in such notification. At the AGM, each share represents one vote. Each shareholder entitled to vote at the Meeting may vote for the full number of shares held. Each share offers equal entitlement to dividends and any surplus on liquidation of the company. At the AGM, which is held not more than six months after the close of the fiscal year, the annual accounts for the preceding year are adopted, the Board of Directors is elected, auditors are appointed, if applicable, and other statutory matters are addressed. Between AGMs, the Board of Directors is the company's highest decision making body. At the AGM on May 28, 2025, it was resolved to grant authorization to the Board, for a period that does not extend past the date of the next AGM, on one or several occasions, with or without preemptive rights for shareholders, to resolve on the issue of new shares and/ or convertibles. It should also be possible to make such an issue resolution stipulating in-kind payment, the right to offset debt or other conditions. The authorization may not be utilized to a greater extent than would enable a total of not more than 30 percent of the total number of shares to be issued and/or arise through the conversion of convertibles issued with the support of the authorization.

Election Committee

At the AGM on May 28, 2025, it was resolved that the company's Chairman, based on ownership at the end of September 2025, convene an Election Committee to prepare proposals for the 2026 AGM. According to the resolution, the Election Committee comprises the Chairman of the Board and representatives of each of the three largest shareholders in the company. The members of the Election Committee receive no remuneration from the company for their work. The Election Committee

performs the tasks incumbent on the Election Committee under the Code. The composition of the Election Committee was announced on January 21, 2026. A meeting of the Election Committee was convened on one occasion ahead of the 2026 AGM, which was attended by all of its members.

Members	Represents	Board member or not
Michael Shalmi	Chairman of the Board	Chairman
Mats Arnhög	MGA Holding AB	Not a member
Petter Wingstrand	T-bolaget	Not a member
Peter Thelin	Sjuenda Holding AB	Member

Board of Directors

In accordance with Active Biotech's Articles of Association, the Board comprises between three and nine members with at most nine deputies. The 2025 AGM elected the current Board, which consists of five ordinary members with no deputies. Michael Shalmi was elected Chairman of the Board. The AGM resolved that remuneration of the Board's ordinary members be paid in the amount of SEK 200,000 per year for Board members who are not employed at the company, and remuneration of the Chairman of the Board be paid in the amount of SEK 500,000 per year. For a more detailed presentation of the Board members and President & CEO, see page 48–49 of this Annual Report. Of the Board members elected by the 2025 AGM, all are independent in relation to the company and executive management. Of the five members, four are independent in relation to the company's major shareholders. Peter Thelin is not independent in relation to the shareholder Sjuenda Holding AB, in which he is board member and owner.

The work of the Board and formal work plan

The Board works in accordance with an established formal work plan describing the minimum number of Board meetings to be held each year, routines for the preparation of the agenda minutes of the meetings as well as the distribution of material. One section of the formal work plan regulates the division of duties in the Board and describes the responsibilities of the Board, the Chairman and the President & CEO. The Board should primarily focus on general and long-term issues as well as issues of exceptional nature or great importance in other respects. The Chairman directs the work of the Board and represents the Board both externally and internally. The formal work plan also identifies the Board members who, in accordance with specific decisions, have been appointed as the management's contacts in the event of a crisis. At each scheduled Board meeting, the President & CEO reports on operations. The report comprises information on project development, plans and progress in research activities, financial reporting with forecasts as well as business development. The Board decides on issues in which the Swedish Companies Act, and the Articles of Association require the Board's decision as well as on such issues as policy matters, strategy, business decisions (such as research plans), budget, business plans and key agreements. In 2025, 14 meetings were held at which minutes were taken. Important issues addressed by the Board included development of research projects, business development projects, partner strategy, financial statements and budget and financing matters. Minutes were recorded by the Board's secretary, a role that was filled by the company's CFO Hans Kolam during the year. The Chairman of the Board ensures that an annual assessment of the Board's work is conducted that provides the Board members with the opportunity to present their views on work procedures, Board material, their own efforts and the efforts of other Board members and the scope of the task. The Election Committee was informed of the results of the assessment. Based on this information, the Election Committee can determine the skills and experience that Board members are required to hold. The Election Committee has also had access to information regarding the company's assessment of the quality and efficacy of the auditor's work, including recommendations concerning the appointment of auditors and auditors' fees. The assessment is that the Board's collective expertise is favorably compatible with the company's strategic visions and goals. The Board functions well and all members make a constructive contribution to the strategic discussions and the governance of the company. The dialog conducted between the Board and management was also deemed to be productive.

Board member	Attendance at Board meetings	Independent/dependent	
		Company	Owners
Michael Shalmi	14/14	independent	independent
Aleksandar Danilovski	13/14	independent	independent
Axel Glasmacher	13/14	independent	independent
Uli Hacksell	14/14	independent	independent
Peter Thelin	12/14	independent	dependent

Audit, Scientific and Remuneration committee

Audit committee

The Audit Committee is appointed annually by the Board of Directors. The Audit Committee shall, without prejudice to other responsibilities and duties of the Board, monitor the company's financial reporting, the effectiveness of Active Biotech's internal control, internal reviews and risk management, keep itself informed on the audit of the annual accounts and consolidated financial statements, assess and monitor the impartiality and independence of the auditor, paying particular attention to whether the auditor provides other services than auditing to the company. The Committee is also tasked with evaluating the audit work and submitting this information to the Nomination Committee and assisting the Nomination Committee in producing proposals for auditors and the fees to be paid for auditing services. After the 2025 AGM, the Audit Committee had the following composition: Michael Shalmi, chairman, Uli Hacksell, member and Peter Thelin, member. In 2025, the committee held four minuted meetings and had in addition informal contacts in between meetings. All members attended all meetings of the committee during the year. The company's auditor participated at all meetings of the Audit Committee. The committee discussed and determined the extent of the audit together with the auditor.

Members	Attendance in Audit committee
Michael Shalmi (Chair)	4/4
Peter Thelin	4/4
Uli Hacksell	4/4

Scientific committee

The Scientific committee consists of the following members: Axel Glasmacher (Chair) and Aleksandar Danilovski. The purpose of the Scientific committee is to provide an input and advise board and management of Active Biotech on matters relating to the company's research and development strategy, including review of the company's planned or ongoing research activities and plans. To accomplish this, the Scientific committee will, on its own and/or together with external experts, as deemed appropriate, on a regular basis evaluate, and monitor the scientific plans as well as individual project progress and performance of the company's project portfolio. The Scientific committee is a resource to management, and members of the Scientific committee may be consulted individually or collectively. The meetings on the committee are prepared by the company's CEO together with the Chair of the committee. The Scientific committee shall to the board of directors provide strategic advice on emerging regulatory, clinical and scientific issues pertaining to the project portfolio of Active Biotech or areas of special interest to the company.

Member	Attendance in Scientific committee
Axel Glasmacher (Chair)	3/3
Aleksandar Danilovski	3/3

Remuneration committee

The company does not have a separate committee for remuneration. Instead, these matters are dealt with by the Board in its entirety. Salaries, remuneration, terms and conditions of employment and so forth, for the Board, President & CEO and executive management are detailed in Note 4 on pages 72–76.

Control systems and risk management regarding financial reporting

In accordance with the Swedish Companies Act and the Swedish Corporate Governance Code, the Board of Directors is responsible for the company's internal control. Active Biotech's work on internal control is designed to provide reasonable assurance that the company's goals are achieved in terms of an appropriate and efficient operation, reliable financial reporting and compliance with applicable legislation and regulations. Active Biotech's business is primarily operated at one site and is therefore deemed to be of limited complexity. The internal control environment at Active Biotech follows the established COSO framework that comprises the following five components:

1. Control environment
2. Risk assessment
3. Control activities
4. Information and communication
5. Follow-up

1. Control environment

The basis of the internal control of financial reporting is the control environment that comprises the organization, decision-making procedures, authorities and responsibility, as documented and communicated in governance documents such as internal policies, guidelines and manuals. Authorizations and responsibilities are documented, such as the division of duties between the Board and the President & CEO.

2. Risk assessment

Structured risk assessments and risk management enables identification of significant risks that affect internal control

relating to financial reporting and where these risks are found. The aim of risk management is to minimize the number of risk factors within the financial reporting.

3. Control activities

The aim of control activities is to prevent, detect and correct errors and non-conformities in financial reporting. Activities include analytical follow-ups and comparison of earnings trends, account reconciliations and balance specification, approval and reporting of business transactions and partnership agreements, power of attorney instructions, authorization manual, accounting policies and measurement principles.

4. Information and communication

Active Biotech has information and communication channels that aim to ensure that information relating to financial reporting is provided efficiently and accurately. The guidelines for the financial reporting have been established in a policy document. Meetings are held at management group level within the company, and subsequently at the level deemed suitable by the managers, and a number of meetings are held for all employees. The Board regularly receives financial reports on the Group's financial position and earnings trend, including comments, and the Group's financial situation is addressed at every Board meeting. The Board of Active Biotech ensures the quality of financial reporting by ensuring that the company has an appropriate organization combined with procedures and instructions for its work on financial reporting. The aim of the procedures for the external provision of information is to provide the market with relevant, reliable and correct information on Active Biotech's performance and financial position. Active Biotech has an information policy that meets the requirements imposed on listed companies. Financial information is regularly provided in the form of:

- Year-end and interim reports, published as press releases
- Annual reports
- Press releases regarding important news and events that may have a significant impact on the valuation of the company and the share price
- Presentations and telephone conferences for financial analysts, investors and media

All reports, presentations and press releases are published on the Group's website, www.activebiotech.com, when they are simultaneously communicated to the market.

5. Follow-up

The internal control is monitored at various levels at Active Biotech. The Board discusses all interim reports, year-end reports and annual reports before they are published.

Internal audit

Given the Group's simple legal and operational structure and the established governance and internal control systems, an internal audit function has not been considered needed. The Board evaluates and continuously follows up the issue of possibly establishing an internal audit function.

Auditor

The company has at least one and at most two auditors and at most two deputy auditors. At the AGM on May 28, 2025, Öhrlings PricewaterhouseCoopers AB was elected as the company's auditor for the period extending until the end of the AGM held in 2026. Authorized Public Accountant Cecilia Andrén Dorselius is auditor-in-charge. Information concerning auditors' fees is presented in Note 3 on page 71. The interim report for the January-September period 2025 was the subject of review by the auditors.

Policies

Information policy

With the aim of determining principles for the company's communication, the Board has established an information policy. This summarizes overriding goals and responsibilities for the external publication of Active Biotech's information. The goal when providing information to the stock market is to achieve a correct valuation of the company's share that reflects the company's underlying values, growth and earnings capacity in as stable a manner as possible. An unconditional requirement is that the information to the stock market complies with Nasdaq Stockholm's Rule Book for Issuers and applicable legislation and ordinances. The company's Board, management and personnel with operational responsibility must possess the requisite level of competence, and the company must have an organization in place that ensures the rapid and correct dissemination of stock market information.

Environmental policy

Within Active Biotech, environmental and safety work is important, and the company has therefore established

an environmental policy. Responsibility is decentralized so that each manager and employee is responsible for meeting goals relating to both the internal and external environment, as well as safety. This applies to all areas from proprietary research to contract manufacturing of candidate drugs and production. In addition, Active Biotech places great importance to ensure that external partners have their own environmental and safety requirements that conform to the company's values.

Auditors' report on the Corporate Governance Report

To the annual meeting of the shareholders of Active Biotech AB (publ), Corporate Registration Number 556223-9227.

Assignment and responsibility

The Board of Directors is responsible for the 2025 Corporate Governance Report on pages 43–47 and for ensuring that it has been prepared in accordance with the Annual Accounts Act.

Scope of review

The audit was conducted in accordance with FAR's auditing standard RevU16, "The auditor's examination of the Corporate Governance Report". This means that our examination of the Corporate Governance Report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that our audit provides a reasonable basis for our opinion as given below.

Opinion

A Corporate Governance Report has been prepared. Disclosures in accordance with Ch. 6. Section 6, Second paragraph, items 2–6 of the Swedish Annual Accounts Act, and Ch. 7 section 31, second paragraph of the same Act are consistent with the annual report and the consolidated statements and comply with the Annual Accounts Act.

Malmö, March 31, 2026

Öhrlings PricewaterhouseCoopers AB

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Cecilia Andrén Dorselius
Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Board of Directors

Michael Shalmi
Chairman of the Board

Born 1965. Chairman of the board since 2019.

Education: Physician from *University of Copenhagen* and obtained his MBA following studies at *Scandinavian International Management Institute* in Copenhagen, Denmark.

Other current assignments: CEO and owner av *Aligned Clinical & Management Services*, *Shalmi Consulting ApS*, *Shalmi Invest ApS* and *Shalmi Holding ApS*. CEO of *Momentum Energy Holding A/S*, *Monsalta Holding ApS*, *Monsalta ApS* and *Curexsys GmbH*. Board member of *Momentum Energy Group A/S*.

Shareholding in the company: 44,145,606 shares.

Axel Glasmacher
Board member

Born 1960. Board member since 2020.

Education: Physician, Medical School, Doctor of Medicine and Adjunct professor of medicine, *University of Bonn*, Germany.

Other current assignments: General Director of *AG Life Science Consulting GmbH & Co. KG* and *Glasmacher Verwaltungs-GmbH*. Member of the Supervisory board of *Ryvu Therapeutics S.A*. Board member and treasurer of the non-profit association *Cancer Drug Development Forum asbl* in Belgium.

Shareholding in the company: 1,160,000 shares.

Peter Thelin
Board member

Born 1956. Board member since 2011.

Education: Graduate of *Stockholm School of Economics*.

