Interim Report

January – September 2024

Cinclus Pharma Holding AB (publ)

Q3 2024

Interim Report January – September 2024

Cinclus Pharma

Financial Summary, July – September 2024

- Net sales amounted to 0 (0) TSEK.
- Operating profit (EBIT) amounted to -39,148 (-62,070) TSEK.
- The result for the period was -36,547 (-61,951) TSEK and earnings (loss) per share before and after dilution were -0.79 (-2.36) SEK.
- Total cash flow for the period amounted to -40,470 (43,404) TSEK.
- Cash and cash equivalents at the end of the period amounted to 644,264 (87,972) TSEK.

Financial Summary, January – September 2024

- Net sales amounted to 0 (5,959) TSEK.
- Operating profit (EBIT) amounted to -112,750 (-161,221) TSEK.
- The result for the period was -113,772 (-170,977) TSEK and earnings (loss) per share before and after dilution were -3.36 (-6.52) SEK.
- Total cash flow for the period amounted to 556,030 (-22,855) TSEK.
- Cash and cash equivalents at the end of the period amounted to 644,264 (87,972) TSEK.

644 MSEK
CASH AND CASH EQUIVALENTS

29
CO-WORKERS

81% R&D
OF OPERATING EXPENSES

General information about the report

All information in this report refers to the Group unless otherwise stated. Comparative figures in brackets refer to the corresponding period of the previous year. Comparative figures in brackets for balance sheet items refer to the end of the previous financial year.

This report has has been subject to a review by the company's auditor. The report has been prepared in a Swedish and an English version. In the event of any discrepancies between the Swedish and the English versions, the Swedish version will take precedence.

Upcoming information events

February 20, 2025	Year-end report 2024
April 17, 2025	Annual report 2024
May 20 2025	Interim report Q1
May 22 2025	Annual General Meeting

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The webcast will be held on November 14, 2024, at 10:00 via Inderes. Link to the event https://financialhearings.com/event/51345

The report is available on the company's website: cinclupharma.com/investors/financial-reports/interim-reports/

Significant events during the period July – September 2024

» During July 1, 11 and 19, stabilization purchases of Cinclus Pharma's share were made in accordance with the mandate of over-allotment option granted to Carnegie Investment Bank AB. On July 19, it was announced that the over-allotment option had not been exercised.

» On July 29, Cinclus Pharma announced that Swiss-based global company PSI CRO will serve as the clinical research organization (CRO) for the phase III program of the Company's lead drug candidate, linaprazan glurate, for the treatment of eGERD.

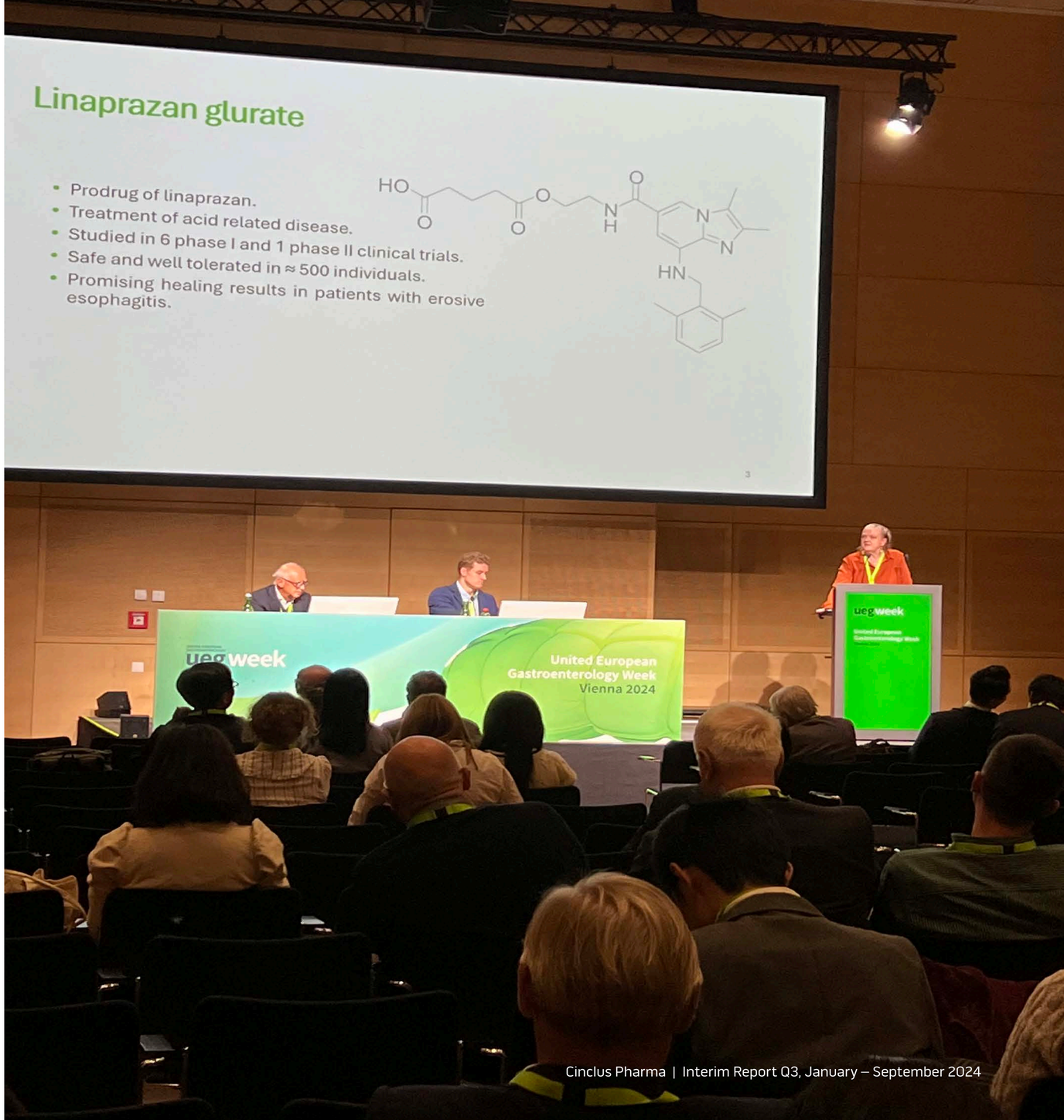
» Cinclus Pharma announced on September 24 that the results of a Phase I study of the acid suppression effect of Cinclus Pharma's PCAB linaprazan glurate will be presented at the leading congress United European Gastroenterology Week (UEG) October 12 - 15, 2024.

» On September 30, the company announced that the manufacturing of the Investigational Medicinal Product (IMP), to be used for the company's upcoming phase III study of linaprazan glurate for eGERD, has been successfully completed. Thus, the company is following its time plan for recruiting the first patient in 2025.

Significant events after the end of the period

» On October 12, 2024, linaprazan glurate was presented at UEG, United European Gastroenterology Week.

» On October 29, it was announced that EMA and Cinclus Pharma are in agreement regarding the paediatric study plan for eGERD.



The need for new alternatives to PPIs is evident as PCABs are making great progress worldwide

Our goal is to provide healing for the most severe ill eGERD patients, around 19 million people worldwide.

Cinclus Pharma can now tick off the first quarter as a listed company with several significant achievements. The listing has not only secured continued financing but also enabled continued focus on development work. We are working intensively to prepare the first Phase III studie of linaprazan glurate, the next generation PCAB, to address a significant unmet medical need in patients with severe erosive GERD (eGERD).

The significant need for new alternatives to proton pump inhibitors (PPIs) is evident as PCABs are making great progress world-wide. Right now, especially in Asia and South America, and eventually in the US and then the EU. For example, in India today, eight different companies are selling Takeda's PCAB vonoprazan and sales of PCABs in South Korea and Japan are measured in billions of SEK with double-digit growth*. We are eagerly awaiting market approval for our partner Sinorda in China and expected launch in 2025/26.

Just after the end of the quarter, results from one of our Phase I studies of linaprazan glurate were presented at the leading congress, United European Gastroenterology Week (UEG). The results show very rapid and effective acid suppression already 90 minutes after the first dose. In addition, the best doses provide near complete acid control (pH>4) throughout 24 hours.

The fact that UEG selected our data is a proof of the quality and relevance of the research. The promising results support our goal of curing all patients with eGERD, including the most severe cases, i.e., patients with the most severe esophageal corrosive lesions (grades C and D), a patient population which, according to our own estimate, includes 19 million people globally, of which 10 million are in the US and Europe. By achieving almost complete acid control over 24 hours, linaprazan glurate stands out as a potentially superior treatment with the ability to offer an effect currently lacking in competing treatments. We can proudly say that we have a very potent substance.

During the quarter, we took another critical step toward the Phase III studies when we finalized the Investigational Medicinal Product (IMP) manufacturing. This is the first time we have manufactured our new formulation on a large scale, an

* Effimed and Takeda's and Phatom Pharmaceuticals' external disclosures.

important milestone in starting the studies. The manufacturing, carried out by our partner, the Swiss company Lonza, one of the world's leading contract development and manufacturing organizations (CDMOs), has given us a commercially representative batch size and ensured that we are ready for the next steps.

We aim to enroll the first patient in the first Phase III study in 2025 and expect results in 2026. We work actively to optimize commercialization well in advance of approval. This includes partnerships and out-licensing in selected regions, where we have already received positive signals from several potential partners.

To further strengthen the organization, we have reorganized the management team and recruited Professor Margit Mahlapuu as the new Head of Research and Development. She has held senior positions in both publicly listed biopharma companies and privately held biotech companies. She has extensive experience in leading R&D portfolios in various therapeutic areas, focusing on clinical development, product development, regulatory affairs, and co-operation with suppliers. Margit will be a valuable addition to our team, and we are pleased to welcome her to Cinclus Pharma.

We look forward to sharing more progress with you in the coming months.

