BIOARCTIC

Annual and Sustainability Report

2025

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BioArctic's Chief R&D Officer, Johanna Fälting, discusses the growth strategy focused on expanding the field for antibodies and increasing the bioavailability of drugs targeting brain diseases.

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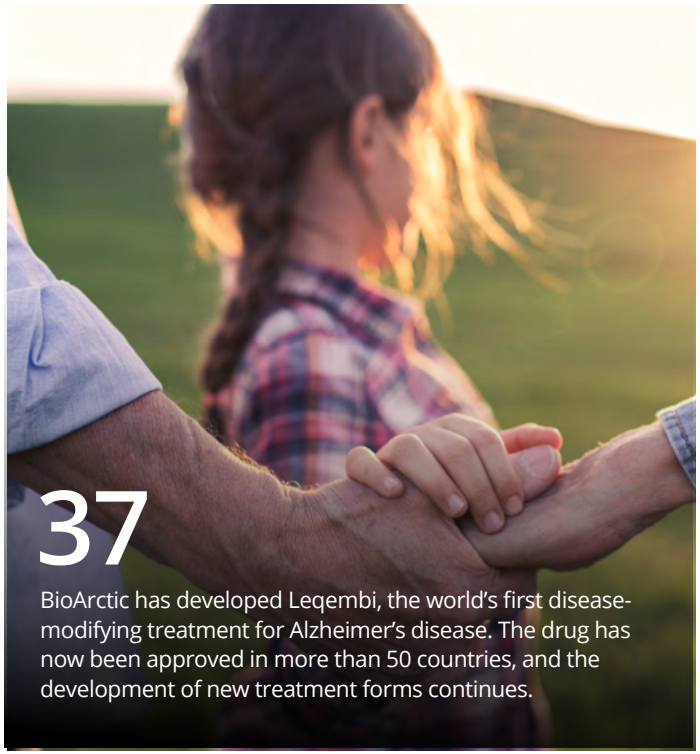

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BioArctic has developed Leqembi, the world's first disease-modifying treatment for Alzheimer's disease. The drug has now been approved in more than 50 countries, and the development of new treatment forms continues.

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BioArctic now has three agreements with global pharmaceutical companies for its BrainTransporter™.

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About BioArctic

BioArctic in 3 minutes

New era, with a focus on growth

BioArctic is an innovative Swedish biopharma company with the ambition to fundamentally change the treatment of serious neurodegenerative diseases such as Alzheimer's disease, Parkinson's disease and ALS. BioArctic has developed the world's first disease-modifying treatment for Alzheimer's disease, and most of the company's other drug candidates are built on the same principle: selective antibodies against misfolded proteins in the brain. In parallel, the company has developed the BrainTransporter technology, which changes how different types of drugs can be transported into the brain. With an approved drug, several new global agreements in place, and a clearly anchored growth strategy, BioArctic has an increased focus on accelerating research that can improve the lives of even more people. BioArctic's sustainability agenda is based on the principle that its innovations should contribute to better health.

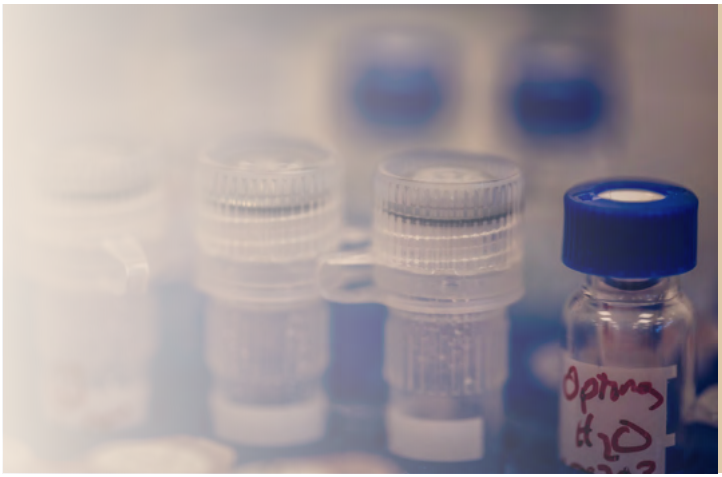
Goal for 2030

BioArctic's goal long-term is to become Sweden's next major biopharma company. The goal for 2030 is that:

- Leqembi becomes an established treatment for Alzheimer's disease
- The pipeline expands, with projects in all phases of development
- More successful global partnerships are established
- The company is sustainably profitable, with recurring dividends

53 countries

Leqembi is marketed globally by Eisai and in partnership with BioArctic in the Nordic region. As of March 31, 2026, Leqembi has been approved for intravenous treatment in 53 countries. The drug has also been approved for less frequent intravenous maintenance treatment in a number of markets, and application processes for subcutaneous treatment with autoinjectors are underway.



The first drug to slow Alzheimer's disease

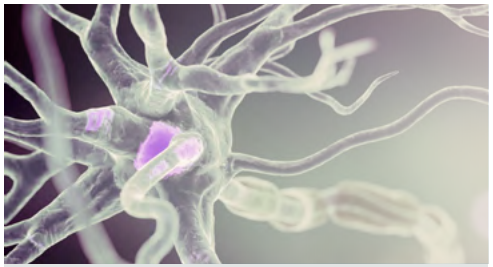
Leqembi is the world's first approved drug for early Alzheimer's disease that slows the disease progression and reduces cognitive decline. Lecanemab, the original antibody, was invented by BioArctic, and has been outlicensed to the Japanese pharmaceutical company Eisai since 2007. Leqembi was launched in the US and Japan in 2023, and in China in 2024. The drug was approved in the EU in 2025. BioArctic is entitled to royalties based on global sales, milestone payments and co-promotion revenue in the Nordic region.

The BrainTransporter technology increases concentration of drugs in the brain

One challenge when developing antibodies or other drugs against diseases of the central nervous system is obtaining a sufficiently high concentration and distribution of the drug in the brain. BioArctic's platform technology, BrainTransporter, has shown in preclinical trials that it can greatly increase the amount of antibodies entering the brain, raising the concentration by up to 70 times. This high concentration has the potential to improve treatment efficacy at a lower dose while reducing the risk of side effects. BioArctic uses this technology to develop the company's in-house drug candidates, and it is also available to other companies through licensing agreements. Currently, there are three agreements for BrainTransporter.

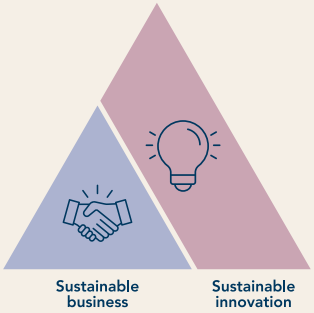
Vision

A world where science defeats severe brain diseases.



Antibodies against misfolded proteins

BioArctic's co-founder Lars Lannfelt's groundbreaking idea in Alzheimer's disease has proven applicable to several neurodegenerative diseases. It is now known that misfolded proteins in the central nervous system also lie behind disorders such as Parkinson's disease, Lewy body dementia, multiple system atrophy, ALS and Huntington's disease. At present, BioArctic specializes in developing selective antibodies that assist the body to remove the misfolded proteins that cause these diseases, and the initial research has grown into a broad pipeline.



BioArctic's sustainability agenda is based on the principle that the company's innovations should contribute to better health.

Mission

BioArctic is an innovative biopharmaceutical company in precision neurology. Through world-leading research and collaborations, we create, develop and deliver innovative treatments for patients with severe brain diseases.

131 employees

BioArctic has operations in Sweden, Norway, Denmark and Finland. Of the 131 employees at the end of December 2025, 69 percent work in R&D.

Financial overview 2025

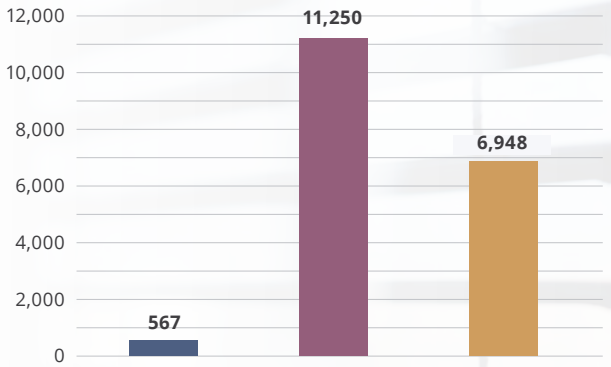
Royalties per country (Leqembi)

USA Japan China Other markets

The sale of Leqembi generated **503 MSEK** in royalties for BioArctic in 2025, an increase of **118 percent** year-on-year.

Potential future milestone payments, license agreements (SEK M)

Eisai (EUR 54 M) Bristol Myers Squibb (1,250 MUSD) Novartis (772 MUSD)



(USD/SEK 9.0, EUR/SEK 10.5)

Net revenue, SEK M

1,999

BioArctic's net sales in 2025 comprised mainly the upfront payment related to the new license agreement with Bristol Myers Squibb, two milestone payments from Eisai and royalties based on the sale of Leqembi.

Operating profit, SEK M

1,259

Alongside royalty-based income, BioArctic's operating profit is also impacted by milestone payments and research grants, the size of which can fluctuate between individual quarters and calendar years. The company's cost base comprises mainly R&D investments in the expanding pipeline, co-promotion activities and investments in a growing commercial organization ahead of the launch of Leqembi in the Nordic region. The accumulated operating profit over the last five-year period amounted to SEK 1,126 M.

Cash, cash equivalents and short term investments, SEK M

2,190

BioArctic's strong financial position facilitates investments in expanding the company's broad pipeline, with the goal of driving further paradigm shifts in the treatment of disorders of the central nervous system.

Condensed financial key ratios

	2025	2024
Net revenue, SEK M	1,999.1	257.4
Royalties	502.6	230.3
Co-promotion	18.2	11.5
Milestone payment	1,410.3	—
Research collaborations	68.0	15.4
Operating profit/loss, SEK M	1,258.8	-228.5
Operating margin, %	63.0	neg
Profit/loss for the year, SEK M	1,022.3	-177.1
Earnings per share before dilution, SEK	11.55	-2.00
Earnings per share after dilution, SEK	11.52	-2.00
Equity per share, SEK	22.19	10.13
Cash flow from operating activities, SEK M	1,431.1	-316.3
Cash flow from operating activities per share, SEK	16.2	-3.58
Cash, cash equivalents and short term investments, SEK M	2,190.4	778.9
Equity/asset ratio, %	76.4	80.5
Return on equity, %	71.4	-18.2
Share price at end of period, SEK	310.80	199.50

BioArctic's project portfolio

	Indication	Partner	Research	Preclinical	Phase 1	Phase 2	Phase 3	Reg. application	Market
Antibodies against amyloid-beta									
Lecanemab (IV[1])	Alzheimer's disease	Eisai							
Lecanemab (s.c.[2])	Alzheimer's disease	Eisai							
Lecanemab (presymptomatic treatment)	Alzheimer's disease	Eisai							
Lecanemab back-up	Alzheimer's disease	Eisai							
BAN1503 (PyroGlu Aβ)	Alzheimer's disease	BMS							
BAN2803 (PyroGlu Aβ with BT)	Alzheimer's disease	BMS							
BAN2802 (with BT)	Alzheimer's disease	Eisai							
Antibodies against alpha-synuclein									
Exidavnemab	Parkinson's disease, MSA								
BAN2238 (with BT)	Parkinson's disease, MSA								
PD-BT2278 (with BT+)									
Antibodies against TDP-43									
BAN3014	ALS								
ND-BT3814 (with BT)	ALS								
Antibodies against huntingtin									
HD-BT4801 (HTT with BT)	Huntington's disease								
Other									
GD-BT6822 (GCase with BT)	Gaucher disease								
BT8825 (with BT)	Neurodegeneration	Novartis							
Technology development and new modalities									

1) Intravenous treatment
2) Subcutaneous treatment

Significant events 2025

2025 was a fantastic year for BioArctic, with record financial results, another partnership and new projects. From a regulatory perspective, the positive development for Leqembi also continued. During the year, BioArctic set a new course for the future and entered a new era, the growth era.

FDA approved monthly intravenous maintenance dosing with Leqembi
Read more here >>

License agreement with Bristol Myers Squibb took effect and BioArctic received USD 100 M
Read more here >>

BioArctic presented data for exidavnemab and lecanemab at AD/PD congress
Read more here >>

BioArctic received orphan drug designation for exidavnemab in the US
Read more here >>

Leqembi was approved in the EU and BioArctic received milestone payment of EUR 20 M
Read more here >>

European substance patent for exidavnemab granted
Read more here >>

BioArctic cleared to initiate MSA patients in the Phase 2a study with exidavnemab
Read more here >>

New lecanemab data presented at AAIC
Read more here >>

BioArctic held a Capital Markets Day and launched ambitions for 2030
Read more here >>

BioArctic received orphan medicinal product designation in the EU for exidavnemab in multiple system atrophy
Read more here >>

Significant events 2025

CEO statement

In 2025, BioArctic entered a new phase. Behind us, we left an era that, for just over 20 years, shaped the company we are today. 2025 was a fantastic year for BioArctic, with a breakthrough drug against Alzheimer's disease on the global market, a broad and growing pipeline, several license agreements and a financial year that resulted in record-high profits. It is with pride that I look back on our first year in BioArctic's new era of growth.

During 2025 we announced our 2030 ambitions for BioArctic's operations. We aim to: 1) broaden our pipeline with projects in all stages of development; 2) add additional successful partnerships; 3) establish Leqembi as a treatment for Alzheimer's disease; and 4) ensure a financial position that allows for both investments in growth and recurring dividends to shareholders. During 2025, we made significant progress in all four areas.

To lay the foundation for future growth, we continued to increase investment in our pipeline. The Phase 2a study with exidavnemab continued, and in the spring we were cleared to include patients with multiple system atrophy (MSA) alongside patients with Parkinson's disease. The study results that are expected in 2026 will guide the design of the upcoming Phase 2b study, and help determine which indications to prioritize. The fact that we received orphan drug designations for MSA in both the US and the EU in 2025 will yield more opportunities for us. We also made advances in our early-stage projects. We nominated drug candidates in ALS and Parkinson's disease and started a new project targeting the protein that causes Huntington's disease. In parallel with progress in our antibody platform projects, breakthroughs continued for our second technology platform, BrainTransporter, which significantly improves the uptake of antibodies and other large molecules in the brain. This technology is getting significant international interest, and the patent applications we filed during the year for additional modalities such as enzymes, antisense oligonucleotides and siRNA are especially encouraging. All together, we now have a broad pipeline and a clear plan for advancing our various projects through the development chain over the coming years.

The strength of the pipeline is particularly visible in our three global agreements with Eisai, Bristol Myers Squibb and Novartis, all of which reached important milestones in 2025 and thus generated significant revenues. In addition to the non-recurring payments, the sale of Leqembi generated SEK 503 M in royalties. Now that our business rests on two technology platforms – antibodies and BrainTransporter – we can negotiate agreements that provide a healthy diversification of future revenue as well as support scalability. We can either enter agreements under which a global partner further develops our drug projects, or license out the right to use our BrainTransporter technology in external drug projects.

During the year, an increasing number of patients around the world have gained access to Leqembi for the treatment of Alzheimer's disease. The drug has now been approved in more than fifty countries, and we are of course particularly pleased about the approval in the EU in April. For BioArctic,

this sharpens the focus on ensuring that the drug is available and subsidized in the Nordic countries. The process in Europe, which represents a smaller share of the global market and therefore has a limited financial impact on BioArctic, has progressed more slowly than expected and hoped for – something that is very frustrating and concerning for patients and their relatives.

Globally, there are now tens of thousands of patients being treated with Leqembi. The follow-up reports coming from the US, Japan and China in particular are very reassuring, showing that efficacy is at least as good as that seen in the pivotal Phase 3 study. Side effects are also in line with, or even less than, what was reported in the study. As the use of the drug increases, the results presented become even more important. The presentation at the CTAD Congress in 2025 shows that Leqembi can delay disease progression by up to 8.3 years when treatment is started at an early stage. For those of us who live by the motto "Every day counts", this is a valuable result. It is worth remembering that until recently, Alzheimer's disease was considered more or less untreatable, and that it is a Swedish innovation that has helped make the impossible possible.

At the same time, the development of Leqembi continues, with the aim of simplifying treatment and enabling more patients to receive help earlier. A first step is that the intravenous maintenance treatment after the initial 18 months can be given less frequently, something that the US, China, Japan and the United Kingdom approved during the year. The next big step will be providing the first treatment for Alzheimer's disease that can be administered as a subcutaneous formulation with an autoinjector. The drug Leqembi Iqlik – which is the brand name in the US – was approved in the autumn as a maintenance treatment, and an application for use also as an initial treatment has been submitted to the FDA. In January 2026, the FDA announced that this application had been granted priority review, and a decision is expected by May 24 this year. A subcutaneous formulation would allow patients and their families to choose, right from the outset, whether to take the treatment at home once a week instead of undergoing intravenous treatment at a hospital every two weeks. Not every patient will choose subcutaneous treatment, but when the choice exists, it is likely to significantly reduce the burden on the healthcare system and the costs.

With over SEK 2 billion in cash and cash equivalents, we have a strong financial position, which gives us flexibility to conduct significant investments in growth. 2025 was BioArctic's most profitable year ever with an operating profit of over SEK 1.2 billion. This improvement in earnings year-on-year is largely attributable to the milestone payments we received during the year. At the same time, royalty income rose gradually, increasing by almost 120 percent compared to 2024. Milestone payments will fluctuate, but we expect that royalty income alone makes BioArctic a profitable company. The Board's ambition for BioArctic to become a company that pays recurring dividends has already been realized this year, and the Board proposes to the AGM 2026 a dividend of SEK 2.00 per share.

We have entered a growth era and we have done so at an incredibly fast pace. It is tremendously satisfying to lead an organisation with a constant focus on delivering the highest quality in both research and business development, and to see how we continue together to push the boundaries of what is possible. All of this, with the best interests of patients and their families at heart. I would like to conclude by thanking our employees, partners and investors for a fantastic year.

Gunilla Osswald
CEO, BioArctic

BioArctic has transformed from being a pure research company into one that includes research, development and a commercial function. In 2025, BioArctic set a new course for the future and entered a new era, the growth era. For a long time, the company has worked purposefully to build a solid foundation for the next phase of development. Leqembi, the drug against Alzheimer's disease, is now approved in more than 50 markets, and sales continue to grow each quarter. BioArctic's project portfolio has been strengthened during the year with a new project in Huntington's disease and one in Parkinson's-related diseases, while existing projects continued to advance. The company continues to invest in the BrainTransporter technology, where the platform is being broadened to also enable more efficient transport of molecules besides antibodies into the brain.

Research & strategy

"The BrainTransporter technology is a cornerstone of our growth strategy"

Interview with Johanna Fälting, Chief R&D Officer

Johanna Fälting is one of the key individuals behind BioArctic's success. As part of the company's Executive Management Team for over ten years, she has seen BioArctic evolve from a small academic organization into a commercial research-driven company. Following the market launch of Leqembi, it is now time for the next phase – based on a new growth strategy that broadens the field for antibodies and increases the bioavailability of drugs for diseases of the brain.

You have played a key role at BioArctic since 2012. How has your journey been?

"Working at BioArctic has been – and is still – a fantastic experience, incredibly exciting and instructive. Being part of developing the world's first fully approved disease-modifying treatment for Alzheimer's disease is a privilege granted to few.

When I started in 2012, the company was small and the work was characterized by a clearly academic approach. We were about 20 researchers and managed everything ourselves, from shopping at the grocery store to changing the toner in the printer. We have grown organically since then, and although there have certainly been tough periods, overall the development has been very positive and today we are nearly 140 employees in four countries. We have gone from being a pure research company to a company with research, development, and a commercial function. We have begun marketing and selling Leqembi in the Nordic region, with the first patients starting treatment in Finland. Our founders aim to build a new Swedish pharmaceutical company, and we have never been better equipped to do so than we are today."

You are now working under a new growth strategy. How will this enhance your project portfolio?

"Our investments in research and development during 2025 accounted for 66 percent of our cost base, which is a considerable sum. These resources are used primarily to further develop our two platforms: antibodies against misfolded proteins and our BrainTransporter technology, which facilitates the transport of biological drugs across the blood-brain barrier. BrainTransporter opens the door to many new possibilities, and is a cornerstone of our growth strategy. We are now in a position to start benefiting from all our expertise and experience to develop completely new solutions with both antibodies and other

types of molecules, such as enzymes, peptides, antisense oligonucleotides and siRNA. During the year, we also initiated a new project in Huntington's disease, in which we are targeting the toxic mutated huntingtin protein in the brain. At the same time, we are deepening and expanding our research portfolio with new projects in additional therapeutic areas, and through new collaborations. There are around 600 different diseases linked to the brain, so there is still much to do."

How do you balance the efforts between your BrainTransporter platform and your antibody projects?

"We already have strategic partnerships with three major global pharmaceutical companies around the BrainTransporter platform. Several organizations work with similar systems, but our unique solution for interacting with the carrier, and the expertise we possess, makes us a very attractive partner. The partnerships provide resources and expertise that help to drive the collaborative projects forward, while also enabling us to continue driving our own projects forward. Long term, I expect more projects to reach the clinical phase, which will increase the value of the company."

Are there separate teams working on the two different platforms, or are the projects integrated?

"Our work is highly integrated, but conducted with high integrity and confidentiality. We have separate project teams, but close communication. The ambition is to continue working as a small organization, even as we grow, because we believe this is a key success factor. The research projects are the heart of it. Helping to move the projects forward is always highest priority, and it guides what we do.

We also have a strong and supportive company culture, always ready to help. One project can easily borrow resources from another if needed, since our mindset is: what is good for the company is also good for the employees."

How do you need to prepare the organization for continuing your journey of growth?

"A lot is already in place. At the end of 2025, we were 91 employees in research and development, of whom 73 percent have a doctorate – which provides a very high level of competence. Our research and development organization is very international, with staff from more than fifteen different countries, which creates a dynamic working environment and fosters innovation. We also have a state-of-the-art lab with advanced instruments that enable new groundbreaking discoveries. In parallel, we are expanding the capabilities of the research organization and recruiting more protein engineers to meet the needs in what we call new modalities, such as enzymes and genetic medicine including antisense oligonucleotides and siRNA. I feel that we have a broad workforce and that we cover the entire research and development value chain, from concept to clinic under one roof."

BioArctic's antibodies

BioArctic is a pioneer in developing selective, specific antibodies against misfolded and aggregated proteins in the central nervous system. The company has built a pipeline of disease-modifying antibodies not only against amyloid-beta, which causes Alzheimer's disease, but also against TDP-43 – which can be linked to ALS – and alpha-synuclein, which is central to Parkinson's disease and other synucleinopathies. During the year, BioArctic also broadened its research portfolio to include Huntington's disease.

Pioneer in developing antibodies against misfolded proteins

After developing the world's first disease-modifying drug for Alzheimer's disease, BioArctic has accrued unique expertise in developing antibodies against misfolded proteins in the central nervous system. This competence is now being used to continue driving progress forward, not only in Alzheimer's disease, but also in other neurodegenerative diseases.

BioArctic's first approved drug for Alzheimer's disease, Leqembi, is an antibody against misfolded aggregates of the protein amyloid-beta. The antibody was developed after BioArctic's co-founder, Lars Lannfelt, discovered what is known as the Arctic mutation in a group of patients with hereditary Alzheimer's disease. The discovery of this mutation led to the conclusion that it was soluble aggregates of these specific amyloid-beta proteins that drive the progress of the disease. Not only has this discovery led to a groundbreaking treatment for Alzheimer's disease, it has also led to BioArctic now having a pipeline with selective antibodies that could become disease-modifying treatments for several neurodegenerative diseases.

Neurodegenerative diseases that stem from misfolded proteins

Alzheimer's disease, Parkinson's disease, Huntington's disease, Parkinson's disease dementia, Lewy body dementia, multiple system atrophy (MSA) and ALS are all caused by various proteins that, for various reasons, begin to misfold. This misfolding causes the proteins to clump together and form larger and larger accumulations, known as aggregates. At a certain size, these aggregates are called oligomers and protofibrils. At that size, they have not yet formed plaques, but are still soluble and biologically active, and can affect various functions in the neurons. This makes oligomers and protofibrils the most harmful forms of aggregate – which is why BioArctic's antibodies have been developed with the aim of eliminating these forms without affecting the monomeric forms, which have physiological functions.

Developing selective antibodies

To slow or stop neurodegenerative diseases caused by misfolded proteins, the harmful accumulations must be removed and the production of new aggregates must be prevented. BioArctic is developing antibodies that work by binding to misfolded proteins in the brain. For such an antibody treatment to be effective, it must be clear which misfolded protein causes the disease. Only when this is known, an antibody that is selective for that specific target can be developed, enabling effective removal of the disease-causing protein without affecting the healthy form.

A growing pipeline

Research into misfolded proteins in the central nervous system is developing rapidly, and it is becoming increasingly clear that the misfolding of a particular protein can underlie a number of different diseases. This is the case, for example, with the protein alpha-synuclein. Today, the term synucleinopathies is used, which are a group of diseases – Parkinson's disease, Lewy body dementia and multiple system atrophy – that stem specifically from misfolded alpha-synuclein. Similarly, the misfolding of the TDP-43 protein appears to not only underlie ALS but also play a role in various dementias. BioArctic's researchers closely follow developments in the field to continuously identify new potential targets where the company's ability to develop innovative and selective antibodies can make a difference for patients with neurodegenerative diseases.

This is a misfolded protein

A protein consists of a long chain of amino acids, whose sequence is determined by our DNA. Which amino acids are included, and the order in which they appear, determine the specific three-dimensional shape the protein takes. The shape is important for the protein's function in the body. If one amino acid is replaced, the three-dimensional form and function can change dramatically. A protein's shape can also change depending on the surrounding environment. Once this occurs, the protein may begin to misfold, which can result in it aggregating and becoming harmful, thus causing a disease.

Sustainability facts

For BioArctic, patient benefit is a central part of creating a sustainable society. During the year, SEK 377 M was reinvested in research. The drug candidate Exidavnemab is being investigated for Parkinson's disease and multiple system atrophy (MSA) in EXIST, a Phase 2a trial. Furthermore, the BrainTransporter technology platform has demonstrated great potential to improve how treatments reach the brain, which has attracted significant external interest over the past two years and resulted in two new partnerships with world-leading pharmaceutical companies. BioArctic has also expanded its research portfolio to include Huntington's disease. Read more about BioArctic's sustainability work related to patient safety and health on page 167.

BioArctic's antibodies remove misfolded proteins in the brain

1

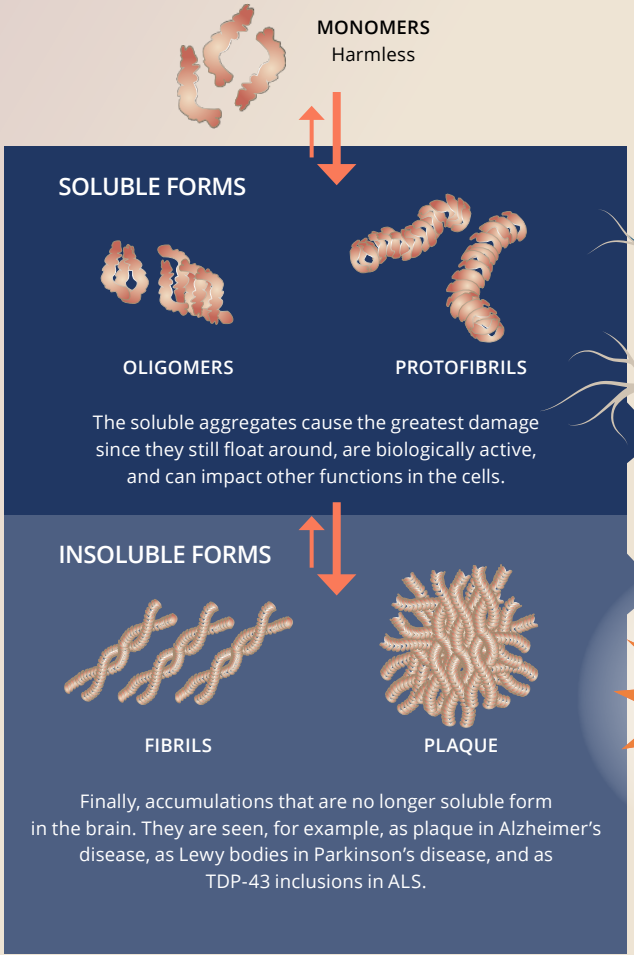
Neurons deteriorate

In neurodegenerative diseases, neurons deteriorate and gradually lose their function. For the person affected, this means impairment, or loss of cognitive ability or mobility – or both.