Other current assignments: Chairman of the board of *Brummer Investor Relations AB*. Board member of *B & P Fund services Aktiebolag*, *Brummer & Partners AB*, *Brummer Multi-Strategy AB*, *ELC Fastigheter AB*, *East Bay AB*, *Sjunda Gård AB*, *Sjuenda Holding AB*, *Sjunda Jordbruk AB*, *Sjunda Persbo Holding AB* and *S:ta Ragnhildgymnasiet AB*. Deputy board member of *French River 1 AB* and *French River 2 AB*.

Shareholding in the company: 414,299,915 shares (privately and through companies).

Aleksandar Danilovski
Board member

Born 1974. Board member since 2020.

Education: PhD in Chemistry from *Cambridge University*, United Kingdom and *University of Zagreb*, Croatia.

Other current assignments: Founder and Managing Partner in *DALISCO d.o.o.*, Member of Scientific Selection Board in *Novo Holdings – REPAIR Impact Fund*, member of Scientific Advisory Board (SAB) in *Bugworks Research Inc.*, member of Scientific Advisory Board (SAB) in *Centauri Therapeutics Ltd.*, member of Scientific Advisory Board (SAB) of *Belupo d.d.*

Shareholding in the company: 1,571,538 shares.

Uli Hacksell
Board member

Born 1950. Board member since 2019.

Education: Master of Pharmacy, PhD in Medicinal Chemistry, Professor in Organic Chemistry.

Other current assignments: Chairman of the board of *Medivir AB*.

Shareholding in the company: 135,000 shares.

Auditor

Cecilia Andrén Dorselius
Auditor

Öhrlings PricewaterhouseCoopers AB with Cecilia Andrén Dorselius as auditor-in-charge. Born: 1979.
Authorized Public Accountant.

Executive Management

Helén Tuvesson
President and CEO

Born 1962. CEO since 2017.

Education: MSc, PhD in cell and molecular biology in medical science from Lund University.

Other current assignments: Chairman of the board of *Active Security Trading AB* and *Actinova AB*. Board member of *Mendus AB* (earlier *Immunicum AB*).

Shareholding in the company: 2,586,001 shares.

Hans Kolam
Chief Financial Officer

Born 1951. CFO since 2000.

Education: *B.Sc in Business Administration* from Uppsala University.

Other current assignments: Specially authorized signatory of *Active Biotech AB* (publ). Board member of *Active Security Trading AB* and *Actinova AB*.

Shareholding in the company: 1,847 ,406 shares (of which 63,636 shares via related parties).

Erik Vahtola
Chief Medical Officer

Born 1976. Chief Medical Officer since 2022.

Education: Medical Doctor (MD) and PhD in Pharmacology from *University of Helsinki* and MSc in Cell biology from *Åbo Akademi.*

Other current assignments: -

Shareholding in the company: 969,061 shares.

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Financial Information

OUR ACCOUNTS

Directors' Report

The Board of Directors and President & CEO of Active Biotech AB (publ), Corporate Registration Number 556223-9227, hereby submit their Annual Report and consolidated financial statements for the fiscal year January 1, 2025 to December 31, 2025. Active Biotech conducts operations as a limited liability company and has its registered office in Lund, Sweden.

GROUP AND PARENT COMPANY

The Group's legal structure is built around the Parent Company Active Biotech AB, whose operations comprise pharmaceutical development, Group-wide functions and asset management. In addition, the Group includes two wholly owned subsidiaries, see Note 20.

OPERATIONS

Active Biotech focuses on pharmaceutical research and development in therapy areas with high medical needs and in which the body's immune system plays a significant role. The project portfolio comprises small, orally active immunomodulatory molecules and anti-body-based immunotherapy developed for the treatment of cancer and inflammatory diseases.

The tasquinimod project is being developed for the treatment of hematological malignancies. Two proof-of-concept studies in myelofibrosis, in collaboration with leading research groups in Europe and the United States, were initiated during the year. The European study is primarily funded by the Oncode Institute. A Phase Ib/IIa clinical study in multiple myeloma was completed during the year.

The laquinimod project is being developed for the treatment of inflammatory eye disorders. A Phase I biodistribution study was completed during the reporting period. Activities to establish collaborations with commercial partners are ongoing.

Naptumomab has been outlicensed to NeoTX Therapeutics Ltd (NeoTX) since October 2016. A phase Ib/II study is ongoing with naptumomab in combination with the checkpoint inhibitor durvalumab, in patients with selected solid tumors. A cohort expansion of this trial with patients suffering from esophageal cancer is ongoing. All development of naptumomab is financed by NeoTX.

SIGNIFICANT EVENTS IN 2025

- On January 28, 2025, the United States Patent and Trademark Office (USPTO) granted Active Biotech's patent application for laquinimod in eye diseases.
- Active Biotech announced on February 24, 2025 that the first patient had been enrolled in the European clinical study of tasquinimod in myelofibrosis.
- Active Biotech announced on March 10, 2025 that the first patient had been dosed in the Phase II study of tasquinimod in myelofibrosis in the United States.
- Active Biotech reported on May 5, 2025 positive top-line results from the LION study on the ocular absorption and distribution of laquinimod in the eye.
- Active Biotech announced on May 21, 2025 that a patent for tasquinimod in myelofibrosis has been granted in Europe.
- Active Biotech announced on May 23, 2025 study results with tasquinimod in heavily pre-treated patients with relapsed/refractory multiple myeloma.
- Active Biotech announced on June 9, 2025 that results from the tasquinimod study in heavily pre-treated patients with relapsed/refractory multiple myeloma were presented at ASCO 2025 and were available on Active Biotech's website.
- Active Biotech published an interview on June 30, 2025 on its website with the principal investigator of the laquinimod eye-drop study, LION.
- Active Biotech provided a status update on July 8, 2025 on the development of laquinimod in inflammatory eye diseases and tasquinimod in hematological malignancies.
- Active Biotech announced on September 10, 2025 that positive results from the Phase I LION clinical study would be presented at AAO 2025 in October.
- Active Biotech announced on October 17, 2025 a fully guaranteed rights issue of approximately SEK 70 million before transaction costs.
- Active Biotech announced on November 3, 2025 that preclinical data on tasquinimod in combination with T-cell activation would be presented at ASH 2025.
- Active Biotech announced on November 24, 2025 that positive preclinical tasquinimod data in myelofibrosis had been published in Blood Advances.

- Active Biotech announced on November 25, 2025 that a patent relating to a pharmaceutical formulation of tasquinimod would be granted in the United States.

ORGANIZATION

The average number of employees in the Group during the year amounted to 5 (7), of whom 2 (3) were women. The average age of the employees was 62 (61) with an average employment period of 22.7 years (23.2). To conduct effective operations with a relatively small organization, Active Biotech engages consultants with specialist competence for specific assignments and for tasks in the fields of expertise that the company lacks or only has a need for periodically.

The number of employees at the end of 2025 was 5, of whom 2 were women.

SALES AND EARNINGS

Revenue, expenses and earnings

No sales were recorded during January-December.

The total research expenses for full-year 2025 amounted to SEK 25.2 M (26.7).

The company's research efforts have during 2025 focused on the ongoing clinical study with tasquinimod in multiple myeloma, the start of the two clinical phase II proof-of-concept studies in myelofibrosis and the completion of the biodistribution study with laquinimod eye drop formulation. Collaborations to expand the pre-clinical and clinical development of tasquinimod are ongoing.

The financial resources have been allocated to the pre-clinical and clinical development of the wholly owned projects tasquinimod and laquinimod. The clinical development programs include:

- a completed phase Ib/IIa clinical study of tasquinimod for the treatment of patients with multiple myeloma. Study results have been presented during the year.
- Two proof-of-concept studies with tasquinimod for the treatment of myelofibrosis are ongoing.
- the development of laquinimod as a new product class for treatment of inflammatory eye diseases. Results from the Phase I biodistribution study have been presented during the year.

Administrative expenses amounted to SEK 12.4 M (13.2). The operating loss for the period amounted to SEK 37.6 M (loss: 39.8). Net financial income for the period was SEK 0.3 M (inc: 0.4) and the loss after tax to SEK 37.3 M (loss: 39.4).

COMMENTS ON THE BALANCE SHEET

At year-end 2025, the Group's total assets amounted to SEK 70.2 M (43.2), of which total fixed assets accounted for SEK 2.6 M (4.0) and current assets to 67.6 M (39.2) and cash/cash equivalents and financial investments totaled SEK 65.1 M (27.4).

CASH AND CASH EQUIVALENTS AND FINANCIAL POSITION

At year-end, cash and cash equivalents totaled SEK 65.1 M (27.4). The Board of Active Biotech has established a policy for the investment of the Group's cash and cash equivalents, which stipulates that these be invested at low credit risk, primarily in short-term Swedish securities, commercial papers and fixed-income and bond funds with high liquidity. At year-end, cash and cash equivalents totaling SEK 0.0 M were invested in short-term Swedish securities. Interest bearing liabilities amounted to SEK 1.7 M (3.2) and are attributable to the Group's lease commitments. At the end of the year, consolidated shareholders' equity amounted to SEK 55.6 M (32.7) and the equity/assets ratio was 79.2 percent, compared with 75.8 percent at year-end 2024.

COMMENTS ON THE CASH-FLOW STATEMENT

The Group's cash flow for full-year 2025 was a positive SEK 37.7 M (neg: 8.8). The negative cash flow from operating activities amounted to SEK 32.4 M (neg: 40.4). Cash flow from investing activities totaled to SEK 0.0 M (neg: 0.0). Cash flow from financing activities amounted to a positive SEK 70.1 M (pos. 31.6) which reflects the ongoing rights issue at the end of 2025, which was completed at the beginning of December.

Investments in tangible fixed assets amounted to SEK 0.0 M (0.0).

THE ACTIVE BIOTECH SHARE

Share capital and ownership structure

At year-end 2025, Active Biotech AB's share capital amounted to SEK 13,613 distributed among 2,636,067,170 shares. The company has one class of share. All shares carry equal rights to participation in the company's assets and dividends. For information concerning the company's major shareholders, see page 39 of this Annual Report.

CORPORATE GOVERNANCE

Active Biotech AB's Articles of Association stipulate that the election of the Board shall always take place at the Annual General Meeting. Apart from this, the Articles of Association do not contain any stipulations governing how Board members are to be appointed or dismissed, or regarding changes to the Articles of Association. Shareholders can vote for the full number of shares held or represented at General Meetings of Active Biotech. Shares that have been issued are freely transferable without restrictions pursuant to legislation or Active Biotech's Articles of Association. The company is not aware of any agreements among shareholders that can entail restrictions on the entitlement to transfer shares in the company. For a more detailed description of how Active Biotech manages corporate governance issues and information on mandates granted by the General Meeting, refer to the Corporate Governance Report on pages 43–47.

PARENT COMPANY

The operations of the Parent Company Active Biotech AB comprise the Group's research operations, Group coordinative administrative functions and asset management.

The Parent Company's net sales for the year amounted to SEK 0.0 M (0.0). Operating expenses for the period amounted to SEK 37.8 M (40.0). Investments in tangible fixed assets amounted to SEK 0.0 M (0.0) for the period. At year-end, the Parent Company's cash and cash equivalents, including short-term investments, amounted to SEK 65.0 M, compared with SEK 27.3 M at the beginning of the year. The loss after tax was SEK 37.4 M (loss: 39.8).

RISKS AND UNCERTAINTY FACTORS

Executive management in Active Biotech makes continuous assumptions, assessments and estimates that impact the content of the company's financial statements. Actual results may differ from these assessments and estimates. The aim of the Group's risk management is to identify, assess and limit uncertainties and risks in the operation. The risks can be divided into company related risks, operational risks and financial risks.

Company-related risks

Dependence on key employees

Active Biotech is dependent on key employees to a high degree. The ability to recruit and retain qualified employees is of the utmost importance in ensuring the level of expertise in the company.

Operational risks

Research and development

Research and pharmaceutical development are associated with high risk, since a large amount of financial resources are invested in a product that will perhaps never become a finished drug. Most projects that are started will never achieve the stage of market registration. The research project may be rejected during the development process, since the compounds that are developed could either not demonstrate the intended effect or demonstrate risks for unwanted side effects. Competing pharmaceutical or biotech companies may conduct research into the same therapy area, which could make it less attractive to complete a project for marketing reasons.

Patent protection

Active Biotech's future success will largely depend on the company's ability to obtain and maintain the protection of intellectual property rights relating to the company's products. The conditions for patenting discoveries in the field of pharmaceuticals and biotechnology are generally difficult to assess and involve complex legal and scientific issue. There is no guarantee that Active Biotech will be able to obtain and maintain patents for its products or its technologies. Even when patents have been issued, they could be subject to objection, be disqualified or bypassed, which could restrict Active Biotech's ability to prevent competitors from marketing similar products and limiting the time that Active Biotech has to establish patent protection.

Production

Active Biotech has no production of its own, which is why the company is dependent on subcontractors for drug substance and drug product production and production for preclinical and clinical development. There is a risk that Active Biotech will not have the possibility to meet its production needs at a reasonable cost at the specific point in time.

Official permits and regulatory approval

Active Biotech is exposed to official decisions, such as necessary permits for conducting clinical trials and commercializing pharmaceuticals, as well as rule changes for pricing and discounting of drugs or changed conditions for the prescription of pharmaceuticals.

Partnership agreement

Active Biotech is and will continue to be dependent on partnerships with pharmaceuticals and biotechnology companies for the development and sale of potential products. Differences of opinions and conflicts may arise between Active Biotech and its partners regarding the conditions in applicable agreements, such as interpretation of clinical data, achieving financial remuneration, ownership rights to patents and similar rights that developed within the framework of these partnerships.

Competition and commercial success

Active Biotech is active in attractive therapy areas with a large medical need, which entails that the competition is significant and competitors may develop, market and sell drugs that are more effective, safer and at a lower price than Active Biotech or its partners. The pharmaceuticals industry is highly competitive and there is a risk that it will not be possible to maintain existing product margins. Competitors may also have higher production and distribution capacity, as well as sales and marketing possibilities than Active Biotech and its partners.

