SynAct Pharma

FY25 results

Multiple shots on goal in 2026 for resomelagon

Pharma and biotech

3 March 2026

SynAct Pharma's FY25 results reflect a year of solid execution, highlighted by the continued advancement of lead asset resomelagon in the Phase IIb ADVANCE trial in rheumatoid arthritis (RA). With enrolment completed in February 2026 (n=246), top-line data (due in mid-2026) represent the most significant upcoming inflection point. The initiation in January 2026 of the Phase II RESPIRE study (n=96) in hospitalised patients with viral respiratory insufficiency illustrates the dual-track development strategy, targeting both chronic and acute inflammatory settings, and broadens the asset's addressable opportunity. The RESPIRE top-line data in Q326, together with ADVANCE IIb data, should define resomelagon's commercial positioning and underpin the scope of partnering discussions. Incorporating FY25 results pipeline progress and the recent SEK51.9m equity raise, our valuation increases to SEK2.21bn (SEK39.3/share) from SEK1.97bn (SEK36.9/share).

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
12/25e	0.0	(119.0)	(2.17)	0.00	N/A	N/A
12/26e	0.0	(93.7)	(1.52)	0.00	N/A	N/A
12/27e	0.0	(50.7)	(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.

Phase IIb ADVANCE readouts a key inflection point

Resomelagon in newly diagnosed RA remains SynAct's central investment thesis. ADVANCE, a double-blinded, placebo-controlled Phase IIb study, aims to build on positive data from the two prior Phase II studies (BEGIN and EXPAND). ADVANCE targets patients within six months of diagnosis, a setting where the drug's pro-resolution mechanism is expected to have the greatest impact. Top-line results in mid-2026 represent the most significant upcoming catalyst for the company. A positive readout would materially de-risk the programme, shape Phase III design and significantly strengthen SynAct's position in partnering discussions.

RESPIRE reinforces dual-track strategy

The initiation of the Phase II RESPIRE study provides clear evidence of the company's focus on executing its dual-track strategy for resomelagon. By targeting viral respiratory insufficiency in hospitalised patients, a setting with well-defined endpoints and shorter treatment timelines, the study introduces a second, earlier value inflection point for SynAct (alongside ADVANCE) while aiming to demonstrate the broader utility of resomelagon's resolution-based mechanism. We see RESPIRE as a capital-efficient approach to diversify development risk, showcase clinical breadth and strengthen the company's future partnering discussions.

Valuation: SEK2.21bn or SEK39.4 per share

We update our model for the FY25 results and the RESPIRE Phase II study. We expect the study to cost the company c SEK30m and, based on the post-raise proforma net cash (SEK105.3m), estimate it to be fully funded with a cash runway into H227. Our valuation adjusts to SEK39.4/share from SEK36.9/share.

Price	**SEK18.90**
Market cap	**SEK1,062m**
	SEK9.05/US$
Pro-forma net cash at 31 December 2025 (including SEK51.9m in equity raised in March 2026)	SEK105.3m
Shares in issue (including 2.9m shares issued as part of the March 2026 equity raise)	56.2m
Code	SYNACT
Primary exchange	OMX
Secondary exchange	N/A

Share price performance

%	1m	3m	12m
Abs	(13.4)	(7.5)	9.4
52-week high/low		SEK25.3	SEK13.4

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.

Next events

Capital markets day	11 March 2026
ADVANCE Phase IIb RA trial results	Mid-2026
RESPIRE top-line data	Q326

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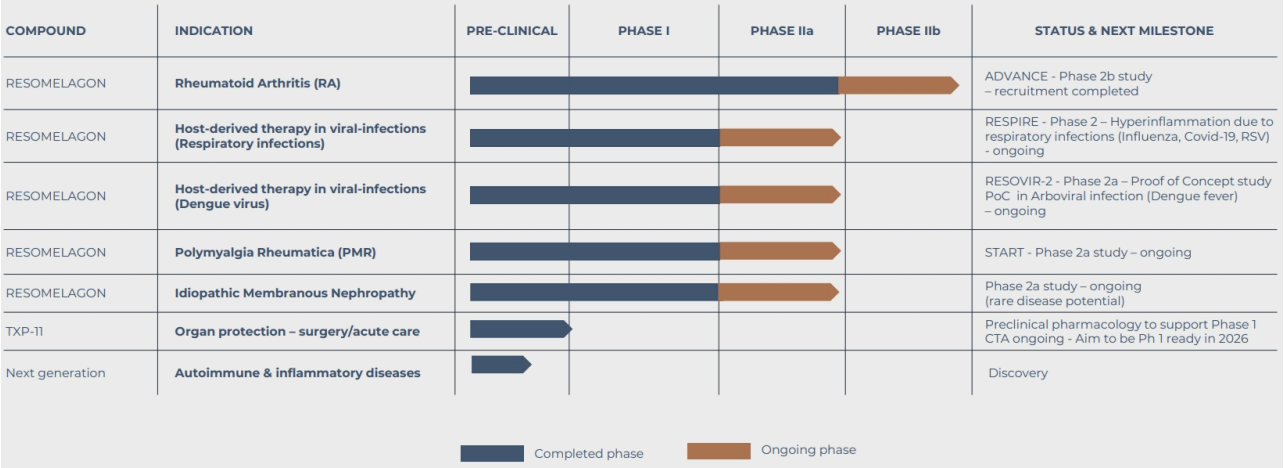
Active pipeline with multiple potential catalysts ahead

