Q2

Initiator Pharma

2026

BUSINESS HIGHLIGHTS

Business highlights in Q2 2026

- In April the Company announced that the company has decided to focus fully on its most promising drug candidate, pudafensine, which is being developed for both vulvodynia and organic erectile dysfunction (ED). As part of this prioritization, the Company has discontinued further development of IP2018.
- In April the Company announced good progress in patient enrolment in its Phase IIa clinical proof-of-concept study evaluating pudafensine in women suffering from the genital pain condition, vulvodynia.
- In May the Company announced the resolutions of the annual general meeting, at which Christina Lloyd was elected as a new member of the board of directors. Göran Ando had declared that he was not available for re-election.

Business highlights after this reporting period

- In July the European patent covering pudafensine for the treatment of Female Sexual Dysfunction, including vulvodynia, was also granted in Hong Kong.
- On 19 August the European Patent Office granted two patents relating to pudafensine, EP 4608400 covering pudafensine for the treatment of pain including vulvodynia, and EP 4731189 covering an immediate-release oral formulation of pudafensine.

Financial highlights

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

TDKK	Q2-2026	Q2-2025	H1-2026	H1-2025	FY-2025
Net sales	-	-	-	-	-
Total operating expenses	-9,499	-3,844	-20,931	-6,497	-17,781
Operating profit/loss	-9,499	-3,844	-20,931	-6,497	-17,781
Net result	-9,483	-3,864	-21,034	-6,517	-13,687
Earnings per share before and after dilution (DKK)	-0.14	-0.07	-0.31	-0.12	-0.20
Cash flow from operating activities	-4,880	-8,271	-16,693	-10,860	-17,727

TDKK	Q2-2026	Q2-2025	30.06.2026	30.06.2025	31.12.2025
Cash and cash equivalents	17,070	4,700	17,070	4,700	26,245
Equity	8,511	8,266	8,511	8,266	29,546
Total equity and liabilities	20,895	13,773	20,895	13,773	33,760
Equity ratio, %	41 %	60 %	41 %	60 %	88 %
Number of shares outstanding	*68,452,892*	*56,158,361*	*68,452,892*	*56,158,361*	*68,452,892*
Number of shares, diluted	*68,452,892*	*56,815,861*	*68,452,892*	*56,815,861*	*68,452,892*
Average number of shares outstanding	*68,452,892*	*56,158,361*	*68,452,892*	*56,158,361*	*62,296,720*
Average number of shares, diluted	*68,452,892*	*56,815,861*	*68,452,892*	*56,815,861*	*62,954,220*

LETTER FROM THE CEO

In April, we announced our strategic decision to fully concentrate Initiator Pharma's resources on our most promising asset, pudafensine. While pudafensine was already our clear priority, this decision sharpened our focus further around three key objectives: advancing our Phase IIa proof-of-concept study in vulvodynia, strengthening the intellectual property position around pudafensine, and intensifying our business development and partnering efforts.

I am pleased to say that we have made good progress in all three areas. They remain firmly at the centre of our agenda for the remainder of 2026.

Advancing our Phase IIa study in vulvodynia

Our ongoing randomized, placebo-controlled Phase IIa study evaluating the pain-relieving effects and safety of pudafensine in women with vulvodynia is progressing as planned.

The four-way crossover design, in which each participant receives pudafensine and placebo across separate treatment periods, allows us to generate robust comparative data from a relatively small patient population. We continue to expect topline results by the end of 2026.

Vulvodynia is a chronic and debilitating neuropathic pain condition. Based on high-level reviews and population-based prevalence estimates, approximately 8-10% of women are estimated to be affected by vulvodynia.

Despite its significant impact on quality of life and sexual function, there are currently no approved pharmacological treatments.

We believe pudafensine is particularly well suited to address this unmet need. Through its dual mechanism of action, it has the potential to address both the central pain component and the sexual dysfunction that characterize the condition. Our objective is to establish clinical proof-of-concept for pudafensine as a pharmacological treatment for vulvodynia. Positive results would represent an important validation of the asset and could open a significant commercial opportunity in a large and underserved patient population.

