INTERIM REPORT

January - March 2024

SYNACT PHARMA

Research and **development** in inflammatory diseases

Q1

This English version of SynAct Pharma's Interim Report for the first quarter of 2024 has been prepared by the Company as a service to its non-Swedish stakeholders. In case of differences, the original Swedish report prevails.

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SynAct Pharma is a clinical stage biotechnology company focused on resolving inflammation with melanocortin biology

www.synactpharma.com

Interim report for the first quarter 2024

First quarter (January - March)

- The Group's net sales amounted to SEK 0 (0) thousand.
- Operating expenses amounted to SEK 25,706 (58,248) thousand, a decrease of 56%.
- The Group's loss after tax amounted to SEK 24,906 (49,878) thousand.
- The Group's earnings per share before and after dilution amounted to SEK -0.70 (-1.59).
- Cash flow from operating activities amounted to SEK -11,189 (-30,472) thousand.
- Cash flow from financing activities amounted to SEK -154 (-246) thousand.
- Cash flow for the period amounted to SEK -11,343 (-30,482) thousand.
- Cash and cash equivalents at the end of the period amounted to SEK 51,553 (78,214) thousand.

The Group's financial performance per quarter

(SEK thousand)	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4	2022 Q3	2022 Q2
Net sales	-	-	-	-	-	-	-	-
Operating income	-25,706	-91,062	-31,692	-43,495	-58,248	-30,523	-26,461	-26,417
Profit before tax	-26,049	-90,542	-31,988	-43,601	-58,146	-30,554	-26,569	-27,625
Profit for the period	-24,906	-90,543	-31,878	-43,511	-49,878	-30,477	-23,919	-24,754
Total assets	213,354	228,019	275,925	298,472	320,999	142,597	96,206	133,972
Equity / asset ratio (%)[1]	71%	77%	76%	81%	84%	89%	83%	77%
Earnings per share (SEK)	-0.70	-2.58	-1.00	-1.37	-1.59	-1.06	-0.84	-0.91
Research & development cost / operating expenses (%)[1]	31%	12%	68%	67%	75%	71%	78%	54%

1) Alternative performance measures - APM, ref. p. 22 for definitions

Significant events during the first quarter of 2024 and after the end of the reporting period

Q1 - 2024

JAN 30 SynAct expands its Rheumatology Clinical Advisory Board with three new highly experienced advisors.

FEB 1 SynAct appoints Kirsten Harting as Chief Medical Officer.

FEB 7 Notice of extraordinary general meeting in SynAct Pharma AB. Upon request by >10% of the shareholders, an extra general meeting has been set to March 20, 2024.

FEB 22 SynAct announces additional data from the EXPAND P2b clinical trial supporting continued development of the compound in rheumatoid arthritis.

MAR 10 SynAct announces outcomes of the independent audit of the 4-week RESOLVE P2a clinical trial in Rheumatoid Arthritis.

MAR 20 The Extraordinary General Meeting resolved, in accordance with the proposal to elect a new Board for the period until the end of the 2024 Annual General Meeting. The Board of Directors appointed Jeppe Øvlesen as CEO of SynAct.

MAR 22 SynAct comments on ownership changes among senior executives.

MAR 26 SynAct Pharma AB announces intention to carry out directed share issues in total of approximately 48 MSEK.

MAR 27 SynAct Pharma AB has successfully completed the bookbuilding procedure – directed issues provides the company with a total of up to 49.2 MSEK and sends out notice of extraordinary general meeting in SynAct Pharma AB.

Q2 - 2024

APR 30 SynAct Pharma AB announces that the number of shares and votes has increased by 5,725,484 as a result of the directed share issues resolved upon by the extraordinary general meeting on April 24, 2024.

The CEO, Jeppe Øvlesen comments on the first quarter 2024

Full speed ahead

The first quarter of 2024 was incredibly busy, but I feel confident that the company now has the right team and plan in place to put SynAct back on the right path.

At the end of the quarter shareholders made a momentous decision regarding SynAct's trajectory. A new board was elected, making us more agile and ready to take SynAct forward. We now have an experienced board chaired by Anders Kronborg, including Sten Scheibye, Sten Sörensen and me. The company also has the right management team to make sure our lead candidate resomelagon quickly gets back to the clinic. During the quarter we hired Kirsten Harting as Chief Medical Officer. She has more than 30 years' experience and will be important to lead our clinical program. We understand shareholders are closely watching us and are eager for updates. We have a strong team and will move as fast as possible.

During the quarter we also finalized an agreement with the Contract Research Organization (CRO) for the planned phase 2b study in RA. This is key to getting resomelagon back in the clinic. Soon we will submit our Clinical Trial Application (CTA) and update our IND, which should put us on track to get the new study up and going. Our CMO and CSO are very focused and committed and are currently in the final design of the study, including a very well defined patient population fit for purpose.

We also raised about SEK 49 million at a premium at the end of the quarter giving us a solid position. This makes it possible to continue the development of resomelagon into a phase 2b study in RA. Our goal is a dose-determining proof-of-concept study. The plan is to submit an application for a clinical trial, as part of the existing IND application, during the second quarter this year. The results of the study are expected to be presented in the second half of 2025.

SynAct now has a stronger base of investors and we are grateful for the support our Board of Directors and management team showed by investing at a premium. It shows their trust in the company and their belief in the potential of resomelagon to make a difference. We also welcomed Sanos Group as a new shareholder. It is a strategic investor that fully supports our long-term plans with resomelagon and also our goal of developing our pipeline of candidates.

With these funds, however, comes responsibility. We know many investors have put their faith in us, and we have to do our best to perform. With that in mind, we proposed that the remuneration to management and the Board of Directors should be reduced and that a new incentive program with a more long-term perspective should be introduced. Reducing costs for management by 27 percent and for the board by 46 percent makes us more agile and focused on delivering, especially since our current costs are much lower compared to last year when there were two ongoing studies.

Business development is, of course, crucial, so we will make sure those potential partners who have followed us in the past stay up to date on our progress. I also plan to be more active with international conferences to lift our profile. As part of this market communication, we plan to host a Capital Markets Day after the summer in Stockholm. We will circle back with more details as we get closer.

We have a solid plan now and I am eager to succeed.

Many thanks for following us at SynAct.

”I feel confident that the company now has the right team and plan in place to put SynAct back on the right track.”

Jeppe Øvlesen
Chief Executive Officer and Board Member

SynAct Pharma in Brief

About SynAct Pharma AB
SynAct Pharma AB is a clinical stage biotechnology company focused on the resolution of inflammation through the selective activation of the melanocortin system. The company has a broad portfolio of oral and injectable selective melanocortin agonists aimed at inducing anti-inflammatory and inflammation resolution activity in autoimmune and inflammatory diseases to help patients achieve immune balance and overcome their inflammation.

Business model
SynAct's business strategy is to drive projects into clinical development in order to secure proof-of-concept, i.e. support for clinical relevance. The company's ambition is to conduct Phase 2 clinical studies, and then to sign commercial agreements with one or more major pharmaceutical companies.

Group relationship and shareholding
SynAct Pharma AB (with corporate registration number 559058-4826) is the parent company of a group that includes the wholly owned subsidiaries SynAct Pharma ApS and TXP Pharma AG, where the latter is consolidated into the group from January 16, 2023. The "Company" or "SynAct" means the Group i.e., SynAct Pharma AB and its wholly owned subsidiaries. In addition to the above, SynAct has no additional shareholdings.