Product liability and insurance

Active Biotech's operations involve product liability, which is unavoidable in conducting clinical trials and the manufacture of pharmaceuticals. Although the company makes the assessment that its existing insurance coverage is sufficient, the scope and remuneration of the insurance coverage is limited, meaning that there are no guarantees that Active Biotech will gain full compensation for any damages under the existing insurance coverage. It cannot be guaranteed that appropriate insurance protection can be obtained at an acceptable cost or that such insurance protection can be obtained at all. Accordingly, there is a risk that insufficient or excessively expensive insurance protection could have a negative impact on the company's operations, financial position and earnings.

Financial risks

Exchange rate and credit risks

Assets, liabilities, revenue and expenses in foreign currency give rise to currency exposure. A weakening of the SEK against other currencies increases Active Biotech's recognized assets, liabilities, revenue and earnings, while a strengthening of the SEK against other currencies will reduce these items. The company is exposed to such changes since the operations are conducted in Sweden and any future remuneration in accordance with the company's partnerships will be paid in foreign currency. Since Active Biotech does not make use of forward contracts or options to hedge foreign exchange risk, exchange-rate effects may directly impact the income statement, which could lead to a negative impact on the company's financial position and earnings. Earnings are exposed to exchange-rate changes with regard to the procurement of clinical trial services, research services and production of clinical materials. Operating expenses amounted to SEK 37.6 M during the fiscal year, of which about 39 percent corresponded to costs in foreign currencies. The proportion of costs in foreign currencies, principally in USD and EUR, may fluctuate as projects enter later phases of clinical development with more clinical studies potentially being conducted abroad.

Credit risk refers to the risk that a counterparty does not meet its obligations to pay a liability or pay the interest on a liability. In the event that any counterparty cannot meet their obligations to Active Biotech, there may be a negative impact on the company's financial position and earnings. The company's credit risks are marginal, since its operations are only subject to low invoicing levels by virtue of the fact that it currently engages primarily in research and development. For further information on financial risks, see Note 18 on page 87–88.

Liquidity and interest-rate risk

Liquidity risk relates to the risk that Active Biotech, due to a shortage of cash and cash equivalents, cannot meet its financial obligations or has a reduced ability to conduct its operations effectively. The interest-rate risk relates to the risk that Active Biotech's exposure to fluctuations in market interest rates can have a negative impact on net earnings. The fixed-interest term on financial assets and liabilities is the most significant factor that influences the interest-rate risk. The liquidity risk could have a negative impact on the company's operations, financial position and earnings.

Continuing losses and future capital requirements

Since its operations started, Active Biotech has reported an operating loss and will continue to require significant capital injections for research and development with the aim of conducting preclinical and clinical studies, and potentially marketing, selling and distributing approved pharmaceuticals. Both the scope and timing of the company's future capital requirements will depend on several factors, including costs for ongoing and future preclinical and clinical studies, as well as the results from these studies, including milestone and royalty payments.

There is a future risk that a further need of financing will arise, for example, by raising loans, sales of assets or through further rights issues of shares or other securities. The access to and conditions for further financing are affected by several factors, such as the possibility of entering partnerships and the extent to which research and development projects progress successfully, market conditions, general availability of credit and Active Biotech's credit worthiness and credit capacity. Disruptions and uncertainty in the credit and capital markets may also limit access to additional capital. There is a risk that, going forward, Active Biotech will not have sufficient revenue or positive cash flow to maintain its operations in their current form. Such developments would involve materially negative effects for the company's operations and financial position.

ENVIRONMENTAL INFORMATION

Active Biotech conducts its operations in accordance with the permits issued for the company by the authorities. Inspections conducted achieved fully satisfactory results. Active Biotech has a well-developed program for the sorting of waste at source and for the destruction of environmentally hazardous waste, and works actively to minimize energy consumption and the use of environmentally hazardous substances. Active Biotech is not involved in any environmental disputes.

REPORT ON THE WORK OF THE BOARD

The Board decides on the Group's overall strategy, the Group's organization and management in accordance with the Swedish Companies Act. At year-end, the Board comprised five members elected by the Annual General Meeting. Other white-collar employees in the company participate in Board meetings in a reporting capacity or in administrative functions. During the year, 14 meetings were held at which minutes were taken. The President & CEO continuously informed the Chairman of the Board and the other Board members of developments in the company. Important issues addressed by the Board included:

- financing of the operation
- development of research projects
- business development projects
- strategic focus
- information concerning financial statements
- budget and forecasts for the operation
- partnership strategy and partnership discussions

The work of the Board and governance of Active Biotech is described in detail in the "Corporate Governance Report" section on pages 43–47. With regard to the Group's and Parent Company's results and financial position, refer to the subsequent income statements and balance sheets with the accompanying notes to the financial statements.

THE BOARD'S PROPOSED GUIDELINES FOR REMUNERATION OF SENIOR EXECUTIVES

These guidelines for remuneration to senior executives are forward-looking and shall apply to remuneration that is agreed upon, and to changes made to existing agreed remuneration, after the guidelines have been adopted by the 2024 Annual General Meeting. The guidelines do not cover remuneration resolved by the AGM.

The guidelines promotion of the company's business strategy, long-term interests and sustainability

The most important parts of the company's business strategy are:

- Achieve the greatest possible growth in value in each project and seek collaboration with strong partners
- Progress the clinical development and commercialization of the company's selected compounds together with partners with relevant expertise
- Limit costs through the utilization of partnership agreement and external expertise
- Protect know-how through an active patent strategy
- Create financial sustainability through partnerships with licensees and shareholders

The successful implementation of the company's business strategy and safeguarding the shareholders long-term interests, including the company´s sustainability, requires the company to recruit and retain qualified employees. To achieve this, the company must be able to offer attractive and competitive remuneration, and these guidelines make it possible to offer senior executives a competitive total compensation package consisting of base salary, bonuses, and benefits as described below.

Framework for remuneration

Remuneration shall be market based and may consist of the following components: fixed salary, variable short term cash based incentive program, pension benefits, company car, and other benefits.

In addition, the General Meeting may – independently of these guidelines – decide on, for example, share based or share price related remuneration.

The variable short term cash based incentive program may amount to a maximum of 50% of the fixed salary for the CEO and 25% for other senior executives.

Payments under the variable short term cash based incentive program shall not be pensionable. Pension benefits shall be defined contribution schemes. For senior executives covered by the ITP plan, the pension premium shall correspond to what is applicable under the ITP plan. For other senior executives, the pension premium shall amount to a maximum of 25% of fixed salary.

Other benefits may include, for example, health insurance and a company car. Such benefits may amount to no more than 10% of annual salary in total.

Termination of employment

In the event of termination by the company, the notice period for the CEO or other senior executives shall be a maximum of 12 months, without the right to severance pay. The fixed cash salary during the notice period shall not exceed an amount corresponding to the fixed cash salary for two years for the CEO and one year for other senior executives. In the event of termination by the CEO or other senior executives, the notice period shall be a maximum of 12 months, without the right to severance pay.

Criteria for the variable short term cash based incentive program

The variable short term cash based incentive program shall be linked to predetermined and measurable criteria, which may be financial or non financial. These criteria may be collective or individual, and may be quantitative or qualitative. The criteria shall be designed so that successful achievement directly contributes to successful fulfillment of the company's business objectives for the year.

The Board of Directors shall determine the applicable criteria for the cash based short term incentive during the first quarter of the year. The extent to which the criteria have been met – and the resulting payout – shall be evaluated at year end. The Board is responsible for assessments regarding the CEO's cash based short term remuneration. For other senior executives, the CEO is responsible for the assessment after consultation with the Board.

Salary and employment conditions for employees

When preparing the Board's proposal for these remuneration guidelines, salary and employment conditions for the company's employees have been taken into account. Information on employees' total compensation, its components, and its development over time formed part of the Board's decision basis when evaluating the appropriateness of the guidelines and the limitations they impose.

Decision-making process to establish, review and implement the guidelines

The Board decides on all matters related to remuneration for senior executives. The Board shall prepare proposals for new guidelines at least every four years and present them to the Annual General Meeting for decision. The guidelines shall apply until new guidelines have been adopted.

The Board shall also monitor and evaluate variable remuneration programs for company management, the application of the remuneration guidelines, and current remuneration structures and levels within the company. In the Board's handling and decisions on remuneration related matters, the CEO and other members of company management do not participate to the extent they are affected.

Deviation from the guidelines

The Board may decide to temporarily deviate from the guidelines, in whole or in part, if there are special reasons in an individual case and a deviation is necessary to meet the company's long term interests, including its sustainability, or to ensure the company's financial viability.

Description of significant changes to the guidelines and how shareholders' views have been considered

There are no previously decided remunerations that have not yet fallen due for payment. The company has not decided on any deviations from the remuneration guidelines adopted by the 2024 Annual General Meeting.

EVENTS AFTER THE BALANCE-SHEET DATE

- Active Biotech received positive feedback on February 10 regarding the clinical study of tasquinimod in myelofibrosis.

Outlook for 2026

Active Biotech's ability to develop pharmaceutical projects to the point at which partnership agreements can be secured, and the partner assumes responsibility for the future development and commercialization of the project, is decisive for the company's long-term financial strength and stability.

Active Biotech currently holds three projects in its portfolio:

- The tasquinimod program in myelofibrosis comprises two ongoing clinical proof-of-concept studies in collaboration with leading research groups in the United States and Europe, with protocol-defined interim readouts expected in 2026 and efficacy data towards the end of 2027.
- Laquinimod is being developed for the treatment of inflammatory eye diseases. A Phase I biodistribution study was completed during the reporting period. Activities to establish commercial partner collaborations are ongoing.

Active Biotech has also a partner-funded project:

- naptumomab, which is developed in collaboration with our partner NeoTX. The combination of naptumomab and durvalumab at the recommended Phase 2 dose is being evaluated in an expansion cohort of patients with advanced/metastatic esophageal cancer.

The ongoing preclinical and clinical programs are advancing positively. We regularly receive inbound approaches from scientists who wish to explore the potential of laquinimod or tasquinimod in different disease areas. Active Biotech will maintain focus for tasquinimod in myelofibrosis.

Active Biotech focuses its activities to secure long-term value growth and conduct commercial activities aimed at entering new partnerships for the fully owned clinical assets tasquinimod and laquinimod.

Financing and going concern

The Board and the management team continuously assess the Groups financial viability and access to cash.

An Extraordinary General Meeting resolved on 19 November 2025 to approve the Board of Directors' resolution on a new issue of shares with preferential rights for existing shareholders.

The rights issue was subscribed to 75.5% with subscription rights and 7.3% without subscription rights, totaling approximately 82.8%, and the remaining approximately 17.3% was allocated to the investors who guaranteed the issue. As a result, Active Biotech received total proceeds of approximately SEK 70.3 million before transaction costs.

The available liquidity at the end of 2025 will fund continued operations during 2026 and 2027, with the aim of advancing the two ongoing clinical proof-of-concept studies of tasquinimod in myelofibrosis, with protocol-defined interim readouts expected in 2026 and efficacy data towards the end of 2027, as well as supporting business development activities for laquinimod to secure its continued clinical development in inflammatory eye diseases together with a collaboration partner.

As a research company, Active Biotech is characterized by high operational and financial risk, since the projects in which the company is involved have development, regulatory and commercialization risks. In addition, the ability of the company to attract and retain key people with both insights to the field of research, and relevant product development experiences is a significant risk.

In brief, the operation is associated with risks related to such factors as pharmaceutical development, competition, advances in technology, patents, regulatory requirements, capital requirements, currencies and interest rates.

In addition to the industry-specific risk factors described above, there is also a political uncertainty in the world which has led to financial instability and a general macroeconomic uncertainty. A more detailed description of Active Biotech's risk exposure and risk management can be found on pages 53–54 and in note 18 on page 87–88.

The group's operations are primarily conducted in the parent company, which is why risks and uncertainty factors concern both the group and the parent company.

ALLOCATION OF PROFIT/LOSS

SEK	
Share premium reserve	52,932,817
Profit brought forward	25,629,234
Loss for the year	-37,388,419
Total	**41,173,632**

The Board of Directors proposes that the accumulated profit SEK 41,173,632 balance in a new account.

Financial Statements

CONSOLIDATED INCOME STATEMENT

January 1 – December 31

SEK thousands	note	2025	2024
Net sales		–	–
Administrative expenses	2. 3	–12,362	–13,167
Research and development costs	2	–25,237	–26,674
Operating loss	4	**–37,599**	**–39,841**
Financial income		427	652
Financial expenses		–151	–209
Net financial income/expense	5	**276**	**443**
Loss before tax		**–37,323**	**–39,398**
Tax	6	–	–
Loss for the year		**–37,323**	**–39,398**
LOSS FOR THE YEAR ATTRIBUTABLE TO:			
Parent Company's shareholders		–37,323	–39,398
Non-controlling interests		–	–
EARNINGS PER SHARE	13		
before dilution (SEK)		–0.03	–0.09
after dilution (SEK)		–0.03	–0.09

STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

January 1 – December 31

SEK thousands	note	2025	2024
Loss for the year		**–37,323**	**–39,398**
OTHER COMPREHENSIVE INCOME			
Other comprehensive income for the year		–	–
COMPREHENSIVE INCOME FOR THE YEAR		**–37,323**	**–39,398**
Comprehensive income for the year attributable to:			
Parent Company's shareholders		–37,323	–39,398
Non-controlling interests		–	–

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At December 31

SEK thousands	Note	2025	2024
ASSETS			
Intangible assets	7	245	245
Leased assets	9	2,017	3,353
Long-term receivables		376	376
Total fixed assets		**2,638**	**3,974**
Tax assets		636	636
Other receivables	10	764	8,860
Prepaid expenses and accrued income	11	1,077	2,319
Cash and cash equivalents	21	65,099	27,395
Total current assets		**67,576**	**39,210**
TOTAL ASSETS		**70,214**	**43,184**

SEK thousands	Note	2025	2024
SHAREHOLDERS' EQUITY			
Share capital		13,613	6,353
Other capital contributed		3,562,066	3,509,133
Profit/loss brought forward including loss for the year		–3,520,066	–3,482,743
Total shareholders' equity	**12**	**55,613**	**32,743**
LIABILITIES			
Other long-term interest-bearing liabilities	14	130	1,533
Total long-term liabilities		**130**	**1,533**
Short-term interest-bearing liabilities	14	1,605	1,651
Accounts payable		4,915	1,452
Other liabilities	15	185	197
Accrued expenses and deferred income	16	7,766	5,608
Total short-term liabilities		**14,471**	**8,908**
TOTAL LIABILITIES		**14,601**	**10,441**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**70,214**	**43,184**

For information pertaining to the Group's pledged assets and contingent liabilities, see Note 19.