Full strategic focus on pudafensine

On 17 April, we announced our decision to fully prioritize pudafensine and discontinue further development of IP2018 for psychogenic erectile dysfunction. The rationale was clear: pudafensine is our strongest asset and offers the most compelling opportunity for Initiator Pharma.

Pudafensine has demonstrated positive and statistically significant efficacy in a Phase IIb study in erectile dysfunction, has shown effects in pain-related clinical testing, and is now advancing in vulvodynia. Its dual mechanism of action, targeting both pain and sexual dysfunction in a single oral molecule, provides a differentiated profile that we believe has considerable potential across indications.

LETTER FROM THE CEO

It is never an easy decision to discontinue a clinical programme. However, for a company of our size, focus is essential. Importantly, our partnering discussions have consistently pointed in the same direction: the strongest interest, clinical rationale and commercial opportunity are centred on pudafensine.

Building a strong, multi-layered IP position

An important part of maximizing that value is ensuring robust and long-lasting intellectual property protection around pudafensine.

Following the end of the period, the European Patent Office granted two additional patents – EP 4608400, covering pudafensine for the treatment of pain; and EP 4731189, covering an immediate-release oral formulation of pudafensine. The pain patent provides further protection relevant to our development programme in vulvodynia, while the formulation patent relates to the dosage form being developed for clinical use.

Together, these patents add important new layers of protection around pudafensine. Combined with our existing composition-of-matter and medical-use patents, they support a broad and increasingly robust patent estate, with potential exclusivity extending well into the mid 2040s, subject to applicable regulatory extensions. This strengthens both the long-term commercial potential of pudafensine and our position in future partnering discussions.

Strengthening our business development capabilities

Advancing partnering discussions for pudafensine remains a central part of our strategy. The progress in the vulvodynia study, our decision to concentrate the company's resources on pudafensine, and the strengthening of its IP position all contribute to a clearer and increasingly compelling proposition for potential partners.

Strengtened Board with deep expertice in women´s health

At our Annual General Meeting we were pleased to welcome Christina Lloyd to the Board of Directors. Christina is a specialist in obstetrics and gynaeocology and a senior life science executive with more than 30 years of international experience across clinical medicine, pharmaceutical development and women´s health. Her clinical and strategic insight into reproductive and sexual health are strong complements to the Board as we advance pudafensine in vulvodynia and femal sexual dysfunction. At the same time, Göran Ando stepped down from the Board, and we thank him for his valuable contributions to Initiator Pharma.

Looking ahead

Our key priority for the remainder of 2026 is clear: to complete the Phase IIa vulvodynia study and report topline data by year-end.

LETTER FROM THE CEO

Positive proof-of-concept results would represent an important value inflection point for Initiator Pharma. They would provide clinical validation of pudafensine in a large and underserved indication with no approved pharmacological treatment today, while further strengthening the foundation for future development and partnering.

At the same time, we will continue to build the intellectual property and commercial position around pudafensine and advance our dialogue with potential partners on both erectile dysfunction and neuropathic pain, Vulvodynia. With a sharpened strategic focus, an increasingly strong patent estate and an important clinical readout approaching, we believe Initiator Pharma is entering an exciting and potentially transformative period.

I would like to thank our shareholders for their continued support, our partners for their commitment, and the team at MAC Clinical Research for their dedicated work in advancing the vulvodynia study.