SynAct's clinical development pipeline aims to develop novel treatment options that promote inflammation resolution, backed by the company's capabilities in melanocortin receptor biology (Exhibit 1). SynAct's clinical strategy involves the parallel pursuit of both chronic inflammatory/autoimmune and acute inflammatory conditions. Lead asset resomelagon (formerly AP1189) is an oral small molecule drug candidate designed to selectively target melanocortin receptors 1 and 3 (MC1R and MC3R). Activation of these receptors is believed to provide direct anti-inflammatory effects, resolving inflammation. Most importantly, this is achieved without suppressing the immune system, which is the primary mechanism of action of the currently approved biologics and janus kinase (JAK) inhibitors.

Exhibit 1: SynAct Pharma's clinical development pipeline



Source: SynAct company presentation (February 2026)

In the chronic inflammation/autoimmune space, SynAct's most advanced programme is in RA, where the Phase IIb ADVANCE trial is ongoing, having completed patient recruitment in February 2026. Top-line results from ADVANCE are now expected in mid-2026 (previously Q126), representing a significant upcoming inflection point. These results will inform the design of a subsequent Phase III trial. Within chronic inflammation, resomelagon is also being tested in polymyalgia rheumatica (PMR) in a Phase IIa investigator-initiated clinical programme (termed START) based in Denmark. While PMR will not be SynAct's main priority, we believe it represents a potentially expandable application for resomelagon should the clinical data be positive. We also see potential for the drug in management of RA-related flares in patients receiving biologic disease-modifying anti-rheumatic drugs (DMARDs). Our model currently assumes that SynAct (or a licensing partner) will explore this as a future label expansion within the broader RA space.

In the acute inflammation space, SynAct is positioning resomelagon as a host-directed, pathogen-agnostic therapy for viral infections. Following supportive Phase IIa RESOVIR-1 data in COVID-19, the company is advancing the asset into dengue fever through the investigator-initiated Phase IIa RESOVIR-2 study, to be conducted during the Brazilian dengue season from late Q126, targeting hyperinflammation related to dengue fever. More strategically, SynAct recently initiated an additional Phase II trial (termed RESPIRE) in hospitalised patients with viral respiratory insufficiency, including influenza, COVID-19 and respiratory syncytial virus (RSV) (c two million patients hospitalised in the US and Europe annually across all these conditions combined). This randomised, double-blind, placebo-controlled study (n=96) will assess whether resomelagon's pro-resolution mechanism can limit disease progression and reduce the need for intensive care. In our view, RESPIRE materially broadens the asset's addressable market and represents the more compelling commercial opportunity, given the higher prevalence of these respiratory infections across core pharma markets.

The other resomelagon programme is in idiopathic membranous nephropathy, a rare disease. While a Phase IIa trial had been ongoing, the pace of recruitment had been slow and, hence, we understand that the programme may not extend past its current stage. Nevertheless, we view SynAct's expandable pipeline for resomelagon favourably, as it offers some diversity in terms of the indications that may be targeted.

SynAct's second asset is TXP-11, a peptide drug candidate designed to selectively target MC1R and MC3R. Management believes that its intravenous administration approach may have applications in complicated medical conditions, such as preventing organ failure during surgery, where patients are hospitalised and face a risk of developing

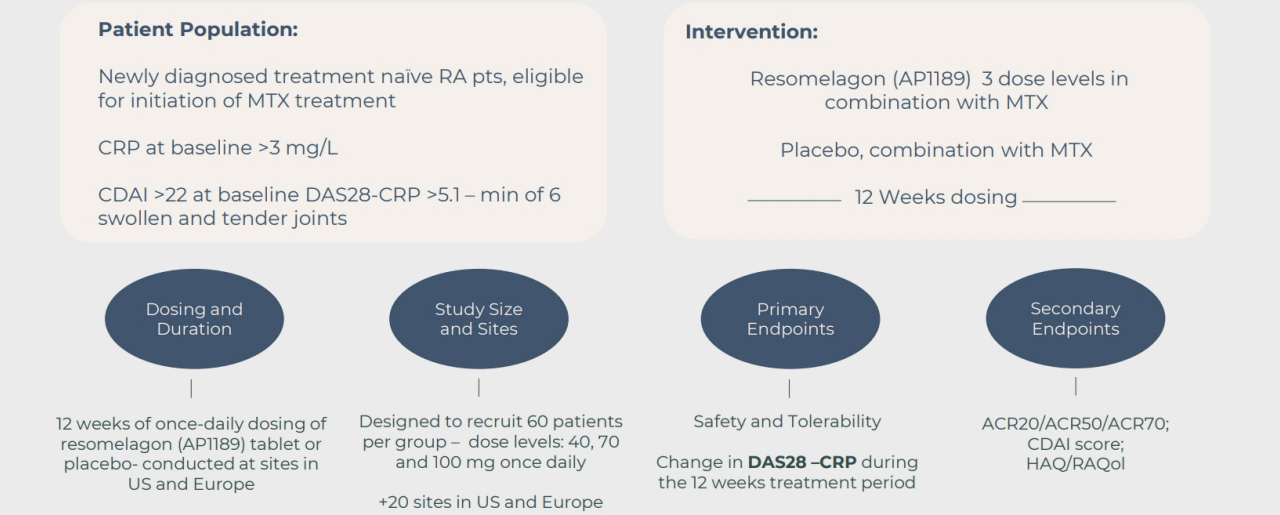
organ- and/or life-threatening hyperinflammation. TXP-11 is in the preclinical stages of development and is on track to be Phase I-ready within 2026.