Review by the Company's Auditor
This report has not been reviewed by the Company's Auditor.

Forward looking statements
This financial report contains statements that are forward-looking. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or result expressed or implied by such forward-looking statements.

Research and development

Inflammation resolution
Inflammation is the immune system's way of responding to infections or injuries. Normally an inflammatory response is self-limiting. The immune system will "deactivate" itself and the inflammation will be resolved after the invading pathogen has been removed or the injury has begun to heal.

However, in some cases, the inflammation can be excessive or chronic and it can overwhelm the immune system's ability to resolve the inflammation. This can lead to pain, tissue destruction, and loss of function.

When the immune system is overwhelmed, therapies like SynAct Pharma's lead compound, resomelagon (AP1189) may help resolve inflammation by providing both anti-inflammatory activity and by triggering the immune system's natural inflammatory resolution mechanisms. Most available treatments used to treat inflammation are immunosuppressive. They suppress the immune system by removing key signaling molecules or by depleting certain immune cells. Both strategies can lead to a heightened risk of serious infections and other significant side effects and safety issues. These therapies are anti-inflammatory, but they do not resolve the underlying uncontrolled inflammation.

SynAct seeks to stimulate the body's natural resolution mechanisms and resolve excessive inflammation without suppressing the immune system's ability to respond to new infections or injuries.

Melanocortin biology
The melanocortin system is an ancient modulatory system comprising a family of 5 melanocortin receptors and a set of naturally occurring melanocortin peptides that bind to and activate these receptors. The melanocortin receptors (MC1R - MC5R) are located on many cell types and are spread throughout most organs.

MC1R and MC3R are believed to be the key receptors involved in direct effects on the immune system and these receptors are located on immune cells and associated structural and supportive cells. When activated, MC1R and MC3R provide both direct anti-inflammatory effects, such as causing immune cells to produce fewer pro-inflammatory molecules and stimulating pro-resolution effects such as switching cells to perform inflammation 'cleanup" or regulatory functions. Through these dual effects, targeted melanocortin therapies can help the immune system resolve excessive or chronic inflammation.

Research and Development (continued)

Resomelagon (AP1189)

SynAct is developing selective melanocortin therapeutics to address inflammatory and autoimmune diseases. SynAct's lead drug candidate, resomelagon (AP1189), is an oral available biased MC1R and MC3R agonist mediating its pharmacological effects through pERK signaling pathway rather than the cAMP pathway which is activated by most melanocortin agonists. Activation of MC1R cAMP pathway is believed to be responsible for certain off-target activity such as skin hyperpigmentation which are avoided with resomelagon.

The Company is evaluating resomelagon in clinical development programs with primary focus on Rheumatoid Arthritis where the compound is developed for treatment of newly diagnosed patients with high disease activity in combination with the first line treatment compound methotrexate (MTX). The potential of the compound in these patients is to reduce disease activity with the potential to reduce the need of glucocortiods (GCs) and delay or even reduce the need for second line treatment.

The potential of the compound to reduce loss of protein in the urine in patients with severe proteinuria is examined in a small proof of concept study, where the recruitment rate due to low numbers of eligible patients referred to the clinical sites have been lower than expected. Finally, the RESOVIR- 1 study in COVID-19 patients showed that the compound has the potential to modulate hyperinflammatory states in severe viral infections and thereby accelerate recovery and reduce length of hospitalization. The potential to continue clinical in specific patient populations suffering from severe viral infection is currently evaluated.

Rheumatoid arthritis (RA)

Rheumatoid arthritis (RA) is a chronic inflammatory disorder that typically affects more than just your joints. RA is an autoimmune disorder, a disease where the immune system mistakenly attacks your body's own tissues. RA affects the lining of the joints, causing painful swelling that can result in cartilage and bone erosion and joint deformity. RA is often associated with symptoms involving other parts of the body including the skin, eyes, lungs, heart, and blood vessels.

The current guidelines emphasize early intervention in RA patients with the aim to induce disease control as fast as possible as it not only will have impact on the situation on the short term but also reduce the risk for irreversible loss of function in affected

PIPELINE OVERVIEW

ASSET	INDICATION	PRECLINICAL	PHASE 1	PHASE 2A	PHASE 2B	PHASE 3	STATUS AND NEXT MILESTONE
Resomelagon (AP1189)	Rheumatoid arthritis (RA) - 1st line treatment						• Ph-2B study, result presented • New Ph-2B study planned, ADVANCE
	Rheumatoid arthritis (RA) - DMARD-IR						• Ph-2A study, preliminary result presented
	Nephrotic syndrome (iMN)						• Ph-2A study discontinued – low recruitment
	Virus-induced respiratory insufficiency						• Complementary P-C study required • Ph-2B planned, start 2024-H2
TXP-11	Prevent organ failure in surgery						• Additional P-C study required • Ph-1 planned 2025
Next generation molecules	Auto-immune and inflammatory diseases						

Completed · Ongoing · Discontinued · Complementary study required

Research and Development (continued)

joints and tissues. Current first line treatment for patients with moderate and severe disease activity is the conventional disease-modifying anti-rheumatic drug (cDMARD) MTX. The compound is given once weekly in a dose titration approach aiming to get the patients treated with the highest tolerable dose. As onset of action of the drug take weeks it is conditional recommended to cotreat with GCs for faster control of symptoms. The aim of this treatment approach is to get a significant reduction in disease activity within 3 months and symptom control within 6 months. Overall, the task is considered achieved in approximately half the patients and in many of the patients it's only achieved due to the co-treatment with GCs. The wide use of GCs are controversial, as the GCs are associated with a number of severe unwanted side effects and the it is considered difficult to tamper the use of them once introduced. Both the US and European treatment guidelines strongly recommend restricting the use of GCs as much as possible and never exceed dosing for more than 3 months However, it has been reported that up to half of all RA patients are treated with GCs in more chronic dose regiment, which due to the side effect profiles of the compounds is highly unwanted. An alternative to use of GCs is to introduce second line treatment earlier, in many cases already after 3 months MTX treatment. In more severe cases, second line treatment is applied by adding a biologic-DMARD (bDMARD), in most cases as TNF-blocker to the MTX dose regiment. The bDMARDs are very effective, but relatively expensive drug and importantly associated with a number of severe adverse events including immunosuppression and thereby increased risk of infections among other. In fact, the side effect profile of the bDMARDs restricts the use of them as first line treatment options as highlighted in the current US treatment guide.

The potential of resomelagon in this setting seems evident as clinical data on the compound support that it can be given in combination with MTX as first line treatment with good treatment effect in newly diagnosed patients with high disease activity. Compared to GCs and dDMARDs (as well as the widely used JAK-inhibitors), resomelagon doesn't show signs of immunosuppression giving a unique opportunity to introduce resomelagon treatment as a novel patient friendly oral treatment option to facilitate disease control and at the same time reduce the need for GCs and potentially delay and reduce the need second line treatment options including the TNF-blockers.

Clinical development of resomelagon in RA

BEGIN - Phase 2 clinical trial in early severe RA together with MTX
In 2021, SynAct completed the Phase 2 clinical trial in early severe RA. The study, called BEGIN, was a randomized, double-blind, placebo controlled multicenter study in previous treatment naïve RA patients where either 50 mg or 100 mg of resomelagon or placebo was administered in addition to MTX.