Copenhagen, August 21, 2026

Claus Elsborg Olesen CEO

ABOUT INITIATOR PHARMA

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

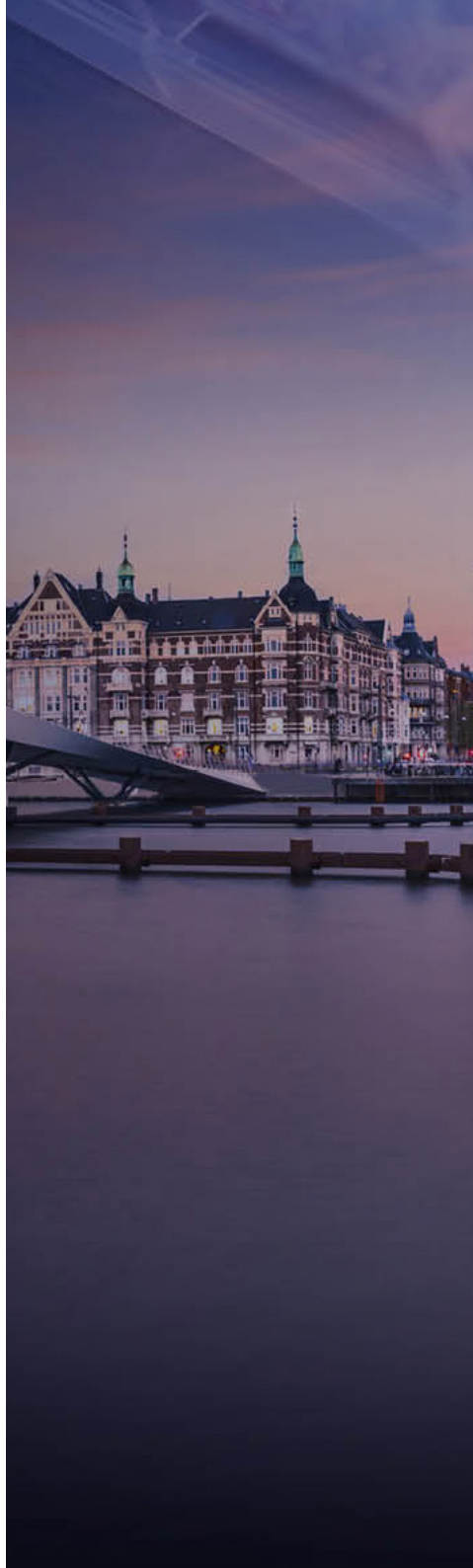
Vision

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

Business model

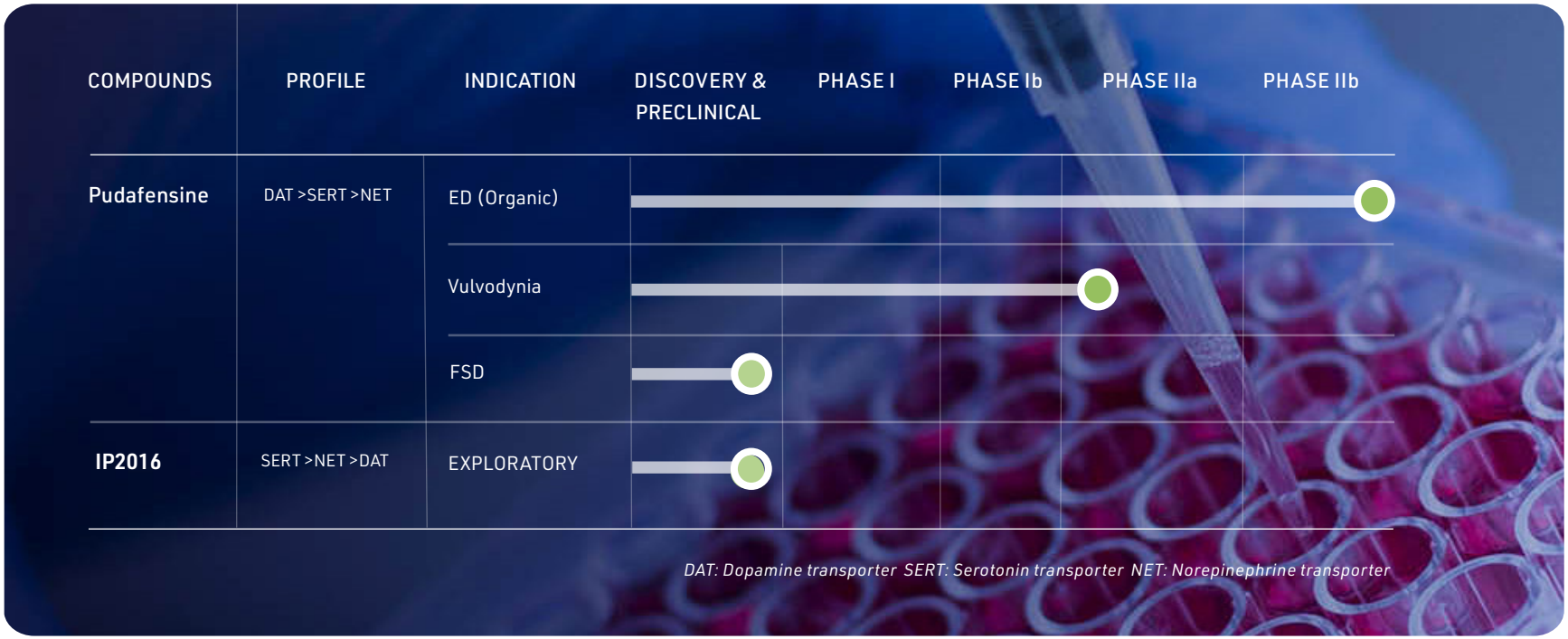
The company aims to commercialize its research efforts through internal development of selected programs through the early phases of clinical drug development, before out-licensing to pharmaceutical companies who will take over the further development of Initiator Pharma's programs and typically with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

