

The English text is an unofficial translation. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.

The board of directors' report on circumstances of significance for assessment of value of assets to be contributed in kind pursuant to Chapter 13, Section 7 of the Swedish Companies Act (2005:551)

Such as report according to Chapter 13, Section 7 of the Swedish Companies Act, the board of directors¹ of SynAct Pharma AB, Reg. No. 559058-4826 (the “**Company**”), makes the following statement.

The Company has on 12 December 2022 entered into a share purchase agreement (the “**Share Purchase Agreement**”) with the shareholders of TXP Pharma AG (“**TXP**”), according to which the Company shall purchase all 11,200,000 shares in TXP.

According to the Share Purchase Agreement, the Company shall issue an initial fixed purchase price of SEK 135,999,939.80 to be paid on the closing date. The fixed purchase price shall be payable through the issuance of 2,172,523 new issued shares to the sellers (the purchase price and the new issued shares will be allocated among the sellers pro rata in relation to their shareholding in TXP). The number of consideration shares to be issued to settle the fixed purchase price has been determined based on a settlement price of SEK 62.60 per share, which corresponds to the volume-weighted average price for the Company's shares during 30 trading days up to and including the last trading day prior to the date of signing of the Share Purchase Agreement.

The number of shares in the Company that each owner of TXP shall be able to subscribe for as well as the number of shares in TXP that each respective owner shall contribute with is set out in **Schedule 1**.

In addition to the fixed purchase price, the Company may also come to issue an additional purchase price in the form of a one-time amount of SEK 55,000,000 under the Share Purchase Agreement. The additional purchase price shall be payable if (i) the Company's board of directors, following the completion of the first Phase II study with one of TXP's compounds resolves to continue the development of said compound for a subsequent Phase IIb or a Phase III study or if an application to commence such studies are filed; (ii) TXP divests or licenses one of TXP's compounds; or (iii) the Company divests the shares in TXP. The additional purchase price shall only be payable once and upon the first fulfilment of any of the events entitling to the additional purchase price. If an additional purchase price is payable, the Company shall, in its sole discretion, be entitled to resolve on whether it shall be payable in cash or through the issuance of new shares (subject to necessary resolution by the general meeting in the Company). Any additional purchase price shall be allocated among the sellers' pro rata in relation to their shareholding in TXP. To the extent the Company resolves to

¹ Torbjørn Bjerke and Thomas Jonassen have not participated in the board of directors' preparation of this report.

settle the additional purchase price in new issued shares, the number of shares to be issued shall be calculated based on a settlement price which is based on the volume-weighted average price for the Company's shares during 30 trading days prior to the Company's notification to the sellers that the Company chooses to settle the additional purchase price in shares.

The agreed purchase price for TXP has been determined based on negotiations with the sellers. Prior to the negotiations, the board of directors obtained a valuation of TXP's development portfolio from an independent third party. The valuation is made through a risk-adjusted present value calculation of future cash flows and is based on assessments and assumptions such as, for example, market size, market share and probability of success in clinical trials. The board of directors' basis for the valuation included the result of a so-called due diligence examination of TXP. The board of directors has also obtained a so-called fairness opinion from Ernst & Young AB.

Based on the above, the closing price of the Company's share on Nasdaq Stockholm on 9 December 2022, and the provisions of RFR 2, the board of directors estimates that the shares in TXP will be entered in the Company's balance sheet with a total value of SEK 170,016,553. The value consists of the fixed purchase price of SEK 162,939,225, which corresponds to a subscription price of SEK 75 per share, and an estimated fair value of the conditional purchase price of SEK 7,077,328. The final value at which the in kind-assets will be entered in the Company's balance sheet as well as the subscription price will, however, in accordance with applicable accounting rules, be determined based on the share price for the Company's shares at the so-called transaction date and may therefore deviate from the estimated value stated above.

It is the board of directors' assessment that the in kind-assets can be assumed to be of benefit to the Company's operations and that it has not been entered at a higher value than the fair value for the Company.

Documents pursuant to Chapter 2, Section 9 of the Swedish Companies Act are available at the Company's head office, c/o Medicon Village AB, Scheelevägen 2, SE-223 81 Lund, Sweden.

Lund on 12 December 2022

(Signature page follows)

The Board of Directors of SynAct Pharma AB (publ)

Uli Hacksell

Terje Kalland

Marina Bozilenko

Kerstin Hasselgren

Schedule 1

Subscriber	Number of shares in TXP that are transferred	Number of shares in the Company subscribed
GoodWind Holding GmbH	6 000 000	1 161 777
James Anthony Knight, Penfield	400 000	77 452
Stephen La Hue Cartt	530 000	102 624
Icon Image AB	330 000	63 898
Quantum Leben AG	2 080 000	402 749
Karl Egon Niclas Henriksson	220 000	42 598
Dr. Saeid AB	220 000	42 598
Modelio Equity AB	160 000	30 981
Gerhard Dal	160 000	30 981
Gryningskust Holding AB	110 000	21 299
Iraj Arastoupour	110 000	21 299
David Charles Cartt	100 000	19 363
Gunvald Magnus Svante Berger	80 000	15 490
OMT Invest A/S	60 000	11 618
OR Invest A/S	60 000	11 618
Thomas Ringberg	60 000	11 618
Per Anders Torsten Nilsson	50 000	9 681
Quantass ApS	71 400	13 825
TJ Biotech Holding ApS	79 300	15 355
Boesen Biotech ApS	170 000	32 917
GL Capital AB	79 300	15 355
Viking Bio I GmbH	90 000	17 427
Total:	11 220 000	2 172 523