Christer Ahlberg, CEO and President

About the share

Largest shareholders at the end of the period

Shareholding in the company at the end of the period	Number of shares	Share (%)
Trill Impact Ventures	3,721,221	8.0%
Fjärde AP-fonden	3,686,568	7.9%
Linc AB	2,318,322	5.0%
Peter Unge via company	2,050,015	4.4%
Kjell Andersson via company	1,908,000	4.1%
Mikael Dahlström estate	1,881,520	4.0%
Futur Pension	1,806,156	3.9%
Movestic Livförsäkring AB	1,791,878	3.9%
Nylof Holding	1,164,575	2.5%
Lennart Hansson via company	1,084,771	2.3%
Nordnet Pensionsförsäkring	904,383	1.9%
Eir Ventures I AB	898,750	1.9%
Postamentet Holding AB	688,409	1.5%
MWP Management Consulting AB	680,000	1.5%
Irrus Investments	614,265	1.3%
Fifteen largest shareholders	***25,198,833***	***54.1%***
Others	***21,338,956***	***45.9%***
Total	**46,537,789**	**100.0%**

Share information

	Quarter 3		Quarter 1-3		Year
	2024	2023	2024	2023	2023
Net income, (TSEK)	-36,547	-61,951	-113,772	-170,977	-215,118
Cash flow for the period, (TSEK)	-40,470	43,404	556,030	-22,855	-86,294
Number of shares at the beginning of the period	46,537,789	26,227,040	26,227,040	26,227,040	26,227,040
Number of shares at the end of the period	46,537,789	26,227,040	46,537,789	26,227,040	26,227,040
Average number of shares	46,537,789	26,227,040	33,862,103	26,227,040	26,227,040
Number of warrants at the beginning of the period*	941,897	1,634,960	1,634,960	1,650,960	1,650,960
Number of warrants at the end of the period*	1,067,897	1,634,960	1,067,897	1,634,960	1,634,960
Average number of warrants*	1,230,114	1,634,960	1,502,783	1,636,777	1,636,319
Share capital at the end of the period, (TSEK)	903	509	903	509	509
Equity at the end of the period, (TSEK)	606,253	-34,191	606,253	-34,191	-76,800
Earnings per share before dilution, (SEK)	-0.79	-2.36	-3.36	-6.52	-8.20
Earnings per share after dilution, (SEK)	-0.79	-2.36	-3.36	-6.52	-8.20
Equity per share, (SEK)	13.03	-1.30	13.03	-1.30	-2.93
Cash flow for the period per share, (SEK)	-0.87	1.65	16.42	-0.87	-3.29

* Number of warrants is recalculated so that all programs must meet the 1:1 conversion condition.

Cinclus Pharma's share (CINPHA) has been listed on Nasdaq Stockholm since June 20, 2024.

The opening price for the quarter on July 1 was SEK 31.9 per share. The closing price on the last trading day in September was SEK 28.03 per share.

The average volume-weighted share price during the third quarter was SEK 32.58 per share. From June to September, the average volume-weighted share price was SEK 33.29 per share, and the market capitalization on the last trading day in September was SEK 1.3 billion.

The company has 46,537,789 outstanding ordinary shares and had just over 4,000 shareholders at the end of the third quarter.

Trading	Nasdaq Stockholm
Ticker	CINPHA
ISIN	SE0020388577
LEI-code	549300TJBPSNZ3DO6B42
Share price 2024-09-30	28.03 SEK
Market capitalization 2024-09-30	1,304 MSEK

Description of operations

Cinclus Pharma is developing the drug candidate linaprazan glurate primarily for the treatment of erosive gastroesophageal reflux disease (eGERD). Linaprazan glurate represents a new class of drugs, Potassium Competitive Acid Blocker (PCAB), which has the potential to replace the current standard treatment, which is proton pump inhibitors (PPIs).

A first generation of PCABs has been registered in e.g. Japan since 2015 and the US since the end of 2023. Linaprazan glurate is the next generation of PCABs and is expected to have better acid suppression over the whole day than PPIs and first generation PCABs. Twenty-four hour healing is necessary to heal esophageal ulcers in the most severely ill eGERD patients. These are the patients with the greatest unmet medical need and are the primary target population for Cinclus Pharma.

Linaprazan glurate is a 'prodrug' of linaprazan that was initially developed by AstraZeneca before the founders of Cinclus Pharma were given the opportunity to take over the development. Several members of Cinclus Pharma's management team worked on the development and commercialization of Losec and Nexium (PPIs) and the development of linaprazan and linaprazan glurate within the AstraZeneca Group. Following the acquisition from AstraZeneca, Cinclus Pharma has since successfully completed several Phase I clinical trials and a Phase II clinical trial of linaprazan glurate as well as several pre-clinical studies. The company is currently working on preparations for patient inclusion in the Phase III program for eGERD.

The company was founded in 2014 when the development and global rights to linaprazan glurate were acquired from AstraZeneca free of charge and without financial obligations.

Cinclus Pharma in brief

High unmet medical need for new medicines for severe eGERD.

Linaprazan glurate provides improved acid control.

> 3,000
individuals have been exposed to linaprazan glurate or linaprazan in clinical trials.

Positive results from the Phase II study have been presented in an EoPh2 meeting with the FDA.

19 milion
people in the world with severe eGERD are the primary target population.

Organization with experience in development, commercialization and sales of drugs for acid-related stomach diseases.

Cinclus Pharma Holding AB (publ) is the parent company of the Cinclus Pharma Group. The parent company has one subsidiary in Sweden and one in Switzerland and together they form the Group. The head office is based in Stockholm, Sweden. In June 2024, the company's share was listed on Nasdaq Stockholm under the ticker CINPHA.

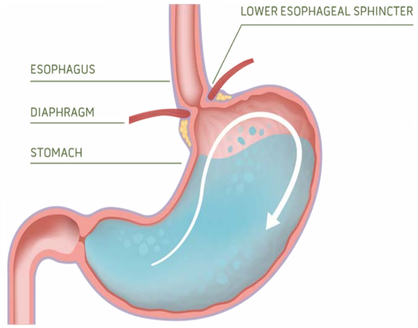
GERD

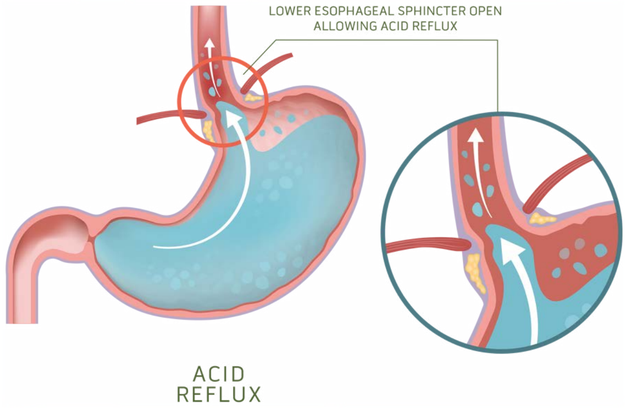
Cinclus Pharma's indication area is gastroesophageal reflux disease (GERD). GERD is divided into two main groups, symptomatic GERD (sGERD) and erosive GERD (eGERD). GERD is a disease of the gastrointestinal tract involving the lower esophageal sphincter (LES), also called the upper stomach, an area that includes the muscular ring between the esophagus and the stomach.

If the esophageal sphincter is not working properly, it can cause a backward flow of stomach contents into the esophagus. This can lead to erosions, acid reflux and heartburn, and is known as erosive gastroesophageal reflux disease (eGERD).

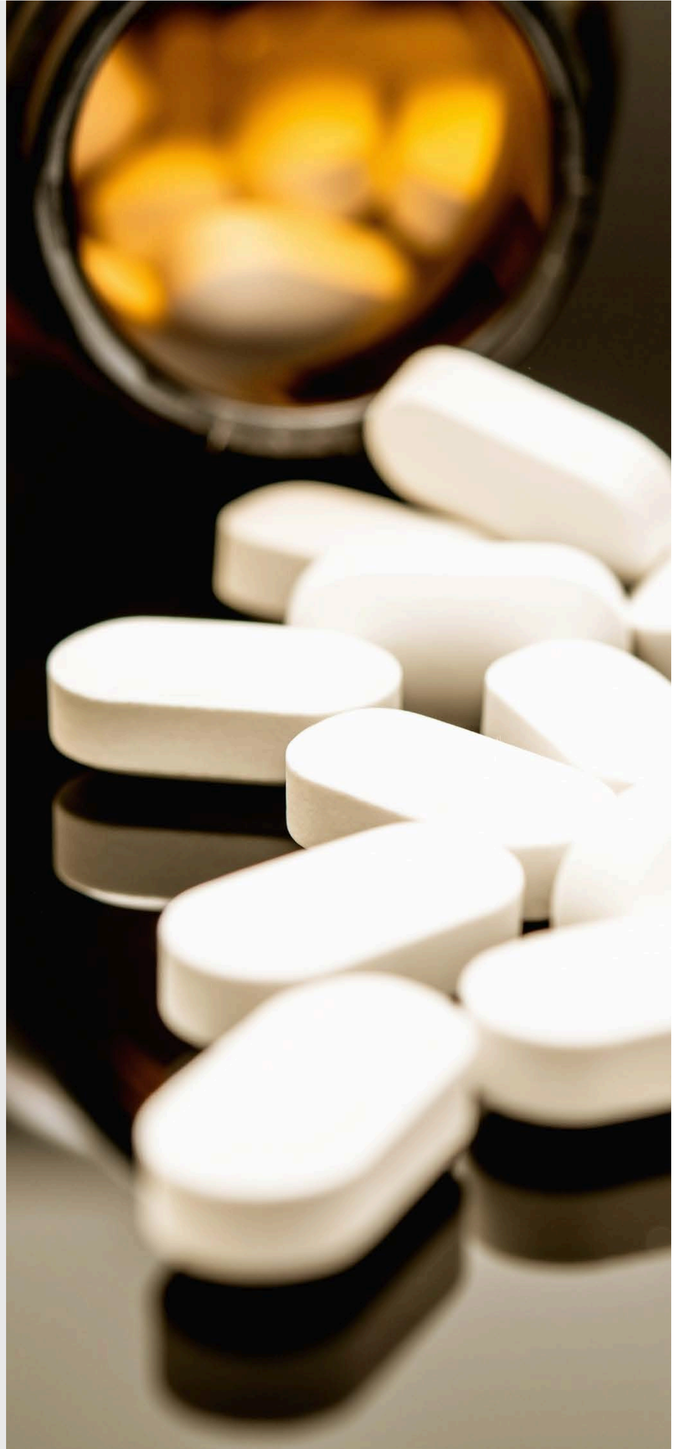
Approximately 130 million people of the adult population in the US and Europe suffer from reflux disease*. The global market for the treatment of patients with GERD is dominated by the proton pump inhibitor (PPI) class of drugs. On average, about 10% of patients with mild eGERD (Grade A or B on the LA scale), over 30% with moderate eGERD (Grade C) and over 50% with severe eGERD (Grade D) remain untreated after eight weeks of treatment with PPIs. Almost 50% of GERD patients experience nocturnal symptoms resulting in poorer quality of life. In other words, there is a great medical need for other treatment options.