Chronic setting: Threshold of value inflection in RA

Phase IIb ADVANCE trial readouts imminent

ADVANCE is a double-blinded, placebo-controlled Phase IIb trial, including a 12-week treatment duration, specifically focused on newly diagnosed and treatment naive RA patients with high disease activity who are eligible for first-line methotrexate treatment (Exhibit 2). As of February 2026, the trial is fully enrolled (n=246) with patients randomised to receive either placebo or one of three doses of resomelagon, to be administered daily as part of a combination treatment regime with methotrexate. The primary endpoint will be based on DAS28-CRP measures (which provide disease activity scores to describe the severity of RA using clinical and laboratory data, specifically looking at C-reactive protein), alongside safety and tolerability. The choice of DAS28-CRP as the primary endpoint is in line with FDA guidelines for efficacy readouts in Phase II dose-ranging studies. American College of Rheumatology (ACR) response rates and clinical disease activity index (CDAI) scores will be used as secondary endpoint measures. A key objective of ADVANCE is to confirm the results seen in the previous Phase IIa BEGIN trial and the subset of patients in the Phase IIb EXPAND study, but in a larger patient population, while also identifying clinically relevant doses of resomelagon to be considered for Phase III.

Exhibit 2: Design of the Phase IIb ADVANCE trial

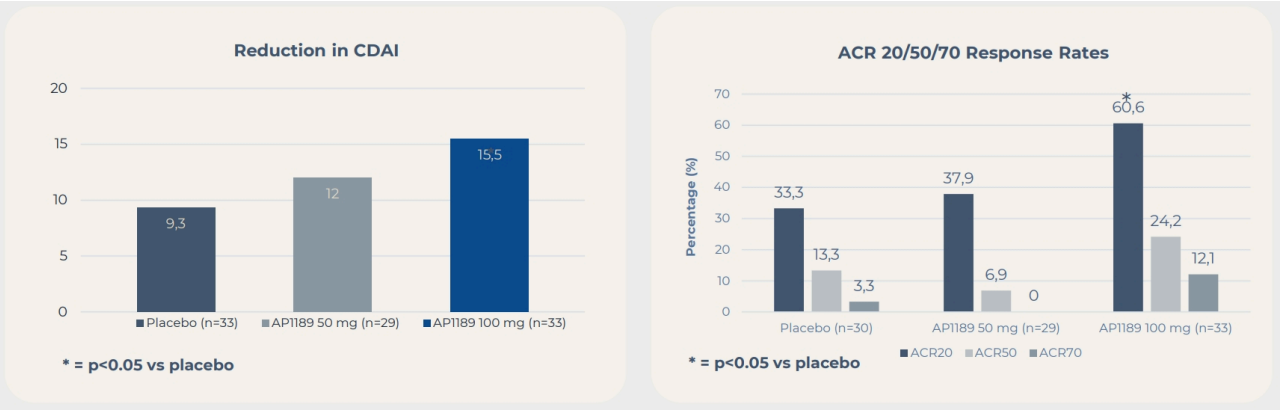


Source: SynAct company presentation (February 2026)

BEGIN (Phase IIa) and EXPAND (Phase IIb): A recap

The design of the ongoing Phase IIb ADVANCE trial was optimised using observations from the previous BEGIN and EXPAND studies. The Phase IIa BEGIN trial was completed in 2021 and was a double-blinded, multi-centre, two-part, randomised, placebo-controlled study to investigate the efficacy, safety and tolerability of resomelagon (at two doses, 50mg and 100mg, administered once daily) in addition to methotrexate in early-stage RA patients with active disease. The primary endpoint measure was based on reduction in disease activity from high (defined by a CDAI score >22) to moderate or low activity across the four-week treatment duration. The results from BEGIN showed favourable safety and tolerability outcomes. In terms of efficacy, the CDAI data showed dose-dependent responses across the 50mg and 100mg doses, including a statistically significant change in the 100mg group compared to placebo. The study also measured ACR response rates to assess reductions in swollen and tender joint counts. The data showed that the 100mg resomelagon treatment group exhibited a significantly higher portion of patients achieving ACR20 (indicating at least a 20% reduction in swollen and tender joint counts, alongside 20% improvements in the additional criteria) compared to the placebo group after the four weeks of treatment (Exhibit 3).