Resomelagon given once daily for four weeks was safe and well tolerated in the applied patient population. 100 mg of resomelagon demonstrated a statistically significant mean reduction in the clinical disease activity index (CDAI), the primary study endpoint, from baseline to four weeks that was more than 65% higher than the effect seen in the placebo-treated control group (mean reduction in CDAI: resomelagon 100 mg (n=33): 15.5 points compared with placebo (n=30): 9.3%, p = 0.0394). The 100 mg resomelagon group also demonstrated a significantly higher fraction of patients achieving ACR20 than placebo treated patients (ACR20: resomelagon (n=33) 100 mg: 60,6%; Placebo (n=30): 33.3%, P=0.0437) within the 4 weeks.

In 2022, the Company continued the clinical development in treatment naïve RA patients with high disease activity in a 12 weeks study testing one dose of resomelagon vs placebo in combination with MTX, the EXPAND study.

EXPAND – A 12-week P2b study of daily resomelagon in MTX-naïve patients with severe disease activity
In continuation of BEGIN, the EXPAND study was designed to test the treatment effect of 12-weeks of resomelagon, administered orally once-daily as a tablet, on disease activity as measured by the ACR20 response rate as well as other RA disease measures and to confirm the safety profile of the molecule.

Top line data, reported September 4 2023, showed that resomelagon showed a good safety profile, but did not meet the primary endpoint as the ACR20 scores in the resomelagon and the placebo group both were in the mid-fifties at the end for the 12 weeks treatment period.

Further analyses of the patient population showed that around 40% of the patients included into the study did not show signs of systemic inflammation, as high-sensitive C-reactive protein (hsCRP) were in the normal range (ie hsCRP <3 mg/L). Further, a fraction of the patients was not considered newly diagnosed with some being without adequate treatment for years before entering into the study.

When focusing of the segment of patients that were considered newly diagnosed, defined as having been diagnosed with RA within 6 months of inclusion into the study, and who showed signs of systemic inflammation, hsCRP>3 mg/L at introduction to the study ACR20 reached 82% in the resomelagon group (n=28) vs 52% in the placebo group (n=27), p<0.05 using fichers ecext test. The treatment effect of the compound in this very relevant patient segment was futher supported by significantly larger reduction in disease activity measures: CDAI: resomelagon (n=28): 24.6 points vs placebo (n=27): 14,7 points, p<0,01; DAS28-CRP: resomelagon (n=28): 1.9 points vs placebo (n=27): 14,7 points, p<0,01. Also the improvement in health assessment questionnaire HAQ), a measure of the patients ability to handle daily living was significantly larger in the resomelagon group: change in HAQ: resomelagon (n=28): 0.69 points vs placebo (n=27): 0.31 points, p<0.05.

Together these post analyses strongly support continued development of resomelagon in newly diagnosed RA

patients with high disease activity including signs of systemic inflammation.

In 2022 SynAct also initiated development of resomelagon in patients with inadequate response to MTX, often referred to as DMARD-IR patients. The development was initiated under an US-IND in a two-step fashion in the RESOLVE study. The first step was a 4-week dose range study testing 3 doses of resomelagon vs placebo in pt who had been on a stable dose of MTX for at least 3 months without having disease control. Due to possibility within the set inclusion criteria to recruit patients who had been on MTX for a long period, in many cases for years, the patient population could not be classified as patients who following MTX treatment for 3 months did not have reduction in disease activity or following 6 months MTX treated lacked disease control. Actually, only around 5% of the recruited patients had been treated with MTX for less than 6 months.

As for the BEGIN and EXPAND study the safety profile of resomelagon was good, but no treatment effects of the compound could be identified neither when evaluated though the primary readout ACR20, or on the secondary readouts including DAS28, CDAI and HAQ. Consequently, the conclusion from part A of the RESOLVE study was that feasible doses to be taken into part B of the study, a 12-week Phase 2b study, could not the identified. Continuation of development of resomelagon in DMARD-IR patients will therefore have lower priority than development of resomelagon in newly diagnosed patients with high disease activity. However, the company will explore the possibility to evaluate the possibilities to evaluate the effect of the compound in patients who show lack of treatment effect following initial MTX treatment.

Idiopathic Membranous Nephropathy (iMN) - Nephrotic Syndrome (NS)

Nephrotic Syndrome (NS) is a condition associated with increased loss of protein into the urine resulting in tissue swelling and eventually development of edemas.

Untreated or insufficiently treated NS will in many cases be associated with hypercholesterolemia, increased risk for blood clots, increased risk for infections and can develop into chronic kidney disease that is associated with increased risk of development of cardiovascular disease and risk of development of end stage kidney disease and thereby need for renal replacement therapy (dialysis or transplant).

Clinical development of resomelagon in Idiopathic Membanous nephropathy

Resomelagon has been tested Idiopathic Membranous nephropathy (iMN), one of causes of NS, in an exploratory, randomized, double-blind, multicenter, placebo controlled P2a study with repeated once-daily 100 mg dosing to assess the safety, tolerability, pharmacokinetics, and efficacy of resomelagon.

The study population consists of patients with iMN who are on an ACE inhibitor or angiotensin II receptor blocker treatment. The main efficacy read-out in the study is the effect on urinary protein excretion. The recruitment has been lower than expected due to a lack of eligible patients. The company currently assess the value of continuing development of resomelagon in NS.

Virus Induced hyperinflammation including virus-induced Respiratory Insufficiency

Clinical development of resomelagon in virus infections

Resomelagon was tested in the RESOVIR-1 study, a 60-patient placebo controlled Phase 2a clinical trial of treatment of hospitalized COVID-19 infected patients who required supplemental oxygen. The study was a part of the RESOVIR (resolution in viral infection) collaboration, 100 mg resomelagon or placebo was administered orally once daily for 2 weeks.

All resomelagon treated patients (including the first 6 open-label safety patients) achieved respiratory recovery on average 4.0 days (40%) quicker than placebo treated patients (5.9 days and 9.9 days on average respectively). Resomelagon patients were discharged on average 3.3 days earlier than placebo and by day 4, 41% of resomelagon patients had been discharged vs 0% for placebo. The clinical study has been followed by testing the compound in a preclinical model of COVID-19 infection as well as in an ex vivo study with human monocytes incubated with the virus with both studies supporting profound effect of the compound on COVID-19 induced hyperinflammation.

Currently the compound is tested in preclinical models as well as ex vivo setting using human monocytes incubated with highly clinical relevant viral. Data from these studies will be used to evaluate the continued clinical development of the compound as a novel treatment approach to modulate viral-induced hyperinflammation for the benefit of the patients.

Peptide Agonists

SynAct's portfolio of peptide based melanocortin receptor agonists, consists of a variety of compounds that differs in pharmacological profile and selectivity towards the melanocortin receptors. The analogs are optimized to have increased stability and enhanced receptor binding and stimulation over naturally occurring melanocyte stimulating hormone. The most advanced compound, TXP-11, is being developed for the prevention of organ failure and damage in connection with major surgeries and has completed regulatory toxicology studies required to initiate Phase 1 studies in humans. Ongoing pharmacology studies aimed to support a clinical trial application is ongoing with the expectation that the program could be Phase 1 ready in 2025.

The SynAct Pharma Share

Share information

SynAct Pharma's share has been listed on Nasdaq Stockholm in the Mid Cap segment since July 12, 2022. The stock is traded with the ticker or short name SYNACT. From the initial public offering in 2016 until July 11, 2022, the company's stock was traded on Spotlight.

The closing price of the SynAct share on the last trading day in March 2024 was SEK 8.64.