CONSOLIDATED STATEMENT OF CASH FLOWS

January 1 – December 31

SEK thousands	note 21	2025	2024
Operating activities			
Loss before tax		–37,323	–39,398
Adjustments for non-cash items		1,595	1,653
Cash flow from operating activities before changes in working capital		**–35,728**	**–37,745**
Cash flow from changes in working capital			
Increase(-)/Reduction(+) in operating receivables		1,106	–1,091
Increase(+)/Reduction(-) in operating liabilities		2,223	–1,579
Cash flow from operating activities		**–32,399**	**–40,415**
Financing activities			
Rights issue		78,527[1]	35,186
Issue expenses		–6,715[2]	–1,957
Amortization of lease liabilities		–1,709	–1,637
Cash flow from financing activities		**70,103**	**31,592**
Cash flow for the year		**37,704**	**–8,823**
Cash and cash equivalents, January 1		**27,395**	**36,218**
Exchange-rate differences in cash and cash equivalents		**–**	**–**
CASH AND CASH EQUIVALENTS AT YEAR-END		**65,099**	**27,395**

[1] The cash flow effects from the 2024 share issue amounted to SEK 8,232 thousand, and from the 2025 share issue SEK 70,295 thousand.
[2] Total issuance costs for 2025 amounted to SEK 10,102 thousand, of which SEK 6,715 thousand affected cash flow in 2025; the remaining SEK 3,387 thousand will be paid in 2026.

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

SEK thousands	Share capital	Other capital contributed	Profit/loss brought forward incl. loss for the year	Total shareholders' equity
Opening shareholders' equity, January 1, 2024	**1,868**	**3,472,157**	**–3,443,358**	**30,667**
Loss for the year	–	–	–39,398	–39,398
Other comprehensive income for the year	–	–	–	–
Comprehensive income for the year	**–**	**–**	**–39,398**	**–39,398**
Rights issue [1)]	3,635	29,968	–	33,603
Ongoing rights issue [1)]	850	7,008	–	7,858
Share-based payments that are settled with equity instruments, IFRS2	–	–	13	13
Closing shareholders' equity, December 31, 2024	**6,353**	**3,509,133**	**–3,482,743**	**32,743**
Opening shareholders' equity, January 1, 2025	**6,353**	**3,509,133**	**–3,482,743**	**32,743**
Loss for the year	–	–	–37,323	–37,323
Other comprehensive income for the year	–	–	–	–
Comprehensive income for the year	**–**	**–**	**–37,323**	**–37,323**
Rights issue [1)]	7,260	52,933	–	60,193
Closing shareholders' equity, December 31, 2025	**13,613**	**3,562,066**	**–3,520,066**	**55,613**

[1)] The rights issue amount for 2025 was recognized net after deductions for transaction costs of SEK 10,102 (1,957) thousand

PARENT COMPANY INCOME STATEMENT

January 1 – December 31

SEK thousands	note	2025	2024
Net sales		–	–
Administrative expenses	2. 3	–12,378	–13,182
Research and development costs	2	–25,398	–26,834
Operating loss	4	**–37,776**	**–40,016**
Profit/loss from financial items			
Result from participations in group companies		–	–450
Interest income and similar items	5	426	650
Interest expenses and similar items	5	–38	–32
Loss after financial items		**–37,388**	**–39,848**
Loss before tax		**–37,388**	**–39,848**
Tax	6	–	–
Loss for the year		**–37,388**	**–39,848**

STATEMENT OF COMPREHENSIVE INCOME, PARENT COMPANY

January 1 – December 31

SEK thousands	2025	2024
Loss for the year	**–37,388**	**–39,848**
Other comprehensive income	–	–
Comprehensive income for the year	**–37,388**	**–39,848**

PARENT COMPANY BALANCE SHEET

At December 31

SEK thousands	note	2025	2024
ASSETS			
Fixed assets			
Intangible fixed assets			
Patent	7	245	245
Total intangible fixed assets		**245**	**245**
Financial fixed assets			
Participations in Group companies	20	50	50
Other long-term receivables		376	376
Total financial fixed assets		**426**	**426**
Total fixed assets		**671**	**671**
Current assets			
Short-term receivables			
Tax assets		636	636
Other receivables	10	764	8,860
Prepaid expenses and accrued income	11	1,535	2,730
Total short-term receivables		**2,935**	**12,226**
Cash and bank balances	21	65,047	27,342
Total current assets		**67,982**	**39,568**
TOTAL ASSETS		**68,653**	**40,239**

SEK thousands	note	2025	2024
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Restricted equity			
Share capital		13,613	5,503
Unregistered share capital		–	850
Unrestricted equity			
Share premium reserve		52,933	36,976
Profit brought forward		25,629	28,501
Loss for the year		–37,388	–39,848
Total shareholders' equity	12	**54,787**	**31,982**
Short-term liabilities			
Accounts payable		4,915	1,452
Liabilities to Group companies		1,000	1,000
Other liabilities	15	185	197
Accrued expenses and deferred income	16	7,766	5,608
Total short-term liabilities		**13,866**	**8,257**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**68,653**	**40,239**

For information pertaining to Parent Company's pledged assets and contingent liabilities, see Note 19.

CASH-FLOW STATEMENT FOR THE PARENT COMPANY

January 1 – December 31

SEK thousands	Note 21	2025	2024
Operating activities			
Loss after financial items		–37,388	–39,848
Adjustments for non-cash items		–	463
Cash flow from operating activities before changes in working capital		**–37,388**	**–39,385**
Cash flow from changes in working capital			
Increase(-)/Reduction(+) in operating receivables		1,058	–1,088
Increase(+)/Reduction(-) in operating liabilities		2,223	–1,579
Cash flow from operating activities		**–34,107**	**–42,052**
Financing activities			
Rights issue		78,527[1]	35,186
Issue expenses		–6,715[2]	–1,957
Cash flow from financing activities		**71,812**	**33,229**
Cash flow for the year		**37,705**	**–8,823**
Cash and cash equivalents, January 1		**27,342**	**36,165**
CASH AND CASH EQUIVALENTS AT YEAR-END		**65,047**	**27,342**

[1] The cash flow effects from the 2024 share issue amounted to SEK 8,232 thousand, and from the 2025 share issue SEK 70,295 thousand.
[2] Total issuance costs for 2025 amounted to SEK 10,102 thousand, of which SEK 6,715 thousand affected cash flow in 2025; the remaining SEK 3,387 thousand will be paid in 2026.

STATEMENT OF CHANGES IN PARENT COMPANY'S EQUITY

SEK thousands	Note 12	Restricted equity		Unrestricted equity			Total shareholders' equity
		Share capital	Unregistered share capital	Share premium reserve	Profit/loss brought forward	Loss for the year	
Opening shareholders' equity, January 1, 2024		**1,868**	**–**	**41,285**	**32,170**	**–44,967**	**30,356**
Loss for the year		–	–	–	–	–39,848	–39,848
Other comprehensive income for the year		–	–	–	–	–	–
Comprehensive income for the year		**–**	**–**	**–**	**–**	**–39,848**	**–39,848**
Rights issue [1]		3,635	850	36,976	–	–	41,461
Share-based payments that are settled with equity instruments, IFRS2		–	–	–	13	–	13
Treatment of profit/loss in preceding year		–	–	–41,285	–3,682	44,967	–
Closing shareholders' equity, December 31, 2024		**5,503**	**850**	**36,976**	**28,501**	**–39,848**	**31,982**
Opening shareholders' equity, January 1, 2025		**5,503**	**850**	**36,976**	**28,501**	**–39,848**	**31,982**
Loss for the year		–	–	–	–	–37,388	–37,388
Other comprehensive income for the year		–	–	–	–	–	–
Comprehensive income for the year		**–**	**–**	**–**	**–**	**–37,388**	**–37,388**
Rights issue 2024 [1]		850	–850	–	–	–	–
Rights issue 2025 [1]		7,260	–	52,933	–	–	60,193
Treatment of profit/loss in preceding year		–	–	–36,976	–2,872	39,848	–
Closing shareholders' equity, December 31, 2025		**13,613**	**–**	**52,933**	**25,629**	**–37,388**	**54,787**

[1] The rights issue amount for 2025 was recognized net after deductions for transaction costs of SEK 10,102 (1,957) thousand

Notes to the Financial Statements

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Conformity with standards and legislation

The consolidated financial statements were prepared in accordance with IFRS accounting standards published by the International Accounting Standards Board (IASB), as adopted by the European Union. Furthermore, the Council for Sustainability and Financial Reporting's recommendation RFR 1 Supplementary Accounting Rules for Groups has been applied.

The Parent Company applies the same accounting policies as the Group, except in the instances specified below in the section "Accounting policies of the Parent Company".

The Annual Report and the consolidated financial statements were approved for issue by the Board and the President on March 31, 2026. The consolidated income statement and statement of financial position and the Parent Company's income statement and balance sheet will be subject for adoption by the Annual General Meeting on May 20, 2026.

Conditions for preparing the Parent Company's and consolidated financial statements

The Parent Company's functional currency is Swedish kronor, which is also the presentation currency for the Parent Company and the Group. Accordingly, the financial statements are presented in Swedish kronor, SEK. All amounts, unless otherwise stated, are rounded off to the nearest thousand. Assets and liabilities are recognized at historical acquisition value (cost), except certain financial assets, which are measured at fair value.

The preparation of financial statements in accordance with IFRS requires company management to make assessments and estimates that affect the application of the accounting policies and the recognized amounts of assets, liabilities, revenues, and expenses. The actual outcome may deviate from these estimates and assessments. The estimates and assumptions are reviewed regularly. Changes to the estimates are recognized in the period in which the change is made if it is the only period affected by the change, but if it also affects future periods, it is recognized in the period the change is made and in future periods.

Assessments made by company management when applying IFRS that may considerably influence the financial statements together with estimates made that may entail significant adjustments to financial statements in forthcoming years are described in more detail in Note 22. The accounting policies for the Group detailed below were applied consistently in all periods presented in the consolidated financial statements, unless otherwise specified below. The Group's accounting policies were applied consistently in the reporting and consolidation of the Parent Company and subsidiaries.

Changed accounting policies

Changed accounting policies caused by new or amended IFRS

No new IFRS or other amendments to IFRS applicable from January 1, 2025 did not have any material impact on the consolidated financial statements.

New IFRS that have not yet been applied

In 2024, the IASB published the new standard IFRS 18 Presentation and Disclosures in Financial Reports. The standard includes requirements for a changed structure of the financial reports as well as new disclosure requirements. Active Biotech has evaluated the impact on the group's reporting and anticipates minor changes in the presentation of the income statement and cash flow upon implementation of IFRS 18. The standard comes into effect on January 1, 2027.

Segment reporting

An operating segment is a part of the Group that conducts operations from which it can generate revenues and incur costs and from which independent financial information is available. In addition, an operating segment's results are followed up by the company's chief

operating decision-maker to assess earnings and to be able to allocate resources to the operating segment. Since operations within the Active Biotech Group are organized as a cohesive unit, with similar risks and opportunities for the products and services produced, the Group's entire operation comprises a single operating segment. All operations are conducted in Sweden.

Consolidation principles

Subsidiaries

A subsidiary is a company in which Active Biotech AB has a controlling influence. Controlling influence entails a direct or indirect right to formulate a company's financial and operative strategies with the aim of obtaining financial benefits. When determining if a controlling influence exists, consideration is given to potential shares that carry voting rights, which can be utilized or converted without delay.

Foreign currency

Transactions in foreign currency

Transactions in foreign currency are translated to the functional currency at the exchange rate prevailing on the transaction date. Monetary assets and liabilities in foreign currencies are translated to the functional currency at the exchange rate prevailing on the balancesheet date. Exchange-rate differences that arise in translation are recognized in profit or loss.

Recognition of revenues

Contract with NeoTX

Active Biotech has a contract with its partner NeoTX under which the Group has licensed the rights to Naptumomab. This contract gives Active Biotech the right to milestone payments upon certain clinical, regulatory, and commercial achievements by NeoTX. The contract also includes the right for Active Biotech to receive tiered double-digit royalties on future sales. Milestone payments comprise variable consideration under IFRS 15. Since there is a significant risk of reversal of revenue from milestone payments prior to the time at which a milestone is achieved, revenue recognition does not take place until it has been established that NeoTX has achieved the set target, and that Active Biotech thus has the right to receive such a contractual milestone payment. Revenue from sales-based royalties is first recognized in connection with NeoTX selling the approved drug based on Naptumomab and Active Biotech having the right to receive contractual milestone payment.

Leases

Leases for which the Group is lessee

The Group recognizes a right-of-use asset and a lease liability at the lease's commencement date. The right-to-use asset is initially measured at cost, which comprises the lease liability's initial value plus the lease payments made at or before the commencement date and any initial direct costs. The right-of-use asset is depreciated on a straight-line basis from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term, which for the Group is normally the end of the lease term.