2

Accumulation of misfolded proteins damages cells

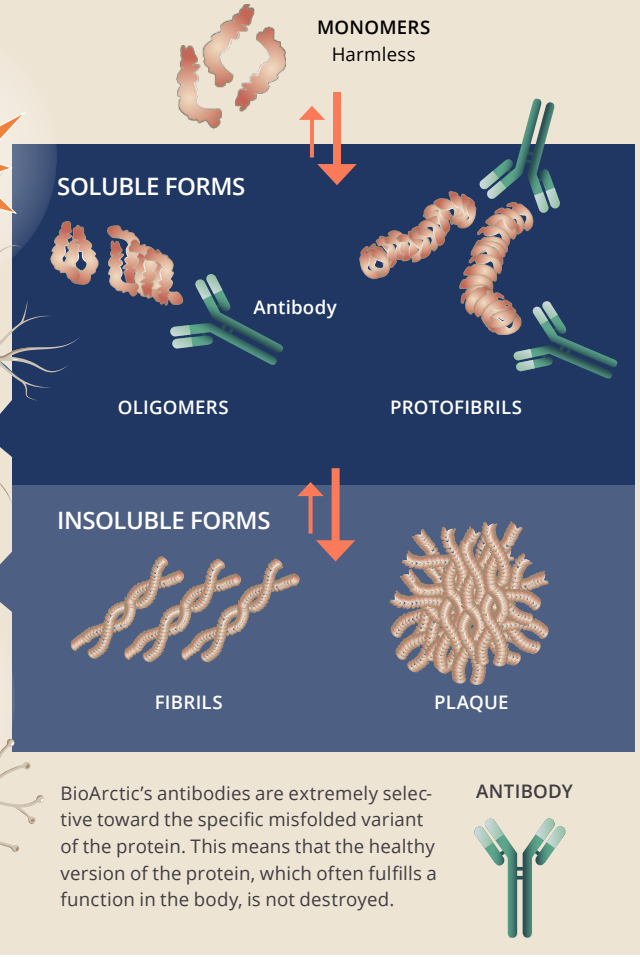
Proteins that misfold begin to clump together and form increasingly large accumulations, or aggregates.



3

Antibodies remove the harmful forms of misfolded proteins

BioArctic is developing antibodies that bind to aggregated proteins, specifically identify the misfolded and harmful aggregates, and clear them out.



BioArctic is developing the next generation disease-modifying antibodies against amyloid-beta

After contributing to the development of the first disease-modifying treatment for Alzheimer's disease, BioArctic is now continuing its work. The goal is to develop new antibody-based drugs that target different forms of amyloid-beta.

The soluble form of the protein amyloid-beta occurs naturally in the brains of healthy people, but in Alzheimer's disease, the misfolded forms of amyloid-beta cause the protein to aggregate, forming what are known as protofibrils, which damage the neurons. By developing selective and specific antibodies against different misfolded forms of amyloid-beta, BioArctic hopes to offer patients even better treatments in the future.

This is Alzheimer's disease

Alzheimer's disease is caused by the protein amyloid-beta misfolding and clumping together. When amyloid-beta circulates as individual molecules (monomers) in tissues, blood, and other bodily fluids, it is harmless. In Alzheimer's disease, however, the monomers begin to bind to each other and form larger aggregates. These aggregates – oligomers and protofibrils – damage nerve cells and drive the progression of the disease. Eventually, insoluble fibrils form, which cause plaques in the brain tissue.

Antibodies are combined with BrainTransporter

Several of BioArctic's antibodies against amyloid-beta are developed both as single antibodies and in combination with BrainTransporter, the company's technology for transporting drugs across the blood-brain barrier. This platform technology utilizes the transferrin receptor, a protein that normally transports iron across the blood-brain barrier, to improve the uptake of antibodies, proteins and other substances in the brain, and could increase brain exposure to amyloid-beta antibodies by up to 70 times. This could potentially lead to better efficacy, fewer side effects and lower dosages compared with corresponding antibodies unaided by transporters.

BioArctic has several antibodies against Alzheimer's disease in its pipeline. One of them is BAN2802, which is combined with BioArctic's BrainTransporter technology. BAN2802 is being developed in partnership with Eisai, with the aim of delivering a new disease-modifying treatment.

Antibodies against PyroGlu-Aβ

BioArctic has also developed antibodies that target PyroGlu-Aβ, which is a truncated, more neurotoxic form of amyloid-beta. PyroGlu-Aβ acts as a trigger for the aggregation of other Aβ molecules, which means that the form is believed to play a key role in the formation of plaque and neurodegeneration in persons with Alzheimer's disease[1)].

Alzheimer's disease affects over

30 million

people worldwide and is characterized by a gradual deterioration of memory, cognitive and motor skills as well as intellectual capacity due to the death of brain cells.

At the end of 2024, BioArctic signed an agreement with the US pharmaceutical company Bristol Myers Squibb for an exclusive global license for BioArctic's antibody program targeting PyroGlu-Aβ. The program includes BAN1503 and BAN2803, the latter of which incorporates BioArctic's BrainTransporter technology (read more about the agreement on page 34).

Key breakthrough in diagnosis of Alzheimer's disease

The development of diagnostics for Alzheimer's disease has been a priority in recent decades. After several years of intensive research and development efforts, the first blood-based biomarker, p-tau, was approved for use in routine medical care. The test, developed by the Japanese company Fujirebio Diagnostics, measures levels of phosphorylated tau (p-tau217), which plays a key role in the progression of the disease by forming tangles that accumulate in the neurons of the brain. High levels of p-tau217 in the blood are closely linked to both an increased risk of developing Alzheimer's disease and the presence of the disease itself. What makes p-tau unique is that it differentiates between Alzheimer's disease and other types of dementia, while also reflecting the degree of neurodegeneration in patients with Alzheimer's disease[2]. Measuring the biomarkers with a simple blood test rather than spinal fluid provides medical care with a more accessible and clinically manageable tool for diagnosing and monitoring disease progression in Alzheimer's patients. For BioArctic, these advances mean that the right patients will be identified at an earlier stage, which creates better conditions for treatment of patients as well as design of future clinical studies and market introductions.

1. Bayer, T.A. Pyroglutamate Aβ cascade as drug target in Alzheimer's disease. Mol Psychiatry 27, 1880–1885 (2022). https://doi.org/10.1038/s41380-021-01409-2

2. Gonzalez-Ortiz, F. et al. Brain-derived tau: a novel blood-based biomarker for Alzheimer's disease-type neurodegeneration, Brain, Volume 146, Issue 3, March 2023, Pages 1152–1165, https://doi.org/10.1093/brain/awac407

Martin Larhammar

researcher in Alzheimer's disease at BioArctic

What is happening in your research area, antibodies against amyloid-beta?

"The first generation of disease-modifying medicines for Alzheimer's disease has now obtained market approval. These drugs are therapeutic antibodies administered intravenously and work by clearing aggregated amyloid-beta. Recently, subcutaneous dosing of lecanemab was also approved, which significantly simplifies treatment for both patients and healthcare professionals.

The next step now is to develop second-generation immunotherapies with improved efficacy and safety. In the project that I am responsible for, we have developed a unique bispecific antibody that binds to a pathological form of amyloid-beta (PyroGlu-Aβ), in combination with BioArctic's BrainTransporter technology. We recently entered into a license agreement with Bristol Myers Squibb for further development of this antibody toward the clinical stage. To sum up – we are in an extremely exciting time in research and drug development for Alzheimer's disease."

Antibodies against alpha-synuclein being tested in Parkinson's disease and multiple system atrophy

BioArctic's antibodies for misfolded alpha-synuclein have the potential to become effective, disease-modifying treatments for various synucleinopathies such as Parkinson's disease, multiple system atrophy and Lewy body dementia. The antibody at the most advanced stage, exidavnemab, is currently being evaluated in a clinical Phase 2a study.

Synucleinopathies are caused by misfolding of the protein alpha-synuclein, which forms soluble aggregates in the form of oligomers and protofibrils. In the next stage, insoluble aggregates – known as Lewy bodies – form, accumulating in neurons and glial cells. Research indicates that it is the soluble aggregates that are most harmful to the neurons, by causing inflammation of the nerves and driving progression of the disease. These soluble forms can also move among the neurons, spreading the misfolded proteins to neighboring cells, which could explain how the disease spreads throughout different parts of the brain[1].

In partnership with researchers at Uppsala University, BioArctic has developed antibodies that selectively bind to the toxic and soluble aggregates of alpha-synuclein. The company is currently conducting two development projects with antibodies that target alpha-synuclein: exidavnemab, which is being evaluated in a Phase 2a clinical study, and BAN2238, which is in the preclinical phase. Both antibodies activate the body's immune system to detect and eliminate the harmful protein aggregates.

Exidavnemab being evaluated in Phase 2a study

Exidavnemab is currently being evaluated in the Exidavnemab Synucleinopathy Trial (EXIST), a randomized, double-blind, placebo-controlled Phase 2a clinical study conducted to evaluate its safety and tolerability. The study, which is being conducted at clinics in Spain and Poland, initially included

1. Emin, D et al. (2022). Small soluble α-synuclein aggregates are the toxic species in Parkinson's disease. Nat Commun. 2022 Sep 20;13(1):5512. https://pmc.ncbi.nlm.nih.gov/articles/PMC9489799/

This is alpha-synucleinopathy

Synucleinopathies are degenerative neurological diseases characterized by abnormal aggregations of misfolded forms of the protein alpha-synuclein. These diseases overlap clinically, but differ in terms of which regions of the brain and which cell types are most severely affected. The most common synucleinopathy is Parkinson's disease (PD), which is caused by dopamine-producing neurons ceasing to function. The initial symptoms are often impaired sleep, mild tremors in one hand, or a decreased sense of smell. As the disease progresses, the tremors worsen, movements become slower and the body's muscles stiffen. Current treatments only alleviate the symptoms and are often most efficacious in the early stages of the disease.

Multiple system atrophy, or MSA, is a rare and fatal disease that progresses rapidly and affects the central and autonomic nervous system. This impacts balance, mobility, and the autonomic nervous system, which controls vital functions such as breathing, digestion, and bladder control. MSA is a disease with a highly significant medical need and a poor prognosis. Currently, there is no treatment that can slow the progression of the disease.

Examples of synucleinopathies

- Parkinson's disease
- Lewy body dementia
- Multiple system atrophy
- Bradbury-Eggleston syndrome (Pure autonomic failure)

24 participants with mild to moderate Parkinson's disease. In July 2025, BioArctic obtained regulatory approval to expand the study to also include patients with multiple system atrophy (MSA), and recruitment of an additional cohort with MSA commenced. In addition to the primary endpoints of safety and tolerability, a broad spectrum of biomarkers in both plasma and cerebrospinal fluid (CSF) is also being evaluated. Alongside digital measurements and questionnaires, the goal is to identify which patient populations and symptoms are most relevant for the continued development of this drug candidate.

BioArctic is exploring possibilities for partnerships in parallel with the company's plans to carry the project further into clinical Phase 2b/Phase 3. In 2025, exidavnemab received orphan drug designation in the US and in the EU for the treatment of MSA.

High degree of selectivity for aggregated alpha-synuclein

Preclinical data show that exidavnemab has a unique and targeted binding profile and is highly selective for pathological forms of aggregated alpha-synuclein. Moreover, the results show that exidavnemab reduces the amount of neurotoxic alpha-synuclein oligomers and delays the build-up of protofibrils, which could slow disease progression. A Phase 1 study conducted by BioArctic's former partner, AbbVie, indicated a favorable pharmacokinetics and safety profile for the drug candidate[1].

BioArctic is also developing BAN2238, which combines a highly selective alpha-synuclein antibody with BioArctic's BrainTransporter technology, increasing the antibody's exposure in the brain.

Parkinson's disease affects more than

10 million

people around the world, and most of those affected are of working age when they fall ill.[2]

Malin Johannesson

researcher in alfa-synucleinopathies at BioArctic

How far do you think research on drugs targeting misfolded proteins will have come in ten years, and what are the biggest challenges?

"In ten years, I think we will be able to identify patients at risk of developing Alzheimer's disease to a greater extent, which would enable early treatment with Leqembi or other antibodies that will be available in the market. For synucleinopathies, such as Parkinson's disease and multiple system atrophy, I think that some of the antibodies that are now being evaluated in the clinical phase will have demonstrated good efficacy, and that research into biomarkers for early identification and evaluation of clinical efficacy will have made significant progress. A paper was recently published by researchers at BioArctic showing that exidavnemab binds to aggregated a-synuclein in several therapeutic areas such as Parkinson's disease, Parkinson's disease dementia, Lewy body dementia and multiple system atrophy. In ALS, where misfolded TDP-43 may be a cause, I hope that research and drug development will have made progress that can provide hope to sufferers and their families."

1. Boström, E. et al. (2024) Safety, Tolerability, and Pharmacokinetics of Single Doses of exidavnemab (BAN0805), an Anti-α-Synuclein Antibody, in Healthy Western, Caucasian, Japanese, and Han Chinese Adults. J Clin Pharm, 64: 1432-1442. https://accp1.onlinelibrary.wiley.com/doi/10.1002/jcph.6103

2. Parkinson's Foundation - Understanding Parkinson's, Statistics 2020

Two antibodies targeting misfolded protein TDP-43 under development for ALS

Misfolded TDP-43 protein occurs in several different diseases with neurodegenerative impacts. The protein is therefore of interest both in developing new diagnostic biomarkers, and as a target for future antibody-based treatments against neurodegeneration. The link to ALS is particularly clear. BioArctic has two different antibody projects against TDP-43.

Misfolded TDP-43 (TAR DNA-binding protein 43) plays a key role in several neurodegenerative diseases. This condition is characterized by TDP-43 losing its normal location in the nucleus and instead accumulating in the cytoplasm of the cell, where it forms toxic aggregates that not only interfere with the normal function of TDP-43 but also disrupt various cellular processes, leading to the death of neurons.

Clear link between TDP-43 and ALS

ALS emerges in the motor neurons of the brain, the brain stem, and the spinal cord, which control the body's movements. As with many other degenerative neurological diseases, the impact of ALS on the motor neurons is linked to an inflammation in the neurons. Despite decades of intensive research, the process that leads to the disease is not yet fully understood. What is known, however, is that misfolded forms of TDP-43 play a key role in the development of the disease. Abnormal accumulations of misfolded TDP-43 – called inclusions – are found in the brains of patients with ALS, and increasing amounts of data show a clear link between these misfolded forms of the protein and the degeneration of motor neurons. It is estimated that around 97 percent of all patients with non-hereditary ALS have protein accumulations containing misfolded TDP-43 in the brain[1].

Two antibody projects against TDP-43

BioArctic's aim in its BAN3014 project is to develop a unique antibody treatment that targets accumulations of TDP-43.

Antibodies make it easier to detect and eliminate the toxic aggregates of misfolded protein, which will hopefully have a slowing effect on the progression of degenerative diseases. Similar to BioArctic's drug candidates for Alzheimer's disease and Parkinson's disease, the antibodies in the BAN3014 project target soluble aggregates of misfolded TDP-43 – oligomers and protofibrils – since these forms are assumed to be the most harmful to the neurons.

BioArctic is also pursuing the ND-BT3814 project, in which an antibody against TDP-43 is being tested in combination with BrainTransporter, the company's technology that facilitates the passage of antibodies across the blood-brain barrier. The BAN3014 project is in the preclinical phase, and ND-BT3814 is in the research phase.

Growing market for antibodies against TDP-43

The market for TDP-43 antibodies is expected to continue to grow between 2025 and 2033, driven by increased research into neurodegenerative diseases and the development of improved detection and therapeutic formats with higher specificity and sensitivity [2]. In parallel with the development of antibodies, intensive efforts to develop biomarkers for TDP-43 are also underway in the research field.[3]

The number of people with ALS is expected to exceed

375,000

globally by 2040*

* Arthur, K. et al. (2016) Projected increase in amyotrophic lateral sclerosis from 2015 to 2040.

About ALS

ALS is classified as a rare disease which means that drugs to treat the disease are developed as orphan drugs. However, a certain increase in incidence has been observed over the past few years[1]. A number of the patients affected are in midlife and of working age when they fall ill, which means great suffering for them and their relatives, as well as major costs to society. In the US, the cost of ALS is estimated to exceed USD 1 billion per year[2]. The costs in connection with ALS are higher than for other neurological diseases, which underscores the need for medical advances in the field.

1) Longinetti E, Fang F. (2019) Epidemiology of amyotrophic lateral sclerosis: an update of recent literature.

2) Berry, J. D. et al. (2023) Epidemiology and economic burden of amyotrophic lateral sclerosis in the United States: a literature review.

Examples of diseases linked to misfolded TDP-43

Disease	Comments
Amyotrophic lateral sclerosis	Up to 97 percent of all patients with sporadic ALS have TDP-43-positive inclusions.[1]
Frontotemporal dementia (FTD)	Approximately 45 percent of patients with FTD have TDP-43 aggregate [4].
Alzheimer's disease	Around 30-50 percent of Alzheimer's patients have TDP-43 inclusions in the brain, which are associated with faster cognitive decline [5].
Lewy body dementia	TDP-43 inclusions are indicated in 20 to 30 percent of cases, and is closely linked to cognitive impairment[6].
Parkinson's disease	TDP-43 inclusions occur in 7 to 19 percent of cases, and are closely linked to cognitive impairment[7].

1) Versluys L et al. (2022) Expanding the TDP-43 Proteinopathy Pathway From Neurons to Muscle: Physiological and Pathophysiological Functions. Front. Neurosci. 16:815765. https://www.frontiersin.org/journals/neuroscience/articles/10.3389/fnins.2022.815765/full

2) TDP43 Antibody 2025-2033 Trends and Competitor Dynamics: Unlocking Growth Opportunities https://www.datainsightsmarket.com/reports/tdp43-antibody-580501

3) Zeng J et al.Decoding TDP-43: the molecular chameleon of neurodegenerative diseases. Acta Neuropathol Commun. 2024 Dec 31;12(1):205. https://pmc.ncbi.nlm.nih.gov/articles/PMC11687198/

4) Ling, S-C, Converging Mechanisms in ALS and FTD: Disrupted RNA and Protein Homeostasis. Neuron, 79 (2013), pp. 416-438. https://www.sciencedirect.com/science/article/pii/S0896627313006570

5) de Boer EMJ et al. TDP-43 proteinopathies: a new wave of neurodegenerative diseases. J Neurol Neurosurg Psychiatry. 2020 Nov 11;92(1):86–95.https://pubmed.ncbi.nlm.nih.gov/33177049/

6) Versluys L et al. (2022) Expanding the TDP-43 Proteinopathy Pathway From Neurons to Muscle: Physiological and Pathophysiological Functions. Front. Neurosci. 16:815765. https://www.frontiersin.org/journals/neuroscience/articles/10.3389/fnins.2022.815765/full

7) Cook C et al TDP-43 in neurodegenerative disorders. Expert Opin Biol Ther. 2008 Jul;8(7):969-78.https://pmc.ncbi.nlm.nih.gov/articles/PMC2855963/

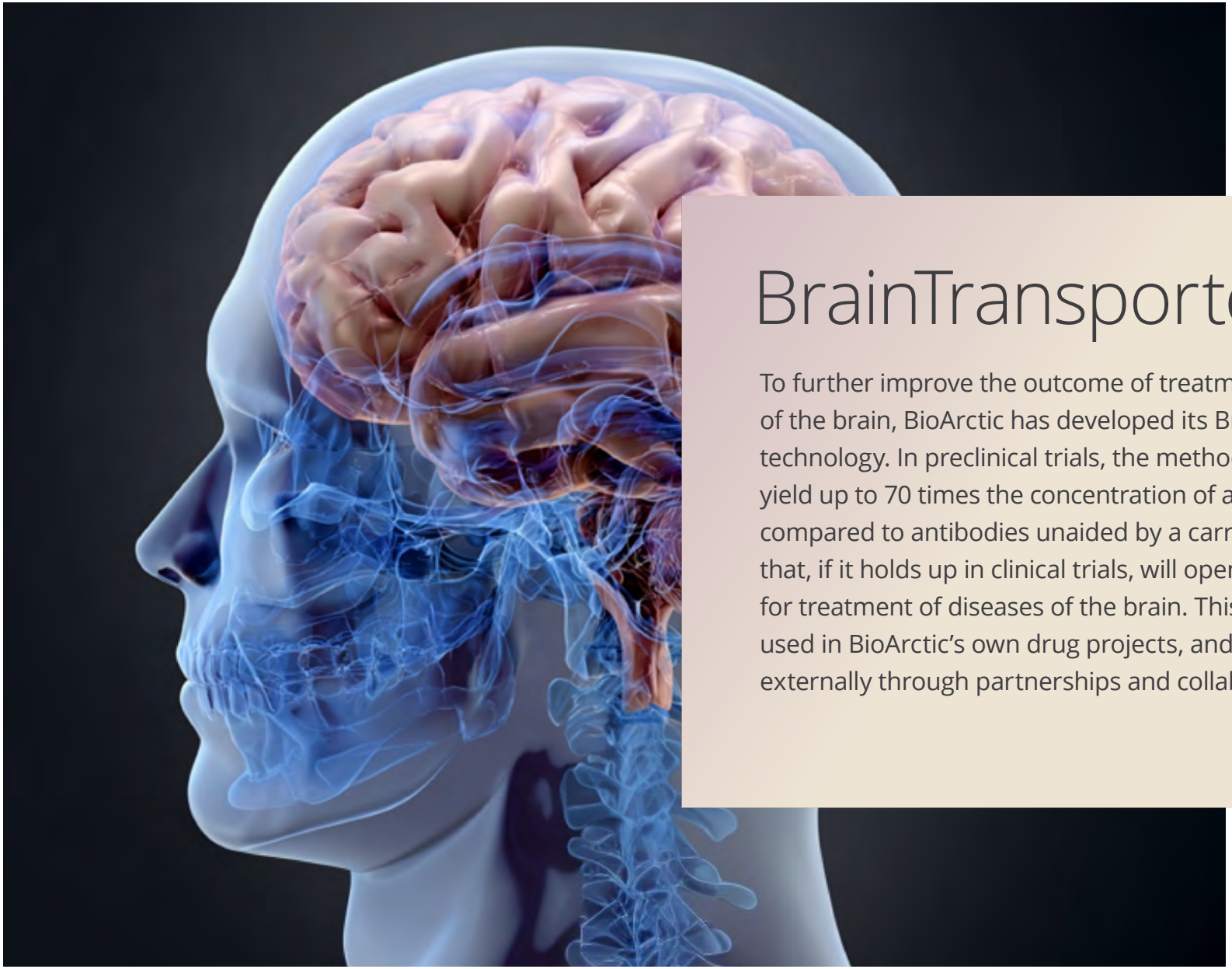
Jessica Sigvardson

researcher in ALS at BioArctic

What makes BioArctic a good place to work?

"I get to work on research aimed at developing medicines that can help patients with extremely serious diseases, and I get to do so alongside skilled and dedicated colleagues. Our project-team approach, where everyone contributes with different expertise and works together toward a common goal, creates a stimulating and motivating work environment. I have worked on the ALS project since the beginning and it is truly wonderful to have been involved from Day One and follow developments going forward. We often talk about the 'BioArctic spirit', and to me that means asking and helping one another even if you are not on the same project team or in the same division.

We also have health-promoting activities such as wellness allowance, a fitness hour, various cultural events, as well as joint Thursday coffee breaks that promote social cohesion.



BrainTransporter

To further improve the outcome of treatments against diseases of the brain, BioArctic has developed its BrainTransporter technology. In preclinical trials, the method has been shown to yield up to 70 times the concentration of antibodies in the brain compared to antibodies unaided by a carrier protein – a result that, if it holds up in clinical trials, will open up new possibilities for treatment of diseases of the brain. This technology is being used in BioArctic's own drug projects, and is also licensed externally through partnerships and collaborations.

The BrainTransporter has the potential to both enhance efficacy and reduce side effects

BioArctic has developed the BrainTransporter technology to solve a problem that has long challenged drug developers in the field of brain – delivering sufficiently high concentrations of drugs into the brain. After presenting strong preclinical results, BioArctic has signed agreements for its technology with three global pharmaceutical companies, and the prospects for more agreements are very good.

The brain is the most complex organ in the human body, and it is estimated that around 600 diseases affect the brain. Many of these cannot be treated effectively, largely because of the difficulties in delivering drugs into the brain. The blood-brain barrier exists as a natural defense against the entry of foreign substances, which means that drug molecules such as antibodies – and other drugs – are blocked. BioArctic's BrainTransporter has the potential to solve this challenge by utilizing the body's own systems for the active transport of substances across the blood-brain barrier and into the brain.

From passive to active transport

Far less than 1 percent of the antibodies that are administered via the blood during intravenous treatment enter the brain. The drugs that currently pass into the brain do so via passive

Four platform categories

BrainTransporter is now being developed in four different categories:

- **BT^{A}:** linked to antibodies
- **BT^{E}:** linked to enzymes
- **BT^{S}:** linked to small modalities
- **BT^{O}:** linked to drug candidates in oncology

transport, primarily through diffusion together with spinal fluid. As a result, the drugs are dispersed unevenly throughout the brain, with larger accumulations throughout the ventricular system, which are the spaces where the spinal fluid is located. As a consequence, large parts of the brain are not fully exposed, and the total amount of drugs that reaches the brain is also limited.

BioArctic's BrainTransporter technology enables different type of drugs – instead of diffusing – to be actively transported into the brain. This technology uses the transferrin receptor, a protein that normally transports iron across the blood-brain barrier. The transferrin receptor is also used by other companies, but the method has long been associated with certain challenges. For example, the transferrin receptor can affect the rest of the body, which could result in serious side effects such as anemia, where the formation of new blood can be impacted. Other challenges include immune reactions triggered by the binding of antibodies transported via the transferrin receptor in the bloodstream, causing the antibodies to become visible to the immune system. The effectiveness of the antibodies can thereby also be negatively impacted.

Unique design solves previous challenges

BioArctic's version of its BrainTransporter technology is designed to solve these challenges. The technology itself consists of a molecule, BAT007, which binds to the transferrin receptor. All antibodies, enzymes or other drug candidates that are linked to BAT007 are thus actively transported into the brain via the transferrin receptor.

What distinguishes BAT007 from other technologies is where it binds on the transferrin receptor and how it positions itself. This unique binding leads to two positive effects: first, the key natural ligands for the transferrin receptor in the body are not disrupted; and second, the antibodies that are linked with BAT007 are not visible to the immune system.

The hope is that the unique design of BioArctic's BrainTransporter will solve the problems that other technologies have, with potential anemia or undesirable immunological reactions as a consequence.

The BrainTransporter technology yields up to

70 times

greater exposure of antibodies in the brain, and the antibodies are also distributed more rapidly and evenly throughout the brain.

70 times greater exposure

BioArctic's research findings from advanced preclinical models show that the BrainTransporter technology yields up to 70 times greater exposure to antibodies in the brain, and that the antibodies are also distributed more rapidly and evenly throughout the brain. No signs of abnormal blood formation or impact on the formation of blood cells were initially seen in the preclinical models.

Many clinical advantages

If the promising preclinical findings can be replicated in clinical experiments, the technology has significant potential since it facilitates the development of antibodies with entirely different properties than current treatments. The drastically increased concentration and more even distribution of the antibody in the brain could result in both faster and stronger efficacy from an antibody drug. Antibodies could likely also be administered in significantly lower doses, which reduces the volume and opens up possibilities for more user-friendly administration methods. There is also reason to believe that the even distribution of the antibodies in the brain will lead to fewer serious side effects.