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



PROJECT PORTFOLIO

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



PUDAFENSINE

Pudafensine:

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

Pudafensine is currently being evaluated in a Phase IIa clinical trial for the treatment of vulvodynia, and the clinical trial is expected to be completed by year end. The development of pudafensine for the treatment of vulvodynia is backed by promising efficacy data already demonstrated in a healthy volunteer pain challenge study.

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

The crossover study design offers several advantages, including reduced variability by having each participant serve as her own control, and the ability to compare pudafensine against placebo in the same patient population directly. This approach allows for meaningful results from a smaller cohort, making it particularly well-suited for proof-of-concept studies in pain and sexual dysfunction.

Vulvodynia/Neuropathic pain

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

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

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

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

Women with vulvodynia endure severe physical pain, emotional distress, and societal stigma due to a lack of effective treatment options. Current therapies are mainly off-label, frequently inadequate, and often accompanied by undesirable side effects.

PUDAFENSINE

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

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

Vulvodynia Market

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

Even under conservative assumptions regarding pricing and market penetration, the base case scenario projects combined peak sales of $1.6 to $1.8 billion across US and EU4 + UK.

In an upside scenario – with more effective market development and adoption – peak sales could exceed $2.4 to $3.5 billion.

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

Organic Erectile Dysfunction

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

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

PUDAFENSINE

In 2023, Initiator reported statistically significant and clinically relevant efficacy in ED-related endpoints and no observations of critical adverse events from its Phase IIb clinical trial with pudafensine for the treatment of ED. The positive results, both regarding efficacy and safety, support further development of pudafensine aiming at registration and launch in this patient group with significant unmet medical need.

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

Erectile Dysfunction (ED) Market

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

Female Sexual Dysfunction

Female sexual dysfunction (FSD) includes a range of issues such as hypoactive sexual desire disorder (low libido), difficulty achieving arousal, pain during intercourse, and inability to reach orgasm. Female hypoactive sexual desire disorder (HSDD) in the US occurs in 10% of women, independent of age. FSD can profoundly affect the individual's quality of life and relationships due to the distress, low self-esteem, and anxiety it causes. There are medical treatment options for young women with FSD, but despite the current options, a large unmet need is to restore the desire for an intimate relationship with the partner. Initiator will investigate the potential for its products with a priority on postmenopausal women with FSD, where there currently is no available treatment option.