The lease liability – which is split into a long and short-term portion – is initially measures at the present value of remaining lease payments during the expected lease term. Lease payments are normally discounted using the Group's incremental borrowing rate, which in addition to the Group's/company's credit risk also reflects each agreement's lease term, currency and quality of the underlying asset as intended security. However, the interest rate implicit in the lease is used when this can be determined.

The lease liability for the Group's premises with a rent that is indexed upward is calculated on the rent payable at the end of each reporting period. Currently, the liability is adjusted with a corresponding adjustment of the right-of-use asset's carrying amount. In a similar way, the value of the liability and asset is adjusted in conjunction with the reassessment of the lease term. This occurs when the last termination date has passed for the previously expected term of the premises lease, or when significant events occur, or conditions are substantially changed in a manner that is within the Group's control and influences the applicable assessment of the lease term.

The Group presents right-of-use assets as a separate item in the statement of financial position. Lease liabilities are presented together with interest-bearing liabilities in the statement of financial position.

No right-of-use asset and lease liability is recognized for leases with a lease term of 12 months or less and for low value assets, less than SEK 50 thousand. Lease payments for these leases are recognized as a cost straightline over the lease term.

Financial income and expenses

Financial income and expenses include interest income on bank deposits and receivables, interest expenses on loans, interest on the lease liability, exchange-rate differences and unrealized and realized gains from financial investments.

Exchange-rate gains and losses are netted.

Financial instruments

Financial instruments recognized on the asset side of the statement of financial position include cash and bank balances, accounts receivable, other long-term receivables. Liabilities include accounts payable, liabilities for leases, liabilities to credit institutions and other financial liabilities.

Recognition in, and derecognition from, the statement of financial position

A financial asset or financial liability is recognized in the statement of financial position when the company is party to the contractual conditions of the instrument. Accounts receivables are recognized in the statement of financial position when the invoice has been sent. Liabilities are recognized when the other contracting party has fulfilled its obligations and payment is due, although the invoice has not yet been received. Accounts payable are recognized when the invoice is received.

A financial asset is derecognized from the statement of financial position when the contractual rights are realized, mature or the company loses control over them. This also applies to parts of financial assets. A financial liability is derecognized from the statement of financial position when the contractual obligation is met. This also applies to parts of financial liabilities. Acquisition and divestment of financial assets are recognized on the transaction date, which is the date the company commits to the acquisition or divestment of the asset.

Cash and cash equivalents comprise liquid funds and immediately accessible balances in banks and corresponding institutes.

Measurement on initial recognition

Financial instruments are initially measured at fair value plus/less transaction costs, except instruments that are continuously measured at fair value through profit or loss for which transaction costs are expensed when they arise instead. Accounts receivable (except for significant financing components) are initially measured at the transaction price established according to IFRS 15.

Classification and subsequent measurement of financial assets

All other financial assets are measured at amortized cost since they are held under the framework of a business model whose objective is to collect the contractual cash flows, at the same time as the cash flows from the assets comprise solely payments of principal and interest on the principal amount. Other receivables are classified as long-term receivables if the duration is longer than one year, and if it is shorter, as other receivables.

Classification and subsequent measurement of financial liabilities

All financial liabilities are measured at amortized cost by applying the effective interest method. Long-term liabilities have an expected duration of more than one year, while short-term liabilities have a duration of less than one year.

Intangible assets

Research and development

Expenses for research with the purpose of acquiring new scientific or technical knowledge are expensed when they arise. Expenses for developments, in which the research result or other knowledge is applied to produce new or improved products or processes, is recognized as an asset in the statement of financial position, if the product or process is technically and commercially useful and the company has adequate resources to pursue development and thereafter use and sell the intangible asset. Other expenses for development are recognized in profit or loss as a cost as they arise.

Since the period in which the company's research and development projects are expected to be registered is some way off in the future, there is considerable uncertainty as to when any financial benefits will accrue to the company. Development costs are capitalized only on the condition that it is technically and financially possible to complete the asset, that the intention is, and the conditions exist, for the asset to be used in operations or sold and that it can be calculated in a reliable manner. Expenses pertaining to patents, technology and trademark rights and other similar assets that are part of the research and development operations are not capitalized but are offset against earnings on an ongoing basis.

No assets of this character were acquired.

Patent

Acquired patent rights are reported at acquisition value and any need for impairment is tested annually.

Impairment

Impairment testing of tangible and intangible assets and participations in subsidiaries

Carrying amounts are tested at each balance-sheet date to establish whether there are any impairment indicators. If there is an indication that an impairment requirement exists, the asset's recoverable amount (see below) is calculated in accordance with IAS 36. If it is not possible to establish fundamentally independent cash flows attributable to a specific asset, when testing for impairment, the assets are to be grouped at the lowest level whereby it is possible to identify fundamentally independent cash flows – a so-called cash-generating unit.

An impairment loss is recognized when an assets or cash-generating unit's (group of units) carrying amount exceeds the recoverable amount. An impairment loss is charged to profit or loss.

The recoverable amount is the highest of fair value less selling expenses and value in use. In calculating value in use, future cash flows are discounted at an interest rate that takes into account the market's assessment of risk-free interest and risk related to the specific asset.

An impairment loss is reversed if there is both an indication that the impairment requirement no longer exists and if there has been a change in the assumptions that formed the basis for the calculation of the recoverable amount.

Impairment of financial assets

A loss allowance is calculated and recognized for the financial assets that are measured at amortized cost. A simplified approach is applied for accounts receivable, and the loss allowance is calculated and recognized based on expected credit losses for the full remaining lifetime. The calculation of the expected credit losses is primarily based on information about past losses for similar receivables and counterparties. The historical information is evaluated and continuously adjusted based on the current situation and the Group's expectations regarding future events.

Employee remuneration

Post-retirement benefits

Both defined-benefit and defined-contribution pension plans exist within the Group. For defined-benefit plans, remuneration of current and former employees is based on their salary at the time of retirement as well as the number of years of service. The Group assumes responsibility for ensuring that promised remuneration is paid. For defined-contribution plans, the company pays pension premiums to separate legal entities and has no legal commitment or informal obligation to pay further premiums (if these should lack the assets necessary to provide the promised benefits). The company's obligations relating to fees for defined-contribution plans are expensed in profit or loss as they are accrued due to the employee performing services for the company over a period.

All defined-benefit pension plans are secured through insurance with Alecta, which is a multi-employer defined benefit plan. For the 2024 and 2023 fiscal years, the company did not have access to information that would make it possible to recognize this plan as a defined benefit plan.

Accordingly, pension plans conforming to ITP and secured through an Alecta insurance policy are recognized as a defined-contribution plan.

Severance pay

An expense for remuneration in connection with termination of employment of personnel is recognized only if the company is unquestionably obligated, without any realistic possibility of withdrawal, by a formal detailed plan to eliminate a position in advance of when that position would normally expire. When remuneration is paid as an offer to encourage voluntary termination of employment, a cost for this is recognized if it is probable that the offer will be accepted and the number of employees that will accept the offer can be reliably estimated.

Current employee remuneration

Current remuneration to employees is calculated without discounting and is recognized as an expense when the related services are received.

A provision is recognized for the anticipated cost for bonus payments when the Group has an applicable legal or informal obligation to make such payments, as a result of services received from employees, and the obligation can be reliably estimated.

Recognition of earnings per share

The calculation of earnings per share is based on profit/loss for the year in the Group attributable to the Parent Company's shareholders and on the weighted average number of shares outstanding during the year. There were no potential ordinary shares that could give rise to any dilution effects during the reported periods.

Taxes

Income taxes comprise current tax and deferred tax. Income taxes are recognized in profit or loss except where the underlying transaction is recognized in other comprehensive income or in shareholders' equity, whereby the associated tax effect is recognized in other comprehensive income or shareholders' equity.

Current tax is tax that is to be paid or recovered in relation to the current year, applying tax rates determined or announced at the balance-sheet date. Adjustment to current tax relating to previous periods is also recognized here.

Contingent liabilities

A contingent liability is recognized when a possible commitment exists arising from events that have occurred, the validity of which can only be confirmed by the occurrence or absence of one or more future events, or where there is a commitment not recognized as a liability or provision due to the low probability that an outflow of resources will be required.

Parent Company's accounting policies

The Parent Company prepared its annual financial statements in accordance with the Annual Accounts Act (1995:1554) and the recommendations of the Swedish Financial Reporting Board RFR 2, Accounting for Legal Entities. Statements issued by the Swedish Financial Reporting Board concerning listed companies were also applied. RFR 2 entails that in the annual accounts for a legal entity, the Parent Company is to apply all of the IFRS regulations and statements approved by the European Union to the greatest possible extent, within the framework of the Annual Accounts Act, the Pension Obligations Vesting Act and with consideration given to the relationship between accounting and taxation. The recommendation stipulates what exceptions and additions are to be made to IFRS.

Changed accounting policies

Changed accounting policies unless otherwise stated below, the Parent Company's accounting policies in 2025 have changed in line with what is described above for the Group.

New IFRS that have not been applied

Other new or amended IFRS, including statements, are not expected to have any material impact on the Parent Company's financial statements.

Differences between the Group's and the Parent Company's accounting policies

The differences between the Group's and the Parent Company's accounting policies are presented below. The accounting policies presented below for the Parent Company were applied consistently in all periods presented in the Parent Company's financial statements.

Classification and presentation forms

The presentation of the Parent Company's income statement and balance sheet is in line with the arrangement specified in the Annual Accounts Act. The difference in relation to IAS 1 Presentation of Financial Statements, which is applied in the preparation of the consolidated financial statements, is primarily the recognition of financial income and expenses, shareholders' equity and the occurrence of provisions as a separate heading in the balance sheet.

Subsidiaries

Participations in subsidiaries are recognized by the Parent Company using the cost method. This implies that transaction costs are included in the carrying amount of participations in subsidiaries. In the consolidated financial statements, transaction costs attributable to subsidiaries are recognized immediately in profit or loss when these arise.

The Parent Company always recognizes dividends from subsidiaries as revenue in profit or loss.

Leased assets

The Parent Company does not apply IFRS 16, in accordance with the exception in RFR 2. As lessee lease payments are recognized as a cost on a straight-line basis over the lease term and right-of-use assets and lease liabilities are therefore not recognized in the balance sheet.
In the same manner as in the consolidated financial statements, lease and non-lease components are not divided for properties. Instead, lease and non-lease components are recognized as a single lease component for these types of underlying assets.

Intangible fixed assets

Research and development

In the Parent Company, all expenses for development are recognized as expenses in profit or loss.

Depreciation principles

Amortization is conducted on a straight-line basis over the estimated useful life of the asset, which corresponds to the period during which it will be used.

NOTE 2: OPERATING EXPENSES DISTRIBUTED BY TYPE OF COST

	Group		Parent Company	
SEK thousands	2025	2024	2025	2024
Personnel costs	14,542	16,595	14,651	16,766
Depreciation/amortization	1,595	1,640	—	—
Operating expenses	1,752	1,907	1,750	1,905
Property expenses	423	404	2,088	2,050
Administrative expenses	1,963	2,028	1,963	2,028
External R&D services	15,668	14,621	15,668	14,621
Other external services	1,656	2,646	1,656	2,646
Total	**37,599**	**39,841**	**37,776**	**40,016**

NOTE 3: AUDITORS' FEES

	Group and Parent Company	
SEK thousands	2025	2024
PWC		
Auditing assignments	688	580
Audit-related services beyond the statutory audit	21	43
Tax advice	190	22

Audit assignments refer to the audit of the annual report and accounting as well as the administration of the Board and the President and other tasks that is the responsibility of the company's auditor to perform (including a review of the interim report).

NOTE 4: EMPLOYEE AND PERSONNEL COSTS, AND REMUNERATION OF SENIOR EXECUTIVES

Costs for remuneration of employees

SEK thousands	Group		Parent Company	
	2025	2024	2025	2024
Salaries and remuneration, etc.	10,027	11,191	10,027	11,191
Pension costs, defined-contribution plans[1,2] (see below)	2,456	2,941	2,456	2,941
Social-security costs	1,834	2,143	1,834	2,143
Non-monetary remuneration	77	77		
Total	**14,394**	**16,352**	**14,317**	**16,275**

1. Of the Parent Company's pension costs, SEK 1,161 thousand (1,141) pertains to the Board of Directors and President & CEO.
2. The Group's pension costs include SEK 372 thousand (509) pertaining to the ITP plan financed in Alecta. See the section below "Post-retirement benefits" for further information.

Average number of employees

	2025			2024		
	No. of employees	Of whom, women		No. of employees	Of whom, women	
PARENT COMPANY						
Sweden	5	2	(40%)	7	3	(43%)
Total Parent Company	**5**	**2**	**(40%)**	**7**	**3**	**(43%)**
SUBSIDIARIES						
Sweden	0	0	(0%)	0	0	(0%)
Group total	**5**	**2**	**(40%)**	**7**	**3**	**(43%)**

Gender distribution in management

	Of whom, women	
	2025	2024
PARENT COMPANY		
Board of Directors	0 %	0 %
Other senior executives	33 %	33 %
GROUP TOTAL		
Board of Directors	0 %	0 %
Other senior executives	33 %	33 %

Salaries and other remuneration subdivided by country and between senior executives and other employees, and social-security costs in the Parent Company

	2025			2024		
SEK thousands	Other senior executives (8 individuals)	Other employees	Total	Other senior executives (8 individuals)	Other employees	Total
Salaries and other remuneration						
Sweden	7,782	2,245	10,027	7,651	3,540	11,191
(of which, bonus and similar)	750	191	941	836	171	1,007
Total Parent Company	**7,782**	**2,245**	**10,027**	**7,651**	**3,540**	**11,191**
(of which, bonus and similar)	750	191	941	836	171	1,007
Social-security costs[1]	3,204	1,086	4,290	3,137	1,947	5,084
[1] of which, pension costs	1,900	556	2,456	1,904	1,037	2,941

Salaries and other remuneration, pension costs for senior executives in the Group

	2025	2024
SEK thousands	Other senior executives (8 individuals)	Other senior executives (8 individuals)
Salaries and other remuneration	7,782	7,651
(of which, bonus and similar)	750	836
Pension costs	1,900	1,904

Board member Aleksandar Danilovski has also received consultant fees in 2025 of SEK 275 thousand (341). Board member Axel Glasmacher has also received consultant fees in 2025 of SEK 174 thousand (68).

