SYNACT PHARMA

ANNUAL REPORT

SYNACT PHARMA AB

SynAct Pharma is a clinical stage company focusing on drugs that stimulate and strengthen the body's own immune system to fight inflammatory diseases.

SynAct Pharma AB

Visiting address:
Scheelevägen 2
223 63 Lund, Sverige

Address:
Scheelevägen 2
223 63 Lund, Sverige

Phone:
+46 10 300 10 23

E-mail:
investor.relations@synactpharma.com

SYNACT PHARMA

Content

The Board of Directors and the CEO hereby submit the annual report for the parent company and the consolidated financial statements for the financial year 2025-01-01 - 2025-12-31.

"SynAct Pharma AB" means the parent company SynAct Pharma AB with corporate registration number 559058- 4826. The "Company" or "SynAct Pharma" or "SynAct" means the Group, i.e. SynAct Pharma AB and its wholly owned subsidiaries SynAct Pharma ApS and TXP Pharma AG.

Letter from the CEO, Jeppe Øvelsen

Clear road ahead for our dual development strategy

As we conclude 2025, I am pleased with the steady progress SynAct Pharma has made across clinical execution, corporate development and external validation. Our focus remains firmly on advancing resomelagon (AP1189), our potential first-in-class non suppressive therapy for inflammatory diseases, toward clinical and strategic value creation.

During the year, we advanced our Phase 2b ADVANCE study in rheumatoid arthritis (RA) from a few active sites to more than 30 active sites. In early February 2026 we finalized the recruitment of 246 patients reinforcing momentum toward topline results, that I know we are all eager to see. This operational achievement underscores our team's executional strength and strong collaboration with our clinical research organization NBCD. After the last patient visit following 12 weeks treatment period and follow up, data will be collected and analysed.

We continue to see strong interest from potential business partners in resomelagon. The Phase 2B ADVANCE data will provide a clear direction for business development discussions on how best to position resomelagon as a strategic asset for future growth in an immune and inflammation disorders business.

During 2025, we laid out our dual development strategy and took the necessary steps for setting up clinical trials to deliver on the expanded opportunities. In parallel with our RA study, we have actively pursued expansion of our opportunity for host directed therapy for acute inflammation due to viral infections. In February 2026 we announced the approval of the European Phase 2 RESPIRE trial in patients admitted to hospital for respiratory insufficiency due to respiratory viral infections such as influenza, Covid-19, and RSV. The study is designed for European recruitment and may be expanded to recruit in the southern hemisphere to follow the influenza virus spreading around the world.

An application of resomelagon in respiratory insufficiency is an opportunity to address a large hospital market of about 2 million people in the U.S. and Europe that need hospital care due to respiratory viral infections. In parallel, we are ready to start enrollment in the Dengue trial in Brazil once the dengue season arrives.

During 2025, SynAct have had active engagement with investors, partners and the broader life sciences community. SynAct has been very active at multiple industry events, including the J.P. Morgan Healthcare Conference in San Francisco, Bio International in Boston, and Bio Europe in Vienna, Austria, which are some of the biggest platforms of the year to reach potential partners. The company has increased its activities to engage with as many potential partners leading up to data read-outs in Q2 for RA and Q3 and for dengue virus and respiratory viral infections. The Bio International meeting in San Diego in June 2026 will be a premier event to engage with potential partners awaiting the Phase 2B ADVANCE study results.

We also saw coverage initiated by Edison Investment Research, a step that amplifies market recognition of our differentiated approach and provides broader analytical visibility into our clinical and strategic trajectory.

Looking ahead, 2026 is shaping up to be a particularly busy and transformative year for SynAct. With key clinical data expected from the ADVANCE study in June, continued strategic dialogue with potential partners, and an expanded leadership team in place, we enter the year with clear priorities and strong momentum. Our focus remains on delivering high quality data, advancing our pipeline, and creating long-term value for patients and shareholders.

We have strengthened our senior management team with the recruitment of Ann Kristin Led as CFO taking over from Björn Westberg. Ann Kristin brings strong financial and business development background to the team. Through-out 2025 we have managed to strengthen the balance sheet of the company. In March 2026, we successfully completed a directed issue to raise SEK 52m, which has put the company runway into Q3 2027 and secured a position of strength when going into strategic partnering dialogues.

I would like to thank our employees, investigators, partners and shareholders for their continued commitment and support as we move into this important next phase for SynAct.

Jeppe Øvlesen
Chief Executive Officer

"Our focus remains on delivering high quality data, advancing our pipeline, and creating long-term value for patients and shareholders."

Business, vision and mission

SynAct Pharma is a clinical stage biotechnology company focused on the resolution of inflammation through the selective activation of the melanocortin system.

The company has a broad portfolio of both oral small molecule and injectable peptide melanocortin agonists aimed at inducing anti-inflammatory and inflammation resolution activity in autoimmune and inflammatory diseases to help patients achieve immune balance and overcome their inflammation.

Our lead drug candidate resomelagon (AP1189), a novel oral small molecule taken once daily, is currently in clinical phase 2 development for the treatment of rheumatoid arthritis (RA), host-targeted treatment for viral infections such as respiratory infections and dengue virus as well as polymyalgia rheumatica (PMR) and idiopathic membranous nephropathy.

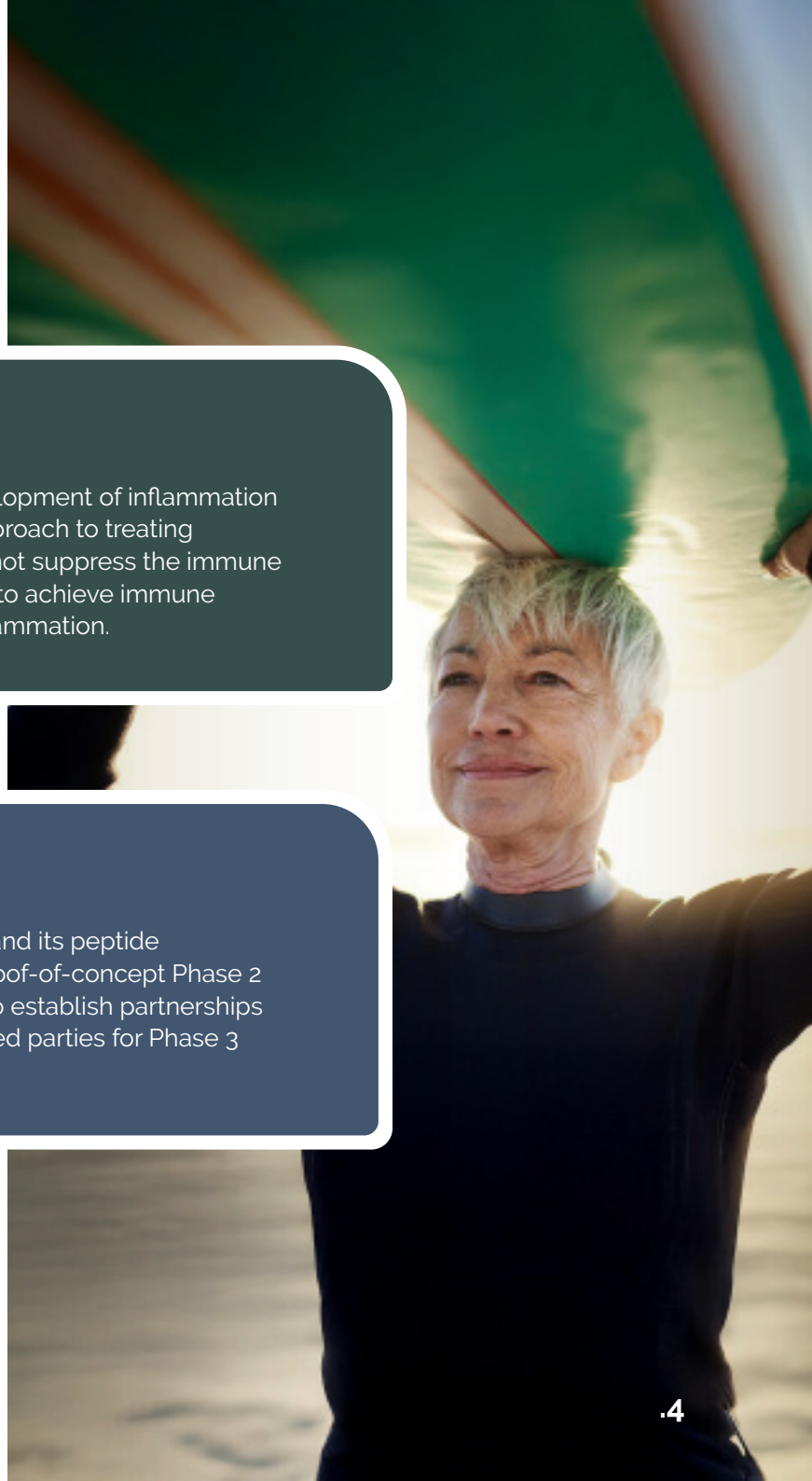
TXP-11, the most advanced peptide agonist in TXP Pharma AG, has undergone complementary preclinical studies in 2025 for organ protection and function preservation in intensive care and is expected to enter a Phase 1 clinical trial in 2026. The acquisition of TXP Pharma AG, in January 2023, significantly expanded our melanocortin technology portfolio with complimentary peptide agonists that can be tailored to a wide range of autoimmune and inflammatory conditions.

VISION

SynAct's vision is to lead the development of inflammation resolution therapeutics, a new approach to treating inflammatory diseases that does not suppress the immune system and that enables patients to achieve immune balance and live beyond their inflammation.

MISSION

SynAct seeks to develop AP1189 and its peptide melanocortin agonists through proof-of-concept Phase 2 clinical studies. SynAct will seek to establish partnerships and collaborations with like-minded parties for Phase 3 studies and beyond.



History

2016

- SynAct Pharma AB is established.
- SynAct Pharma receives approximately SEK 12.7 million before issue costs through a private placement.
- SynAct Pharma receives approximately SEK 32.3 million before issue costs through a share issue prior to listing on AktieTorget.
- SynAct Pharma's share is listed on AktieTorget.
- SynAct Pharma finalises commitments to funder Seed Fund CapNova through one-off payment.
- The application to start a Phase 1 clinical trial is submitted to the French Medicines Agency.

2017

- The Company reports a delay of the Phase 1 clinical study with AP1189 due to a slow process with the French authorities and decides to move the study to a clinic in Belgium.
- The Phase 1 clinical study with AP1189 is initiated in Belgium and SynAct commences preparations for a Phase 2a clinical study with AP1189.
- The Company initiates preclinical studies with AP1189 in several disease models representative of diseases in which ACTH (adrenocorticotropic hormone) treatments are currently used (such as arthritis and NS).

2018

- The company carries out a rights issue of approximately SEK 22.4 million for the extended development program for AP1189.
- The company announces that the tablet formulation of AP1189 used in the initial clinical Phase 1 study was found to give rise to excessively high variance in plasma concentration, which leads to further development with this tablet formulation being discontinued and the company continuing the development of AP1189 with an oral suspension.

2019

- Recruitment and dosing of patients in a Phase 2a clinical study with the drug candidate AP1189 in patients with active arthritis begins.
- A rights issue of approximately SEK 30 million is carried out.

2020

- The Company investigates AP1189 in patients with Covid-19 and nephrotic syndrome.
- SynAct Pharma publishes positive interim data from the Phase 2a study with AP1189 in rheumatoid arthritis.

2021

- SynAct Pharma carries out a directed share issue of SEK 80 million.
- SynAct Pharma publishes positive data from the Phase 2 study with AP1189 in Covid-19.
- A new tablet formulation for AP1189 is developed and clinical testing is initiated.
- The Company announces a delay, among other things caused by Covid-19, and takes the decision to redesign its clinical Phase 2a study with AP1189 in iMN.
- Positive results from the Phase 2a study BEGIN with AP1189 in patients with active RA is reported.

2022

- The Company carries out a rights issue of approximately SEK 150 million.
- Clinical pharmacokinetic tests with AP1189 as a tablet are successfully completed.
- The Company's shares are listed on the mid- Cap segment at Nasdaq Stockholm's main market.
- The EXPAND Phase 2b clinical study with AP1189 in treatment naïve RA patients with severe disease activity is initiated.
- The Company successfully filed an IND with the FDA and initiates the RESOLVE Phase 2a/b trial with AP1189 in patients who have an incomplete response to methotrexate.
- The company announces the intention to acquire TXP Pharma AG and its portfolio of melanocortin agonists and simultaneously announces a directed issue of SEK 80 million.

2023

- The shareholders vote to approve the proposed acquisition of TXP Pharma AG.
- The Company announces top line data from the 12-week EXPAND Phase 2b clinical trial in severely active newly diagnosed rheumatoid arthritis patients.
- The Company carries out a directed issue of shares and warrants raising initial gross proceeds of SEK 60.5 million.
- The Company announces evaluation of the 4-week RESOLVE Phase 2a clinical trial in moderate to severely active rheumatoid arthritis patients with an incomplete response to methotrexate.

2024

- The company publishes additional data from the Phase 2b clinical trial EXPAND that supports the continued development of resomelagons for the treatment of rheumatoid arthritis.
- The company carries out directed share issues of approximately SEK 49 million.
- The company initiated the Phase 2b ADVANCE study with resomelagon (AP1189) in the US in patients with newly diagnosed severe rheumatoid arthritis (RA).
- The company receives EU approval for the phase 2b study ADVANCE with resomlagon (AP1189).
- The company carries out directed share issues of approximately SEK 45 million.
- The company carries out a rights issue of approximately SEK 20 million, which was completed in January 2025.

2025

- SynAct Pharma AB resolves on a directed issue of shares to guarantors and announces the outcome of the rights issue.
- SynAct Pharma carries out a directed share issue of SEK 37 million and raises a credit facility of SEK 30 million.
- SynAct receives SEK 35.4 million after conversion of warrants.

The melanocortin system, the medical and market opportunity and intellectual property

INFLAMMATORY DISEASE

Inflammation is the immune system's way of responding to infections or injuries. Normally an inflammatory response is self-limiting. The immune system will "deactivate" itself and the inflammation will be resolved after the invading pathogen has been removed or the injury has begun to heal.

However, in many cases, the inflammation can be excessive or chronic and it can overwhelm the immune system's ability to resolve the inflammation. This can lead to pain, destruction of tissue, and loss of function.

Autoimmune or chronic inflammatory diseases, like rheumatoid arthritis (RA) are associated with an inappropriate inflammatory response that is not resolved through endogen mechanisms and therefore becomes chronic.

Other examples of diseases with uncontrolled inflammatory responses are virus infections such as respiratory virus including Influenza and Covid-19 and a number of mosquito borne diseases such as Dengue fever associated with an exacerbated inflammatory response that brings the patient into a hyperinflammatory state with high risk for organ dysfunction where patients need hospitalization.

Currently, these inflammatory diseases are treated with various drugs including drugs that target the inflammatory response with the risk of suppressing the immune system to a degree that unwanted side effects develop.

INFLAMMATION RESOLUTION

Recent research has shown that resolution of inflammation is not a passive process, but it can be promoted by activating certain biological pathways, and thereby inflammatory response may be treated without immune suppression.

Activation of the melanocortin receptors (MCR) is believed to lead to inflammation resolution, specifically the receptor subtypes MC1R and MC3R, are believed to be key receptors involved in direct effects on the immune system.

MC1R and MC3R are located on many cell types and are spread throughout most of the body, including immune cells and associated structural and supportive cells. MC4R is primary found in the central nervous system and plays a pivotal role in central regulation of metabolism including food intake. MC5R is found in exocrine glands, expressed by some subtypes of immune-active cells in the eye among others. MC2R is primary expressed in the adrenal glands where stimulation is directly associated with the release of cortisol, a steroid.

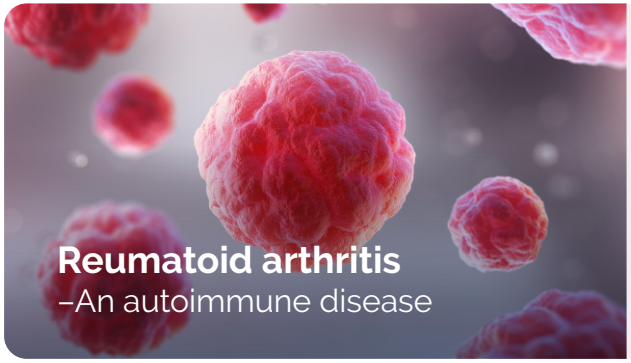
Activation of the MCRs is causing the immune cells to produce fewer pro-inflammatory molecules, resulting in relief of symptoms.

At the same time, the stimulation also resets the homeostasis of the immune system, which is out of balance. Anti-inflammatory drugs that cause pro-resolution effects, such as switching cells to perform inflammation "cleanup" or to regulatory functions, add to the treatment options for inflammatory diseases and provide an alternative to immunosuppressive anti-inflammatory drugs.

CURRENT TREATMENT GUIDELINES FOR RHEUMATOID ARTHRITIS (RA)

Today, inflammatory joint diseases like RA are treated with many different drugs. From classical nonsteroid anti inflammatory drugs (NSAID) to Disease Modifying Anti Rheumatic Drugs (DMARDs) and biologics (bDMARDs) given as injections. Even if the drugs are effective, they may also carry a risk, as they suppress the immune system and can lead to adverse events for the patient.

RA patients are today treated according to international treatment guidelines. These treatment guidelines build on specific criteria to obtain the best treatment for the specific patient. Treatment decisions are based on disease activity, safety issues and other patient factors, such as comorbidities (other disorders that the patient might have) and progression of structural damage in the joints. The guidelines also emphasize the importance of patients requiring access to multiple drugs with different modes of action to address the heterogeneity of RA; and that patients may require multiple successive therapies throughout life.



REUMATOID ARTHRITIS (RA) IS AN AUTOIMMUNE DISEASE

RA is an autoimmune disorder, a disease where the immune system mistakenly attacks your body's own tissues. The disease affects the lining of the joints, causing painful swelling that can result in cartilage and bone erosion and joint deformity, but it is often associated with symptoms also involving other parts of the body including skin, eyes, lungs, heart, and blood vessels.

While new types of medications have improved treatment options, significant unmet needs still exist.

For most patients, RA still progresses, and damage accumulates. Patients cycle through therapies and classes of therapies and must deal with periods of acute disease activity called flares, which can occur several times per year and drive the need to adjust the dose of current drugs or to change to a new therapy to maintain control of the disease.

According to the treatment guidelines, treatment with DMARDs should be started as soon as the diagnosis of RA is made (so called first line treatment). Treatment with DMARDs inhibits the inflammatory process so that the joint pain, swelling, and stiffness are relieved or disappear.

Early and effective treatment is emphasized as being very important in the treatment guidelines, as this will have an impact on the long-term outcome of the disease and therefore also a profound impact on patient's everyday life.

The treatment guidelines also emphasize that Methotrexate should be part of the first treatment for the RA-patient. However, the challenge is, many patients treated with Methotrexate do not reach sufficient dose due to adverse events and therefore do not reach what is called sustained remission or low disease activity.

Therefore, there is a clear unmet medical need for these early diagnosed RA patients. There is a need for a new medicine, which can be combined with Methotrexate, so that a larger proportion of early diagnosed RA patients can have a positive impact on their disease. However, this new medicine should have a positive adverse event profile.

According to the treatment guidelines the early RA patient may also be treated short-term with glucocorticoids (GC), that is steroids. GCs can be given orally or as joint injections either alone or together with Methotrexate. The reason why GCs is considered is to obtain a clinical meaningful disease reduction within 3 to 6 months. However, GCs has significant adverse events and therefore should be tapered and discontinued as rapidly as clinically feasible according to treatment guidelines. Also, the use of GCs even though intended to be temporary often results in more chronic use, which is unwanted due to the side effects profile.

Overall, up to 50% of the early diagnosed RA patients do not respond adequately to recommended first line treatment. If the treatment target is not achieved (the patients is not sufficiently treated) with the first line treatments the rheumatologist should consider biological disease-modifying antirheumatic drugs (bDMARD) according to the treatment guidelines.

The bDMARD are potent medicine decreasing the inflammation. However, the bDMARD also implies the risk of suppression of the immune system, which could lead to unwanted infections. Typically, the patient is treated with a TNF-blocker as an add-on to the first line treatment.

According to the treatment guidelines, JAK-inhibitors may also be considered, but pertinent risk factors[1] must be considered. The risk factors include both cardiovascular risks and the risk for malignancies, and these should be considered, before the patient can receive JAK-inhibitors. As many RA patients are elderly and therefore might have cardiovascular disorders and increased risk of malignancy, the JAK-inhibitors are often considered third-line treatment.

PATENT

The Company strives to obtain and maintain an efficient patent protection and other types of exclusive rights to protect its clinical project portfolio. An overview of the patent situation for the Company's lead candidate, resomelagon, is provided on page 17 whereas a corresponding overview of the patent portfolio related to the TXP assets is described on page 18.

The melanocortin system and its role in inflammation

1. The following risk factors for cardiovascular events and malignancies must be considered when intending to prescribe a JAK-inhibitor: Age over 65 years, history of current or past smoking, other cardiovascular risk factors (such as diabetes, obesity, hypertension), other risk factors for malignancy (current or previous history of malignancy other than successfully treated non-melanoma skin cancer), risk factors for thromboembolic events (history of myocardial infarction or heart failure, cancer, inherited blood clotting disorders or a history of blood clots, as well as patients taking combined hormonal contraceptives or hormone replacement therapy, undergoing major surgery or immobile).

Resomelagon – Lead drug candidate

SynAct Pharma's drug candidate, resomelagon (AP1189), is a once-daily oral selective melanocortin agonist.

Resomelagon selectively stimulates the MC1R and MC3R on target cells in the immune system that are directly involved in inflammation and its resolution. It is a clear advantage that the compound does not stimulate MC2R, and hence the anti-inflammatory and immune resolution effects (restoring the balance of the immune system) are not mediated by increase in the cortisol level, as seen with adrenocorticotropic hormone (ACTH) based therapies. Induction of cortisol levels will induce side effects as also seen following GC treatment. Further as resomelagon is a biased agonist, it does not stimulate melanocortin pathways that are responsible for off target activity such as skin hyperpigmentation, which is therefore avoided. Resomelagon has so far demonstrated an advantageous safety and tolerability profile.

The inflammatory and autoimmune diseases has main focus in rheumatoid arthritis (RA). In the ongoing phase 2b development program the compound is given to treatment naive newly diagnosed RA patients, with high disease activity including signs of systemic inflammation in combination with the first line disease modulating antirheumatic drugs (DMARD) Methotrexate (MTX). The patients are characterized not only by having high disease activity but also being in risk for early development of morphological and irreversible joint affections and with increased risk for lack of effect of MTX. The patients are therefore often co-treated with glucocorticoids and second line treatment as biologicDMARDs is often introduced early. The potential benefit of giving resomelagon as first line treatment is to avoid introduction to glucocorticoids and postpone introduction of biologicDMARDs. However, with reference to mode of action development of resomelagon as a new treatment option for acute exacerbations, what is called flares, in the disease would be a logic parallel development track. The possibility to setup development of the compound in RA patients with flares is currently evaluated.

As outlined above, the RA patients are today treated based on international treatment guidelines. The newly diagnosed RA patients are initially treated with the conventional DMARD Methotrexate. However, often these patients need co-treatment with other medicines like GCs and in many cases biologic DMARDs, typically a TNF-blocker, to get RA under control. However, both GCs and biologic DMARDs are associated with unwanted side effects, as JAK-inhibitors – which are recommended second line RA treatment. Furthermore, biologic medicine is expensive (even if biosimilars have been marketed) as is JAK-inhibitors. Overall, current RA treatment is quite costly for society.

The current clinical development path for resomelagon in RA has therefore been designed to address the huge unmet medical need within RA-treatment with initial focus on newly diagnosed patients with high disease activity including signs of systemic inflammation, i.e. patients is high risk for early development of poor prognosis factor as they are less likely to response to current treatment option and are in risk for early development of loss of joint functionality. Previous phase 2 studies have been conducted in RA to gain knowledge about resomelagon in these patients.

The development of resomelagon is focused on two development paths:

Inflammatory and autoimmune diseases

page 9-11

Inflammatory and autoimmune diseases where the lead compound resomelagon (AP1189) currently is in phase 2b clinical development in rheumatoid arthritis (RA) where recruitment to the ADVANCE study, a randomised, double blind, placebo-controlled dose range study aimed to identify feasible doses for phase 3 development in newly diagnosed RA patients with high disease activity just have been completed. Additional activities include phase 2a development in patients with polymyalgia rheumatica (PMR) where the compounds unique profile as a glucocorticoid sparing compound will be examined.

Host-directed therapy in viral infections

page 12-13

Host-directed therapy in viral infections where resomelagon has the potential to interact with a viral-induced hyper inflammatory responses as demonstrated in Covid-19 when administration of the compound facilitated faster respiratory recovery.

A phase 2 proof of concept study, the RESPIRE study, in patients hospitalized with respiratory virus infections has just been initiated at sites in Europe and it is expected to be recruiting the first participants in the first half of 2026.

Development of resomelagon

Inflammatory and autoimmune diseases

Completed Ongoing

BEGIN
- Phase 2a in early severe RA together with MTX

The BEGIN study in early severe RA was completed in 2021. The study was a randomized, double-blind, placebo controlled multicenter study in previous treatment naïve RA patients where either 50 mg or 100 mg of resomelagon or placebo were given in addition to MTX treatment.

Resomelagon given once daily for four weeks was safe and well tolerated. Based on the primary read out, changes in clinical disease activity index (CDAI), the data showed a clear dose response for 50 and 100 mg resomelagon relative to placebo, with 100 mg of resomelagon demonstrating a statistically significant 65% higher mean reduction in CDAI during the treatment period compared to placebo-treated control group (mean reduction in CDAI: resomelagon 100 mg (n=33): 15.5 points compared with placebo (n=30): 9.3 points, p=0.0394). The 100 mg resomelagon group also demonstrated a significantly higher fraction of patients achieving ACR20 than placebo treated patients (ACR20: resomelagon (n=33) 100 mg: 60.6%; Placebo (n=30): 33.3%, p=0.0437) within the 4 weeks treatment period.

EXPAND
- Phase 2b in MTX-naïve RA patients with severe disease activity

In continuation of the BEGIN study, the EXPAND study was designed to investigate the safety and disease activity (measured by the ACR20 response rate and other RA disease measures) following 12-weeks of treatment with a once daily 100 mg resomelagon tablet plus MTX compared to placebo plus MTX.

Resomelagon was safe and well tolerated. Similar incidence rates of treatment-emergent adverse events (TEAEs) were seen across treatment groups (44.4% and 42.2%). TEAEs were seen in 11.1% and 6.3% in the resomelagon vs placebo groups, respectively and included upper respiratory tract infections (6.3% vs 6.3%), abdominal pain upper (6.3% vs 3.1%), nausea (6.3% vs 3.1%), and headache (0% vs 9.4%), resomelagon vs placebo respectively. Two serious TEAEs were reported; one in the resomelagon group and one in the placebo group but both were unrelated to study drug. Six subjects reported TEAEs leading to discontinuation; five in the resomelagon group (3 of these subjects with drug related gastrointestinal disorders); and one in the placebo group (unrelated to study drug).

No statistically significant difference was obtained between resomelagon and placebo in the ACR20 response rate at week 12 (54.7% and 55.7% in the resomelagon and placebo groups, respectively) - meaning that the primary endpoint of the study was not met.

However, of the patient population in the EXPAND study, 39% did not show signs of systemic inflammation, as high sensitive C-reactive protein (hsCRP) were in the normal range (i.e. hsCRP<3 mg/L). Further, a fraction of the patients was not considered newly diagnosed with some being without adequate treatment for years before entering into the study. Therefore, these patients should probably not have been included in the study.

When focusing of the segment of patients, that were considered newly diagnosed (defined as having been diagnosed with RA within 6 months of inclusion into the study) and who showed signs of systemic inflammation (hsCRP>3 mg/L at introduction to the study), ACR20 actually reached 82% in the resomelagon group (n=28) vs 52% in the placebo group (n=27), p<0.05 using Fisher's exact test.