April 24, 2024, the extraordinary general meeting resolved to approve the Board of director's resolution on March 26, 2024 on a directed share issue of SEK 49,2 million before issue costs. Through the directed share issue, the number of shares increased by 5,725,484 to 41,296,464 shares. For further information, please refer to Note 11 to the financial statements.

Ownership (March 31, 2024)

Shareholder	Capital and votes(%)
Thomas Jonassen	6.8%
Avanza Pension	6.3%
Nordnet Pensionsförsäkring	4.7%
Thomas Ringberg	4.5%
Thomas von Koch	3.1%
Torbjörn Bjerke	3.0%
Handelsbanken fonder	2.3%
Heights Capital Management Inc.	2.1%
OR invest	0.9%
SEB fonder	0.9%
Total (top-10)	**34.5%**
Others (~16,000)	**65.5%**

Compiled and processed data from the share register of SynAct Pharma AB kept by Euroclear AB. Share of capital and votes is based on the number of shares outstanding at the time, 35,570,980.

Share-based incentive programs

The company has two employee option programs, Employee Option Program 2023 I ("ESOP 2023 I") and Employee Option Program 2023 II ("ESOP 2023 II").

At the Extraordinary General Meeting on 12 January 2023, the Board of Directors' proposal for ESOP 2023 I for two senior executives and one other employee was adopted. This program has been charged to the Group's and the Parent Company's financial results during the quarter.

At the Annual General Meeting on May 25, 2023, it was resolved to introduce ESOP 2023 II for senior executives and one other employee. This program has been charged to the Group's and the Parent Company's financial results during the quarter. For further information, please refer to Note 4 to the financial statements.

Lock-up agreement

There are no ongoing lock-in agreements at the end of the period.

Analyst coverage

SynAct Pharma and its share is covered by two independent analysts:

Sebastian Alexanderson, ABG Sundal Collier AB

Patrik Ling, DNB Markets

Financial calendar

SynAct prepares and publishes a quarterly financial report. Upcoming reports and general meetings are planned as follows:

Date:	Report:
08/20/2024	Interim Report Q2 2024
10/30/2024	Interim Report Q3 2024
02/18/2025	Annual reults 2024

Comments on the development for the first quarter of 2024

Net sales
Net sales for the first quarter amounted to SEK 0 (0) thousand. The company is not expected to generate any revenue until after the completion of Phase 2 program involving the drug candidate resomelagon (AP1189), at the earliest in 2026.

Research and development (R&D) costs
Total costs for R&D in the first quarter amounted to SEK 8,021 (43,596) thousand. The period last year included the two Phase 2 clinical trials, EXPAND and RESOLVE.

Administration costs
Administrative expenses amounted to SEK 17,637 (14,647) thousand in the first quarter. The increase for the quarter was driven by costs for employee option programs and severance pay for the former CEO, Torbjörn Bjerke.

Financial items
Net financial items amounted to SEK -343 (102) thousand in the first quarter and is attributable to exchange rate adjustments.

Tax for the period
Tax revenues in the first quarter amounted to SEK 1,143 (8,268) thousand. See Note 7 - Tax receivables.

Loss for the period
The Group's loss for the first quarter amounted to SEK 24,906 (49,878) thousand.

Cash flow, financial position and going concern
Receivables from the Danish tax authorities that follow from the so-called "Tax Credit Scheme" (see Tax on profit for the period above and Note 7 - Tax receivables) amounted to SEK 9,673 (16,652) thousand.

Cash flow from operating activities amounted to SEK -11,189 (-30,472) thousand in the quarter. The change is partly driven by generally less activity in clinical activities.

Cash flow from financing activities amounted to SEK -154 (-246) thousand in the first quarter.

Cash flow for the period amounted to SEK -11,343 (-30,482) thousand.

The Group's cash and cash equivalents as of March 31, 2024, amounted to SEK 51,553 (78,214) thousand.

The Board of Directors continuously evaluates the Company's financial position and has determined that its current cash and cash equivalents, including the recent share issue, are sufficient to finance the operations for the next 12 months.

Employees
The number of employees was 5 (5) of which three employees (3) were employed by the affiliate SynAct Pharma ApS.

Parent Company
The parent company's sales are from services delivered to the Danish subsidiary and amounted to SEK 1,943 (0) thousand in the first quarter.

In the Parent Company, net financial items amounted to SEK -201 (-53,371) thousand in the quarter. The group reports no proprietary intangible assets because the criteria according to IAS 38 are not met. To be able to continue the development activities in Denmark, the Swedish parent company provides ongoing capital contributions to the company that conducts the development activities. Under normal circumstances, the parent company would capitalize the contribution as shares in subsidiaries, but since no part of these funds is capitalized in the balance sheet, the contribution is a cost to the parent company and this cost is reported as a financial cost.

General meetings

Extraordinary General Meeting
On March 20, 2024, an Extraordinary General Meeting was held in SynAct Pharma AB. The meeting was convened at the request of shareholders owning more than ten percent of the shares in the company.

The EGM resolved, in accordance with the proposal, presented by TJ Biotech Invest ApS, Goodwind Holding GmbH, Thomas Ringberg and some other shareholders in the company where no single shareholder holds more than 0.38 percent (together the "Major Shareholders"), that the company's Board of Directors shall consist of four ordinary Board members with no deputies.

The EGM resolved, in accordance with the proposal from the Major Shareholders, to dismiss all current members of the Board of Directors and to elect Anders Kronborg, Sten Scheibye, Sten Sørensen and Jeppe Øvlesen as new members of the Board of Directors for the period until the end of the 2024 Annual General Meeting. The EGM further resolved, in accordance with the proposal from the Major Shareholders, to appoint Anders Kronborg as new Chairman of the Board.

On April 24, 2024, an Extraordinary General Meeting was held in SynAct Pharma AB in Stockholm. The EGM resolved to approve the three directed share issues announced by the Company through a press release on 27 March 2024.

Annual general Meeting
The Annual General Meeting will be held in Stockholm on Friday 31 May at 10.30 a.m.

Figures in parentheses refer to comparative figures from the same period last year. Numbers in this report are, with a few explicit exceptions, presented rounded to thousand SEK. Due to rounding, deviations (<1 TSEK) may occur in row totals.

Consolidated income statement

SEK (thousand)	Note	2024	2023	2023
		Jan-Mar	Jan-Mar	Jan-Dec
Net sales		-	-	-
Gross profit		-	-	-
Research and development costs		-8,021	-43,596	-105,055
General and administration costs	4, 5	-17,637	-14,647	-44,826
Other operating income/expenses		-48	-4	-74,615
Total operating expenses		**-25,706**	**-58,248**	**-224,496**
Operating income		**-25,706**	**-58,248**	**-224,496**
Net financial items		-343	102	220
Profit after financial items		**-26,049**	**-58,146**	**-224,276**
Tax on profit/loss for the period	7	1,143	8,268	8,466
Profit for the period		**-24,906**	**-49,878**	**-215,810**
Earnings per share (SEK)		-0.70	-1.59	-6.64
Diluted earnings per share (SEK)		-0.70	-1.59	-6.64
Average number of shares outstanding ('000)	6	35,571	31,338	32,524

The result for the period is attributable in its entirety to the owners of the parent company