Remuneration of senior executives

Guidelines adopted at the Annual General Meeting on May 22, 2024

These guidelines for remuneration to senior executives are forward-looking and shall apply to remuneration that is agreed upon, and to changes made to existing agreed remuneration, after the guidelines was adopted by the 2024 AGM. The guidelines do not cover remuneration resolved by the AGM.

The guidelines promotion of the company's business strategy, long-term interests and sustainability

The most important parts of the company's business strategy are:

- Achieve the greatest possible growth in value in each project and seek collaboration with strong partners
- Progress the clinical development and commercialization of the company's selected compounds together with partners with relevant expertise
- Limit costs through the utilization of partnership agreement and external expertise
- Protect know-how through an active patent strategy
- Create financial sustainability through partnerships with licensees and shareholders

Successful implementation of the company's business strategy and safeguarding shareholders' long term interests, including the company's sustainability, requires the company to recruit and retain qualified employees.

To achieve this, the company must be able to offer attractive and competitive remuneration, and these guidelines make it possible to offer senior executives a competitive total compensation package consisting of base salary, bonuses, and benefits as described below.

Framework for remuneration

Remuneration shall be market based and may consist of the following components: fixed salary, variable short term cash based incentive program, pension benefits, company car, and other benefits.

In addition, the General Meeting may – independently of these guidelines – decide on, for example, share based or share price related remuneration.

The variable short term cash based incentive program may amount to a maximum of 50% of the fixed salary for the CEO and 25% for other senior executives.

Payments under the variable short term cash based incentive program shall not be pensionable. Pension benefits shall be defined contribution schemes. For senior executives covered by the ITP plan, the pension premium shall correspond to what is applicable under the ITP plan. For other senior executives, the pension premium shall amount to a maximum of 25% of fixed salary.

Other benefits may include, for example, health insurance and a company car. Such benefits may amount to no more than 10% of annual salary in total.

Termination of employment

If notice of termination by the company, the notice period for the CEO or other senior executives shall be a maximum of 12 months, without the right to severance pay. The fixed cash salary during the notice period may in total not exceed an amount corresponding to the fixed cash salary for two years for the CEO and one year for other senior executives. If termination is initiated by the CEO or other senior executive, the notice period may be a maximum of 12 months, without the right to severance pay.

Criteria for the variable short term cash based incentive program

The variable short term cash based incentive program shall be linked to predetermined and measurable criteria, which may be financial or non financial. These criteria may be collective or individual and may be quantitative or qualitative. The criteria shall be designed so that successful achievement directly contributes to successful fulfillment of the company's business objectives for the year.

The Board of Directors shall determine the applicable criteria for the cash based short term incentive during the first quarter of the year. The extent to which the criteria have been met – and the resulting payout – shall be evalu-

ated at year end. The Board is responsible for assessments regarding the CEO's cash based short term remuneration. For other senior executives, the CEO is responsible for the assessment after consultation with the Board.

Salary and employment conditions for employees

When preparing the Board's proposal for these remuneration guidelines, salary and employment conditions for the company's employees have been taken into account. Information on employees' total compensation, its components, and its development over time formed part of the Board's decision basis when evaluating the appropriateness of the guidelines and the limitations they impose.

Decision-making process to establish, review and implement the guidelines

The Board decides on all matters related to remuneration for senior executives. The Board shall prepare proposals for new guidelines at least every four years and present them to the Annual General Meeting for decision. The guidelines shall apply until new guidelines have been adopted.

The Board shall also monitor and evaluate variable remuneration programs for company management, the application of the remuneration guidelines, and current remuneration structures and levels within the company. In the Board's handling and decisions on remuneration related matters, the CEO and other members of company management do not participate to the extent they are affected.

Deviation from the guidelines

The Board may decide to temporarily deviate from the guidelines, in whole or in part, if there are special reasons in an individual case and a deviation is necessary to meet the company's long term interests, including its sustainability, or to ensure the company's financial viability.

Description of significant changes to the guidelines and how shareholders' views have been considered

There are no previously decided remunerations that have not yet fallen due for payment. The company has not decided on any deviations from the remuneration guidelines adopted by the 2024 Annual General Meeting.

Loans to senior executives

No agreement exists covering loans to Board members or executive management.

Post-retirement benefits

Defined-benefit plans

Retirement pension and family pension obligations for salaried workers in Sweden are secured through insurance with Alecta, which is a multi-employer, defined-benefit plan. For the 2025 and 2024 fiscal years, the company did not have access to information that would make it possible to recognize this plan as a defined-benefit plan. Accordingly, pension plans conforming to ITP and secured through an Alecta insurance policy are recognized as a defined-contribution plan. The year's fees for pension insurance subscribed to in Alecta totaled SEK 372 thousand (509) and for 2026 the premiums will amount to SEK 399 thousand. Alecta's surplus can be allocated to the policyholders and/or the insured. At year-end 2025, Alecta's surplus at the collective funding ratio amounted to 168 percent (162). The collective funding ratio comprises the market value of Alecta's assets as a percentage of insurance obligations based on Alecta's actuarial calculations, which do not conform to IAS 19. Active Biotech's share of total savings premiums for ITP2 with Alecta amounted to 0.00277 percent for 2025 and the share of the total actively insured in ITP2 amounted to 0.00093 percent in December 2025.

Remuneration and other benefits during 2025

SEK thousands	Basic salary/Board fee	Variable remuneration	Salary exchange	Pension costs	Financial instruments	Other remuneration	Total
Chairman of the Board, Michael Shalmi [1]	500	–	–	–	–	–	500
Board member Aleksandar Danilovski [2]	200	–	–	–	–	–	200
Board member, Axel Glasmacher [3]	200	–	–	–	–	–	200
Board member, Uli Hacksell [1]	200	–	–	–	–	–	200
Board member, Peter Thelin [1]	200	–	–	–	–	–	200
CEO, Helén Tuvesson	2,351	250	300	861	–	–	3,762
Other senior executives (2 individuals)	3,381	500	300	439	–	–	4,620
Total	**7,032**	**750**	**600**	**1,300**	–	**–**	**9,682**

[1] Apart from Board fees, no additional remuneration was paid. [2] Aleksandar Danilovski has also received consultant fees in 2025 of SEK 275 thousand. [3] Axel Glasmacher has also received consultant fees in 2025 of SEK 174 thousand.

Remuneration and other benefits during 2024

SEK thousands	Basic salary/Board fee	Variable remuneration	Salary exchange	Pension costs	Financial instruments	Other remuneration	Total
Chairman of the Board, Michael Shalmi [1]	500	–	–	–	–	–	500
Board member Aleksandar Danilovski [2]	200	–	–	–	–	–	200
Board member, Axel Glasmacher [3]	200	–	–	–	–	–	200
Board member, Uli Hacksell [1]	200	–	–	–	–	–	200
Board member, Peter Thelin [1]	200	–	–	–	–	–	200
CEO, Helén Tuvesson	2,262	480	300	841	–	–	3,883
Other senior executives (2 individuals)	3,253	356	300	463	–	–	4,372
Total	**6,815**	**836**	**600**	**1,304**	–	**–**	**9,555**

[1] Apart from Board fees, no additional remuneration was paid. [2] Aleksandar Danilovski has also received consultant fees in 2024 of SEK 341 thousand. [3] Axel Glasmacher has also received consultant fees in 2024 of SEK 68 thousand.

NOTE 5: NET FINANCIAL ITEMS

	Group		Parent Company	
SEK thousands	**2025**	**2024**	**2025**	**2024**
Interest income				
- Other interest income	427	652	426	650
Financial income/Interest income and similar items	**427**	**652**	**426**	**650**
Interest expenses				
- Interest expenses relating to finance leases	–113	–177	–	–
Other interest expenses	–	–	–	–
Net loss on financial assets and liabilities measured at fair value through profit or loss				
Held for trading: Short-term investments	–	–	–	–
Net exchange-rate changes	–38	–32	–38	–32
Financial expenses/Interest expenses and similar items	**–151**	**–209**	**–38**	**–32**
Net financial expense	**276**	**443**	**388**	**618**
Of which:				
Interest income from instruments measured at amortized cost	–	–		
Interest expenses from instruments measured at amortized cost	–113	–177		
Exchange-rate differences that impacted earnings				
Exchange-rate differences that impacted operating loss	58	16	58	16
Financial exchange-rate differences	–38	–32	–38	–32
Total	**20**	**–16**	**20**	**–16**

NOTE 6: TAXES

Recognized in profit or loss

SEK thousands	Group		Parent Company	
	2025	2024	2025	2024
Current tax expense (-)/tax income (+)				
Tax expense/tax income for the period	–	–	–	–
Tax adjustments brought forward from earlier years	–	–	–	–
Total recognized tax expense/income	**–**	**–**	**–**	**–**
Reconciliation of effective tax				
Loss before tax	–37,323	–39,398	–37,388	–39,848
Tax on the Parent Company according to current rate	7,688	8,116	7,702	8,209
Non-deductible expenses	–323	–293	–323	–386
Non-taxable revenues	1	1	1	1
Increase in loss carryforwards without equivalent capitalization of deferred taxes	–7,380	–7,824	–7,380	–7,824
Increase/decrease in temporary differences for which deferred tax is not recognized	14	–	–	–
Recognized effective tax	**–**	**–**	**–**	**–**

Due to the Group's activities with considerable research and development costs, it is not liable for tax. At the end of 2024, the Group's accumulated loss carryforwards amounted to SEK 3,385 M and was attributable to the Group's Swedish companies. The Parent Company's loss carryforwards amounted to SEK 3,384 M.

Since the time at which the Parent Company and the Swedish subsidiaries may be expected to generate revenues cannot yet be specified, only the portion of the taxable effects of the loss carryforwards corresponding to the deferred tax liability was recognized.

The loss carryforwards for which deferred tax assets are not recognized amounted to SEK 3,385 M (3,347).

NOTE 7: INTANGIBLE FIXED ASSETS

Patent

SEK thousands	Group	Parent company
Acquisition value		
Opening balance, January 1, 2024	245	245
Closing balance, December 31, 2024	**245**	**245**
Opening balance, January 1, 2025	245	245
Closing balance, December 31, 2025	**245**	**245**
Depreciation and impairment losses		
Opening balance, January 1, 2024	–	–
Closing balance, December 31, 2024	**–**	**–**
Opening balance, January 1, 2025	–	–
Closing balance, December 31, 2025	**–**	**–**
Carrying amounts		
January 1, 2024	245	245
December 31, 2024	245	245
January 1, 2025	245	245
December 31, 2025	245	245

NOTE 8: TANGIBLE FIXED ASSETS

Equipment, tools, fixtures and fittings recognized based on cost method

SEK thousands	Group	Parent company
Acquisition value		
Opening balance, January 1, 2024	2 714	2 714
Closing balance, December 31, 2024	**2 714**	**2 714**
Opening balance, January 1, 2025	2 714	2 714
Closing balance, December 31, 2025	**2 714**	**2 714**
Depreciation and impairment losses		
Opening balance, January 1, 2024	–2 714	–2 714
Closing balance, December 31, 2024	**–2 714**	**–2 714**
Opening balance, January 1, 2025	–2 714	–2 714
Closing balance, December 31, 2025	**–2 714**	**–2 714**
Carrying amounts		
January 1, 2024	–	–
December 31, 2024	–	–
January 1, 2025	–	–
December 31, 2025	–	–

NOTE 9: LEASES

The Group's leases apply to rental agreements for premises, and leases for company cars and office equipment.

Right-of-use assets

SEK thousands	Properties	Vehicles	Total
Opening balance, January 1, 2025	3,256	97	3,353
Revaluation	–14	–8	–22
Acquisition	0	281	281
Depreciation for the year	–1,490	–105	–1,595
Closing balance, December 31, 2025	1,752	265	2,017

Lease liabilities

SEK thousands	Properties	Vehicles	Total
Current	1,533	72	1,605
Non-current	0	130	130
Lease liabilities included in the statement of financial position, Dec 31, 2025	**1,533**	**202**	**1,735**

For disclosures relating to the term/maturity analysis of the lease liabilities, see Note 18.
The Group's total interest-bearing liabilities pertain to lease liabilities, see Note 14.

Breakdown of amounts recognized in earnings

SEK thousands	Group 2025	Group 2024
Depreciation of right-of-use assets	–1,595	–1,640
Interest on lease liabilities	–112	–177
Variable lease payments not included in the measurement of the lease liability	–39	–69
Costs for low-value leases	–16	–16

Amount recognized in statement of cash flows

SEK thousands	Group 2025	Group 2024
Total cash flows relating to leases	1,875	1,900

The above cash outflow includes amounts for leases recognized as lease liabilities, and amounts paid for variable lease payments and low-value leases. See also Note 21.

Description of the Group's rental agreements

Lease of property

Active Biotech rents premises in the Forskaren 1 property in Lund municipality. The rental agreement consists of a non-cancellable period of five years, which is extended by additional periods of three year if the Group does not terminate the agreement with notice period of nine months. Extension and termination options are exercisable only by the Group, not by the lessor. On the commencement date of the lease, it is established whether it is reasonably certain that an extension option will be exercised. It has been decided that it is not reasonably certain that another period will be exercised. The Group reassesses whether it is reasonably certain that an extension option will be exercised should any important events of material change occur in circumstances that are within the Group's control.