Pudafensine offers the potential as first-line treatment option in postmenopausal generalized, acquired HSDD – where it would be positioned as the first approved therapy. It offers the potential of clear differentiation from current FSD drugs, with the key differentiators:

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

PUDAFENSINE

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

Female Sexual Dysfunction (FSD) Market

The commercial potential within the FSD area is considered to be very attractive. An analysis of the commercial assessment has concluded that a product for underserved women suffering from FSD/HSDD should have potential to reach peak sales of at least USD 2 billion. Initiator Pharma is initially exploring the opportunity with a priority on postmenopausal women with FSD, where there currently is no available treatment option.

PATENT PROTECTION

Pudafensine

Following the decision in April 2026 to discontinue IP2018, Initiator Pharma's patent portfolio is concentrated on two assets: pudafensine, covered by seven patent families, and IP2016, covered by two. The pudafensine families are layered. They protect the compound itself, the indications it is being developed for, the dosage regimes used in those indications, the formulations through which it is given, and its use in combination with PDE5 inhibitors.

Because the layers were filed at different times they expire at different times, so the position does not rest on any single patent or any single date. Composition of matter protection runs to 2031 in the United States. From then the position rests on the medical use, dosage regime and formulation families, which run to 2043 and 2044 and are already granted in Europe for the two indications closest to the clinical programme and for the immediate-release formulation. The terms shown are the maximum available and assume renewal fees are paid; any regulatory extension would come in addition. Applications that are pending or allowed may still be refused, narrowed or opposed, and a granted patent may be challenged.

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

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

PATENT PROTECTION

Pudafensine:

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

PATENT PROTECTION

IP2016:

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

Developments since last quarterly report

- In May the patent covering pudafensine for the treatment of pain was granted in Singapore, the first grant in that family.
- In June the application covering pudafensine in combination with PDE5 inhibitors was published as WO 2026/115118.
- In June the patent covering the treatment of female sexual dysfunction was allowed in Israel, and in July it was granted in Hong Kong.
- On 19 August the European Patent Office granted EP 4608400, covering pudafensine for the treatment of pain, and EP 4731189, covering the immediate-release formulation.
- WO 2025/172422 covering the enantiopure form of IP2016, is currently entering the national phase in the relevant markets.

Ongoing IP strategy

Initiator Pharma is actively pursuing a vigorous patent strategy to capture the value of developments in its clinical and preclinical programmes, by filing new patent applications when possible.

FINANCIAL REVIEW

Revenue

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

Earnings

The company recognized an operating loss of TDKK 9,499 for the second quarter of 2026 (-3,844). The increase in operating costs for the second quarter compared to last year reflects the ongoing conduct of the Phase IIa clinical trial in vulvodynia with pudafensine. For the first six months of the year the operating loss was TDKK 20,931 (-6,497).

External R&D costs in the second quarter amounted to TDKK 6,236 compared to TDKK 376 in the same period in 2025. The increase reflects the CRO and CMC costs for the vulvodynia Phase IIa study, which entered active dosing in early 2026 and has been running at full operational tempo in this quarter. For the first six months of the year the external R&D costs totalled to TDKK 15,237 (418). The company had no external R&D expenses related to IP2018 in the second quarter nor in the first six months of the year.

Net financial income in the second quarter amounted to TDKK 16, compared to net financial expenses of TDKK 20 in the same period in 2025. For the first six months of the year net financial expenses totalled to TDKK 103 (20).

The net loss after tax for the second quarter was TDKK 9,483 (-3,864) and earnings per share totaled to DKK -0.14 (-0.07). For the first six months of the year net losses came in at TDKK 21,034 (-6,517) and earnings per share was DKK -0.31 (-0.12).

Financial position

The equity as of June 30 was TDKK 8,511 compared to TDKK 29,546 at year-end 2025. Cash and cash equivalents amounted to TDKK 17,070 as of June 30 compared to TDKK 26,245 at year-end 2025, and total assets were TDKK 20,895 compared to 33,760 at year-end 2025.

Cash flow

In the second quarter the total operating cash flow was TDKK -4,880 (-8,271), incl. a reduction in working capital of TDKK 4,603 (-4,408). The reduction in working capital is related to reversal of pre-payments to MAC Clinical Research for the Phase IIa clinical trial in Vulvodynia with pudafensine. For the first six months of the year the operating cash flow was TDKK -16,693 (-10,860).