Consolidated statement of comprehensive Income

SEK (thousand)	Note	2024	2023	2023
		Jan-Mar	Jan-Mar	Jan-Dec
Profit for the period		**-24,906**	**-49,878**	**-215,810**
Items reclassifiable to profit or loss				
Translation differences from foreign operation		-1,607	1,635	13,003
Comprehensive income after tax for the period		**-26,513**	**-48,243**	**-202,807**
Comprehensive income for the period		**-26,513**	**-48,243**	**-202,807**

The total comprehensive income for the period is attributable in its entirety to the owners of the parent company

Consolidated statement of financial position

SEK (thousand)	Note	3/31/2024	3/31/2023	12/31/2023
Assets				
Non-current assets				
Intangible assets		149,854	215,228	152,159
Right-of-use assets		529	1,861	660
Financial assets	9	144	273	139
Total non-current assets		**150,527**	**217,362**	**152,959**
Current assets				
Tax credit	7	9,673	16,652	8,188
Other current receivables		1,117	8,301	4,220
Prepaid expenses		483	470	258
Cash and cash equivalents	9	51,553	78,214	62,395
Total current assets		**62,827**	**103,637**	**75,060**
Total assets		**213,354**	**320,999**	**228,019**

SEK (thousand)	Note	3/31/2024	3/31/2023	12/31/2023
Equity and liabilities				
Share capital		4,446	3,978	4,446
Other paid-in capital	4	649,193	585,047	646,572
Reserves		14,161	4,400	15,768
Retained earnings/losses including net profit		-515,506	-324,668	-490,600
Total equity		**152,294**	**268,756**	**176,186**
Non-current liabilities				
Deferred tax liability		17,743	17,024	18,016
Leasing liability		24	806	58
Contingent earnout		7,423	7,248	7,248
Other provision	5	8,682	-	1,573
Total non-current liabilities		**33,871**	**25,079**	**26,894**
Current liabilities				
Accounts payable	9	10,826	10,087	9,670
Leasing liability		474	1,032	579
Other current liabilities	8	4,092	4,426	4,876
Accrued expenses	9	11,796	11,619	9,815
Total current liabilities		**27,188**	**27,164**	**24,939**
Total equity and liabilities		**213,354**	**320,999**	**228,019**

Consolidated statement of changes in equity

01/01/2023 - 12/31/2023 SEK (thousand)	Share capital	Other paid-in capital	Reserves	Retained earnings, including profit for the period	Total
Opening equity	**3,706**	**394,840**	**2,765**	**-274,790**	**126,520**
Profit for the period	-	-	-	-215,810	-215,810
Other comprehensive income	-	-	13,003	-	13,003
Comprehensive income for the period	**-**	**-**	**13,003**	**-215,810**	**-202,807**
Transactions with owners					
Issue in kind	272	189,607	-	-	189,879
Directed share issue	469	58,991	-	-	59,459
Issue expenses		-4,746	-	-	-4,746
Employee option program		7,881	-	-	7,881
Total transaction with owners	**740**	**251,732**	**-**	**-**	**252,473**
Closing equity	**4,446**	**646,572**	**15,768**	**-490,600**	**176,186**

01/01/2024 - 3/31/2024 SEK (thousand)	Share capital	Other paid-in capital	Reserves	Retained earnings, including profit for the period	Total
Opening equity	**4,446**	**646,572**	**15,768**	**-490,600**	**176,186**
Profit for the period	-	-	-	-24,906	-24,906
Other comprehensive income	-	-	-1,607	-	-1,607
Comprehensive income for the period	**-**	**-**	**-1,607**	**-24,906**	**-26,513**
Transactions with owners					
Employee option program		2,621	-	-	2,621
Total transaction with owners	**-**	**2,621**	**-**	**-**	**2,621**
Closing equity	**4,446**	**649,193**	**14,161**	**-515,506**	**152,294**

Condensed consolidated statement of cash flows

SEK (thousand)	Note	2024	2023	2023
		Jan-Mar	Jan-Mar	Jan-Dec
Cash flow from operations				
Operating income		-25,706	-58,248	-224,496
Adjustment for non-cash items		9,899	818	85,566
Interest received		5	5	34
Interest paid		-103	-25	-123
Corporate income tax received/paid		-	-	8,472
Cash flow from operations before change in working capital		**-15,905**	**-57,449**	**-130,547**
Change in working capital		4,716	26,977	30,370
Cash flow from operating activities		**-11,189**	**-30,472**	**-100,177**
Cash flow from investing activities		-	236	370
Cash flow from financing activities		-154	-246	53,984
Cash flow for the period		**-11,343**	**-30,482**	**-45,823**
Cash and cash equivalents at beginning of period		62,395	108,245	108,245
Decrease/increase in cash and cash equivalents		-11,343	-30,482	-45,823
Exchange rate difference in cash and cash equivalents		501	451	-27
Cash and cash equivalents at end of period		**51,553**	**78,214**	**62,395**

Parent company's condensed income statement

SEK (thousand)	Note	2024	2023	2023
		Jan-Mar	Jan-Mar	Jan-Dec
Net sales		1,943	-	8,262
Gross profit		**1,943**	**-**	**8,262**
General and administration costs	5	-16,128	-6,497	-31,277
Other operating expenses		-46	-8	-3
Total operating expenses		**-16,174**	**-6,505**	**-31,280**
Operating income		**-14,231**	**-6,505**	**-23,018**
Net financial items		-201	-53,371	-126,510
Profit after financial items		**-14,432**	**-59,875**	**-149,529**
Tax on profit for the period		-	-	-
Profit for the period		**-14,432**	**-59,875**	**-149,529**

Parent company's statement of comprehensive income

SEK (thousand)	Note	2024	2023	2023
		Jan-Mar	Jan-Mar	Jan-Dec
Profit for the period		-14,432	-59,875	-149,529
Other comprehensive income		-	-	-
Total comprehensive income		**-14,432**	**-59,875**	**-149,529**

Parent company's condensed balance sheet

SEK (thousand)	Note	3/31/2024	3/31/2023	12/31/2023
Assets				
Non-current assets				
Financial assets		181,207	232,244	181,207
Total non-current assets		**181,207**	**232,244**	**181,207**
Current assets				
Receivables in group companies		6,295	-	4,696
Other receivables		385	802	518
Prepaid expenses		420	381	215
Cash and cash equivalents		38,982	22,658	44,133
Total current assets		**46,081**	**23,840**	**49,561**
Total assets		**227,288**	**256,084**	**230,768**

SEK (thousand)	Note	3/31/2024	3/31/2023	12/31/2023
Equity and liabilities				
Restricted equity				
Share capital		4,446	3,978	4,446
Non-restricted equity				
Other paid-in capital	4	649,193	585,047	646,572
Retained earnings/losses		-436,946	-287,418	-287,418
Profit for the period		-14,432	-59,875	-149,529
Total equity		**202,261**	**241,731**	**214,072**
Non-current liabilities				
Contingent earnout		7,423	7,248	7,248
Other provisions	5	8,682	-	1,573
Total non-current liabilities		**16,104**	**7,248**	**8,821**
Current liabilities				
Liabilites in group companies		-	400	-
Accounts payable		562	266	565
Other liabilities	8	4,088	4,038	4,506
Accrued expenses		4,274	2,401	2,804
Total current liabilities		**8,923**	**7,104**	**7,876**
Total equity and liabilities		**227,288**	**256,084**	**230,768**

Notes and disclosures

Note 1 - General information

This interim report covers the Swedish parent company SynAct Pharma AB (publ) (”SynAct” or the ”Parent Company”), corporate identity number 559058-4826 and its subsidiaries (collectively, the ”Group”). The Group’s main business is to conduct the development of pharmaceuticals. The parent company is listed on Nasdaq Stockholm, with ticker SYNACT. The Parent Company is a limited liability company registered with its registered office in Lund, Sweden. The address of the head office is Scheelevägen 2, 223 63 Lund, Sweden. This interim report was approved for publishing on May 31, 2024.