BioArctic owns the rights to its BrainTransporter technology

BioArctic has all rights for the use of its BrainTransporter technology outside the scope of the agreements it has entered into. BrainTransporter could be used in a number of different therapeutic areas for active transport of biological molecules, which opens up many potential future collaborations and partnerships.

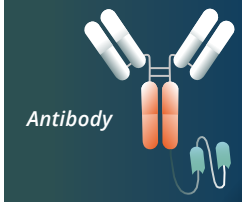
Active transport of drugs into the brain

The challenge

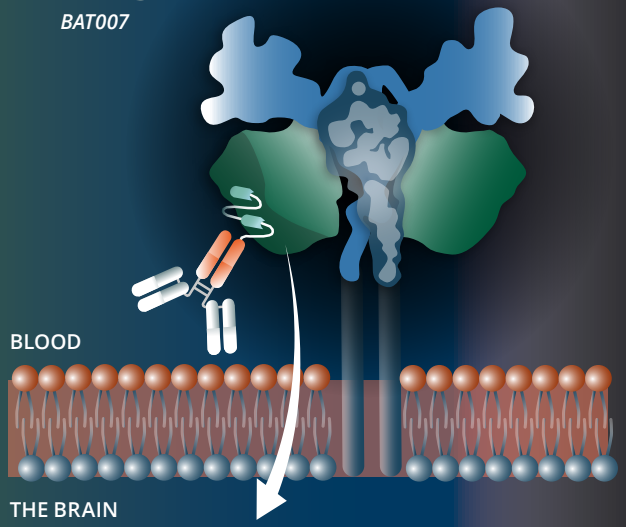
The blood-brain barrier is a 600-kilometer long network that provides energy to and protects the brain. At the same time, the barrier makes the transport of drugs to the brain more difficult. Transporting antibody drugs is especially challenging due to their size and complexity.

BioArctic's solution

The BrainTransporter technology connects, for example, antibodies or enzymes with the BAT007 molecule so that they are transported with the aid of the transferrin receptor, which normally transports iron across the blood-brain barrier.



BAT007 has a unique design that allows the antibody to bind to the transferrin receptor without becoming visible to the immune system and without disrupting the natural ligands to the transferrin receptor.

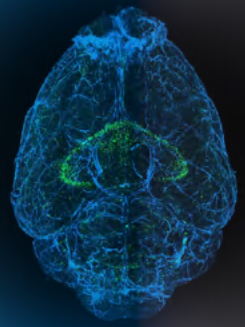


The unique binding has the potential to reduce the problem that other technologies have with undesirable immunological reactions or potential anemia.

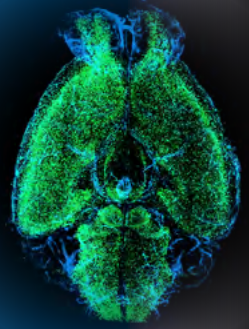
Findings

Preliminary research findings show that the technology yields up to 70 times greater exposure of antibodies in the brain, and the antibodies are also distributed more rapidly and evenly throughout the brain.

Images of mouse brains 72 hours after dosing. The antibodies are tinted green.



Antibody without BrainTransporter



Antibody with BrainTransporter

"The field of brain cancer is highly interesting"

Interview with Per-Ola Freskgård, Chief Scientific Officer at BioArctic

What were the key advances for the BrainTransporter technology in 2025?

"The platform has become fully established internally here at BioArctic and is a natural part of our research projects, especially for our antibody projects. Adding new patents during the year that provide efficient protection for the technology has been a reassurance. During the year, we also further developed the platform to be able to apply the BrainTransporter technology to other modalities, such as enzymes, antisense oligonucleotides and siRNA. This allows the development of drugs that interact with new target molecules in the brain, especially those previously considered inaccessible by traditional drugs. In the long run, we hope that this will lead to diseases that are currently considered impossible to treat becoming treatable."

Which indications, beyond neurodegeneration, are of greatest interest?

"We are already active in lysosomal diseases, with our drug candidate for Gaucher disease. There are several lysosomal diseases that could be relevant because it is the blood-brain barrier in particular that makes them impossible to treat effectively today. We are also seeing an interest in neuroinflammation, where there are target molecules that could become accessible owing to our BrainTransporter technology. The field of brain cancer is a highly interesting one. There are several cancer drugs that function effectively in the body, but not inside the brain, because the drug is blocked by the blood-brain barrier. There is clear potential for the BrainTransporter technology there."

Three agreements that show the way

Eisai

In April 2024, BioArctic entered into a research evaluation agreement with Eisai for BAN2802, a potential new treatment that combines BioArctic's BrainTransporter technology with a drug candidate against Alzheimer's disease. This was the first agreement that included BrainTransporter and builds on the companies' long-standing collaboration since 2005, which resulted in Leqembi.

Agreement structure
BioArctic and Eisai share the costs of the research evaluation program. After the evaluation is concluded, Eisai will decide whether the company wishes to exercise its option to license BAN2802 for treatment of Alzheimer's disease. If they choose to do so, Eisai is expected to assume responsibility for development and commercialization.

Bristol Myers Squibb

In December 2024, BioArctic entered into a globally exclusive license agreement with Bristol Myers Squibb for BioArctic's pyroglutamate amyloid-beta (PyroGlu-Aβ) antibody program for the treatment of Alzheimer's disease. The agreement encompasses BAN1503 and BAN2803, with the latter being combined with BioArctic's BrainTransporter technology.

Agreement structure
Bristol Myers Squibb assumes full responsibility for the development and potential subsequent commercialization of BAN1503 and BAN2803 worldwide. BioArctic retains an option to commercialize the products in the Nordic region alongside Bristol Myers Squibb.

Economic terms and conditions:
- Initial payment: USD 100 million
- Potential milestone payments (developmental, regulatory and commercial): up to further USD 1.25 billion
- Royalties on global sales: gradually increasing, low double-digit percentages

Novartis

In August 2025, BioArctic signed a collaboration and license agreement, with options, with Novartis Pharma AG for the development of a new drug candidate for the treatment of neurodegeneration. The agreement combines BioArctic's BrainTransporter technology with an antibody developed by Novartis.

Agreement structure
BioArctic is responsible for creating the drug candidate by connecting the BrainTransporter technology to the Novartis antibody. After evaluating the generated drug candidate, Novartis will decide whether to exercise its option. If so, Novartis assumes full responsibility for global development and commercialization.

Economic terms and conditions:
- Initial payment for research collaboration: USD 30 million
- Potential milestone payments upon exercise of option: up to USD 772 million
- Royalties on global sales: gradually increasing, medium-high single-digit percentage

"There were several different factors that made BioArctic appealing"

Interview with Kenneth J. Rhodes, Ph.D. Vice President, Neuroscience TRC Bristol Myers Squibb

In addition to the company's BrainTransporter technology and an innovative high-affinity antibody against amyloid-beta, it was BioArctic's expertise in neurodegenerative diseases, its strong commitment to patients and its willingness to collaborate that ultimately made the difference when the global partnership with BMS was signed in December 2024.

What makes the BrainTransporter platform interesting?

"We are very excited about the BrainTransporter program and its ability to deliver greater concentrations of therapeutic antibodies to the brain. This potentially allows us to use lower doses, and a more convenient dosing regimen, to achieve dramatic results for patients. We are also excited that the BrainTransporter approach delivers antibodies to the brain via the capillary network. This may be particularly important in Alzheimer's disease because it allows an antibody targeting amyloid to reach its target in the brain while minimizing the risk of inflammation in the larger cerebral blood vessels, thereby avoiding one of the safety concerns associated with current amyloid-targeting antibody therapies."

What attracted Bristol Myers Squibb to choose BioArctic as a partner?

"We were attracted to BioArctic as a partner because of their deep expertise in neurodegenerative diseases, their commitment to improving patient care, their scientific rigor, collaborative spirit and the great working relationship we built throughout the diligence process.

For the BAN2803 program specifically, we found the combination of the innovative BrainTransporter technology, paired with a high-affinity antibody targeting a clinically validated epitope on Abeta, to be very compelling. We were also attracted to the strong preclinical data package that the BioArctic team developed and their willingness to work collaboratively with BMS to ensure a smooth path to the clinic."

In what way can technologies like BrainTransporter complement Bristol Myers Squibb's broader neuroscience strategy?

"Our teams are w orking to advance therapies across the continuum of care, bringing solutions that not only modify disease biology but also enhance patient experience and quality of life from early intervention through later stages of disease. We feel that the BioArctic BrainTransporter technology may have potential applicability across a number of diseases and potentially a variety of therapeutic modalities, providing improved delivery of next generation therapies to patients with neurodegenerative diseases."

What concrete benefits do you see this approach bringing to patients and caregivers living with Alzheimer's disease?

"Our hope is that the BrainTransporter approach will deliver an anti-amyloid therapy with an improved benefit-risk profile, a lower volume of administration, and less frequent dosing. All of these features will improve the patient experience, and together may allow us to use these therapies much earlier in the course of disease, providing greater patient benefit."

Leqembi

BioArctic has developed Leqembi, the world's first fully approved disease-modifying treatment for Alzheimer's disease. The drug has now been approved in more than 50 countries, and the development of new treatment forms and indications is continuing. The next paradigm shift in the treatment of Alzheimer's disease is a subcutaneous autoinjector that patients can administer themselves at home, similar to today's drugs for diabetes. Moreover, studies are ongoing in people with asymptomatic Alzheimer's disease, i.e. people with elevated levels of amyloid-beta, but who are not yet showing any symptoms. The hope is that the disease can be treated before symptoms appear.

The world's first disease-modifying drug against Alzheimer's disease

The success of Leqembi is built on solid research and a robust clinical development program. Clarity AD, the global Phase 3 study, demonstrated efficacy that resulted in a meaningful slowing of disease progression in early Alzheimer's disease, as measured by slower cognitive and functional decline. Follow-up data after four years of treatment show that the improvement is sustained over time and early initiation of treatment appears to yield the best efficacy.

Leqembi has been approved for the treatment of adult patients with early Alzheimer's disease. This approval is based on the Clarity AD Phase 3 study, a global, randomized, double-blind, placebo-controlled study involving 1,795 patients with early Alzheimer's disease (mild cognitive impairment or mild dementia caused by Alzheimer's disease). In the study, lecanemab 10 mg/kg was administered every two weeks for 18 months, and the study showed statistically significant improvements in both the primary endpoint and all secondary endpoints. Leqembi is the first treatment that has been shown to slow the progression of the disease as well as cognitive and functional decline.

Modeled data presented at the 2025 CTAD congress show that the time when patients, with mild cognitive impairment and low levels of amyloid, reach the moderate stage in the progression of the disease, can be delayed with an an estimated

8 years or more

if they receive continous long-term treatment with Leqembi.

Endpoints in the clinical lecanemab program

- **Primary endpoint: CDR-SB**
  Measures global cognitive and functional decline in Alzheimer's disease. Summarizes assessments in memory, orientation, judgment, social activities, home and hobbies, and personal hygiene.
- **Secondary endpoint:**
  Amyloid PET: Measures amyloid deposits (plaques) in the brain. Reduction of amyloid aggregates in the brain correlates with clinical effect.

  ADCS MCI-ADL: Measures capacity for performing everyday activities.

  ADAS-Cog14: Cognitive test for memory and attention.

  ADCOMS: A composite measure for more sensitive assessment of changes in early stages of the disease, combining elements of CDR-SB, ADAS-Cog and ADCS-ADL.

These scales provide an overall picture of the efficacy of treatment on both cognition and function in the lecanemab clinical trials.

Positive efficacy on primary and secondary endpoints

The primary endpoint was to reduce clinical deterioration on the Clinical Dementia Rating-Sum of Boxes (CDR-SB) global cognitive and functional scale compared with placebo after 18 months of treatment. The results showed an average change from baseline of 1.21 points for the lecanemab group and 1.66 for the placebo group. This meant that treatment with lecanemab significantly reduced clinical deterioration by 0.45 points compared with placebo after 18 months (p=0.00005), representing a reduction of 27 percent.

As early as six months, and at all measurement points thereafter, treatment with lecanemab showed a highly statistically significant difference compared with the placebo group regarding changes in the CDR-SB.

All secondary endpoints also showed highly significant results compared with placebo. Secondary effects were measured by change from baseline at 18 months of treatment compared to placebo and evaluated brain amyloid levels measured with positron emission tomography (PET) scans, and changes according to the three clinical efficacy scales: ADAS-Cog 14 (Alzheimer's Disease Assessment Scale-cognitive subscale 14), ADCOMS (Alzheimer's Disease Composite Score) and ADCS MCI-ADL (Alzheimer's Disease Cooperative Study-Activities of Daily Living Scale for Mild Cognitive Impairment).

The PET scans showed a statistically significant reduction in amyloid plaques after treatment with lecanemab at all points in time, starting at three months. The average change measured in centiloids after 18 months was -55.5 for lecanemab and 3.6 for the placebo group.

The progression of the disease, measured on the ADAS-Cog after 18 months, showed a decrease of 26 percent. Measured on the ADCS MCI-ADL scale, which assesses ability of individuals with mild cognitive impairment relating to activities in daily life (ADL), deterioration had slowed by 37 percent.

On the ADCOMS scale, lecanemab slowed the progression of the disease by 24 percent after 18 months. Lecanemab slowed the deterioration in daily living activities, as measured by the ADCS MCI-ADL scale, by 37 percent after 18 months.

Side effects

In the lecanemab group, 17.3 percent of the patients developed ARIA-H (micro- and macrobleeds as well as superficial siderosis). The corresponding level in the placebo group was 9.0 percent.

12.6 percent of patients in the lecanemab group developed ARIA-E (swelling/edema) compared with 1.7 percent in the placebo group. 2.8 percent of patients developed symptomatic ARIA-E.

Strong results as early as Phase 2b

Positive data from the clinical Phase 2b study formed the basis for lecanemab's accelerated approval in the United States in January 2023. Following the presentation of the Phase 3 results, BioArctic's collaboration partner Eisai submitted a supplementary application for full approval, which was obtained in July 2023. The results of the study showed that lecanemab significantly reduced amyloid plaque in the brain and yielded slower clinical deterioration compared with placebo. The treatment reduced the rate of deterioration by between 26.5 and 55.9 percent, depending on the clinical measure and statistical method used. Moreover, positive effects were seen on biomarkers that reflect the underlying pathophysiology of the disease. Lecanemab was generally well tolerated, although amyloid-related imaging abnormalities (ARIA-E) were observed in fewer than 10 percent of participants – in most cases, asymptomatic.

Long-term monitoring shows sustained improvement after four years

Of the 1,795 patients who completed the Clarity AD Phase 3 study, 95 percent chose to continue their participation in an open-label extension study. During the summer of 2025, follow-up data was presented for the 478 patients who had then been treated with lecanemab for four years, and the results show that the medicine continued to slow cognitive decline over time. The reduced deterioration compared with the natural progression of the disease was 1.01 points after three years and 1.75 points after four years, based on comparative data from the Alzheimer's Disease Neuroimaging Initiative (ADNI), which predicts progression of the disease in patients with mild Alzheimer's disease. Similarly, a difference of 1.40 points over three years and 2.17 points at four years was shown when comparing the performance of the lecanemab group with patients from BioFINDER, which models disease progression in patients with milder degrees of Alzheimer's disease. Taken together, this data indicates that lecanemab treatment slows the progression of the disease by around one year compared with no treatment during a four-year period.

At the same time, the treatment had an expected stable safety profile throughout the four-year period. The amyloid-related imaging abnormalities (ARIA) were most common in the first six months but decreased and remained stable thereafter. Overall, long-term data from four years of monitoring suggest that Leqembi has a lasting positive effect on disease progression in many patients, with effects including preserved cognitive function and reduced amyloid burden.

New Leqembi data presented at the CTAD congress in December 2025 showed that continuous treatment with Leqembi can potentially delay progression of the disease by up to 8.3 years. Furthermore, each additional year of Leqembi may extend the delay in the progression of the disease, compared with discontinuing treatment, even long after the plaque is expected to have been removed.

Leqembi has been approved in more than 50 countries, on the basis of the results from the clinical development program.

Sustainability facts

Patient safety and health are essential elements of the company's sustainability agenda. The company's research has led to the development of the world's first disease-modifying drug for Alzheimer's disease, but without understanding and knowledge there is no way to establish structures for diagnosis and treatment in groundbreaking areas. The company's work with healthcare representatives and policymakers is therefore crucial for ensuring that treatments benefit patients. Patient safety is a guidepost in all aspects of the operation, and during the year it received particular focus as part of the preparations for a commercial launch in the Nordic region.

Read more about BioArctic's sustainability agenda in Patient safety and health on page 167.

Next goal: Easy to use home treatment

Based on Leqembi's clear disease-modifying effects in clinical studies, development has continued with the aim of further improving the accessibility and administration of the treatment. An autoinjector – similar to an insulin pen – allows patients to administer the treatment at home.

Leqembi was originally developed as an intravenous treatment (inserted into the bloodstream), but as the treatment began obtaining approval around the world, the development of a subcutaneous formulation (administered under the skin) has increasingly come into focus. This forms the basis for three important future breakthroughs in the treatment of Alzheimer's disease.

Easily accessible treatment at home

Extension studies from the clinical development program behind Leqembi have shown that continuing maintenance treatment with the medicine is important, even after the initial 18-month course in order to maintain the slowing of disease progression. Discontinuing treatment can lead to a rate of decline similar to that seen with placebo. Maintenance treatment can continue as a monthly intravenous treatment, but the new subcutaneous formulation – which has been developed and already been approved in several markets – may further

BioArctic's collaboration partner Eisai is conducting the Phase 3 study,

AHEAD 3–45

in which lecanemab is being evaluated as a treatment for people who are cognatively unimpaired with elevated brain amyloid. The purpose is to evaluate whether early treatment can slow changes to biomarkers and cognitive decline in these patients.

improve accessibility. For subcutaneous administration, Leqembi is injected weekly using a home autoinjector. The US brand name for the subcutaneous autoinjector is Leqembi Iqlik (pronounced "I click") and the treatment takes an estimated 15 seconds. Leqembi Iqlik was approved as a maintenance treatment in the US in August 2025.

The autoinjector has been developed for ease of use, thereby reducing the need for hospital visits and nursing care compared with intravenous administration. This form of administration may facilitate continued maintenance dosing and further simplify the treatment of Alzheimer's disease.

Regulatory processes are underway in the US, Japan and China to offer subcutaneous treatment with the autoinjector as early as the initial phase of treatment.

Treatment before symptoms emerge

Since 2020, BioArctic's collaboration partner Eisai has been running the AHEAD 3-45 Phase 3 study, in which lecanemab is being evaluated as a treatment for people with asymptomatic Alzheimer's disease. Participants in the study are not showing any symptoms yet, but have moderately elevated or high levels of amyloid-beta in their brains. The purpose is to evaluate whether early treatment with lecanemab can slow changes to biomarkers and cognitive decline in these patients.

The final participant was recruited to the study in October 2024 and the treatment period runs for over four years. The results of the study are expected in late 2028.

Estimated time gained with 10 years of treatment

There is no defined time limit for how long patients are to be treated, but there are ongoing studies on the effects of treatment over several years. The initial phase of 18 months is the introductory treatment period, after which maintenance treatment can continue at the discretion of the physician. According to the drug's label, treatment should be stopped when the patient reaches moderate levels of the disease.

Maintenance treatment allows patients to slow the progression of their disease and maintain the efficacy of the treatment, which means that patients get help to maintain their cognitive and functional abilities for longer.

At the Clinical Trials on Alzheimer's Disease (CTAD) scientific conference, which was held in San Diego, US, in December 2025, data was presented from Leqembi treatments in the US, Japan and China showing that the efficacy and safety profile of the treatment continues to be on a par with or better than the Phase 3 data. Furthermore, a simulation was presented of estimated time gained for patients who are identified early in disease progression and begin early treatment with Leqembi. It is estimated that long-term treatment with Leqembi in this early group could delay the time before patients reach the moderate stage of the disease by more than eight years. The data presented continues to show that the earlier treatment is started, the more time is given to patients in a healthier stage of the disease.

Introduction in Nordic region initiated

Following approval by the EU Commission in April 2025, Leqembi has been launched in stages in several European countries. In October 2025, Finland became the first Nordic country to treat a patient with Leqembi.

BioArctic is marketing Leqembi in the Nordic countries in collaboration with Eisai. The launch in the region marks an important strategic step for BioArctic in the company's ambition to establish itself as Sweden's next big pharmaceutical company.

In recent years, BioArctic has built up a commercial organization with more than 20 employees divided among its head office in Sweden and its subsidiaries in Finland, Norway and Denmark. The organization consists of a team with extensive experience in launching new treatments, and intensive efforts in preparing for the launch of the drug are now underway. With a long history of partnering with academic and healthcare institutions in the Nordic region, the conditions for a successful launch are good.

Health economics and pricing

Following approval from the European Commission, BioArctic and Eisai have collaborated with both European and national regulatory authorities to fulfill all necessary requirements for the launch. The process for health economics assessments, pricing and subsidies is underway.

First patient in the Nordic region treated in Finland

Finland became the first country to treat patients with Leqembi after a controlled introduction program was implemented. This program allows private clinics like Terveystalo Ruoholahti – where the first patients were treated – to offer treatment for people with early Alzheimer's disease. A controlled introduction program involves a structured and supervised introduction of a drug into clinical practice with a focus on safety, monitoring and risk management. The program involves patients undergoing MRI scans before treatment and several times during the initial treatment to monitor potential side effects such as ARIA-E (edema) and ARIA-H (bleed).

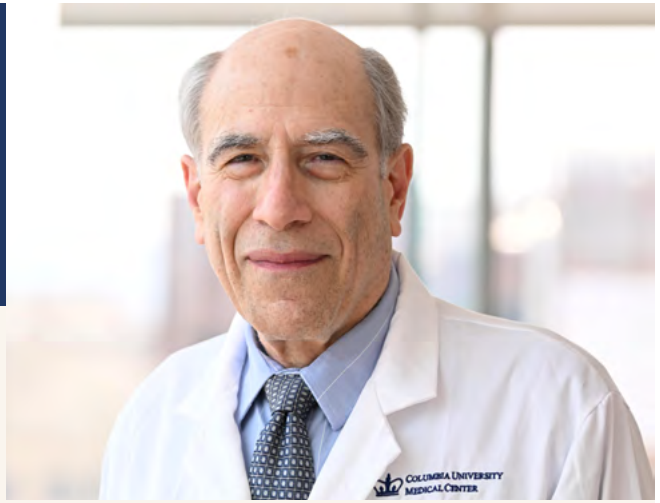
The first treatments were administered before a decision on subsidies was made in Finland and were paid for by the patients themselves or their health insurance, if they had any. In parallel, an assessment for including Leqembi in the publicly funded health system, in line with the other Nordic countries, is in progress.

Sharp focus on the patient journey

The working group responsible for the launch is in dialogue with many clinics in the Nordic region to discuss the patient journey and what resources may be required. Some clinics are well informed and experienced in innovative biologics, while others are less prepared. To educate healthcare professionals, BioArctic has established a new online education platform and initiated a recurring Alzheimer's symposium – Campus Alzheimer – which was held for the first time in September 2025.

Experiences from New York – Leqembi in clinical practice

Interview with Lawrence S Honig, Professor of Neurology at Columbia University, NY



Since the 2023 FDA approval of Leqembi, patients with early Alzheimer's Disease have been treated at the Columbia University Irving Medical Center Neurological Institute in the heart of New York. During the first two years, more than 200 patients received over 4,000 infusions both at the medical center and at infusion centers closer to their homes.

The Columbia University Irving Medical Center is situated along the Hudson River in Upper Manhattan. Patients who are diagnosed with early Alzheimer's disease can be offered lecanemab-irmb (Leqembi), the first disease-modifying treatment approved in the US, which slows the progression of Alzheimer's disease. The treatment is prescribed by around ten specialists and is administered both in the university hospital's own infusion centers and at a number of independent infusion centers in the greater New York Metropolitan area.

"It works a bit like a pharmacy system, but for infusion drugs. Patients receive their treatment at one of the infusion centers that are distributed across the New York region", says Lawrence S. Honig, Professor in Neurology at Columbia University, NY.

Via the clinic, over 200 patients were prescribed Leqembi during the first two years after USA FDA approval, and more than 4,000 infusions were given. While this was a new procedure, neurological providers were able to quickly institute procedures for a broad outreach of the new treatment, says Lawrence S. Honig.

The FDA approved a broader patient population than the European Medicines Agency, EMA. In Europe, the treatment is not approved for use in patients with two copies of the APOE4 gene, which is associated with an increased risk of side effects. To properly select eligible patients in Europe, genetic counseling and testing are required before treatment can be prescribed. In the USA, genetic testing for the APOE4 gene is recommended by the FDA, but not mandatory.

"We have discussions with the patients about eligibility, and risks of treatment, but apart from that providers follow the package insert without adding any special requirements. The procedures are straightforward, and no extensive infrastructure is needed. To monitor patients for brain side effects, we conduct the mandated MRI scans, and in each case wait for the results of the MRI, before prescribing additional treatment", says Lawrence S. Honig.

Before starting treatment with Leqembi, the patient must have undergone an MRI-scan, and there are four follow up scans over 7 months to monitor and identify any Amyloid-Related Imaging Abnormalities, known as ARIA. There are two broad types of ARIA, brain edema and hemorrhage, called ARIA-E and ARIA-H. In the clinical trials laying the ground for the Leqembi approval, most patients did not experience ARIA-E or ARIA-H, and most identified ARIA were asymptomatic. Likewise, in clinical practice the risk of side effects such as edema and hemorrhage was relatively small, not greater than in the trials, and serious side effects were extremely rare, according to Lawrence S. Honig.

"The most serious side effects, such as macro bleeds, are fortunately very unusual and occur in less than one percent of patients."

The initial treatment with Leqembi is 18 months, following which patients may continue with maintenance therapy at the same dose or treatment at less frequent intervals of every four weeks, or by subcutaneous weekly administration, which is now available in the USA, but not yet in the EU. Patients have a high compliance with therapy, and strong interest in continuing treatment to slow their Alzheimer's disease, says Lawrence S. Honig.

Sustainability

BioArctic's greatest opportunity to contribute to a sustainable future is through innovation and the development of safe and effective medicines for neurodegenerative diseases — areas with significant medical needs that affect the brain. Sustainability is deeply integrated into the organization's daily activities to ensure a sustainable future for the patients and families we are helping, for our employees, and our shareholders.

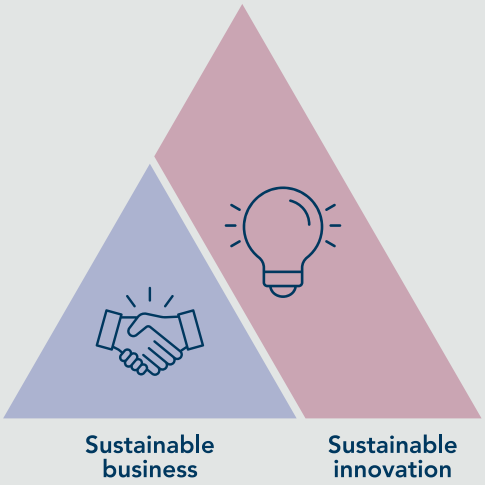
Impact through innovation

Patient safety and health are the areas of sustainability where BioArctic has the greatest opportunity to contribute to our society. Through solid and responsible efforts at developing and providing safe drugs for the treatment of serious diseases of the brain, BioArctic contributes to improving the health of patients and to society's capacity to manage an aging population, while increasing the future value of the company.

BioArctic's mission is, through pioneering research and collaborations, to create, develop and deliver innovative treatments for patients with serious brain diseases. This viewpoint permeates and shapes the company's sustainability program, with sustainability for the company and society being supported through innovation and responsible business practices.