The treatment effect in this very relevant patient segment, mimicking the patients in the BEGIN study, i.e. to be considered the target population for resomelagon in RA was further supported by significantly larger reduction in disease activity measures: CDAI: resomelagon (n=28): 24.6 points vs placebo (n=27): 14.7 points, p<0.01; DAS28-CRP: resomelagon (n=28): 1.9 points vs placebo (n=27): 1.2 points, p<0.01. Also, the improvement in health assessment questionnaire HAQ), a measure of the patient's ability to handle daily living was significantly larger in the resomelagon group: change in HAQ: resomelagon (n=28): 0.69 points vs placebo (n=27): 0.31 points, p<0.05.

Together these above post-hoc analyses strongly support further development of resomelagon in newly diagnosed RA patients with high disease activity including signs of systemic inflammation treated together with MTX.

RESOLVE

- Phase 2b in RA patients with an inadequate response to MTX

Only the first part of the study was conducted, providing results with respect to the efficacy and safety of multiple doses of resomelagon combined with MTX over 4 weeks. Also, in this study resomelagon was safe and well tolerated. Similar incidence rates of TEAEs were observed across treatment groups (range: 21.4% to 34.4% across treatment groups). Treatment related TEAEs were reported in 10%, 10.7%, 12.5%, and 5.7% in the resomelagon 60 mg, 80 mg, and 100 mg vs placebo groups, respectively.

Gastrointestinal disorders were the most common treatment-related SOC category (3.3%, 7.1%, 9.4%, and 5.7% in the resomelagon 60 mg, 80 mg, and 100 mg vs placebo groups, respectively). No statistically significant difference was observed between resomelagon and placebo in the primary efficacy endpoint (ACR20 response rate at week 4) and most secondary variable analyses.

ADVANCE

- Phase 2b 12-week study in early DMARD naïve RA-patients with high disease activity and active inflammation in combination with MTX

Based on the above knowledge of resomelagon in RA, the ADVANCE study is a phase 2B proof of concept study in the target population for resomelagon. That is newly diagnosed RA patients with high disease activity including signs of systemic inflammation.

The ADVANCE study is a randomized, double blind, placebo controlled, dose response, phase 2b, multicentre trial to evaluate the efficacy and safety of once daily oral resomelagon (AP1189) administered at the doses of 40, 70 or 100 mg for 12 weeks in combination with MTX, in DMARD-naïve newly diagnosed RA patients with high disease activity and signs of systemic inflammation.

The recruitment of total of 246 patients has been completed. The aim of the study is to identify the dose regiment for Phase 3 development based in the compound's ability to reduce disease activity relative to placebo treatment based on reduction in DAS28-CRP (primary readout) ACR20 (Key–secondary readout), ACR 50, ACR70, CDAI, HAQ-DI and other relevant clinical readouts. The study is conducted at sites in Europe and US under the current US-IND (FDA) for development of resomelagon (AP1189) in RA.

Completed Ongoing

START
- Resomelagon in Polymyalgia Rheumatica (PMR)

Polymyalgia rheumatica, an inflammatory condition characterized by severe bilateral pain and morning stiffness of the shoulder, neck and pelvic girdle. PMR typically affects people that are middle aged to older and ranks at the second most common rheumatic disease after RA in Northern Europe and North America. The current first line treatment in PMR is GCs given orally.

To reduce the risk for GC induced side effects the recommendation in the current treatment guideline is to tamper GCs over a few weeks. GC discontinuation is associated with high risk for relapses. Consequently, early intervention with resomelagon could be a treatment option to reduce the use of GC, reduce the risk for relapses, and provide better disease control.

SynAct has therefore decided to enter into a clinical collaboration with leading Nordic rheumatologists with the aim to test the compound's potential to reduce the use of GC in PMR. The study will be conducted as a standard sponsor initiated clinical trial at sites in Denmark to test resomelagon versus placebo given orally once daily to patients for 3 months after initial tampering of GCs. The study is currently under review in the centralized European CTIS system for an exploratory Phase 2 protocol aimed to dose 60 PMR patients 100 mg resomelagon or placebo once daily (1:1 randomisation) for 12 weeks. The study called START (STeroid spARing Treatment in patients with PMR) will examine the potential of resomelagon to secure that PMR patients will be kept free of glucocorticoid treatment following GC tapering.

RESOMELAGON IN IDIOPATHIC MEMBRANOUS NEPHROPATHY
- Nephrotic Syndrome (NS)

Nephrotic Syndrome (NS) is a condition associated with increased loss of protein into the urine resulting in tissue swelling and eventually development of edemas.

Untreated or insufficiently treated NS will in many cases be associated with hypercholesterolemia, increased risk for blood clots, increased risk for infections and can develop into chronic kidney disease that is associated with increased risk of development of cardiovascular disease and risk of development of end stage kidney disease and thereby need for renal replacement therapy (dialysis or transplant).

Resomelagon is currently tested in Idiopathic Membranous Nephropathy (iMN), one of more common causes of primary NS, in an exploratory, randomized, double-blind, multicenter, placebo controlled Phase 2a study with repeated once-daily 100 mg dosing to assess the safety, tolerability, pharmacokinetics, and efficacy of resomelagon.

The study population consists of patients with iMN, who are on an ACE inhibitor or angiotensin II receptor blocker treatment. The main efficacy read-out is the effect on urinary protein excretion. The recruitment has been lower than expected due to a lack of eligible patients and even though there have been some improvements in recruitment during 2025, the overall recruitment rate has been disappointing. Therefore, only by adding substantial resources to the study, that everything else equal has lower priority compared to the programs in RA, PMR and host-directed therapy in viral infections, would secure completement of recruitment of all patients in a timely manner.

Completed Ongoing

Development of resomelagon

Host-directed therapy in viral infections

Completed Ongoing

Resomelagon in host-directed therapy in viral infections

Host-directed therapies target the effects of the viral infection, in our case induced inflammatory diseases, independently of which virus type or virus strain, is causing the disease. Thus, applying resomelagon as host-directed therapy offers a treatment opportunity in a wide range of virus infections causing inflammatory diseases.

Viral induced hyperinflammation is associated with respiratory insufficiency, as seen in viral infections such as Influenza and Covid-19, where infected patients evolve hyperinflammation in the lungs, but also in other viral infections, including arboviral infections, where the inflammation relates to more systemic effects and more organs.

Arboviral infections are caused by a group of viruses spread to people by the bite of infected arthropods (insects) such as mosquitoes and ticks. Arboviral infections are no longer exclusive to the Global South but are going to become more common also in the Global North.

SynAct Pharma has set up a strategic collaboration with the William Harvey Research Institute (WHRI) at Queen Mary University of London, UK and Department of Biochemistry and Immunology at the Universidade Federal de Minas Gerais (UFMG) Belo Horizonte, Brazil, called RESOVIR (resolution in viral infection) collaboration, with world leading scientists and clinicians in resolution biology, including Professor, Mauro Perretti PhD (WHRI) and Professor Mauro Teixeira, MD, PhD (UFMG).

The research has generated preclinical proof of concept in disease models of Covid-19, Influenza, Dengue fever and Chikungunya infection (Arbo virus associated with development of severe joint inflammation including severe pain). Based on the pharmacology program and the initiatial clinical RESOVIR-1 study additional clinical studies, the RESOVIR-2 and the RESPIRE study has been setup and initiated.

RESOVIR 1
- Severe Covid-19 infection

Resomelagon was tested in the RESOVIR-1 study, a 60-patient placebo-controlled Phase 2A clinical trial of treatment of hospitalized Covid-19 infected patients who required supplemental oxygen. 100 mg resomelagon or placebo was administered orally once daily for 2 weeks.

All resomelagon treated patients (including the first 6 open-label safety patients) achieved respiratory recovery on average 4.0 days (40%) quicker than placebo treated patients (5.9 days and 9.9 days on average respectively). Resomelagon patients were discharged on average 3.3 days earlier than placebo and by day 4, 41% of resomelagon patients had been discharged vs 0% for placebo.

Completed Ongoing

PEPTIDE AGONISTS

TXP-11
The lead peptide agonist is TXP-11. This peptide also shows high potency at MC1R and MC3R. However, TXP-11 is taken as an intravenous administration and expected to be used in complicated medical conditions where patients are hospitalized with the risk of developing organ/life threatening hyperinflammation. The development potential of TXP-11 is to prevent organ failure following major surgery, traumas, and infections.

RESPIRE
- Resomelagon for treatment of inflammation caused by respiratory viruses

The RESPIRE study is a randomized, double-blind, multicenter, placebo-controlled study enrolling 96 patients. The study population will consist of hospitalized patients with respiratory insufficiency expected to be caused by respiratory viral infection.

Respiratory viral infections include Influenza, Covid-19, and RSV, which are the most common respiratory viral infections leading to an estimated two million people hospitalized annually in Europe and the U.S. Respiratory viral infections may worsen to a condition involving hyperinflammation in the respiratory system that renders the patient unable to provide enough oxygen to the body. Consequently, the patient would need to go to a hospital to get adequate treatment including oxygen therapy. If symptoms worsen, the patient may experience acute respiratory distress syndrome (ARDS) and require escalating oxygen support or mechanical ventilation.

The study will include male and female participants, 18 years and older, with expected respiratory viral infection, and positive for either SARS-COV-2, Influenza A or B, or RSV on bedside LAF test. Symptomatic participants needing respiratory support, as defined by saturation of $O_2 \leq 93\%$ at ambient air or requiring significantly greater FiO_2 to maintain $SpO_2 > 93\%$ (i.e., need for supplementary oxygen supply by a nasal catheter or facial mask), and who agrees to participate in the study. Resomelagon or Placebo treated given once daily as a tablet will be maintained for 14 days during the hospital stay. If participants are discharged before day 14, they should continue with the treatment at home.

The treatment effects of resomelagon versus placebo will be evaluated from baseline to day 28 on the composite endpoint: Occurrence of any one of the following: Death; Invasive mechanical ventilation; Extracorporeal Membrane Oxygenation (ECMO); Cardiovascular organ support (balloon pump or inotropes/vasopressors); or Renal failure (Cockcroft-Gault estimated creatinine clearance <15 ml/min), hemofiltration or dialysis.

RESOVIR 2
- Resomelagon for treatment of dengue fever

RESOVIR-2 is a randomized placebo-controlled, phase 2 study testing once daily oral dosing of resomelagon (AP1189) vs placebo (1:1 randomization, n=120) as add on to standard treatment in patients with symptomatic Dengue. The potential treatment effect of resomelagon will be evaluated by time to disease resolution though a composite clinical end point. Secondary clinical end points include the ability to reduce the incidence of warning signs of and/or the development of severe dengue. The study is initiated and led by Professor Mauro Teixeira, MD, PhD Universidade Federal de Minas Gerais (UFMG), Belo Horizonte at clinical sites in Brazil. It is expected that the patients will be included at the next epidemic at sites that most likely will develop during Q2 2026. However, it has to be emphasized that recruitment to and completion of the study depends on the severity of this year's Dengue epidemic at sites.

The RESOVIR collaboration setup evaluate the potential of resomelagon and potential other pro-resolving compounds as host-directed therapy for treatment of severe viral infections. Following on to RESOVIR-1 that showed clinical proof-of concept in Covid-19 patients RESOVIR-2 as well as RESPIRE could add additional clinical proof-of-concept for the effect of resomelagon for resolving inflammation in patients with severe viral infections.

Pipeline overview

ASSET	INDICATION		PRECLINICAL	PHASE 1	PHASE 2A	PHASE 2B	PHASE 3	STATUS
Resomelagon (AP1189)	Rheumatoid arthritis (RA) - 1st line treatment together with Methotrexate							• ADVANCE - Ph2b - recruitment completed
	Host-Directed Therapy in Viral Infections	Respiratory infections						• RESPIRE - Ph2 - hyperflammation due to respiratory infections (Influenza, Covid-19, RSV) ongoing
		Dengue virus						• RESOVIR-2 - Ph2a - Proof of Concept study PoC in Arboviral infection (Dengue fever) ongoing
	Polymyalgia Rheumatica (PMR)							• START - Ph2a - study ongoing
	Idiopathic Membranous Nephropathy (iMN)							• Ph2a study onging (rare disease potential)
TXP-11	Prevent organ failure in surgery							• Preclinical pharmacology to support Ph1 CTA ongoing - aim to be Ph1 ready in 2026
Next generation molecules	Autoimmune & inflammatory diseases							• Discovery phase

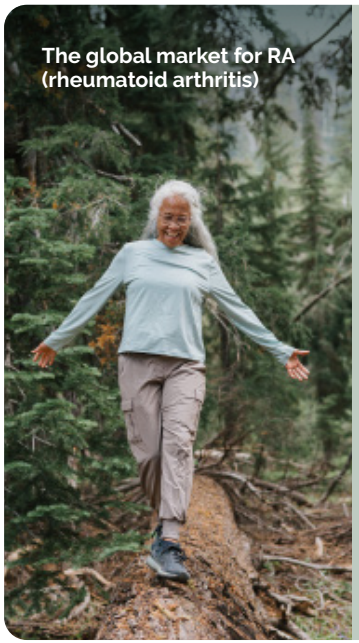
COMPLETED ONGOING

Market

Autoimmune diseases

Autoimmune disease is a collective name for various diseases where the body's immune system attacks the cells of its own tissue. About 4 percent of the world's total population suffers from one of more than 80 different autoimmune diseases, the most common of which include type 1 diabetes, multiple sclerosis, RA, lupus, Chron's disease, psoriasis and scleroderma.

Autoimmune diseases represent the third leading cause of chronic disease in the United States. Although many autoimmune diseases are rare, the National Institutes for Health (NIH) estimates that they collectively affect between 5 and 8 percent of the US population and are increasing in prevalence. The global market for autoimmune disease therapeutics anticipated to reach $200 billion by 2031,growing at a CAGR of 3.7% over the forecast period, driven by increasing prevalence of autoimmune diseases and immune related secondary disorders, multiple new product launches, and rising cost for treatments. SynAct's lead drug candidate, resomelagon, works by selectively stimulating melanocortin receptors to treat inflammatory and autoimmune diseases characterized by excessive or chronic inflammation.



The global market for RA (rheumatoid arthritis)

The World Health Organization estimates that there are over 18 million people worldwide afflicted with RA with about 13 million having moderate to severe disease[1]. The 7 major rheumatoid arthritis markets (United States, France, Germany, Italy, Spain, UK, and Japan) reached a value of USD 28.0 billion in 2024. The market for RA therapeutics is expected to be approximately USD 34,7 billion in 2035 in the 7 major pharmaceutical markets. Despite the advent of biosimilar agents, a combination of a growing population and new product launches is expected to result in an annual compounded growth rate (CAGR) of 2% during 2025-2035.

The RA treatment algorithm consists of first-line agents known as DMARDs or disease-modifying anti-arthritic drugs which are older medicines like methotrexate that were repurposed from other uses to be used to treat RA. These medicines have a long history of use, can work reasonably well at least over the short term in about 50% of patients and are relatively inexpensive with manufacturers selling an average annual supply of oral MTX for about USD 1,000 in the US and about USD 100 in Europe. DMARDs can be used in combination and can also be used with steroids.

After DMARDs patients can be eligible for the newer advanced therapies of the biologics like anti-TNF therapies or the newer class of JAK inhibitors. In the US, patients who fail DMARDs are typically started on biologics and most often an anti-TNF agent. This is generally the same in Europe with the exception that JAK inhibitors cannot be used in second line in the US while they can be in Europe. The biologics and JAK inhibitors are higher priced with annual manufactures sales prices of USD 13,000-75,000 including generics and biosimilars in the US and USD 8,000-24,000 thousand on average in Europe.

Patients who are refractory to one advanced therapy MoA can be switched to a new agent with the same MoA or to a new therapy with a different MoA. Despite the advances made with the biologic and JAK inhibitors that have been approved for RA, many patients still deal with significant disease activity and are not able to achieve disease remission. With safety and cost concerns, advanced therapies are not likely to be combined so there is a significant need for new therapies with novel mechanisms that can be safely combined with the advanced therapies to provide additional disease relief.

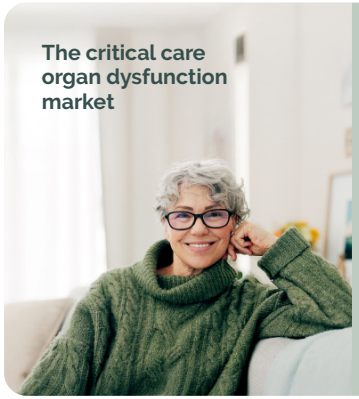
The viral-induced hyperinflammation market

Infections with a number virus can induce a so-called hyperinflammatory response characterized with uncontrolled inflammatory activity that affects normal function of tissues, organs or in most severe cases with systemic affection, a so-called systemic inflammatory response syndrome (SIRS). Covid-19 infections as seen during the pandemic are an example of a viral infection with severe organ affection and with the risk of development of SIRS.

For Covid-19 the lung affection with development of acute respiratory insufficiency was the most common severe affection, requiring oxygen supplementation to maintain adequate respiration. Not only Covid-19 induce respiratory insufficiency, but also influenza virus and RS virus are associated with respiratory insufficiency due to a hyper-inflammatory response in the patients.

While respiratory insufficiency rates have decreased from Covid, influenza and respiratory syncytial (RSV) cause significant societal issues each year. The US Center for Disease Control (CDC) estimates that the 2024-2025 influenza season caused 710,000 hospitalizations and 42,000 deaths and was estimated to have a total annual economic burden of over USD 11 billion[2,3]. During the same period, Covid-19 is estimated to have caused more than 390,000 hospitalizations and more than 45,000 deaths[4].

Arbo-viral infections, ie mosquito borne, are other examples of viral infections causing hyperinflammation. Dengue is an example of such an infection where patients can develop severe symptoms due to hyperinflammation. Severe dengue, often referred to as dengue hemorrhagic fever or dengue shock syndrome, a life-threatening condition associated with hemoconcentration, thrombocythemia with further risk of hypotension (shock), internal bleeding, organ failure and death. Other examples of arbo-virus are Chikungunya virus, Zica virus and West Nile virus. Arboviral infections are more common in tropical and subtropical climates but have spread in recent years also to Europe and the US where mosquitoes have become endemic.



The critical care organ dysfunction market

Each year in the US, over 5 million patients are admitted into an intensive care unit or ICU. Cardiac, respiratory and neurologic dysfunction are the biggest reasons for admission and the most common intervention provided is mechanical ventilation which is required in 20-40% of US ICU admissions[5]. Single and multiple organ dysfunction and failure is common in the ICU and is correlated with higher mortality. An ICU admission with no organ dysfunction or failure has an approximate 5% mortality, while the mortality rate for 1, 2 or 3 dysfunctional or failed organs is approximately 10%, 25% and 40% respectively.

From an ICU registry it was estimated that 85% of ICU admitted patients have some degree of respiratory dysfunction and 45% and 35% have some degree of cardiac or renal dysfunction respectively. This projects to approximately 4.25 million ICU admissions with respiratory, 2.25 million with cardiac and 1.75 million with renal dysfunction in the US annually. In hospital cost is also higher for patients in the ICU with organ dysfunction and failure versus those without. Patients in US admitted to ICU requiring mechanical ventilation had an average ICU stay of 14 days and an average cost of USD 32,000 while patients without respiratory failure had an average ICU stay of 9 days and an average cost of USD 13,000[6].

1. https://www.who.int/news-room/fact-sheets/detail/rheumatoid-arthritis,
2. https://www.cdc.gov/flu-burden/php/data-vis-vac/2024-2025-prevented.html
3. Putri et al. 2018, Economic burden of seasonal influenza in the United States
4. https://www.cdc.gov/covid/php/surveillance/burden-estimates.html
5. https://www.sccm.org/Communications/Critical-Care-Statistics,
6. https://pubmed.ncbi.nlm.nih.gov/15942342

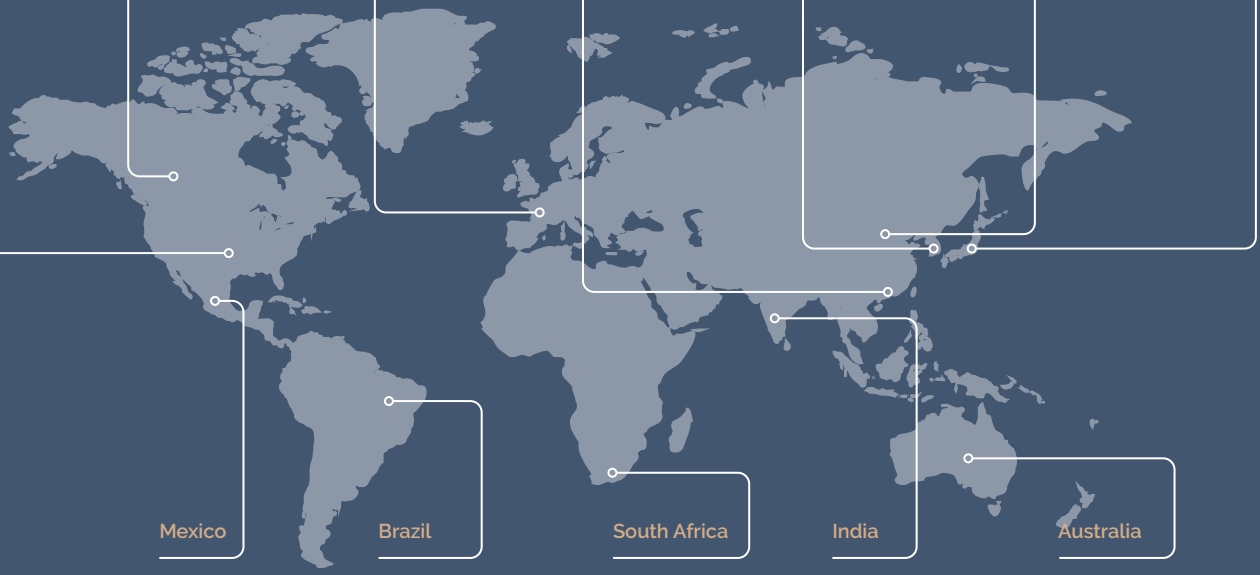
PATENT OVERVIEW

RESOMELAGON (AP1189)

The Company has patent protection within eleven different patent families, and specifically, patent protection regarding the active substance in AP1189 up until 2027 in Australia, Canada, China, India, Japan, Mexico, New Zealand, South Africa, and most of the countries in Europe, and until 2028 in the USA (Patent Family 1).

Furthermore, the Company has patent protection for the use of AP1189 for treatment of arthritis diseases in combination with MTX up until 2040 in most European countries and in Hong Kong, as well as several patent applications and granted patents in various countries globally (Patent Family 3), supplemented with an add-on PCT patent application which can provide protection up until 2042 (Family 7). The Company also has patent protection for AP1189 for the treatment of kidney disease until 2039 in Europe, Japan, South Korea, South Africa and Hong Kong, including several global patent applications (Patent Family 2). A patent application covering a specific patient population in RA will if granted expire in 2044 (Family 10).

In addition, patent applications have been filed regarding AP1189 for treatment of inflammatory viral disorders (Patent Family 4) which can provide protection up until 2041. The critical composition of matter coverage is directed toward the first patent family and more recent patent applications are directed toward the AP1189 polymorph salt forms, including a granted patent on the acetate salt in the US (Patent Family 5) and formulation of AP1189 (Patent Family 6) to potentially provide extended coverage of AP1189 up until 2042 as proposed marketed product. Polymorphs of AP1189 as free base is covered by Patent Family 9 and can be kept in force until 2043.



Canada

Patent status	Family
Applications	2,3,4,5,6
Granted	1

Europe

Patent status	Family
Applications	2,4,5,7,8,9
Granted	1,2,3,6

Hong Kong

Patent status	Family
Applications	2,4,5
Granted	1,2,3,6

South Korea

Patent status	Family
Applications	3,4,5,6
Granted	2

China

Patent status	Family
Applications	3,5,6,7,9
Granted	1,2,4

Japan

Patent status	Family
Applications	3,4,5,6,7,9
Granted	1,2

USA

Patent status	Family
Applications	2,4,6,7,8,9
Granted	1,3,5

Mexico

Patent status	Family
Applications	3,4,5,6
Granted	1,2

Brazil

Patent status	Family
Applications	2,3,4,5,6,7,9
Granted	

South Africa

Patent status	Family
Applications	4,5,6
Granted	1,2,3

India

Patent status	Family
Applications	5,6
Granted	1

Australia

Patent status	Family
Applications	2,4,5,6
Granted	1,3

Other territories	PCT*	Euroasia	Indonesia	Israel	New Zealand	Russia	Singapore
Applications	10,11	5,6	4,5,6	2,3,4,5,6	2,3,4,5,6		4,5,6
Granted			3		1	2,3,4	2,3

*Patent Cooperation Treaty

Patent family and name	
1	Phenyl pyrrole aminoguanidine derivatives (including AP1189)
2	AP1189 for treating kidney diseases
3	AP1189 & Methotrexate combination for treating arthritis
4	AP1189 for treating inflammatory viral disorders
5	AP1189 Salt Polymorphs
6	AP1189 Salts and formulations
7	AP1189 & Methotrexate for treating arthritis
8	AP1189 for treating cardiovascular diseases
9	AP1189 Free Base Polymorphs
10	AP1189 for treating RA Subpopulation
11	New patent applications (unpublished)

PATENT OVERVIEW

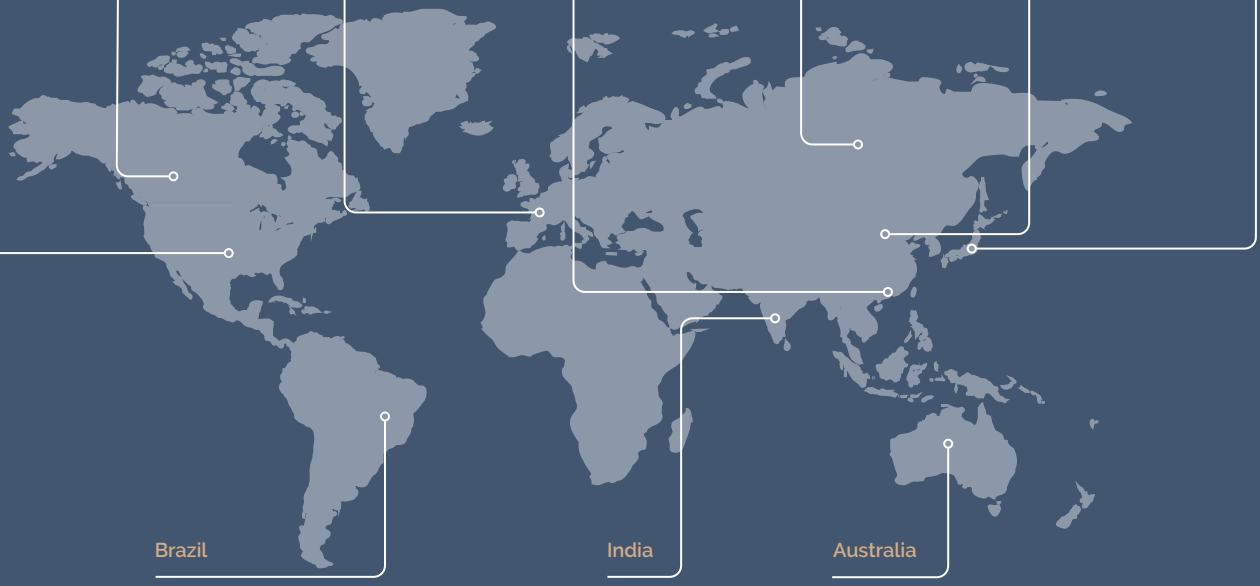
TXP-PORTFOLIO

The Company holds the rights to a patent portfolio to protect the proprietary peptides. This portfolio currently spreads over three patent families. The patents and patent applications cover TXP-11 and other melanocortin analogues modified by conjugation of a branched amino acid probes (BAP), as well as application of these probes to other peptides, where it has proven advantageous.