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

Cash flow from financing activities in the second quarter was TDKK 2,147 (2,189) and relates to the financing of part of the Phase II clinical trial costs through the announced convertible financing agreement with MAC Clinical Research. For the first six months of the year cash flow from financing activities was TDKK 7,519 (2,189).

Cash flow for the second quarter totalled to TDKK -2,733 (-6,083). For the first six months of the year cash flow amounted to TDKK -9,174 (-8,672).

The share, share capital and ownership structure

As of June 30, 2026, the number of shares outstanding totalled to 68,452,892 shares and that same number on a fully diluted basis.

Under a convertible credit agreement with MAC Clinical Research financing up to ca GBP 2.5 million of the clinical trial costs associated with the Phase IIa clinical trial in vulvodynia with pudafensine, MAC can convert the amount into shares at a pre-agreed share price of SEK 7.74. As of June 30, 2026 the balance of the convertible debt is approx. DKKM 9.7.

The shares in Initiator Pharma are traded on Nasdaq First North Growth Market in Stockholm. As of June 30 the company had around 3,700 shareholders. The 10 largest shareholders in the company on June 30 owned 48.4% of all outstanding shares.

Top 10 shareholders as of June 30, 2026

Owners	Number of shares	Shares %
LINC AB	13,464,318	19.67 %
Avanza Pension	3,964,055	5.79 %
MAC Clinical Research Finance LTD	3,823,333	5.59 %
Adrigo Asset Management	3,797,295	5.55 %
Nordnet Pension Insurance	2,065,361	3.02 %
Claus Elsborg Olesen	1,430,125	2.09 %
Håkan Kjellman	1,358,512	1.98 %
Dan Peters	1,346,544	1.97 %
Mats Thóren	957,473	1.40 %
Annika Espander Jansson	943,299	1.38 %
Ten largest shareholders	33,150,315	48.43 %
Other shareholders	35,302,577	51.57 %
Total	**68,452,892**	**100.00 %**

Personnel

As of June 30, the number of employees was 1 (2), of which 0 (1) was a woman. Initiator Pharma follows a strategy of using an extensive network of consultants to support the development activities in the company. Such a strategy is well established in drug development and ensures the company the optimal balance of access to leading edge expertise, costs and flexibility.

Operational risks and uncertainties

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

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

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

Prerequisites for continued operation

This financial information has been prepared under the assumption of continued operations. The company has historically reported losses.The company's ability to meet its future liquidity needs is highly dependent on securing external capital. The board continuously evaluates different financing possibilities to ensure the continued operation of the business.

FINANCIAL REVIEW

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

Including the undrawn portion of the convertible facility with MAC Clinical Research, the company expects its current resources to fund operations through the completion of the vulvodynia Phase IIa study at the end of 2026 and well into 2027.

Audit review

This interim report has not been subject to review by the company´s auditor.

Certified Advisor

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

Financial calendar

Interim Q3 2026 report	20 November 2026
Year-end report 2026 (Q4)	26 February 2027

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

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

Copenhagen, August 21, 2026

Magnus Persson Chairman	***Annette Colin*** Board member
Peter Holm Board member	***Gunilla Ekström*** Board member
Christina Lloyd Board member	***Claus Elsborg Olesen*** Board member and CEO

FINANCIAL STATEMENTS

Statement of income

TDKK	Q2-2026	Q2-2025	H1-2026	H1-2025	FY-2025
Gross loss	-8,537	-2,721	-19,723	-4,822	-14,828
Staff costs	-962	-1,123	-1,208	-1,675	-2,953
Operating profit/loss	**-9,499**	**-3,844**	**-20,931**	**-6,497**	**-17,781**
Financial income	20	32	28	55	1,310
Financial expenses	-4	-52	-131	-75	-225
Profit/loss before tax	**-9,483**	**-3,864**	**-21,034**	**-6,517**	**-16,696**
Tax	-	-	-	-	3,009
Net profit/loss for the period	**-9,483**	**-3,864**	**-21,034**	**-6,517**	**-13,687**