With its activities, BioArctic has an opportunity to positively develop and impact the world around it. The company's foremost assets are the know-how and innovative capacity among its employees and the patents that have resulted from their efforts.

To succeed, BioArctic is expected to operate ethically and



in compliance with applicable laws in the field. These take the form of various regulatory requirements in drug development, requirements from the company's partners and customers, and expectations from society. As a growing company with an expanding range of activities and an increasing number of stakeholders, this is an area that is undergoing constant development.

Materiality assessment

BioArctic aims to ensure that the company's sustainability program is clear and reported transparently. As a step in approaching Europe's CSRD transparency legislation, BioArctic has made use of the sections aimed at identifying material areas and structuring reporting. The results can be found in the company's Sustainability Report on page 135.

Through discussions with stakeholders and applied business intelligence, BioArctic has gathered viewpoints on the company's and the industry's key areas of sustainability.

S4	Patient safety and health*
S1	Own workforce
G1	Ethics and governance
E1	Climate change adaptation

* BioArctic has chosen to adopt a more inclusive definition of ESRS S4: Consumers and end-users to also encompass company-specific topics such as innovation and patient safety

This year's work, and focus going forward

S4: Patient safety and health

BioArctic's activities during the year were characterized by a clear focus on increasing patient access to innovative medicines. Because of the efforts of BioArctic's partner Eisai, Leqembi has now been approved in more than 50 markets, which has resulted in increased access to treatment for early Alzheimer's disease. In preparation for commercializing Leqembi in the Nordic region, the employees have been trained within the foundations for patient safety.

During the year, 66 percent of total costs were reinvested in research. The drug candidate exidavnemab is being investigated for Parkinson's disease and multiple system atrophy (MSA) in EXIST, a Phase 2a trial. The BrainTransporter technology platform has displayed great potential for improving how treatments reach the brain, which has attracted significant external interest and resulted in two new partnerships. Moreover, BioArctic has also expanded the research portfolio to include rare diseases such as MSA and Huntington's disease.

S1: Own workforce

BioArctic is continuing to grow, and at year-end the number of employees was 131. Skill supply and succession planning are central to the company's success. Recruitment in specialist areas can be a challenge, but there is significant interest from qualified specialists in working at BioArctic and a priority has been put on further training of employees in new areas of research.

The company conducted four surveys to investigate employee satisfaction, and the average eNPS in 2025 was 79, a comparatively very high result and an improvement over last year. Occupational health and safety initiatives for creating a safe, secure and inclusive workplace that promotes employee well-being have continued using the systematic, preventive and proactive approach that has characterized operations for many years.

Sustainability facts

Governance and responsible business practices are essential elements of the company's sustainability efforts. During the year, the company continued communicating clear expectations regarding ethical behavior, and established robust procedures for supporting employees and ensuring compliance.

Read more about BioArctic's sustainability program in Governance and Corporate Responsibility on page 172.

Value chain

Own operations

- Research lab and head office in Stockholm, Sweden – development of new drugs and business development incl. partnerships
- Commercial organization in the Nordics – provide drugs to health providers who in turn treat patients
- Contracted consultants in research, IT, patents, etc.

Value chain outside own operations	**Research**	**Drug development and commercialization**	**Patients and society**
	- Research instruments, consumables and chemicals - Academic partnerships - CRO:s for preclinical operations and CDMO:s for drug development and process development - Partnerships with Eisai, Bristol Myers Squibb and Novartis - Waste management and transportation	- Partnership with Eisai (Leqembi), who is responsible for development, production and commercialization globally – CRO for clinical development of exidavnemab – CDMO for process development and production	- Healthcare infrastructure that facilitates treatment - Patient experience and outcomes of treatment - Waste from product use in hospital environments

G1: Ethics and governance

Sustainable business is the foundation of successful partnerships and is an important selection criterion both for those who wish to enter into a partnership with us, but also for BioArctic when the company is making agreements with external partners and suppliers. During the year, BioArctic deepened its preventive anti-corruption efforts and further enhanced the company's IT security activities.

BioArctic selects its partners with a focus on delivery, quality, ethics and capacity for collaboration, and each new partnership is evaluated to ensure compliance with the company's requirements and standards. Validation of the company's suppliers was conducted during the year.

E1: Environmental and climate adaptation

As a research-focused biopharmaceutical company, BioArctic's operations have a very limited impact on the environment, biodiversity and climate. In line with other industry operators in Europe and the expectations of society at large, the company intends to strive for net-zero emissions by 2050. As a step in understanding where in the value chain the company's largest emissions can be found, efforts to steer reporting toward more supplier-specific reporting of emissions have begun.

Sustainability goals and key performance indicators

		Links to strategic priorities: 2030			
Sustainable innovation	GOAL	Significant investments in Research & Development	Pipeline with projects in all stages of development	New projects in collaboration with partners	Leqembi established as a treatment for Alzheimer's disease
	OUTCOME	66% of total costs	Exidavnemab in Phase 2	3 partnerships entered into	Approved in over 50 markets
		Environment (E)	**Social (S)**	**Governance (G)**	
Sustainable business	GOAL	- Maintain 100 percent renewable electricity in own operations - Validate climate targets in accordance with SBTi 2026 - 65 percent reduction of CO_2 in the value chain by 2035 - Net zero 2050	eNPS over 50	**Code of Conduct:** all employees must confirm the policy annually	Gender-equal Board and Group Management *(>40 percent of under-represented gender)*
	OUTCOME	*Work in progress* *On track*	eNPS 79	100% implementation	Women / men: (%) Board of Directors 43 / 57 Management 70 / 30

BioArctic in the future

With groundbreaking research, a unique technology platform and a robust financial position, BioArctic has laid a foundation for continued value creation. These scientific successes are protected by an active patent strategy for both the antibody projects and the BrainTransporter platform. In parallel, BioArctic is putting intense effort into nurturing another major asset: the employees of an ever-growing organization.

"A corporate culture is never static"

Interview with Rebecca Kastell, VP, Head of HR, BioArctic

For just over a year, extensive efforts have been in progress to discover what BioArctic's employees feel to be the essence and core of the company. Following several workshops, discussions and a switch to English as the corporate language, a new set of values has been implemented.

Currently, you are working on renewing BioArctic's core values. Can you tell us a little more about that?

"Since BioArctic has grown a great deal, become more complex, and now encompasses many more competencies than when the earlier values were developed, we wanted to capture both where we are today and the journey of growth that we are on. We also wanted to raise our sights a bit and change the corporate language from Swedish to English, so we held several different workshops with employees where we examined what is at the core of BioArctic. The result was three new core values: Care, Collaborate and Challenge. Care, because we care not only about patients,

but also about partners and one another. We kept Collaborate because it is collaboration that has built BioArctic, both internally and externally with our partners. And finally, Challenge, because BioArctic is built on innovation and pioneering research that would not have become a reality if we had not dared to challenge both ourselves and the world around us."

The organization has grown rapidly in recent years. Has this affected the company culture?

"Yes, the company has gone from being geographically located in Stockholm to now having employees in several different locations, both in Sweden and in the rest of the Nordic region, and we have broadened our commercial organization with several new functions. We are now making an attempt to ensure that internal communication is efficient, and that all staff feel included."

Your employee surveys indicate that you have very satisfied employees. How are you working to maintain this as the company grows?

"They are extremely satisfied. When I started at BioArctic, I couldn't really believe the results of the employee surveys were true when I first saw them. But low staff turnover, with very few people leaving the company, also reflects this. One important reason is that there is a tradition of trusting in employees' capacity to manage themselves and develop what they do best. Our CEO Gunilla Osswald is also an incredible role model as a leader – she is good at highlighting people from all parts of the organization and making them feel seen. Things have also gone very well over the past year for the company, so there is a feeling that as an employee you are part of something historic. I think that is also an important factor."

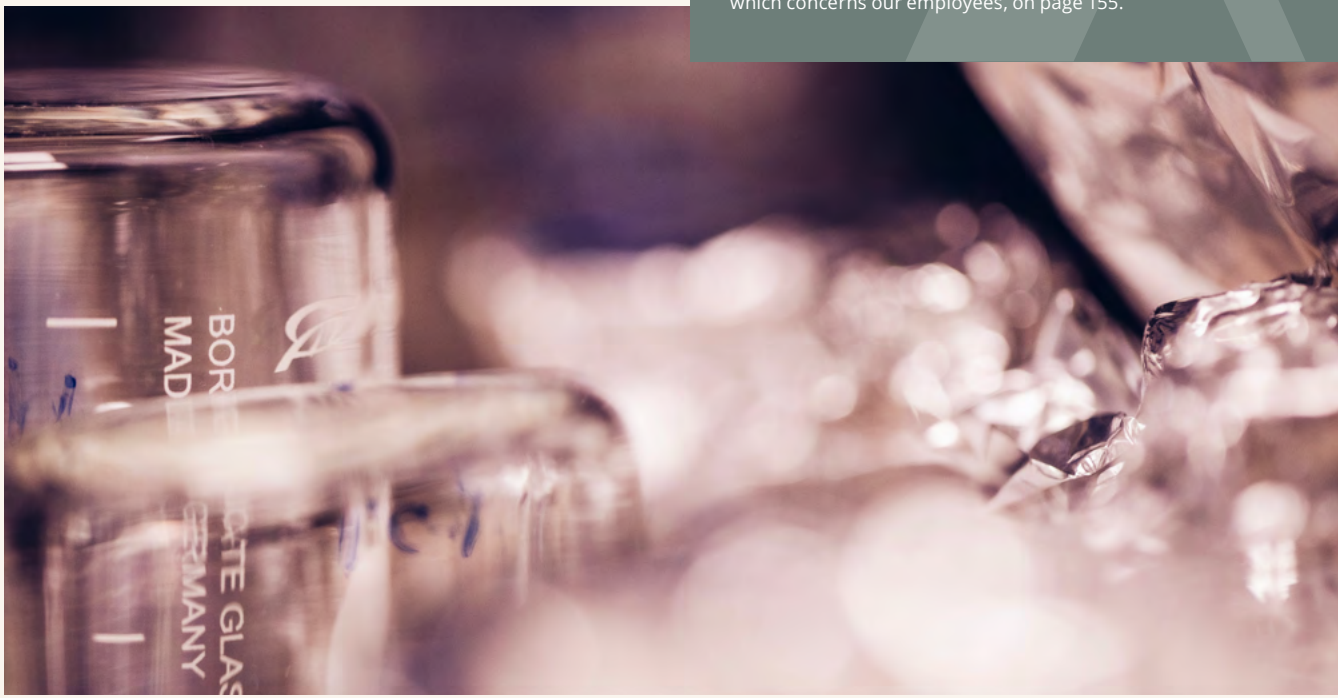
Two of your sustainability goals are diversity and equality. What does this mean, in practice?

"For some time, BioArctic has proactively focused on gender equality and has invested not only in attracting, but also on retaining women employees. As a result, we now have a majority of women in Group Management and in the company, but our goal is to have a balance in terms of gender. Where diversity is concerned, we operate in a field that attracts researchers from all over the world, so here it is a matter of making everyone feel included. The transition to English as the corporate language has played a significant role, occurring naturally as we established offices in the other Nordic countries. Internally, we have established various cross-functional groups that focus on well-being and engagement and put broad effort into diversity, inclusion and health and safety."

Sustainability facts

BioArctic's employees are a key element of the company's sustainability program. Our main contribution to a sustainable society is innovation – ensuring that our research goes all the way from idea to patient. Our employees are our most important asset in achieving our goal of providing patients with drugs. Our capacity for attracting the best talent and offering a valued, safe and stimulating workplace for all is key. Health and safety issues are a priority, and we heavily emphasize monitoring, evaluation and continual improvement.

Read more about BioArctic's sustainability program, which concerns our employees, on page 155.



A strong, broad patent portfolio protects BioArctic's scientific successes

BioArctic pursues an active patent strategy that is intended to create broad protection for use and production of the company's drugs and drug candidates in all major geographical markets including the US, the EU, Japan and China. As of December 31, 2025, the patent portfolio encompasses 21 patent families with just over 270 patents granted and over 150 patent applications pending. The patent protection for lecanemab, BioArctic's antibody drug for the treatment of early Alzheimer's disease, extends through 2032, including patent term extensions where applicable. Moreover, there is the possibility of maintaining regulatory exclusivity for lecanemab in many markets – for example, 12 years counting from 2023, when the drug was approved in the US, and for 10 to 11 years after EU approval in 2025. Regulatory exclusivity can thereby be maintained until 2035 in both the US and the EU.

The drug candidate exidavnemab, which is being developed for the treatment of Parkinson's disease and other synucleinopathies, is under patent protection until 2046, including patent term extensions in territories where applicable. Alongside the patent protection for exidavnemab, there is an option of exclusivity for 12 years in the US and 10 to 11 years in Europe.

BioArctic also has a number of ongoing patent applications for BrainTransporter – a technology developed in-house with the potential to facilitate transport of drug compounds across the blood-brain barrier. The company's most important patent families as per 2025 are shown in the table below.

Patent family	Area	Status and market	Protection until
AD II	Alzheimer's disease – concept	Granted: US	January 2027
AD III	Alzheimer's disease – compound 1 Specific protection for lecanemab	Granted: US, Canada, Europe, Japan, China as well as other countries	March 2027/2032[1)]
AD IV	Alzheimer's disease – compound 2 Specific protection for lecanemab back-up	Granted: US, Europe, Japan, China as well as other countries	July 2035/2040[1)]
PD V	Parkinson's disease – concept	Granted: US, Japan	July 2029
PD VII	Parkinson's disease – compound Specific protection for exidavnemab	Granted: US, Europe, Japan, China, Australia as well as other countries	March 2031/2036[1)]
PD XXV	Specific protection for exidavnemab	Granted: US, Japan, China as well as other countries Pending: Europe as well as other countries	June 2041/2046[1)]
BT III	BrainTransporter	Pending: PCT application	March 2044
BT IV	BrainTransporter	Pending: PCT application	March 2044

1) Assuming a five-year patent extension is granted where available.

Continued value creation

Through groundbreaking research in the development of antibodies against misfolded proteins, a unique understanding of how they can be transported into the brain, and the ability to establish successful partnerships, BioArctic's employees have established an attractive position for the company's continued value creation.

An attractive position...

Groundbreaking research and a unique technology platform

Strong financial position and strong revenue generation

Distinct core values and responsible sustainability initiatives

...for continued value creation

Antibodies against amyloid-beta

Following the successful development and launch of Leqembi, new opportunities are emerging to help people with Alzheimer's disease. Subcutaneous administration opens up future possibilities to initiate treatment earlier in the disease course, potentially even before symptoms appear.

Antibodies against alpha-synuclein

BioArctic is conducting a Phase 2a clinical trial of exidavnemab, which has the potential to revolutionize the treatment of Parkinson's disease and other synucleinopathies. The company is also conducting a preclinical project using the BrainTransporter technology.

Antibodies against TDP-43

The company's ambition is to develop drugs against ALS, a fatal disease that currently lacks efficacious treatments. The goal in coming years is to initiate clinical testing with one or more drug candidates in this project.

The BrainTransporter technology

BioArctic's BrainTransporter technology facilitates the active transportation of drugs into the brain. This technology opens up entirely new possibilities for developing efficacious therapies against diseases that currently lack treatments. The BrainTransporter technology is used not only in several of the company's own projects, but also by license partners. To date, three agreements related to the platform have been concluded.

Risks and risk management

Risk exposure and risk management are a natural part of business operations. Risks are something that could impact BioArctic's operations negatively, but managed correctly could also add value to the company. The focus is on identifying and preventing risks, as well as preparing action plans that facilitate limiting any damage if an undesirable event should occur.

RISKS

A prerequisite for a company to operate and develop successfully is a clear and well-anchored strategy that is continuously monitored and evaluated. A company's ability to achieve established goals is impacted by the ongoing efforts to identify and prevent risks. A risk is defined as a greater or lesser probability that a harmful event may occur which could affect the company's ability to reach its established goals. Risks are a natural part of all business operations, and they must be handled efficiently. Company management conducts a risk assessment in which risks that could impact the company's ability to reach its goals are identified and evaluated. The company's risk management also includes an assessment of BioArctic's overall governance as well as the company's sustainability risks.

RISK MANAGEMENT

Risk management is intended to prepare for, prevent and limit the effects of events that could negatively impact operations. BioArctic's management has identified possible events and scenarios that could negatively impact the company's operations, both from an internal and external perspective. These events are evaluated and compiled into a net list of the risks deemed to be the most relevant. For each risk, measures intended to counter, limit, control and manage the risk are identified and members of management, who routinely work on identifying, managing and preventing risks, both over the long term and in their daily operations are designated as risk owners. The risks are managed and assessed annually by the management group, and thereafter by the Audit Committee, which prepares the risk management plan for the Board. As part of its risk and strategy program, BioArctic conducted a double materiality assessment in order to identify external sustainability factors that could result in a negative financial risk or an opportunity for BioArctic, as well as their impact on the value chain. The process has been presented to the company's auditor, and the results of the analysis form the basis for the material areas reported by the company in the sustainability report. The double materiality assessment is presented on page 145.

Control and follow-up

BioArctic conducts routine evaluations of its operations, and reviews and updates the company's instructions and work processes. The outcome of the controls are reported, and form a part of the routine risk management process.

Insurance

BioArctic has insurance protection that is revised annually. In addition, there is liability insurance for companies, Board members and the Chief Executive Officer.

Crisis management

The company has well-documented crisis management plans with the objective of minimizing negative impact in situations that are not covered by normal procedural descriptions.

Risk overview (listed in alphabetical order in each materiality level, see next page for more detailed information)

Risk materiality		Trend
(A)	Risks related to the company's project portfolio	↘
(B)	Impact of outcomes among competitors	→
(D)	Outages in operation-critical IT systems, information security risks, and risks of hacking	↗
(F)	Risks related to loss of patents and intangible assets	→
(G)	Decisions in health care and reimbursement systems, and decisions by authorities	↗
(I)	Employee risks	→
(C)	Macroeconomic trends and geopolitical events beyond the company's control	→
(E)	Risks related to sub-suppliers and partners	↗
(H)	Product liability and insurance	→
(J)	Climate and environmental risks	→
(K)	Internal and external regulatory risks	↗
(L)	Risk of corruption	↗

Risk materiality: Low Medium High **Risk trend:** → Stable ↗ Increasing ↘ Decreasing

(A) Risks related to the company's project portfolio

Risk materiality: ●●● **Risk trend:** ↘

-Negative outcome in the project portfolio
-Risk of incorrect decisions regarding project priorities
-Risks in out-licensing and partner selection

Description
Research and development of drugs is associated with a high level of risk, in the sense that major financial resources are invested in a project that may never lead to an approved and marketed drug. There is a risk of incorrect investment decisions being made, leading to ventures that could negatively affect the outcome of the project portfolio. Misplaced priorities could increase the company's costs and shift management focus from other development opportunities. The business model is based largely on future opportunities for out-licensing and/or collaboration with external partners, which creates dependence on individual partners. The choice of partner and how well the collaboration works also affects whether or not commercialization of the products is successful.

Potential consequences
Historically, a large portion of research projects conducted in the field of Alzheimer's disease have been discontinued during the process, since the drug candidates either did not demonstrate the intended effect, turned out to have unacceptable side effects or were deemed to be commercially unprofitable. Negative outcomes in the project portfolio could impact future earnings, the company's reputation and opportunities for attractive partnerships – and thereby, ultimately, the value of the company. A partner's choice of priorities regarding development and commercialization strategies could also impact BioArctic.

Countermeasures
- Risks are mitigated by expanding and aiming for a differentiated and properly compiled project portfolio with projects in various phases of development
- Lecanemab's approval in large parts of the world has substantially reduced risk in the out-licensed project portfolio
- Continuous planning and preparation for different scenarios and outcomes
- Risk diversification through a business model based on two platforms: in-house development of antibodies for several therapeutic areas and a technology platform developed in-house (BrainTransporter)
- Routine evaluations of various business opportunities to enhance the potential of the project portfolio
- Collaborations enable broader research and risk sharing across more projects
- Comprehensive data collection and, where possible, continual review of projects in consultation with partners
- Partners who cover all or part of the costs of development, regulatory approvals and marketing significantly reduce BioArctic's financial risk exposure

(B) Impact of outcomes among competitors

Risk materiality: ●● **Risk trend:** →

Description
BioArctic operates in areas of research with significant medical need and large patient populations. This means that there is considerable commercial interest in several of the areas where BioArctic is active. Many large multinational pharmaceutical companies have existing drugs or drug candidates in the field of neurodegenerative diseases. For BioArctic, it is essential to assess the risks present in each research area, and to continuously monitor and evaluate developments and changes within each market area.

Potential consequences
Competitors' research and drug development may demonstrate better efficacy, prove to have a more attractive side effect profile, being launched faster on the market, or be deemed more commercially attractive than BioArctic's candidates, which may affect the market potential of the company's candidate or approved drugs. Competition can also have a positive impact on the market, especially when healthcare systems lack procedures for implementing new treatments and methods. A number of actors with shared interests can support the development and introduction of new treatment approaches.

Countermeasures
- BioArctic continuously monitors competitors and industry developments within the company's areas of focus
- The company generates its own data to indicate differentiation against competing product candidates, primarily by highlighting differences and more favorable efficacy and/or better safety profiles
- A clear communication strategy based on various scenarios, using the outcomes from competitors' studies, is routinely developed to mitigate the risk of negative impact on the brand and the company's valuation

(C) Macroeconomic trends and geopolitical events beyond the company's control

Risk materiality: ● **Risk trend:** →

Description
The current turbulent macroeconomic and geopolitical situation continues to generate increased financial risks and concerns in society. An uncontrollable event is something that impacts the business environment in general, and which BioArctic could have difficulties protecting itself against.

Potential consequences
External events that could have significant global impact – and thus an impact on BioArctic's operations – include pandemics, war, natural catastrophes, trade restrictions and widespread terrorism, to name just a few. Geopolitical conflicts can disrupt trade and supply chains among countries and regions – and, ultimately, the global economy.

Countermeasures
- Stable financial position and good cost control
- Business intelligence, crisis plans, a clearly defined crisis organization and crisis management exercises
- Clear communication, both internally and externally
- Climate scenario analysis of the company and suppliers. Analysis of current business activities and scope indicates very low risk and vulnerability

Risk materiality: ● Low ●● Medium ●●● High **Risk trend:** → Stable ↗ Increasing ↘ Decreasing

(D) Outages in operation-critical IT systems, information security risks, and risks of hacking

Risk materiality: ●● **Risk trend:** ↗

Description
Digitization presents opportunities, but at the same time increases demands on the ability to protect information and patient data, and ensuring stable IT operations. In recent years, increased activity from cybercriminals in the business environment has been observed. Information security is therefore a priority area.

Potential consequences
Hacking into the IT systems of the company, at close partners or CROs (contract research organizations) – including breaches of cybersecurity – could lead to unauthorized access to critical data and/or loss of sensitive data. This could result in company secrets and/or personal and patient data being made available to unauthorized persons as a consequence. An outage in operation-critical systems could result in disruptions to operating activities and impact routine reporting. Failure to comply with applicable laws or regulations could damage BioArctic's reputation and impact the company's business.

Countermeasures
- Strong emphasis is placed on preventive work and continuity planning
- Routine checks and reviews of IT security, and strict requirements for redundancy
- Clear contingency plans and supplementary security storage through offsite server facilities
- Clear rules and procedures for how information is shared, perimeter security, checks, stress tests and training
- To strengthen the protection of personal data, BioArctic has a Data Protection Officer (DPO), and annual company-wide GDPR training is conducted for all employees

(E) Risks related to sub-suppliers and partners

Risk materiality: ● **Risk trend:** ↗

Description
A part of BioArctic's operations and business model involves entering into licensing and collaboration agreements with pharma and biopharma companies to develop and sell potential products. As part of this strategy, manufacturing and performance of clinical studies are outsourced to third parties such as contract manufacturing organizations (CMOs) and contract research organizations (CROs) respectively.

Potential consequences
BioArctic is highly dependent on partners who are significantly larger companies, and there is a risk that agreements that have been signed could be canceled. Differences of opinion and conflicts could also arise between BioArctic and the company's suppliers and partners regarding the conditions of signed agreements, such as the interpretation of clinical data and ownership rights of patents and similar rights developed as part of these partnerships. Furthermore, the contracting of third-party suppliers involves risks related to product quality and sustainability matters.

Countermeasures
- Clear documentation of agreements
- Detailed analysis and evaluation of a potential supplier, with an emphasis on quality, ability to collaborate, ethics and simplicity in performance.
- Principle of choosing quality over cost, which has led to all the CMOs and CROs being located in Europe and the US
- BioArctic's sustainability risks are assessed from a third-party perspective, and a supplier monitoring program is carried out for the purpose of controlling and monitoring potential risks

(F) Patents and intangible assets

Risk materiality: ●● **Risk trend:** →

Description
BioArctic's success depends largely on the company's ability to obtain and maintain protection of the intangible assets attributable to its products, technologies and projects.

Potential consequences
The conditions for patented discoveries in the field of drugs and biotech are generally difficult to assess and encompass complex legal and scientific issues. There is no guarantee that BioArctic can obtain and maintain patents for its products or technologies. Even if a patent is issued, it can be subject to appeal, declared invalid or circumvented, which could limit BioArctic's ability to prevent competitors from marketing similar products and may also reduce the period during which BioArctic has patent protection for its products or technologies.

Countermeasures
- Well-documented patent strategy
- Internal competence and committed patent counsel
- Routine monitoring of developments in the intellectual property field

Risk materiality: ● Low ●● Medium ●●● High **Risk trend:** → Stable ↗ Increasing ↘ Decreasing

(G) Decisions in healthcare and reimbursement systems, and decisions by authorities

Risk materiality: ●● **Risk trend:** ↗

Description
The pharmaceutical market is impacted to a great extent by policy decisions which, for example, could impact the prevailing healthcare system, subsidy levels for drug costs and prescription limitations for products. A significant portion of BioArctic's value is linked to Leqembi, with ongoing applications for the drug's approval worldwide, and pricing and subsidy discussions largely being out of the company's control. Furthermore, policy discussions such as the ongoing Most Favored Nation (MFN) reform in the US regarding drug pricing, are a source of uncertainty for the industry.

Potential consequences
Changes in reimbursement systems and pricing decisions may impact patient access to drugs and pharmaceutical companies' revenues, and result in reduced investments in research and development. Political decisions may also restrict free trade and lead to discriminatory trading conditions, such as tariffs and restrictions on imports between countries.

Countermeasures

- Continous efforts to proactively analyze risks related to market dynamics and develop action plans for various scenarios
- Proactive interaction with authorities, decision-makers, integrated care networks, insurance companies and patient organizations with the ultimate goal of increasing access to treatment

(H) Product liability and insurance

Risk materiality: ● **Risk trend:** →

Description
BioArctic's operations result in product liability, which is unavoidable in conjunction with research and development, preclinical studies, clinical studies, production, marketing, and sales of drugs. Product responsibility is largely regulated by BioArctic's systematic quality-assurance efforts as well as good practice (GxP) regulations for pharmaceuticals.

Potential consequences
Even if BioArctic deems existing insurance protection to be sufficient, the scope and level of compensation under the insurance protection are limited. There is therefore no guarantee that BioArctic will be fully compensated for any damage with its existing insurance protection. Nor can it be guaranteed what impact the requirements of product liability or other requirements will have on BioArctic's operations, brand and financial position.

Countermeasures

- Continual review of the company's insurance coverage, and systematic quality work
- Efforts to ensure that the company complies with existing GxP regulations and requirements for documentation regarding product liability

(I) Employee risks

Risk materiality: ●● **Risk trend:** ↘

Description
BioArctic is highly dependent on key personel to facilitate high-quality research and drug development and to build and develop an attractive project portfolio over time.

Potential consequences
BioArctic relies on employees with specific expertise in their area of research to be able to continue ensuring high-quality research and successful development of the company's project portfolio. The ability to recruit and retain qualified employees is of utmost importance to ensure the level of competence in the company.