Despite frequent non-approved off-label prescribing of high doses of PPIs several times a day, many patients still suffer from poor symptom control and unhealed esophageal ulcers, which also indicates a clear need for better medicines to treat GERD. This is also confirmed by market research with both specialist and primary care physicians commissioned by Cinclus Pharma in Europe and the US.





* Source: Apex Market Report 2022-2023



Regulatory and commercial strategy

Linaprazan glurate is being developed for the treatment of severe erosive gastroesophageal reflux disease (eGERD grade C/D) and has the potential to heal esophagitis, i.e. damage to the esophagus and relieve GERD symptoms more effectively than current pharmaceutical treatments such as PPIs and first generation PCABs.

The results of Cinclus Pharma's market research show that there is a significant unmet medical need for this type of acid-related diseases. Data from Japanese pharmaceutical company Takeda's successful launch of the first PCAB drug vonoprazan as Takecab, in Japan, and the approval of the same substance in the US under the brand name Voquezna by Phatom Pharmaceuticals confirm the commercial potential of PCABs. Takecab has been the market leader in Japan for a couple of years and became Japan's largest drug in sales figures in the fourth quarter of 2021*. Compared to vonoprazan, linaprazan glurate has the potential to provide faster and better acid control over the day.

PCAB is the new treatment regimen that has the potential to replace PPIs. Cinclus Pharma's goal is for linaprazan glurate to become best-in-class and bring about a paradigm shift in the treatment of acid-related stomach diseases. The next step is to document the product in a Phase III program, which is intended to lay the foundation for a clear market position reinforced by commercial partnerships and a build-up of the in-house development organization.

Cinclus Pharma's primary goal for linaprazan glurate is to obtain marketing authorization for the indication eGERD. The focus will be on patients with severe eGERD. Cinclus Pharma will also work towards a market authorization for the treatment of *H. pylori* infection.

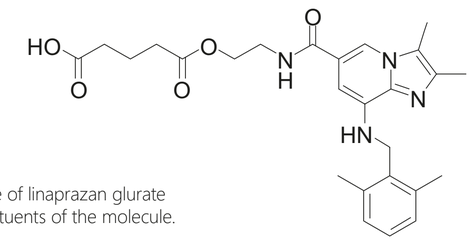
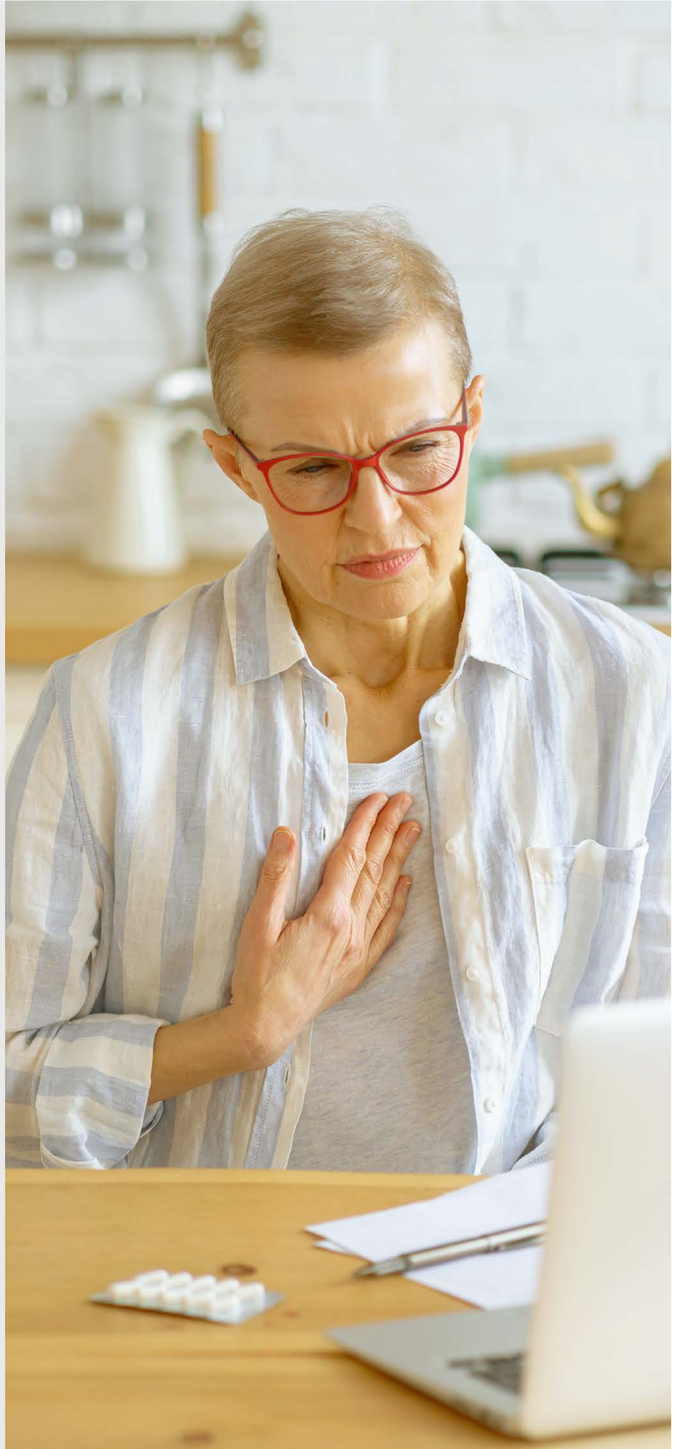


Image of linaprazan glurate constituents of the molecule.

* Source: IMS Health market data



Product development

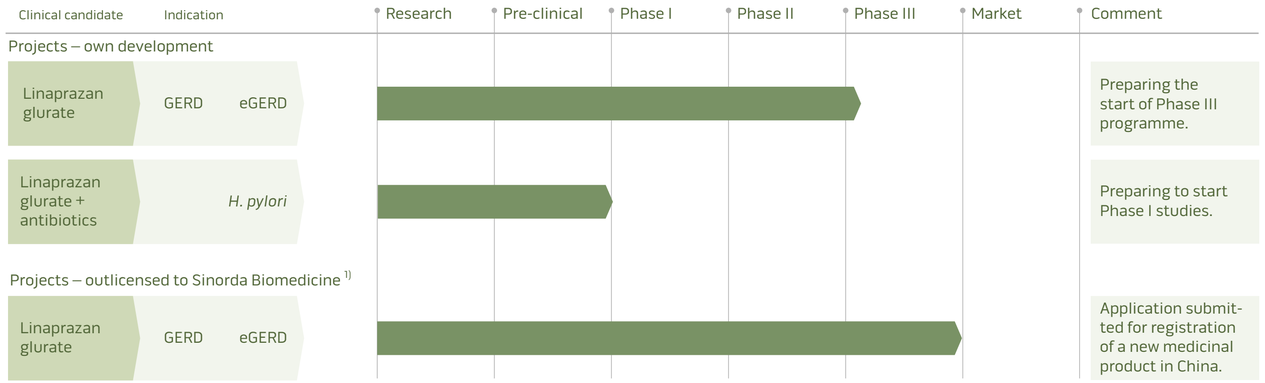
Linaprazan glurate's beneficial pharmacodynamic properties have been successfully documented in several Phase I studies with positive results. These studies show dose-related acid control, which together with a strong biomarker makes the company's clinical development programme a lower risk compared to other new substances in a similar development phase. This is verified by the close to 90% cure rate of the most severe patients in one of the dose groups from the phase II study. Overall, there is an indication of high healing rates of erosive esophagitis in upcoming clinical studies.

The strong biomarker shows a clear connection between time during the day with a pH value above 4 in the stomach and healing frequency of ulcers in the esophagus. This means that the longer you can maintain pH value above 4 in the stomach over the day (24 hours), the greater the probability of healing of ulcers in the esophagus (provided that the ulcers in the esophagus are caused by acid from the stomach). A recently published phase I study confirmed that linaprazan glurate is able to maintain pH above 4 during 96% of the day for the intended dose in the upcoming phase III study. This is a unique acid control that significantly increases the ability to heal esophageal ulcers even in the most severely ill patients.

Clinical development

In November 2022, positive topline results from the Phase II study conducted in Europe and the USA in 248 patients, were presented. The primary purpose of the study was to support dose selection in future Phase III programs and was primarily based on healing data in grade C and D patients, and demonstrates that the product is effective and safe. The study provided 'proof of concept'. The company has conducted several Phase I studies with linaprazan glurate. Two of the company's Phase I studies (BA and PK/PD) were completed earlier in the year. The PK/PD study has been presented after the end of the period at the UEG scientific congress in October, demonstrating the value of its data.