Patents pertaining to the melanocortin analogues have been granted in major jurisdictions world-wide, including the US, Europe and Japan, and will protect the lead melanocortin assets until at least end-2033 (Patent Family A).

Further broadening of the scope of protection and the application of BAP to additional therapeutic peptides is pursued with patents granted in jurisdictions, such as USA, Europe and Japan, with protection until 2035 (Patent Family B).

Patents specifically pertaining to exendin-4-analogues has been applied for, and this application has recently entered national phase (Patent Family C), which if granted, will confer protection until 2041.



Canada

Patent status	Family
Applications	C
Granted	A,B

Europe

Patent status	Family
Applications	C
Granted	A,B

Hong Kong

Patent status	Family
Applications	C
Granted	A,B

Russia

Patent status	Family
Applications	C
Granted	A

China

Patent status	Family
Applications	C
Granted	A

Japan

Patent status	Family
Applications	C
Granted	A,B

USA

Patent status	Family
Applications	C
Granted	A,B

Brazil

Patent status	Family
Applications	C
Granted	A,B

India

Patent status	Family
Applications	B,C
Granted	A,B

Australia

Patent status	Family
Applications	C
Granted	A,B

Patent family and name

A	Alpha- and Gamma-MSH Analogues (including TXP-11)
B	Peptide Analogues with Branched Amino Acid Probe(s) (BAP)
C	Exendin-4 peptide Analogues

The share, share capital and ownership

THE SHARE

SynAct Pharma's share has been listed on Nasdaq Stockholm since July 12, 2022. The stock is traded with the ticker or short name SYNACT. From the initial public offering in 2016 until July 11, 2022, the company's stock was traded on Spotlight. The closing price of the SynAct share on the last trading day of 2025 was SEK 22,60 SEK.

SHAREHOLDERS

As of December 31, 2025, Synact Pharma had 15,589 shareholders. The 15 largest shareholders controlled 44.7%.

LOCK-UP AGREEMENTS

On December 23, SynAct announced a lock-up agreement for its Board of Directors and executive management regarding their respective holdings of shares. The lock-up agreement means that no sale of existing shares for a member of the board of directors or executive management except what is reasonable for the management of tax effects on said holdings until June 30, 2026.

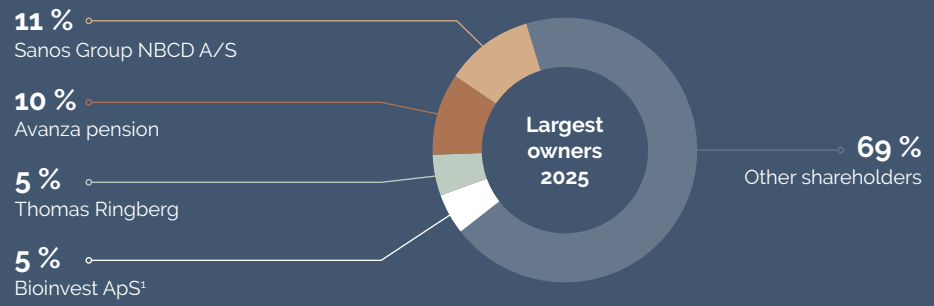
SHARE CAPITAL DEVELOPMENT

Year	Event	Quota value	Price per share (SEK)	Increase in number of shares	Increase in share capital	Total number of shares	Total share capital
2016	Establishment[1]	0,125	-	4,800,000	600,000	4,800,000	600,000
2016	Direct issue	0.125	5.25	2,410,021	301,253	7,210,021	901,253
2016	Issue	0.125	6.40	5,050,000	631,250	12,260,021	1,532,503
2017	Warrants	0.125	6.40	157,428	19,679	12,417,449	1,552,181
2018	Issue	0.125	9.90	2,257,720	282,215	14,675,167	1,834,396
2019	Issue	0.125	6.20	2,096,000	262,000	16,771,167	2,096,396
2020	Issue	0.125	6.20	2,795,268	349,409	19,566,435	2,445,804
2020	Warrants	0.125	6.70	4,839,860	604,983	24,406,295	3,050,787
2021	Issue	0.125	50.00	1,600,000	200,000	26,006,295	3,250,787
2022	Rights issue	0.125	63.00	2,364,208	295,526	28,370,503	3,546,313
2022	Directed issue	0.125	62.60	1,277,954	159,744	29,648,457	3,706,057
2023	Issue in kind	0.125	62.60	2,172,523	271,565	31,820,980	3,977,623
2023	Directed issue	0.125	16.14	3,750,000	468,750	35,570,980	4,446,373
2024	Directed issue	0.125	8.60	5,725,484	715,686	41,296,464	5,162,058
2024	Directed issue	0.125	8.65	5,191,003	648,875	46,487,467	5,810,933
2025	Rights issue	0.125	8.65	2,521,451	315,181	49,008,918	6,126,115
2025	Directed issue	0.125	16.00	2,313,125	289,141	51,322,043	6,415,255
2025	Warrants	0.125	17.68	1,004,100	125,513	52,326,143	6,540,768
2025	Warrants	0.125	17.68	1,004,100	125,513	53,330,243	6,666,280

1. The incorporation of SynAct Pharma AB took place through an issue in kind of the shares in the Danish subsidiary SynAct Pharma ApS.

MAJOR SHAREHOLDERS

In the graph to the right, the largest owners in the Company are presented as of December 31, 2025



1. BioInvest Aps is controlled by the Company's Chief Scientific Officer Thomas Jonassen.

The board of directors and management

Anders Kronborg

Chairman of the Board

Sten Scheibye

Board Member

The board of directors

Born: 1964

Anders Kronborg has extensive financial and leadership experience spanning more than 30 years. Mr. Kronborg is currently CEO at ResoTher Pharma as well as a board member at the Swedish Biotec company Aqilion and the Southafrican HearX and the London based intelligence company SecureValue. Mr. Kronborg holds a Master of Economics and spent close to 10 years in the Ministry of Finance – ending as head of department. From 1996-2007, Mr. Kronborg held different positions as CEO or CFO in different danish media companies. In 2007, he joined the Swedish investment company Kinnevik AB. From 2012-2015 he was COO for the entire group. Mr. Kronborg then moved to the Pharma Industry – from 2015-2022 he served as CFO and interim CEO at LEO Pharma – a Danish company with a turnover of more than SEK 10 billion – spending his time growing the company through several M&A activities.

Independent in relation to the company and the company management: No

Independent in relation to the major shareholders: Yes

Holdings: 76,155 shares.

Born: 1951

Sten Scheibye has a long career in pharma and med-tech, where he has been active for over 30 years. He has held positions such as medical sales rep, medical registration officer dealing with FDA as well as EU authorities. Later he moved into other commercial roles and senior leadership positions. For 13 years Mr. Scheibye was CEO of the Danish, listed company Coloplast. During his tenure, Coloplast 6-doubled turnover and 8-doubled share performance. Later Mr. Scheibye has focused on board positions where he has held numerous in private as well as public entities. Mr. Scheibye has served as chairman of Novo Nordisk A/S where he had a seat on the board for 10 years until he became chairman of the Novo Nordisk Foundation. Mr. Scheibye has a PhD in organic chemistry from Aarhus University and a B.Com. from Copenhagen Business School.

Independent in relation to the company and the company management: Yes

Independent in relation to the major shareholders: Yes

Holdings: 132,093 shares.

The board of directors

Sten Sörensen

Board Member

Jeppe Ragnar Andersen

Board Member

Born: 1959

Sten Sörensen has extensive leadership experience in the pharmaceutical and biotech industries spanning over 30 years. Mr. Sörensen is currently CEO and board member of the clinical stage biotech company Cereno Scientific, a company which he joined first as a board member 2014-2016 and assumed the CEO role in 2015 when the company was still an early project project stage. Under Mr. Sörensen's leadership, the company has been propelled into a promising three candidate drug pipeline, all potentially ground breaking therapies in rare and common cardiovascular diseases with high unmet needs. Cereno is listed at NFGM with a current MCAp of approx. SEK 1 billion. Before Cereno, Mr. Sörensen has held senior positions in major pharma including Head of International Marketing Operations for SEK 10 billion pharma portfolio at Monsanto (GD Searle, Chicago, US) and Global Marketing Director for the SEK 4 billion portfolio of Secondary Prevention Products, Cardiovasculars at AstraZeneca (Gbg, Sweden). Mr. Sörensen has during his career iat Monsanto and AstraZeneca initiated two groundbreaking preventive survival studies in heart failure. Mr. Sörensen is Chairman of SARomics Biostructure since 2013. Mr. Sörensen holds a bachelor's degree in chemistry from Lund University.

Independent in relation to the company and the company management: No

Independent in relation to the major shareholders: Yes

Holdings: 20,455 shares.

Born: 1980

Jeppe Ragnar Andersen has extensive financial and leadership experience spanning around 20 years. He is currently the Group CEO of Sanos Group A/S, a global multi-niche CRO with full service clinical capabilities. Mr. Andersen is also board member in Arctic Therapeutics (IS) and CEO of NBCD A/S (part of Sanos Group).

Mr. Andersen has a Master of Science in Pharmacy from Copenhagen University and a Master of Business Administration from Quantic School of Business and Technology, Washington, US, and extensive experience in management of clinical trials and associated companies.

Independent in relation to the company and the company management: Yes

Independent in relation to the major shareholders: No

Holdings: Jeppe Ragnar Andersen holds 500 shares directly in SynAct Pharma and owns 1.3% per cent of the shares in Sanos Group which owns NBCD A/S. NBCD A/S holds shares in SynAct Pharma AB.

Jeppe Øvlesen
Chief Executive Officer

Ann Kristin Led
Chief Financial Officer

Thomas Boesen
Chief Operating Officer

Management

Jeppe Øvlesen is an experienced biotech executive and has been involved as founder/CEO/Chairman/board member in a string of successful companies including Action Pharma, CLC Bio, Cetrea, ChemoMetec, Perfusion Tech, Resother Pharma, Cercare Medical, PNN Medical, Cereno Scientific, HG Energy group and TXP Pharma. Mr. Øvlesen was CEO of Synact Pharma from 2015-2023 taking the company public at Spotlight and later at Nasdaq (Stockholm). Mr. Øvlesen holds an MBA from University of Hartford, United States.

Holdings: 379,422 shares (indirectly). He also controls 26.67% of Goodwind Holding GmbH, which owns 163,521 shares.

Ann Kristin Led brings 20 years of international experience across the pharmaceutical and medical device industries, with a strong background in finance, business development and strategy. She holds a Master's degree from Copenhagen Business School and has extensive experience in financial leadership, corporate strategy, capital raising, licensing experience and international business expansion.

Prior to joining SynAct Pharma, Ann Kristin held positions within both finance and strategy at Lundbeck, MC2 Therapeutics and MedTrace.

Holdings: 0 shares

Thomas Boesen, PhD, has more than 20 years of experience in the biotech and pharma industry. He holds a PhD in bioorganic chemistry from Copenhagen University, with studies at Cambridge University, and a MA in technology management with studies at Roskilde and Edinburgh Universities.

Dr Boesen's achievements include being an inventor on 35 granted patents and holding several managing positions. Dr. Boesen has been a part of the successes of Action Pharma and Epitherapeutics, and he was cofounder of MedChem and TXP Pharma. He brings insight in drug development throughout the clinical phases, with a focus on CMC and external collaboration. Prior to joining SynAct Pharma, Dr Boesen was with Novo Nordisk for 5 years.

Holdings: 248,229 shares (indirectly). He also controls 18.67% of Goodwind Holding GmbH, which owns 163,521 shares.

Thomas Jonassen

Chief Scientific Officer

Mads Bjerregaard

Chief Business Officer

Thomas Jonassen MD, is associate professor at cardiovascular pharmacology, University of Copenhagen, and visiting professor at William Harvey Research Institute, Barts and London School of Medicine. He has published more than 50 scientific publications and is the inventor of 6 granted patents in the US and Europe.

Dr. Jonassen is cofounder and current CSO and BoD member at SynAct Pharma AB, cofounder of ResoTher Pharma Aps, cofounder and former CSO at Action Pharma A/S, and cofounder of TXP Pharma AG. Action Pharma sold its lead drug development candidate to AbbVie for $110M USD and TXP Pharma sold various rights to Questcor Pharmaceuticals for $100M USD in milestone payments. Dr. Jonassen is coinventor of SynAct's drug candidate, AP1189.

Holdings: 2,545,320 shares (indirectly). He also controls 26.67% of Goodwind Holding GmbH, which owns 163,521 shares.

Mads Bjerregaard has held leading positions in life science companies during his more than 20 years of work experience including commercial and business development roles in Danish based biopharma and med-tech companies, Lundbeck, Zealand Pharma, and UNEEG Medical.

Throughout his career, Mads has lived and worked internationally and has been pushing innovation towards commercialization in neurology, endocrinology, and gastroenterology. Mads holds a master's degree from Copenhagen Business School.

Holdings: 3,000 shares.

The Director's Report

THE GROUP

The Board of Directors and the CEO of SynAct Pharma AB (publ), corporate registration number 559058-4826, hereby issue the annual report and consolidated accounts for the financial year 2025-01-01 – 2025-12-31. The company is registered in Sweden and has its registered office in Lund Municipality, Skåne County. The Annual Report is prepared using the Swedish currency (SEK), with numbers rounded to the nearest thousand, unless otherwise stated. Numbers in parenthesis refer to previous year period. SynAct Pharma AB (publ) is also referred to as "SynAct Pharma", "SynAct", alternatively the "Company", unless explicitly stated.

Group structue

During the reporting period, the Group consisted of the parent company SynAct Pharma AB (publ) with its registered office in Lund, the wholly owned subsidiary SynAct Pharma ApS with its registered office and operations in Holte, Denmark and the wholly owned subsidiary TXP Pharma AG in Baar, Switzerland, that was aquired on the 16th of January 2023. The Group conducts research and development within inflammatory diseases. The subsidiary, SynAct Pharma ApS started operations in 2012. SynAct Pharma AB, the Group's parent company, was registered on April 12, 2016. The establishment took place through issue in kind of the shares in the Danish subsidiary SynAct Pharma ApS. In this way, at that time, a group relationship was established. In addition to the above, SynAct Pharma AB has no additional shareholdings in other companies.

The business

SynAct is a Swedish public clinical stage pharmaceutical company that focuses on resolving inflammation with melanocortin biology. Selective activation of the melanocortin system can help the immune system resolve excessive or chronic inflammation, so called resolution therapy. SynAct's therapeutics are designed to selectively provide anti-inflammatory and pro-resolution effects without suppressing the immune system, so that patients can achieve immune balance.

The Company's lead drug candidate, resomelagon selectively stimulates the melanocortin receptors involved in antiinflammatory and resolution-promoting processes without acting as immunosuppressant, unlike most anti-inflammatory drugs that suppress the body's immune system. The Company believes that there are good opportunities in rheumatoid arthritis (RA). Based on results from the previous studies, the Company has conducted a new Phase 2b study focusing on early severe RA, ADVANCE, where the recruitment was completed in February 2026. Additional activities include Phase 2a development in patients with polymyalgia rheumatica (PMR) where the subject's unique profile as a glucocorticoid-sparing substance will be investigated. A phase 2 proof of concept study, the RESPIRE study. in patients hospitalized with respiratory viral infections has just been initiated at sites in Europe and is expected to recruit the first participants in the first half of 2026.

In connection with the acquisition of TXP Pharma AG, the company received a number of different melanocortin agonists for the prevention of organ failure in intensive care. The company has carried out a number of different pre-clinical projects and is planning for clinical development in 2026. The company continues to engage with major pharmaceutical companies for possible collaboration or other possible structural deals.

The company's management consists of experienced employees with detailed knowledge in drug development, business development and financing of innovative biotechnology companies. The company's Board of Directors consists of members with deep knowledge in the development of early-stage research for public development companies, including expertise in negotiating license and collaboration agreements as well as experience from management work in pharmaceutical companies in most EU countries and North America.

Significant events

2025 was an active year in terms of clinical development, with recruitment to our Phase 2b study focusing on early severe RA continuing and completed in February 2026. Other significant events during the financial year and after the reporting period are described in more detail on page 34.

Research and development

The focus during the year has been on the study, ADVANCE, for newly diagnosed RA patients with high disease activity and signs of systemic inflammation.

During the year, the Company has also prepared a phase 2a study, RESPIRE, hyperinflammation due to respiratory infections (influenza, Covid-19, RSV). The company has also prepared another phase 2a study focusing on dengue fever, RESOVIR-2. An additional phase 2a study has been prepared, START, in Polymyalgia Rheumatika (PMR). The company has continued to run the study in iMN, a form of severe proteinuria. It is still ongoing but is taking longer due to difficulties with patient recruitment.

The company has successfully conducted pre-clinical studies within the TXP portfolio. Some pre-clinical work remains before a clinical study can begin in 2026.

Future prospects

The company's overall objective is to build a portfolio of clinical development projects in resolution processing that can provide significant revenues to the company through licensing or sales. The company is positive about the other opportunities that exist both for the resomelagon but also for the TXP portfolio. The company plans to supplement with the remaining pre-clinical activities for TXP-11 with the aim of initiating a clinical study in 2026.

The company plans to raise more capital to implement the development plan. This can be done via various financing options. The company is also in continuous talks with major pharmaceutical companies about future collaborations. Such a collaboration, or other structural transaction, may, for example, take place in connection with the co-financing of a phase 2 study or that the company is ready to start a phase 3 study.

Corporate Governance Report

Based on the Annual Accounts Act, chapter 6, § 8, SynAct has decided to produce a Corporate Governance Report that is separate from the Annual Report.

Business and industry related risks

Risks related to pharmaceutical development and clinical trials

SynAct is a Phase 2 clinical company focusing on pharmaceuticals that stimulate and strengthen the body's own immune system in order to fight inflammatory diseases. The Company works exclusively with research and development and the Company's development portfolio consists of the drug candidate resomelagon

and the TXP portfolio. Resomelagon is the Company's only drug candidate in clinical development. Before a product candidate can be launched on the market, the Company or its partners must conduct pre-clinical and clinical studies to document and demonstrate that the drug candidate has a significant treatment effect and an acceptable safety profile. The clinical processes are usually extensive, costly and time consuming, and the outcome is inherently uncertain. It is not unusual for clinical processes to be affected by delays and cost overruns, which can have a negative impact on the company's drug development and financial position. The processes are also associated with significant risks of failure and/or that the results are such that further research and development is required before final results can be obtained. Positive results in previously conducted pre-clinical and clinical studies do not guarantee positive results in later development stages and subsequent clinical studies. Furthermore, preclinical, and clinical data are often sensitive to different interpretations and analyses. There is therefore a risk that the Company's studies will not indicate sufficient safety and/or efficacy for the Company's drug candidates, especially the Company's main drug candidate resomelagon, to be launched on the market, which could lead to future revenue being delayed or, alternatively, completely, or partially, not being obtainable. There is also a risk that the Company is forced to interrupt its studies or needs to carry out more extensive studies than is currently deemed necessary, which can delay the development process and cause, among other things, increased costs, delayed commercialization and, by extension, reduced or non-existent cash flow. In light of the fact that resomelagon is the Company's only drug candidate in the clinical phase, the company is particularly exposed to these risks.

Risks related to recruitment of patients

SynAct is dependent on the recruitment of new patients who are willing to participate in the Company's clinical studies. The scope of the patient recruitment and the number of available patients has a significant impact on the timetable of the clinical studies. In the event the recruitment of patients to the Company's clinical studies cannot take place to the extent required or if patient recruitment becomes more time consuming than the Company has planned, the Company may have to temporarily pause its patient recruitment, which may lead to delays in the Company's clinical studies. Delays and interruptions in the company's studies could lead to SynAct's development work being more costly than planned and to expected sales revenue being delayed and pushed to the future, which could have a negative impact on the Company's operations and future prospects.

Risks related to commercialization and market acceptance

SynAct is in the clinical phase and so far, none of the company's drug candidates has been commercialized. The company is thus largely dependent on future commercialization to generate revenue. As mentioned above, the company's leading drug candidate, resomelagon, requires continued research and development, which is associated with a number of risks that may complicate or prevent market approval and possible commercialization. There is also a risk that future commercialization of SynAct's drug candidates, including its lead candidate resomelagon, will be more costly than SynAct anticipated, as it may be difficult to estimate future commercialization costs in advance. Even if SynAct were to obtain relevant authority approvals for marketing and sales of the company's drug candidates, there is a risk that sales, locally or globally, will not meet its expectations and that commercial success will not materialize. The market acceptance and sales of the Company's drug candidates will depend on a number of factors such as the product's properties, competing products, the possibility of distribution, marketing, price and availability. The Company's drug candidates may be subject to unfavorable price regulations and reimbursement policies, which may adversely affect its operations and earnings. In addition, the potential market opportunities for the Company's current and future drug candidates are difficult to estimate and may depend on the ability of relevant experts to diagnose and identify patients, as well as the success of competing therapies.

SynAct's business model is based on entering into commercial agreements with one or more major pharmaceutical companies in order to manage the commercialization of the company's products in this way. Given this, the risks mentioned above could affect the company indirectly through potential future business partners' expectations of future revenues and costs, which affects the valuation of SynAct's drug candidate in connection with a transaction.

Risks related to partnerships

SynAct's business model is to drive projects into clinical development in order to secure support for clinical relevance, proof-of-concept. The Company's ambition is to carry out several Phase 2 studies, and then enter into commercial agreements with one or more major pharmaceutical companies for continued development and commercialization of the Company's drug candidates. SynAct is therefore dependent on current and future license, collaboration, supplier and other agreements with experienced partners for the development and successful commercialization of the Company's current and future drug candidates. In order to develop a successful commercialization strategy and identify and enter into agreements with relevant partners, SynAct may need to strengthen its operations through recruitment in the area of commercialization. Such a strengthening of operations may entail increased costs for the Company in the future, mainly in the form of increased administrative costs as a result of recruitment. There is no guarantee that the Company will find suitable collaboration partners or succeed in entering into collaborations with such collaboration partners for the commercialization of its drug candidates, or that such agreements can be entered into on financially acceptable terms. There is also a risk that potential negative study results may have a negative impact on SynAct's ability to attract potential collaboration partners for future commercialization of the company's drug candidates. If SynAct fails to enter into partnerships as described above, it may lead to delayed or non-existent commercialization of the company's drug candidates as well as delayed or non-existent licensing and sales revenue.

Risks related to collaborations with suppliers and manufacturers

SynAct is dependent on collaborations with suppliers and manufacturers and has, among other things, entered into agreements with suppliers who provide services and products for drug production and execution of the Company's planned clinical studies. In addition, the Company is, and will probably continue to be, dependent on collaborations with various suppliers and contract manufacturers for the production and storage of GMP, Good Manufacturing Practice, materials and the substances required for the implementation of SynAct's preclinical and clinical studies. There is a risk that current, or future, suppliers,

manufacturers and collaboration partners choose to terminate their collaboration with SynAct before the Company has fully benefited from the collaboration, do not fulfill their commitments, or cannot continue the collaboration on terms favorable to SynAct. There is no guarantee that the Company's suppliers, manufacturers or partners fully meet the quality requirements set by SynAct or the relevant authorities. There is also a risk that the Company will not succeed in entering into collaborations at all or will not succeed in entering into collaborations on favorable terms for SynAct when needed. In the event that any of the above risks occur, the Company assesses that it could have a negative impact on SynAct's operations in the form of delayed or non-existent commercialization, additional costs for the Company and possibly also lead to limited or non-existent income.

Risks related to IT security and IT infrastructure
SynAct is dependent on a well-functioning IT system that the Company or one of its external suppliers uses to process, transfer and store electronic information in its daily operations. In connection with the Company's product development work, the Company may collect various types of sensitive and confidential information, including personal data and information about clinical studies. Cyber-attacks are constantly increasing in frequency and intensity and have become increasingly difficult to detect. A successful cyber-attack could result in the theft or destruction of intangible assets and data or otherwise compromise the Company's confidential or proprietary information and disrupt its operations. Errors, interruptions, or breaches in the company's IT security, including possible errors in back-up systems or errors in handling the security of the company's confidential information can also damage the Company's reputation, business relationships and trust, which can lead to the loss of business partners, increased scrutiny from regulators and a greater risk of legal action and financial liability. Although SynAct devotes resources to protecting its information systems, there is no guarantee that such measures will prevent information security breaches that could result in business, legal or financial harm, as well as damage to the Company's reputation, or that could have a material adverse effect on the Company's operating profit and financial position.

Risks related to competition and technological development
The pharmaceutical industry is an industry characterized by fierce and global competition, rapid technological progress, and extensive investment needs. The Company's competitors can be large multinational companies as well as smaller research companies active in research into inflammatory and autoimmune diseases. Furthermore, companies with global operations that currently work with neighboring areas can decide to establish themselves within SynAct's area of operation. Examples of competitors to the Company are other pharmaceutical companies that market so-called "JAK inhibitors", an oral drug that inhibits inflammation. The Company's competitiveness is dependent on several different factors, such as SynAct's ability to implement its strategies in a profitable manner, hire and retain competent and professional personnel and develop and enter collaborations with partners. If the Company fails to adapt to technological developments or regulatory expectations, there is a risk that future commercialization of the Company's products will be less successful or will not occur at all. In addition, there is a risk that competitors, including those described above, have greater financial and other resources than SynAct and its partners, which can give them advantages in, for example, research and development, contacts with licensing authorities, marketing and launching of medicines. There is therefore a risk that the Company's competitors succeed in commercializing products earlier than SynAct and its partners, or that they develop products that are more effective, have a better side effect profile and are more affordable than the company's potential products. Such competing products may limit SynAct's ability to commercialize its drug candidates, including the Company's lead drug candidate resomelagon, and thus to generate revenue in the future.

Risks related to macroeconomic factors, including pandemics
Macroeconomic effects, such as the Covid-19 pandemic and other economic factors such as the current situation in Ukraine, can negatively affect the Company's earning capacity, growth opportunities and operating profit. The general demand for medicines is affected by various macroeconomic factors and trends, such as inflation, deflation, recession, trade barriers and currency fluctuations. An economic downturn can further affect healthcare payers, such as patients, hospitals, authorities, and insurance companies, and for this reason result in a reduced willingness to pay for medicines. In addition, uncertain market conditions, for example because of the spread and consequences of pandemics, such as COVID-19 and the war in Ukraine, may have a negative impact on SynAct's ability to enter collaborations with third parties or suppliers. Even though the COVID-19 pandemic has subsided, SynAct follows the development and evaluates appropriate measures to minimize potential delays that could occur in the company's operations and its ongoing clinical studies in the event of a new pandemic. Furthermore, the situation in Ukraine has led to significant volatility in global credit markets and the global economy. Based on the above, there is a risk that the Company's clinical studies are delayed or become more expensive than the Company planned and that the results from the clinical studies are therefore delayed, which could have a negative impact on the Company's operations and prospects.

Demand for pharmaceutical products is also affected by political developments in relevant markets. Several initiatives to curb rising drug costs have been implemented or are being implemented in the US and within the EU/EEA, as well as in other relevant markets, which may affect future sales for pharmaceutical companies, including SynAct. If any of the above risks were to occur, it could result in the market acceptance and pricing of the Company's drug candidates being negatively affected in the event of a possible future market launch, which could result in the Company receiving lower compensation in the event of a successful commercialization of one or more of the Company's drug candidates. This in turn could have a negative impact on the Company's ability to generate income in the future, as well as result in poorer remuneration opportunities and lower remuneration levels in certain markets.

Risks related to key persons and employees
SynAct has established an organization with qualified employees to create the best possible conditions for research, development and commercialization of the Company's drug candidates.SynAct's key personnel and employees have high competence and extensive experience in the Company's area of operation, and the Company's future growth is highly dependent on the knowledge, experience and commitment of the Company management and other key personnel. The Company might fail to retain these key

personnel or employees and to recruit new qualified personnel in the future, which could have a negative impact on the Company's opportunities to commercialize its drug candidates and thus negatively affect the Company's profitability and future earning capacity.