Countermeasures

- Proactive work on leadership, principles of collaboration, core values, diversity and issues of equality, as well as maintaining the corporate culture
- Established succession plans, and critical roles/functions identified
- The company aims to remain an attractive employer and maintain a safe work environment
- Offering competitive remuneration and other conditions in order to attract and retain talent
- BioArctic routinely invests in further training and competence development for existing personnel to meet future needs, for example, in the field of AI
- BioArctic has worked to ensure controlled succession planning in connection with the fact that several members of company management have reached retirement age

Risk materiality: ● Low ●● Medium ●●● High **Risk trend:** → Stable ↗ Increasing ↘ Decreasing

(J) Climate and environmental risks

Risk materiality: ● **Risk trend:** →

Description
The risk landscape in the area of climate and the environment is multifaceted and concerns brand issues and resource use as well as costs that may arise as a result of policy decisions. Climate change is accelerating new legislation, which may push costs outside the company's control – for example, increased energy costs, transportation costs, carbon tax and increased reporting requirements. The company relies on chemicals to conduct pharmaceutical and biotech research. Chemicals may become subject to regulation over time, and the field is monitored to ensure that the company complies with current and future legislation.

Potential consequences
BioArctic aims to identify environmental risks in its operations and value chain in the areas that are considered material. BioArctic's materiality assessment has concluded that environmental risks are deemed to constitute a potential financial risk, but that the company's own negative impact on climate and the environment being very limited since manufacturing essentially takes place at partners. In cases where increased regulation affects raw materials, this could mean that the company will need to review methods and materials, which could change the conditions for and outcomes of ongoing research and development.

Countermeasures
- The company works to identify environmental risks in its operations and value chain, in areas that are considered material or of great importance
- The precautionary principle is applied in managing all environmental risks, and circular utilization of resources is encouraged
- Environmental risks pertaining to handling of chemicals and biological material, as well as hazardous waste, are continually assessed
- BioArctic aims to be a responsible business partner and employer that complies with environmental legislation, applies precautionary principles and works actively with sustainability matters

(K) Internal and external regulatory risks

Risk materiality: ● **Risk trend:** ↗

Description
For BioArctic, compliance with applicable laws and other regulations is of great importance, as is conducting operations that are compatible with sound business ethics. The company's actions with regard to ethics, morals, security, and integrity are crucial to shaping its corporate culture, thereby impacting how the company conducts its operations.

Potential consequences
Violations or neglect concerning issues in these areas could damage the company's reputation and result in both sanctions and fines.

Countermeasures
- BioArctic makes systematic efforts to prevent and detect irregularities through clear guidelines, training and ongoing advice for the operation
- BioArctic has a structure for internal control over financial reporting, with checks conducted by employees who do not work with the procedure under review
- A number of policies, which have been integrated into operations, have been prepared and implemented
- A quality assurance organization works to ensure clear procedures and documentation to ensure compliance with operation-specific regulations
- A Code of Conduct, together with mandatory training, is required for all employees

(L) Risk of corruption

Risk materiality: ● **Risk trend:** ↗

Description
Companies operating in the biotech and pharmaceutical sectors interact heavily with individuals from government agencies and public servants, which entails a risk of corruption. In conjunction with the ongoing commercialization of the company's products, the risk for corruption and market manipulation is increasing. A robust, value-driven culture helps create sustainable working practices and reduces the risk of unethical behavior.

Potential consequences
Corruption can damage the organization's credibility with both external stakeholders and employees, and could lead to legal and financial consequences. Negative impacts may result in reputational damage, legal sanctions and lost business opportunities.

Countermeasures
- Policy documents and internal training courses on bribery and anti-corruption are mandatory for all employees
- The company applies the EFPIA Disclosure Code and announces public transfers of value to healthcare personnel and health and medical care organizations
- The company has a Code of Conduct that is accepted and signed by all employees

Risk materiality: ● Low ●● Medium ●●● High **Risk trend:** → Stable ↗ Increasing ↘ Decreasing

Awards and a Royal visit

Uppsala University Innovation and Entrepreneurship Award

Lars Lannfelt, Pär Gellerfors and Gunilla Osswald were awarded Uppsala University's Innovation and Entrepreneurship Award for successfully addressing a growing global health problem.

A visit from the Queen

Queen Silvia visited BioArctic to learn about the company's innovative research into serious brain diseases.

Hartwig Piepenbrock-DZNE Prize

Lars Lannfelt was awarded the Hartwig Piepenbrock-DZNE Prize for his pioneering contributions to the understanding of Alzheimer's disease and the development of lecanemab. The prize was awarded in Bonn, Germany, by the German Center for Neurodegenerative Diseases (DZNE) and the Piepenbrock Group.

2025 Alumna of the Year on site in Uppsala

Gunilla Osswald was named Uppsala University's 2025 Alumna of the Year for an exemplary career that reflects the university's core values: scientific excellence, societal benefit and innovation.

Directors' report

Directors' report

The Board of Directors and the Chief Executive Officer of BioArctic AB (publ), corporate registration number 556601-2679, hereby submit the Annual Report and consolidated financial statements for the 2025 financial year.

OPERATIONS AND STRATEGY

BioArctic AB (publ), based in Stockholm, Sweden, is as of December 31, 2025 the Parent Company in the BioArctic Group, which includes the wholly owned subsidiaries BioArctic Denmark ApS, BioArctic Norway A/S and BioArctic Finland Oy. The company was founded in 2003 based on research from Uppsala University, Sweden, and Karolinska Institutet, Sweden.

BioArctic AB (publ) is a Swedish research-based biopharma company focusing on innovative treatments that can delay or prevent the progression of neurodegenerative diseases. With world-leading science and strong collaborations, we create, develop, and provide innovative treatments. The company invented Leqembi (lecanemab) – the world's first drug proven to slow the progression of the disease and reduce cognitive impairment in early Alzheimer's disease. Leqembi has been developed together with BioArctic's partner Eisai. BioArctic has a broad research portfolio with antibodies against Parkinson-related diseases and ALS as well as additional projects against Alzheimer's disease. Several of the projects utilize the company's proprietary BrainTransporter technology, which has the potential to actively transport antibodies across the blood-brain barrier to enhance the efficacy of the treatment. BioArctic's B share (BIOA B) is listed on Nasdaq Stockholm Large Cap.

BioArctic's work is based on groundbreaking scientific discoveries, and the company's researchers collaborate with strategic partners such as research groups at universities, contracting organizations and global pharma companies. The company has scientific excellence and extensive experience in developing drugs from idea to market. Under BioArctic's business model,

the company pursues research and project development at an early stage in-house and then, at an appropriate juncture, licenses commercial rights and late stage development to global pharma companies.

BioArctic's vision is a world where research conquers serious brain diseases.

Antibodies against amyloid-beta

In the treatment area of Alzheimer's disease, BioArctic has since 2025 been collaborating with Eisai. The company has signed research, collaboration and license agreement with Eisai regarding the antibodies lecanemab and lecanemab backup, as well as a co-promotion agreement regarding lecanemab. Eisai conducts and funds the clinical trials, which means BioArctic incurs no costs for them and thereby has a lower financial risk.

In 2023, Eisai received full approval for lecanemab, under the product name Leqembi, in the US and Japan. The drug has also been approved in 53 countries since then, and applications for market approval have been submitted in a number of additional countries. Furthermore, a subcutaneous formulation of lecanemab has been developed. In the US, maintenance treatment with the subcutaneous formulation has been approved and applications for initiation treatment are awaiting decision in the US, Japan and China. Eisai is also conducting a Phase 3 study (AHEAD 3-45) for persons who have not yet developed symptoms of Alzheimer's disease but have elevated amyloid levels in the brain.

BioArctic and Eisai have signed a research agreement to evaluate BAN2802, a potential new treatment that combines BioArctic's BrainTransporter technology with a drug candidate against Alzheimer's disease.

BioArctic has also signed a license agreement with Bristol Myers Squibb regarding its BAN1503 and BAN2803 antibody projects. These projects target a shorter, truncated form of amyloid-beta (PyroGlu Aβ), and the BAN2803 project has been combined with the company's BrainTransporter technology.

Antibodies against alpha-synuclein

BioArctic's antibodies for misfolded alpha-synuclein aggregates have the potential to be efficacious disease-modifying treatments for Parkinson's-related diseases. The objective of the project portfolio in this area of therapy is to develop disease-modifying treatments for diseases such as Parkinson's disease, Lewy body dementia and multiple system atrophy. A Phase 2a study with the antibody exidavnemab for individuals with Parkinson's disease and multiple system atrophy (MSA) is ongoing and results are expected after the summer of 2026. Preparations for the subsequent initiation of a Phase 2b study are under way. BioArctic is further pursuing two projects: BAN2238 and PD-BT2278, with antibodies against alpha-synuclein, that are linked to the company's BrainTransporter.

Antibodies against the TDP-43 protein

BioArctic is striving to develop a unique antibody therapy targeting the protein TDP-43, which has been shown to have a clear link to the neurodegenerative disease ALS. BioArctic is pursuing the BAN3014 and ND-BT3814 projects, in which an antibody

against TDP-43 is being tested in combination with the company's BrainTransporter, which facilitates the passage of the antibodies across the blood-brain barrier.

Antibodies against huntingtin

BioArctic has initiated a research project in Huntington's disease, where treatment options are lacking. The HD-BT4801 project, which is a multi-modality project, is combined with the company's BrainTransporter technology and targets the huntingtin protein. The project is in an early phase.

Other neurodegenerative diseases

BioArctic's goal is to improve the treatments of a number of neurodegenerative diseases. The company's scientists are working on solving the major challenges around the diseases of the brain. BioArctic's knowledge of how to develop antibodies against misfolded proteins can be used against several diseases, and the company is pursuing a number of early research projects to evaluate the possibility of producing new treatments for various neurodegenerative disorders.

BrainTransporter

The blood-brain barrier controls the passage of substances between the blood stream and the brain. It protects the brain from harmful substances, but at the same time it makes the transport of drugs into the brain more difficult. BioArctic's BrainTransporter is a technology for facilitating the passage of biological drugs – antibodies, for example – into the brain. This platform technology is being used in the in-house project portfolio, as well as in the research evaluation agreement with Eisai for BAN2802 and in the agreement with Bristol Myers Squibb for BAN2803. In 2025, BioArctic also signed an option, collaboration and license agreement with Novartis regarding a potential new treatment that combines BioArctic's proprietary technology with an antibody in neurodegeneration owned by Novartis. It has significant potential for treatments of various diseases of the brain.

PARTNERSHIPS, COLLABORATION AND MAJOR AGREEMENTS

An important part of BioArctic's strategy is to enter into partnership and licensing agreements with leading pharma and biopharma companies. In addition to financial compensation, BioArctic benefits from the companies' competence in developing, manufacturing and commercializing drugs.

BioArctic has ongoing agreements with the Japanese pharma company Eisai, a global license agreement with the US company Bristol Myers Squibb and an option, collaboration and license agreement with Novartis. Strategic partnerships with leading global companies are a validation of the quality of BioArctic's research. BioArctic's objective is to sign more agreements that could contribute further research and development competence.

Collaborations with universities and contracting organizations are of great importance to BioArctic as well. The company currently collaborates with researchers at a number of universities.

Eisai

In 2005, BioArctic inaugurated its first research collaboration with Eisai. BioArctic has given a global and exclusive license to Eisai for research, development and commercialization of drugs that use the antibodies lecanemab and lecanemab backup for the treatment of Alzheimer's disease. Eisai is responsible on a global basis for the clinical development, applications for market approval and commercialization of lecanemab.

The remuneration that BioArctic receives from Eisai from sales of lecanemab is divided into two parts: royalties of 9 percent to BioArctic on global sales excluding the Nordic region, and remuneration of 1 percent of sales in the US and 1.5 percent of sales in Rest of World that are passed through to LifeArc for the royalty commitments BioArctic has toward the latter company.

BioArctic and Eisai have also agreed on a structure for joint commercialization and marketing (co-promotion) in the Nordic countries, on the basis of a 50/50 split of costs and revenue excluded for royalties. Under this agreement, Eisai is responsible for price, reimbursement and distribution, and BioArctic will be responsible for the customer-oriented organization. The partnership is governed by a joint Nordic commercialization committee.

The total value of the milestone payments could amount to EUR 222 M in addition to royalty payments. As of December 31, 2025, up to EUR 54 M in potential milestone payments remained to be received from Eisai. In 2025, SEK 335.5 M (0.0) was recorded in milestone payments, SEK 502.6 M (230.4) in royalty income, SEK 18.2 M (11.5) in compensation from Eisai for costs of sales in the Nordic region and SEK 8.4 M (15.4) from research collaboration agreements with Eisai.

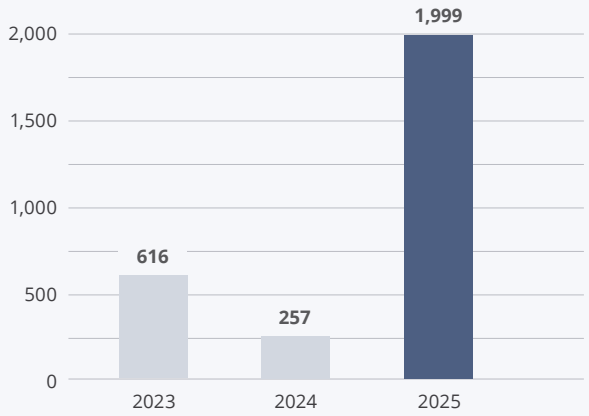
Bristol Myers Squibb

BioArctic has a global exclusive license agreement with Bristol Myers Squibb for BioArctic's antibody program targeted at a truncated form of amyloid beta (pyroglutamate, PyroGlu- Aβ). The program includes BAN1503 and BAN2803, whereof the latter uses BioArctic's BrainTransporter. Under the agreement, BioArctic received a SEK 1,074.8 M (USD 100 M) initial payment upon closing and could potentially receive up to USD 1.25 billion in additional milestone payments. BioArctic is also entitled to tiered low double-digit royalties on global sales.

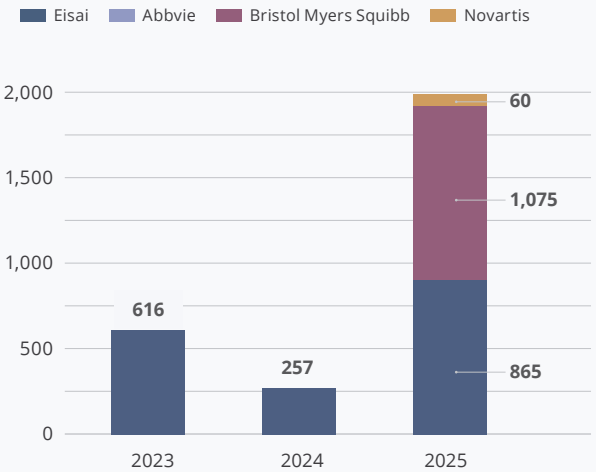
Novartis

In 2025, BioArctic entered into an option, collaboration and license agreement with Novartis Pharma AG regarding a potential new treatment that combines BioArctic's proprietary BrainTransporter technology with an antibody in neurodegeneration owned by Novartis. As part of this research collaboration, BioArctic received an upfront payment of USD 30 M, of which SEK 59.6 M was recognized as revenue in 2025. Novartis will evaluate the data that is generated during the collaboration and decide whether it will exercise its option to license the generated drug candidate. If Novartis exercises its option, BioArctic will receive additional payments of up to USD 772 M. BioArctic will also be entitled to tiered royalties on global sales at a moderate one-digit level, if the product reaches the market.

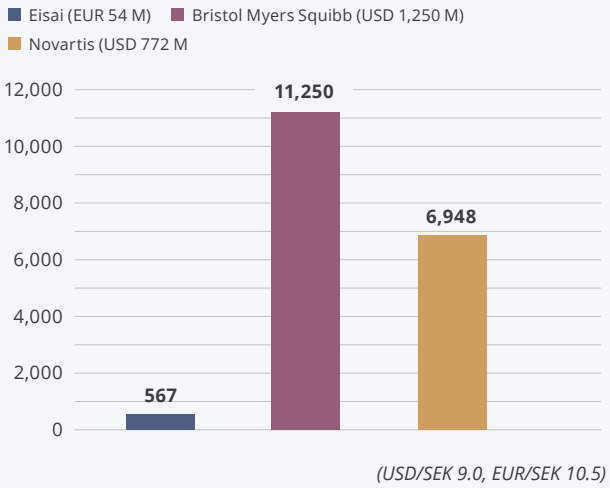
Net revenue (SEK M)



Net revenue streams per year, allocated by partner (SEK M)



Potential future milestone payments (SEK M)



(USD/SEK 9.0, EUR/SEK 10.5)

REVENUE AND OPERATING PROFIT

BioArctic's net revenue comprises royalties based on the sale of lecanemab, co-promotion revenue, initial payments, milestone payments and remuneration from research collaboration agreements. Due to the nature of the business operations, there may be significant fluctuations in income for different periods since revenues from milestone payments are recognized at the point in time when performance obligations are fulfilled.

Net revenues for the financial year 2025 amounted to SEK 1,999.1 M (257.4), which included SEK 502.6 M (230.4) in royalties for Leqembi sales – mainly in the USA, Japan, and China – and SEK 68.0 M (15.4) from research collaboration agreements. Co-promotion revenues from commercialization of lecanemab in the Nordic region with Eisai amounted to SEK 18.2 M (11.5). The increase in net sales is attributable primarily to an initial payment of SEK 1,074.8 M (—) (USD 100 M) stemming from the agreement with Bristol Myers Squibb, as well as two milestone payments from Eisai totaling SEK 335.8 M.

Cost of sales, consisting of royalties paid for the commitments that BioArctic has towards LifeArc for Leqembi, amounted to SEK 59.2 M (27.0).

Operational expenses for the business amounted to SEK 681.1 M (458.9). Costs for research and development increased during the year, totaling SEK 376.9 M (311.1), as several in-house projects have progressed to a later phase. Those of BioArctic's proprietary projects that are in an early research phase do not meet the criteria for capitalization of R&D expenses, and have therefore been charged to the income statement.

Costs of marketing and sales increased to SEK 79.2 M (55.5) as a consequence of a growing commercial organization and work to prepare for the launch of Leqembi in the Nordics.

General and administration costs, including costs for central overheads and leases, increased to SEK 115.7 M (93.4). The increase in costs is attributable primarily to higher personnel expenses, with non-recurring effects from variable salaries linked to the milestones the company has reached as well as incentive programs.

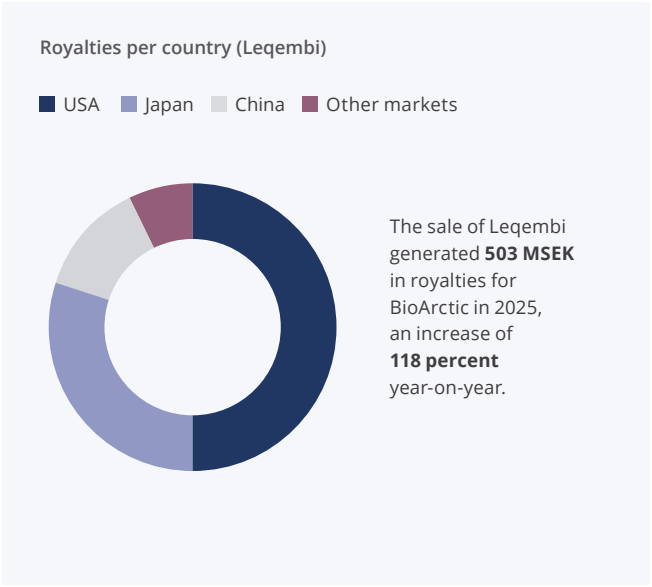
Other operating income relating to operating exchange rate gains totaled SEK 16.2 M (3.7). Other operating expenses totaled SEK 125.5 M (2.6) and comprise primarily operational exchange-rate fluctuations attributable to the revenue from Bristol Myers Squibb.

Operating profit/loss before net financial items (EBIT) amounted to SEK 1,258.8 M (-228.5). The higher earnings compared with the previous year is attributable mainly to the upfront payment from Bristol Myers Squibb and gradually increasing royalty income for Leqembi.

Net financial items totaled SEK -3.2 M (39.0). The decrease is attributable primarily to a stronger SEK exchange rate that negatively impacted cash and cash equivalents in foreign currency.

Profit/loss before tax was SEK 1,255.6 M (-189.5). Tax costs for the year totaled SEK 233.3 M (12.4), corresponding to an effective tax rate of 18.6 per cent (6.6). The lower tax rate compared with the existing corporate tax rate in Sweden is explained by capitalized loss carryforwards from the previous year.

Profit/loss for the year totaled SEK 1,022.3 M (-177.1), corresponding to SEK 11.55 (-2.00) per share before dilution and



SEK 11.52 (-2.00) per share after dilution in 2025.

EXCHANGE RATE FLUCTUATIONS

BioArctic is a Swedish company and reports financial position and earnings in Swedish kronor (SEK). BioArctic's revenue consists essentially of royalties on actual sales, with payments being received in EUR, and remuneration from partnership, license and co-promotion agreements with Eisai. BioArctic purchases continuous services in currencies other than SEK, primarily EUR, USD and GBP. The flows of currencies other than SEK in conjunction with the purchase and sale of goods and services are subject to transaction exposure. BioArctic also reconciles the company's currency exposure during the year in order to balance the company's commitments.

FLUCTUATIONS CONCERNING REVENUE GENERATION

BioArctic is developing a number of drug candidates for neurodegenerative diseases in partnership with global pharmaceutical companies. The company also conducts research projects in-house, including new potential antibody therapies as well as a blood-brain barrier technology platform. The company signs research and license agreements with partners and then receives remuneration for research as well as milestone payments and royalty income, which the company uses to finance current and new projects. Milestone payments are normally received when projects reach predetermined development targets – the start of clinical trials, for example – or when clinical trials move from one phase to a later phase. Milestone payments may also be paid upon submission of applications to regulatory authorities, approval and sales milestones. From the perspective of time, therefore, BioArctic's income appears uneven. BioArctic also receives royalties from global sales of Leqembi and co-promotion revenue from sales in the Nordic region, and the fluctuations will decrease as these revenues increase.

BALANCE SHEET AND FINANCIAL POSITION

BioArctic's balance sheet total at 31 December 2025 was SEK 2,575.2 M (1,111.7).

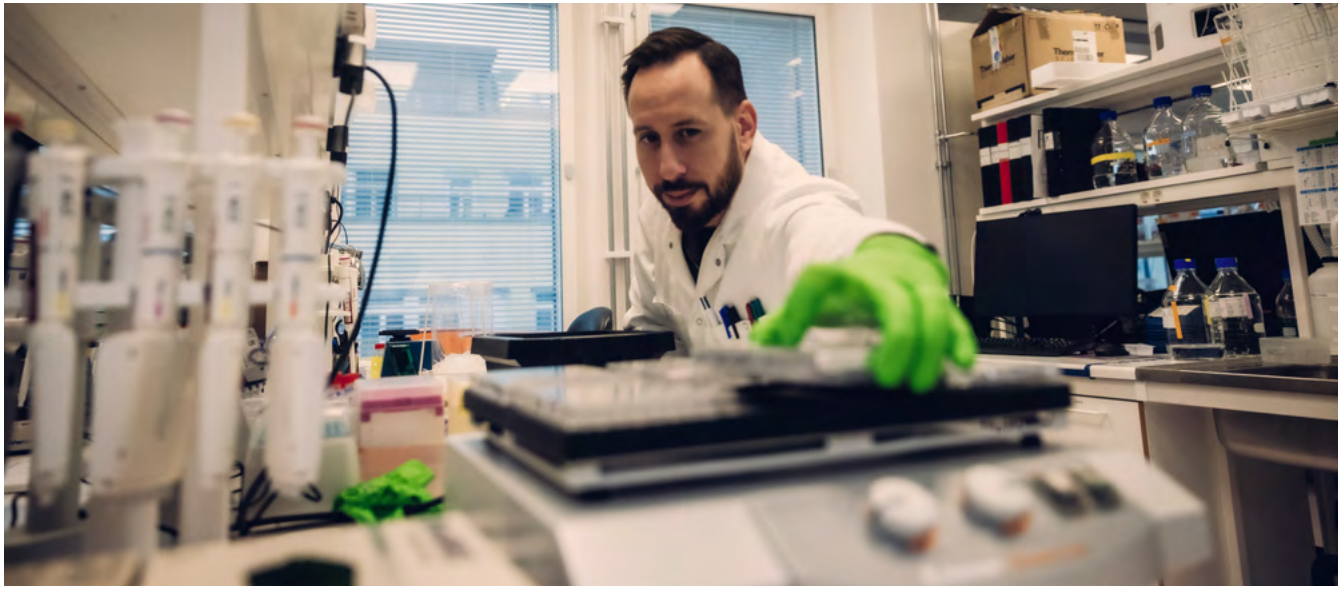
Non-current assets

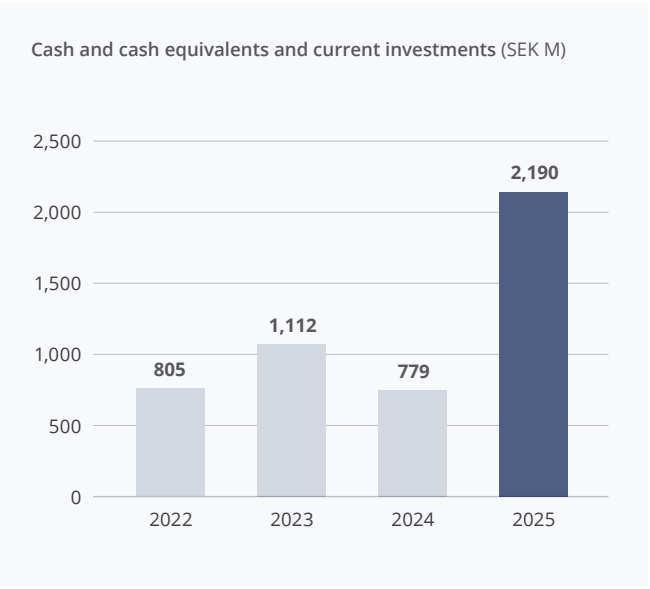
BioArctic's non-current assets totaled SEK 36.9 M (39.5). These assets consisted primarily of laboratory equipment and improvement fees on other parties' property. BioArctic's right-of-use assets totaled SEK 46.1 M (57.2). The company's financial assets totaled SEK 3.8 M (3.4) and consisted primarily of deposits on leases. The company has no intangible fixed assets.

Since BioArctic's own projects are primarily in the early development phase, they do not meet all the conditions for capitalizing R&D expenses. These costs have therefore been expensed in their entirety.

Current assets

Current assets in BioArctic consist of current receivables, cash and cash equivalents and current investments. The Group's cash and cash equivalents comprise bank balances of SEK 1,040.4 M (512.9). The Group also has current investments totaling SEK 1,150.0 (266.0), thus totaling MSEK 2,190.4 on December 31, 2025 compared with MSEK 778.9 on





December 31, 2024. In order to neutralize currency exposure, a certain amount of liquidity is placed in foreign currencies, and larger amounts are hedged through currency futures. This leads to effects in the report in connection with revaluation of currencies at the current exchange rate, which is recognized as finance income and costs. Currency futures also entail an impact in the statement of profit or loss under Other operating income/expenses, and in the balance sheet under Other current receivables/liabilities.

Investments

Investments for the year totaled SEK 894.7 M (positive 205.6) and were attributable to increased current investments, SEK 884.4 M (decrease 234.0), as well as investments in scientific instruments.

Equity and liabilities

Equity as of December 31, 2025 totaled SEK 1,967.1 M (894.9). Equity per share outstanding totaled SEK 22.19 (10.13). The equity/asset ratio at December 31 was 76.4 percent (80.5). Lease liabilities of SEK 44.1 M (54.2) are related to right-of-use assets. No loans had been taken out as of December 31, 2025, and the Group has no other credit or facilities, which means the Group had a positive net cash balance of SEK 2,146.4 M (724.7) at year-end.