In addition to the Phase I and Phase II studies with linaprazan glurate conducted by Cinclus Pharma, there is extensive documentation of linaprazan glurate's active metabolite linaprazan, which has been evaluated in 23 Phase I and



1) For the Chineese market.

two Phase II studies in a total of approximately 2,600 patients as well as in many toxicological studies.

To obtain marketing approval for the eGERD indication, which is Cinclus Pharma's primary goal, the company has started preparations for a phase III programme with the aim of recruiting the first patient in 2025. The program will include two studies.

In addition to studies regarding the indication eGERD, the company will work to carry out phase III studies regarding the indication *H. pylori* infection. Both programs are discussed on an ongoing basis with regulatory authorities and medical advisors to ensure the quality of future applications for approval and to ensure an optimal path towards approval of linaprazan glurate. The company has completed an "End of Phase 2" meeting during the fourth quarter of 2023 with the FDA and received acceptance to initiate a Phase III program with linaprazan glurate.

Pre-clinical development and CMC

The company has completed and is currently conducting several pre-clinical studies. During the year, photo-toxicological and combi-toxicological studies were completed with good results.

Within the CMC area, the company has developed a new tablet formulation that has advantages in comparison to the previous version that was used in the phase II study. Among other things, the new formulation has better and more stable absorption in the body and provides conditions for more cost-effective manufacturing. Linaprazan glurate tablets were produced during the quarter, constituting study material in the upcoming phase III study. Through a stable CMC process, the company has paved the way for the tablet to be available for the implementation of phase III study as well as for commercial use after launch.

Patent

The substance patent for linaprazan glurate runs until 2029/30 plus a potential extension of approximately four to five years in the EU and the US. In the past, the company has received approval for a polymorph patent in the United States that is valid until 2042 and a formulation patent in Europe that is valid until 2040. During the year, the company received additional national approvals for the formulation patent in Hong Kong and Mexico.

The company is actively working to strengthen the protection of the substance. To complement the patents, the company is also working on regulatory data exclusivity that provides strong protection against generic competition for the years it is valid. In Europe, there will be data exclusivity of up to 10-11 years from the date of approval of linaprazan glurate. In the US, there will be five years of regulatory data exclusivity from the date of approval. However, the company has been granted an extension of a further five years by the FDA in the event that it obtains approval for an *H. pylori* indication there as the first indication

Financial summary, January–September 2024

	Quarter 3		Quarter 1-3		Year
Financial summary for the group	2024	2023	2024	2023	2023
Net sales, (TSEK)	–	–	–	5,959	5,959
Operating profit (EBIT), (TSEK)	-39,148	-62,070	-112,750	-161,221	-200,976
Net income, (TSEK)	-36,547	-61,951	-113,772	-170,977	-215,118
Operating expenses, (TSEK)	-39,297	-62,984	-112,888	-166,788	-206,240
R&D expenses vs. operating expenses %	81%	86%	74%	80%	81%
Cash flow from operating activities, (TSEK)	-42,377	-46,044	-99,783	-146,086	-209,186
Cash and cash equivalents at the end of the period, (TSEK)	644,264	151,419	644,264	151,419	87,972
Quick ratio, (%)	1480%	88%	1480%	88%	57%
Equity, (TSEK)	606,253	-34,191	606,253	-34,191	-76,800
Equity ratio, (%)	92%	-21%	92%	-21%	-81%
Average number of employees during the period	12	13	12	13	13
Average number of shares, before dilution	46,537,789	26,227,040	33,862,103	26,227,040	26,227,040
Average number of shares, diluted	46,563,771	26,227,040	33,870,677	26,227,040	26,227,040
Number of shares at the end of the period, before dilution	46,537,789	26,227,040	46,537,789	26,227,040	26,227,040
Number of shares at the end of the period, diluted	46,563,771	26,227,040	46,563,771	26,227,040	26,227,040
Earnings per share, before dilution [1], (SEK)	-0.79	-2.36	-3.36	-6.52	-8.20
Earnings per share, diluted [1], (SEK)	-0.79	-2.36	-3.36	-6.52	-8.20

1) The period's earnings per share before and after dilution are defined in IFRS. Other key figures in the above table are alternative key figures and thus not defined in IFRS, see further section for definitions and reconciliation of key figures and alternative key figures further ahead in this report.

Net sales

Net sales amounted to TSEK 0 (0) during the quarter and to TSEK 0 (5,959) during the interim period January-September. Revenues in the previous year referred to milestone payments of royalties on license revenues related to the out-licensing of linaprazan glurate in China to Sinorda Biomedicine.

Operating expenses

Research and development expenses

Research and development expenses (R&D) during the quarter amounted to TSEK -31,981 (-54,461), which corresponds to a cost decrease of TSEK 22,480 or 41%. For the interim period, R&D expenses amounted to TSEK -83,297 (-133,425), corresponding to a cost decrease of TSEK 50,128 or 38%. As the company has no clinical trials that have started patient recruitment and as the phase III programme is only in the preparatory stage, costs are at a lower level than the comparative period.

Administrative expenses

Administrative expenses during the quarter amounted to TSEK -7,316 (-8,523), which corresponds to a decrease of TSEK 1,208 or 14%. For the interim period, administrative expenses amounted to TSEK -29,591 (-33,363), a decrease of TSEK 3,772 or 11%. Last year, the company had significant costs for IPO preparations. Now that the listing has been completed, the costs are lower than the comparison period.

Other operating income and expenses

Other operating income and expenses amounted net to TSEK 149 (914) during the quarter, corresponding to a change of TSEK -766. For the interim period, these items amounted net to TSEK 138 (-393), a change of TSEK 531. Other operating income and expenses consist of realized and unrealized exchange rate effects on operating receivables and liabilities.

Operating income (EBIT)

The Group's operating profit for the quarter amounted to TSEK -39,148 (-62,070), an improvement of TSEK 22,922. For the interim period, operating income amounted to TSEK -112,750 (-161,221) TSEK, an improvement of TSEK 48,471.

Financial items

Financial income and expenses (net financial income/expense) amounted to TSEK 2,730 (159) during the quarter, which was TSEK 2,571 better than previous year. For the interim period, net financial income/expense amounted to TSEK -438 (-9,671), which was TSEK 9,233 better than previous year. The positive net financial income for the quarter is due to interest income on bank funds as a result of the capital raised in the IPO in June. The negative net financial income/expense for the interim period is due to the fact that earlier in the year the company had interest expenses on a bridge loan from shareholders. This bridge loan was raised in the previous year but was cancelled with a set-off issue in connection with the IPO in June.

Income tax

The Group recognized a tax expense of TSEK -128 (-40) TSEK during the quarter and TSEK -584 (-85) for the interim period. The tax consists of Swiss federal and cantonal tax.

Net income

The Group reported net income after tax of TSEK -36,547 (-61,951) for the quarter. This corresponded to a better result of TSEK 25,404 or 41%. For the interim period, net income after tax amounted to TSEK -113,772 (-170,977) TSEK, an improvement of TSEK 57,206 or 33%.

Equity and indebtedness

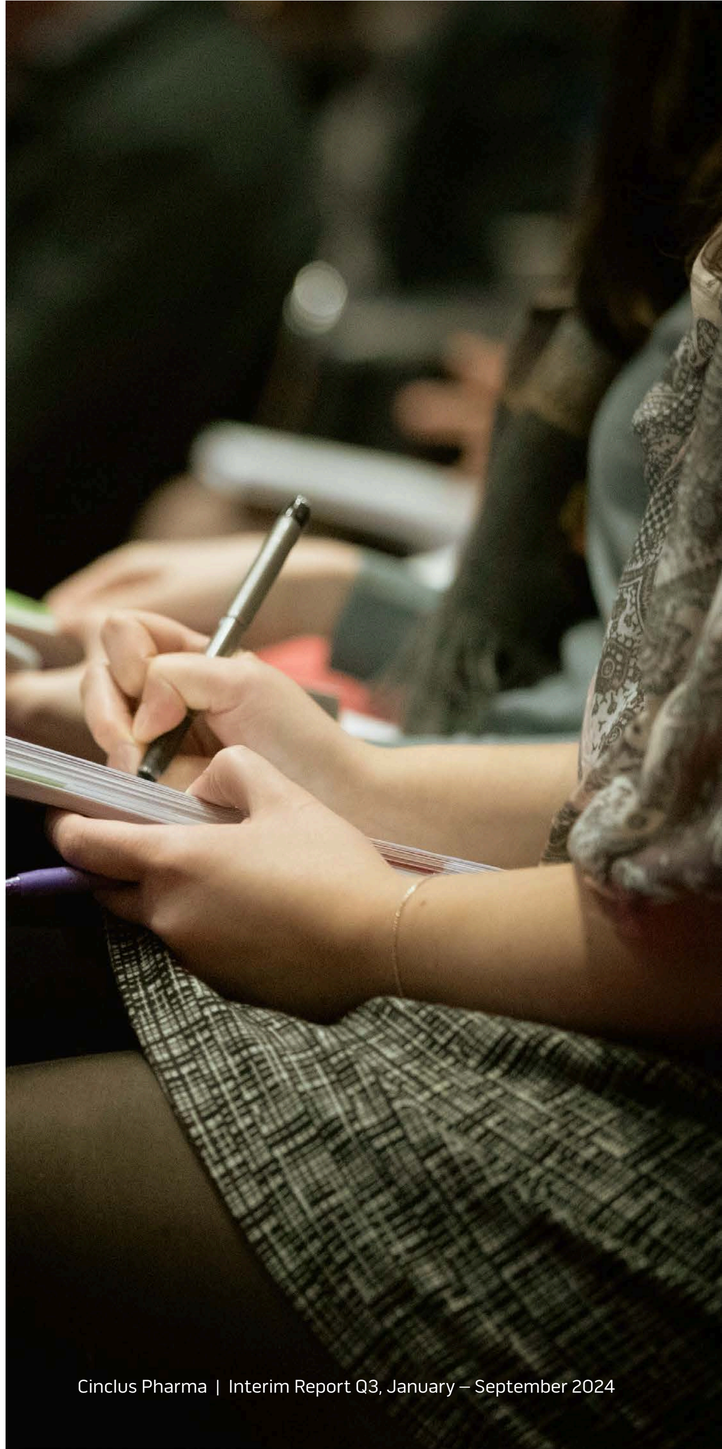
Equity in the Group as of September 30, 2024 amounted to TSEK 606,253 compared to TSEK -76,800 at the end of year 2023, an increase of TSEK 683,053 TSEK as a result of the share issue in connection with the IPO on June 20.