Legal and regulatory risks

Risks related regulatory approval and registration

For the Company to carry out clinical studies and market and/or sell drugs, the Company must obtain marketing approval and registration from relevant authorities on each market, such as the Medical Products Agency in Sweden (Sw. Läkemedelsverket), the Food and Drug Administration (FDA) in the United States and the European Medicines Agency (EMA) in the EU. The process for obtaining the relevant approvals is cost and time consuming and may delay, prevent, or make the development of the Company's drug candidates more costly. In the event SynAct, directly or through any future partners, fails to obtain the necessary permits and registrations from authorities, the Company may be adversely affected by clinical studies being delayed or, in the worst case, not initiated. Comments on the Company's proposed design of future clinical studies may also lead to delays and/or increased costs for SynAct, and the Company may have to carry out additional clinical studies, provide additional data and information and meet additional standards for regulatory approval which can be costly and time consuming. Furthermore, applicable rules and interpretations of these may change, which may affect the Company's conditions for meeting regulatory requirements in the future. In addition, permits and registrations can be revoked after SynAct, or its partners have received them. In the event that the Company alone, or via partners, does not succeed in obtaining relevant permits or registrations, or if permits or registrations are revoked, it may result in increased costs, delays in the development work, that SynAct's ability to generate income is completely or partially absent, or that the Company forced to shut down all or parts of its operations, as well as lead to the Company's market position deteriorating in relation to its competitors.

Even after market approval, if obtained, the Company and its collaborators will be required to comply with regulatory requirements, including regulatory reviews and oversight of marketing and safety reporting or policies. In addition, SynAct and its partners will be obliged to follow rules for the manufacture of medicines, including rules for testing, quality control and documentation of the Company's products. Production facilities must be approved by authority inspection and will be subject to such inspections by authorities on a recurring basis, which may lead to objections and new requirements on production. Furthermore, obtaining regulatory approval of the Company's drug candidates in one jurisdiction is no guarantee of regulatory approval in any other jurisdiction. If SynAct and its partners, including external manufacturers, do not comply with relevant regulatory requirements or the specific indications and conditions for which regulatory approval has been granted, the Company may be subject to fines, product recalls, revocation of regulatory permits or approvals, other operational restrictions, or criminal penalties.

Risks related to patents and other intellectual property rights

The Company is dependent on its ability to protect its product candidates and innovations through intellectual property rights, such as patents and trademarks, as well as through other types of protection such as data exclusivity, which restricts the use of data from clinical studies and gives temporary exclusive rights to the Company using such data to apply for market approval. Monitoring and maintaining intellectual property rights is time consuming and costly and the Company estimates that these costs may increase in the future if the Company develops its portfolio of intellectual property rights, for example through additional patents and patent applications. The Company's patent portfolio consists of in total nine patent families (please refer to the "Intellectual Property" section for more details).

Patents and other intellectual property rights have a limited lifespan and there is a risk that granted patents do not provide adequate commercial protection, as objections or other invalidity claims against granted patents can be made after the patent has been granted. If SynAct were to be forced to defend its patent rights against a competitor, or have a patent declared invalid, this could entail extensive costs for the Group. In addition, the costs of a dispute, even in the event of a favorable outcome for SynAct, can be significant. There is also a risk that the scope of an approved patent is not sufficient to protect against other players developing similar drug candidates. There is also a risk that the Company's ongoing or future patent applications take longer or are not granted, or that SynAct fails to register and complete all necessary patent applications at a reasonable cost.

It may also turn out that other actors have applied for patents regarding drug candidates that are covered by SynAct's patent applications without the Company's knowledge, including in relation to resomelagon, which is the Group's only drug candidate in the clinical phase. There is therefore a risk that SynAct may infringe, or be alleged to infringe, patents held by third parties. A possible infringement of third-party patents may limit the possibilities for the Company or its potential partners to use SynAct's drug candidates as planned. As a result, the Company's patent applications may have a lower priority in relation to other patent applications or limit the opportunity for SynAct to commercialize drug candidates and obtain the necessary patent protection, which would greatly affect SynAct's opportunities to further develop its drug candidates. Furthermore, there is a risk that any of the Group's current or former employees, consultants or partners will claim ownership of inventions developed by any of these persons as they regard the intellectual property as their own. If the above risks were to materialize, it would hinder or prevent continued development and successful commercialization of SynAct's drug candidates, and ultimately the Company's ability to generate licensing and sales revenue in the future.

Risks related to product liability, adverse events and insurance coverage

As SynAct is active in the pharmaceutical industry, the Company is exposed to various liability risks, such as the risk of potential product liability claims that may arise in connection with the manufacture of drugs, clinical studies or the marketing and sale of drugs if SynAct's drug candidates are commercialized. For example, patients who participate in the Company's ongoing and possible future clinical studies, or people who otherwise encounter SynAct's drug candidates, may suffer side effects or other related harm due

to unwanted effects of the Company's drug candidates. Even if clinical studies were to be carried out by a collaboration partner, there is a risk that the Company could be held responsible for any incidents. Potential side effects or product liability claims could delay or stop SynAct's development work and limit or prevent the commercial use of the Group's drug candidates and thus lead to increased costs, which could have a negative impact on SynAct's opportunities to generate profitability.

There is also a risk that the Company may be sued by patients who suffer adverse events, both by experimental subjects and patients within the framework of SynAct's clinical studies, and/or by other people who may in the future use the Company's medicines, whereby SynAct may be liable for damages. Any claims against the Company may also have a negative impact on the Company's reputation and business relationships. SynAct's insurance coverage may prove to be insufficient to cover any costs that may arise because of side effects or other product liability claims, for example if a claim is outside the insurance coverage or if the claim exceeds the insured amount. In addition, this type of insurance does not normally cover damage to reputation that may occur regardless of the outcome of a potential liability claim. There is therefore a risk that the Company's insurance cover cannot fully cover any future legal claims directed against SynAct, which may entail significant costs and have a negative impact on SynAct and its operations, both reputationally and financially.

Risks related to regulatory compliance

As a pharmaceutical company, SynAct is largely subject to compliance with various laws and regulations. The regulatory environment includes, among other things, laws and regulations that regulate clinical studies, the safety and effectiveness of drug candidates, as well as environmental laws that regulate the use, storage and disposal of harmful chemicals and similar materials as well as specified waste products. There is a risk that SynAct fails to comply with laws and regulations because its interpretation of the regulations is incorrect or because the company has not had the opportunity to adapt its operations to new laws and regulations. The cost of compliance may be significant and SynAct may lack the resources required for compliance. If SynAct fails to comply with or violates applicable laws and regulations or if its interpretation of applicable laws and regulations is incorrect, it may result in sanctions or penalties from relevant authorities, exclusion from government-funded healthcare programs, additional reporting requirements or damage to SynAct's reputation. In addition, local rules, regulations and administrative regulations may differ significantly from jurisdiction to jurisdiction, and steps taken to comply with laws in one jurisdiction may be inadequate for compliance in another jurisdiction. In addition, the laws, regulations and administrative regulations that the Company has to comply with are also subject to changes over time, and SynAct is thus exposed to risks that arise due to the regulatory uncertainty and the rapidly changing and growing regulatory environment, including the risk that the fundamental conditions for the Group's operations and business offer may change or that the opportunities for market access may be negatively affected.

Risks related to the processing of personal data

Within the framework of the Company's operations, SynAct collects and processes personal data relating, for example, to patients who participate in the Company's clinical studies and SynAct's employees. SynAct is thus covered by Regulation (EU) 2016/679 of the European Parliament and of the Council ("GDPR"). The personal data the Company possesses may also include information about health, which among other things entails a requirement for SynAct to have an appointed data protection officer. The data protection officer must, among other things, provide advice and support to the organization regarding the processing of personal data, contribute with advice when implementing so-called impact assessments regarding data protection, and monitor the Company's compliance with the GDPR. SynAct has taken measures to ensure secure personal data handling and expects to continue to allocate resources for GDPR compliance and to evaluate the need for additional regulatory compliance measures. Such measures may prove to be both costly and time-consuming for the Company, which may have a negative impact on SynAct's results. There is a risk that the Company will not currently, or in the future, meet the requirements that GDPR entails. In addition, there is a risk that IT and system interruptions or intrusions could lead to the leakage of personal data and other sensitive information. Incorrect or insufficient processing of personal data, shortcomings in the Company's obligations towards those whose personal data is processed and other violations according to the GDPR can result in sanctions in the form of fines amounting to the higher of EUR 20 million or 4 percent of the Group's annual turnover, which can entail significant costs and have a substantial negative impact on the Company and its operations, both reputationally and financially.

Risks related to know-how, trade secrets and confidentiality

SynAct is dependent on trade secrets and know-how developed in the business, which cannot be protected by registration in the same way as patents and other intellectual property rights. This concerns, for example, information about innovations that have not yet been applied for as well as knowledge about concepts, methods, and processes. SynAct uses non-disclosure agreements with employees, consultants, advisors, and collaborators to protect trade secrets and know-how, but these agreements may prove insufficient to prevent trade secrets and know-how from being disclosed and disseminated without the Company's control, creating a risk that competitors can take part in and use trade secrets and know-how that have been developed by the company. Such uncontrolled dissemination of confidential information could negatively affect the development of SynAct's drug candidates if the information were, for example, used to develop potentially competing drug products or for other commercial use without the Company being compensated for or otherwise receiving information about this. It may also mean that it becomes less attractive for SynAct to develop and commercialize its drug candidates, which may mean that the Company's future earning capacity is limited.

Financial risks

Risks related to future capital needs

Research and development of pharmaceuticals is a capitalintensive activity. The research and development projects that SynAct conducts, combined with the fact that the company does not generate, nor has it generated, any sales revenue, entail significant costs and there is a risk that the company's projects may become more time- and cost-consuming than planned. As shown above in this section, the continued development of SynAct's drug candidates and the conditions for market launch are associated with risks and great uncertainty that may lead to commercialization being delayed or not happening at all. It may therefore take a long time before the Company's drug candidates are commercialized and ongoing cash flow can be generated from the Group's operations. Any delays in SynAct's development project may

mean that positive cash flow is generated later than planned. The Company will therefore, depending on when a positive cash flow can be achieved, also need to acquire additional capital in the future. There is a risk that the company will not be able to acquire any capital when the need arises or that it cannot be acquired on terms favorable to SynAct, which could significantly negatively affect the Company's operations and financial position. If SynAct is unable to obtain sufficient funding, the Company may be forced to stop planned projects, implement restructuring of all or part of the business, or be forced to conduct business at a slower pace than planned, which may lead to delayed or non-existent commercialization of the Company's drug candidates, including its main candidate resomelagon, as well as delayed or missed license and sales revenue.

Tax-related risks
SynAct is based in Sweden, but a large part of the Group's operational activities are conducted through the Danish subsidiary SynAct Pharma ApS. The tax considerations that the company makes are based on interpretations of current tax legislation, tax agreements and other tax rules as well as requirements from relevant tax authorities in Sweden and Denmark as well as other countries where SynAct operates. There is a risk that the Company's understanding of, or interpretation of, said laws and regulations is not correct in all respects. In addition, tax authorities in relevant countries may make assessments and make decisions that differ from the Company's understanding of, or interpretation of, said laws and regulations. Especially in the case of intra-group transactions and transfer pricing involving several countries, tax authorities in one country may take a position that differs from the position taken by SynAct or tax authorities in other countries in the current interpretation of laws, agreements or other regulations.

In the event that the Company's tax situation were to change due to decisions from the relevant tax authorities or due to changes in laws, agreements or other regulations, possibly with retroactive effect, it could have a significant negative impact on the Group's operating profit. Contesting such a decision may be costly and protracted and if SynAct fails to contest such a decision, it may result in increased tax costs, including fees and interest costs.

It cannot be ruled out that SynAct's consultants risk being considered employees of the Group and thus subject to applicable labor legislation, including but not limited to the right to holiday pay, notice period, sick pay, pension and parental leave. Furthermore, the relevant consultants may be protected by foreign labor legislation, even though the choice of law in the consultancy agreements specifies Swedish or Danish law. An employer is also required to withhold income tax and failure to withhold income tax may lead to fines and/or an obligation to pay the income tax that is outstanding, which may lead to increased costs for the Group. There is also a risk that SynAct will be subject to demands from tax authorities if the consulting relationships would be classified as employment relationships according to the applicable legislation. The above mentioned risk in relation to consultants may also apply in relation to terminated consultancy relationships, such as the Company's historical consultancy agreement with the CEO, CSO, COO and CBO, who previously carried out their assignments on a consultancy basis.

Risks related to exchange rate changes
SynAct is based in Sweden and the accounting currency for the Group's accounts is SEK, which means that transactions in foreign currency are converted to SEK. A large part of the Company's operations is conducted through the operating subsidiary SynAct Pharma ApS, whose accounting currency is DKK. Currency flows in connection with the purchase and sale of goods and services in currencies other than SEK give rise to so-called transaction exposure. In many cases, the Company is dependent on international subcontractors to carry out studies and production of materials. The Company is therefore exposed to currency risk through the purchases of services and inputs for research and development that are made in different currencies. SynAct's purchases are made predominantly in the currencies SEK, DKK and EUR. Exchange rate changes may therefore negatively affect the group's cash flow, income statement and balance sheet.

Financial development

Revenue
Net sales for the year amounted to SEK 0 (0). The Company is not expected to generate any revenue until at the earliest after the completion of the planned Phase 2 study regarding the drug candidate resomelagon at the earliest in 2026.

Research and development costs (R&D)
Total costs for R&D amounted to SEK 85,614 (49,312) thousand. The Company does not capitalize expenses for the development project resomelagon because it does not consider that the activities and the project meet the requirements for capitalization in IAS 38 – Intangible assets. For further information, refer to Note 2 to the financial reports.

Administration costs
Administration costs during 2025 amounted to SEK 31,536 (40,492) thousand. All costs related to the option programs are included as part of the administrative costs, see Note 10 - Share-based payments.

Net financial items
Net financial items amounted to SEK 451 (846) thousand and is mainly affected by exchange rate adjustments.

Tax on the period's results
The Group's tax was SEK 8,165 (8,424) thousand. According to Danish tax law (the tax credit scheme), the subsidiary SynAct Pharma ApS is entitled to receive a tax income for a part of the expenses categorized as R&D up to a ceiling of DKK 25 million, which with a corporate tax of 22% gives a maximum income of DKK 5.5 million. See Note 13 to the financial statements for further information.

Profit for the period
The group's result for 2025 amounted to SEK 110,826 (82,401 thousand.

Liquidity, balance sheet and going concern
The Group's cash and cash equivalents as of 31 December 2025 amounted to SEK 53,406 (61,209) thousand. The claim on the Danish tax authorities resulting from the so-called "Tax credit scheme" (see Tax on the period's results above and Note 13 for more information) amounted to SEK 7,966 (8,469) thousand. The Company's credit under the "Tax credit scheme" for 2025 is estimated to be paid out in November 2026.

Prepaid costs amounted to SEK 4,562 thousand (18,366). The decrease since the comparison period is mainly due to the initial payments to the CRO managing the ongoing clinical study ADVANCE has been expensed during the year.

Cash flow amounted to SEK -6,872 thousand (-1,792). In financing activities, SEK 91.0 million refers to the issue amount from the directed share issue completed during the year that was completed in June and from the redeemed warrants that were exercised in July and August, respectively. Corresponding proceeds from the directed share issues of SEK 88.0 million carried out in 2024.

The Board of Directors evaluates the Company's financial position on an ongoing basis and has assessed that its current cash and cash equivalents are sufficient to finance the development plan and other communicated activities 12 months ahead.

Employees and remuneration to senior executives
At the end of the year, the number of employees amounted to 8 (5). 4 (3) employees were employed in research and development and 4 (3) in administration. During the reporting period, there have been consulting agreements on market terms between the Company and senior executives. See also Note 9 to the financial reports.

SynAct Pharma must offer market-based compensation levels and employment conditions that enable the ability to recruit and retain senior executives and key competence.

Incentive program
During 2025, SynAct has had a bonus program, approved by the board, that covers all employees. The bonus targets, which were shared by all staff, have been clearly defined milestones within the Company's research and development as well as other important projects. Target fulfillment has been reviewed by the Remuneration Committee and resolved by the Board. No other incentive programs affected the financial year.

At the annual general meeting in May 2024, two employee option programs were adopted, one for the Board of Directors and one for management and other employees. Both programs are described in more detail in Note 10 to the financial statements.

FIVE-YEAR REVIEW

Development of operations, results and financial position

Five-year overview - Group (SEK thousand)	2025	2024	2023	2022	2021
Net sales	-	-	-	-	-
Operating profit	-116,540	-89,980	-224,496	-105,705	-76,699
Profit after financial items	-118,991	-90,825	-224,276	-107,065	-76,809
Profit for the year	-110,826	-82,401	-215,810	-99,205	-69,304
Net assets	220,518	270,520	228,019	142,597	38,369
Equity/Assets (%)	77%	79%	77%	89%	54%
Loss per share (SEK)	-2.17	-2.08	-6.64	-3.60	-2.68
Research and developments costs / operating costs (%)	73%	55%	47%	66%	79%

Five-year overview - Parent Company (SEK thousand)	2025	2024	2023	2022	2021
Net sales	6,839	6,969	8,262	5,144	1,637
Profit after financial items	-98,144	-90,623	-149,529	-130,970	-60,966
Net assets	230,217	257,757	230,768	119,225	45,334
Equity/Assets (%)	94%	94%	93%	93%	89%

Guidelines for remuneration to senior executives

At the 2025 annual general meeting, the following guidelines were adopted for remuneration to senior executives. The board has not proposed any changes to the guidelines ahead of the 2026 annual general meeting.

Scope and applicability of the guidelines

These guidelines comprise the persons who are part of SynAct Pharma AB's ("SynAct" or the "Company") group management (including the CEO). The guidelines also encompass any remuneration to members of the board of directors, in addition to board remuneration.

These guidelines are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the annual general meeting 2025. For senior executives who carry out their assignments on a consultancy basis, the guidelines shall be applied in applicable parts. These guidelines do not apply to any remuneration resolved by the general meeting, such as e.g. board remuneration and share-based incentive programs.

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

SynAct is a clinical Phase 2 company that conducts research and development in inflammatory diseases. The Company has a platform technology based on a new class of drug candidates aimed at acute deterioration in chronic inflammatory diseases with the primary purpose of stimulating natural healing mechanisms. In brief, SynAct's business strategy is to drive projects into clinical development in order to secure proof-of-concept, i.e. support for clinical relevance. The Company's ambition is to conduct Phase 2 clinical studies, and then sign commercial agreements with one or more major pharmaceutical companies.

A successful implementation of SynAct's business strategy and safeguarding of SynAct's long-term interests, including its sustainability, require that the Company is able to recruit and retain highly competent senior executives with a capacity to achieve set goals. In order to achieve this, SynAct must offer a competitive total remuneration on market terms, which these guidelines enable.

Types of remuneration, etc.

The remuneration shall be on market terms and be competitive and may consist of the following components: fixed salary, variable cash remuneration, pension benefits and other benefits. For the individual senior executive, the level of remuneration shall be based on factors such as work duties, competence, experience, position, and performance. Additionally, the general meeting may – irrespective of these guidelines – resolve on, e.g. share and share price-related remuneration.

For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Fixed salary

The CEO and other senior executives shall be offered a fixed annual cash salary. The fixed salary shall be determined by taking into consideration the individual's competence, area of responsibility and performance. In general, a review should be made annually. For senior executives who carry out their assignments on a consultancy basis, consultancy fees shall be paid in accordance with approved invoicing principles.

Variable cash remuneration

In addition to fixed salary, the CEO and other senior executives may, according to separate agreements, receive variable cash remuneration. Variable cash remuneration covered by these guidelines is intended to promote SynAct's business strategy and long-term interests, including its sustainability.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one or several years. Variable cash remuneration may, for the CEO, amount to a maximum of 50 percent of the fixed annual salary, and for other senior executives, a maximum of 50 percent of the fixed annual salary. Variable cash remuneration shall not qualify for pension benefits, save as required by mandatory collective bargaining agreements.

The variable cash remuneration shall be linked to one or several predetermined and measurable criteria, which can be financial, such as milestone payments, revenue targets and budget adherence, or non-financial, such as achievement of clinical milestones. By linking the goals in a clear and measurable way to the remuneration of the senior executives to SynAct's financial and operational development, they contribute to the implementation of the Company's business strategy, long-term interests, and sustainability.

To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated and determined when the measurement period has ended. The Remuneration Committee is responsible for such evaluation. For financial objectives, the evaluation shall be based on the latest financial information made public by the Company. The board of directors shall have the possibility to, in whole or in part, reclaim variable cash remuneration paid on incorrect grounds.

Additional variable cash remuneration may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are only made on an individual basis, either for the purpose of recruiting or retaining senior executives, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. Such remuneration may not exceed an amount corresponding to 50 percent of the fixed annual salary and may not be paid more than once each year per individual. Any resolution on such remuneration shall be made by the board of directors based on a proposal from the Remuneration Committee.

Pension benefits

Pension benefits, including health insurance, shall be defined contribution, to the extent that the senior executive is not covered by defined benefit pension under mandatory collective bargaining agreements. Premiums for defined contribution pensions, including health insurance, may amount to a maximum of 30 percent of the fixed annual salary.

Other benefits
Other benefits may include life insurance, medical insurance and a company car. Premiums and other costs relating to such benefits may amount to a total of not more than 15 percent of the fixed annual salary.

Termination of employment and severance payment
Upon termination of an employment by SynAct, the notice period may not exceed twelve months. Severance pay, in addition to fixed salary and other remuneration during the notice period, may not exceed an amount corresponding to the fixed annual cash salary for twelve months. Upon termination by the senior executive, the notice period may not exceed six months.

Additional remuneration may be paid for non-compete undertakings in order to compensate for loss of income. Such remuneration shall only be paid in so far as the previously employed senior executive is not entitled to severance pay. The remuneration shall be based on the fixed annual salary at the time of termination of employment and amount to not more than 60 percent of the fixed annual salary at the time of termination of employment, subject to mandatory collective bargaining agreements, and shall be paid during the time as the non compete undertaking applies, however not for more than twelve months following termination of employment.

Salary and employment conditions for employees
In the preparation of the board of directors' proposal for these remuneration guidelines, salary and employment conditions for employees of SynAct have been taken into consideration by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the board of directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

Consultancy fees to the members of the board of directors
To the extent a member of the board of directors renders services for the Company, in addition to his or her assignment as a member of the board of directors, an additional consultancy fee on market terms may be paid to the member of the board of directors, or to a company controlled by such member of the board of directors, provided that such services contribute to the implementation of SynAct's business strategy and the safeguarding of SynAct's long term interests, including its sustainability.

Preparation and decision-making progress
The Remuneration Committee's duties include i.a. preparing the board of directors' resolution to propose guidelines for remuneration to senior executives. The board of directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines have been adopted by the general meeting. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration for the senior executives as well as the current remuneration structures and compensation levels in the Company. The members of the Remuneration Committee shall be independent in relation to the company and its senior management. The CEO and other members of the senior management do not participate in the board of directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Deviation from these guidelines
The board of directors may temporarily resolve to deviate from these guidelines, in whole or in part, if in a specific case there is special cause for the deviation and a deviation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the board of directors' resolutions in remuneration- related matters, which include any resolutions to deviate from these guidelines.

PARENT COMPANY

Revenues, profit, and financial position
The parent company SynAct Pharma AB (publ) owns and manages the shares in SynAct Pharma ApS and TXP Pharma AG. SynAct Pharma AB was registered on 12 April 2016 in connection with the preparations for the initial stock market introduction.

During 2025, management fees were charged within the group. In the parent company, SEK 6,839 (6,969) thousand have been reported as net sales and SEK 3,743 (3,969) thousand as administrative costs. The parent company's operating expenses amount to SEK 19,953 (29,328) thousand.

During the year, unconditional shareholder contributions have been provided to SynAct Pharma ApS with SEK 80,795 (61,377) thousand. The year's profit amounted to SEK 98,144 (90,623) thousand.

Cash and cash equivalents at the end of the year amounted to SEK 36,419 (46,752) thousand and equity has decreased to SEK 216,293 (241,360) thousand.

Financial risks
The parent company's financial risks essentially coincide with those of the group.

The share
As of 31 December 2025, the total number of shares outstanding amounted to 53,330,243 (46,487,467). All shares are ordinary shares and have equal rights to the company's profits, and each share entitles to one vote at the annual general meeting. At the annual general meeting, each person entitled to vote may vote for the full number of owned or represented shares without limitation in the number of votes. The quota value of the shares is SEK 0.125 per share.

According to the articles of association, the number of shares must be a minimum of 30,000,000 and a maximum of 120,000,000.

On July 12, 2022, the share was introduced for trading on Nasdaq Stockholm under the ticker SYNACT. Since the IPO in 2016 and until the listing on Nasdaq, the share was listed on the Spotlight Stock Market.

Ownership on December 31, 2025
The ten largest owners at the end of the year were:
- NBCD A/S 10,6%,
- Avanza pension 9,6%,
- Thomas Ringberg 5,1%,
- Bioinvest ApS 4,8%,
- Nordnet pensionsförsäkring 4,1%,
- Oliver Aleksov 2,1%,
- Handelsbankrn fonder 1,7%,
- Kenneth Bjerg-Nielsen 1,6%,
- Johannes Schildt 1,0%
- OR Invest A/S 1,0%.

Own shares
SynAct Pharma AB does not own any own shares.

Authorization
At the Annual General Meeting in May 2025, it resolved to authorize the Board of Directors to, on one or more occasions, during the period until the next Annual General Meeting, with or without deviation from the shareholders' preferential rights, and with or without provision for contribution in kind or set-off or other conditions, resolve on a new issue of shares, convertibles and/or warrants. The increase in the share capital may correspond to a dilution of a maximum of 20 per cent of the share capital at the time the authorisation is exercised for the first time. The reason for deviating from the shareholders' preferential rights is to enable the Company to raise working capital, carry out acquisitions of companies or operating assets, be able to expand the shareholder base with owners of strategic importance and enable issues to industrial partners within the framework of partnerships and alliances.

To the extent that the issue is made with deviation from the shareholders' preferential rights, the issue shall be made on market terms

Share issues
Directed issues
In January 2025, the company announced the outcome of the rights issue and resolved on a directed issue to guarantors and announced that the number of shares and votes has increased by 2,521,451 to 49,008,918 as a result of the rights issue, including the payment in shares to the guarantors resolved by the Extraordinary General Meeting on 13 December 2024.

On June 4, 2025, the Board of Directors resolved, based on the authorization granted by the Annual General Meeting on May 27, 2025, on a directed share issue of SEK 37 million before issue costs. Through the directed share issue, the number of shares will increase by 2,313,125 shares, of which 865,625 shares were registered on June 30. The remaining shares in the new share issue were registered on July 8.

Warrants
In July and August, 2,000,000 warrants were converted in accordance with the terms of the agreement with HCM announced on October 10, 2023. Through the conversion, the number of shares increased by 2,008,200 to 53,330,243.

Dividend policy
The Company has so far not paid any dividends and there are no guarantees that a dividend will be proposed or decided on in the Company for a given year. The Company does not plan to pay any dividends soon. Proposals for possible future dividends will be decided by the board of SynAct and then presented for decision at the annual general meeting. The Company has not adopted a dividend policy.

Proposed appropriation of profits

The annual general meeting has the following funds at its disposal:

Unrestricted equity of the parent company	SEK (thousand)
Other paid-in capital	812,125
Retained earnings	-504,354
Profit for the period	-98,144
Total unrestricted equity of the parent company	**209,626**

The board proposes that no dividend be paid for the financial year 2025 and that available funds are carried forward.