Rental expenses are adjusted on an annual basis using an escalation clause.

Lease of company cars

Active Biotech leases one company car with a contract term of three years. The contract includes a fixed lease payment and a fee for a management package that covers service, repairs, tires etc. that is not part of the lease liability.

Lease of computers and other office equipment

Active Biotech has a rental agreement of 36 months for computors and other office equipment. These agreements are classified as low-value leases.

NOTE 10: OTHER RECEIVABLES

SEK thousands	Group		Parent Company	
	2025	2024	2025	2024
VAT	560	402	560	402
Subscribed unpaid capital, new issue	–	8,232	–	8,232
Other receivables	204	226	204	226
Total	**764**	**8,860**	**764**	**8,860**

NOTE 11: PREPAID EXPENSES AND ACCRUED INCOME

SEK thousands	Group		Parent Company	
	2025	2024	2025	2024
Prepaid rent	93	84	551	495
Prepaid insurance	206	207	206	207
Prepaid patenting expenses	264	420	264	420
Prepaid R&D expenses	161	1,186	161	1,186
Other prepaid expenses and accrued income	353	422	353	422
Total	**1,077**	**2,319**	**1,535**	**2,730**

NOTE 12: SHAREHOLDERS' EQUITY

Share capital Ordinary shares

Thousands of shares	2025	2024
Issued at January 1	1 065 526	361 739
Cash issue	1 570 541	703 713
PLAN 2020/2024 – employees of Active Biotech	–	74
Issued at December 31 – paid	**2 636 067**	**1 065 526**

Allocation of profit/loss

SEK	
Share premium reserve	52,932,817
Profit brought forward	25,629,234
Loss for the year	–37,388,419
Total	**41,173,632**

On December 31, 2025, the registered share capital comprised 2,636,067,170 ordinary shares with a quotient value of SEK 0.005164. In January 2025, 164,638,960 shares from the new issue completed in December 2024 were registered, and in December 2025, 1,405,902,488 shares from the rights issue completed in 2025 were registered. Holders of ordinary shares are entitled to dividends determined successively and the shareholding entitles the holder to voting rights at the Annual General Meeting of one vote per share.

Other capital contributed

Refers to shareholders' equity contributed by the owners in addition to share capital.

Profit/loss brought forward including loss for the year

Profit brought forward including loss for the year includes accumulated earnings/losses in the Parent Company and its subsidiaries. Earlier provisions to statutory reserves, excluding transferred share premium reserves, are included in this equity item.

Dividend

The Board of Directors proposes that no dividend be paid for the 2025 fiscal year.

Capital management

In accordance with the Board's policy, the Group's financial objective is to maintain a solid capital structure and financial stability, thereby retaining the confidence of investors and credit providers in the market, and to function as a platform for the continued development of the business operation. Capital is defined as total shareholders' equity. With reference to the focus of the operation, no specific target for the debt/equity ratio has been defined. Neither the Parent Company nor any of its subsidiaries are subject to any external capital requirements.

Parent Company's shareholders' equity

Restricted funds

Restricted funds may not be reduced through the distribution of profits.

Unrestricted equity

In addition to loss for the year, the following funds comprise unrestricted equity, meaning the amount that is available for distribution to shareholders.

Share premium reserve

When shares are issued at a premium, that is, payment is required for the shares in excess of their quotient value, an amount corresponding to the proceeds received in excess of the shares' quotient value is to be transferred to the share premium reserve. The previous year's issues that resulted in premium amounts have been transferred to profit/loss brought forward. Amounts allocated to the share premium reserve from January 1, 2006 are included in unrestricted equity.

Profit/loss brought forward

Profit/loss brought forward comprises the preceding year's profit/loss brought forward as well as the previous year's funds in the share premium reserve, less any dividends paid during the year.

NOTE 13: EARNINGS PER SHARE

	Before dilution		After dilution	
SEK	2025	2024	2025	2024
Earnings per share	–0.03	–0.09	–0.03	–0.09

Calculation of the numerator and the denominator used in the above calculation of earnings per share is specified below.

Earnings per share before dilution

The calculation of earnings per share in 2025 was based on loss for the year attributable to the Parent Company's ordinary shareholders amounting to a loss of SEK 37,323 thousand (loss: 39,398) and on a weighted average number of shares outstanding during 2025 totaling 1,347,323,223 (420,431,159). The two components were calculated in thefollowing manner:

Loss attributable to the Parent Company's ordinary shareholders, before dilution

SEK thousands	2025	2024
Loss for the year attributable to the Parent Company's shareholders	–37,323	–39,398

Weighted average number of outstanding ordinary shares, before dilution

Thousands of shares	2025	2024
Total number of ordinary shares at January 1	1,065,526	361,739
Effect of new share issues	281,797	58,667
Effect of incentive program Plan 2020/2024	–	25
Weighted average number of ordinary shares during the year, before dilution	**1,347,323**	**420,431**

Earnings per share after dilution

There are no dilution effects.

NOTE 14: INTEREST-BEARING LIABILITIES

Interest-bearing liabilities, Group

SEK thousands	2025	2024
Long-term liabilities		
Lease liability	130	1,533
Total	**130**	**1,533**
Short-term liabilities		
Short-term portion of lease liabilities	1,605	1,651
Total	**1,605**	**1,651**

NOTE 15: OTHER SHORT-TERM LIABILITIES

	Group		Parent Company	
SEK thousands	2025	2024	2025	2024
Personnel tax at source	185	197	185	197
Total	**185**	**197**	**185**	**197**

NOTE 16: ACCRUED EXPENSES AND DEFERRED INCOME

	Group		Parent Company	
SEK thousands	2025	2024	2025	2024
Accrued vacation liability, including social-security costs	2,335	2,150	2,335	2,150
Accrued employer's contributions	65	77	65	77
Other accrued personnel costs	397	359	397	359
Accrued Board fees, including social-security costs	1,082	1,082	1,082	1,082
Accrued bonus	1,080	1,145	1,080	1,145
Accrued auditors' fees	215	275	215	275
Accrued R&D costs	2,417	304	2,417	304
Accrued consultance fees	84	49	84	49
Other items	91	167	91	167
Total	**7,766**	**5,608**	**7,766**	**5,608**

NOTE 17: VALUATION OF FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE

In Active Biotech's opinion, the carrying amount comprises a reasonable approximation of the fair value of all of the Group's financial assets and liabilities. The Group's financial assets essentially comprise cash and bank balances and receivables with short-term maturities that are recognized after deductions for any impairment. Accordingly, the carrying amount is considered to be a reasonable approximation of the fair value also for these items. The tables below state the carrying amounts for financial assets and financial liabilities by measurement category. The fair values and carrying amounts are recognized in the balance sheet below:

Group 2025

SEK thousands	Financial assets valued at amortized cost	Other financial liabilities	Total carrying amount
Other long-term receivables	376	–	376
Cash and bank balances	65,099	–	65,099
Total	**65,475**	**–**	**65,475**
Long-term interest-bearing liabilities	–	130	130
Short-term interest-bearing liabilities	–	1,605	1,605
Accounts payable	–	4,915	4,915
Total	**–**	**6,650**	**6,650**

Group 2024

SEK thousands	Financial assets valued at amortized cost	Other financial liabilities	Total carrying amount
Other long-term receivables	376	–	376
Cash and bank balances	27,395	–	27,395
Total	**27,771**	**–**	**27,771**
Long-term interest-bearing liabilities	–	1,533	1,533
Short-term interest-bearing liabilities	–	1,651	1,651
Accounts payable	–	1,452	1,452
Total	**–**	**4,636**	**4,636**

Parent Company 2025

SEK thousands	Financial assets valued at amortized cost	Other financial liabilities	Total carrying amount
Other long-term receivables	376	–	376
Cash and bank balances	65,047	–	65,047
Total	**65,423**	**–**	**65,423**
Accounts payable	–	4,915	4,915
Total	**–**	**4,915**	**4,915**

Parent Company 2024

SEK thousands	Financial assets valued at amortized cost	Other financial liabilities	Total carrying amount
Other long-term receivables	376	–	376
Cash and bank balances	27,342	–	27,342
Total	**27,718**	**–**	**27,718**
Accounts payable	–	1,452	1,452
Total	**–**	**1,452**	**1,452**

NOTE 18: FINANCIAL RISKS AND FINANCIAL POLICIES

Through its operations, the Group is exposed to various forms of financial risk. Financial risk denotes fluctuations in the company's earnings and cash flow resulting from changes in exchange rates, interest rates, refinancing and credit risks.

The Group's financial policy for the management of financial risk has been formulated by the Board and acts as a framework of guidelines and regulations in the form of risk mandates and limits for financing activities. Responsibility for the Group's financial transactions and risks is managed centrally by the Parent Company's finance department. The overriding objective for the finance function is to provide cost-efficient financing and to minimize negative effects on the Group's earnings from market fluctuations. The Board of Active Biotech has established a policy for the investment of the Group's cash and cash equivalents, which, in view of the operational risks associated with the business, stipulates a conservative investment policy. The Group's cash and cash equivalents are to be invested in liquid assets with low credit risk and are currently placed in a bank interest account.

Interest-rate risk

Interest-rate risk relating to cash and cash equivalents

The Group's liquidity, which amounted to SEK 65,099 thousand (27,395) at December 31, was invested at a floating interest rate, which fluctuated between 1.2 and 3.6 percent (2.6 and 5.5) during the year. Liquidity risk is defined as the risk that the Group could experience problems in fulfilling its obligations associated with financial liabilities. For its short-term planning, the Group has a rolling 12-month liquidity plan that is regularly updated. For its medium-term planning, future revenue and expense flows are regularly forecast based on the anticipated development phase of the projects. In addition, a long-term liquidity forecast is presented to the Board on a regular basis.

Interest-rate risk relating to borrowings

The interest-rate risk relates to the risk that Active Biotech's exposure to fluctuations in market interest rates can have a negative impact on net earnings. The fixed-interest term on the Group's financial assets and liabilities is the most significant factor that influences the interest-rate risk. Active Biotech's view is that a short fixed-interest term is, in terms of risk, consistent with the company's operative position. However, the Board can choose to extend the period of fixed interest with the aim of limiting the effect of any rise in interest rates. The Group's financing sources mainly comprise shareholders' equity and liabilities for finance lease commitments. Outstanding interest-bearing liabilities are recognized in Note 14 and a term analysis for financial liabilities is presented below.

Sensitivity analysis: A change in the interest rate of plus/minus 1 percentage point would impact net interest income in the amount of plus/minus SEK 0.2 M (0.2).

Financing risk

Financing risk refers to the risk that financing of Active Biotech's capital requirements and refinancing of loans outstanding may be made more difficult or more expensive. The Group's liabilities consist solely of lease liabilities. The company has no short-term loan financing in the form of overdraft facilities. Active Biotech ensures short-term payment preparedness by maintaining good liquidity preparedness in the form of cash.

The term analysis below presents the agreed, undiscounted cash flows for the Group's financial liabilities divided among the stated time intervals.

Group 2025

SEK thousands	Nominal amount original currency	Total	Within 1 month	1–3 months	3 months – 1 year	1–2 years	2–3 years	3–4 years	4–5 years	5 years and longer
Lease liabilities, SEK		1,735	134	267	1,204	130	–	–	–	–
Accounts payable, SEK		4,601	4,295	306	–	–	–	–	–	–
Accounts payable, EUR	EUR 8 thousand	87	87	–	–	–	–	–	–	–
Accounts payable, USD	USD 22 thousand	205	205	–	–	–	–	–	–	–
Accounts payable, DKK	DKK 15 thousand	22	22	–	–	–	–	–	–	–
		6,650	**4,743**	**573**	**1,204**	**130**	**–**	**–**	**–**	**–**

Group 2024

SEK thousands	Nominal amount original currency	Total	Within 1 month	1–3 months	3 months – 1 year	1–2 years	2–3 years	3–4 years	4–5 years	5 years and longer
Lease liabilities, SEK		3,184	138	275	1,238	1,533	–	–	–	–
Accounts payable, SEK		1,278	1,262	16	–	–	–	–	–	–
Accounts payable, EUR	EUR 9 thousand	100	100	–	–	–	–	–	–	–
Accounts payable, USD	USD 5 thousand	52	52	–	–	–	–	–	–	–
Accounts payable, DKK	DKK 14 thousand	22	22	–	–	–	–	–	–	–
Total		**4,636**	**1,574**	**291**	**1,238**	**1,533**	**–**	**–**	**–**	**–**

Currency risks

Currency risk comprises the risk that changes in exchange rates will have a negative impact on the consolidated income statement, balance sheet and/or cash flow.

The Group has a currency exposure, since operations are primarily conducted in Sweden. Earnings are exposed to fluctuations in exchange rates since both revenues and costs partly comprise foreign currencies, primarily EUR and USD. In 2025, foreign currencies accounted for 0 percent of revenues while the equivalent figure for operating expenses was 39 percent.

Sensitivity analysis: A change in exchange rates of plus/minus ten percent would impact the Group's earnings in the amount of plus/minus SEK 0.7 M (0.6) in relation to EUR and plus/minus SEK 0.7 M (0.5) in relation to USD.

Credit risks

The Group is exposed to the risk of not receiving payment from customers. The Group's credit risks are marginal for its operating activities, since the business has a low invoicing level due to the fact that the business activities currently comprise mainly research and development. The credit risk for receivables related to payments from concluded partnership agreements is considered low. Credit losses or impairment of possible credit losses were charged against earnings in the amount of SEK 0.0 M (0.0).