FINANCIAL STATEMENTS

Statement of financial position

TDKK	June 30, 2026	Dec 31, 2025
ASSETS		
Total non-current assets	**17**	**17**
Other receivables	799	1,109
Income tax receivables	3,009	3,009
Prepayments	-	3,380
Cash and cash equivalents	17,070	26,245
Total current assets	**20,878**	**33,743**
Total assets	**20,895**	**33,760**
EQUITY AND LIABILITIES		
Contributed capital	7,187	7,187
Retained earnings	1,324	22,359
Total equity	**8,511**	**29,546**
Convertible credit agreement	9,668	2,149
Total non-current liabilities	**9,668**	**2,149**
Trade payables	995	864
Other current liabilities	314	195
Accrued expenses	1,407	1,006
Total current liabilities	**2,716**	**2,065**
Total equity and liabilities	**20,895**	**33,760**

Statement of changes in shareholder equity

TDKK	Contributed capital	Retained earnings	Total
January 1, 2025	**5,896**	**8,886**	**14,782**
Share issue	1,291	31,620	32,911
Costs in connection with increase of capital		-4,460	-4,460
Profit/loss for the period		-13,687	-13,687
December 31, 2025	**7,187**	**22,359**	**29,546**
January 1, 2025	**5,896**	**8,886**	**14,782**
Profit/loss for the period	-	-6,517	-6,517
June 30, 2025	**5,885**	**2,369**	**8,265**
January 1, 2026	**7,187**	**22,359**	**29,546**
Profit/loss for the period	-	-21,034	-21,034
June 30, 2026	**7,187**	**1,325**	**8,511**

FINANCIAL STATEMENTS

Statement of cash flow

TDKK	Q2-2026	Q2-2025	H1-2026	H1-2025
Cash flow from operations				
Operating profit/loss	-9,499	-3,844	-20,931	-6,497
Corporate tax income received	-	-	-	-
Cash flow from operations before change in working capital	**-9,499**	**-3,844**	**-20,931**	**-6,497**
Interest received	20	32	28	55
Interest paid	-4	-52	-131	-75
Changes in working capital	4,603	-4,408	4,341	-4,344
Cash flow from operations	**-4,880**	**-8,272**	**-16,693**	**-10,861**
Investing activities	-	-	-	-
Cash flow from investing activities	**-**	**-**	**-**	**-**
Financing activities				
New share issue	-	-	-	-
Credit agreement with MAC	2,147	2,189	7,519	2,189
Cash flow from financing activities	**2,147**	**2,189**	**7,519**	**2,189**
Cash flow for the reporting period	**-2,733**	**-6,083**	**-9,174**	**-8,672**
Cash and cash equivalents at the beginning of period	19,803	10,782	26,245	13,371
Cash and cash equivalents at the end of period	**17,070**	**4,700**	**17,070**	**4,700**

BUSINESS TERMS

Business terms - glossary

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

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

EMA
European Medicines Agency

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

FDA
US Food and Drug Administration

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

Hypoactive sexual desire disorder
Investigational New Drug Hypoactive Sexual Desire Disorder (HSDD) is the most common Female Sexual Dysfunction (FSD) affecting adult women of any age, including postmenopausal women. HSDD may have significant effects on the relationships and emotional balance of women and constitutes the most common form of FSD observed in clinical practice.