Non-current liabilities at the end of the period amounted to TSEK 7,090 (6,790) and consist mainly of a tax liability corresponding to TSEK 6,873 (6,790) in the Swiss subsidiary. The subsidiary has a total tax liability of TSEK 14,580 (14,006) including the short term part which also relates to corporate tax for the year 2023. The tax liability has arisen from an intragroup transfer of IP rights, see note 5. The non-current portion of this tax liability is payable by December 31, 2025. Non-current liabilities also include a lease liability of TSEK 218 (0).

Current liabilities in the Group at the end of the period amounted to TSEK 44,380 (164,422), a decrease of TSEK 120,043. The decrease is mainly due to the termination of the bridge loan from shareholders through an offset issue in connection with the IPO in June. Furthermore, current liabilities consisted of trade payables of TSEK 10,981 (16,448), lease liabilities of TSEK 222 (24), tax liabilities of TSEK 7,707 (7,216), other liabilities of TSEK 2,496 (2,903) and accrued expenses of TSEK 22,974 (6,826). The accrued expenses that have increased largely consist of expenses for the production of study materials, which had not yet been invoiced at the end of the quarter.

Liquid funds and cash flow

Cash and cash equivalents at the end of the period amounted to TSEK 644,264 (87,972), an increase of TSEK 556,292 TSEK compared to December 31, 2023. The increase is due to funds provided to the company in the new share issue in connection with the IPO on June 20.



Cash flow from operating activities before change in working capital was TSEK -38,112 (-60,516) for the quarter and TSEK -109,697 (-157,352) for the interim period.

Cash flow from operating activities including change in working capital amounted to TSEK -42,377 (-46,044) for the quarter. Corresponding cash flow for the interim period was TSEK -99,783 (-146,086).

Cash flow from financing activities amounted to TSEK 1,906 (89,448) for the quarter, consisting partly of a gain on the cancellation of an over-allotment option, partly of a backlog of issue costs. For the interim period, the corresponding cash flow was TSEK 655,813 (123,231).

Total cash flow for the quarter amounted to TSEK -40,470 (43,404) and for the interim period TSEK 556,030 (-22,855).

Financing

Following the IPO on June 20 and the new share issue that was made in connection with this, the Company estimates as of September 30, 2024 that the current working capital is sufficient to start the Phase III program's first study, which is expected to generate results during 2026. The Company will continue to work on the financing strategy, which includes evaluating partners, lenders or other financing opportunities to, for example, be able to accelerate the development of linaprazan glurate by starting a second Phase III study earlier than planned or starting the *H. pylori* program in parallel with the eGERD program.

Parent company

Cinclus Pharma Holding AB (publ), reg.no. 559136–8765, is the parent company of the Group. The business consists of work with pre-clinical and clinical development, marketing, administrative and corporate management functions. The parent company has two wholly owned subsidiaries, one in Switzerland and one in Sweden, which together form the Group.

The total revenue of the parent company amounted to TSEK 144 (59) for the quarter and TSEK 534 (480) for the interim period. Operating income for the quarter amounted to TSEK -39,012 (-62,236). For the interim period, operating income amounted to TSEK -112,431 (-166,516).

Net financial income/expense for the quarter amounted to TSEK 2,112 (236) and for the interim period to TSEK 3,220 (-9,948). The positive net financial income for the quarter is due to interest income on bank funds as a result of the fundraising in the IPO in June. The negative net financial income/expense for the interim period mainly related to interest expenses on shareholder loan and intra-group liabilities.

Net income for the quarter amounted to TSEK -36,901 (-62,000) and the corresponding net income for the interim period was TSEK -115,651 (-176,464).

With the transfer of patents and IP rights to the parent company from the swiss subsidiary as of January 1, 2022, the parent company recognizes an intangible asset of TSEK 320,463 (320,463).

Cash and cash equivalents at the end of the period amounted to TSEK 622,042 compared to TSEK 82,304 at the end of the year 2023, an increase of TSEK 539,738 mainly as a result of the new share issue in connection with the IPO.

Equity in the parent company as of September 30, 2024 amounted to TSEK 849,503 compared to TSEK 168,221 at the end of the year 2023, corresponding to an increase of TSEK 681,282. Share capital amounted to TSEK 903 (509). As of the balance sheet date of September 30, the company had 46,537,789 shares.

Current liabilities in the parent company amounted to TSEK 193,502 (329,501) at the end of the period. The decrease of TSEK 135,998 is mainly due to the fact that the bridge loan from shareholders was terminated with a set-off issue in connection with the IPO.

Other information

Personnel

At the end of the quarter, the number of employees was 12, compared with 14 in the same period of the previous year. The average number of employees during both the quarter and the interim period was 12, compared with 13 employees in the same periods last year. All employees are employed by the parent company. At the end of the period, the company had 17 consultants attached to the company.

Risks

As the company is dependent on additional financing to continue the development of linaprazan glurate in the long term, the refinancing risk is described below. For other risks, reference is made to the description of the Group's significant financial and business risks in the Directors' Report and Note 19 in the Annual report for 2023.

Refinancing risk

Refinancing risk refers to the risk that cash and cash equivalents are not available and that financing can only be obtained partially or not at all, or at an increased cost. The Group is currently financed with equity, and the refinancing risk has been significantly reduced in view of the new share issue that took place in connection with the listing of the company's share on Nasdaq Stockholm on June 20. In the longer term, the Group is in need of more extensive financing to be able to conduct and implement a second phase III study and registration of the eGERD indication. Additional funding is also required should the Group choose to conduct study programs and registration of other indications such as *Helicobacter Pylori*. The Group cannot therefore exclude being exposed to e. g. risks related to external loan financing in the future.

Consolidated income statement in summary

		Quarter 3		Quarter 1-3		Year
(TSEK)	Note	2024	2023	2024	2023	2023
Revenues						
Net sales	4	–	–	–	5,959	5,959
Operating expenses						
Administrative expenses		-7,316	-8,523	-29,591	-33,363	-39,562
Research and development expenses		-31,981	-54,461	-83,297	-133,425	-166,678
Other operating income and expenses		149	914	138	-393	-695
Operating income		**-39,148**	**-62,070**	**-112,750**	**-161,221**	**-200,976**
Net financial income/expense		2,730	159	-438	-9,671	-13,637
Income before tax		**-36,418**	**-61,911**	**-113,188**	**-170,892**	**-214,613**
Income tax	5	-128	-40	-584	-85	-505
Net income for the period attibutable to parent company shareholders		**-36,547**	**-61,951**	**-113,772**	**-170,977**	**-215,118**
Earnings per share, calculated on earnings attributable to the parent company ordinary shareholders (SEK):						
Before dilution		-0.79	-2.36	-3.36	-6.52	-8.20
Diluted		-0.79	-2.36	-3.36	-6.52	-8.20

Consolidated statement of comprehensive income in summary

		Quarter 3		Quarter 1-3		Year
(TSEK)	Note	2024	2023	2024	2023	2023
Net income for the period		**-36,547**	**-61,951**	**-113,772**	**-170,977**	**-215,118**
Other comprehensive income						
Items that can later be reclassified to the income statement:						
Translation differences from operations abroad		2,474	-2,113	-107	8,244	9,167
Other comprehensive income, net after tax		**2,474**	**-2,113**	**-107**	**8,244**	**9,167**
Comprehensive income for the period		**-34,072**	**-64,064**	**-113,879**	**-162,734**	**-205,951**
Comprehensive income for the period as a whole attributable to the parent company shareholders		**-34,072**	**-64,064**	**-113,879**	**-162,734**	**-205,951**

Consolidated statement of financial position in summary

(TSEK)	Note	2024-09-30	2023-09-30	2023-12-31
ASSETS				
Property, plant and equipment				
Inventories		51	79	72
Right-of-use assets		832	519	249
Financial assets				
Other non-current assets		1	1	1
Total fixed assets		**884**	**600**	**322**
Other receivables		2,921	3,234	3,870
Prepaid expenses and accrued income		9,654	8,551	2,249
Cash and cash equivalents		644,264	151,419	87,972
Total current assets		**656,839**	**163,204**	**94,091**
TOTAL ASSETS		**657,724**	**163,804**	**94,413**

(TSEK)	Note	2024-09-30	2023-09-30	2023-12-31
EQUITY AND LIABILITIES				
Equity				
Share capital		903	509	509
Other contributed capital		1,298,003	503,524	503,524
Translation difference		25,896	25,081	26,004
Retained earnings including profit for the period		-718,549	-563,305	-606,837
Equity attributable to the parent company shareholders		**606,253**	**-34,191**	**-76,800**
Non-current liabilities				
Lease liabilities		218	-	-
Tax liabilities	5	6,873	13,500	6,790
Total non-current liabilities		**7,090**	**13,500**	**6,790**
Current liabilities				
Loan from shareholders		-	123,342	130,341
Derivates		-	1,001	665
Trade payables		10,981	38,869	16,448
Lease liabilities		222	213	24
Tax liabilities	5	7,707	6,839	7,216
Other liabilities		2,496	2,437	2,903
Accrued expenses		22,974	11,793	6,826
Total current liabilities		**44,380**	**184,494**	**164,422**
Total liabilities		**51,470**	**197,995**	**171,213**
TOTAL EQUITY AND LIABILITIES		**657,724**	**163,804**	**94,413**

