SynAct Pharma

Brazil partnership advances dengue opportunity

Strategic partnership

Pharma and biotech

19 August 2026

SynAct Pharma has signed a term sheet with established Brazilian pharmaceutical company Hipolabor for the co-development and commercialisation of resomelagon for dengue and other viral infections in Brazil. We view this agreement positively, as it builds on SynAct's existing RESOVIR research collaboration and ongoing RESOVIR-2 Phase II dengue study, adding local regulatory, development and commercial capabilities in the world's largest dengue market and offering an optimised route to commercialisation. The proposed 50:50 profit and development cost split with additional sales milestones offers more aligned economics than a conventional licence agreement, while preserving SynAct's control of the asset outside of Brazil. We believe the agreement provides useful external validation of resomelagon's potential in acute inflammation and adds strategic optionality beyond the core advanced rheumatoid arthritis (RA) opportunity. A definitive agreement is targeted in the coming months.

Year end	Revenue (SEKm)	PBT (SEKm)	EPS (SEK)	DPS (SEK)	P/E (x)	Yield (%)
12/24	0.0	(90.8)	(2.08)	0.00	N/A	N/A
12/25	0.0	(119.0)	(2.17)	0.00	N/A	N/A
12/26e	0.0	(91.9)	(1.49)	0.00	N/A	N/A
12/27e	0.0	(50.8)	(0.76)	0.00	N/A	N/A

Note: PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

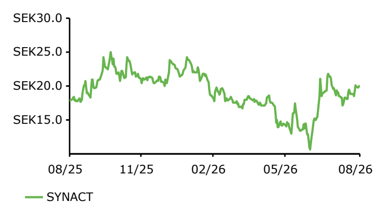
We expect the proposed partnership to build on the ongoing investigator-initiated RESOVIR-2 Phase II study, a 120-patient randomised study evaluating once-daily oral resomelagon on top of supportive care (trial update to be announced with the upcoming Q226 results), and provide a potential pathway for subsequent clinical development, regulatory approval and commercialisation in Brazil. Under the proposed agreement, SynAct and Hipolabor will share development costs and commercial profits equally, with SynAct also eligible for undisclosed sales milestones linked to the first US$200m of cumulative net sales.

We see strategic merit in partnering with an established local player. Hipolabor is Brazil's largest manufacturer of injectable generics, with more than 100 drug registrations, two manufacturing facilities and an established presence across the hospital and outpatient markets. We expect these capabilities to support regulatory interactions, subsequent clinical development and nationwide distribution. The proposed economics appear attractive at this stage, particularly given the 50:50 development cost sharing, although we await the definitive agreement before assessing the financial implications.

The commercial rationale is also compelling. Dengue represents a sizeable, albeit variable, disease burden in Brazil, with 3.8m cases reported in 2025 following a record 10m in 2024, and there remains no specific treatment, in particular for severe cases. This provides a potentially attractive setting for resomelagon, which SynAct is developing as a host-directed, pathogen-agnostic approach aimed at controlling excessive inflammatory responses to viral infection. We view viral infections as an expandable opportunity for resomelagon and a means of diversifying development risk beyond RA. Alongside RESOVIR-2, we expect the ongoing RESPIRE Phase II study in hospitalised patients with viral respiratory insufficiency to provide an important test of the broader applicability of resomelagon's pro-resolution mechanism.

Price	**SEK19.78**
Market cap	**SEK1,112m**
	SEK9.30/US$
Net cash/(debt) at 31 March 2026	SEK65.8m
Shares in issue	56.2m
Free float	56.5%
Code	SYNACT
Primary exchange	OMX
Secondary exchange	N/A

Share price performance



Business description

SynAct Pharma is a clinical-stage biotechnology company focused on the development of treatments to resolve, rather than inhibit, ongoing inflammatory processes in acute and chronic diseases.

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