Exhibit 3: CDAI and ACR response rate data from BEGIN

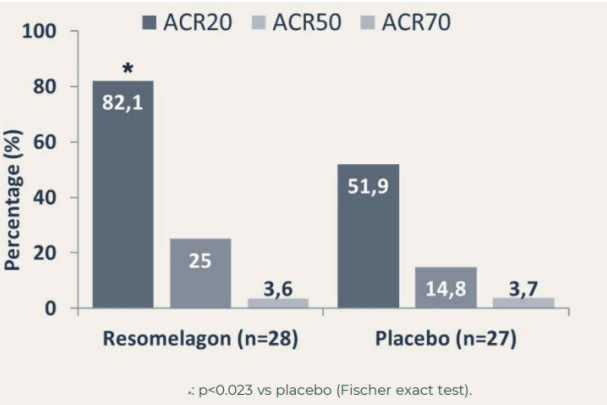


Source: SynAct company presentation (February 2026)

The following Phase IIb EXPAND trial was a double-blinded, multi-centre, randomised, placebo-controlled study designed to evaluate the efficacy and safety of resomelagon (at 100mg, administered once daily) in early-stage RA patients with high disease activity (CDAI >22), specifically patients who were naive to DMARD treatment (this was not specified in BEGIN). In EXPAND, 120 patients were randomised to either resomelagon or placebo, in combination with methotrexate, but for a treatment duration of 12 weeks (versus four weeks in BEGIN). Again, the results showed that resomelagon was safe and well tolerated. Efficacy measures were based on ACR response rates, alongside changes in CDAI scores and other RA disease activity measures. Disappointingly, there was no statistically significant difference observed between the resomelagon and placebo groups in terms of the ACR20 response rates at week 12. However, a more detailed analysis of the data revealed that in a portion of the participants (around 55 patients or c 46% of all study participants) who were newly diagnosed and with signs of systemic inflammation the response rate to the resomelagon arm was significantly higher versus placebo.

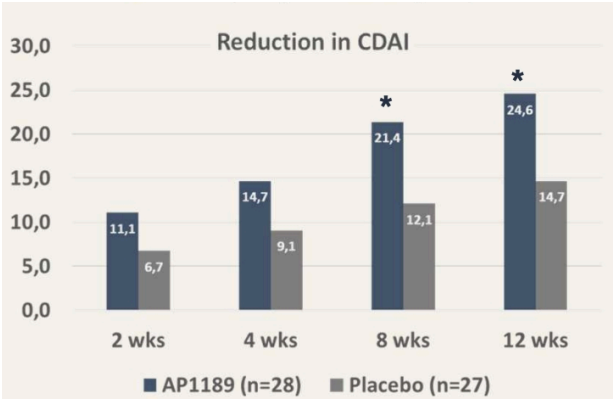
For these patients who were considered to be newly diagnosed and who showed signs of systemic inflammation, the ACR20 response rate was reported as 82% in the resomelagon group (n=28) compared to 52% in the placebo group (n=27), representing a statistically significant benefit (p=0.023), albeit in a smaller population than intended (Exhibit 4). While these encouraging data identified through post-hoc analyses were taken from a specific subset of patients, they do correspond to the highly relevant patient segment that experiences high disease activity upon recent diagnosis, reflecting over half of the overall patient population. This relevant sub-population from EXPAND closely matched the full population from BEGIN (newly diagnosed RA patients), with resomelagon's potential also reflected in CDAI measures from EXPAND (Exhibit 5).

Exhibit 4: ACR response rates in the selected subset of patients from EXPAND



Source: SynAct company presentation (February 2026)

Exhibit 5: CDAI measures in the selected subset of patients from EXPAND



Source: SynAct company presentation (February 2026)

The findings and conclusions from BEGIN and EXPAND informed the design of the ADVANCE study, which has selectively recruited newly diagnosed and treatment naive RA patients with high disease activity. We note that since the positive data from EXPAND relate to only a post-hoc defined portion of the total trial population, the outcome from this prospectively designed trial will be crucial in confirming the potential in this subpopulation.

According to the latest update from the company, patient recruitment has now been completed (last patient first visit was in February 2026). Accounting for the 12-week treatment duration for the last enrolled patient, follow-up visit, database closing and subsequent analysis, we expect the top-line results to be released by mid-2026 (a minor delay from the previous guidance of Q126). In our view, this upcoming readout could be a major inflection point for SynAct, as it could confirm the potential of resomelagon in this RA patient population. If successful, management believes that resomelagon could be a safe, effective and convenient treatment option to be used in combination with methotrexate in the first-line setting for newly diagnosed RA patients, though it may also find utility beyond the first-line setting; we await further clarification on this front.

Acute setting: Viral respiratory insufficiency, a parallel opportunity

In its June 2025 strategy update, SynAct recognised acute inflammatory conditions associated with viral infections as its second growth pillar. Early proof-of-concept was delivered by the Phase IIa study RESOVIR-1 (n=60) in COVID-19. The results, reported in 2021, showed that all resomelagon treated patients achieved respiratory recovery two days earlier (33%, on average) than the placebo group (four days versus six days, respectively; p=0.017). Furthermore, the resomelagon group was discharged (on average) one day earlier than the placebo group (six days vs seven days for the placebo group; p=0.038). Notably, on day five, 33% of the resomelagon group had been discharged, compared to zero patients receiving placebo (p=0.0054), highlighting the potential benefit of resomelagon treatment in this setting. A second, investigator-initiated trial, RESOVIR-2, testing resomelagon in dengue fever, is expected to be initiated at clinical sites in Brazil in Q126. RESOVIR-2 will be a randomised, placebo-controlled study testing once-daily oral dosing of resomelagon versus placebo (n=120; 1:1 randomisation) as an add-on to standard treatment in patients with symptomatic dengue fever.