Note 2 - Accounting principles

The interim report has been prepared in accordance with IAS 34 Interim Reporting. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) with interpretations from the IFRS Interpretation Committee, approved by and implemented in the European Union.

The accounting principles applied in this interim report are aligned with the ones used for the Annual Report 2023, note 2 pages 35 to 38. No new or changed standards implemented on or after January 1, 2024, have had any significant impact on the company’s financial reporting.

Note 3 - Significant risks and uncertainties

The risks and uncertainties to which SynAct’s operations are exposed are, in summary, related to, among other things, drug development, competition, technology development, patents, regulatory requirements, capital requirements, currencies and interest rates.

The Group’s overall risk management focuses on identifying, analyzing and evaluating risks that could affect the business and the Company’s overall goals with the intention of minimizing potential adverse effects. The most significant risks and uncertainties are described below. See the Annual Report for 2023, pages 21-25 for further information on the Group’s general risk management.

As the company does not have approved products on the market that can generate positive cash flow, the business requires additional capital. The Company’s operations require new capital injections in the medium term, which is why this refinancing risk cannot be considered negligible.

The macroeconomic situation with concerning inflation and interest rates did not have a significant impact on SynAct’s operations in the first quarter. Our suppliers and partners have been able to produce and deliver according to the plans we work with and without any significant cost increases. However, it cannot be ruled out that increased inflation and rising interest rates may lead to price increases for goods and services that could have a negative impact on the Company’s future financial results and position.

The Group’s operation is exposed to currency risks with its financing in SEK and main operations in DKK and EUR. SynAct took mitigating steps to reduce the risk through placement of liquidity in EUR and DKK accounts. However, the depreciation of the Swedish currency against these major currencies has resulted in cost increases during the quarter.

SynAct Pharma conducts clinical trials at clinics in Eastern Europe in the vicinity of the conflict in Ukraine, including in neighboring Moldova. The risks of this have been considered and action plans in the scenario where the conflict spreads and further affects the neighboring countries have been developed. To-date, SynAct and its collaborating partners have not encountered any difficulties that have not been overcome with only minor cost increases but without delays in the execution of the studies. Minor delays and/or minor impact on the Company’s operating costs cannot be completely ruled out.

Notes and disclosures (continued)

Note 4 - Share-based payments

The purpose of the employee option programs is to secure a long-term commitment for the employees in the Company through a compensation system which is linked to the Company's future value growth. Through the implementation of a share-based incentive program, the future value growth in the Company is encouraged, which implies common interests and goals for the shareholders of the Company and employees. Such share-based incentive programs are also expected to increase the Company's possibilities to retain competent persons.

Employee Option Program 2023 I
At the Extraordinary General Meeting of SynAct Pharma AB on January 12, 2023, it was resolved to implement an employee option program ("ESOP 2023 I") for two senior executives and one other employee of the company.

The ESOP 2023 I shall comprise a maximum of 195,000 options. The allotted employee options will vest with 1/3 as of the date that falls 12, 24 and 36 months after the date of allotment. The holders can exercise allotted and vested options during 30 days from the day following after the announcement of the Company's quarterly reports, the first time after the announcement of the quarterly report for the fourth quarter of 2025 and the last time after the announcement of the quarterly report for the fourth quarter of 2026. Each option entitles the holders a right to acquire one new share in the Company against cash consideration. The exercise price amounts to SEK 138.93, equivalent to 175 per cent of the volume weighted average share price of the Company's share on Nasdaq Stockholm during 30 trading days immediately prior to the extraordinary general meeting on 12 January 2023. The employee options shall be allotted without consideration and shall not constitute securities and shall not be possible to transfer or pledge. Allotment of the options occurred on January 13, 2023.

Employee Option Program 2023 II
At the Annual General Meeting on May 25, 2023, it was resolved to introduce a second employee option program ("ESOP 2023 II") for senior executives and one other employee.

This employee option program shall comprise a maximum of 469,000 employee stock options. The allotted employee options vest with 1/3 from the date that is 12, 24 and 36 months after the date of allotment. The option holders shall be able to exercise granted and vested employee options during the period starting on the day that falls 3 years after the date of allotment and ending on 30 June 2028. Each employee option entitles the holder to acquire one new share in the company. Exercise price amounting to SEK 110.43, corresponding to 150 percent of the volume-weighted average share price of the company's share on Nasdaq Stockholm during 10 trading days immediately prior to the day on which a participant is granted options. The employee options shall be granted free of charge, shall not constitute securities and shall not be transferable or pledged. The allotment of 404,000 of the options included in the program took place on June 1, 2023. The remaining 65,000 warrants can be granted after a Board decision until the 2024 Annual General Meeting of SynAct.

Change in outstanding incentive programs (number of options)	2024	2023	Total
Alloted instruments	Jan-Mar	Jan-Mar	
ESOP 2023 I	-	195,000	195,000
ESOP 2023 II	-	404,000	404,000
Recalled/voided instruments			
ESOP 2023 I	-	-90,000	-90,000
ESOP 2023 II	-133,333	-	-133,333
Instruments decided, not allocated			
ESOP 2023 II	-	65,000	65,000
Change			
ESOP 2023 I	-	105,000	105, 000
ESOP 2023 II	-133,333	469,000	335,667

Maximum number of shares to which allocated options can entitle	03/31/2023
ESOP 2023 I	105,000
ESOP 2023 II	335,667
Total Employee Option	**440,667**

As of March 31, 2024, SynAct had 35,570,980 shares outstanding. If the outstanding options (105,000) for the ESOP 2023 I are vested and exercised in full, it would result in a dilution of 0.3%. If the outstanding options (335,667) for the ESOP 2023 II are vested and exercised in full, it would result in a dilution of 0.9%.

The costs for the programs are estimated at SEK 16,348 thousand and refer to both the estimated cost of the value of the employees' services during the entire vesting period, valued at the market value at the time of allocation, and the estimated earned social security contributions related to Swedish participants. In the first quarter of 2024, the costs for the employee option programs amounted to SEK 2,623 thousand (627).

Notes and disclosures (continued)

Note 5 - Transactions and agreements with related parties

In addition to salaries and other remuneration (including invoiced) to the Company's management, board remuneration, according to the resolution of the Annual General Meeting, to the board, and intra-group transactions, the following transactions have taken place with related parties in the reporting periods:

SEK (thousand)		2024	2023	2023
Related party	**Service**	Jan-Mar	Jan-Mar	Jan-Dec
UST Leadership AB (Torbjørn Bjerke, former chairman)	Consultancy	-	525	525

The Board of Directors resolved on October 7, 2022, to approve an agreement engaging UST Leadership (Torbjørn Bjerke, then chairman of the board of directors) as consultant to perform certain, defined tasks. The contract was discontinued upon Bjerke's appointment as CEO.

On May 25, 2023, Torbjörn Bjerke took over as CEO of Synact in connection with the Annual General Meeting and thus left the position as Chairman of the Board. Jeppe Øvlesen replaced Torbjörn Bjerke as CEO after an Extraordinary General Meeting on March 20, 2024, when a new Board of Directors took office.