CASH FLOW

The Group's cash flow from operating activities before change in working capital was SEK 1,256.8 M (-168.4). Cash flow from operating activities after changes in working capital totaled MSEK 1,431.1 (-316.3). The increase during the year is attributable primarily to an initial payment of SEK 1,074.8 M (—) (USD 100 M) stemming from the license agreement with Bristol Myers Squibb.

Cash flow from investing activities during the year totaled SEK -894.7 M (205.6). The change year-on-year is attributable to an increase in current investments in 2025.

Cash flow from financing activities during the year totaled SEK 26.9 M (5.7) and pertained to amortization of lease liabilities as well as a new share issue supported by employee stock options.

Cash flow for the year totaled SEK 563.3 M (-105.0). The improvement during the year is attributable primarily to the initial payment from Bristol Myers Squibb and the payment from Novartis.

PARENT COMPANY

BioArctic AB (publ), based in Stockholm, Sweden, is the Parent Company in the BioArctic Group. The majority of Group operations are conducted in the Parent Company. The Parent Company's profit/loss for financial year 2025 totaled SEK 793.9 M (-130.1).

GROUP

BioArctic AB (publ) is the Parent Company in the BioArctic Group, which includes the wholly owned subsidiaries BioArctic Denmark ApS, BioArctic Norway A/S and BioArctic Finland Oy.

EMPLOYEES

As of December 31, 2025, BioArctic had 131 employees (107). The average number of employees at BioArctic during the year was 119 (97). Gender equality is part of BioArctic's diversity efforts. In 2025, 86 employees (69) – 66 percent (64) – were women and 45 employees (38) – 34 percent (36) – were men. Of the total number of employees, 69 percent (66) worked in research and development, and of these 73 percent (83) have doctorates. Personnel turnover during the year was 2.5 percent (0).

BioArctic strives to offer competitive salaries and benefits, and applies an individually adjusted wage structure adapted to the local market. BioArctic's ambition is to offer a work environment that promotes health and well-being and a sound balance between work and private life.

RISKS AND UNCERTAINTIES

BioArctic's operation, like all business operations, is associated with risks. Risks are something that could impact BioArctic's operations negatively, but managed correctly could also add value to the company. The goal of the Group's risk management is to identify, prevent, measure, control, and limit the risks in its operation.

BioArctic's operational and business environment risks consist primarily of risks related to research and development, clinical trials, and dependence on key individuals. A detailed description of risk exposure and risk management is provided on pages 55-59. The financial risks are described in Note 3.

GUIDELINES FOR REMUNERATION TO SENIOR EXECUTIVES

For a detailed description of applicable guidelines regarding remuneration and other terms of employment for the CEO and other senior executives, refer to page 126 and to Note 7.

In 2025, BioArctic deviated from the remuneration guidelines adopted by the Annual General Meeting. The Board of Directors assessed that there were special reasons for this deviation. The financial year 2025 was an exceptional year for BioArctic, mainly as a result of the agreements entered into with Bristol Myers Squibb and Novartis. The extraordinary effort from the CEO and the positive outcome for the company justified a bonus in excess of established levels. The Remuneration Committee recommended and the Board of Directors decided on an additional bonus of SEK 2.3 million, which resulted in the company's CEO receiving a total of 12 months' salary in variable remuneration, corresponding to 6 months' salary in excess of the adopted guidelines.

According to the Swedish Companies Act, the Board of Directors shall prepare a proposal to the Annual General Meeting on new guidelines for remuneration to senior executives when there is a need for significant changes to the guidelines, but at least every four years. The Company's current remuneration guidelines were adopted by the 2022 Annual General Meeting and new guidelines shall therefore be adopted at the 2026 Annual General Meeting. Against this background, the Board of Directors has conducted a review of the current remuneration guidelines.

The variable remuneration to the company's senior executives consists mainly of a target-based bonus that is paid upon the achievement of predetermined operational targets. The Board of Directors believes that there may be grounds to pay additional variable remuneration in addition to the target-based bonus if the operational targets are exceeded and there are

extraordinary performances or circumstances that indicate this. The Board therefore proposes that the remuneration guidelines be updated to explicitly give the Board the opportunity to decide on such additional variable remuneration in accordance with the following:

The Company's senior executives (including the CEO) may receive a variable remuneration linked to operational targets set by the Board (target bonus). The target bonus may for the CEO amount to a maximum of 50 percent of the annual fixed salary and for other senior executives amount to a maximum of 40 percent of the annual fixed salary. Remuneration according to the company's milestone-based reward program is not included in the maximum amount of the target bonus.

In addition to the target bonus, the Board shall have the opportunity to decide on additional variable remuneration to senior executives in the event of extraordinary performance or work efforts that result in the operational targets being exceeded. The total variable remuneration (excluding remuneration under the company's milestone-based reward program) may amount to a maximum of 150 percent of the annual fixed salary for the CEO and a maximum of 80 percent of the annual fixed salary for other senior executives.

In addition, certain editorial changes are made. The complete proposal for updated remuneration guidelines will be included in the notice of the Annual General Meeting.

LONG-TERM INCENTIVE PROGRAM

BioArctic has four outstanding long-term share-based incentive programs that were resolved on at the AGM: the 2019/2028 employee stock option program, the 2023/2026 share rights program, the 2024/2027 share rights program and the 2025/2028 share rights program. These incentive programs are intended for the company's senior executives, researchers and other staff, for more information see page 92. The purpose of these incentive programs is to encourage broad share ownership among BioArctic's employees, facilitate recruitment, retain skilled employees, increase fulfillment of targets and employee motivation.

REWARDS PROGRAMS

BioArctic has a rewards program that is linked to the company's Alzheimer's project. The rewards programs cover all permanent employees excluding the founders. Variable remuneration is paid when the company achieves certain goals linked to regulatory and sales-related milestones. Refer also to Note 7.

SUSTAINABILITY AND SOCIAL RESPONSIBILITY

BioArctic's clearest and most important contribution to a globally sustainable future lies in innovation and development of safe and effective drugs against disorders of the central nervous system. To facilitate successful innovation, BioArctic realizes the importance being a good employer and pursuing responsible research of the highest caliber. The company's work with external partners will enable the value of the company's research to reach an even greater number of patients, thereby spreading access to the company's innovations around the world. BioArctic encapsulates these values with the concept Sustainable innovation.

BioArctic endeavors to integrate economic and environmental sustainability at all levels of its operations, to continually develop the company's procedures, quality assurance systems and work environment, and to take action to prevent the environmental impact of its own operations. Expectations on transparency in the area of sustainability, the company's growth and the ongoing preparations to sell lecanemab in the Nordic region contribute to the development of BioArctic's sustainability program. BioArctic's compliance with prevailing legislation and demonstration of responsibility is encapsulated in the concept Sustainable business.

BioArctic has taken the forthcoming Corporate Sustainability Reporting Directive (CSRD) into consideration and although the company is not yet covered by the legislation, BioArctic has conducted a double materiality assessment to identify areas for accounting and reporting in the years ahead. The sustainability activities have been integrated into the company's annual schedule, and a number of policies have been updated and implemented.

BioArctic presents key ratios and has implemented measurable targets as part of the environment, employeeship, the work environment, ethics and development, all of which are presented in the Sustainability Report (see pages 135-178).

SHARE CAPITAL AND OWNERSHIP

BioArctic's Class B share (BIOA B) is listed on Nasdaq Stockholm Large Cap. The market value at year-end totaled SEK 27.6 Bn (17.6). BioArctic's B share rose 57 percent in value during the year. The share capital at year-end totaled SEK 1,772,829 spread over 88,641,485 shares, of which 14,399,996 were unlisted A shares and 74,241,489 were listed B shares. The number of Class B shares in the company increased by 252,450 during the year as a result of subscription of shares by participants in the 2019/2028 employee stock option program. The Class A share has ten votes per share while the Class B share has one vote per share. The quotient value per share is SEK 0.02. At the end of 2025, BioArctic had 26,610 shareholders (23,833). BioArctic's ten largest shareholders owned shares corresponding to 72.0 percent (77.3) of the capital and 88.6 percent (90.8) of the votes. BioArctic's A shares are owned by Demban AB and Ackelsta AB, which are in turn owned by the founders of BioArctic. Demban AB (Lars Lannfelt) owned 48.5 percent of the votes and 31.8 percent of the capital, and Ackelsta AB (Pär Gellerfors) owned 31.9 percent of the votes and 20.0 percent of the capital.

EVENTS AFTER THE BALANCE SHEET DATE

For key events after the balance sheet date, refer to Note 30.

FUTURE PROSPECTS

As a result of the approval of Leqembi, the company is of the opinion that its future income generation will be very good. The global launch of the drug is in progress, which will gradually increase revenue over the long term. Operating expenses for the financial year 2026 are expected to increase as a result of the further advances in the in-house project portfolio. BioArctic has a business model in which its revenue and earnings are primarily based on milestone payments, royalty income and revenue from co-promotion agreements. All of BioArctic's therapeutic areas, such as Alzheimer's disease, Parkinson's disease, ALS and other neurodegenerative diseases are areas with significant medical need and have great market potential. The company's ambition is to continue to generate the drugs that improve life for people with disorders of the central nervous system. The company's financial position remains strong, which creates exciting possibilities for the continued development of BioArctic.

DIVIDEND POLICY AND DIVIDEND

The board's goal is to distribute a dividend to the shareholders that provides a good dividend yield and dividend growth over time. When the dividend is determined, the company's profit development, cash flow, investment needs and financial position in general must be considered. The dividend shall be well balanced with regards to the business's goals, scope and risk.

In the 2025 financial year, BioArctic reported significantly increasing royalty revenues from sales of drugs, while non-recurring revenue from the research, option and license agreements that the company signed has also increased markedly. The healthy earnings during the year, in combination with an assessment of more sustainable future profitability in the company means that the Board of BioArctic proposes that a dividend of 2.00 per share be paid for the financial year 2025.

APPROPRIATION OF PROFITS

The Board of Directors proposes that the Group's results and balance sheets is to be presented to the Annual General Meeting on May 28, 2026 for approval and that the Parent Company's profit for the year is to be allocated in accordance with the proposal below. The Board's proposal means that the Parent Company's equity ratio is reduced from 68.7 percent to 66.3 percent.

At the disposal of the AGM

Amounts in SEK	**Dec. 31, 2025**
Share premium reserve	613,112,614
Retained earnings	325,536,290
Profit for the year	793,883,660
Total	**1,732,532,564**

The Board of Directors proposes that the above profits of SEK 1,732,532,564 are to be allocated so that SEK 177,438,970 is distributed to the shareholders and the remaining profits of SEK 1,555,093,595 are carried forward.

Significant events 2025, *in-depth review*

BACK TO THE OVERVIEW >>

FDA approved monthly intravenous maintenance dosing with Leqembi
In January, the FDA approved a less frequent IV maintenance dosing of Leqembi for the treatment of early Alzheimer's disease, and accepted the application for market approval of subcutaneous maintenance treatment with Leqembi in the US.

Agreement with Bristol Myers Squibb entered into force and BioArctic received USD 100 M
The agreement with Bristol Myers Squibb entered into force in February, which means that BioArctic received an initial payment of USD 100 M.

BioArctic received orphan drug designation for exidavnemab in the US
In March, exidavnemab received orphan drug status for multiple system atrophy (MSA) in the US.

BioArctic presented data for exidavnemab and lecanemab at AD/PD congress
Data on exidavnemab and lecanemab was presented at the AD/PD Alzheimer's and Parkinson's Disease Congress in April. Eisai also presented new results on lecanemab in clinical practice.

Leqembi was approved in the EU and BioArctic received milestone payment of EUR 20 M
The EU Commission granted marketing authorization to Leqembi in the EU in mid-April, which gave BioArctic the right to a milestone payment of EUR 20 M from Eisai.

European compound patent for exidavnemab granted
In April, BioArctic was granted extended patent protection for exidavnemab until 2041 by the European Patent Office (EPO).

BioArctic cleared to initiate MSA patients in a Phase 2a study with exidavnemab
In May, BioArctic received regulatory approval to expand the ongoing Phase 2a study with exidavnemab to include patients with multiple system atrophy (MSA).

BioArctic received orphan drug designation in the EU for exidavnemab in multiple system atrophy (MSA)
In May, exidavnemab received orphan drug status for multiple system atrophy (MSA) in the EU.

BioArctic arranged a Capital Markets Day and launched ambitions for 2030
BioArctic launched the company's 2030 ambitions at a Capital Markets Day in early June.

New lecanemab data presented at AAIC
New data on lecanemab – with a focus on long-term efficacy and safety, use in clinical practice and subcutaneous dosing – was presented at the AAIC conference in July.

Leqembi launched in the EU, starting in Austria and Germany
At the end of August, Leqembi was launched in the European market, starting in Austria and shortly thereafter in Germany.

BioArctic signed BrainTransporter agreement with Novartis and received an initial payment of USD 30 M
An option, collaboration and license agreement was signed with Novartis in August, and BioArctic received an upfront payment of USD 30 M and the possibility of further potential milestones up to USD 772 M and additional royalties. The agreement pertains to a potential treatment that combines BioArctic's BrainTransporter with an antibody from Novartis.

FDA approved Leqembi Iqlik as weekly subcutaneous maintenance treatment
In late August, the US Food and Drug Administration (FDA) approved weekly intravenous maintenance dosing with Leqembi Iqlik for the treatment of early Alzheimer's disease in the US. In early September, a rolling submission process was initiated for subcutaneous starting dose of Leqembi Iqlik in the US.

China approved IV maintenance treatment every four weeks with Leqembi
Intravenous maintenance treatment every four weeks with Leqembi was approved in China in late September.

Eisai launched Leqembi Iqlik as weekly subcutaneous maintenance treatment in the US
In October, Leqembi Iqlik was launched as a weekly subcutaneous maintenance treatment in the US.

First Leqembi patient in the Nordics
The first patient in the Nordic region was treated with Leqembi at a private clinic in Finland in mid-October.

UK approved IV maintenance treatment every four weeks with Leqembi
In November, the Medicines and Healthcare products Regulatory Agency (MHRA) in the UK approved intravenous maintenance treatment with Leqembi every four weeks for the treatment of early Alzheimer's disease.

Eisai completed its rolling sBLA submission for subcutaneous starting dose with Leqembi Iqlik in the US
In November, BioArctic's partner Eisai finalized the rolling submission to the FDA for marketing approval of the Leqembi Iqlik autoinjector as a weekly starting dose.

Application for market approval of subcutaneous treatment with Leqembi submitted in Japan
Eisai submitted an application for market approval of a subcutaneous autoinjector treatment with Leqembi to Japan's Pharmaceutical and Medical Devices Agency (PMDA) in late November.

New Leqembi data presented at CTAD demonstrated a delay in disease progression of up to 8.3 years
In December, BioArctic's partner Eisai presented new data on Leqembi that showed a potential delay in disease progression of up to 8.3 years with continued treatment.

Five-year summary

Amounts in kSEK	2025	2024	2023	2022	2021
Income statement					
Net revenue	1,999.1	257.4	616.0	228.3	23.1
Other operating income	16.2	3.7	4.1	0.3	3.5
Total operational expenses	-681.1	-489.6	-367.4	-246.0	-166.4
Operating profit/loss	1,258.8	-228.5	252.6	-17.3	-139.7
Profit/loss for the year	1,022.1	-177.1	229.2	-11.2	-119.8
Operating margin, %	63.0	neg	41.0	neg	neg
Balance sheet					
Non-current assets	88.3	101.0	33.3	37.5	35.9
Current assets excluding cash and cash equivalents	1,446.6	497.7	541.2	15.5	13.4
Cash and cash equivalents	1,040.4	512.9	611.6	805.4	848.4
Equity	1,967.1	894.9	1,046.6	786.2	788.7
Deferred tax liabilities	59.0	—	12.4	—	—
Short-term liabilities	520.8	175.7	125.0	70.9	101.3
Long-term liabilities	28.3	41.1	14.5	1.2	7.8
Cash flow					
From operating activities	1,431.1	-316.3	309.7	-31.6	-140.5
From investing activities	-894.7	205.6	-507.5	-12.8	-4.4
From financing activities	26.9	5.7	14.1	-2.8	-7.4
Cash flow for the year	563.3	-105.0	-183.7	-47.2	-152.3
Key ratios					
Equity/asset ratio, %	76.4	80.5	88.2	91.6	87.9
Return on equity, %	71.4	-18.2	25.0	-1.4	-14.1
Data per share, SEK					
Earnings per share, before dilution	11.55	-2.00	2.60	-0.13	-1.36
Earnings per share, after dilution	11.52	-2.00	2.59	-0.13	-1.36
Equity per share	22.19	10.13	11.85	8.92	8.96
Cash flow from operating activities per share	16.16	-3.58	3.51	-0.36	-1.60
Share price at December 31	310.80	199.50	267.80	272.00	119.20

Financial statements

Consolidated income statement

Amounts in kSEK	Note	2025	2024
Operating income, etc.			
Net revenue	5	1,999,111	257,352
Cost of goods sold		-59,215	-26,984
Gross Profit		**1,939,897**	**230,369**
Operating expenses			
Research and development costs	7	-376,919	-311,145
Marketing and sales costs	7	-79,175	-55,461
Administrative costs	7, 8, 9, 14	-115,659	-93,380
Other operating income	6	16,201	3,740
Other operating expenses	10	-125,538	-2,638
Total operating expenses		**-681,090**	**-458,883**
Operating profit/loss		**1,258,807**	**-228,515**
Profit/loss from financial items			
Interest income and similar items	11	34,681	40,845
Interest expenses and similar items	11	-37,903	-1,849
Profit/loss after financial items		**1,255,585**	**-189,519**
Tax	12	-233,261	12,440
Profit/loss for the year		**1,022,324**	**-177,079**
Profit/loss for the year attributable to owners of the Parent Company		1,022,324	-177,079
Earnings per share			
Earnings per share before dilution, SEK	13	11.55	-2.00
Earnings per share after dilution, SEK	13	11.52	-2.00

Consolidated statement of comprehensive income

Amounts in kSEK	Note	2025	2024
Profit/loss for the year		1,022,324	-177,079
Exchange rate differences from restatement of foreign operations		-227	42
Comprehensive income for the year attributable to owners of the Parent Company		**1,022,097**	**-177,038**

Consolidated balance sheet

Amounts in kSEK	Note	Dec. 31, 2025	Dec. 31, 2024
ASSETS			
Tangible assets	14	36,864	39,451
Right-of-use assets	14	46,120	57,169
Deferred tax assets	12	1,455	957
Other non-current financial assets	16	3,833	3,442
Total non-current assets		**88,272**	**101,018**
Trade receivables		121,647	71,196
Other current receivables	17.18	21,307	35,626
Prepaid expenses and accrued income	19	153,572	124,925
Current investments		1,150,000	265,989
Cash and cash equivalents	17.20	1,040,430	512,927
Total current assets		**2,486,956**	**1,010,663**
TOTAL ASSETS		**2,575,228**	**1,111,681**
EQUITY AND LIABILITIES			
Share capital	21	1,773	1,768
Reserves		773	1,000
Other contributed capital		613,113	587,103
Retained earnings		1,351,425	305,071
Total equity		**1,967,083**	**894,942**
Deferred tax liabilities	12	59,020	—
Non-current lease liabilities	24	28,348	41,079
Total non-current liabilities		**87,368**	**41,079**
Current lease liabilities	24	15,722	13,149
Trade payables	17	23,941	50,453
Current tax liabilities	12	136,713	33,580
Other current liabilities		10,342	10,140
Accrued expenses and prepaid income	17.26	334,060	68,338
Total current liabilities		**520,777**	**175,660**
TOTAL EQUITY AND LIABILITIES		**2,575,228**	**1,111,681**

Consolidated statement of change in equity

Amounts in kSEK	Note	Share capital	Reserves	Other contributed capital	Retained earnings incl. profit for the year	Total equity
Opening balance at January 1, 2024		**1,766**	**958**	**580,979**	**462,872**	**1,046,575**
Profit/loss for the year		—	—	—	-177,079	-177,079
Other comprehensive income						
Exchange rate differences		—	42	—	—	42
Consolidated comprehensive income		**—**	**42**	**—**	**-177,079**	**-177,038**
New share issue through exercise of employee stock options		1	—	6,124	—	6,125
Share-based remuneration	7	—	—	—	19,280	19,280
Closing balance at December 31, 2024		**1,768**	**1,000**	**587,103**	**305,071**	**894,942**
Opening balance at January 1, 2025		**1,768**	**1,000**	**587,103**	**305,071**	**894,942**
Profit/loss for the year		—	—	—	1,022,324	1,022,324
Other comprehensive income						
Exchange rate differences		—	-227	—	—	-227
Consolidated comprehensive income		**—**	**-227**	**—**	**1,022,324**	**1,022,097**
New share issue through exercise of employee stock options		5	—	26,009	—	26,014
Share-based remuneration	7	—	—	—	24,031	24,031
Closing balance at December 31, 2025		**1,773**	**773**	**613,113**	**1,351,425**	**1,967,083**

Consolidated cash flow statement

Amounts in kSEK	Note	2025	2024
Operating profit/loss		1,258,807	-228,515
Adjustment for non-cash items	28	37,307	27,957
Interest received		34,681	34,505
Interest paid		-2,353	-1,849
Income tax paid		-71,596	-520
Cash flow from operating activities before change in working capital		**1,256,846**	**-168,422**
Increase (-) / Decrease (+) in operating receivables		-64,770	-190,564
Increase (+) / Decrease (-) in operating liabilities		238,988	42,655
Cash flow from operating activities		**1,431,064**	**-316,332**
Investments in tangible assets	14	-10,243	-26,635
Change in non-current financial assets[1]		-884,404	232,267
Cash flow from investing activities		**-894,647**	**205,633**
Amortization of liability		890	-329
New share issue through exercise of employee stock options		26,014	6,016
Cash flow from financing activities		**26,904**	**5,686**
Cash flow for the year		**563,321**	**-105,013**
Cash and cash equivalents at January 1		512,927	611,567
Exchange rate differences in cash and cash equivalents 1		-35,818	6,374
Cash and cash equivalents at December 31	20	**1,040,430**	**512,927**

1) Pertains to change in current investments.

Parent Company income statement

Amounts in kSEK	Note	2025	2024
Operating income, etc.			
Net revenue	5	1,999,111	257,352
Cost of goods sold		-59,215	-26,984
Gross Profit		**1,939,897**	**230,368**
Operating expenses			
Research and development costs	7	-376,919	-311,145
Marketing and sales costs	7	-81,373	-57,149
Administrative costs	7, 8, 9, 14	-116,909	-94,450
Other operating income	6	16,137	3,781
Other operating expenses	10	-125,536	-2,579
Total operating expenses		**-684,599**	**-461,542**
Operating profit/loss		**1,255,297**	**-231,173**
Profit/loss from financial items			
Interest income and similar items	11	34,665	40,815
Interest expenses and similar items	11	-35,700	-119
Profit/loss after financial items		**1,254,262**	**-190,477**
Appropriations			
Change in tax allocation reserve		-281,800	55,900
Change in accelerated depreciation		-4,705	4,222
Profit/loss before tax		**967,757**	**-130,356**
Tax	12	-173,873	263
Profit/loss for the year		**793,884**	**-130,092**

There are no items in the Parent Company recognized as other comprehensive income, thus comprehensive income conforms to profit for the year.

Parent Company balance sheet

Amounts in kSEK	Note	Dec. 31, 2025	Dec. 31, 2024
ASSETS			
Non-current assets			
Tangible assets			
Leasehold improvements	14	9,159	11,721
Equipment	14	27,672	27,686
Total tangible assets		**36,831**	**39,407**
Financial assets			
Shares in subsidiaries	15	90	90
Other non-current financial assets	16	3,487	3,421
Deferred tax assets	12	1,141	797
Total financial assets		**4,718**	**4,308**
Total non-current assets		**41,549**	**43,715**
Current assets			
Short-term receivables			
Trade receivables	17	121,647	71,196
Other current receivables	18	21,518	35,415
Prepaid expenses and accrued income	19	156,973	128,487
Current investments		1,150,000	265,989
Total short-term receivables		**1,450,138**	**501,087**
Cash and bank balances	20	**1,035,580**	**509,301**
Total current assets		**2,485,718**	**1,010,388**
TOTAL ASSETS		**2,527,268**	**1,054,103**

Parent Company balance sheet *cont.*

Amounts in kSEK	Note	Dec. 31, 2025	Dec. 31, 2024
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	21	1,773	1,768
Statutory reserve		958	958
Total restricted equity		**2,731**	**2,726**
Non-restricted equity			
Share premium reserve	22	613,113	587,103
Retained earnings	22	325,536	432,588
Profit/loss for the year	22	793,884	-130,092
Total non-restricted equity		**1,732,533**	**889,599**
Total equity		**1,735,263**	**892,324**
Untaxed reserves	23	**286,505**	—
Short-term liabilities			
Trade payables		27,257	51,937
Current tax liabilities	12	136,438	33,461
Other current liabilities		10,151	9,746
Accrued expenses and prepaid income	26	331,652	66,635
Total current liabilities		**505,499**	**161,778**
TOTAL EQUITY AND LIABILITIES		**2,527,268**	**1,054,103**

Parent Company statement of change in equity

		Restricted equity		*Non-restricted equity*		
Amounts in kSEK	Note	Share capital	Statutory reserve	Share premium reserve	Other non-restricted equity	Total equity
Opening balance at January 1, 2024		**1,766**	**958**	**580,979**	**413,939**	**997,642**
Comprehensive income						
Profit/loss for the year		—	—	—	-130,092	-130,092
Total comprehensive income		**—**	**—**	**—**	**-130,092**	**-130,092**
Transactions with shareholders						
New share issue through exercise of employee stock options		1	—	6,124	—	6,126
Share-based remuneration	7	—	—	—	18,649	18,649
Total transactions with shareholders		**1**	**—**	**6,124**	**18,649**	**24,775**
Closing balance at December 31, 2024		**1,768**	**958**	**587,103**	**302,496**	**892,325**
Opening balance at January 1, 2025		**1,768**	**958**	**587,103**	**302,496**	**892,325**
Comprehensive income						
Profit/loss for the year		—	—	—	793,884	793,884
Total comprehensive income		**—**	**—**	**—**	**793,884**	**793,884**
Transactions with shareholders						
New share issue through exercise of employee stock options		5	—	26,009	—	26,014
Share-based remuneration	7	—	—	—	23,040	23,040
Total transactions with shareholders		**5**	**—**	**26,009**	**23,040**	**49,055**
Closing balance at December 31, 2025		**1,773**	**958**	**613,113**	**1,119,420**	**1,735,263**

Parent Company cash flow statement

Amounts in kSEK	Note	2025	2024
Operating profit/loss		1,255,297	-231,173
Adjustment for non-cash items	28	36,294	27,257
Interest received		34,665	34,471
Interest paid		-149	-115
Income tax paid		-71,241	-136
Cash flow from operating activities before change in working capital		**1,254,866**	**-169,696**
Increase (-) / Decrease (+) in operating receivables		-65,016	-189,905
Increase (+) / Decrease (-) in operating liabilities		240,284	41,387
Cash flow from operating activities		**1,430,135**	**-318,214**
Investments in tangible assets	14	-10,243	-26,635
Change in non-current financial assets[1]		-884,077	232,267
Cash flow from investing activities		**-894,320**	**205,633**
New share issue through exercise of employee stock options		26,015	6,125
Cash flow from financing activities		**26,015**	**6,125**
Cash flow for the year		561,830	-106,456
Cash and cash equivalents at January 1		509,301	609,417
Exchange rate differences in cash and cash equivalents		-35,551	6,340
Cash and cash equivalents at December 31	20	**1,035,580**	**509,301**

1) Pertains to change in current investments.