Consolidated statement of changes in equity in summary

	Equity attributable to parent company's shareholders				
(TSEK)	Share capital	Other equity	Translation difference	Retained earnings including profit for the year	Total
Opening balance January 1, 2024	**509**	**503,524**	**26,004**	**-606,837**	**-76,800**
Profit for the period	–	–	–	-113,772	-113,772
Other comprehensive income for the period	–	–	-107	–	-107
Comprehensive income for the period	**–**	**–**	**-107**	**-113,772**	**-113,879**
Transactions with the Group's owners					
New issue of shares	330	714,670	–	–	715,000
Issue expenses	–	-58,178	–	–	-58,178
Set-off issue	64	137,988	–	–	138,051
Share-related remuneration, staff vested value	–	–	–	2,059	2,059
Total transactions with the Group's owners	**394**	**794,479**	**–**	**2,059**	**796,932**
Closing balance September 30, 2024	**903**	**1,298,003**	**25,896**	**-718,549**	**606,253**

	Equity attributable to parent company's shareholders				
(TSEK)	Share capital	Other equity	Translation difference	Retained earnings including profit for the year	Total
Opening balance January 1, 2023	**509**	**503,691**	**16,837**	**-394,163**	**126,874**
Profit for the period	–	–	–	-170,977	-170,977
Other comprehensive income for the period	–	–	8,244	–	8,244
Comprehensive income for the period	**–**	**–**	**8,244**	**-170,977**	**-162,734**
Transactions with the Group's owners					
Issue expenses	–	-167	–	–	-167
Share-related remuneration, staff vested value	–	–	–	1,835	1,835
Total transactions with the Group's owners	**–**	**-167**	**–**	**1,835**	**1,668**
Closing balance September 30, 2023	**509**	**503,524**	**25,081**	**-563,305**	**-34,191**

Consolidated statment of cash flow in summary

		Quarter 3		Quarter 1-3		Year
(TSEK)	Note	2024	2023	2024	2023	2023
Operating activities						
Operating income		-39,148	-62,070	-112,750	-161,221	-200,976
Adjustments for items not included in the cash flow						
Depreciations		308	332	1,000	918	1,251
Exchange rate differences		-103	335	-103	44	25
Share-related remuneration		851	609	2,059	1,835	2,444
Interest received		162	418	392	1,438	2,912
Interest paid		-181	-141	-294	-366	-453
Taxes paid		–	–	–	–	-6,784
Cash flow from operating activities before change in working capital		**-38,112**	**-60,516**	**-109,697**	**-157,352**	**-201,581**
Cash flow from change in working capital						
Increase(-)/Decrease (+) of operating receivables		-2,341	4,185	83	351	5,642
Increase(+)/Decrease (-) of account payables		4,183	9,002	-5,467	21,881	-546
Increase(+)/Decrease (-) of other operating liabilities		-6,107	1,284	15,298	-10,966	-12,701
Cash flow from operating activities		**-42,377**	**-46,044**	**-99,783**	**-146,086**	**-209,186**
Financing activities						
New share issue		–	–	715,000	–	–
Issue expenses		1,631	–	-58,178	-167	-167
Loan from shareholders	8	–	89,767	–	124,343	124,343
Amortisation of lease liabilities		276	-319	-1,009	-945	-1,284
Cash flow from financing activities		**1,906**	**89,448**	**655,813**	**123,231**	**122,892**
Cash flow for the period		**-40,470**	**43,404**	**556,030**	**-22,855**	**-86,294**
Cash and cash equivalents at the beginning of the period		**684,720**	**108,643**	**87,972**	**173,546**	**173,546**
Exchange rate differences in cash and cash equivalents		14	-627	262	728	720
Cash and cash equivalents at the end of the period		**644,264**	**151,419**	**644,264**	**151,419**	**87,972**

Parent company income statement in summary

		Quarter 3		Quarter 1-3		Year
(TSEK)	Note	2024	2023	2024	2023	2023
Revenues						
Net sales		144	59	534	480	628
Operating expenses						
Administrative expenses		-7,287	-9,415	-31,067	-36,395	-42,078
Research and development expenses		-31,989	-53,864	-82,006	-130,729	-163,357
Other operating income and expenses		119	983	109	128	53
Operating income		**-39,012**	**-62,236**	**-112,431**	**-166,516**	**-204,754**
Net financial income/expense		2,112	236	-3,220	-9,948	-18,660
Income after financial items		**-36,901**	**-62,000**	**-115,651**	**-176,464**	**-223,414**
Group contribution		–	–	–	–	5,657
Income before tax		**-36,901**	**-62,000**	**-115,651**	**-176,464**	**-217,757**
Corporate tax		–	–	–	–	–
Net income for the period		**-36,901**	**-62,000**	**-115,651**	**-176,464**	**-217,757**

In the parent company, there are no items that are reported as other comprehensive income, which is why the total comprehensive income for the period corresponds to the period's result.

Parent company balance sheet in summary

(TSEK)	Note	2024-09-30	2023-09-30	2023-12-31
ASSETS				
Intangible assets				
Concessions, patents, licenses, etc.		320,463	320,463	320,463
Property, plant and equipment				
Inventories		51	79	72
Financial assets				
Shares in group companies		88,543	88,543	88,543
Total fixed assets		**409,057**	**409,085**	**409,078**
Prepaid expenses and accrued income		2,916	3,232	3,867
Other current receivables		8,990	8,658	2,473
Cash and cash equivalents		622,042	134,372	82,304
Total current assets		**633,949**	**146,262**	**88,644**
TOTAL ASSETS		**1,043,005**	**555,347**	**497,722**

(TSEK)	Note	2024-09-30	2023-09-30	2023-12-31
EQUITY AND LIABILITIES				
Equity				
Restricted equity				
Share capital		903	509	509
Non restricted equity				
Share premium fund		1,297,771	503,292	503,292
Retained earnings		-333,521	-118,432	-117,823
Profit or loss for the period		-115,651	-176,464	-217,757
Equity attributable to the parent company's shareholders		**849,503**	**208,905**	**168,221**
Current liabilites				
Loan from shareholders	8	–	124,343	131,006
Trade payables		10,947	38,603	16,178
Liabilities to group companies		154,656	169,523	172,925
Other liabilities		2,496	2,344	2,814
Accrued expenses		25,403	11,630	6,578
Total current liabilities		**193,502**	**346,442**	**329,501**
Total liabilities		**193,502**	**346,442**	**329,501**
TOTAL EQUITY AND LIABILITIES		**1,043,005**	**555,347**	**497,722**

Notes to the financial information

Note 1 General information

Cinclus Pharma Holding AB (publ), (hereafter Cinclus Pharma) corporate numer 559136–8765 is a limited company registrered in Sweden with its registered office in Stockholm. The address of the head office is Kungsbron 1, 111 22 Stockholm, Sweden. The company is listed on Nasdaq Stockholm since June 20, 2024 and the object of the company's operations is to develop and commercialize pharmaceuticals. Cinclus Pharma Holding AB (publ) is the parent company in the group Cinclus Pharma, which consists of the parent company and its two subsidiaries (hereafter the Group). Unless otherwise specifically stated, all amounts are reported in thousands of kronor (TSEK). All amounts are, unless otherwise stated, rounded to the nearest thousand. Figures in parentheses refer to the comparison period.

For the Group's financial assets and liabilities, their reported value is deemed to be a reasonable estimate of the fair value as they essentially refer to short-term receivables and liabilities, whereby the discounting effect is immaterial.

Note 2 Accounting principles

The most important accounting principles applied when these consolidated accounts have been prepared are stated below. These principles have been applied consistently for all periods presented, unless otherwise stated. The consolidated financial statements have been prepared in accordance with the Annual Accounts Act (1995:1554), RFR 1 Supplementary accounting rules for groups, and the International Financial Reporting Standards (IFRS) and interpretations from IFRS Interpretations Committee (IFRS IC) as established by the European Union. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. The parent company interim report has been prepared in accordance with the Annual Accounts Act and Swedish Corporate Reporting Board recommendation RFR 2.

Applied accounting principles and explanations for these can be found and are consistent with those described in the 2023 annual report for the Group. The consolidated accounts have been prepared on a cost method.

Judgements and estimates

To prepare reports in accordance with IFRS requires the use of some important estimates for accounting purposes. Furthermore, management is required to make certain judgments when applying the Group's accounting principles. The areas that include a high degree of assessment that are complex or such areas where assumptions and estimates are of significant importance for the consolidated accounts, have been reported in the Group's annual report for 2023.

Going concern principle

This interim report has been prepared with the assumption that the company has the ability to continue as a going concern for the next 12 months in line with the going concern principle. See further sections on financing, risks and risk management and note 3.

Note 3 Risks and risk management

Cinclus Pharma's operations, results and position are affected by a number of risk factors that are described in detail in the company's prospectus prepared in connection with the listing of the company's share on Nasdaq Stockholm on June 20, 2024 but also in the annual report for 2023.

The risks and associated risk management considered in the preparation of this interim report apply to all periods and are consistent with what is presented in the risk factors section in the annual report for 2023. With the new share issue in connection with the listing of the company's shares on Nasdaq Stockholm, the refinancing risk has been reduced.

Refinancing risk refers to the risk that liquid funds are not available, and that financing can only be obtained partially or not at all, alternatively at an increased cost. The Group is currently financed with equity. In the longer term, the Group is in need of more extensive financing. Partly to be able to conduct a second eGERD phase III study with subsequent registration of the indication eGERD, but also when initiating new study programs for other indications such as *Helicobacter Pylori*. It can not therefore be ruled out that the Group will be exposed to risks related to for example external loan financing.