Significant events during the year and after the reporting period

2025

Q1

- **In January** the outcome of the rights issue was announced and that the company resolves on a directed issue of shares to guarantors. The Company announces that the number of shares and votes has increased by 2,521,451 as a result of the rights issue, including the payment in shares to the guarantors, which was resolved by the Extraordinary General Meeting on 13 December 2024.
- **In February** SynAct's Nomination Committee proposed Jeppe Ragnar Andersen as a new Board member.
- **In March,** the company announced that it had been granted a central patent in the United States regarding resomelagon (AP1189) and that the European Patent Office intends to grant a European patent covering the clinical formulation of resomelagon (AP1189).

Q2

- **In April,** the company announced the start of a phase 2 study with resomelagon (AP1189) for the treatment of patients with dengue fever.
- **In May**, the company received Issue Notification and Patent Term Adjustment for patents in the US regarding combination therapy with resomlagon (AP1189).
- **In June** it was announced that SynAct Pharma will raise a credit facility of SEK 30 million and carry out a directed share issue of SEK 37 million and that the number of shares has increased by 865,625 shares as of June 30. A majority of SynAct Pharma's Board of Directors and management have acquired shares worth more than SEK 1 million..

Q3

- **In July** SynAct received SEK 17.7 million after conversion of warrants and that the number of shares increased by 2,451,600 as a result of the directed share issue in June and conversion of warrants.
- **In August**, SynAct received SEK 17.7 million after a second conversion of warrants and that the number of shares increased by 1,004,100 as a result of the conversion
- **In September**, SynAct announces that Mads Bjerregard has been appointed Chief Business Officer and that warrants and share transactions have been carried out by Hunter Capital AB and Heights Capital Management. SynAct also announces that the Board of Directors has decided to propose an Extraordinary General Meeting to authorise the Board of Directors to decide on the acquisition and transfer of the company's own shares.

Q4

- **In October**, SynAct will convene an Extraordinary General Meeting on November 27, 2025.
- **In november**, SynAct announces that 190 patients are randomized in SynAct Pharma's phase 2b study ADVANCE and the Annual General Meeting will be held on November 27.
- **In December**, the company announces that the Nomination Committee for the 2026 Annual General Meeting of SynAct Pharma AB has been appointed. SynAct Pharma's management and chairman of the board buy shares and enter into lock-up agreements.

2026

Q1

- **In January**, the company announced that the Board of Directors had resolved to repurchase own shares and that Malin Wikstrand was appointed acting CFO. SynAct Pharma also announces that a Phase 2 study in patients with respiratory insufficiency has been initiated. .
- **In February**, SynAct announces that recruitment in the phase 2b study ADVANCE has been completed and that Ann Kristin Led has been appointed CFO.
- **In March**, it was announced that SynAct Pharma had completed a directed share issue of approximately SEK 51.9 million through an accelerated bookbuilding procedure and that the first patients in RESOVIR-2 study has been dosed.

Consolidated income statement

SEK (thousand)	Note	2025-01-01 -2025-12-31	2024-01-01 -2024-12-31
Net sales		-	-
Gross profit		**-**	**-**
Research and development costs		-85,614	-49,312
General and administration costs	6,8,9,10	-31,536	-40,492
Other operating income	5	861	136
Other operating expenses	5	-250	-311
Operating income	**7**	**-116,540**	**-89,980**
Financial income	11	1,419	2,112
Financial expenses	12	-3,870	-2,958
Profit after financial items		**-118,991**	**-90,825**
Tax on profit/loss for the year	13	8,165	8,424
Profit for the period attributable to the shareholders of Synact Pharma AB		**-110,826**	**-82,401**
Earnings per share, basic and diluted (SEK)	14	-2.17	-2.08

Consolidated statement of comprehensive income

SEK (thousand)	Note	2025-01-01 -2025-12-31	2024-01-01 -2024-12-31
Profit for the year		**-110,826**	**-82,401**
Other comprehensive income			
Items reclassifiable to profit or loss			
Exchange rate difference from conversion of foreign operations	23	-6,128	2,473
Other comprehensive income after tax for the year		**-6,128**	**2,473**
Comprehensive income attributable to the shareholders of Synact Pharma AB		**-116,955**	**-79,928**

Consolidated statement of financial position

ASSETS	Note	2025-12-31	2024-12-31
Subscribed but unpaid captial		-	19,845
NON-CURRENT ASSETS			
Intagible assets	15	147,821	154,593
Right-of-use assets	4,8	1,214	1,937
Financial non-current assets	16,17,28	135	144
Total non-current assets		**149,170**	**156,674**
CURRENT ASSETS			
Tax credit		7,966	8,469
Other current receivables	19	5,415	5,958
Prepaid expenses	20	4,562	18,366
Cash and cash equivalents	21	53,406	61,209
Total current assets		**71,348**	**94,001**
TOTAL ASSETS		**220,518**	**270,520**

EQUITY AND LIABILITIES	Note	2025-12-31	2024-12-31
EQUITY	23		
Share capital		6,666	5,811
Ongoing share issue		-	315
Other paid-in capital		835,340	762,803
Reserves		12,113	18,241
Retained earnings/losses including net profit		-683,828	-573,002
Total quity attributable to shareholders of Synact Pharma AB		**170,291**	**214,169**
NON-CURRENT LIABILITIES			
Deferred tax liability	13	17,502	18,304
Lease liabilities	8	595	1,286
Contingent earnout	24	8,036	7,973
Other provisions	25	2,569	331
Total non-current liabilities		**28,703**	**27,894**
CURRENT LIABILITIES			
Accounts payable	17,18	9,486	17,347
Lease liabilities	8	616	595
Other current liabilities		279	424
Accured expenses	26	11,143	10,092
Total current liabilities		**21,524**	**28,458**
TOTAL EQUITY AND LIABILITIES		**220,518**	**270,520**

Consolidated statement of changes in equity

SEK (thousand)	Note	Share capital	Ongoing new share issue	Other paid-in capital	Reserves	Retained earnings/losses including net profit	Total
Opening equity 2024-01-01		**4,446**	**-**	**646,572**	**15,768**	**-490,600**	**176,186**
Profit for the year		-	-	-	-	-82,401	-82,401
Other comprehensive income		-	-	-	2,473	-	2,473
Comprehensive income for the year		**-**	**-**	**-**	**2,473**	**-82,401**	**-79,928**
Transactions with owners:							
Employee option program		-	-	10,065	-	-	10,065
Directed share issues		1,365	-	92,777	-	-	94,141
Issue costs		-	-	-6,140	-	-	-6,140
Ongoing share issue (reg 2025-01-14)		-	315	19,530	-	-	19,845
Total transactions with owners		**1,365**	**315**	**116,231**	**-**	**-**	**117,911**
Closing equity 2024-12-31	**23**	**5,811**	**315**	**762,803**	**18,241**	**-573,002**	**214,169**
Opening equity 2025-01-01		**5,811**	**315**	**762,803**	**18,241**	**-573,002**	**214,169**
Profit for the year		-	-	-	-	-110,826	-110,826
Other comprehensive income		-	-	-	-6,128	-	-6,128
Comprehensive income for the year		**-**	**-**	**-**	**-6,128**	**-110,826**	**-116,955**
Transactions with owners:							
Employee option program		-	-	1,888	-	-	1,888
Ongoing share issue (reg 2025-01-14)		315	-315	-	-	-	-
Directed share issue		108	-	36,721	-	-	36,826
Directed share issue (reg 2025-07-08)		181	-	-	-	-	181
Conversion warrants		251	-	35,104	-	-	35,355
Issue costs		-	-	-1,176	-	-	-1,176
Total transactions with owners		**855**	**-315**	**72,536**	**-**	**-**	**73,077**
Closing equity 2025-12-31	**23**	**6,666**	**-**	**835,340**	**12,113**	**-683,828**	**170,291**

Equity as a whole is attributable to the shareholders of the parent company.

Consolidated statement of cash flow

SEK (thousand)	Note	2025-01-01 -2025-12-31	2024-01-01 -2024-12-31
Cash flow from operations			
Operating income		-116,540	-89,980
Adjustments for non-cash items	21	5,507	10,828
Interest received		440	778
Interest paid		-2,381	-978
Corporate income tax received		8,156	8,430
Cash flow from operations before change in working capital		**-104,818**	**-70,922**
Cash flow from change in working capital			
Change in operating receivables	19,20	13,301	-19,634
Change in accounts payable		-7,035	7,333
Change in operating liabilities	26	1,222	-5,974
Cash flow from operating activities		**-97,330**	**-89,197**
Investment activities			
Investments in financial non-current assets		-	-
Cash flow from investment activities		**-**	**-**
Financing activities			
New share issue		92,210	94,141
Issue costs		-1,176	-6,140
Amortization of lease liabilities	21	-576	-596
Cash flow from financing activities		**90,458**	**87,405**
Cash flow for the year		**-6,872**	**-1,792**
Cash and cash equivalents at the beginning of the year		**61,209**	**62,395**
Exchange rate differences in cash and cash equivalents		-932	607
Cash and cash equivalents at the end of the year	**21**	**53,406**	**61,209**

Notes - Group

NOTE 1 – GENERAL INFORMATION

This annual report and consolidated financial statements include the Swedish parent company SynAct Pharma AB (publ) ("SynAct" or the "Parent Company"), corporate registration number 559058-4826 and its subsidiaries (collectively, the "Group"). The Group's main business is to conduct the development of pharmaceuticals. The Parent Company is listed on Nasdaq Stockholm, with ticker SYNACT, since July 2022.

The Parent Company is a limited liability company registered with its registered office in Lund, Sweden. The address of the head office is Scheelevägen 2, 223 63 Lund, Sweden.

The financial statements for SynAct Pharma, for the financial year ending 31 December 2025, have been approved by the board and the CEO on April 15, 2026, and will be submitted to the Annual General Meeting on June 11, 2026, for approval.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE GROUP

Applied regulations

The consolidated financial statements have been prepared in accordance with international financial reporting standards (IFRS) issued by the International Accounting Standards Board (IASB) as established by the European Union (EU). In addition, the consolidated financial statements follow the recommendation of the Swedish Financial Reporting Council RFR 1, "Supplementary accounting rules for groups".

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in the Group's financial statements. The Group's accounting policies have been applied consistently by the Group's companies.

New or changed accounting standards during the financial year

None of the changes published are deemed to have a material effect on the Group's or the Parent Company's financial statements.

Other new or amended standards or interpretations published by the IASB are not expected to have a material impact on the Group's or the parent's financial statements.

Functional currency and reporting currency

The functional currency of the Parent Company is SEK, which also constitutes the reporting currency for the Parent Company and for the Group. This means that the financial statements are presented in SEK. All amounts are, unless otherwise stated, rounded to the nearest thousands of SEK.

Valuation basis and classification

The consolidated financial statements have been prepared in accordance with the cost method.

Consolidation

The consolidated financial statements include the Parent Company and all companies that are under control from the Parent Company. Controlling influence means that the parent company has influence over the investee, that the parent company is exposed to, or is entitled to, variable returns from its involvement in the investee and can use its influence over the investee to influence its return, which normally means that the parent company owns more than half of the voting rights for all shares and participation right. Subsidiaries' financial statements are included in the consolidated financial statements from the acquisition date until the date on which control ceases.

Intra-group transactions, balance sheet items, income, costs and unrealized gains and losses on transactions between group companies are eliminated.

Business combinations

Business combinations are recognized according to the acquisition method. The method implies that the acquisition of a business is considered a transaction in which the Group indirectly acquires the assets of an operating group and assumes its liabilities. The acquisition analysis determines the fair value on the acquisition date of acquired identifiable assets and liabilities and any non-controlling interests. Transaction expenses, except for transaction expenses attributable to the issuance of equity instruments or debt instruments, attributable to the acquisition are recognized as an expense in profit or loss for the year. In the case of business combinations where transferred remuneration exceeds the fair value of the acquired company's net assets, the difference is recognized as goodwill.

Foreign currency

Transactions in foreign currency

Transactions in foreign currency are converted into the functional currency at the exchange rate available on the day of the transaction. Monetary assets and liabilities denominated in foreign currency are converted into the functional currency at the exchange rate at the balance sheet date. Exchange differences arising from the translation are recognized in profit or loss for the year. Exchange gains and losses on operating receivables and operating liabilities are recognized in operating profit, while exchange gains and losses on financial receivables and liabilities are recognized as financial items.

Currency translation of foreign operations

Assets and liabilities in foreign operations are converted from the functional currency of the foreign operation to the Group's reporting currency, SEK, at the exchange rate prevailing on the balance sheet date. Revenues and costs in a foreign operation are converted into SEK at an average rate that constitutes an approximation of the exchange rates that existed at the respective transaction time. Translation differences arising from foreign exchange translation of foreign operations are recognized in other comprehensive income and accumulated in a separate component of equity, called translation reserve. On divestment the accumulated translation differences attributable to the business are realised by a foreign operation, reclassifying them from comprehensive income to profit or loss for the year.

Research and development expenses

Research and development expenses mainly consist of costs for the Group's development projects, including the development of the Group's drug candidates. The Group reports external development expenses based on an evaluation of determination rates using information provided by the Group's suppliers. For clinical studies, which make up a large part of the Group's development expenses, the phase-out rate is calculated based on an assessment of how many subjects (patients) are active or have completed the current study. Payments to contract suppliers for these activities are based on the terms of the individual agreements, and may differ from when the cost occurred, which is reflected in the Group's financial statements as a prepaid expense or an accrued expense.

Expenditure on research and development incurred by the company
Expenditure on research is expensed in the period in which it is incurred. Intangible assets attributable to development costs or a separate development project are recognized only when the Group can demonstrate that the technical feasibility exists for carrying out the project, the asset is deemed to give rise to future economic benefits and the expenses can be calculated in a reliable manner. The company assesses that these criteria are met in connection with the project undergoing phase 3 studies, market launch and when the conditions for activation are otherwise met. To date, the Group has expensed all development costs as the above criteria for capitalization have not been met.

General and administration expenses
General and administrative expenses consist of salaries and other related expenses for employees in the Group's management function as well as functions for finance, corporate governance, business development and other administrative functions. General and administrative expenses also include fees for services related to legal issues, accounting, auditing, tax and advice, travel expenses as well as costs for rent and other operating expenses.

Remuneration to employees
Short-term benefits
Short-term employee benefits such as salary, social security contributions, holiday pay and bonuses are expensed in the period when employees perform the services.

Pension
Within the Group, there are only defined contribution pension plans. Defined contribution pension plans mean that the Group pays contributions to a separate legal entity and the value change risks until the funds are paid fall on the employee. Thus, the Group has no further obligations after the fees have been paid. The pension costs for defined contribution pension plans are charged to earnings as employees perform their services. The obligations are calculated without discounting as payments for all plans are due within 12 months.

Compensation in the event of termination
A severance cost in connection with dismissals of personnel are reported only if the company is demonstrably obliged, without realistic possibility of withdrawal, of a formal detailed plan to terminate an employment for the normal time. When benefits are provided as one offer to encourage voluntary retirement, a cost is recognized if it is likely that the offer will be accepted and the number of employees who will accept the offer can be reliably appreciated.

Share-based payments
Share-based payments in the Group refer to option programs that enable employees to acquire shares in the company. The fair value of allotted options is reported as a personnel expense with a corresponding increase in equity. The fair value is calculated at the time of grant and allocated over the vesting period. The fair value of the options granted has been calculated using an adapted version of the Black & Scholes valuation model that takes into account the exercise price, the term of the option, the share price on the grant date and the expected volatility of the share price and risk-free interest rate for the term of the option. The cost reported corresponds to the fair value of an estimate of the number of options that are expected to vest, taking into account terms of service and non-market performance conditions. This cost is adjusted in subsequent periods to eventually reflect the actual number of vested options. However, an adjustment does not occur when forfeiture is solely due to market and/or non-vesting conditions.

Social security contributions attributable to share-based instruments to employees as remuneration for purchased services are expensed in an expense allocated to the periods during which the services are performed. The provision for social security contributions is based on the fair value of the options at the time of reporting.

Taxes
Income taxes consist of current tax and deferred tax. Income taxes are recognized in profit or loss for the year, except where the underlying transaction has been recognized in other comprehensive income or in equity, whereby the associated tax effect is recognized in other comprehensive income and in equity, respectively.

Current tax is tax to be paid or received in respect of the current year, applying the rates that are decided or effectively decided at the balance sheet date. Current tax also includes adjustment of current tax attributable to previous periods.

Deferred tax is recognized on all temporary differences arising between the tax base of assets and liabilities and their carrying amounts. Temporary differences attributable to shares in subsidiaries that are not expected to be returned in the foreseeable future are not taken into account.

The valuation of deferred tax is based on how underlying assets or liabilities are expected to be realized or settled. Deferred tax is calculated using the tax rates and tax rules decided or announced at the balance sheet date and expected to apply when the relevant deferred tax asset is realized, or the deferred tax liability is settled. Deferred tax liabilities and tax assets are set off as far as possible within the framework of local laws and regulations for taxation.

Deferred tax assets relating to deductible temporary differences and loss losses are recognized only to the extent that they are likely to be recoverable. The value of deferred tax assets is reduced when it is no longer considered likely that they can be used.

Lease agreements
At the conclusion of the agreement, the Group assesses whether it is a lease, that is, whether the agreement contains the right to control the use of an identified asset for a specified period of time in exchange for compensation. Except for short-term leases and low-value leases, the Group reports lease liabilities for future remaining lease payments and right-of-use assets that represent the right to use underlying assets.

The Group's leases ultimately consist of leases for premises.

Right-of-use assets
The Group reports right-of-use assets at the start date of the lease, at the time the underlying asset is available for use. Rights-of-use assets are measured at cost less accumulated depreciation and any impairment losses and are adjusted for any revaluation of lease liabilities. The cost of beneficial assets includes the amount of carrying lease liabilities, initial direct expenses and lease payments paid at or before the commencement date, less any benefits received in connection with the subscription of the lease.

Rights of use assets are depreciated on a straight-line basis over the estimated lease term of the asset, which is currently three years for the Group.

Lease liabilities
The Group recognizes lease liabilities calculated at the present value of all remaining lease payments over the estimated useful life at the commencement date. Lease payments consist of fixed fees less any leasing incentives that may be obtained and variable lease payments that are dependent on an index or interest rate. When calculating the present value of all remaining lease payments, the Group uses its marginal loan interest rate at the commencement date, since the interest rate implicit in the lease cannot be easily determined. After the commencement date, the lease liability is increased to reflect the interest rate and reduced for the lease payments paid. The carrying amount of lease liabilities is revalued in the event of any changes in the lease term or lease payments (including indexation).

Intangible assets
Intangible assets acquired separately are recognised at cost less accumulated depreciation and any impairment losses. Acquired intangible assets are initially measured at cost, which is the fair value at the time of acquisition.

Goodwill
Goodwill arising from a business combination is the difference between the cost of the business combination and the fair value of identifiable net assets. Goodwill is recognised as intangible assets and is measured at cost less any accumulated impairment losses. Goodwill is tested annually for impairment and when there is an indication of impairment. No amortization of goodwill is made and no impairment of goodwill is reversed.

Impairment
The carrying amounts of the Group's assets are tested for impairment if there is an indication of impairment.

Impairment testing for intangible assets and participation in subsidiaries
If there is an indication of impairment, the recoverable amount of the asset is calculated in accordance with IAS 36. For intangible assets with an indefinite useful life and intangible assets that are not yet ready for use, the recoverable amount is calculated annually.

An impairment loss is recognised by the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. For the purposes of impairment assessment, assets are grouped at the lowest levels where there are separate identifiable cash flows (cash-generating units). When calculating value in use, future cash flows are discounted using a discount rate that takes into account the risk-free interest rate and the risks associated with the asset.

Previously recognized impairment losses are reversed if the recoverable amount is deemed to exceed the carrying amount. However, no reversal is made of an amount that is greater than the carrying amount of the carrying amount of what it would have been if impairment losses had not been recognised in previous periods. However, any impairment of any goodwill is never reversed.

Financial assets and liabilities
Financial instruments are any form of agreement that gives rise to a financial asset in one entity and a financial liability or equity instrument of another entity. Financial instruments are classified at initial recognition, including based on the purpose for which the asset was acquired and managed. This classification determines the valuation of the instruments.

Accounting and write-off
A financial asset or financial liability is included in the balance sheet when the company becomes a party under the contractual terms of the instrument. Liability is recognised when the counterparty has performed and there is a contractual obligation to pay, even if the invoice has not yet been received.

A financial asset is removed from the balance sheet when the rights in the agreement are realized, mature, or the group of companies loses control over them. The same applies to part of a financial asset. A financial liability is removed from the balance sheet when the obligation in the contract is fulfilled or otherwise extinguished. The same applies to part of a financial liability. Gains and losses from removal from the balance sheet are recognized in the profit and loss.

A financial asset and financial liability are offset and recognized with a net amount in the balance sheet only when there is a legal right to set off the amounts and that there is an intention to settle the items with a net amount or to simultaneously realize the asset and settle the liability.

Impairment of financial assets
The Group's impairment model is based on expected credit losses and takes forward-looking information into account. A loss provision is made when there is an exposure to credit risk. Expected credit losses have been deemed to be immaterial, as the company's financial assets consist in all material respects of bank balances with banks with high credit ratings.

Cash and cash equivalents
Cash and cash equivalents consist of cash and cash equivalents and immediately available balances with banks and equivalent institutions.

Equity
Ordinary shares, other contributed capital and balanced income are classified as equity. Financial instruments that are deemed to meet the criteria for classification as equity are recognised as equity even if the financial instrument is legally designed as a liability. Transaction costs directly attributable to the issue of new shares are recognized net of tax in equity as a deduction from the issue proceeds. Exchange rate differences arising from the translation of financial statements from foreign operations are classified as reserves in equity.

Provisions
A provision differs from other liabilities in that there is uncertainty about the time of payment or the amount of the amount to settle the provision. A provision is recognised in the balance sheet when there is an existing legal or informal obligation because of an event occurring, and it is likely that a flow of financial resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are made with the amount that is the best estimate of what is required to settle the existing obligation at the balance sheet date. Where the effect of when payment is made is material, provisions are calculated by discounting the expected future cash flow.

Contingent liabilities
A contingent liability is recognized when there is a possible commitment arising from events that have occurred and whose occurrence is confirmed by one or more uncertain future events or when there is an obligation that is not recognized as a liability or provision because it is unlikely that an outflow of resources will occur.

Cash flow
The cash flow statement is prepared according to the indirect method. The cash flow recognized includes only transactions that have resulted in cash or cash payments, broken down by operating, investment and financing activities. Cash flows from receipts and payments are recognised gross, with the exception of transactions consisting of large amounts of deposits and payments relating to items that are traded rapidly and have a short maturity.

NOTE 3 - ASSESSMENTS AND ESTIMATES

The essential assumptions regarding future and essential sources of uncertainty in assessments and estimates at the time of reporting have a substantial risk of implying essential adjustments to valuation of assets and liability in the coming financial year. The Group has based its assumptions and estimates on available parameters when the consolidated accounts were established.

Preparing the financial statements in accordance with IFRS requires management to make assessments and estimates and make assumptions that affect the application of accounting policies and the carrying amounts of assets, liabilities, income and expenses. Actual outcome may differ from these estimates.

The estimates and assumptions are evaluated on an ongoing basis. Changes in estimates are recognized in the period in which the change is made if the change only affected that period, or in the period in which the change is made and future periods if the change affects both current and future periods.

Time of activation of intangible assets
The Group's leading pharmaceutical project, AP1189, is in the development phase called Phase 2. This means that it has passed the first stage of clinical development, Phase 1, where the safety of the drug candidate is evaluated. AP1189 has been tested in a number of Phase 2 studies. Phase 2 means that the preparation is tested in patients to evaluate safety and efficacy. Phase 3 studies are the last, with most often, pivotal studies of the drug in a large number of patients.

Activation of drug development expenses usually takes place at a late stage of Phase 3, or in connection with the submission of the registration application, depending on when the criteria are deemed met. The reason for this is that it is too uncertain before that whether it is technically possible to complete a commercializable product.

Overall, the risk in the AP1189 project is high. The risk consists of, among other things, safety and efficacy-related risks that may arise in clinical studies, regulatory risks related to applications for approval of clinical studies and market approval, as well as IP risks related to the approval of patent applications and the maintenance of patents.

All development work is therefore considered from an accounting point of view to be research because the work does not meet the criteria listed above. As of December 31, 2025, no internally generated development expenses have been recognized as intangible assets in the balance sheet as all the above criteria for activation have not been deemed to be met.

Clinical studies
Clinical studies constitute a significant part of the Group's costs. The degree of phase determination of an individual study is an essential assessment. To support this, the Group uses a model based on the degree of completion of the study after several milestones that shows how the clinical study is progressing, both in terms of documentation in different phases and in terms of the number of patients included in the study. Each milestone achieved corresponds to a fixed percentage of the estimated total cost of the study.

Assesment of the value of intangible assets
Intangible assets in the Company are attributable to development projects. They have arisen in connection with the acquisition of the company TXP Pharma AG and its associated product portfolio. In the acquisition analysis, TXP Pharma's lead candidate TXP-11 was identified as a separately identifiable asset. The value in the accounting was based on a valuation made by an external valuation specialist. See note 15 for a description of the key assumptions.

There is a significant risk of impairment of the intangible asset TXP-11 in the coming financial year in the event of negative changes in the material assumptions underlying the fair value measurement minus costs to sell for the cash-generating unit that includes TXP-11. The development timeline is one of the important assumptions underlying the value. To be able to complete the development as planned, the project requires necessary financial resources. The ability to allocate such financial resources to the project is dependent on the Company being able to acquire future financing and the value of the intangible asset is based on and dependent on the going concern assumptions.

Since impairment of goodwill may not be reversed, there is no risk of change in the carrying amount of goodwill in future periods. On the other hand, in the opinion of management, there is a significant risk of impairment of the intangible asset TXP-11 in the coming financial year in the event of negative changes in the material assumptions underlying the fair value measurement minus costs to sell for the cash-generating unit that includes TXP-11. See Note 15 for a description of the important assumptions.

Valuation of earn-outs
In the acquisition of TXP, there is a contingent purchase price to the sellers. This is highly dependent on the occurrence of future events. An important estimate in determining the value of the liability is thus the Group's assessment of the probability of any of the events triggering the earn-out occurring and the time to the event. Changes in the value of the contingent consideration are recognized in the income statement. See Note 24 for further information.

Losses carried forward
The Company's losses carried forward have not been valued and are not recognized as deferred tax assets. These losses carried forward are only reported when the Group has established a level of earnings that management deem is likely to lead to taxable profits. See also Note 13 - Tax on profit for the year.

The principle of going concern
The company makes a budget and/or forecast for the business. It forms the basis for the analysis of cash flow and liquidity. In connection with this, priorities are being set to ensure continued operations for several quarters to come. A basic principle used by the company is that funding must be available for the entire planned implementation of a clinical study.

Through the issue in June 2025 and conversion of warrants in July and August, the Company received approximately SEK 72 million before issue costs.. The directed share issue in March 2026 will provide the company with approximately SEK 52 million before issue costs. The Board of Directors evaluates the Company's financial position on an ongoing basis and has assessed that its current cash and cash equivalents are sufficient to finance the development plan and other communicated activities 12 months ahead.

NOTE 4 - OPERATING SEGMENT

An operating segment is a part of the Group that conducts operations from which it can generate revenue and incur costs and for which independent financial information is available. Identification of reportable segments is based on internal reporting to the chief executive decision-maker, which for the Group is the CEO. In this reporting, the Group is a segment.

Of the Group's fixed assets in the form of right-of-use assets, SEK 1,148 (1,830) thousand belong to Denmark and SEK 66 (106) thousand to Sweden.