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

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

BUSINESS TERMS

Business terms - glossary

Monoamine re-uptake inhibitor

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

Neuropathic pain

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

PDE5 inhibitor

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

FINANCIAL GLOSSARY

Financial Glossary

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

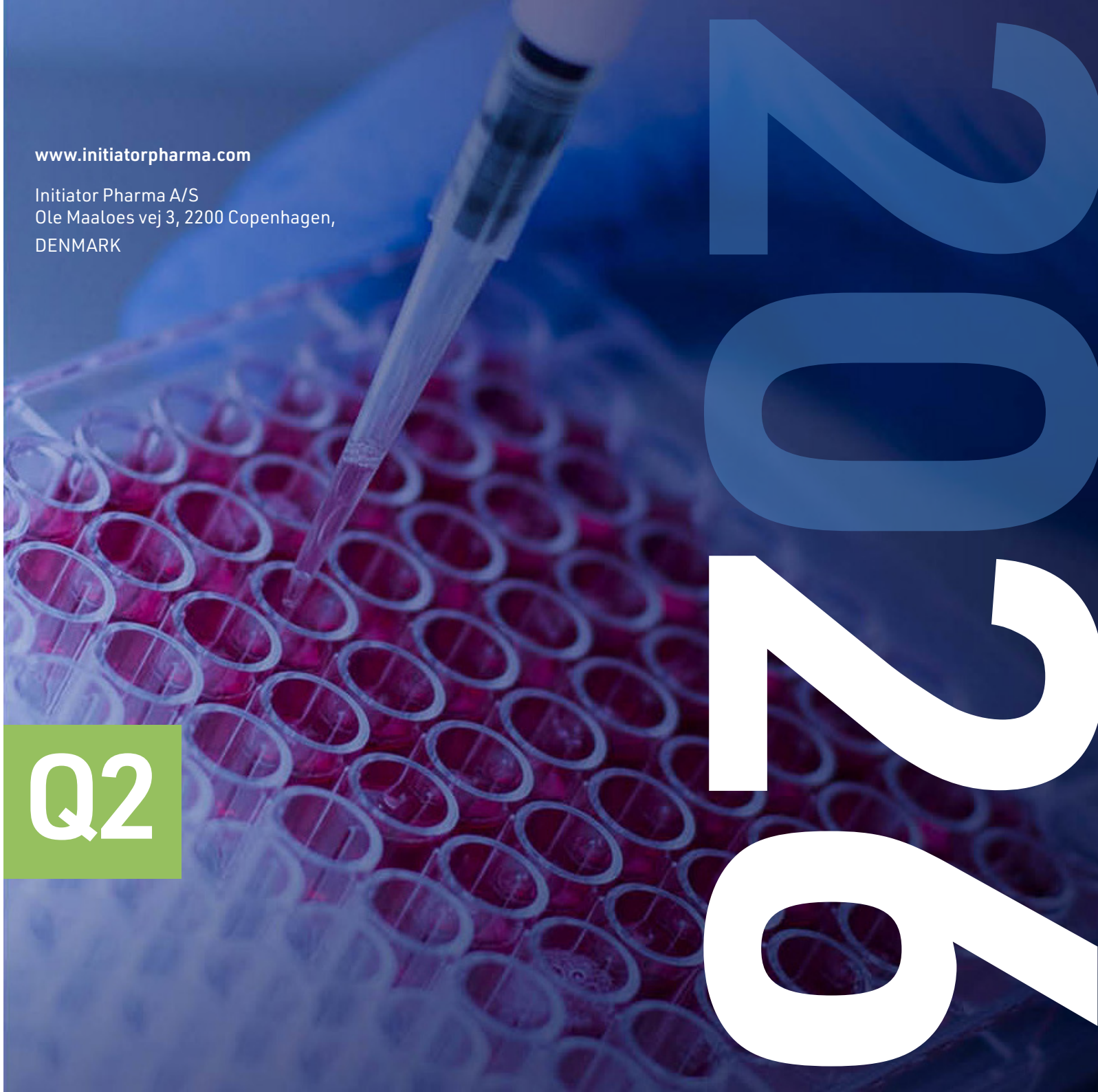
Operating profit/loss, EBIT
Earnings Before Interest and Taxes (Operating profit/loss)

Equity ratio
Shareholders' equity as a proportion of total assets

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

Operating margin
EBIT as proportion of revenue

INTERIM REPORT JANUARY - JUNE 2026



www.initiatorpharma.com

Initiator Pharma A/S
Ole Maaloes vej 3, 2200 Copenhagen,
DENMARK

Initiator Pharma

Q2

Q2 2026