RESPIRE may broaden the clinical and commercial scope of resomelagon

In February 2026, SynAct announced its plans to initiate a Phase II study (RESPIRE) in respiratory viral infections, including influenza, COVID-19 and RSV, across several clinical sites in Europe (Exhibit 6). The Phase II RESPIRE study will be a randomised, double-blind, placebo-controlled trial designed to evaluate the efficacy and safety of repeat once-daily oral dosing of resomelagon on top of standard of care in hospitalised patients with viral respiratory insufficiency, including influenza, COVID-19 and RSV. The study is expected to enrol c 96 patients and the first study visit of a participant is to occur within Q126. Eligible patients will be adults with clinically significant hypoxia (resulting from hyperinflammation due to an overactive immune response to the virus) defined by oxygen saturation (SpO_2) <93% on room air, a population at clear risk of disease progression and intensive care escalation. The treatment will be administered for up to 14 days during hospitalisation, with continuation post-discharge where applicable, and outcomes will be assessed through day 28. The key objective will be to assess whether resomelagon can prevent clinical deterioration. The primary endpoint will be safety and ICU admission rates while the secondary endpoints will focus on respiratory recovery, mortality rate, length of hospitalisation and ICU stay, and oxygen-free days, among others. In our view, the focus on an early but high-risk hypoxic cohort and the use of established, measurable outcomes should increase the likelihood of generating clinically meaningful efficacy signals from the study.

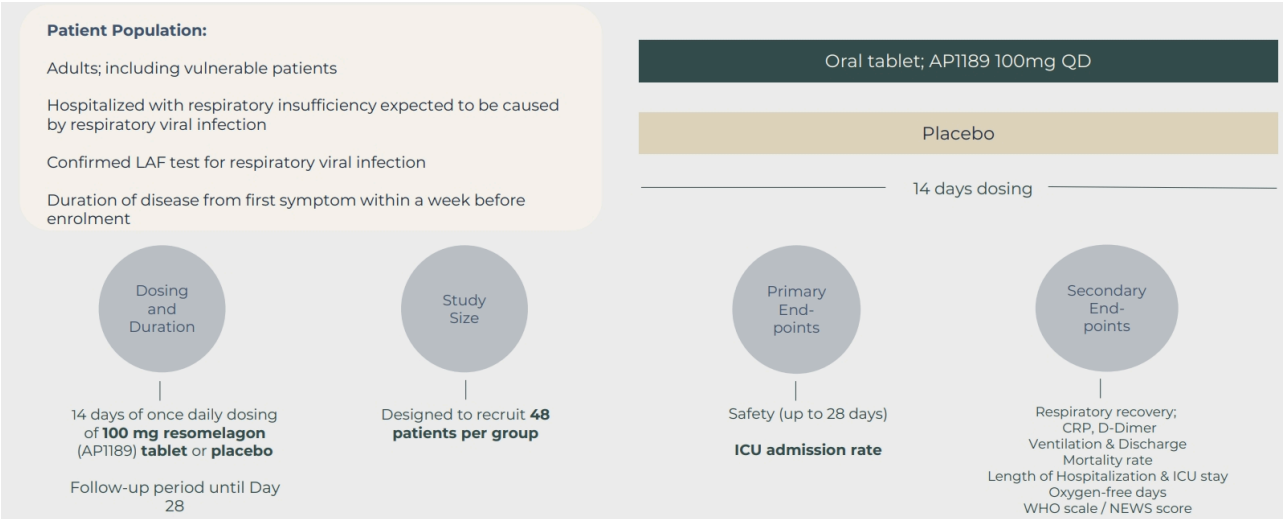
We also believe that the initiation of the Phase II RESPIRE study represents a strategically significant step in SynAct's effort to position resomelagon beyond chronic autoimmune indications and also into the acute care setting, where the clinical need, development timelines and commercial dynamics are distinct. The addressable patient population is sizeable (an estimated c two million annual hospitalisations in the US and Europe for respiratory viral infections) and ICU admission rates in these conditions can range from 10–30%, with older adults (>65 years) at the highest risk. Management of respiratory insufficiency due to these infections is largely supportive and escalation-based, with step-wise oxygen supplementation forming the cornerstone of therapy (from low-flow oxygen to ultimately invasive mechanical ventilation). Pharmacological alternatives remain limited to adjunctive administration of corticosteroids, which are now standard of care in this population. In patients with progressive disease and elevated inflammatory markers, targeted immunomodulators such as IL-6 inhibitors (eg tocilizumab/Acterma and sarilumab/Kevzara) or the JAK inhibitor baricitinib/Olumiant are added on top of steroids, while antivirals such as remdesivir are used in selected oxygen-requiring COVID-19 patients earlier in the disease course. However, the widespread immune suppression caused by IL-6 and JAK inhibitors can increase the risk of secondary infections (bacterial and fungal) by dampening the host defence.

From a strategic perspective, the current treatment landscape highlights a clear reliance on non-specific respiratory support and broad immunosuppression, with limited mechanism-driven therapies that directly address dysregulated host

inflammatory resolution. In our view, this indication is well aligned with resomelagon's pro-resolution mechanism, which aims to restore immune system balance rather than suppress immune function, a particularly relevant approach in viral-driven hyperinflammation where excessive immune activation, rather than the pathogen itself, is a key driver of morbidity and healthcare resource utilisation.