NOTE 5 - OTHER OPERATING INCOME AND OPERATING EXPENSES

	Group 2025	Group 2024
Other operating income		
Other compensation and income	861	136
Total	**861**	**136**

	Group 2025	Group 2024
Other operating expenses		
Exchange rate differences	-250	-311
Total	**-250**	**-311**

NOTE 6 - FEES TO AUDITORS

	Group 2025	Group 2024
KPMG		
Audit fees	630	655
Other audit activities	141	110
Tax services	-	-
Total	**771**	**765**

Audit assignments refer to statutory audits of the annual accounts and accounts, as well as the management of the Board of Directors and the CEO, as well as audits carried out in accordance with contract or agreement. This includes other duties that it is up to the company's auditor to perform as well as advice or other assistance arising from observations during such review or the performance of such other duties.

Other audit activities are those services under specific agreement on financial statements.

NOTE 7 - COSTS PER COST TYPE

	Group 2025	Group 2024
External expenses	93,656	57,218
Employee expenses	23,495	32,586
Other operating expenses	250	311
Total	**117,401**	**90,116**

NOTE 8 - LEASES

The Group's lease agreements, consisting of right-of-use assets, relate to office premises. Right-of-use are amortized on a straight-line basis over the asset's estimated leasing period, which is currently three years for the Group.

The leases are short-term leases between 3-6 months and can be extended unless one of the parties terminates the lease with 1-3 months' notice. SynAct Pharma intends to extend the lease period during the estimated period of three years, thus the agreements are deemed to be right-of-use assets.

Future leasing fees are linked to the development in the index, however, there is a minimum level with a 2 percent increase per year.

	Group 2025-12-31	Group 2024-12-31
Right-of-use assets		
Opening balance	2,001	1,775
Additional agreements	-	2,001
Termination of agreements	-	-2,921
Re-evaluation of agreements	-	1,097
Exchange differences	-112	48
Closing balance accumulated aquisition values	**1,889**	**2,001**
Opening balance depriciation	-64	-1,115
Depriciation	-614	-617
Termination of agreements	-	1,700
Exchange differences	3	-33
Closing balance accumulated depreciation	**-675**	**-64**
Closing balance booked value	**1,214**	**1,937**

Depreciation of right-of-use assets is included in the income statement in the sub-item General and administration costs of SEK 614 (617) thousand.

	Group 2025-12-31	Group 2024-12-31
Lease liabilities		
Non-current lease liabilities	595	1,286
Current lease liabilities	616	595
Maturity analysis, non discounted future lease liabilities		
<12 months	607	624
1-2 years	676	710
>2years	-	716
Total	**1,283**	**2,051**

	Group 2025-12-31	Group 2024-12-31
Interest expenses attributable to lease liabilities	91	71
Costs attributable to short-term lease agreements	-	-
Costs attributable to lease agreements for which the underlying asset is of low value	-	-
Costs attributable to variable lease payments that are not included in lease liabilities	-	-
This year's lease payments in the Group	650	705

NOTE 9 - STAFF AND EMPLOYEE EXPENSES

Average number of employees	Number of employees	2025 Men	Number of employees	2024 Men
Parent company				
Sweden	2	1	2	1
	2	**1**	**2**	**1**
Subsidiaries				
Denmark	5	4	4	3
	5	**4**	**4**	**3**

Social security costs and Pension costs	2025	2024
Parent company		
Pension costs for the Board and senior executives	484	1,290
Pension costs for other employees	73	81
Social security costs	1,134	3,134
Subsidiaries		
Pension costs for senior executives	747	786
Pension costs for other employees	287	137
Social security costs	20	13
Total	**2,745**	**5,440**

Salaries and other remuneration, pension costs and social costs to the Board of Directors and senior executives and other employees

Salaries and other allowances	2025	2024
Parent company		
The Board of Directors and senior executives	3,176	9,080
Other employees	694	751
Subsidiaries		
Senior executives	9,958	6,442
Other employees	3,185	1,380
Total	**17,014**	**17,653**

Senior executives include the Board of Directors and the CEO and other senior executives

Gender distribution among the Board and senior executives	2025	2024
Share of women on the Board of Directors	0%	0%
Share of men on the Board of Directors	100%	100%
Share of women among other senior executives	0%	0%
Share of men among other senior executives	100%	100%

Disclosures regarding remuneration to the Board of Directors and senior executives

2025	Basic salary, board fees	Pension	Variable compensation	Remuneration for position	Other compensation	Total
Chairman						
Anders Kronborg	350	-	-	-	-	350
Board members						
Sten Scheibye	250	-	-	-	-	250
Sten Sörensen	215	-	-	-	-	215
Jeppe Ragnar Andersen	200	-	-	-	-	200
Senior executives						
CEO	2,471	245	467	-	-	3,183
Other senior executives (4)[1]	6,798	987	2,383	1,151	-	11,319
of which in subsidiary	*7,549*	*747*	*2,410*	*1,151*	-	
Total	**10,284**	**1,231**	**2,850**	**1,151**	**0**	**15,517**

2024	Basic salary, board fees	Pension	Variable compensation	Remuneration for position	Other compensation	Total
Chairman						
Anders Kronborg	350	-	-	-	-	350
Board members						
Sten Scheibye	250	-	-	-	-	250
Sten Sörensen	215	-	-	-	-	215
Senior executives						
CEO[2]	7,555	1,061	-	-	-	8,616
Other senior executives (4)[1]	7,153	1,015	-	1,837	-	10,004
of which in subsidiary	*6,442*	*786*	-	*1,837*	-	
Total	**15,522**	**2,076**	**0**	**1,837**	**0**	**19,435**

Remuneration of senior executives
Remuneration to the CEO and other senior executives consists of basic salary. Other senior executives refer to the 4 (4) persons who, together with the CEO, constituted Group management. Other senior executives refer to Chief Financial Officer, Chief Scientific Officer, Chief Business Officer and Chief Operating Officer.

1) Fees invoiced through own company for senior executives in SynAct Pharma
Fees to previous CBO via the company James Knight Consulting Inc amounting to SEK 1,151 thousand (1,837).

1) Basic salary
In addition to costs for the current CEO, costs for the CEO in 2024 also include costs for severance pay to the previous CEO amounting to SEK 3,600 thousand. Torbjørn Bjerke was CEO until the Extraordinary General Meeting in March 2024.

NOTE 10 - SHARE-BASED PAYMENTS

The purpose of the employee option programs is to secure a long-term commitment for the employees in the Company through a compensation system which is linked to the Company's future value growth. Through the implementation of a share-based incentive program, the future value growth in the Company is encouraged, which implies common interests and goals for the shareholders of the Company and employees. Such share-based incentive programs are also expected to increase the Company's possibilities to retain competent persons.

Employee Option Program 2024

At the Annual General Meeting on May 31, 2024, it was resolved to introduce a new employee option program, ESOP (for employees) and BSOP (for the Board of Directors). These employee option programs shall comprise a maximum of 3,097,228 employee stock options, 2,271,301 for ESOP and 825,927 for BSOP. The allotted employee options vest with 1/3 from the date that is 12, 24 and 36 months after the date of allotment. Previous option holders, who have waived the rights to the earlier options programs, will vest 25% directly as a compensation for the waiver. The option holders shall be able to exercise granted and vested employee options during the period starting on the day that falls 3 years after the date of allotment and ending on 30 June 2029. Each employee option entitles the holder to acquire one new share in the company. Exercise price amounting to SEK 12,25, corresponding to 175 percent of the volume-weighted average share price of the company's share on Nasdaq Stockholm during 10 trading days immediately prior to the day on which a participant is granted options. The employee options shall be granted free of charge, shall not constitute securities and shall not be transferable or pledged. The allotment of 3,097,228 of the options included in the program took place on June 1, 2024. During the year, 326,930 warrants were forfeited as a result of Björn Westberg and Kirsten Harting terminating their employment for the remaining vesting period.

Employee option program	Attotment date	Due date	Fair value in SEK at allotment	Exercise price, SEK	Volatility, %	Number of shares to which the options correspond
ESOP 2024	2024-06-01	2027-06-01	1.78	12.25	50	2,271,301
BSOP 2024	2024-06-01	2027-06-01	1.78	12.25	50	825,927

As of December 31, 2025, SynAct had 53,330,243 shares outstanding. If the outstanding options (1,944,371) for ESOP 2024 are vested and exercised in full, it would result in a dilution of 3.6%. If the outstanding options (825,927) for BSOP 2024 are vested and exercised in full, it would result in a dilution of 1.6%.

The costs for the programs ESOP and BSOP 2024 are estimated at SEK 8,038 thousand and refer to both the estimated cost of the value of the employees' services during the entire vesting period, valued at the market value at the time of allocation, and the estimated earned social security contributions related to Swedish participants. The costs for 2025 amounted to SEK 4,126 thousand (2,710).

Change in outstanding incentive programs (number of options)	Group 2025	Group 2024
As of January 1	**3,097,228**	**574,000**
Alloted instrument		
ESOP 2023 I	-	-
ESOP 2023 II	-	-
ESOP 2024	-	2,271,301
BSOP 2024	-	825,927
Recalled/voided instruments		
ESOP 2023 I[1]	-	-105,000
ESOP 2023 II[1]	-	-404,000
ESOP 2024	-326,930	-
Instrument decided, not allocated		
ESOP 2023 II[1]		-65,000
As of December 31	**2,770,298**	**3,097,228**

1)The Board of Directors resolved, and with the introduction of the new employee stock option program, to terminate the Employee Stock Option Program 2023 I ("ESOP 2023 I") and the Employee Stock Option Program 2023 II ("ESOP 2023 II"). All participants in these programs have accepted the termination of the programs.

Calculation of fair value of employee stock option programs:
Fair value on the grant date has been calculated using an adapted version of the Black & Scholes valuation model that takes into account the exercise price, the term of the option, the share price on the grant date and the expected volatility of the share price and risk-free interest rate for the term of the option.

NOTE 11 - FINANCIAL INCOME

	Group 2025	Group 2024
Other interest income	765	230
Exchange rate differences	654	1,882
Total	**1,419**	**2,112**

Exchange rate differences refer to lending from the Parent Company to the subsidiary during the year. All financial income is attributable to financial assets valued at amortized cost.

NOTE 12 - FINANCIAL EXPENSES

	Group 2025	Group 2024
Other interest expense	-902	-820
Exchange rate differences	-2,968	-2,137
Total	**-3,870**	**2,958**

Exchange rate differences refer to lending from the Parent Company to the subsidiary during the year. All financial expenses are attributable to financial liabilities measured at amortized cost.

NOTE 13 - TAX ON PROFIT FOR THE YEAR

	Group 2025	Group 2024
Current tax[1]	8,165	8,424
Reported tax	**8,165**	**8,424**
Reconciliation of effective tax rate		
Profit before tax	-118,991	-90,825
Tax at the current tax rate for the Parent Company 20.6% (20.6%)	24,512	18,710
Tax effect of:		
- other tax rates for foreign subsidiaries	1,117	421
- deducible costs reported in eqiuty	242	1,265
- tax decuction for research and development costs	1,434	744
- non-deductible costs	-168	-1,294
- non-deductible income	-	-1
- temporary differences for which deffered tax is not reported	367	255
- increase in loss deduction without corresponding activation of deferred tax	-19,337	-11,676
Reported tax	**8,165**	**8,424**
Effective tax rate	6,9%	9.3%
Reconciliation of deferred tax		
Amount at beginning of year	18,304	18,016
Additional assets from business combinations	-	-
Translation difference	-802	288
Closing carrying amount	**17,502**	**18,304**

1) According to Danish tax law (the tax credit scheme), the subsidiary SynAct Pharma ApS can receive a current tax revenue for part of the expenses that are directly attributable to the company's research and development. Offset research and development expenses that entail received tax revenue, reduce the company's tax deficit deduction by the corresponding amount. SynAct Pharma ApS can deduct a maximum of tax deficits attributable to research and development up to DKK 25 million per year. This corresponds to DKK 5.5 million as possible tax revenue, as the tax rate in Denmark is 22%.

The Group has tax deductions for issue costs totaling SEK 1,176 (6,140) thousand that are reported directly in equity. No deferred tax has been recognized for these.

There are tax loss deductions for which deferred tax assets have not been recognized in the balance sheet amounting to SEK 174,649 thousand (157,653) in Sweden and tax loss deductions in Denmark amounting to SEK 286,461 thousand (228,191) and they have no time limit. There are tax loss deductions in Switzerland amounting to SEK 38,954 thousand (32,738), which has a time limit of 7 years. Deferred tax assets have not been recognised for these items, as it is not likely that the Group will use them to offset future taxable profits.

NOTE 14 - EARNINGS PER SHARE

	Group 2025	Group 2024
Basic and diluted earnings per share		
Profit for the year attributable to shareholders of the Parent Company	-110,826	-82,401
Average number of ordinary shares outstanding	51,082,424	39,532,72
Basic and diluted earnings per share (SEK)	-2,17	-2.08

For the calculation of earnings per share, the weighted average number of ordinary shares outstanding is adjusted.

NOTE 15 - INTANGIBLE ASSETS AND IMPAIRMENT TESTING

	Acquired Intangible Asset - Development Project	Goodwill	Total
Accumulated acquisition values			
Opening balance	154,593	74,558	229,151
Acquisitions for the year	-	-	-
Translation difference	-6,772	-	-6,772
Outgoing balance	**147,821**	**74,558**	**222,379**
Accumulated depreciation and amortization			
Opening balance	-	-74,558	-74,558
Write-down for the year	-	-	-
Translation difference	-	-	-
Outgoing balance	**0**	**-74,558**	**-74,558**
Closing carrying amount	**147,821**	**0**	**147,821**

The intangible assets have been acquired through the acquisition of TXP Pharma AB during 2023. The carrying amount of Development Projects refers to TXP Pharma's lead candidate, TXP-11. The asset will be depreciated from the time it is available for use. TXP Pharma is considered to be a cash-generating unit and since it contains a significant goodwill value, an impairment test has been performed in accordance with IAS 36.

The impairment testing for the cash-generating unit TXP Pharma was based on a calculation of fair value minus costs to sell. Fair valuation is included in level 3 and is based on input data in a valuation model.

The valuation is based on a probabilistic cash flow model. Impairment testing of intangible assets is a significant estimate and assessment as several assumptions about future conditions and estimates of parameters are made when calculating the recoverable amount of cash-generating units. The most critical assumptions are considered to be assumptions about the timing of potential commercialization, costs for clinical development, probability of reaching the market, market size, sales volume and sales price, and the discount rate.

Important parameters	Method of estimating values
Timing of potential commercialization	Based on management's strategic plan for the clinical development programs and the expected lead times for the different clinical phases.
Costs for clinical development	Based on management's estimated costs for the development program and benchmarking against statistics on average development costs for studies in the relevant medical field.
Probability of reaching the market	Based on external sources of information in the form of data from the study of the results of a large number of development programs.
Market size	Based on external sources of information such as studies with estimates of future occurrence of organ failure in relevant markets and the proportion of these that are at a stage that is expected to be treatable with the company's drugs.
Sales volumes	Estimation of potential future market share based on, among other things, analysis of competing projects and which number in the order to the market the company's drug is expected to be. External sources of information such as analysis of market share at different points in time after first drug on the market and therapeutic benefit of the medicine.
Sales price	Based, among other things, on analysis of corresponding current prices for comparable treatments.
Discount rate	The discount factor of 15% has been determined by taking into account the risk-free rate and the risk associated with the specific asset.

The impairment test carried out did not result in any impairment of the intangible assets. The impairment test has taken into account the updated strategic plan adopted by the Board of Directors and the value of TXP has not been negatively affected by delays in the development of both the most advanced peptide agonist, TXP-11, and other projects in the TXP portfolio.

In connection with the impairment assessment, sensitivity analyses have been carried out regarding changes in the most potentially variable parameters, which have a significant impact on the calculation of the discounted cash flows.

Parameter	Base value	Change (10%)	Value increase (MUSD)	Value decrease (MUSD)
Clinical costs	45 MUSD	4.5 MUSD	+1.15	-0.34
Probabilities of success in preclinical phase	75%	7.5%	+4.05	-3.39
Top sales	1 820 MUSD	182 MUSD	+2.14	-4.74
Discount rate	15%	1.5%	+7.75	-6.24

A major change in a single parameter could result in further impairment. Overall, however, the assessment is that no write-down is relevant as the individual parameters can also have a positive change to at least the same extent.

NOTE 16 - FINANCIAL NON-CURRENT ASSETS

	Group 2025	Group 2024
Opening balance acquisition cost	144	139
Deposit paid	-	-
Deposits refunded	-	-
Exchange rate difference	-9	5
Reported non-current financial assets	**135**	**144**

Non-current financial assets consists of deposits of DKK 93 thousand.

NOTE 17 - FINANCIAL ASSETS AND LIABILITIES

Financial assets measured at amortized cost	Group 2025-12-31	Group 2024-12-31
Financial assets		
Financial non-current assets	135	144
Cash and cash equivalents	53,406	61,209
Total	**53,541**	**61,353**

Financial liabilities measured at amortized cost	Group 2025-12-31	Group 2024-12-31
Financial liabilities		
Accounts payable	9,486	17,347
Accrued expenses	11,143	10,092
Total	**20,629**	**27,439**

Financial assets and liabilities valued at accrued acquisition value correspond in substance to fair value.

Financial liabilities at fair value through profit or loss	Group 2025-12-31	Group 2024-12-31
Financial liabilities		
Contingent earn-out	8,036	7,973
Total	**8,036**	**7,973**

Financial liabilities measured at fair value consist of contingent earn-out liabilities attributable to the TXP acquisition. The fair value of the contingent earn-out has been calculated based on the expected outcome of events described in the agreement, see Note 24 Contingent earn-out for more information.

Fair value has been calculated as the risk-adjusted discounted present value of the payment. The measurement is in accordance with level 3 of the valuation hierarchy, which means that it is based on unobservable input data.

NOTE 18 - FINANCIAL RISKS

Through its operations, the Group is exposed to different types of financial risks; credit risk, market risks (currency risk, interest rate risk and other price risk) and liquidity risk. The Group's overall risk management focuses on the unpredictability of the financial markets and strives to minimize potential adverse effects on the Group's financial results.

The Group's financial operations and risks are handled centrally by the Parent Company through the Group's CFO and CEO. The overall objective of financial risks is to provide cost-effective financing and settlement management and to ensure that all payment commitments are managed in a timely manner.

The Board of Directors prepares written principles for both overall risk management and for specific areas such as credit risks, currency risks, interest rate risks, refinancing risks, liquidity risks and the use of derivatives and the placement of over-liquidity.

Credit risk
Credit risk is the risk that the Group's counterparty in a financial instrument is unable to fulfil its obligation and thereby cause the Group a financial loss. The Group's exposure to credit risk is related to the credit risk in bank balances in banks with credit rating AA.

Market risks
Market risk is that the risk of fair value or future cash flows from a financial instrument varies due to changes in market prices. The market risk affecting the Group consists of currency risk. At present, the Group does not have any loans or holdings that expose the Group to interest rate risk or other price risk.

Currency risk
Currency risk is the risk that fair value or future cash flows from a financial instrument will vary due to changes in foreign exchange rates. The main exposure stems from the Group's purchases in foreign currencies. This exposure is referred to as transaction exposure. Currency risks are also found in the translation of foreign operations' assets and liabilities into the parent company's functional currency, so-called translation exposure.

Transaction exposure
Transaction exposure from contracted payment flows in foreign currency is limited in the Group. See the table to the right for exposure in each currency.

Currency exposure 2025 (%)	Operating income	Operating expenses
EUR	-	44%
DKK	-	29%
SEK	-	19%
Other currencies	-	8%

Currency exposure 2024 (%)	Operating income	Operating expenses
EUR	-	41%
DKK	-	25%
SEK	-	24%
Other currencies	-	9%

As can be seen from the table above, the Group's main transaction exposure consists of EUR and DKK. A 10% stronger EUR against SEK would have a negative impact on profit after tax and equity of approximately SEK -3,779 (-4,326) thousand. A 10% stronger DKK against SEK would have a negative impact on profit after tax and equity of approximately SEK -2,495 (-2,601) thousand.

Translation exposure
The Group has a translation exposure that arises when translating foreign subsidiaries' earnings and net assets to SEK. The translation exposure on the balance sheet date in DKK amounts to SEK 29,396 thousand (38,661). A 10% stronger SEK against DKK would have a negative impact on equity of approximately SEK -2,940 thousand (-3,866). The translation exposure on the balance sheet date in CHF amounts to SEK 8,428 thousand (19,429). A 10% stronger SEK against CHF would have a negative impact on equity of approximately SEK -843 thousand (-1,943).

The Group also has a translation exposure that arises from the translation of foreign accounts payable to SEK. As of the balance sheet date, this exposure amounts to SEK 2,507 thousand (1,433) in DKK and SEK 5,346 thousand (15,148) in EUR. A 10% stronger DKK against SEK would have a negative impact on profit after tax and equity of approximately SEK -187 thousand (-143). A 10% stronger EUR against SEK would have a negative impact on profit after tax and equity of approximately SEK -535 thousand (-1,515).

Refinancing risk
Refinancing risk refers to the risk that cash and cash equivalents are not available, and that financing can only be partially or not obtained at all or at an increased cost. The Group is currently financed with new issues, i.e. ownership financing and is thus not exposed to risks related to external loan financing. The main risks therefore relate to the risk of not receiving additional contributions and investments from owners.

Liquidity risk
Liquidity risk is the risk that the Group will have difficulties in fulfilling its obligations related to financial liabilities. The Board manages liquidity risks by continuously monitoring cash flow to reduce liquidity risk and ensure solvency. Given that the Company does not currently have its own earning capacity, the Board conducts long-term work with owners and independent investors to ensure that liquidity is available to the Company when the need arises.

The Group's contractual and undiscounted interest payments and repayments of financial liabilities are shown in the table below. Amounts in foreign currency have been translated into SEK at the closing date's rate. Liabilities have been included in the period when repayment can be required at the earliest.

Maturity analysis	2025-12-31			2024-12-31		
	<6 months	6-12 months	>12 months	<6 months	6-12 months	>12 months
Accounts payable	9,486	-	-	17,347	-	-
Accrued expenses	6,396	4,747	-	6,472	3,620	-

Capital management
The Group's goal regarding the capital structure is to secure the Group's ability to continue its operations, so that it can generate returns to shareholders and benefits for other stakeholders and keep the cost of capital down. The company's ability to return depends on the quality and value of generated research results, which is evaluated on an ongoing basis by company management and the Board of Directors.

NOTE 19 - OTHER CURRENT RECEIVABLES

	Group 2025-12-31	Group 2024-12-31
VAT receivables	5,066	5,657
Other receivables	348	300
Total	**5,415**	**5,958**

NOTE 20 - PREPAID EXPENSES

	Group 2025-12-31	Group 2024-12-31
Prepaid expenses for R&D	2,425	18,068
Other prepaid expenses	2,136	298
Total	**4,562**	**18,366**

Prepaid expenses for R&D refer to initial payments to the CRO that has the main responsibility for the ongoing ADVANCE study. The payments are expensed during the course of the study and during the three months before and after.

NOTE 21 - CASH AND CASH EQUIVALENTS

	Group 2025-12-31	Group 2024-12-31
Cash		
Available balance	53,406	61,209
Total	**53,406**	**61,209**

Cash relates to bank balance, predominantly in SEK.

	Group 2025-12-31	Group 2024-12-31
Non-cash items in cash flow report:		
Depreciations	628	614
Employee option program	1,888	10,065
Provisions	2,238	328
Capital gain	-	-51
Unrealized exchange rate differences	754	-129
Total	**5,507**	**10,828**

Reconciliation of liabilities from financing activities

	2025-01-01	Cash-Flow	Non-Cash items	2025-12-31
Lease liabilities	1,880	-576	-93	1,211
Total	**1,880**	**-576**	**-93**	**1,211**

Reconciliation of liabilities from financing activities

	2024-01-01	Cash-Flow	Non-Cash items	2024-12-31
Lease liabilities	637	-596	-1,839	1,880
Total	**637**	**-596**	**-1,839**	**1,880**

NOTE 22 - GROUP COMPANIES

Company	Main activity	Country	Share 2025	Share 2024
SynAct Pharma AB	Research, development and commercializaiton of pharmaceuticals	Sweden	Parent company	
SynAct Pharma ApS	Research and development of pharmaceuticals	Denmark	100%	100%
TXP Pharma AG	Research and development of pharmaceuticals	Switzerland	100%	100%

NOTE 23 - EQUITY

Share capital and other capital contributed

	Number of shares	Share capital	Other capital contributed
By December 31, 2023	**35,570,980**	**4,446**	**646,572**
Directed issue resolved in Mar 2024	5,725,484	716	46,910
Directed issues resolved in Nov 2024	5,191,003	649	39,727
Employee option program	-	-	10,065
Ongoing share issue (reg 2025-01-14)	-	-	19,530
By December 31, 2024	**46,487,467**	**5,811**	**762,803**
Directed share issue (reg 2025-01-14)	2,521,451	315	-
Directed share issue	2,313,125	286	35,545
Conversion warrants	1,004,100	126	17,552
Conversion warrants	1,004,100	126	17,552
Employee option program	-	-	1,888
By December 31, 2025	**53,330,243**	**6,666**	**835,340**

Share capital

All shares are fully paid and no shares are reserved for transfer. All shares are ordinary shares, give equal rights to capital and carry one vote. The quota value amounts to SEK 0.125. No shares are held by the company itself or its subsidiaries.

Other capital contributed

Other contributed capital consists of capital contributed by the company's owners, a premium on subscription of shares and other financing that is recognized as equity.

Translation reserve

Reserves refer in full to conversion reserves. The translation reserve includes all exchange rate differences that arise when translating financial statements from foreign operations.

Translation reserve	2025-12-31	2024-12-31
Opening carrying amount	18,241	15,768
Change of the year	-6,128	2,473
Closing carrying amount	**12,113**	**18,241**

NOTE 24 - CONTINGENT EARN-OUT

	Group 2025-12-31	Group 2024-12-31
Amount at beginning of year	7,973	7,248
Additional assets from business combinations	-	-
Change in fair value	797	725
Revaluation effect	-734	-
Closing carrying amount	**8,036**	**7,973**

The provision for earnout is based on a number of events, and can amount to a maximum of SEK 55 million; (i) positive results of a Phase 2a study (leading to the start of Phase 2b or Phase 3), (ii) divesting or out-licensing of one or more TXP projects, or (iii) the sale of TXP.

Contingent earn-out is classified as financial liabilities which are remeasured at fair value each reporting period. Any revaluation gains and losses are recognized in the consolidated income statement. The fair value of the expected settlement of the earn-out has been calculated as the risk-adjusted discounted present value of the payment. The estimated expected settlement will vary over time depending on, among other things, the probability of any of the events occurring, the time to the event and development of the discount rate. The calculation as of 2025-12-31 is based on a discount rate of 10%. The measurement is in accordance with level 3 of the valuation hierarchy, which means that it is based on unobservable input data.

NOTE 25 - PROVISIONS

	Group 2025-12-31	Group 2024-12-31
Provision for social security contributions for share-based payments	2,569	331
Total	**2,569**	**331**

The provision for social security contributions is based on the fair value of the options at the time of reporting.

NOTE 26 - ACCRUED COSTS AND DEFERRED INCOME

	Group 2025-12-31	Group 2024-12-31
Accrued salary and fees	4,747	3,620
Accrued expenses related to R&D	5,271	-
Accrued issue costs[1]	-	4,502
Other accrued expenses	1,125	1,970
Total	**11,143**	**10,092**

1) Accrued issue costs attributable to the three issues completed in December 2024 and the two issues completed in January 2024.

The change in accrued R&D costs since the comparison period is due to provisions for the ongoing studies ADVANCE, RESPIRE and START.

NOTE 27 - RELATED PARTY TRANSACTIONS

In addition to salaries and other remuneration (including invoiced) to the executive management, fees to the Board of Directors, in accordance with resolutions of the Annual General Meeting, to the Board of Directors and intra-group transactions, the following transactions have taken place with related parties during the reporting period. For information on remuneration to senior executives, see Note 9 - Employees and personnel costs.

Related transactions have been made with NBCD A/S (CRO) of approximately SEK 37.9 million and with James Knight Consulting Inc. (Jim Knight, former CBO) of approximately SEK 1,151 thousand and ResoTher Pharma of approximately SEK 750 thousand.