NOTE 19: PLEDGED ASSETS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Pledged assets

SEK thousands	Group		Parent Company	
	2025	2024	2025	2024
Other collateral provided and pledged assets				
Pension insurances	66,152	64,521	66,152	64,521
Total pledged assets	**66,152**	**64,521**	**66,152**	**64,521**

NOTE 20: GROUP COMPANIES

Holdings in subsidiaries

SEK thousands	Corp. Reg. No.	Registered office	No. of shares/percentage	Nominal value	Carrying amount, Dec. 31, 2025	Carrying amount, Dec. 31, 2024
Actinova AB	556532-8860	Lund	1,000 / 100%	100	50	50
Active Security Trading AB	556092-7096	Lund	400 / 100%	400	–	–
Total					**50**	**50**

Change in carrying amount of shares in subsidiaries

SEK thousands	2025	2024
Cost, January 1	550	550
Accumulated cost, December 31	**550**	**550**
Impairment, January 1	–500	–50
Impairment for the year	–	–450
Accumulated impairment, December 31	**–500**	**–500**
Carrying amount, December 31	**50**	**50**

NOTE 21: SUPPLEMENTARY DATA TO THE CASH-FLOW STATEMENT

SEK thousands	Group		Parent Company	
	2025	2024	2025	2024
Interest paid and dividends received				
Interest received	427	652	426	650
Interest paid	–	–1	–	–1
Total	**427**	**651**	**426**	**649**
Adjustments for non-cash items				
Depreciation/amortization and impairment of assets	1,595	1,640	–	–
Impairment of subsidiary	–	–	–	450
Share-based payments that are settled with equity instruments, IFRS2	–	13	–	13
Total	**1,595**	**1,653**	**–**	**463**
Cash and cash equivalents				
Cash and cash equivalents consist of the following components:				
Cash and bank balances	65,099	27,395	65,047	27,342
Total	**65,099**	**27,395**	**65,047**	**27,342**

Reconciliation of liabilities deriving from financing activities, Group

SEK thousands	Opening balance, Jan. 1, 2025	Cash flows	Changes that do not affect cash flow	Closing balance, Dec. 31, 2025
			Revaluation of existing leasing agreements	
Lease liabilities	3,184	–1,708	259	1,735
Total liabilities deriving from financing activities	**3,184**	**–1,708**	**259**	**1,735**

SEK thousands	Opening balance Jan. 1, 2024	Cash flows	Changes that do not affect cash flow	Closing balance, Dec. 31, 2024
			Revaluation of existing leasing agreements	
Lease liabilities	4,545	–1,638	277	3,184
Total liabilities deriving from financing activities	**4,545**	**–1,638**	**277**	**3,184**

NOTE 22: IMPORTANT ESTIMATES AND ASSESSMENTS

The preparation of financial statements in accordance with IFRS requires company management to make assessments and estimates that affect the recognized amounts. The actual outcome may deviate from these estimates and assessments. The areas in which important estimates and assessments have been made which could imply adjustments to carrying amounts in forthcoming fiscal years are primarily assumptions regarding the company's financing and continued operation.

Financing

The company is expected to generate a negative cash flow until the company receives ongoing annual revenue from products on the market. This capital need can be financed by contributions from the owners, out-licensing of projects or income from collaboration agreements. The Group's ability to survive is dependent on there being sufficient liquid funds available to run the business until revenues from the agreement that Active Biotech has with NeoTX Ltd regarding the development and commercialization of Naptumomab or other collaboration partners are obtained. A failure to secure financing can negatively affect the company's operations, financial position and operating profit. The board and company management make ongoing assessments of the company's capital needs.

The available liquidity is expected to fund operations during the 2026–2027 period, and Active Biotech may need access to additional growth capital to maintain the development of its wholly owned development programs. Various funding sources are being explored, including partnerships for the company's development projects, directed share issues to new investors, and rights issues to existing shareholders. Given the current macroeconomic uncertainty and the stage of development of the project portfolio, the Board has decided, for the time being, to keep all financing options open. The Board believes that the company is well positioned to secure future financing.

NOTE 23: EVENTS AFTER THE BALANCE-SHEET DATE

- Active Biotech received positive feedback on February 10 regarding the clinical study of tasquinimod in myelofibrosis.

NOTE 24: RELATED-PARTY TRANSACTIONS

Close relationships

With regard to the Group's and Parent Company's subsidiaries, see Note 20. The composition of the Board and information relating to senior executives is presented on pages 48–49.

Related-party transactions

Apart from the remuneration concerning Board fees presented in Note 4, board member Aleksandar Danilovski received consultant fees of SEK 275 thousand in 2025, board member Axel Glasmacher received consultant fees of SEK 174 thousand in 2025.

No other transactions with shareholders or members of the Board took place during the year.

For information concerning transactions with key individuals in managerial positions, see Note 4.

The Parent Company's receivables and liabilities relative to the subsidiaries as per December 31, 2025 are presented in the Parent Company's balance sheet.

NOTE 25: INFORMATION RELATING TO THE PARENT COMPANY

Active Biotech AB, Corporate Registration Number 556223-9227, is a Swedish-registered limited liability company with its registered office in Lund, Sweden. The Parent Company's shares are listed on NASDAQ Stockholm.

The address of the head office is Scheelevägen 22, SE-223 63 Lund, Sweden. The consolidated financial statements for the 2025 fiscal year comprise the Parent Company and its subsidiaries, referred to jointly as the Group.

Approval and Adoption

The Annual Report and the consolidated financial statements were approved for issue on March 31, 2026. The consolidated income statement, statement of comprehensive income and statement of financial position and the Parent Company's income statement and balance sheet will be subject to adoption by the Annual General Meeting on May 20, 2026.

STATEMENT BY THE BOARD OF DIRECTORS

The Board of Directors and the President & CEO affirm that the Annual Report was prepared in accordance with generally accepted accounting principles in Sweden and that the consolidated financial statements were prepared in accordance with the international accounting standards referred to in regulation (EC) No. 1606/2002 of the European Parliament and the Council dated July 19, 2002 governing the application of international accounting standards. The annual accounts and the consolidated financial statements provide a true and fair view of the Group's and Parent Company's financial position and results of operations. The Directors' Report for the Group and the Parent Company provides a true and fair view of the Group's and the Parent Company's operations, position and results, and describes significant risks and uncertainties that the Parent Company and Group companies face.

Lund, March 31, 2026
The Board of Directors of Active Biotech AB (publ)

Michael Shalmi	Aleksandar Danilovski	Axel Glasmacher	Uli Hacksell	Peter Thelin
Chairman	*Board member*	*Board member*	*Board member*	*Board member*

Helén Tuvesson
President & CEO

We submitted our Audit Report on March 31, 2026
Öhrlings PricewaterhouseCoopers AB

Cecilia Andrén Dorselius
Authorized Public Accountant

Auditor's Report

Unofficial translation

To the general meeting of the shareholders of Active Biotech AB (publ), corporate identity number 556223-9227

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of Active Biotech AB (publ) for the year 2025. The annual accounts and consolidated accounts of the company are included on pages 51-93 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company as of 31 December 2025 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2025 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the income statement and the statement of the financial position of the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014/EU) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014/EU) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Audit approach

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where the Board of Directors and the Managing Director made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the group, the accounting processes and controls, and the industry in which the group operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements,

both individually and in aggregate on the financial statements as a whole.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Key Audit Matter

Financing: The company is engaged in research and development activities and does not currently generate recurring revenues. The company is therefore dependent on external financing to sustain its operations and carry out planned clinical trials. During the financial year, the company completed a rights issue that raised approximately SEK 70 million before transaction costs. The assessment of the company's management of its financing needs involves, among other things, significant assumptions and judgments regarding cash flow forecasts, cost levels and planned activities. Against this background, management's treatment of the company's financing needs has been identified as a key audit matter.

For further information, refer to Note 22 and pages 54 and 57 of the annual report and the consolidated financial statements for a description of this matter.

How our audit adressed the Key Audit Matter

Our audit procedures included, but were not limited to, the following:

- Examining the completed rights issue, including the terms of the issue and the accounting for the proceeds and related costs;
- Assessing the reasonableness of management's cash flow forecasts and assumptions regarding future disbursements;
- Analysing the company's liquidity position as at the balance sheet date and expected future cash flows;
- Evaluating events after the balance sheet date that may affect the company's financial position; and
- Assessing the adequacy of disclosures in the annual report regarding financing and future capital requirements.

Other information than the annual accounts and the consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-41, 48-49 and 99-100. The other information also consists of the Remuneration Report which we received before the issuance of this audit opinion. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Directors responsibilities and tasks in general,

among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Swedish Inspectorate of Auditors' website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The auditor's examination of the administration of the company and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Active Biotech AB (publ) for the year 2025 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group' equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company´s organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Swedish Inspectorate of Auditors' website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for Active Biotech AB (publ) for the financial year 2025.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for Opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Active Biotech AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the

appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Öhrlings PricewaterhouseCoopers AB, Box 4009, 203 11 Malmö, was appointed auditor of Active Biotech AB (publ) by the general meeting of the shareholders on the 28 May 2025 and has been the company's auditor since the 24 May 2023.

Malmö, March 31, 2026

Öhrlings PricewaterhouseCoopers AB

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Cecilia Andrén Dorselius
Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Summary of Financial Development

Alternative performance measures and definitions

Alternative performance measures are used to describe the development of operations and to increase comparability between periods. These are not described on the basis of IFRS regulations but they do coincide with how group management and the board of directors measure the company's financial performance. Alternative performance measures should not be viewed as a substitute for financial information presented in conformity with IFRS but as a complement.

The equity/assets ratio is calculated by dividing recognized shareholders' equity by recognized total assets.

SEK M	2025	2024	2023	2022	2021
Income statement					
Net sales	–	–	–	–	–
Operating expenses	–37.6	–39.8	–46.5	–57.9	–49.8
(of which, depreciation/amortization)	–1.6	–1.6	–1.7	–1.5	–1.3
Operating loss	**–37.6**	**–39.8**	**–46.5**	**–57.9**	**–49.8**
Net financial items	0.3	0.4	0.7	–0.5	0.0
Loss before tax	**–37.3**	**–39.4**	**–45.8**	**–58.4**	**–49.8**
Tax	–	–	–	–	–
Loss for the year	**–37.3**	**–39.4**	**–45.8**	**–58.4**	**–49.8**
Balance sheet					
Intangible assets	0.2	0.2	0.2	0.2	–
Tangible fixed assets	2.0	3.4	4.7	6.3	0.9
Financial fixed assets	0.4	0.4	0.4	0.4	0.0
Other current assets	2.5	11.8	2.5	2.3	2.8
Cash and cash equivalents	65.1	27.4	36.2	41.8	53.1
Total assets	**70.2**	**43.2**	**44.0**	**51.0**	**56.8**
Shareholders' equity	55.6	32.7	30.7	34.5	46.7
Interest-bearing provisions and liabilities	1.7	3.2	4.5	6.0	1.0
Non interest-bearing provisions and liabilities	12.9	7.3	8.8	10.5	9.1
Total shareholders' equity and liabilities	**70.2**	**43.2**	**44.0**	**51.0**	**56.8**
Condensed cash-flow statement					
Cash flow from operating activities before changes in working capital	–35.7	–37.7	–44.0	–56.2	–48.3
Changes in working capital	3.3	–2.7	–1.8	1.3	2.1
Cash flow from investing activities	–	–	–	–0.2	–
Cash flow from financing activities	70.1	31.6	40.2	43.8	73.1
Cash flow for the year	**37.7**	**–8.8**	**–5.6**	**–11.3**	**26.9**
Key figures					
Equity/assets ratio, %	79	76	70	68	82
Earnings per share (SEK)	–0.03	–0.09	–0.17	–0.25	–0.23
Dividends (SEK)	0	0	0	0	0
Research and development costs (SEK M)	–25.2	–26.7	–32.5	–42.8	–34.5
Average number of employees	5	7	8	9	8
Salary expenses, incl. social-security costs (SEK M)	–14.5	–16.6	–17.9	–20.6	–17.6
Number of shares at end of period (thousands)	2,636,067	1,065,526	361,739	264,887	217,972

Annual General Meeting

The Annual General Meeting of Active Biotech AB (publ) is to be held on Wednesday, May 20, at 5:00 p.m. at the company's premises at Scheelevägen 22, Lund, Sweden. Shareholders who wish to participate in the Meeting must (a) be recorded in the register of shareholders maintained by Euroclear Sweden AB on Monday, May 11, 2026, and (b) notify the company of their intention to participate in the Meeting not later than Wednesday, May 13.

Shareholders who have trustee-registered shares must temporarily re-register the shares in their own name to be entitled to participate in the Meeting. Such registration, which may be temporary, must be completed not later than Monday, May 11, 2026. Accordingly, shareholders must inform the trustee of this request in ample time prior to this date. Voting rights registrations that have been made no later than May 13, 2026 will be taken into account when preparing the share register.

Notice of Participation

Notice of participation can be made in writing to Active Biotech AB (publ), Attn. Magnus Svensson, Scheelevägen 22, SE-223 63 Lund, Sweden, by telephone on +46 (0)46 19 20 00 or by e-mail to magnus.svensson@activebiotech.com. The notice shall include name, personal/corporate registration number, number of shares held, daytime telephone number and, if applicable, the number of advisors (two at the most) that will accompany the shareholder at the Meeting.

The notice of the Annual General Meeting is available in its entirety on the company's website www.activebiotech.com.

Contact Information

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(publ)

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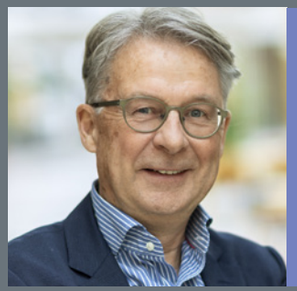
+46 (0)46-19 20 00, www.activebiotech.com

Helén Tuvesson
President and CEO

helen.tuvesson@activebiotech.com



Hans Kolam
Chief Financial Officer

hans.kolam@activebiotech.com

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