Notes →

NOTE 1 General information

BioArctic AB (publ), corporate identity number 556601-2679, is the Parent Company in a Group focused on neurodegenerative disorders. The company has leading competence in development of innovative biological drugs, such as antibodies, that address high unmet medical needs. The shares of BioArctic AB are listed on Nasdaq Large Cap. BioArctic is a limited liability company with its registered office at Warfvinges väg 35, SE-112 51 Stockholm, Sweden. The annual accounts and consolidated financial statements were approved by the Board of Directors on April 21, 2026 and have been submitted for ratification at the Annual General Meeting on May 28, 2026.

NOTE 2 Summary of material accounting policies

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with the Swedish Annual Accounts Act, RFR 1 Supplementary accounting rules for groups, the International Financial Reporting Standards (IFRS) and IFRIC interpretations as adopted by the EU. The income statement is classified according to nature of expenses. The Group's financial statements have been prepared based on historical costs, which means that assets and liabilities are recognized at these values and, where appropriate, certain financial instruments are measured at fair value. The financial statements have been prepared on the assumption that the Group pursues its operation in accordance with the going concern principle, which entails the premise that the Group will be able to settle its debts as they mature. To confirm the assumption of a going concern in preparing the financial reports, the Group has taken the following specific factors into account:

- The Group's liquidity is deemed to remain stable
- The Group does not have any external loan financing
- The Group's financial position is good, with a high debt/equity ratio of 76.4 percent.
- As of December 31, 2025, up to MEUR 54 in milestone payments remained to be received from Eisai. Apart from the milestone payments, royalty payments are due to BioArctic based on the global sales of lecanemab, which have the potential to provide significant revenue. New agreements have been added that provide opportunities for future milestone payments of USD 1,250 M from Bristol Myers Squibb and USD 772 M from Novartis.
- Management prepares an annual budget and long-term strategy plans, including an assessment of the Group's cash-flow needs, and continues to monitor actual outcome against budget and strategy plans throughout the reporting period.

Based on these factors, management is of the opinion that the Group has and will continue to have adequate resources to continue its operations for the foreseeable future. The financial statements have also been prepared with the application of the accrual basis of accounting. The functional currency of the Parent Company, including all its subsidiaries, and the reporting currency of the Group is the Swedish krona (SEK). All amounts are indicated in thousands of Swedish kronor (kSEK) unless otherwise indicated. Amounts in parentheses refer to the previous year. Negative figures are either expenses or payments (cash flow). The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. Furthermore, the Board of Directors and company management are required to make certain assessments in applying the company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 4.

CLIMATE-RELATED ISSUES

The material assumptions, assessments, and estimations that form the basis of preparation for the report are deemed not to have been substantially impacted by climate-related issues. As of the balance-sheet date, management has not identified any material risks to the Group that originate from climate change and could adversely affect the Group's financial reports. Going forward, the company will prepare for measuring significant parts that are impacted by the new European Corporate Sustainability Reporting Directive (CSRD) such as suppliers, employee travel, and so on.

NEW AND AMENDED STANDARDS FROM 2023 AND 2024

Changes to IAS 1 Presentation of Financial Statements. This change means that the requirement in IAS 1 for disclosure of significant accounting policies has been replaced with a requirement for material accounting policies. The Group has analyzed and adapted its accounting policies based on the materiality criteria in IASB's Practice Statement 2.

NEW AND AMENDED STANDARDS FROM 2025 ONWARD

New and amended IFRS and interpretations applied from 2025 have not materially impacted the financial statements. IFRS 18 Presentation and Disclosure in Financial Statements will be applicable for financial years beginning January 1, 2027 or later. The standard will replace IAS 1 Presentation of Financial Statements and introduce new requirements that will promote the attainment of comparability in earnings reporting for similar companies, giving users more relevant information and transparency. IFRS 18 will not impact the reporting or valuation of items in the financial statements, meaning it will not have any effect on net earnings. Other potential effects of IFRS 18 will be analyzed in 2026. No other standards, changes and interpretations regarding standards that have not yet entered force are expected to have any material effect on BioArctic's financial statements. Nor are other standards, changes and interpretations regarding standards that have not yet entered

Note 2, cont.

force expected to have any material effect on BioArctic's financial statements.

The European Securities and Markets Authority (ESMA) guidelines on alternative performance measures are applied, and this entails disclosure requirements pertaining to financial measures that are not defined under IFRS.

CONSOLIDATION

Subsidiaries are all companies over which the Group has a controlling interest. The Group controls a company when the Group is exposed to, or has rights to, variable returns from its holdings in the company and has the ability to influence those returns through its power in the company. Subsidiaries are included in the consolidated financial statements as of the date the controlling interest was transferred to the Group. They are deconsolidated from the date that control ceases. Inter-company transactions, balances and unrealized gains on transactions between Group companies are eliminated. Gains and losses resulting from inter-company transactions and which are recognized among assets are also eliminated. The accounting policies for subsidiaries have been changed where necessary to ensure consistent application of Group policies.

Functional accounting

From the first quarter of 2024, BioArctic transitioned from reporting by cost-type to using a breakdown by function. The reason for the change is partly that a function-divided accounting better shows how resources are used within the main functions of the business, and partly that such a form facilitates comparison with other companies. The change has not resulted in any changed historical key figures according to the definitions on page 111.

SEGMENT REPORTING

An operating segment is a part of the Group that conducts operations from which revenue can be generated and incurs costs, and for which independent financial information is available. The highest executive decision-maker in the Group monitors operations at the aggregate level, which means the operations constitute the same segment and no separate segment information is therefore presented. The Board of Directors has been identified as the highest executive decision-maker in the Group.

FOREIGN CURRENCY TRANSLATION

Functional and reporting currency included in the financial statements for the different units in the Group are measured in the currency used in the financial environment where the respective companies primarily operate (functional currency). The consolidated financial statements use Swedish kronor (SEK), which is the Parent Company's functional and reporting currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognized in profit or loss.

REVENUE

The Group's revenue consists primarily of revenue from licensing and collaboration agreements, with the revenue streams coming primarily from milestone payments, royalties and remuneration from collaboration agreements regarding cost coverage for own research and for own commercial operations.

Licensing and collaboration agreements

Revenue from licensing and collaboration agreements comprises remuneration from research agreements, milestone payments, non-recurring and licensing remuneration and royalties. In addition, BioArctic may have contractual rights to remuneration for costs incurred. The transaction price is established based on what the Group expects to receive from each agreement in exchange for transfer of the goods or services agreed on. The revenue is recognized either at a given point in time or over time when (or if) the Group fulfills its performance obligations by transferring the goods or services promised to the customer. The Group recognizes a contract liability when it has received the payment obtained regarding its unfulfilled performance obligations and recognizes these amounts as deferred income in the balance sheet. In the same way, if the Group fulfills a performance obligation before compensation is received, it recognizes either accrued income or a receivable in the balance sheet, depending on if any aspect other than time determines when remuneration falls due.

Research collaborations (remuneration from research agreements) Revenue recognition reflects earnings under the specific terms of the agreement and is applied individually to each transaction. The revenue is recognized over time based on fulfillment of the performance obligations. The Group measures the course of events toward complete fulfillment by continually evaluating the degree of completion based on costs incurred in the research collaborations.

Milestone payments

Revenue for achieved milestones is recognized at a given point in time, when performance obligations are fulfilled, and consists of a transaction price agreed on in advance.

Non-recurring and licensing remuneration

Non-recurring remuneration upon signing of an agreement is normally without a repayment obligation and is recognized at a given point in time. It normally pertains to the right to develop, register, market and sell BioArctic's patented products within a given geographical area and within a given indication. Non-recurring remuneration can also consist of remuneration for technology or transfer of knowledge to the partner, or consist of remuneration for the right to acquire a license in the future.

Royalty income

Royalty income normally arises continually when distributors

Note 2, cont.

recognize sales. This recognition occurs in the same period as the sales.

Remuneration for costs incurred and sale of products

Remuneration for costs incurred (i.e. costs invoiced onward to the customer) is recognized in the period when it arises. Revenue from sales of products is recognized at the point in time when control transfers to the customer.

Other operating income

Primarily operational foreign exchange gains are reported as other operating income.
Operational foreign exchange losses

EXPENSES, FINANCIAL ITEMS AND TAXES

Cost of goods sold

Cost of goods sold comprises the royalty indicated for the commitments that BioArctic has toward LifeArc with regard to Leqembi.

Research and development costs

Pertains to external expenses and personnel expenses, and the amortization of associated research and development. This item thus contains costs for BioArctic's research and drug development in preclinical and clinical studies as well as regulatory operations. Development costs that have been expensed cannot be recognized as an asset in subsequent periods. BioArctic has no expenditures that fulfill all the criteria, and all research and development costs have therefore been expensed.

Marketing and sales costs

Pertains to external expenses and personnel expenses associated with BioArctic's commercial organization, which is preparing ahead of the launch of lecanemab in the Nordic countries.

Administrative costs

Pertain to external expenses and personnel expenses and depreciation associated with BioArctic's administration, and includes units in communications, accounting and HR.

Other operating expenses

Primarily operational foreign exchange losses are reported as other operating expenses.

Remuneration to employees

In 2025, BioArctic had a rewards program that covers all permanent employees, which means there is a variable remuneration component that can be paid out, in addition to the fixed remuneration, in conjunction with the fulfillment of certain targets linked to the clinical research programs. Refer to the information provided in Note 7. The variable remuneration is not pensionable. BioArctic has no agreements covering post-employment benefits.

Defined-contribution pension plans

The Group's pension plans are defined-contribution, and pertain to the fees the company pays to the plan or to the insurance company and the return on capital the fees generate. Consequently, the employee bears the actual risk (that the payment will be lower than expected) and the investment risk (that the assets invested will be insufficient to generate the expected payments). The Group has no defined-benefit pension plans.

Share-based remuneration

BioArctic has a share-based remuneration program for its employees in the form of employee stock options and settled in the form of equity instruments. The program runs over 5.5 years and requires the employee to remain in their employment for the term of the program. When the employee receives share-based remuneration, the fair value of the employees' services is determined at the fair value of the equity instrument allotted. The fair value is calculated at the time of allotment using the Black & Scholes model. The fair value of the warrants allotted is recognized as a personnel expense with a corresponding increase in retained earnings, and spread over the vesting period based on the best possible estimate of the number of share warrants expected to be vested. The effect of amended estimates for the number of share warrants vested is recognized in the period in question. Social security contributions attributable to share-based instruments for employees as remuneration for services purchased are expensed across the vesting period. The provision is based on fair value of the warrants and remeasured at every reporting date based on an estimate of the fees that could be paid when the instruments are redeemed.

Additionally, BioArctic has three performance share programs for its employees that are share-based remuneration programs, settled in the form of equity instruments. The programs run over three years and requires the employee to remain in their employment for the term of the program. When the employee receives share-based remuneration, the fair value of the employees' services is determined at the fair value of the equity instrument allotted. The fair value is calculated at the time of allotment using the Monte Carlo model. The fair value of the performance share units allotted is recognized as a personnel expense with a corresponding increase in retained earnings, and spread over the vesting period based on the best possible estimate of the number of performance share units expected to be vested. The effect of amended estimates for the number of performance share units vested is recognized in the period in question. Social security contributions attributable to share-based instruments for employees as remuneration for services purchased are expensed across the vesting period. The provision is based on fair value of the performance share units and remeasured at every reporting date based on an estimate of the fees that could be paid when the instruments are redeemed.

Other operating expenses

Operational foreign exchange losses and losses in connection with divestment of tangible assets are recognized as other operating expenses.

Note 2, cont.

Financial income

Financial income pertains to interest income on bank funds and receivables, as well as dividend income where applicable and positive foreign exchange differences on financial items. Financial income is recognized in the period to which it pertains.

Financial expenses

Financial expenses pertain to interest and other costs arising in conjunction with borrowing, and are recognized in profit or loss in the period to which they pertain. Negative foreign exchange differences on financial items and negative interest on cash and cash equivalents are also included in financial expenses.

Taxes

Tax for the period consists of current tax and deferred tax. Taxes are recognized in profit or loss, except when the underlying transaction is recognized in other comprehensive income or directly against equity, when the associated tax effect is also reported on this line. Current tax is the estimated tax on the taxable earnings for the period. Taxable earnings differ from recognized earnings by having been adjusted for non-taxable and non-deductible items. Current tax is tax to be paid or received as regards the current year, adjusted for any current tax attributable to earlier periods. Foreign tax held is recognized in the balance sheet to the extent it is deemed it can be settled against Swedish corporate tax. Deferred income tax is recognized using the balance sheet method, which means that deferred tax liabilities are recognized in the balance sheet for all temporary differences arising between the carrying amount and taxable value of assets and liabilities. If the temporary difference arose upon the initial recognition of assets and liabilities constituting an asset acquisition, on the other hand, the deferred tax is not recognized. Deferred tax assets regarding deductible temporary differences and loss carry forwards are only recognized to the extent it is likely that the amount can be utilized against future taxable surplus. Deferred tax is determined in accordance with statutory tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

RESEARCH AND DEVELOPMENT / INTANGIBLE ASSETS

Expenditures regarding development are capitalized and recognized in the balance sheet as intangible assets only if the criteria for recognition in the balance sheet under IAS 38 Intangible assets are met. As of December 31, 2025 there are no expenditures in the Group that meet the criteria for being recognized as an asset, since the current projects are in an early stage and thus associated with the risk that they cannot be completed. These expenses for development are therefore charged to earnings, and owing to the uncertainty in legislation and other circumstances, this is almost without exception the case before a drug has been approved by the relevant supervisory authority. This may change in the future, and costs attributable to development projects are recognized as intangible assets when all the following criteria are met:

1. It is technically feasible for the company to complete the intangible asset so that it will be available for use or sale.
2. The company intends to complete the intangible asset and use or sell it.
3. The company has the potential to use or sell the intangible asset.
4. The company can demonstrate how the intangible asset will generate probable economic benefits.
5. There are adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
6. The company can reliably estimate the expenditures attributable to the intangible asset during its development.

TANGIBLE ASSETS

Tangible assets are recognized at cost less accumulated depreciation and write-downs. The cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset only when it is likely that future economic benefits associated with the item will fall to the Group and the cost of the item can be measured reliably. The useful life for inventory and equipment is deemed to be five years. Leasehold improvements are written-off based on the estimated useful life. Right-of-use assets (leases) reported separately in the balance sheet are described in Note 14.

LEASED ASSETS

The Group as lessee

An agreement is assessed as to whether or not it is a lease. A lease is defined as "an agreement that transfers the right of use of the underlying asset for a given period in exchange for remuneration." The agreements are assessed as to whether they fulfill the three criteria below in order to be considered as meeting the definition of a lease:

1. The agreement contains an identified asset
2. The Group has the right to all the material economic advantages arising through use of the identified asset throughout the entire lease period
3. The Group has the right to control the use of the identified asset throughout the entire lease period

Right-of-use assets and lease liabilities are recognized separately in the balance sheet.

FINANCIAL INSTRUMENTS

A financial instrument is any form of agreement that gives rise to a financial asset or financial liability. Financial assets in the balance sheet pertain to trade receivables and other receivables as well as cash and cash equivalents. In 2025, the Group chose to lock parts of its cash and cash equivalents into fixed interest-rate accounts for up to 12 months, and these

Note 2, cont.

are thus recognized under Current assets excluding cash and cash equivalents. Financial liabilities pertain to trade payables, lease liabilities and contractual accrued expenses. In the third quarter of 2025, the company also began currency hedging large incoming flows using foreign exchange forwards, whose outcomes will be routinely evaluated. Since hedge accounting is not applied, all changes in value are recognized in earnings on an ongoing basis. Fair value is recognized as a financial asset or liability in the balance sheet.

TRADE RECEIVABLES

Trade receivables are reported net after reserves for expected credit losses. The expected duration of trade receivables is short, which is why the value is recognized at a nominal amount without discounts using the amortized cost method. The Group uses a simplified method for recognizing trade and other trade receivables as well as contract assets, and recognizes expected credit losses for the remaining duration. In this calculation, the Group uses its historical experience, external indicators and forward-looking information to estimate the expected credit losses. The amount reserved is recognized over profit or loss.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, bank balances and, where appropriate, other current investments with a due date within three months. Cash and cash equivalents are recognized at the nominal amount.

TRADE PAYABLES

These amounts represent liabilities for goods and services provided to the Group that are unpaid prior to the end of financial year. Trade payables are categorized as other financial liabilities. Since trade payables have a short expected duration, the value is recognized at the nominal amount.

EQUITY

Share capital represents the nominal value of shares issued. Transaction costs directly attributable to the issue of new shares or warrants are shown in equity as a deduction, net of tax, from the proceeds. Retained earnings comprise profit carried forward and share-based remuneration to employees for the current and previous financial years. Share premium reserve is recognized as other contributed capital and statutory reserves are recognized as reserves.

CASH FLOW STATEMENT

Cash flow from operating activities Cash flow from operating activities is prepared using the indirect method, whereby profit or loss is adjusted with transactions of a non-cash nature and items of income or expense associated with investing and/or financing cash flows.

ALTERNATIVE PERFORMANCE MEASURES

The Group applies ESMA guidelines for alternative performance measures. In accordance with these guidelines, the Group's alternative performance measures are defined in Note 32. The Group applies alternative performance measures since the company believes they provide valuable supplementary information to management and investors, as they are central to understanding and evaluating the Group's operations.

PARENT COMPANY ACCOUNTING POLICIES

The Parent Company complies with the Swedish Annual Accounts Act and the recommendation of the Financial Reporting Council, RFR 2 Accounting for legal entities. The application of RFR 2 means that in the annual report for the legal entity, the Parent Company applies all IFRS and opinions approved by the EU to the extent possible as part of the Annual Accounts Act and the Pension Obligations Vesting Act, and taking into account the connection between reporting and taxation. The recommendation indicates which exceptions from and additions to IFRS can be made. Consequently, the Parent Company applies the principles presented in Note 2 of the consolidated financial statements, with the exceptions indicated below. The principles have been consistently applied to all the years presented, unless otherwise stated. Assets, provisions and liabilities have been measured at cost unless otherwise stated.

Presentation formats

The income statement and balance sheet follow the presentation format indicated in the Annual Accounts Act. This entails certain differences compared with the consolidated financial statements – for example, sub-items under equity have different designations.

Shares and participations in subsidiaries

Shares and participations in subsidiaries are recognized at cost, less any impairments.

Deferred income tax

Amounts allocated to untaxed reserves constitute taxable temporary differences. Owing to the connection between reporting and taxation, however, the deferred tax liability on untaxed reserves in a legal entity is reported as part of the untaxed reserves. Appropriations of profits in profit or loss are also reported including deferred tax.

Leases

Lease fees are expensed on a linear basis over the term of the lease. No right of use or lease liability is recognized in the balance sheet.

NOTE 3 Financial risk management

FINANCIAL RISK FACTORS

Through its operations, the Group is exposed to various financial risks. The overall goal of financial risk management is to minimize the risks of negative impact on the Group's earnings.

Foreign exchange risk

Foreign exchange risk pertains to the risk of impact on the Group's earnings and financial position as a consequence of changes in exchange rates. The Group has no loans in foreign currencies, and is therefore not exposed to any foreign exchange risk in connection with borrowing. Purchases and revenue in foreign currencies give rise to transaction exposure. Purchases in foreign currencies are primarily in EUR, USD, GBP, NOK, DKK and CHF. Purchases in foreign currencies for 2025 totaled kEUR 7,417 (7,932), kUSD 6,766 (4,367), kGBP 1,223 (804), kNOK 2,938 (7,757), kDKK 2,334 (6,621) and kCHF 1,846 (2,046). Revenue in foreign currencies for 2025 totaled kEUR 76,287 (21,195) and kUSD 107,130 (1,050). The table to the right shows the material balance sheet items in foreign currencies that the Group had as of December 31, 2025 and what impact a 10-percent change in the net amount in EUR, GBP, USD, DKK, NOK and CHF would have on earnings.

Amounts in kSEK per Dec. 31, 2025

					+/- 10%	
Currency	Trade receivables	Cash and cash equivalents	Accounts payable	Net per currency	Before tax	After tax
EUR	117,201	131,778	-5,563	243,416	24,342	19,328
GBP	0	4,221	-3,677	543	54	43
USD	7,057	53,394	-1,268	59,183	5,918	4,699
DKK	0	2,174	-668	1,507	151	117
NOK	0	826	175	1,002	100	78
CHF	0	32,255	-1,220	31,035	3,103	2,464
Total	**124,258**	**224,649**	**-12,221**	**336,685**	**33,669**	**26,729**

Amounts in kSEK per Dec. 31, 2024

					+/- 10%	
Currency	Trade receivables	Cash and cash equivalents	Accounts payable	Net per currency	Before tax	After tax
EUR	70,995	28,978	-22,262	77,711	7,771	534
GBP	0	10,324	0	10,324	1,032	820
USD	0	5,264	-11,227	-5,963	-596	-473
DKK	0	1,652	-1,021	630	63	48
NOK	0	755	-46	708	71	55
CHF	0	7,093	-1,509	5,584	558	443
Total	**70,995**	**54,067**	**-36,066**	**88,995**	**8,900**	**1,427**

Interest rate risk

The Group has significant holdings in banks that are impacted by interest rate levels, which means that the Group is exposed to interest rate risk on its cash and cash equivalents and its current investments. At December 31, 2025, the Group had cash and cash equivalents of kSEK 1,040,430 (512,927) and current investments of kSEK 1,150,000 (265,989). A change of 0.5 percentage points in the interest rate would entail an annual impact on earnings of kSEK 10,952 (2,565) before tax and kSEK 8,696 (2,036) after tax. As of December 31, 2025 the Group had no external loan financing, and thus has no interest rate risk for such commitments.

Financing risk

The financing risk, meaning the risk that financing the Group's capital requirements becomes more difficult or more expensive, is deemed to be low. BioArctic's financial position is strong, since the company has no external loan financing and has a positive net cash balance. The access to capital is impacted by several different factors, including the performance of current research and development projects as well as partnership and license agreements. The point in time and scope of further financing needs depend not only on how milestone payments fall due, but also on whether the Group succeeds in signing new collaboration agreements and on market reception of potential future products. It is vital that the Group's partners continue to collaborate with BioArctic, since future revenue is currently dependent on these partnerships. General access to credit and BioArctic's creditworthiness also impact the financing risk.

Liquidity risk

Liquidity risk (i.e. the risk that the Group does not have sufficient cash funds to meet the needs of operating activities) is deemed to be low over the short and medium term, since the Group has a positive net cash balance and thereby good access to cash and cash equivalents. The Executive Management Team actively monitors the liquidity situation to call attention to liquidity risks in a timely manner. The Group has no financial investments apart from bank balances.

Note 3, cont.

Credit risk

Credit risk is the risk that a counterparty does not fulfill an obligation toward the company. BioArctic's credit risk is low, since the Group does not have any external loan financing and thereby does not run any credit risk for bank loans it has signed. The Group also has limited credit exposure in relation to customers, including outstanding receivables. The Group has a significant amount of cash and cash equivalents with the Group's banks, but the counterparty risk is deemed to be very low.

OPERATIONAL AND STRATEGIC RISKS

Refer to the "Risks and risk management" section in the Board of Directors' Report for a description of the most important operational and strategic risks. The risks that the Group has identified are related to outcomes in outlicensed projects being conducted by the company's partners, and projects being conducted in-house. In addition, there are risks in the overall portfolio strategy, risks related to the company's partners, impact from competitors, events beyond the company's control such as pandemics, government decisions, IT and information security risks, product responsibility and insurances, patent protection and employee risks as well as climate, sustainability and environmental risks.

SENSITIVITY ANALYSIS

Sensitivity analyses have been prepared concerning foreign exchange risk and interest rate risk as described above.

CAPITAL MANAGEMENT

The Group's objective as regards capital management is to safeguard its ability to continue as a going concern, so that it can continue to generate returns for shareholders and benefits for other stakeholders. An optimal capital structure promotes keeping the costs of capital down. To maintain or adjust the capital structure, the Group can issue new shares, or alternately pay a dividend to its shareholders.

NOTE 4 Significant accounting estimates and judgments

To prepare financial statements in accordance with IFRS, the Executive Management Team and the Board of Directors must make assessments and assumptions. These impact recognized asset and liability items, and revenue and expense items as well as other information submitted. The assessments are based on experiences and assumptions that Group Management and the Board deem to be reasonable under the prevailing circumstances. Actual outcome may then differ from these assessments if other conditions emerge. The assessments that are most material to the preparation of the consolidated and Parent Company financial statements are described below.

Royalties

Assessments that impact the reporting of royalty revenue are carried out as part of the existing agreements between the parties. Revenue pertaining to royalties is recognized based on actual sales, and in the period when the sales occurred. Currency translations are carried out in accordance with agreements, and impact the revenue that is recognized in local currency.

Revenue from co-promotion

The agreement with Eisai that forms the basis for co-promotion regulates how resources are to be added jointly from the companies in order to sell lecanemab in the Nordic countries. The earnings from this partnership are divided equally between the parties. Recognition of revenue from co-promotion is built on costs incurred for personnel and other external expenses. Assessments that impact the reporting of co-promotion revenue are carried out as part of the existing agreements between the parties.

Revenue from research collaborations

Recognition of revenue from research collaborations is based on the degree of completion as regards fulfillment of performance obligations. These performance obligations may change over time as a result of certain sub-operations being terminated while others may need to be added or reworked. This could lead to changes in the amount assessed against complete fulfillment of the performance obligations, which could entail an adjustment of revenue. The Group reviews all projects on a quarterly basis to ensure that revenue is based on the most likely course of events toward a complete fulfillment of the performance obligations.

For further information on revenue recognition, refer to Note 5.

NOTE 5 Net revenue

The table shows the distribution of revenue by geographic market and revenue type.

	Group		*Parent Company*	
Amounts in kSEK	**2025**	**2024**	**2025**	**2024**
Net revenue by geographic market				
Europe	80,154	11,660	80,154	11,660
North America	1,324,908	144,515	1,324,908	144,515
Asia	593,780	101,130	593,780	101,130
Rest of World	270	47	270	47
Total net revenue	**1,999,111**	**257,352**	**1,999,111**	**257,352**
Net revenue by type				
Royalties	502,594	230,410	502,594	230,410
Co-promotion	18,236	11,530	18,236	11,530
Milestone payment	1,410,306	—	1,410,306	—
Research collaborations	67,975	15,412	67,975	15,412
Total net revenue	**1,999,111**	**257,352**	**1,999,111**	**257,352**

For financial years 2025 and 2024, two individual customers accounted for more than 10 percent of sales.

BioArctic's net revenue comprises royalties based on the sale of lecanemab, co-promotion revenue, milestone payments and remuneration from research collaboration agreements with Eisai in Alzheimer's disease.

Net revenue in fiscal year 2025 amounted to MSEK 1,999.1 (257.4), and the increase is attributable primarily to the milestone payment that BioArctic received from Bristol Myers Squibb in the first quarter of 2025.

Sales of lecanemab generate royalties for BioArctic, and total income there increased to MSEK 502.6 (230.4) in 2025. The remuneration that is received from Eisai is divided into two parts: royalties of 9 percent to BioArctic on global sales excluding the Nordic region, and remuneration of 1 percent of sales in the US and 1.5 percent of sales in Rest of World, which BioArctic pays onward to LifeArc for the royalty commitments BioArctic has toward the latter company.

BioArctic has a co-promotion agreement with Eisai pertaining to commercialization of lecanemab in the Nordic countries, with the companies jointly adding resources for the purpose of selling lecanemab in the Nordic countries. The earnings from this partnership are divided equally between the parties. For full-year 2025, revenue from this agreement totaled MSEK 18.2 (11.5). The remuneration for the costs incurred is intended for preparations ahead of launch.

For milestone payments, fixed payments can be received at an amount determined in advance based on contractual milestones. Milestone payments received that were recognized in revenue in 2025 totaled MSEK 1,410.3 (0) and comprised remuneration of MSEK 1,074.8 from Bristol Myers Squibb and MSEK 335.5 from Eisai.

In 2025, MSEK 68.0 (15.4) was recognized in revenue, both from the new research collaboration agreement with Novartis (MSEK 59.6) and the ongoing agreement with Eisai (8.4).