The Company has entered into an agreement with Boesen Biotech ApS regarding the transfer of intellectual property rights. The agreement did not involve any financial transactions in reported periods. See Note 10, Contingent liabilities for more information.

Note 6 - Number of registered shares

Thousand	2024	2023	2023
	Jan-Mar	Jan-Mar	Jan-Dec
Number of shares at the beginning of the period	35,571	29,648	29,648
Number of shares at the end of the period	35,571	31,821	35,571
Average number of shares outstanding in the period	35,571	31,338	32,524

All shares are freely traded and the Company does not hold any shares.

Note 7 - Tax receivables

According to Danish tax law (the tax credit scheme), the subsidiary SynAct Pharma ApS is entitled to receive a current tax income for some of the expenses that are directly attributable to the company's research and development (R&D). Settled expenses for R&D that result in tax revenue received reduce the company's tax loss carryforwards with the corresponding amount. SynAct Pharma ApS can settle a maximum of tax deficits attributable to research and development up to DKK 25 million per year. This corresponds to DKK 5.5 million as possible tax revenue, as the tax rate in Denmark is 22%.

The claim on the Danish tax authorities that follows from this scheme amounted to SEK 9,673 thousand (16,652). The balance related to fiscal year 2023 with an amount of SEK 8,188 thousand is expected to be received in November 2024.

Note 8 - VAT

SynAct Pharma has previously been denied a deduction for input VAT for the years 2018 and earlier. The Company disputed the Swedish Tax Agency's decision and appealed to the first instance, the Administrative Court. In December 2021, the Administrative Court ruled in the Company's favor in the case, whereby deductions were allowed. The Tax Agency appealed the Administrative Court's judgment to the Court of Appeal, which on 6 September 2022 rejected the appeal. On November 3, 2022, the Tax Agency appealed the Court of Appeal's judgment and applied for leave to appeal in the Supreme Administrative Court (HFD). On April 18, 2023, HFD granted the Tax Agency leave to review, meaning that the case will be tried by the court. On 28 May 2024, HFD announced that the court upholds the Tax Agency's appeal and sets aside the judgments of the Administrative Court and the Administrative Court of Appeal.

The company has previously reserved for the full amount of VAT and tax surcharges of SEK 3,689 (3,689) thousand as an other short-term liability in the financial reporting pending a final judgment.

Notes and disclosures (continued)

Note 9 - Financial assets and liabilities

SEK (thousand)	03/31/2024	03/31/2023	12/31/2023
Financial assets			
Non-current financial assets	144	273	139
Cash and cash equivalents	51,553	78,214	62,395
Total financial assets	**51,698**	**78,487**	**62,534**
Financial liabilities			
Accounts payable	10,826	10,087	9,670
Accrued expenses	11,796	11,619	9,815
Total financial liabilities	**22,622**	**21,706**	**19,484**

SynAct Pharma does not hold any financial instruments that are valued at fair value. For all financial assets and liabilities, the reported value above is deemed to be an approximation of fair value. No change in classification of financial instruments has occurred over the reported periods.

Note 10 - Contingent liabilities

In March 2021, the subsidiary SynAct Pharma ApS acquired the rights to a number of innovative chemical molecules from Boesen Biotech ApS, a company controlled by COO Thomas Boesen. The transfer took place free of charge, but according to the agreement, Boesen Biotech ApS is entitled to receive milestone payments and royalties in the future related to any progress in the Company's development and commercialization of products based on these rights. Upon successful achievement of defined milestones, Boesen Biotech ApS may receive up to a maximum of DKK 4.5 million in payment. In the event of any future commercialization of a product where these IP rights are used, Boesen Biotech ApS is entitled to royalties amounting to 3% of net sales for 10 years from launch and with a maximum amount of DKK 500 million.

As the remunerations that may be paid to Boesen Biotech is not considered to be secure or probable commitment for SynAct, they are not reported as a liability (accrual or provision). Based on current plans, a first milestone payment may be charged to the income statement and balance sheet at the earliest in 2024 and have a cash flow effect no earlier than 2025.

Note 11 - Events occuring after the reporting period

April 24 - The Extraordinary General Meeting resolved to approve the three directed share issues announced by the Company through a press release on March 27, 2024.

Approval of a directed issue of new shares to certain investors:
The general meeting resolved to approve the board of directors' resolution on 26 March 2024 on a directed issue of not more than 5,399,999 shares to certain investors, entailing an increase of the share capital of not more than SEK 674,999.875. For each subscribed share, SEK 8.60 shall be paid, which has been determined through an accelerated bookbuilding procedure. The new shares have been subscribed by, among others, the existing owner Thomas Ringberg and by Sanos Group NBCD A/S, which is deemed to add a new strategically important ownership in SynAct Pharma.

Resolution on a directed issue of new shares to members of the board of directors:
The general meeting resolved, in accordance with the proposal from a shareholder, on a directed issue of not more than 236,742 shares to members of the board of directors in accordance with the distribution below, entailing an increase of the share capital of not more than SEK 29,592.75. For each subscribed share, SEK 8.60 shall be paid, which has been determined through an accelerated bookbuilding procedure. Subscription of the newly issued shares shall be made by cash payment or by subscription on a subscription list within eight days from the date of the resolution to issue new shares. The board members have undertaken to subscribe for the shares.

Anders Kronborg	34,883
Sten Scheibye	132,093
Sten Sörensen, via his company Bridge Consulting AB	11,627
Jeppe Øvlesen, via his company Quantass ApS	58,138

Approval of a directed issue of new shares to certain persons in the management:
The general meeting resolved to approve the board of directors' resolution on 26 March 2024 on a directed issue of not more than 88,743 shares to certain members in the Company's management according to the distribution below, entailing an increase in the share capital of not more than SEK 11,092.875. For each subscribed share, SEK 8.60 shall be paid, which has been determined through an accelerated bookbuilding procedure. The new shares have been subscribed by the members of the Company's management as set out below.

Thomas Jonassen (CSO), via his company TJBiotech Holding ApS	58,139
Thomas Boesen (COO), via his company Boesen Biotech ApS	18,604
Björn Westberg (CFO), via his company BTB Consult AB	12,000

April 30 - The company announces that the number of shares and votes has increased by 5,725,484 as a result of the directed share issues resolved by the Extraordinary General Meeting on April 24, 2024.

Alternative performance measures - APM

The use of Alternative Performance Measures in financial reports is regulated by the European Securities and Markets Authority (ESMA) in guidelines issued in 2015. According to these guidelines, an alternative key ratio refers to a financial measure of historical or future earnings development, financial position, financial result or cash flows. It is not such a financial measure that is defined or specified in the applicable rules for financial reporting.

SynAct Pharma uses alternative key figures to increase the understanding of the information provided in financial reports, both for external analysis, comparison and internal evaluation. The company has chosen equity / assets ratio and research and development costs / operating expenses as alternative key figures in its reporting. Definitions and tables for deriving these are shown below.

Equity / asset ratio

The equity ratio is a financial ratio indicating the relative proportion of equity used to finance a company's assets. The two components are taken from the SynAct Pharma's balance sheet or statement of financial position (so-called book value). Equity divided by total assets.