The company has entered into an agreement with Boesen Biotech ApS regarding the transfer of intellectual property rights. The agreement has not involved any financial transactions in reported periods. See Note 28 - Pledges, contingent liabilities and other commitments for more information.

NOTE 28 - PLEDGES, CONTINGENT LIABILTIES AND OTHER COMMITMENTS

Pledges
In the Group, collateral pledges amount to SEK 135 (144) thousand, which consists of deposits.

Contingent liabilities
In March 2021, the subsidiary SynAct Pharma ApS acquired the rights regarding a number of innovative chemical molecules from Boesen Biotech ApS, a company controlled by COO Thomas Boesen. The transfer took place free of charge, but Boesen Biotech ApS is entitled under the agreement to receive milestone payments and royalties in the future related to any progress in the Company's development and commercialization of products based on these rights. Upon completion of defined milestones, Boesen Biotech ApS may receive up to a maximum of DKK 4.5 million in payment. In the event of a future commercialization of the product where these IP rights are used, Boesen Biotech ApS is entitled to royalties amounting to 3% of net sales for 10 years from launch and with a maximum amount of DKK 500 million. As the compensation that may be paid to Boesen Biotech is not considered safe or likely commitments for SynAct, they are not recognized as a liability (accrued or provision). Based on current plans, a first milestone payment that will not be charged to the income statement and balance sheet in 2026 at the earliest and have a cash flow effect no earlier than 2027.

Other commitments
There are no other commitments in the Group.

NOTE 29 - EVENTS AFTER THE END OF THE PERIOD

January 9, 2026	The Board of Directors of SynAct Pharma AB (publ) has resolved on the repurchase of own shares.
January 19, 2026	SynAct Pharma appoints Malin Wikstrand as interim CFO.
January 30, 2026	SynAct Pharma initiates Phase 2 study in respiratory insufficiency
February 6, 2026	SynAct Pharma successfully reached recruitment goal in Ph2b ADVANCE study
February 17, 2026	Repurchase of shares in Synact Pharma AB
February 24, 2026	SynAct Pharma appoints Ann Kristin Led as Chief Financial Officer
March 2, 2026	SynAct Pharma has carried out a directed issue of new shares of approximately 51.9 MSEK,

Parent Company Income Statement

SEK (thousand)	Note	2025-01-01 -2025-12-31	2024-01-01 -2024-12-31
Net sales	19	6,839	6,969
Gross profit		**6,839**	**6,969**
General and administration costs	2,3,4,19	-19,856	-29,316
Other operating expenses		-97	-11
Operating profit		**-13,115**	**-22,359**
Results from shares in group companies	5	-82,266	-67,521
Other interest income and similar profit items	6	977	2,036
Interest expense and similar profit and loss items	7	-3,741	-2,779
Profit from financial items		**-85,029**	**-68,264**
Profit after financial items		**-98,144**	**-90,623**
Tax on profit for the year	8	-	-
Profit for the year		**-98,144**	**-90,623**

Parent Company Statement of comprehensive income

SEK (thousand)	Note	2025-01-01 -2025-12-31	2024-01-01 -2024-12-31
Profit for the year		-98,144	-90,623
Other comprehensive income		-	-
Comprehensive income for the year		**-98,144**	**-90,623**

Parent Company Balance Sheet

ASSETS	Note	2025-12-31	2024-12-31
Subscribed but unpaid capital		-	19,845
NON-CURRENT ASSETS			
Financial non-current assets			
Shares in group companies	9	180,473	181,207
Total		**180,473**	**181,207**
Total non-current assets		**180,473**	**181,207**
CURRENT ASSETS			
Short-term receivables			
Receivables from group companies	19	11,318	9,065
Other current receivables	12	216	553
Prepaid expenses	13	1,789	335
Total		**13,324**	**9,953**
Cash and cash equivalents	10,14	36,419	46,752
Total current assets		**49,743**	**56,705**
Total assets		**230,217**	**257,757**

EQUITY AND LIABILITIES	Note	2025-12-31	2024-12-31
EQUITY	15		
Restricted equity			
Share capital		6,666	5,811
Ongoing new share issue		-	315
Total restricted equity		**6,666**	**6,126**
Unrestricted equity			
Share premium reserve		812,125	739,588
Retained earnings		-504,354	-413,731
Net loss for the year		-98,144	-90,623
Total unrestricted equity		**209,626**	**235,234**
Total equity		**216,296**	**241,360**
NON-CURRENT LIABILITIES			
Contingent earnout		8,036	7,973
Other provisions		2,569	331
Total non-current liabilities	**16**	**10,606**	**8,304**
CURRENT LIABILITIES			
Accounts payable	10,11	365	684
Other current liabilities		264	288
Accrued expenses	10,11,17	2,689	7,121
Total current liabilities		**3,318**	**8,093**
Total liabilities		**13,924**	**16,397**
TOTAL EQUITY AND LIABILITIES		**230,217**	**257,757**

Parent Company Statement of changes in Equity

	NOTE	RESTRICTED EQUITY		UNRESTRICTED EQUITY			
		Share capital	Ongoing new share issue	Share premium reserve	Retained earnings	Net loss for the year	Total
Opening equity 2024-01-01		**4,446**	**-**	**623,357**	**-264,203**	**-149,529**	**214,072**
Reversal results previous year					-149,529	149,529	-
Profit for the year						-90,623	-90,623
Other comprehensive income		-	-	-	-	-	-
Comprehensive income for the year		**-**	**-**	**-**	**-149,529**	**-90,623**	**-240,151**
Transactions with owners:							
Employee option program		-	-	10,065	-		10,065
Directed share issues		1,365	-	92,777	-		94,141
Issue costs		-	-	-6,140	-		-6,140
Ongoing share issue (2025-01-14)		-	315	19,530	-		19,845
Total transactions with owners		**1,365**	**315**	**116,231**	**-**		**117,911**
Closing equity 2024-12-31	**15**	**5,810**	**315**	**739,588**	**-413,731**	**-90,623**	**241,360**

	NOTE	RESTRICTED EQUITY		UNRESTRICTED EQUITY			
		Share capital	Ongoing new share issue	Share premium reserve	Retained earnings	Net loss for the year	Total
Opening equity 2025-01-01		**5,810**	**315**	**739,588**	**-413,731**	**-90,623**	**241,360**
Reversal results previous year					-90,623	90,623	-
Profit for the year						-98,144	-98,144
Other comprehensive income		-	-	-	-	-	-
Comprehensive income for the year		**-**	**-**	**-**	**-90,623**	**-98,144**	**-188,767**
Transactions with owners:							
Employee option program		-	-	1,888	-	-	1,888
Directed share issue (reg 2025-01-14)		315	-315	-	-	-	-
Directed share issue		108	-	36,721	-	-	36,829
Directed share issue (reg 2025-07-08)		181	-	-	-	-	181
Conversion warrants		251	-	35,104	-	-	35,355
Issue costs		-	-	-1,176	-	-	-1,176
Total transactions with owners		**855**	**-315**	**72,536**	**-**	**-**	**73,077**
Closing equity 2025-12-31	**15**	**6,666**	**-**	**812,125**	**-504,354**	**-98,144**	**216,293**

Parent Company Statement of Cash Flow

SEK (thousand)	Note	2025-01-01 2025-12-31	2024-01-01 2024-12-31
Operating activities			
Operating income		-13,115	-22,359
Adjustments for non-cash items		1,430	4,243
Interest received		6	-
Interest paid		-13	-12
Cash flow from operating activities before changes in working capital		**-11,693**	**-18,128**
Changes in working capital			
Change in operating receivables		-3,546	-4,525
Change in accounts payable		-319	119
Change in operating liabilities		-5,014	-1,471
Cash flow from operating activities		**-20,572**	**-24,005**
Investing activities			
Contributions and loans made to subsidiaries		-80,795	-61,377
Cash flow from investing activities		**-80,795**	**-61,377**
Financing activities			
New share issues		92,210	94,141
Issuing costs		-1,176	-6,140
Cash flow from financing activities		**91,034**	**88,001**
Cash flow for the year		**-10,333**	**2,619**
Cash at the beginning of the year		**46,752**	**44,133**
Exchange rate difference		-	-
Cash and cash equivalents at year-end	**14**	**36,419**	**46,752**

Notes - parent company

NOTE 1 - ACCOUNTING POLICIES

The Parent Company has prepared its annual report in accordance with the Annual Accounts Act (1995:1554) and the Swedish Council for Financial Reporting Recommendation RFR 2 "Accounting for Legal Persons".

The differences between the Group's and the Parent Company's accounting policies are set out below. The accounting policies set out below for the Parent Company have been applied consistently to all periods presented in the Parent Company's financial statements, unless otherwise stated.

Subsidiaries
Shares in subsidiaries are recognized in the Parent Company according to the cost method. Implying that they are recognized at cost less any impairment losses. Transaction expenses are included in the carrying amount of investments in subsidiaries.

Contingent earnouts are valued based on the probability of that the purchase price will be paid. Possible changes of the provision is added to/reduces the acquisition value. In the consolidated financial statements, contingent earnouts are recognized at fair value with changes over the result.

Financial assets and liabilities
Due to the link between accounting and taxation, the rules on financial instruments under IFRS 9 are not applied for Parent company as a legal entity, but the Parent company applies, in accordance with Swedish law (ÅRL), the cost method. In the Parent company, financial non-current assets are thus valued at cost less any impairment loss and financial current assets according to the principle of the lowest value.

Financial risks
Financial risks for the Parent Company correspond in all material respects to what is stated for the Group, see the Group's Note 18 - Financial risks.

Leases
The parent applies the exemption contained in RFR 2 to legal entities and recognises all leases as cost on a straight-line basis over the lease term.

Group contributions and shareholder contributions
The Group does not report any proprietary intangible assets because the criteria under IAS 38 are not met. In order to be able to continue its development activities in Denmark, the Swedish parent company provides capital contributions on an ongoing basis to the subsidiary, which conducts development operations. Under normal circumstances, the parent company would activate the contribution as shares in subsidiaries but since no part of these funds is capitalized on the balance sheet, the parent company costs the contribution and this expense is recognized as a financial expense in the income statement. The carrying amount remains unchanged as the company's assessment is that there is no need for impairment.

Share-based payments
In the Parent Company, IFRS 2 costs for employees in subsidiaries have been recognised against participations in subsidiaries and personnel costs in the income statement. These shares have been then written down and recognised as profit from participations in Subsidiaries.

Presentation form for income statement and balance sheet
Income statement and balance sheet follows ÅRL's form of presentation.

None of the changes published in RFR 2 are considered to have any material effect on the Parent Company's financial statements.

NOTE 2 - FEES TO AUDITORS

	Parent 2025	Parent 2024
KPMG		
Audit fees	370	477
Other audit activities	224	110
Tax services	-	-
Total	**594**	**587**

Audit assignments refer to statutory audits of the annual accounts and accounts, as well as the management of the Board of Directors and the CEO, as well as audits carried out in accordance with contract or agreement. This includes other duties that it is up to the company's auditor to perform as well as advice or other assistance arising from observations during such review or the performance of such other duties.

Other audit activities are those services under specific agreement on financial statements.

NOTE 3 - LEASES

Leasing costs for leases for the year amount to SEK 42 (69) thousand. Future payment commitments as of December 31 for leases will be distributed as follows:

Future minimum lease fees	Parent 2025	Parent 2024
Within 1 year	33	32
1-5 years	30	74
More than 5 years	-	-
Total	**63**	**106**

NOTE 4 - STAFF AND EMPLOYEE EXPENSES

For salaries and remuneration to employees and senior executives and information on the number of employees, see Note 9 – Staff and employee expenses for the Group.

NOTE 5 - RESULTS FROM SHARES IN GROUP COMPANIES

	Parent 2025	Parent 2024
Write-off of shares in group companies	-82,266	-67,521
Total	**-82,266**	**-67,521**

Write-down of shareholder contributions made to subsidiaries intended to cover Synact Pharma ApS Costs for research according to the accounting principle for shareholder contributions are SEK 80,795 (61,377) thousand. Share-based payments have been has been reported as participations in Group companies in accordance with IFRS 2 and has subsequently been written down by SEK 1,471 (6,144) thousand.

NOTE 6 - OTHER INTEREST INCOME AND SIMILAR PROFIT ITEMS

	Parent 2025	Parent 2024
Interest income from Group companies	351	254
Other interest income	2	-5
Exchange rate differences	625	1,787
Total	**977**	**2,036**

Exchange rate differences refer to lending from the Parent Company to subsidiaries during the year. All financial income is attributable to financial assets valued at amortized cost.

NOTE 7 - INTEREST EXPENSE AND SIMILAR PROFIT AND LOSS ITEMS

	Parent 2025	Parent 2024
Interest expenses	-811	-733
Exchange rate differences	-2,930	-2,046
Total	**-3,741**	**-2,779**

Exchange rate differences refer to lending from the Parent Company to subsidiaries during the year. All financial expenses are attributable to financial liabilities measured at amortized cost.

NOTE 8 - TAX ON PROFIT FOR THE YEAR

	Parent 2025	Parent 2024
Current tax	-	-
Reported tax	**-**	**-**
Reconciliation of effective tax rate		
Profit before tax	-98,144	-90,623
Tax at the current tax rate for the Parent company 20,6% (20,6%)	20,218	18,668
Tax effect of:		
- deductible costs reported in equity	242	1,265
- non-deductible costs	-16,959	-13,930
- non-deductible income	-	-1
- increase in loss deduction without corresponding activation of deferred tax	-3,501	-6,002
Reported tax	**-**	**-**
Effective tax rate	0%	0%

The Parent company has tax deductions for issue costs totalling SEK 1,176 (6,140) thousand that are recognized directly in equity. No deferred tax has been recognised for these.

There is tax loss carry forward for which deferred tax assets have not been recognized in the balance sheet amounting to SEK 174,649 (157,653) thousand without time limit. Deferred tax assets have not been recognised for these items, as it is unlikely that the company will use them for offsetting future taxable profits in the near-term.

NOTE 9 - SHARES IN GROUP COMPANIES

	Parent 2025-12-31	Parent 2024-12-31
Opening acquisition value	600,957	533,436
Acquisitions for the year	1,471	6,144
Shareholder contribution	80,795	61,377
Closing accumulated acquisition values	**683,223**	**600,957**
Opening write-offs	-419,750	-352,229
Write-offs for the year	-82,266	-67,521
Revaluation earn-out	-734	-
Closing accumulated write-offs	**-502,749**	**-419,750**
Closing carrying amount	**180,473**	**181,207**

Company / corporate registration number / registered office SynAct Pharma ApS, 344 599 75, Holte in Danmark	Parent 2025-12-31	Parent 2024-12-31
Equity share	100%	100%
Voting share	100%	100%
Number of participation rights	1,000,000	1,000,000
Carrying amount	24,419	24,419

Company / corporate registration number / registered office TXP Pharma AG, 271.053.235, Baar in Switzerland	Parent 2025-12-31	Parent 2024-12-31
Equity share	100%	100%
Voting share	100%	100%
Number of participation rights	11,220,000	11,220,000
Carrying amount	156,054	156,788

NOTE 10 - FINANCIAL ASSETS AND LIABILITIES

Financial assets measured at amortized cost	Parent 2025-12-31	Parent 2024-12-31
Cash and cash equivalents	36,419	46,752
Total	**36,419**	**46,752**

Financial liabilities measured at amortized cost	Parent 2025-12-31	Parent 2024-12-31
Accounts payable	365	684
Accrued expenses	2,689	7,121
Total	**3,054**	**7,805**

NOTE 11 - FINANCIAL RISKS

The parent company is exposed through its activities to various kinds of financial risks; credit risk, market risks (currency risk, interest rate risk and other price risk) and liquidity risk. For an overview of financial risks, please refer to the Group's Note 18 - Financial risks as the Parent Company's financial risks are in all material respects consistent with those of the Group.

	2025-12-31			2024-12-31		
Maturity analysis	<6 months	6-12 months	>12 months	<6 months	6-12 months	>12 months
Accounts payable	365	-	-	684	-	-
Accrued expenses	556	2,133	-	5,421	1,700	-

NOTE 12 - OTHER CURRENT RECEIVABLES

	Parent 2025-12-35	Parent 2024-12-31
VAT claims	216	253
Other receivables	-	300
Total	**216**	**553**

NOTE 13 - PREPAID EXPENSES

	Parent 2025-12-35	Parent 2024-12-31
Prepaid rental costs	11	11
Other prepaid expenses	1,778	325
Total	**1,789**	**335**

NOTE 14 - CASH AND CASH EQUIVALENTS

	Parent 2025-12-35	Parent 2024-12-31
Cash at Banks	36,419	46,752
Total	**36,419**	**46,752**

NOTE 15 - EQUITY

Per December 31, 2025

The share capital consists of 53,330,243 (46,487,467) shares with a quota value of SEK 0.125 (SEK 0.125). All shares have an equal right to the company's profit. See also information in the Group's Note 23 - Equity.

The share premium reserve refers to capital from new issues that have been issued at a price that exceeds the quota value and less new share issue costs.

Proposed appropriation of earnings	2025-12-31
At the disposal of the Annual General Meeting are the following earnings,	
Share premium reserve	812,125
Retained earnings	-504,354
Net loss for the year	-98,144
Unrestricted equity in the parent company	**209,626**

The Board of Directors proposes that the share premium reserve, retained earnings and loss for the year be carried forward. The proposal will be presented to the Annual General Meeting on June 11, 2026.

NOT 16 - NON-CURRENT ASSETS

	Parent 2025-12-31	Parent 2024-12-31
Contingent earnout	8,036	7,973
Other provisions	2,569	331
Total	**10,606**	**8,304**

Contingent earnout refers to the acquisition of TXP Pharma AG, see Note 24 to the Group - Business combinations. Other provisions, see Note 25 – Provisions for the Group.

NOTE 17 - ACCRUED EXPENSES AND PREPAID INCOME

	Parent 2025-12-31	Parent 2024-12-31
Accrued salaries and board fees	2,133	1,700
Accrued issue costs	-	4,502
Other accrued expenses	556	919
Total	**2,689**	**7,121**

Accrued transaction costs, see Group Note 26 - Accrued costs.

NOTE 18 - COLLATERAL AND CONTINGENT LIABILITIES

For information about collateral and contingent liabilities in the Parent company, please refer to the Group's Note 28 - Pledged securities, contingent liabilities and other commitments. In the Parent company there are no pledged securities.

NOTE 19 - RELATED PARTIES TRANSACTIONS

	Sale of goods/ services	Purchase of goods/services	Other	Recivables on Closing Balance	Liabilities on Closing Balance
SynAct Pharma ApS					
2025	6,689	3,743	-	232	-
2024	6,585	3,969	-	28	-
TXP Pharma AG					
2025	150	-	-	11,262	-
2024	384	-	-	9,036	-

For information on remuneration to senior executives, see the Group's Note 9 - Staff and employee expenses. For information on agreements or transactions with related parties, see the Group's Note 27 - Related Party Transactions.

NOTE 20 - EVENTS AFTER THE END OF THE PERIOD

For information on events after end of the period in the Parent Company, please refer to the Group's Note 29.

Alternative performance measures

The use of Alternative Performance Measures in financial statements is regulated by the European Securities and Markets Authority (ESMA) in guidelines issued in 2015. According to these guidelines, an alternative performance indicator refers to a financial measure of historical or future earnings development, financial position, financial results or cash flows. It is not such a financial measure as defined or specified in the applicable financial reporting rules.

SynAct Pharma uses alternative performance measures to increase the understanding of the information provided in financial statements, both for external analysis, comparison and internal evaluation. The company has chosen the equity ratio and research and development costs/operating expenses as alternative performance measures in its reporting. Definitions and tables for their derivation are shown below.

EQUITY/ASSET RATIO

The equity ratio is a financial ratio indicating the relative proportion of equity used to finance a company's assets. The two components are derived from the SynAct Pharma's balance sheet or statement of financial position. The formula is Equity divided by Total assets.

RESEARCH AND DEVELOPMENT COST/OPERATING EXPENSES

Total cost of Research and Development as a percentage of total operating expenses. Indicates the share of total investment allocated to R&D. Subsequently, the residual (1 - R&D/Operating Expenses), indicates share of total invested into General and administration activities.

STATEMENT OF FINANCIAL POSITION

#	TSEK	Group 2025-12-31	Group 2024-12-31
	ASSETS		
	Subscribed but unpaid capital	-	19,845
	Total non-current assets	149,170	156,674
	Total current assets	71,348	94,001
[1]	**Total assets**	**220,518**	**270,520**
	EQUITY AND LIABILITIES		
[2]	**Total equity**	**170,291**	**214,169**
	Total non-current liabilities	28,703	27,894
	Total current liabilities	21,524	28,458
	Total liabilities	**50,227**	**56,351**
	Total equity and liabilities	**220,518**	**270,520**
[2]/[1]	**Soliditet (%)**	**77%**	**79%**

#	TSEK	Group 2025-12-31	Group 2024-12-31
[1]	Research and development costs	-85,614	-49 312
	General and administration costs	-31,539	-40 492
	Other operating income/expenses	611	-175
[2]	**Total operating expenses**	**-116,540**	**-89 980**
[1]/[2]	**Research and development cost/operating expenses (%)**	**73%**	**55%**

Signatures of the Board of Directors

The signatories declare that the annual accounts have been prepared in accordance with GAAP in Sweden and the consolidated accounts have been prepared in accordance with international accounting standards IFRS, as adopted by the EU. The annual accounts and consolidated accounts give a true and fair view of the parent company's and the Group's position and results. The management report for the Parent Company and the Group gives a true and fair view of the development of the parent company's and the Group's operations, position and results and describes significant risks and uncertainties faced by the Parent Company and the companies that are part of the Group.

Lund, April 15, 2026

Anders Kronborg
Chairman

Sten Scheibye
Board member

Sten Sörensen
Board member

Jeppe Ragnar Andersen
Board member

Jeppe Øvlesen
Chief Executive Officer

Our audit report was submitted on April 15, 2026

KPMG AB

Linda Bengtsson
Authorized Public Accountant

Auditor's Report

To the general meeting of the shareholders of SynAct Pharma AB (publ), corp. id 559058-4826.

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of SynAct Pharma AB for the year 2025. The annual accounts and consolidated accounts of the company are included on pages 24-66 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 the 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 statement of comprehensive income and statement of financial position for 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) 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) 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.

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.

Valuation of intangible fixed assets and shares in subsidaries in the parent company

See disclosure 3 –Assessments and Estimates on page 42, Disclosure 15 – Intangible assets and Impariment testing on page 49 and accounting principles on page 41 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

The group reported capitalized development costs of SEK 147.8 million as of 31 December 2025. The carrying amount has been subject to an impairment test that involves both complexity and significant elements of judgment. An impairment test has been performed for the cash-generating unit that holds the acquired intangible assets, which for the group is TXP Pharma AG.

The impairment test must, according to IFRS accounting standards, be carried out using a specific approach under which group management must make forward-looking estimates about the businesses' internal and external conditions and plans. Examples of assumptions made include the timing of potential commercialization, costs of clinical development, probability of reaching the market, market size, sales volumes, selling price and the discount rate.

The parent company reported investments in subsidiaries of SEK 180.5 million as of 31 December 2025. If there are indications of significant impairment needs — for example, if the carrying amount of the investments exceeds the group value of the respective subsidiary — the same type of assessment is made, using the same approach and input values, as is applied to goodwill and other intangible assets in the group.

Response in the audit

We have inspected the impairment tests performed to assess whether they have been prepared in accordance with the prescribed methodology.

Furthermore, we have obtained the valuation that group management commissioned an external valuation specialist to produce as support for the impairment test. We have assessed the reasonableness of the material assumptions on which the valuation is based and reconciled them with both the company's plans for the development project and available external information sources and studies.

Another part of our work has been to review the group's sensitivity analysis of the valuation in order to assess how reasonable changes in management's assumptions could affect the valuation.

We have also evaluated the disclosures on the impairment testing that are provided in the annual report and the consolidated financial statements.

Financing

See disclosure 3 –Assessments and Estimates on page 42 and the description of Financial risks – Liquidity, balance sheet and going concern in the directors report on page 30 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

The group's operations are primarily focused on the development of the company's leading substances AP1189 and TXP-11 in clinical development programs for rheumatoid arthritis (RA), virus-induced respiratory insufficiency, and organ failure. The company's ambition is to conduct phase 2 clinical studies and then enter commercial agreements with one or more larger pharmaceutical companies. During 2025, a phase 2 study for AP1189 was conducted, with the last patient recruited in 2026.

The group's ability to continue as a going concern depends on having sufficient cash and/or assets that can be converted into cash to operate the business until one of the group's development projects generates revenue.

The group's cash and cash equivalents amounted to SEK 53.4 million at the end of 2025. In March 2026 a directed rights issue was completed that provided the group with approximately SEK 52 million before issue costs. The board assesses that existing working capital is sufficient to finance ongoing operations for at least 12 months from the reporting date.

Response in the audit
In connection with the preparation of the financial statements, we have considered the board's decision to apply the going concern principle. We have obtained a documented assessment of the assumptions for continued operations. We have reviewed the latest available liquidity forecast and considered the reasonableness of and the support for the judgments underlying the liquidity forecast. We have discussed with group management how they established their assumptions and have taken these into account in our assessment.

The key areas we have focused on in our assessment of the cash flow forecast are:
• Available liquidity;
• Expected cash outflows for the remaining ongoing operations;

We have discussed plans and potential sources of financing with management and evaluated these in relation to the available documentation and past experience.

We have also assessed whether the disclosures provided about financing are sufficiently comprehensive to give a fair view of the company's situation.

Other Information than the annual accounts and consolidated accounts
This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1 – 23 and 71 - 79. The other information comprises also of the remuneration report, which is expected to be made available to us after the date of our 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 Director's 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Auditor's audit of the administration and the proposed appropriations of 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 SynAct Pharma AB 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's 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.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

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 SynAct Pharma AB for 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 SynAct Pharma AB 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 audit 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 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 the 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.

KPMG AB, Box 227, 201 22 , Malmö, was appointed auditor of SynAct Pharma AB by the general meeting of the shareholders on the 27 May 2025. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2022.

Malmö, on the date indicated by our electronic signature

KPMG AB

Linda Bengtsson
Authorized Public Accountant

Corporate Governance Report

SynAct Pharma AB (publ) ("SynAct") is a Swedish public limited company based in Lund whose shares have been traded on Nasdaq Stockholm since July 12, 2022. Before that, the Company's shares were listed on Spotlight since 2016. Since the listing on Nasdaq Stockholm, SynAct applies the Swedish Code for Corporate Governance (the "Code").

This corporate governance report has been prepared in accordance with the provisions of the Annual Accounts Act and the Code. The corporate governance report has been reviewed by the Company's auditor in accordance with the provisions of the Annual Accounts Act. The auditor's statement is attached to the report.

PRINCIPLES OF CORPORATE GOVERNANCE

Corporate governance refers to the systems through which the shareholders, directly or indirectly, control SynAct. Good corporate governance is an essential component in the work to create value for SynAct's shareholders. Corporate governance in SynAct is based on Swedish law, Nasdaq Stockholm's regulations for issuers and the Code. The Code applies to all Swedish companies whose shares are listed on a regulated market in Sweden. The company has not deviated from any of the rules laid down in the Code during the year.

In addition to the external regulations, there are also several internal regulations to support SynAct's corporate governance, such as the Articles of Association, Rules of Procedures for the Board and its committees, Chief Executive Officer (CEO) instructions and instructions for financial reporting. Furthermore, SynAct also has several policy documents and manuals that contain rules and recommendations, which contain principles and provide guidance in the Company's operations and for its employees.

SHAREHOLDERS

On December 31, 2025, SynAct had 15,589 shareholders. Further information on the ownership structure is presented on page 33.

GENERAL MEETINGS

The Annual General Meeting (AGM), or where applicable an Extraordinary General Meeting, is the ultimate decision-making body in SynAct where all shareholders are entitled to participate. The Articles of Association contain no restrictions on the number of votes each shareholder can cast at a general meeting and no special provisions on amending the Articles of Association.