Note 4 Net sales

The net sales of TSEK 0 (5,959) are based on the agreement between Cinclus Pharma and its Chinese partner Sinorda Biomedicine. The income refers to royalties on license income that Sinorda Biomedicine received from out-licensing to its partner in China, SPH Sine, a subsidiary of Shanghai Pharmaceuticals.

Note 5 Income tax

As of 1 January 2022, an agreement was entered into between Cinclus Pharma Holding AB (publ) and the wholly owned subsidiary Cinclus Pharma AG, entailing that IP rights were transferred to the parent company. As a result of this transfer, a capital gain has arisen in the subsidiary, during the first quarter 2022, and thus a tax expense and a tax liability. The settlement that has been reached with the Swiss tax authority means that the tax liability may be paid in three equal parts, in 2023, 2024 and 2025. As of the balance date September 30, this liability amounted to a total of TSEK 14,580 (14,006), after a first payment was made in December 2023. The liability runs with an interest that is determined annually by the Swiss tax authority. The liability can be paid off in part or in full at any time. This tax liability is a fixed liability. A deferred tax asset has not been accounted for in the parent company as it is not considered to be a balance sheet item since there is still uncertainty about future taxable profits.

Note 6 Incentive programs

The summary table below shows the current programs as of the balance sheet date:

Option programs

Program	Opening balance Jan 2024	Allocated options	Expired options	Closing balance Jun 2024	Terms	Corresponding number of shares	Exercise price/ option (SEK) *
2021/2024 series 1	8,960	–	-8,960	–	1:80	0	75.00
2021/2024 series 2	2,050	–	-2,050	0	1:80	0	75.00
2022/2025 series 1	3,500	–	–	3,500	1:80	280,000	85.00
2022/2025 series 2	27	–	–	27	1:80	2,160	85.00
2022/2025 series 3	900	–	–	900	1:80	72,000	94.65
QESO 2022	5,000	–	-350	4,650	1:80	372,000	47.33
QESO 2024	–	51,737	–	51,737	1:1	51,737	47.33
ESOP 2024/2027 series 1	–	290,000	–	290,000	1:1	290,000	54.60
Total						**1,067,897**	

* The exercise prise is recalculated in accordance with the split of the company's shares, which was resolved upon the extraordinary general meeting on 29 May 2023.
QESO=Qualified Employee Share Option program
ESOP=Employee Share Option program

Performance share program

	Maximum investment in number of shares per category			Maximum share rights at the end of the vesting period per category		
	Allowed per person	Allowed total	Actual investment per category by July 2024	Per person	Total	Vesting period
CEO (1 person)	11,600	11,600	11,600	104,400	104,400	2407-2711
Executve management (maximum 3 persons)	5,375	16,125	5,375	26,875	80,625	2407-2711
R&D-management (maximum 7 persons)	3,325	23,275	16,625	16,625	116,375	2407-2711
Employees level 2 (maximum 2 persons)	1,775	3,550	-	8,875	17,750	2407-2711
Employees level 1 (maximum 8 persons)	1,025	8,200	4,100	5,128	41,000	2407-2711
Total		**62,750**	**37,700**		**360,150**	

At an extraordinary general meeting on June 3, 2024, two new long-term incentive programs were adopted (one employee stock option program, PO 2024/2027 series 1, and a performance share program). New articles of associations were also adopted at the extraordinary general meeting, pursuant to which the company may issue class C shares in order to secure delivery of shares to the participants in the programs and to secure payment of future social security contributions. No class C shares have been issued yet. The performance share program for employees and the employee stock option program for the CEO and a scientific advisor have been granted and started to be expensed in quarter three, 2024, see adjacent tables.

The performance share program runs for just over three years and participants must retain their employment and invested shares throughout the vesting period in order to receive an allocation of new shares. The number of shares allocated depends on the share price performance and the employment status at the end of the vesting period. As regards the development of the share price, a comparison is made at the end of the vesting period between the initial share price, i.e. the IPO price of SEK 42 per share, and the price at the end of the vesting period. A range between 20% and 60% in share price development results in linearly different allocations of shares. However, a maximum of 360,150 shares can be allocated to participants in the program.

The performance share program generates personnel costs, in accordance with IFRS2 and is initially estimated at approximately SEK 6.8 million and social costs estimated at SEK 6.2 million according to certain assumptions, see also the company's listing prospectus from June 2024.

The new employee stock option program, PO 2024/2027 series 1, also generates personnel costs in accordance with IFRS2 of approximately SEK 1.5 million and social costs of SEK 1.4 million.

The dilution for all incentive programs in the company, at maximum allocation, including C shares, is 3.5%.

Note 7 Related party transactions

Transactions with related parties take place on market terms. The table below shows purchases in the Group's parent company and subsidiaries.

For further information about transactions with related parties, see the latest annual report.

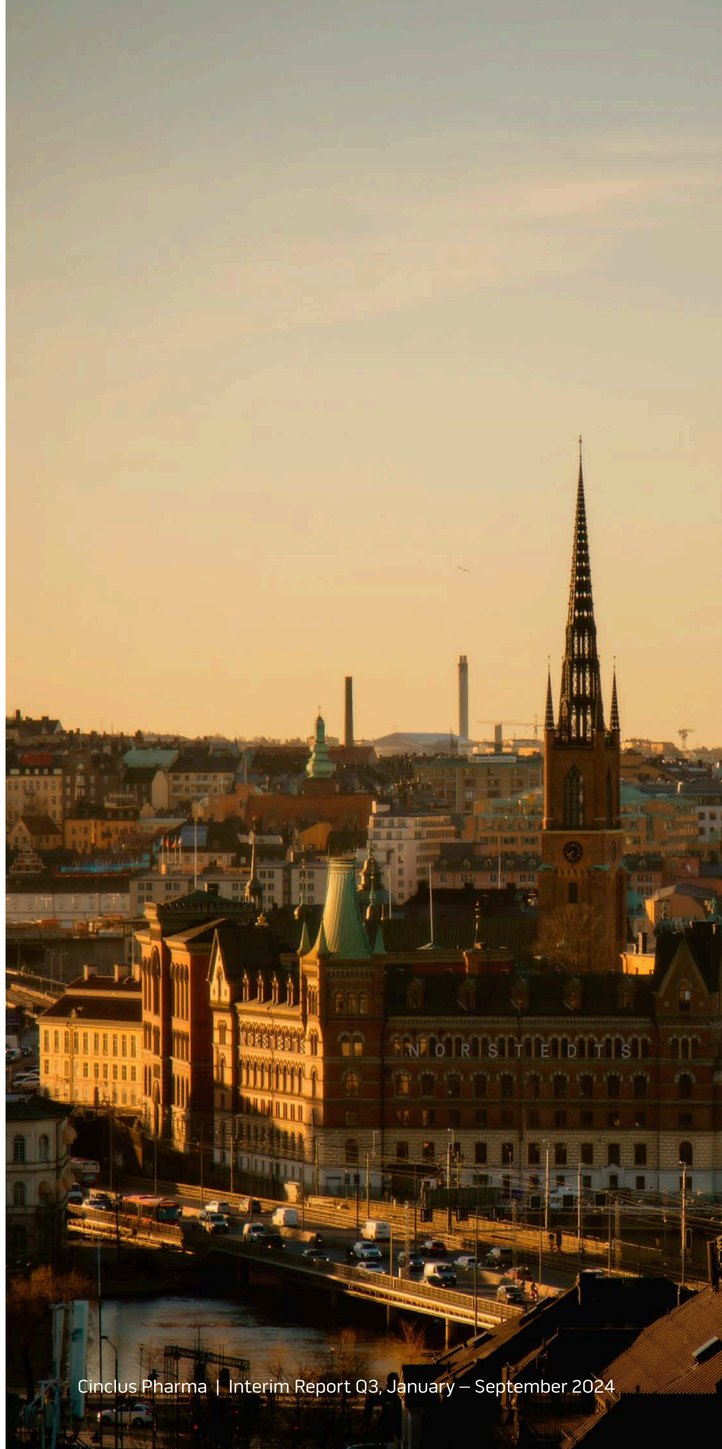
Transactions with related parties

(TSEK)	Quarter 3		Quarter 1-3		Year
Supplier / Related to	2024	2023	2024	2023	2023
PetoMaj Invest AB Peter Unge, Board member	357	583	1,587	1,772	2,365
PCW Consultants AB Peter Wallich, Chief Commercial Officer	80	105	541	427	603
Iaru AB [1] Torbjörn Koivisto, Board member	–	–	76	–	64
Brera Life Sciences Consultancy Ltd [2] Andrew Thompson, former Business Development manager	–	–	304	–	289
WBC Europe GmbH [3] Jesper Wiklund, Head of Corporate development	416	–	146	–	–
Felicia Ahlberg [4] Project manager event	1	–	1	–	–

1) Cost for Iaru AB refers to quarter 1
2) Brera Life Science was related to the company until the end of quarter 1
3) Related party from quarter 3
4) Employee since September 2024. Related party to Christer Ahlberg, CEO,

Note 8 Number of shares and share capital

Date	Transaction	Change no. of shares	Total no. of shares	Change share capital (SEK)	Total share capital (SEK)	Nominal value (SEK)
2024-01-01	Opening balance 2024	-	26,227,040	-	509,153	0.019
2024-06-19	New share issue	17,023,810	43,250,850	330,488	839,641	0.019
2024-06-19	Conversion of bridge loan	3,286,939	46,537,789	63,810	903,451	0.019
2024-09-30	Closing balance 2024, quarter 3	-	46,537,789	-	903,451	0.019



Definitions of key figures and definitions and reconciliation of alternative performance measures

In the report, the company presents key figures in accordance with the IFRS regulations. The company also presents so-called alternative key figures, i.e. measures that are not defined according to IFRS. The alternative key figures found in the report are, among other things, costs related to research and development as a percentage of total operating costs, equity ratio % and quick ratio %. The company considers the former to be an important complement because it enables a better evaluation of the company's financial trends. This financial performance measure should not be viewed in isolation or considered to replace the performance indicators that have been prepared in accordance with IFRS.