#	SEK (thousand)	03/31/2024	03/31/2023	12/31/2023
	Assets			
	Total non-current assets	150,527	217,362	152,959
	Total current assets	62,827	103,637	75,060
[1]	**Total assets**	**213,354**	**320,999**	**228,019**
	Equity and liabilities			
[2]	**Total equity**	**152,294**	**268,756**	**176,186**
	Total non-current liabilities	33,871	25,079	26,894
	Total current liabilities	27,188	27,164	24,939
	Total liabilities	**61,060**	**52,242**	**51,833**
	Total equity and liabilities	**213,354**	**320,999**	**228,019**
[2] / [1]	**Equity / asset ratio (%)**	**71%**	**84%**	**77%**

Research and development costs / operating expenses

Total cost of Research and Development as a percentage of total operating expenses. Indicates the share of total investment allocated to R&D. Subsequently, the residual (1 - R&D/Operating Expenses), indicates share of total invested into General & Administration activities.

#	SEK (thousand)	2024	2023	2023
		Jan-Mar	Jan-Mar	Jan-Dec
[1]	Research and development costs	-8,021	-43,596	-105,055
	General and administration costs	-17,637	-14,647	-44,826
	Other operating income / expense	-48	-4	-74,615
[2]	**Total operating expenses**	**-25,706**	**-58,248**	**-224,496**
[1] / [2]	**Research and development costs / operating expenses (%)**	**31%**	**75%**	**47%**

The CEO declaration

The CEO assures that this interim report provides a true and fair view of the development and the Group's and the Parent Company's operations, position and results, and describes significant risks and uncertainties that the Parent Company and the companies included in the Group face.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the EU and the interim report has been prepared in accordance with IAS 34 - Interim Financial Reporting. The interim report has been reviewed by the company's auditors.

Lund, May 31 2024

Jeppe Øvlesen
Chief Executive Officer (CEO)

Glossary

ACE inhibitor
A group of drugs that lower blood pressure by inhibiting the angiotensin-converting enzyme (ACE).

Agonist
An agonist is a chemical that activates a receptor to produce a biological response. Receptors are cellular proteins whose activation causes the cell to modify what it is currently doing. In contrast, an antagonist blocks the action of the agonist, while an inverse agonist causes an action opposite to that of the agonist.

Autoimmune disease
An autoimmune disease is a condition arising from an abnormal immune response to a functioning body part.

BAP
Branched Amino Acid Probes (BAP) is a proprietary technology improving the properties of peptides, developed by TXP Pharma for the modification of therapeutic peptides.

cAMP
cAMP, or cyclic adenosine monophosphate, is an adenine-based (nitrogen-based), cyclic nucleotide (molecular building block) that participates in the formation of DNA and RNA, by acting as a secondary messenger for several signaling substances and hormones and their receptors, inside the cells.

Clinical study
Clinical studies are conducted to test the efficacy and safety of new drugs, diagnostic tests, products, or treatments. Before human studies begin tests have already been done in several different ways in laboratory experiments and in animal studies. Clinical studies or trials are carried out both with healthy volunteers and individuals with the disease being studied.

CMC
CMC is an acronym for Chemistry, Manufacturing and Controls which are critical activities in the development of new drug products. In addition to the processes themselves, CMC also refers to practices and specifications that must be followed and met to ensure product safety and batch-to-batch consistency.

DMARD
Disease-modifying anti-rheumatic drugs (DMARD) are a category of otherwise unrelated drugs defined by their use in rheumatoid arthritis and other rheumatic diseases. The term often finds its meaning in contrast to non-steroidal anti-inflammatory drugs and steroids (NSAIDs). The term overlaps with antirheumatics, but the two terms are not synonymous.

FDA
The United States Food and Drug Administration (FDA or USFDA) is the US food and drug authority responsible for food (for humans and animals), dietary supplements, drugs (for humans and animals), cosmetics, medical devices (for humans and animals), radioactive equipment and blood products.

Hypercholesterolemia
Hypercholesterolemia, also called high cholesterol, is the presence of high levels of cholesterol in the blood.

iMN
Idiopathic membranous nephropathy is an autoimmune disease in which the membranes of the glomerulus are attacked by generated autoantibodies, resulting in progressive deterioration of kidney function.

IND (Investigational New Drug) Application
An application to the FDA that must be submitted and approved before a drug can be tested on humans, so-called permit application for drug testing.

Methotrexate (MTX)
Methotrexate is a folic acid antagonist that belongs to the group of cytostatics. Today it is used in rheumatoid arthritis, psoriasis and Crohn's disease as a disease-modifying drug but can also be used as a cancer treatment.

Organ dysfunction/Organ failure
Organ dysfunction is a condition where an organ does not perform its expected function. Organ failure is organ dysfunction to such a degree that normal homeostasis cannot be maintained without external clinical intervention.

Peptide
A peptide is a molecule that consists of a chain of amino acids (also called monopeptides) joined together by peptide bonds to form a short chain. Peptides differ from proteins only in that they are smaller. Peptides occur naturally in the body but can also be produced synthetically.

pERK pathway
The pERK pathway (also known as the MAPK/ERK or RasRaf-MEK-ERK pathway) is a chain of proteins in the cell that communicates a signal from a receptor on the surface of the cell to the DNA in the nucleus of the cell.

Resomelagon (AP1189)
The mechanism of action of SynAct Pharma's lead drug candidate AP1189 is the promotion of inflammation resolution through the selective activation of melanocortin receptors 1 and 3. These receptors are found on all immune cells, including macrophages and neutrophils. Activation of these receptors leads to two direct anti-inflammatory effects: it influences these cells to produce fewer inflammation-driving molecules and also alters them to initiate clearance of the inflammation, also known as efferocytosis (J Immun 2015, 194:3381-3388). This process has been shown to be effective in models of inflammatory and auto-immune diseases and the clinical potential is being tested in clinical programs in patients with rheumatoid arthritis (RA), nephrotic syndrome (NS) and COVID-19. The safety and efficacy of AP1189 have not been reviewed by any regulatory authority globally.

RESOVIR
RESOVIR (Resolution Therapy for Viral Inflammation Research) is a scientific and clinical collaboration between Professor Mauro Teixeira, MD, PhD, Universidade Federal de Minas, Belo Horizonte, Brazil, Professor Mauro Perretti, PhD William Heavy Research Institute, Barts and London School of Medicine, Queen Mary University, London, UK, and SynAct. The aim of the RESOVIR collaboration is to investigate the utility of resolution therapy to resolve the cytokine storm inflammation associated with significant viral infections.

Other company information

SynAct Pharma AB – parent company

Company name	SynAct Pharma AB
Trade name/Ticker	SynAct Pharma/SYNACT. Shares are traded at Nasdaq Stockholm.
ISIN-kod	The ISIN-code of the share is SE0008241491.
LEI-kod	549300RRYIEFEQ72N546
Registered office and domicile	Skåne County, Lund Municipality, Sweden
Corporate registration number	559058-4826
Date of incorporation	2016-04-12
Date of operation	2016-04-12
Jurisdiction	Sweden
Association form	Public limited liability company
Legislation	Swedish law and Swedish Companies Act
Company address	Scheelevägen 2, 223 63 Lund, Sweden
Phone number	+46 10 300 10 23
Homepage	www.synactpharma.com
Auditor	KPMG AB (Box 227, 201 22 Malmö), auditor in charge Linda Bengtsson.

SynAct Pharma ApS – affiliate

Country of establishment	Denmark
Country of operations	Denmark
CVR-number (Company registration id)	34459975
Holding	100 percent

TXP Pharma AG – affiliate

Country of establishment	Switzerland
Country of operations	Switzerland
Firmennummer (Company registration id)	CHE-271.053.235
Holding	100 percent

SYNACT PHARMA

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