From a development perspective, we believe that testing resomelagon in this setting introduces a second value inflection alongside the ADVANCE Phase IIb readout in RA and diversifies overall programme risk by reducing reliance on a single indication. Positive data would not only validate the mechanistic rationale in an acute inflammatory setting but could also support a differentiated positioning for resomelagon as a pathogen-independent therapy applicable across multiple viral infections. We expect the company to leverage data from both the ADVANCE and RESPIRE studies to support partnering discussions for resomelagon, ahead of the larger, registrational Phase III trials. Given the short treatment and follow-up period, management has communicated that top-line results from the RESPIRE study will likely be reported in Q326, followed potentially by a larger Phase IIb/III study, should results from the Phase II study be supportive. For our model we currently assume such a trial to be undertaken by the licensing partner, commencing in 2027. Should SynAct elect to progress development independently, incremental external capital would be required in H226.

Exhibit 6: Design of the Phase II RESPIRE trial



Source: SynAct company presentation (February 2026)

Financials

Q425 operating performance: Driven by ADVANCE Phase IIb execution

As a clinical-stage company, SynAct remains pre-revenue. In Q425, the company reported an operating loss of SEK22.7m, up 9.3% y-o-y (Q424: SEK21.0m) but materially reduced on a quarter-on-quarter basis (down 35.8% from SEK35.4m in Q325). This was primarily driven by a sharp dip in R&D expenses during the quarter (SEK12.3m vs SEK28.1m in Q325 and SEK14.6m in Q424). We believe this reflected a normalisation in R&D spend as the ADVANCE Phase IIb study moved towards full enrolment (initiated September 2024; enrolment completed February 2026 with top-line results expected in mid-26). General and administrative (G&A) expenses were recorded at SEK10.4m versus SEK6.3m in Q424 and SEK7.8m in Q325.

For FY25, the operating loss widened to SEK116.5m (FY24: SEK90.0m), driven by the step-up in clinical activity (R&D: SEK85.6m vs SEK49.3m). This was partially offset by lower G&A expenses (SEK31.5m; FY24: SEK40.5m), and we note that the FY24 expenses included one-off severance costs as the management team was restructured. Operating cash outflow for the period was SEK97.3m (FY24: SEK89.2m), with a favourable working capital position partially offsetting the impact from the increased operating loss.

Estimates revision: RESPIRE Phase II to increase FY26 R&D intensity

We raise our FY26 R&D forecast to SEK59.9m (previously SEK27.6m) to incorporate the newly announced Phase II RESPIRE study in viral respiratory insufficiency (influenza, COVID-19 and RSV). We assume that the 96-patient study

will cost the company c $35k per patient, with total trial costs of c $3.4m (c SEK30.5m), fully recognised in 2026. We also increase our FY26 G&A expense estimate to SEK32.2m (SEK27.2m previously) to reflect the FY25 performance and run-rate. Overall, we now project an operating loss of SEK92.1m in FY26, from SEK54.8m previously. We also introduce FY27 forecasts, estimating an operating loss of SEK52.8m for the year, implying a gradual reduction in cash burn as ADVANCE readout-related costs roll off.

Balance sheet: Funded into H227, partnership remains key funding inflection

SynAct ended FY25 with net cash (no debt) of SEK53.4m, supported by a SEK20m rights issue, a SEK37m directed placement in H125 and a further SEK35.4m from warrant conversions by shareholder Heights Capital Management during Q325 (1m warrants converted each in July and August 2025). The cash position has been bolstered further by a SEK51.9m directed share issue announced on 02 March 2026. The raise has been executed against the issue of 2,883,725 shares at SEK18/share (5.26% discount to the prior price of SEK19 and 5.41% discount to the last 10-day volume-weighted average price for the shares). The issue saw participation from Swedish and international institutional investors, as well as existing shareholders such as Hunter Capital and Johannes Schildt. While slightly dilutive to existing shareholders (by 5.13%), we view the raise positively as it removes near-term funding overhang ahead of multiple value-inflecting readouts and should improve negotiating leverage in potential partnering discussions.

Factoring the incremental cost associated with the planned 96-patient RESPIRE study (SEK30.5m) we estimate the pro-forma net cash of SEK105.3m to fully fund the study and provide a runway into H227. Note that this estimate does not incorporate any new activities for preclinical assets, Phase III preparations, new clinical studies or any potential drawdowns from the credit line the company holds from Hunter Capital, which as now been increased to SEK40m (from SEK30m previously) with the drawdown period extended to 28 February 2027 (31 December 2026 previously). The loan comes with a set-up fee of 5% with an annual interest rate of 6% and remains undrawn as of date. We estimate the potential need to raise further capital to maintain clinical momentum ahead of a partnering agreement.

As noted previously, we model a partnering agreement for resomelagon in 2027, with the licensing partner undertaking any subsequent clinical development and label expansion activities, a key medium-term non-dilutive funding catalyst. Given the deal-structure variability, we assume a relatively high 20% blended royalty post-launch in lieu of upfront and milestone payments as well as sector royalty rates (which typically range from mid-single to mid-double digits).