Furthermore, the alternative performance measure as the company has defined it should not be compared with other performance measures with a similar name used by other companies. This is because the above-mentioned performance measure is not always defined in the same way, and other companies may calculate it differently than Cinclus Pharma, see adjacent table for further definitions and reconciliation of KPIs and alternative KPIs.

Reconciliation of alternative performance measures

	Quarter 3		Quarter 1-3		Year
	2024	2023	2024	2023	2023
Administrative expenses, (TSEK)	-7,316	-8,523	-29,591	-33,363	-39,562
Research and development expenses, (TSEK)	-31,981	-54,461	-83,297	-133,425	-166,678
Operating expenses, (TSEK)	**-39,297**	**-62,984**	**-112,888**	**-166,788**	**-206,240**
Research and development expenses /Operating expenses %	**81%**	**86%**	**74%**	**80%**	**81%**
Cash flow for the period, (TSEK)	-40,470	43,404	556,030	-22,855	-86,294
Average number of shares	46,537,789	26,227,040	33,862,103	26,227,040	26,227,040
Cash flow for the period per share, (SEK)	**-0.87**	**1.65**	**16.42**	**-0.87**	**-3.29**

	2024-09-30	2023-09-30	2024-09-30	2023-09-30	2023-12-31
Equity, (TSEK)	606,253	-34,191	606,253	-34,191	-76,800
Total assets, (TSEK)	657,724	163,804	657,724	163,804	94,413
Equity ratio %	**92%**	**-21%**	**92%**	**-21%**	**-81%**
Other receivables, (TSEK)	2,921	3,234	2,921	3,234	3,870
Prepaid expenses and accrued income, (TSEK)	9,654	8,551	9,654	8,551	2,249
Cash and cash equivalents, (TSEK)	644,264	151,419	644,264	151,419	87,972
Total current receivables, (TSEK)	**656,839**	**163,204**	**656,839**	**163,204**	**94,091**
Loan from shareholders, (TSEK)	–	123,342	–	123,342	130,341
Derivates, (TSEK)	–	1,001	–	1,001	665
Trade payables, (TSEK)	10,981	38,869	10,981	38,869	16,448
Leasing liabilities, (TSEK)	222	213	222	213	24
Current tax liabilities, (TSEK)	7,707	6,839	7,707	6,839	7,216
Other liabilities, (TSEK)	2,496	2,437	2,496	2,437	2,903
Accrued expenses and deferred income, (TSEK)	22,974	11,793	22,974	11,793	6,826
Total current liabilites, (TSEK)	**44,380**	**184,494**	**44,380**	**184,494**	**164,422**
Quick ratio %	**1480%**	**88%**	**1480%**	**271%**	**57%**
Equity, (TSEK)	606,253	-34,191	606,253	-34,191	-76,800
Number of shares at the end of the period	46,537,789	26,227,040	46,537,789	26,227,040	26,227,040
Equity per share, (SEK)	**13.03**	**-1.30**	**13.03**	**-1.30**	**-2.93**

Definitions of key figures and alternative key figures

Key figures according to IFRS	Definitions
Earnings per share for the period before and after dilution	Profit for the period divided by the average number of shares during the period before and after dilution. Earnings per share after dilution is calculated by adjusting the weighted average number of ordinary shares outstanding for an estimated conversion of all potential ordinary shares giving rise to a dilutive effect, which is in accordance with IAS 33 Earnings per share.

Alternative key figures	Definitions	Reasons for using the key figures
Operating profit (EBIT)	Profit before financial items and tax. The information is taken from the Statement of income.	The key figure helps the reader understand the profitability of the operating business.
Operating expenses	The sum of research and development expenses and administration expenses for the period. The information is taken from the Statement of income.	The key figure helps the reader understand the costs of the operational business.
"Research and development expenses / Operating expenses % *"	Research and development expenses, divided by operating expenses, which consists of research and development expenses and administrative expenses.	The key figure helps the reader understand the proportion of costs attributable to the group's core operations, research and development.
Equity ratio, % *	The equity ratio at the end of each period is calculated by dividing total equity attributable to the parent company's shareholders by total assets.	The equity ratio measures the proportion of the total assets that is financed by the shareholders.
Quick ration, % *	Current assets in relation to current liabilities.	The key figure shows the group's short-term ability to pay.
Number of shares on the balance sheet date	Number of shares in the company at the end of the period.	The key figure gives the reader an understanding of the number of shares at the end of the period.
Equity per share	Equity divided by number of shares at the end of the period	The key figure gives the reader a possibility to compare book value with market value
Cash flow for the period per share	Cash flow for the period divided by average number of shares	The key figure shows the net cash generated or used on a per-share basis

* Reconciliation of these key figures can be found on the previous page.

Certification by the board of directors and the CEO

The board of directors certifies that this interim report gives a true and fair view of the group's operations, financial position and results. For a description of the risks faced by the Cinclus Pharma Group, which are deemed to be unchanged, please refer to the Group's latest annual report.

Stockholm November 14, 2024.

WENCHE ROLFSEN
Board member

PETER UNGE
Board member

TORBJÖRN KOIVISTO
Board member

ANDERS ÖHBERG
Board member

HELENA LEVANDER
Board member

NINA RAWAL
Board member

LENNART HANSSON
Chairman of the Board

CHRISTER AHLBERG
CEO and President

Auditor's review report

Cinclus Pharma Holding AB (publ) corp. reg. no. 559136-8765

Introduction

We have reviewed the condensed interim financial information (interim report) Cinclus Pharma Holding AB (publ) as of 30 September 2024 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 14 November 2024
Öhrlings PricewaterhouseCoopers AB
Lars Kylberg
Authorized Public Accountant

Glossary

Carcinogenicity studies – Tests to assess whether a chemical or physical agent increases the risk of cancer.

Clinical phase I – The first time a new substance is given to a human being. Phase I studies are often conducted with a small number of healthy volunteers to assess the safety and dosage of a yet-to-be-approved treatment.

CMC - stands for Chemistry Manufacturing and Control, and refers to the process of producing and manufacturing medicines.

CRO - stands for Contract Research Organization, and is the company that, together with pharmaceutical and medtech companies, carries out the clinical studies needed to get their products approved by the authorities.

Eradicate - to remove, eradicate, for example, the bacterium *Helicobacter pylori* in peptic ulcer disease.

Esophagitis – is damage to the oesophagus or esophageal catarrh caused by the backward flow of stomach acid into the oesophagus.

FDA – is the US Food and Drug Administration

GERD and eGERD – GERD stands for Gastroesophageal reflux disease and is the collective name for all acid-related esophageal disease. GERD is characterized by symptoms, with or without tissue damage, that result from repeated or prolonged exposure of the lining of the esophagus to acidic or non-acidic contents from the stomach. If tissue damage is present, the individual is said to have esophagitis or erosive GERD (eGERD).

International Non-proprietary Name (INN) – is a generic name used to facilitate the identification of drug substances or active ingredients of medicines.

IPO – IPO stands for Initial Public Offering, i.e. stock exchange listing.

KOL – KOL stands for Key Opinion Leader. A KOL is an expert with proven experience and expertise in a particular field of work. In healthcare, these experts can be doctors, hospital managers, health system directors, researchers, members of patient groups and others.

LA scale – The Los Angeles scale (LA scale) is an accepted way to describe the endoscopic presence of reflux esophagitis and determine its severity. The scale is divided into grades A-D, with D being the most severe grade of reflux esophagitis.

Linaprazan glurate (formerly X842) – A prodrug of linaprazan of the potassium-competitive acid blocker (PCAB) class. Linaprazan has been evaluated in 23 Phase I and two Phase II studies in a total of approximately 2,500 patients. The favorable safety and pharmacokinetic properties of linaprazan glurate have been documented in a phase I study. Linaprazan glurate provides superior gastric acid control compared to current medication.

'Off label' prescribing – The term "off label" is defined as the use of a medicine that deviates from the approved summary of product characteristics, such as use for an unapproved indication, with a different dose or with a different route of administration.

PCAB
PCAB stands for Potassium-Competitive Acid Blocker and is a new class of drugs called acid secretion inhibitors.

Pharmaceutical dossier – Evidence and documentation that forms the basis for the application for drug approval.

Phase II clinical trial – Phase II refers to the first time a medicine under development is administered to patients to study the safety, dosage and efficacy of a yet-to-be-approved treatment regimen.

Phase III clinical trials – Phase III trials involve many patients and often last for a longer period; they are intended to investigate the effects and side effects of the medicine under routine yet carefully controlled conditions

PPI – stands for Proton Pump Inhibitor and is a group of drugs whose main action is a marked and long-lasting reduction in the production of stomach acid. This type of drug has been the most potent acid secretion inhibitors available for a very long time and is still available today. The first product, omeprazole, was launched in 1988 under the brand name Losec. Proton pump inhibitors are among the best-selling medicines in the world.

Preclinical phase – In the preclinical phase, various types of tests and experiments are carried out in a lab environment. These tests take place before a drug project enters the clinical phase.

'Prodrug' – A 'prodrug' is an inactive drug in the form in which it is taken. Once the prodrug has entered the body, it is converted into the active form. The conversion takes place by changing some part of the chemical structure of the medicine.

Proof of Concept (concept validation) – This concept is also known as 'PoC'. It refers to a prototype or study that covers all key features. The aim is simply to prove that the concept works.

QIDP – The granting of a product as a qualified device for the treatment of infectious diseases. The grant is decided by the US Food and Drug Administration (FDA), giving 5 years of data exclusivity. QIDP stands for Qualified Infectious Disease Product.

Cinclus Pharma

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