The AGM addresses the Company's progress and resolves on several key issues, such as the adoption of the income statement and balance sheet, allocation of result, discharge from liability for the Board of Directors and the CEO, and the election of Board of Directors until the next AGM. In addition, the annual general meeting elects an auditor for the Company and decides on his remuneration.

Annual General Meetings 2025

The 2025 Annual General Meeting held on 27 May resolved to adopt the income statement and balance sheet as well as the consolidated income statement and consolidated balance sheet. The Annual General Meeting also resolved to dispose of the company's result in accordance with the Board's proposal, to discharge the Board of Directors from liability and the CEO for the financial year 2024 and to determine remuneration to the Board of Directors and auditor. The Annual General Meeting also resolved to re-elect Anders Kronborg, Sten Scheibye and Sten Sörensen and to elect Jeppe Ragnar Andersen as a new member of the Board of Directors. Anders Kronborg was re-elected as Chairman of the Board. KPMG AB was re-elected as auditor with authorized public accountant Linda Bengtsson as auditor in charge. The Annual General Meeting resolved to approve the Board's remuneration report for the financial year 2024.

At the 2025 Annual General Meeting, the Board of Directors was authorized, on one or more occasions, during the period until the next Annual General Meeting, with or without deviation from the shareholders' preferential rights, and with or without provision for contribution in kind or set-off or other conditions, to resolve on a new issue of shares, convertibles and/or warrants. The increase in the share capital may correspond to a dilution of a maximum of 20 per cent of the share capital at the time the authorisation is exercised for the first time. The reason for deviating from the shareholders' preferential rights is to enable the Company to raise working capital, carry out acquisitions of companies or operating assets, be able to expand the shareholder base with owners of strategic importance and enable issues to industrial partners within the framework of partnerships and alliances. To the extent that the issue is made with deviation from the shareholders' preferential rights, the issue shall be made on market terms. The full minutes are available on SynAct's website.

Extraordinary General Meeting 2025

An Extraordinary General Meeting was held on November 27, where the Meeting resolved on an employee stock option program, a directed issue of warrants, approval of transfer of warrants and authorization for the Board of Directors to resolve on acquisition and transfer of own shares.

Annual General Meeting 2026

The 2026 Annual General Meeting will be held in Stockholm on Thursday 11 June. Notice of the Annual General Meeting is published no earlier than six and no later than four weeks before the Meeting. Proposals for the meeting should be addressed to: SynAct Pharma AB, attn: Legal, Scheelevägen 2, SE-223 63 Lund, Sweden, or by e-mail to legal@synactpharma.com and sent well in advance of the issuance of notice of the meeting, no later than seven weeks before the meeting.

NOMINATON COMMITTEE

According to the resolution of the Annual General Meeting, the Nomination Committee (NC) shall consist of the Chairman of the Board as convener, as well as a representative for each of the Company's three largest shareholders per September 30 of the respective calendar year.

The Nomination Committee must prepare all elections and fee proposals that become relevant from the time a NC has been appointed until a new NC has been appointed. The Nomination Committee's task shall be to submit proposals before the upcoming Annual General Meeting regarding the election of the Chairman of the meeting, election of the Chairman of the Board and other Board members, decision on Board remuneration, divided between the Chairman, other members and potential remuneration for committee work, election of auditor and remuneration of auditors, as well as principles for the appointment of the Nomination Committee (if

the NC considers that the applicable principles and instructions should be updated). The Nomination Committee for the 2026 Annual General Meeting consists of the Chairman of the Nomination Committee, Niels Ankerstjerne Sloth, appointed by Bioinvest ApS, Mark Gandrup appointed by Sanos A/S, Thomas Ringberg and Anders Kronborg, Chairman of the Board of Directors. The Nomination Committee shall prepare proposals regarding the Chairman of the Meeting, the composition of the Board of Directors and remuneration to the Board of Directors. The Nomination Committee held two meetings, all of which were via video link.

An important part of the Nomination Committee's work is rule 4.1 of the Code regarding diversity policy. The objective of the policy is for the Board of Directors to have a composition appropriate to the company's operations, stage of development and other circumstances, characterized by diversity and breadth in terms of competence, experience and background, and that an equal gender distribution shall be strived for. The 2024 AGM resolved to appoint Board members in accordance with the NC's proposal, which resulted in the current Board. However, the Nomination Committee noted when developing its proposal that the Board composition consists of four men, which, according to the NC, does not comply with the requirement for an even gender distribution. The Nomination Committee noted that the most recent additions to the Board were men and that its ambition is for the gender distribution to improve over time.

The Code stipulates that the company shall, no later than six months prior to the Annual General Meeting, provide information about the names of the members of the Nomination Committee and, where applicable, which owner the member represents. The composition of the Nomination Committee for the 2026 Annual General Meeting was presented both as a press release and on SynAct's website on December 11,, 2025

THE BOARD AND ITS WORK

SynAct's Board of Directors is elected annually at the Annual General Meeting for the period until the end of the next AGM, according to the Articles of Association, must consist of a minimum of four and a maximum of eight members. The Articles of Association lack special provisions on the appointment or dismissal of board members. The 2025 Annual General Meeting discharged the members of the Board of Directors and the CEO from liability.

			Independent in relation to		
Name	Role	Elected	Company and Management	Major Shareholders	Attendance (total[1])
Anders Kronborg	Chairman	2024	No	Yes	7(7)
Sten Scheibye	Board member	2024	Yes	Yes	7(7)
Sten Sörensen	Board member	2024	No	Yes	7(7)
Jeppe Ragnar Andersen	Board member	2025	Yes	No	3(3)
Previous Board					
Jeppe Øvlesen	Board member	2024	No	Yes	4(4)

[1] Total refers to the number of meetings convened during the members term of office.

A more detailed description of the Board is presented on pages 20-21.

The Annual General Meeting 2025 resolved that remuneration to the Board of Directors shall be paid with SEK 300,000 to the Chairman of the Board and with SEK 200,000 to each of the other Board members who are not employed by the company. In addition, it was resolved that fees of (i) SEK 50,000 shall be paid to the Chairman of the Audit Committee and SEK 25,000 to each of the other members of the Audit Committee and (ii) SEK 25,000 to the Chairman of the Remuneration Committee and SEK 15,000 to each of the other members of the Remuneration Committee.

The Board's work is governed by Rules of Procedures (RoP) that are adopted at least once a year. The RoPs regulate, among other things, the Board's working methods, duties, decision-making order within the Company, the Board's meeting schedule, the Chairman's duties and the division of labor between the Board and the Chief Executive Officer. Instructions regarding financial reporting and instructions to the CEO are also established at least once a year. The Board meets according to an annually established schedule that includes six regular meetings. In addition to these Board meetings, additional Board meetings can be convened to deal with issues that cannot be scheduled for a regular Board meeting. The CEO and CFO attend most of the Board meetings.

In 2025, the Board held six ordinary meetings and seven extraordinary meetings. In most cases, extraordinary meetings have been prompted by major projects, such as financing and acquisitions. The Board of Directors has met with the company's auditors on three occasions, of which on one occasions without the presence of the CEO or other members of the company's management. The company's former CFO, Björn Westberg, has served as secretary to the Board of Directors. Fixed points at the Board meetings have been follow-up of the business against the budget and strategic plan. In addition, the Board of Directors has dealt with and made decisions on issues relating to research and development,

financing, intellectual property rights, strategic direction and planning, budget, significant contracts, auditing, financial reporting and compensation issues. The Board conducts an annual structured evaluation of the Board and the CEO and the results of this are shared with the Nomination Committee. The evaluation is carried out with the aim of developing the Board's working methods and efficiency. The evaluation consists of a questionnaire that is answered by the members, after which the answers are compiled and presented to the Board and then to the Nomination Committee through the Chairman of the Board.

THE REMUNERATION COMMITTEE

The Board's Remuneration Committee has consisted of Sten Scheibye (Chairman) and Sten R Sörensen. All members are independent in relation to the company and Sten Scheibye is independent in relation to the company management. The work is regulated in the Rules of Procedure for the Committee and includes dealing with and deciding on issues relating to remuneration and benefits to senior executives. The work also includes preparing other remuneration issues that are of great importance, such as incentive programs. In addition, the task is to monitor and evaluate programs for variable remuneration, both ongoing and those that have ended during the year, and to monitor and evaluate the application of the guidelines for remuneration to senior executives applicable during the year, as well as the current remuneration structures and remuneration levels, in Company. The Remuneration Committee reports to the Board of Directors. The Committee held two meetings in 2025.

Name	Role	Attendance (total[1])
Sten Scheibye	Chairman	2(2)
Sten Sörensen	Member	2(2)

[1]The total refers to the number of possible meetings that a member has been able to attend.

THE AUDIT COMMITTEE

The Board's Audit Committee has consisted of the Chairman of the Committee Anders Kronborg (Chairman) and Sten Scheibye. All members are independent of the company and Sten Scheibye independent of management. The members of the Audit Committee have the necessary accounting expertise. The Audit Committee, whose work is regulated in accordance with the rules of procedure for the Committee, is tasked with preparing matters for the Board concerning audit procurement and fees, and following up on the work of the auditors and the company's internal control system, follow up on the current risk picture, follow up external audits and the company's financial information, prepare interim reports and the company's annual report, prepare and follow up on issues relating to financing, prepare the adoption and revision of the finance policy and other matters that the Board of Directors assigns the committee to prepare. The CFO participates as a rapporteur and the CEO also participates in some of the committee's meetings. The Audit Committee reports to the Management Board. The Committee held four meetings in 2025, two of which the company's auditors attended.

Name	Role	Attendance (total[1])
Anders Kronborg	Chairman	4(4)
Sten Scheibye	Member	4(4)

[1] The total refers to the number of possible meetings that a member has been able to attend.

AUDITORS

According to the Articles of Association, SynAct shall appoint one or two auditors, with or without deputies, or a registered auditing firm. At the 2025 Annual General Meeting, KPMG AB was continued to be elected as auditors, with Linda Bengtsson as auditor in charge.

MANAGEMENT

The Chief Executive Officer is responsible for the day-to-day management of the Company. The CEO, and under his leadership the other members of the management team, are responsible for the overall business operations and day-to-day management. The CEO regularly reports to the Board on the Company's business operations, financial results, and other issues relevant to the Company. At a Board meeting per year, the Board evaluates the CEO, whereby no one from the Company's Management is present. The CEO and the Management are presented on page 22-23.

REMUNERATION TO SENIOR EXECUTIVES

The guidelines for remuneration to senior executives were adopted at the 2025 Annual General Meeting and the Board of Directors has not proposed any changes to the guidelines for the 2026 Annual General Meeting. The principles mainly mean that market and competitive wages and other terms of employment must be applied to Company Management. In addition to the fixed annual salary, Management can also receive variable salary, which shall be limited to 50% of the fixed salary and based mainly on technical and commercial milestones within the own pharmaceutical projects. In addition to fixed and variable salary, the Company must be able to offer pension benefits. Compensation in the form of options or other share-related incentive programs decided by the general meeting is not covered by the guidelines. The complete principles can be seen in the management report on pages 31-32. Salary and other remuneration for the financial year 2025 was paid to the CEO and other senior executives in accordance with what is stated in note 9.

THE COMPANY'S INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM REGARDING THE FINANCIAL REPORTING FOR THE 2025 FINANCIAL YEAR

According to the Swedish Companies Act and the Code, the Board is responsible for internal control. This description has been prepared in accordance with the Annual Accounts Act Ch. 6. § 6, and thereby describes the Company's system and routines for internal control in connection with financial reporting.

Internal control and risk management regarding financial reporting is a process designed by the Board with the aim of providing the Board, Management, and other stakeholders within the organization with reasonable assurance regarding the reliability of the external financial reporting and whether the financial reports are prepared in accordance with good accounting practice, applicable laws and regulations and other requirements for listed companies.

The overall purpose of internal control is to reasonably ensure that the Company's operational strategies and goals are followed up and that the owners' investment is protected. The internal control must further ensure that the external financial reporting is reliable with reasonable certainty and prepared in accordance with good accounting practice, that applicable laws and regulations are followed and that requirements for listed companies are complied with.

The control environment forms the basis for the internal control, which also includes risk assessment, control activities, information and communication and follow-up. Said components are described in more detail below.

Control Environment
The Company's overall control environment follows Nasdaq's guidance for internal control and the principles for internal control defined in the so-called COSO[1] framework. The Board has the overall responsibility for the internal control regarding the financial reporting. To create and maintain a functioning control environment, the board has adopted several policies and governing documents that regulate the financial reporting. These mainly consist of the Board's Rules of Procedure, Instructions for the CEO, Rules of Procedures for committees established by the Board and Instructions for financial reporting. The board has also adopted a special policy for internal control, delegation of authority and a financial policy. The company also has a financial handbook that contains principles, guidelines, and process descriptions for accounting and financial reporting. The Board has also established an Audit Committee whose main task is to monitor the Company's financial reporting, to monitor the effectiveness of the Company's internal control, internal audit (to the extent that such a function is established) and risk management, as well as to review and monitor the auditor's impartiality and independence. Responsibility for the day-to-day work of maintaining the control environment rests primarily with the Company's CFO, who reports continuously to the Board in accordance with established instructions.

In addition to the internal follow-up and reporting, SynAct's external auditors report during the financial year to the CEO and to the Board. The auditors' reporting gives the Board a good idea and a reliable basis for the financial reporting in the annual report.

Risk assessment and control activities
The risk assessment includes identifying and evaluating the risk of significant errors in the company's business processes, which includes accounting and reporting at group and subsidiary level, employee- and payroll management, and more. Risk assessment is carried out continuously and according to established guidelines with a focus on the Company's essential business processes. Within the Board, the Audit Committee is primarily responsible for continuously evaluating the Company's risk situation, after which the Board conducts an annual review of the risk situation.

Control activities have been designed to manage the risks that the Board and Company Management consider to be significant for operational activities, compliance with laws and regulations and for financial reporting. Defined decision procedures, including attestation instructions are established for, for example, investments and signing of agreements. Where appropriate, automatic controls especially related to financial reporting have been established. Most control activities are integrated into SynAct's key processes, such as investments, supplier contracts and purchasing. Special controls exist in IT systems related to the processes that affect financial reporting.

Information and communication
The most important governing documents regarding the financial reporting are continuously updated and communicated to the organization. Information channels are established to communicate to affected employees as effectively as possible. SynAct also has an information policy regarding both internal and external communication.

Compliance
The compliance and effectiveness of the internal controls are continuously followed up through self-evaluation. The CEO ensures that the Board regularly receives reporting on the development of SynAct's operations, including the development of the Company's results and position, as well as information on important events, such as the development of individual projects. The CEO also reports on these issues at each Board meeting.

The Board and the Audit Committee review the Annual Report and interim quarterly reports and carry out financial evaluations in accordance with the established plan. The Audit Committee follows up the financial reporting and other related issues and regularly discusses these issues with the external auditors. The self-evaluation of the internal controls is reported to the Audit Committee and the board.

Internal audit
SynAct has developed steering and internal control systems whose compliance is followed up regularly at various levels within the company. Against this background, the Board has assessed that there is currently no need to establish an internal audit. This assessment is reviewed annually by the board.

Lund, April 15, 2026

The Board of Directors

1. Committee of Sponsoring Organizations (COSO) Internal Control Integrated Framework (May 2013).

AUDITOR'S REPORT ON THE CORPORATE GOVERNANCE STATEMENT

To the general meeting of the shareholders in SynAct Pharma AB, corporate identity number 559058-4826

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2025 on pages 71 - 74 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 16 *The auditor's examination of the corporate governance statement*. This means that our examination of the corporate governance statement 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 the examination has provided us with sufficient basis for our opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Malmö, April 15, 2026

KPMG AB

Linda Bengtsson
Authorized Public Accountant

Glossary

ACE INHIBITOR
A group of drugs that lower blood pressure by inhibiting the angiotensin-converting enzyme (ACE).

ADVANCE
Ongoing clinical Phase 2b study in newly diagnosed treatment naive rheumatoid arthritis patients characterized by high disease activity including signs of systemic inflammation who are eligible for Methotrexate (MTX) treatment. In the study 3 doses of resomelagon (AP1189) vs placebo (n=240) given once daily for 12 weeks are tested in combination with standardized MTX treatment. The aim is to identify clinically active doses of resomelagon to be taken into Phase 3 clinical development. The primary efficacy readout, set in accordance with US-FDA recommendation for phase 2 dose range studies is changes in the clinical score DAS28-CRP relative to placebo treatment. The study is conducted at more than 30 sites in Europe and US with the aim to have last patient dosed in Q4 2025.

AGONIST
An agonist is a chemical that activates a receptor to produce a biological response. Receptors are cellular proteins whose activation causes the cell to modify what it is currently doing. In contrast, an antagonist blocks the action of the agonist, while an inverse agonist causes an action opposite to that of the agonist.

ANGIOTENSIN
Angiotensin is a peptide hormone important for the regulation of blood pressure.

APM
Alternative performance measure. An alternative key figure refers to a financial measure of historical or future earnings development, financial position, financial result or cash flows. It is not such a financial measure that is defined or specified in the applicable rules for financial reporting.

ARBOVIRAL INFECTIONS
Infections due virus infection following mosquito bites. Examples of arbo-virus are Dengue virus, Chikungunya virus, Zica virus and West Nile virus. Arboviral infections are more common in tropical and subtropical climates but has spread in recent years also to Europe and the US where the mosquitos have become endemic. A major reason to the spreading of the virus is most likely global warming.

AUTOIMMUNE DISEASE
An autoimmune disease is a condition arising from an abnormal immune response to a functioning body part.

BAP
Branched Amino Acid Probes (BAP) is a proprietary technology improving the properties of peptides, developed by TXP Pharma for the modification of therapeutic peptides.

BEGIN
The BEGIN study was a multi-center, two-part, double-blind, placebo-controlled study, in which two doses of resomelagon (50 mg and 100 mg orally administered once daily) were evaluated against placebo as adjunctive therapy to methotrexate in newly diagnosed patients with acute, active RA. The study's primary endpoint is a reduction in disease activity from high (defined as clinical disease activity> 22) to moderate or low activity during the four-week treatment period. Key data from the study were presented on November 30, 2021.

cAMP
cAMP, or cyclic adenosine monophosphate, is an adenine-based (nitrogen-based), cyclic nucleotide (molecular building block) that participates in the formation of DNA and RNA, by acting as a secondary messenger for several signaling substances and hormones and their receptors, inside the cells.

CLINICAL STUDY
Clinical studies are conducted to test the efficacy and safety of new drugs, diagnostic tests, products, or treatments. Before human studies begin tests have already been done in several different ways in laboratory experiments and in animal studies. Clinical studies or trials are carried out both with healthy volunteers and individuals with the disease being studied.

CMC
CMC is an acronym for Chemistry, Manufacturing and Controls which are critical activities in the development of new drug products. In addition to the processes themselves, CMC also refers to practices and specifications that must be followed and met to ensure product safety and batch-to-batch consistency.

CONTRACT RESEARCH ORGANIZATION (CRO)
Within the life science industry, a contract research organization (CRO) is a company that provides support to the pharmaceutical, biotechnology and medical technology industry in the form of research services outsourced on contract. A CRO can provide such services as biopharmaceutical development, development of biological assays, commercialization, clinical development, management of clinical studies, safety monitoring, outcome research and so-called real world evidence studies.

DMARD
Disease-modifying anti-rheumatic drugs (DMARD) are a category of otherwise unrelated drugs defined by their use in rheumatoid arthritis and other rheumatic diseases. The term often finds its meaning in contrast to non-steroidal anti-inflammatory drugs and steroids (NSAIDs). The term overlaps with antirheumatics, but the two terms are not synonymous.

ESMA
European Securities and Markets Authority.

EXPAND
The EXPAND (SynAct-CS007) study was a multicenter, randomized, double-blind, placebo-controlled, 12-week study in MTX naive patients with highly active RA (Clinical Disease Activity Score (CDAI) > 22). In EXPAND, 120 RA patients with high disease activity (CDAI > 22) was randomized to treatment with resomelagon 100 mg once daily or placebo for 12 weeks in combination with MTX treatment. The overall conclusion from the study was that resomelagon was well tolerated, but no treatment effects compared to placebo treatment was observed. However, in the fraction of patients (approx. 50 of the recruited pts) who where newly diagnosed and with signs of systemic inflammation, ie patients presenting with poor prognosis parameters, the response rate to treatment was significantly increased in the resomelagon treated when compared to placebo treatment. This finding, together with comparable finding in the BEGIN study, the first study of resomelagon in RA, support the further development of resomelagon in the ADVANCE study.

FDA
The United States Food and Drug Administration (FDA or USFDA) is the US food and drug authority responsible for food (for humans and animals), dietary supplements, drugs (for humans and animals), cosmetics, medical devices (for humans and animals), radioactive equipment and blood products.

HYPERCHOLESTEROLEMIA
Hypercholesterolemia, also called high cholesterol, is the presence of high levels of cholesterol in the blood.

HYPERINFLAMMATION
Exacerbated inflammatory response in the body and or in organs/tissues. Hyperinflammatory responses are seen secondary to infections or in response to major surgery, severe bleeding or traumas. When present hyperinflammation can develop into tissue and/or organ dysfunction and in the most severe cases in systemic inflammatory response syndrome (SIRS) with multi-organ failure. No current treatment are available to control hyperinflammatory responses in controlled fashion.

iMN
Idiopathic membranous nephropathy is an autoimmune disease in which the membranes of the glomerulus are attacked by generated autoantibodies, resulting in progressive deterioration of kidney function.

IND (INVESTIGATIONAL NEW DRUG) APPLICATION
An application to the FDA that must be submitted and approved before a drug can be tested on humans, so-called permit application for drug testing.

MELANOCORTIN
Melanocortin is a body-specific hormone that acts by activating specific melanocortin receptors on the cell surface of certain white blood cells.

MELANOCORTIN RECEPTORS
When these receptors are activated, processes start in the body that lead to reduced release of pro-inflammatory mediators (slowed down inflammation) and stimulation of healing processes (dead cells and cell debris are cleaned away and the tissue heals).

METHOTREXATE (MTX)
Methotrexate is a folic acid antagonist that belongs to the group of cytostatics. Today it is used in rheumatoid arthritis, psoriasis and Crohn's disease as a disease-modifying drug but can also be used as a cancer treatment.

NEPHROTIC SYNDROME (NS)
Nephrotic syndrome is a syndrome (a collection of symptoms) resulting from a change in the kidneys.

ORGAN DYSFUNCTION/ORGAN FAILURE
Organ dysfunction is a condition where an organ does not perform its expected function. Organ failure is organ dysfunction to such a degree that normal homeostasis cannot be maintained without external clinical intervention.

PEPTIDE
A peptide is a molecule that consists of a chain of amino acids (also called monopeptides) joined together by peptide bonds to form a short chain. Peptides differ from proteins only in that they are smaller. Peptides occur naturally in the body but can also be produced synthetically.

pERK PATHWAY
The pERK pathway (also known as the MAPK/ERK or RasRaf-MEK-ERK pathway) is a chain of proteins in the cell that communicates a signal from a receptor on the surface of the cell to the DNA in the nucleus of the cell.

PHARMACOKINETICS
Pharmacokinetics (PK) is the study of drug metabolism in the body, i.e. how the levels of a drug in the body change through absorption, distribution (distribution), metabolism and excretion.

RA
Rheumatoid arthritis is an autoimmune disease characterized by chronic inflammation (arthritis) and pain (arthralgia) in the body's joints. Inflammation has a strong ability to break down cartilage, adjacent bones, tendons and arteries.

RESOLVE
The RESOLVE study (SynAct-CS006) was setup under a USIND to evaluate the potential of resomelagon in so-called DMARD-IR patients, ie RA patients who had inadequate response to first line treatment defined as MTX including co-administration of glucocorticoids. The study was set up in two- parts, as randomized, double-blind, multi-center, placebo-controlled studies. Part A was a 4-week dose range study testing 3 doses of resomelagon vs placebo. The primary aim for part A was to identify feasible doses for part B of the study. Part B was planned as Phase 2b randomized, double-blind, multi-center, placebo-controlled studies testing up to three doses of resomelagon vs placebo in DMARD-IR patients. As the outcome of Part A was inconclusive as regard to dose response and efficacy relative to placebo treatment it was decided not to initiate part B. The reason for the inconclusive results in part A could most likely be attribute to the short treatment period (4 weeks) and the fact the only a fraction, less than 105 of the patients had been treated with MTX for less than 12 months with a fraction not been optimally titrated with MTX. SynAct Pharma has decided to postpone further development in RA DMARD-IR patients to a later timepoint.

RESOMELAGON (AP1189)
The mechanism of action of SynAct Pharma's lead drug candidate resomelagon is the promotion of inflammation resolution through the selective activation of melanocortin receptors 1 and 3. These receptors are found on all immune cells, including macrophages and neutrophils. Activation of these receptors leads to two direct anti-inflammatory effects: it influences these cells to produce fewer inflammation-driving molecules and also alters them to initiate clearance of the inflammation, also known as efferocytosis (J Immun 2015, 194:3381-3388). This process has been shown to be effective in models of inflammatory and auto-immune diseases and the clinical potential is being tested in clinical programs in patients with rheumatoid arthritis (RA), nephrotic syndrome (NS) and COVID-19. The safety and efficacy of resomelagon have not been reviewed by any regulatory authority globally.

RESOVIR
RESOVIR (Resolution Therapy for Viral Inflammation Research) is a scientific and clinical collaboration between Professor Mauro Teixeira, MD, PhD, Universidade Federal de Minas, Belo Horizonte, Brazil, Professor Mauro Perretti, PhD William Heavy Research Institute, Barts and London School of Medicine, Queen Mary University, London, UK, and SynAct. The aim of the RESOVIR collaboration is to investigate the utility of resolution therapy to resolve the cytokine storm inflammation associated with significant viral infections.

RESPIRATORY INSUFFICIENCY
Means that breathing does not work as it should, which leads to a lack of oxygen.

Financial Calendar and Company Information

COMPANY INFORMATION

SYNACT PHARMA AB – PARENT COMPANY	
Company name	SynAct Pharma AB
Trade name/Ticker	SynAct Pharma/SYNACT. The shares are traded on Nasdaq Stockholm.
ISIN code	SE0008241491
LEI code	549300RRYIEFEQ72N546
Registered office and domicile	Skåne county, Lund municipality, Sweden
Company registration number	559058-4826
Date of establishment	2016-04-12
Date when the company started operations	2016-04-12
Country of establishment	Sverige
Legal form	Public limited liability company
Legislation	Swedish law and the Swedish Companies Act
Address	Scheelevägen 2, SE-223 63 Lund, Sweden
Telephone	+46 10 300 10 23
Web page	www.synactpharma.com
Auditor	KPMG AB (Box 227, 201 22 Malmö), lead auditor Linda Bengtsson.

SYNACT PHARMA APS – SUBSIDIARY	
Country of establishment and operation	Denmark
CVR-nummer (Company registration number)	34459975
Registered office and domicile	Holte, Rudersdals kommun, Danmark
Percentage of shares held by Parent	100 percent

TXP PHARMA AG – SUBSIDIARY	
Country of establishment and operation	Switzerland
Firmen-nummer (Company registration number)	CHE-271.053.235
Registered office and domicile	Baar, Zug kanton, Switzerland
Percentage of shares held by Parent	100 percent

FINANCIAL CALENDAR

Interim Report Q1, 2026	2026-05-27
Annual general meeting 2026	2026-06-11
Interim Report Q2, 2026	2026-08-20
Interim Report Q3, 2026	2026-11-03

Questions regarding the Annual Report can be directed to CFO, Ann Kristin Led, via e-mail investor.relations@synactpharma.com.

SYNACT PHARMA

2025

SynAct Pharma AB
Scheelevägen 2,
223 63 Lund, Sweden
+46 10 300 10 23

www.synactpharma.se