Valuation

We increase our valuation for SynAct to SEK2.21bn (SEK39.4/share) from SEK1.97bn (SEK36.9/share), incorporating the FY25 results, continued pipeline execution, forex changes (Swedish krona strength versus the US dollar) and the updated pro-forma net cash position. The principal upside driver is the inclusion of the Phase II RESPIRE programme in viral respiratory-induced hyperinflammation, which we now bring forward to 2026 following management's guidance that patient recruitment is expected to begin in Q126. As noted in our initiation report on the company, we had previously assumed a partner-led, pathogen-agnostic Phase II proof-of-concept study in 2028, post-licensing. The earlier start should materially accelerate both development timelines and value recognition.

Respiratory insufficiency due to viral infections – refreshed assumptions

Addressable patient population: We had previously assumed the target patient population to comprise patients admitted to the ICU with COVID-19, influenza and RSV-related inflammatory/respiratory complications (160,000–170,000 patients in the US and Europe). Given greater clarity on the Phase II design, we now expand the addressable patient population to include the proportion of hospitalised patients with SpO_2<93%. We estimate c 1m annual hospitalisations each in the US and Europe for COVID-19, influenza and RSV combined, of which c 45% present with hypoxia (based on observed hospitalisation data). Assuming 50% of these are severe/critical, we derive a core addressable population of c 225,000 patients across the US and Europe each, which we view as the most relevant treatment segment for resomelagon.

Peak penetration: We retain a conservative 20% peak penetration rate, reflecting the early clinical stage, execution risk and the added complexity of pursuing multiple acute viral indications. Note that this assumption provides meaningful upside leverage as clinical data mature and positioning within hospital treatment algorithms becomes clearer. We will reassess our assumptions as resomelagon progresses through clinical development in this area.

Treatment duration and pricing: We model a 14-day treatment course, at the upper end of the five- to 14-day range typical for antivirals, consistent with the RESPIRE protocol. Our pricing assumptions are a US list price of $5,000 and

a net price of $3,750 (25% discount; 2% annual inflation). Europe is modelled at 50% of US net pricing. For context, remdesivir, the broad-spectrum antiviral medication used to treat COVID-19, was launched at a list price of $3,120 for a five-day treatment course (wholesale acquisition price of $2,340). The treatment costs of the IL-6 inhibitors Actemra (tocilizumab) and Kevzara (sarilumab) can range from $2,500 to $5,000.

Launch timelines, peak sales and PoS: We expect rapid patient recruitment in the Phase II RESPIRE study (given the ongoing flu season in Europe) and anticipate top-line readouts as early as Q326. Given the modest study size, we see the need for larger US-inclusive Phase IIb and/or Phase III studies to support regulatory approval. We model subsequent clinical studies to be undertaken by the licensing partner and estimate a 2029 launch for resomelagon as treatment for hyperinflammation related to these indications (previously 2031). Based on the 20% peak penetration rates we assume in our base case, we project peak sales of $360m (previously $250m) to be achieved in 2040. With greater clarity on the study design and plans for resomelagon in this setting, we raise the probability of success to 20%, from 15% previously. We continue to assume a 20% royalty rate on sales from a licensing deal.

Other than the above, we keep our long-term assumptions for the other development programmes unchanged. Exhibit 7 presents a breakdown of our risk-adjusted net present value (rNPV) for SynAct, detailed by target indications.

Exhibit 7: Synact rNPV valuation

Product	Indication	Expected launch	Peak sales ($m)	NPV (SEKm)	Probability	rNPV (SEKm)	rNPV/share (SEK)
Resomelagon	Rheumatoid arthritis – newly diagnosed patients	2031	2,300	5,626.2	30%	1,677.6	29.8
	Rheumatoid arthritis – flares	2032	1,000	2,194.7	15%	308.9	5.5
	Respiratory viral-infections	2029	360	1,356.4	20%	258.0	4.6
	Polymyalgia rheumatica	2032	180	391.2	10%	35.0	0.6
Direct costs to 2035 less tax				(172.3)		(172.3)	(3.1)
Pro-forma net cash at end-December 2025				105.3		105.3	1.9
Valuation				**9,501.4**		**2,212.6**	**39.4**

Source: Edison Investment Research

As noted in the exhibit above, our risk-adjusted NPV for the respiratory viral-infections opportunity increases to SEK258.0m (SEK4.6/share), from SEK101.8m (SEK1.9/share) previously. This is based on our central case assumptions, as listed above. As our valuation is particularly sensitive to peak market penetration and probability of success, we include a sensitivity framework illustrating the impact of varying these inputs on SynAct's total equity value (Exhibit 8).

Exhibit 8: Sensitivity of rNPV to peak penetration rates and success probabilities in respiratory viral infections (SEK/share)

		Peak pentration rate						
		5.0%	10.0%	15.0%	20.0%	25.0%	30.0%	35.0%
Probability of success	5.0%	34.8	35.1	35.4	35.7	36.0	36.3	36.6
	10.0%	35.1	35.7	36.3	36.9	37.5	38.1	38.8
	15.0%	35.4	36.3	37.2	38.1	39.1	40.0	40.9
	20.0%	35.7	36.9	38.1	**39.4**	40.6	41.8	43.1
	25.0%	36.0	37.5	39.0	40.6	42.1	43.7	45.2
	30.0%	36.3	38.1	40.0	41.8	43.6	45.5	47.3
	35.0%	36.6	38.7	40.9	43.0	45.2	47.3	49.5

Source: Edison Investment Research

By way of illustration, assuming a 35% peak penetration and a 30% PoS, our group valuation would increase to SEK47.3/share, with the corresponding rNPV for the viral-infections franchise rising to SEK706.7m (SEK12.6/share). This highlights the significant embedded optionality in the programme as clinical de-risking progresses.

As an additional sensitivity, assuming SynAct elects to self-develop and commercialise resomelagon, we estimate the company would need to raise approximately SEK250m over FY27–28 before reaching cash-flow breakeven following the launch in respiratory viral infections. If this funding were secured entirely through equity, it would imply the issuance of c 13.2m new shares, based on the closing price of SEK19.0 per share on 02 March 2026. Under this scenario, our valuation would dilute to SEK35.5 per share, with the total share count increasing to 69.4m from the current 53.3m. Note that this will still be a material upside to the current trading price.

Exhibit 9: Financial summary

SEKm	2023	2024	2025	2026e	2027e
Year end 31 December	IFRS	IFRS	IFRS	IFRS	IFRS
PROFIT & LOSS					
Revenue	0.00	0.00	0.00	0.00	0.00
Licensing income	0.00	0.00	0.00	0.00	0.00
Royalties	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00
Cost of Sales	0.00	0.00	0.00	0.00	0.00
Gross Profit	0.00	0.00	0.00	0.00	0.00
R&D expenses	(105.06)	(49.31)	(85.61)	(59.91)	(20.00)
G&A expenses	(44.83)	(40.49)	(31.54)	(32.17)	(32.81)
EBITDA	(149.18)	(89.36)	(115.89)	(91.39)	(52.10)
Operating Profit (before amort. and except.)	(149.94)	(89.98)	(116.54)	(92.07)	(52.81)
Intangible Amortisation/impairment	(74.56)	0.00	0.00	0.00	0.00
Exceptionals	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00
Operating Profit	(224.50)	(89.98)	(116.54)	(92.07)	(52.81)
Net Interest	0.22	(0.85)	(2.45)	(1.64)	2.07
Profit Before Tax (norm)	(149.72)	(90.82)	(118.99)	(93.71)	(50.74)
Profit Before Tax (reported)	(224.28)	(90.82)	(118.99)	(93.71)	(50.74)
Tax	8.47	8.42	8.17	8.17	8.17
Profit After Tax (norm)	(141.25)	(82.40)	(110.83)	(85.55)	(42.58)
Profit After Tax (reported)	(215.81)	(82.40)	(110.83)	(85.55)	(42.58)
Average Number of Shares Outstanding (m)	32.52	39.53	51.08	56.21	56.21
Basic EPS - normalised (SEK)	(4.34)	(2.08)	(2.17)	(1.52)	(0.76)
Basic EPS - reported (SEK)	(6.64)	(2.08)	(2.17)	(1.52)	(0.76)
BALANCE SHEET					
Fixed Assets	152.96	156.67	149.17	148.49	147.78
Intangible Assets	152.16	154.59	147.82	147.82	147.82
Tangible Assets	0.66	1.94	1.21	0.53	(0.18)
Investments	0.14	0.14	0.14	0.14	0.14
Current Assets	75.06	94.00	71.35	35.82	33.95
Stocks	0.00	0.00	0.00	0.00	0.00
Debtors and prepaid expenses	4.48	24.32	9.98	5.42	5.42
Cash	62.40	61.21	53.41	22.44	20.57
Other	8.19	8.47	7.97	7.97	7.97
Current Liabilities	24.94	28.46	21.52	21.52	61.52
Creditors and accrued expenses	19.48	27.44	20.63	20.63	20.63
Short-term borrowings	0.00	0.00	0.00	0.00	40.00
Lease liabilities and others	5.45	1.02	0.90	0.90	0.90
Long-Term Liabilities	26.90	27.89	28.70	26.13	26.13
Long-term borrowings	0.00	0.00	0.00	0.00	0.00
Other long-term liabilities	26.90	27.89	28.70	26.13	26.13
Net Assets	176.19	194.32	170.29	136.65	94.07
CASH FLOW					
Operating Cash Flow	(100.18)	(89.20)	(97.33)	(82.88)	(41.86)
Net interest	0.00	0.00	0.00	0.00	0.00
Tax	0.00	0.00	0.00	0.00	0.00
Capex	0.00	0.00	0.00	0.00	0.00
Acquisitions/disposals	0.37	0.00	0.00	0.00	0.00
Financing	53.98	87.41	90.46	51.91	0.00
Dividends	0.00	0.00	0.00	0.00	0.00
Net Cash Flow	(45.82)	(1.79)	(6.87)	(30.97)	(41.86)
Opening net debt/(cash)	(108.25)	(62.40)	(61.21)	(53.41)	(22.44)
Other	(0.03)	0.61	(0.93)	0.00	0.00
Closing net debt/(cash)	(62.40)	(61.21)	(53.41)	(22.44)	19.43

Source: Company documents, Edison Investment Research

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