NOTE 6 Other operating income

	Group		*Parent Company*	
Amounts in kSEK	**2025**	**2024**	**2025**	**2024**
Operational foreign exchange gains	15,215	3,740	15,151	3,781
Income, forward exchange forwards	885	—	885	—
Costs invoiced onward and other remuneration	101	—	101	—
Total other operating income	**16,201**	**3,740**	**16,137**	**3,781**

NOTE 7 Employees

Remuneration to CEO and senior executives

CEO Gunilla Osswald received remuneration of kSEK 4,967 as fixed annual salary in 2025, which included benefits and amendments pertaining to annual leave owed. Over and beyond that, there is an additional pension provision of 35 percent. The CEO is covered by the rewards program covering all employees; see below. In 2025, the CEO had variable remuneration of up to 50 percent of annual salary. Between the company and the CEO, there is a notice period of 12 months by the company and 6 months by the CEO. Upon termination by the Company, the company has the right to relieve the employee during the notice period.

The Executive Management Team comprises ten senior executives. Senior executives except the CEO receive normal market remuneration and individually negotiated premiums for service pension or alternately premiums under the terms of the company's pension plan. All other employees receive market salaries, and premiums are allocated to the occupational pension in accordance with the terms of the company's pension plan. All employees have a contractual mutual notice period of three months or alternately in accordance with the Employment Protection Act.

Severance pay is not applied. For non-executive Board members, fees have been paid pursuant to the resolutions of the Annual General Meeting.

BioArctic has one rewards program covering all permanent employees. One condition for receiving variable remuneration is that the employee has been employed for more than six months at the time when the goal that forms the basis for payment of variable remuneration is reached. The goals are linked to milestones achieved under the research program for Alzheimer's disease. The potential variable remuneration to the employee amounts to one month's salary per milestone, and two potential disbursements remain. The variable remuneration is not pensionable.

Share-based remuneration to employees

BioArctic has four ongoing long-term incentive programs that were resolved on at the Annual General Meetings in 2019, 2023, 2024 and 2025.

The 2019/2028 employee stock option program covers at most 1,000,000 employee stock options. To facilitate the company's delivery of shares under the 2019/2028 employee stock option program, the AGM resolved on a directed issue of 1,000,000 warrants.

The maximum dilution effect of the 2019/2028 employee stock option program is estimated to be 1.1 percent of share capital and 0.5 percent of the voting rights in the company (calculated based on the number of existing shares in the company), provided that all employee stock options are fully exercised. The employee stock options can be exercised for subscription of shares between three and five years after allocation. The program extends over five years and six months from the point in time of allocation for the respective employees. The stock options give participants the right to exercise 60 percent of the allotted share rights after three years, a further 20 percent after four years and the remaining 20 percent after five years, provided that the participant remains employed in the Group.

On the balance sheet date (December 31, 2025), 915,000 employee stock options had been granted, and no further grants will take place. No employee stock options were granted in 2025. The total number of stock options lapsed on December 31, 2025 was 15,000, and the number of stock options exercised was 641,500, which means that 258,500 employee stock options were outstanding at the end of the year, corresponding to a maximum dilution effect of 0.29 percent of the shares at the end of the year.

The 2023/2026 Performance Share Unit program is a three-year incentive program covering a maximum of 125,000 PSUs which, provided that the share price increases at least 30 percent over a three-year period, grants participants the right to receive shares, free of charge or cash payment. At the end of 2025, 117,500 PSUs had been allocated, and no further allocation will take place. A total of 2,000 PSUs had lapsed as of the balance sheet date, and 115,500 PSUs remain. If the Board of Directors chooses to exercise all of the warrants for delivery of B shares or for financing the company's costs for the incentive program, the dilution effect could total a maximum of 0.10 percent of the number of shares at the end of the period.

The 2024/2027 performance share unit program is a three-year incentive program covering at most 160,000 performance share rights which, provided that the conditions are met, grants participants the right to receive B shares, free of charge. The program contains a performance target of an increase in the share price of at least 30 percent over a three-year period (30 percent of total), a target pertaining to the company's research and development and/or partnerships (60 percent of total) and sustainability targets (10 percent of total). 149,000 performance share units were allocated, and no further allocation will take place. 3,000 PSUs lapsed in 2025, and 146,000 PSUs remain. Upon full exercise of warrants issued, the number of B shares will increase by 210,000, corresponding to a dilution of 0.22 percent of the number of shares.

The 2025/2028 PSU program is a three-year incentive program covering at most 210,000 performance share units which, provided that the conditions are met, grants participants the right to receive B shares, free of charge. The program contains a performance target of an increase in the share price of at least 30 percent over a three-year period (30 percent of total), a target pertaining to the company's research and development and/or partnerships (60 percent of total) and sustainability targets (10 percent of total). 199,000 PSUs were granted, and no further allocation will take place. 500 PSUs lapsed, and 198,500 PSUs remain. Upon full exercise of warrants issued, the number of B shares will increase by 210,000, corresponding to a dilution of 0.29 percent of the number of shares.

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Guidelines for remuneration to senior executives
The guidelines cover the Chief Executive Officer, the Executive Vice President (if applicable) and the individuals who are members of the Executive Management Team at any given time. To the extent that the Board members of the company perform work for BioArctic alongside their Board assignments, these guidelines will also apply to any remuneration paid to the Board member for such work. The guidelines adopted at the 2022 Annual General Meeting are applicable to remuneration that is contracted, and to changes that are made to previously contracted remuneration. The guidelines also cover remuneration that is paid out under the company's existing milestone-based incentive program. Transfer of securities and granting of rights to the future acquisition of securities from BioArctic are equally considered remuneration.

The guidelines do not cover remuneration resolved on by the General Meeting (e.g. share-based incentive programs). The General Meeting can decide, outside and independently of these guidelines, on share-based and similar remuneration. BioArctic has four ongoing long-term incentive programs that were resolved on at the Annual General Meetings in 2019, 2023, 2024 and in 2025. Executives who hold posts as members or deputy members of the board of directors of the Group company will not receive separate Board fees for this.

How the guidelines promote BioArctic's business strategy, long-term interests and sustainability
BioArctic AB is a Swedish research-based biopharma company focusing on disease-modifying treatments for neurodegenerative disorders such as Alzheimer's disease, Parkinson's disease, and ALS. BioArctic focuses on innovative treatments in areas with high unmet medical needs. BioArctic has a balanced, competitive portfolio consisting of unique product candidates, as well as advanced technology for facilitating the passage of drugs across the blood-brain barrier. The project portfolio is a combination of fully funded projects pursued in partnership with global pharmaceutical companies and innovative in-house projects with significant market and outlicensing potential.

BioArctic's vision is to generate innovative drugs that improve the lives for patients with disorders of the central nervous system. Our work is based on groundbreaking scientific discoveries, and the company's researchers collaborate with strategic partners such as research groups at universities and major pharmaceutical companies. BioArctic has a great deal of scientific competence and years of experience in developing drugs from idea to market. BioArctic's business model involves initially pursuing project development in-house and, once the project has reached a phase of development requiring more resources or competence, entering research collaborations and signing collaboration agreements or outlicensing certain commercial rights to global pharmaceutical companies.

Successful implementation of BioArctic's strategy and safeguarding of the company's long-term interests presupposes that BioArctic can recruit and retain management with the competence and capacity to achieve the goals that have been set. This requires BioArctic to be able to offer competitive remuneration. These guidelines promote BioArctic's business strategy, long-term interests and sustainability by providing the company with the possibility of offering competitive remuneration to senior executives.

Forms of remuneration
BioArctic's remuneration system must be market-based and competitive. Remuneration can be paid out in the form of fixed salary, variable remuneration, pensions and other benefits.

Fixed salary
Fixed salary will be individual for each executive and based on the roll of the executive, responsibility, competence, experience and performance. The senior executive can be offered the possibility of a salary exchange between fixed salary and pension and other benefits, respectively, on condition that it is cost-neutral for the company.

Variable remuneration
Variable remuneration will be related to the outcome of BioArctic's goals and strategies and based on pre-defined and measurable criteria designed to promote long-term value creation. The share of total remuneration that comprises variable remuneration may vary depending on position. At most, however, variable remuneration – except for remuneration under the company's milestone-based rewards program – can correspond to 50 percent of the senior executive's annual fixed salary. Variable remuneration must be non-pensionable to the extent it does not otherwise follow from compulsory provisions in collective bargaining agreements. The Board of Directors must have the opportunity in accordance with either law or agreement and the limitations that follow therefrom to recall variable remuneration that was erroneously paid out. For 2025, the CEO had the right to variable remuneration of 50 percent of the annual salary and the senior executives had the right to variable remuneration between 20 and 40 percent of their annual salaries.

BioArctic has a milestone-based rewards program in Alzheimer's disease that is linked to regulatory milestones, and to milestones that are based on future potential sales. A previously determined amount will be disbursed if and when BioArctic achieves certain pre-defined regulatory milestones, and milestones that are based on future potential sales. The achievement of such milestones is typically associated with significant uncertainty. Variable remuneration under the milestone-based rewards program is disbursed – to the extent it is paid – on an irregular basis in pace with the milestones being achieved. Moreover, remuneration of this kind can be expected to display highly significant variation from one year to another. The design of and uncertainty around the milestone-based rewards programs justify the fact that existing and future programs of a similar design are not covered by the guidelines on the proportion of the variable remuneration in relation to fixed salary.

Criteria for payment of variable remuneration
The criteria that form the basis for payment of variable remuneration, with the exception of the company's milestone-based rewards program, are to be established yearly by the Board of

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Directors for the purpose of ensuring that the criteria are in line with BioArctic's current business strategy and earnings targets. The criteria may be individual or shared, financial or non-financial, and must be designed to promote BioArctic's business strategy, sustainability strategy and long-term interests. The criteria can, for example, be linked to: BioArctic achieving certain goals as part of its clinical tests, BioArctic initiating or concluding a certain step or achieving a certain research result as part of its drug development, BioArctic initiating research collaboration with a certain partner, or BioArctic signing a certain agreement. The criteria can also be linked to the employee themselves, for example, the person needing to have worked for BioArctic for a certain period of time. Variable remuneration under milestone-based rewards programs must be linked to pre-defined milestones in BioArctic's development projects or achieving the commercialization of the company's drug candidates.

The period that forms the basis for assessing whether or not the criteria have been met must total at least one year, with the exception of the milestone-based rewards program where payments are based on the achievement of pre-defined milestones. The extent to which the criteria have been met will be assessed once the measurement period has concluded.

Assessment of whether financial criteria have been met will be based on the release of the latest financial information by BioArctic. The Board will decide on payment of any variable remuneration after preparation in the Remuneration Committee.

Pension benefits

Pension benefits must be defined-contribution to the extent the executive is not covered by defined-benefit pension under compulsory provisions in collective bargaining agreements. At most, pension premiums for defined-contribution pensions can correspond to 40 percent of the senior executive's annual fixed salary.

Other benefits

Other benefits can include a company car, occupational health services, life and health insurance and other similar benefits. Other benefits will comprise a smaller share of total remuneration and at most can correspond to 10 percent of the senior executive's annual fixed salary.

Consultancy fees

Consultancy fees must be market-based. To the extent consulting service are performed by a Board member of BioArctic, the Board member concerned does not have the right to take part in the preparation by the Board (or the Remuneration Committee) of questions concerning remuneration for the consulting services in question.

Salary and conditions of employment for employees

In order to assess the reasonableness of the guidelines, the Board of Directors took salaries and conditions of employment for BioArctic's employees into consideration when preparing the proposal for these guidelines. With that, the Board studied information pertaining to the employees' total remuneration, the forms this remuneration took, how remuneration levels have changed over time and the rate at which they changed.

Notice period and severance pay

As regards the CEO, the notice period upon termination by BioArctic will be a maximum of twelve months, while the notice period upon resignation by the CEO will be a maximum of six months.

As regards senior executives other than the CEO, the notice period upon termination by BioArctic will be a minimum of three months and a maximum of twelve months, while the notice period upon resignation by the senior executive will be a minimum of three months and a maximum of six months, if not otherwise prescribed by law.

Severance pay can be paid to senior executives upon termination by BioArctic. Total fixed salary during the notice period and severance pay will not exceed an amount corresponding to two years of the fixed salary.

Remuneration may be paid for a commitment to restriction of competition. Remuneration of this type will compensate for any potential loss of income and will only be paid to the extent that the former senior executive does not have the right to severance pay. At most, the remuneration can total 60 percent of the senior executive's fixed salary upon termination, if nothing else follows from compulsory provisions in collective bargaining agreements.

Remuneration of this type can be paid out during the period the commitment to restriction of competition is in effect, which can be a maximum of 12 months after the termination of employment, with the possibility of deduction against other income from services or in accordance with consultancy agreements.

The decision-making process for establishing, reviewing and implementing the guidelines

The Board of Directors has established a Remuneration Committee, which has been tasked with preparing the Board's decisions on issues concerning remuneration policies, remuneration and other conditions of employment for company management; monitoring and evaluating programs both ongoing and concluded during the year for variable remuneration to company management; and monitoring and evaluating application of the guidelines for remuneration to senior executives that the General Meeting is to resolve on, as well as remuneration structures and remuneration levels in effect at BioArctic. The tasks of the Committee also include preparing Board decisions on proposals for guidelines for remuneration to senior executives.

The Board of Directors will draw up proposals for new guidelines in the event substantial changes to the guidelines are needed, though at least once every four years. The Board of Directors will present the proposal for resolution at the AGM. The guidelines will remain in effect until new guidelines have been adopted by the General Meeting.

In order to avoid conflicts of interest, senior executives will not be present at the Board of Directors' handling of and decisions on issues related to remuneration to the extent they are impacted by these issues.

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Departures from the guidelines

The Board of Directors may decide to temporarily depart from the guidelines if in an individual case there are particular reasons to do so and a departure is necessary in order to serve BioArctic's long-term interests and sustainability or to ensure the company's financial stability.

Particular reasons could, for example, consist of a departure being deemed necessary in order to recruit or retain key persons, or in connection with extraordinary circumstances such as BioArctic achieving a certain desired result in a shorter time than planned, BioArctic successfully signing a certain agreement in a shorter time and on better terms than predicted, or BioArctic increasing in value or increasing its sales or profits to a greater extent than forecast.

In 2025, BioArctic departed from the remuneration guidelines in force that had been established by the Annual General Meeting. The Board was of the opinion that special reasons for this departure existed. Financial year 2025 was an exceptional year for BioArctic, largely as a result of the agreements signed with Bristol Myers Squibb and Novartis. The extraordinary effort from the CEO, and the positive results for the company, warranted a bonus above and beyond the established levels. The Remuneration Committee recommended and the Board decided on an extra bonus of MSEK 2.3, resulting in the CEO receiving a total of 12 months' salary in variable remuneration, corresponding to 6 months' salary above and beyond the adopted guidelines.

AVERAGE NUMBER OF EMPLOYEES

	Group		*Parent Company*	
Number of	2025	2024	2025	2024
Women[1)]	79	62	76	60
Men[2)]	40	35	36	32
Total	**119**	**97**	**112**	**92**

1) Of which 2 (2) women in Denmark, 0.7 (0) in Finland and 0.3 (0) in Norway
2) Of which average number of 2.7 men (2) in Finland and 1 (1) in Norway

BOARD MEMBERS AND SENIOR EXECUTIVES

	2025		*2024*	
Number of	Balance sheet date	Of whom women	Balance sheet date	Of whom women
BioArctic AB				
Board members	7	3	7	3
CEO and other senior executives	10	7	9	5

SALARIES, REMUNERATION AND SOCIAL SECURITY CONTRIBUTIONS

	Group		*Parent Company*	
Amounts in kSEK	2025	2024	2025	2024
Salaries and remuneration				
Board of Directors, CEO and other senior executives	46,211	36,508	46,211	36,508
(of which, variable)	(12,318)	(4,809)	(12,318)	(4,809)
Other employees	139,288	97,229	126,174	87,521
Total salaries and remuneration	**185,499**	**133,737**	**172,386**	**124,029**
Social security contributions[1]	52,664	21,717	52,423	21,324
Pension costs	21,945	17,760	20,113	16,417
(of which Board of Directors, CEO and other senior executives)	(5,920)	(5,486)	(5,920)	(5,486)
Total salaries, remuneration and social security contributions	**260,108**	**173,213**	**244,921**	**161,770**

1) The increase in social security contributions is due primarily to the rise in share price leading to an increase in provisions for social security contributions linked to the incentive programs, and to the disbursement of a milestone bonus in 2025.

The company has no outstanding pension obligations.

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REMUNERATION AND OTHER BENEFITS, 2025

Amounts in kSEK	Fixed salary/ Fees	Variable remunera-tion	Pension	Share-based remunera-tion	Total
Board of Directors					
Eugen Steiner	858	—	—	—	858
Lars Lannfelt[1]	2,405	—	452	—	2,857
Pär Gellerfors	336	—	—	—	336
Mikael Smedeby	359	—	—	—	359
Lotta Ljungqvist	362	—	—	—	362
Cecilia Edström	402	—	—	—	402
Anna-Lena Engwall	359	—	—	—	359
Group Management					
CEO Gunilla Osswald	4,967	5,276	1,629	1,650	13,523
Other senior executives (9 persons)[2]	17,549	7,042	3,838	4,647	33,077
Total remuneration and other benefits	**27,596**	**12,318**	**5,920**	**6,298**	**52,131**

1) Lars Lannfelt is active in the company and is employed at 100% of full-time service.

REMUNERATION AND OTHER BENEFITS, 2024

Amounts in kSEK	Fixed salary/ Fees	Variable remunera-tion	Pension	Share-based remunera-tion	Total
Board of Directors					
Eugen Steiner	830	—	—	—	830
Lars Lannfelt[1]	1,969	—	399	—	2,367
Pär Gellerfors	387	—	—	—	387
Ivar Verner (until May 22)	205	—	—	—	205
Mikael Smedeby	338	—	—	—	338
Håkan Englund (until May 22)	130	—	—	—	130
Lotta Ljungqvist	338	—	—	—	338
Cecilia Edström	361	—	—	—	361
Anna-Lena Engwall (from May 22)	204	—	—	—	204
Group Management					
CEO Gunilla Osswald	4,743	1,793	1,566	1,695	9,797
Other senior executives (8 persons)[2]	14,803	3,015	3,521	5,699	27,038
Total remuneration and other benefits	**24,306**	**4,808**	**5,486**	**7,394**	**41,994**

1) Lars Lannfelt is active in the company and is employed at 100% of full-time service.

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2019/2028 stock option program

The Black & Scholes model was used to calculate the value of the stock options. The volatility used in calculating the value of the stock options was established based on a comparison with similar companies, and has been set at 40 per cent. During the period, an interest rate corresponding to a five-year government bond was used, and no dividend has been assumed. Apart from the above, no other assumptions have been taken into account when calculating the fair value.

2019/2028 STOCK OPTION PROGRAM

	Number of shares
Outstanding as of January 1, 2024	590,000
Allotted	—
Lapsed	-5,000
Redeemed	-74,050
Due	—
Outstanding as of December 31, 2024	**510,950**
Outstanding as of January 1, 2025	510,950
Allotted	—
Lapsed	—
Redeemed	-252,450
Due	—
Outstanding as of December 31, 2025	**258,500**
Redeemable as of December 31, 2024	153,950
Redeemable as of December 31, 2025	**77,500**

2019/2028 STOCK OPTION PROGRAM

Allotment	Allotment date	Vesting period concludes	Weighted average remaining contract period	Number of warrants allotted	Share price at allotment date, SEK	Fair value per warrant at allotment date, SEK	Exercise price, SEK
Allotment 1	Sep. 11, 2019	Sep. 11, 2024	0.2 years	435,000	62.90	17.20	83.60
Allotment 2	Sep. 11, 2019	Sep. 11, 2024	0.2 years	25,000	62.90	17.46	82.46
Allotment 3	Dec. 1, 2019	Dec. 1, 2024	0.4 years	20,000	98.00	47.14	67.75
Allotment 4	Feb. 3, 2020	Feb. 3, 2025	0.6 years	5,000	86.90	26.14	105.37
Allotment 5	May 4, 2020	May 4, 2025	0.8 years	25,000	67.15	26.62	60.19
Allotment 6	Dec. 7, 2020	Dec. 7, 2025	1.4 years	35,000	94.20	34.01	94.19
Allotment 7	Jan. 15, 2021	Jan. 15, 2026	1.5 years	10,000	100.30	35.74	101.76
Allotment 8	Aug. 15, 2021	Aug. 15, 2026	2.1 years	30,000	135.80	52.74	124.80
Allotment 9	Jan. 10, 2022	Jan. 10, 2027	2.5 years	170,000	109.20	33.50	129.82
Allotment 10	Apr. 25, 2022	Apr. 25, 2027	2.8 years	20,000	80.80	19.73	113.34
Allotment 11	Nov. 1, 2022	Nov. 1, 2027	3.3 years	70,000	232.60	99.57	161.71
Allotment 12	Feb. 28, 2023	Feb. 28, 2028	3.6 years	70,000	311.40	97.00	314.77
Total number of warrants allocated as of December 31, 2025				**915,000**			

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2023/2026 Performance Share Unit (PSU) program

The value of the Performance Share Units (PSU)s was calculated through a Monte Carlo simulation. The volatility used in calculating the value of the PSUs was established based on expected future volatility derived from observed historical volatility for the BioArctic share, and was set at 55 per cent. During the period, an estimated three-year interest rate was used based on observed interest rates for two- and five-year government bonds, and no dividend has been assumed. Apart from the above, no other assumptions have been taken into account when calculating the fair value.

2023/2026 PSU PROGRAM	Number of PSUs
Outstanding as of January 1, 2024	117,500
Allotted	—
Forfeited	-500
Redeemed/Due	—
Outstanding as of December 31, 2024	**117,000**
Outstanding as of January 1, 2025	117,000
Allotted	—
Forfeited	-1,500
Redeemed/Due	—
Outstanding as of December 31, 2025	**115,500**
Redeemable as of December 31, 2024	—
Redeemable as of December 31, 2025	**—**

2024/2027 Performance Share Unit (PSU) program

The value of the PSUs was calculated through a Monte Carlo simulation. The volatility used in calculating the value of the PSUs was established based on expected future volatility derived from observed historical volatility for the BioArctic share, and was set at 57 percent for allocation 1 and 59 percent for allocation 2. During the period, an estimated three-year interest rate was used based on observed interest rates for two- and five-year government bonds, and no dividend has been assumed. Apart from the above, no other assumptions have been taken into account when calculating the fair value.

	Number of PSUs
Outstanding as of January 1, 2024	—
Allotted	149,000
Forfeited/Redeemed/Due	—
Outstanding as of December 31, 2024	**149,000**
Outstanding as of January 1, 2025	149,000
Allotted	—
Forfeited	-3,000
Redeemed/Due	—
Outstanding as of December 31, 2025	146,000
Redeemable as of December 31, 2024	—
Redeemable as of December 31, 2025	**—**

2025/2028 Performance Share Unit (PSU) program

The value of the PSUs was calculated through a Monte Carlo simulation. The volatility used in calculating the value of the PSUs was established based on expected future volatility derived from observed historical volatility for the BioArctic share, and was set at 63 percent for allocation 1 and 60 percent for allocation 2. During the period, an estimated three-year interest rate was used based on observed interest rates for two- and five-year government bonds, and no dividend has been assumed. Apart from the above, no other assumptions have been taken into account when calculating the fair value.

2025/2028 PERFORMANCE SHARE UNIT (PSU) PROGRAM	Number of shares
Outstanding as of January 1, 2025	—
Allotted	199,000
Forfeited	-500
Redeemed/Due	—
Outstanding as of December 31, 2025	**198,500**
Redeemable as of December 31, 2025	**—**

2023/2026 PERFORMANCE SHARE UNIT (PSU) PROGRAM

Allotment	Allotment date	Maturity date	Fair value per PSU at allotment date, SEK	Number of shares the program corresponds to	Vesting rate
Allotment 1	Jun. 1, 2023	Jun. 1, 2026	217.41	107,000	86%
Allotment 2	Aug. 31, 2023	Aug. 31, 2026	203.40	10,500	78%
Total number of allotted PSUs as of December 31, 2025				**117,500**	

2024/2027 PSU PROGRAM

Allotment	Allotment date	Maturity date	Fair value per PSU at allotment date, SEK	Number of shares the program corresponds to	Vesting rate
Allotment 1	Jun. 1, 2024	Jun. 1, 2027	164.64	138,500	53%
Allotment 2	Aug. 31, 2024	Aug. 31, 2027	103.35	10,500	44%
Total number of allotted PSUs as of December 31, 2025				**149,000**	

2025/2028 PERFORMANCE SHARE UNIT (PSU) PROGRAM

Allotment	Allotment date	Maturity date	Fair value per PSU at allotment date, SEK	Number of shares the program corresponds to	Vesting rate
Allotment 1	Jun. 1 , 2025	Jun. 1, 2028	117.66	194,000	19%
Allotment 2	Sep. 1, 2025	Sep. 1, 2028	246.82	5,000	11%
Total number of allotted PSUs as of December 31, 2025				**199,000**	

NOTE 8 Remuneration to the auditors

	Group		*Parent Company*	
Amounts in kSEK	**2025**	**2024**	**2025**	**2024**
Grant Thornton				
Audit engagement	842	1,830	820	1,611
Audit services in addition to audit engagement	272	154	272	154
Tax advisory service	—	16	—	16
Other services	—	8	—	8
Total remuneration to Grant Thornton	**1,114**	**2,009**	**1,092**	**1,789**

Audit assignment refers to the review of the Annual Report and the accounts, as well as of the administration by the Board of Directors and the CEO, and to other work tasks that it is the business of the company's auditor to perform as well as consultancy or other assistance occasioned by observations in conjunction with such reviews or the performance of other such work tasks.

Audit services in addition to audit engagement pertain primarily to a general audit of interim financial statements.

Tax advisory service includes consultancy on income tax and VAT.

Other services pertain to consultancy not attributable to any of the categories of service named above.

NOTE 9 Commitments

LEASE COMMITMENTS

The Group applies IFRS 16 Leases, which means that leases are recognized in the balance sheet as a right-of-use asset and a lease liability. Both expensed and future lease commitments belong to the Parent Company and pertain to rent for office premises under non-cancelable leases as well as lease payments for company cars where the remaining term of the lease is between 1 and 3 years. For more information on leases, refer to Note 24.

EXPENSED MINIMUM LEASE PAYMENTS

	Parent Company	
Amounts in kSEK	**2025**	**2024**
Lease fees, premises	16,219	14,472
Lease fees, vehicles	2,864	1,532
Total	**19,083**	**16,003**

FUTURE MINIMUM LEASE PAYMENTS FOR NON-CANCELABLE LEASES

	Parent Company	
Amounts in kSEK	**2025**	**2024**
Within one year	17,756	17,783
Later than one year but not later than five years	37,480	52,247
Later than five years	—	—
Total	**55,236**	**70,030**

OTHER COMMITMENTS

BioArctic has undertaken to conduct research operations to reach predefined milestones. The Group has MSEK 234.5 (0) in prepaid income as of 31 December 2025.

NOTE 10 Other operating expenses

	Group		*Parent Company*	
Amounts in kSEK	**2025**	**2024**	**2025**	**2024**
Operational foreign exchange losses	125,538	2,638	125,536	2,579
Total other operating expenses	**125,538**	**2,638**	**125,536**	**2,579**

NOTE 11 Finance income and expenses

	Group		*Parent Company*	
Amounts in kSEK	**2025**	**2024**	**2025**	**2024**
Interest charged	34,681	40,845	34,665	40,815
Total financial income	**34,681**	**40,845**	**34,665**	**40,815**
Non-current lease liabilities	-2,026		—	—
Foreign exchange losses	-35,551	-1,849	-35,551	-119
Financial expenses	-326		-149	
Total financial expenses	**-37,903**	**-1,849**	**-35,700**	**-119**
Total financial income and expenses	**-3,222**	**38,996**	**-1,035**	**40,696**

NOTE 12 Tax

	Group		*Parent Company*	
Amounts in kSEK	**2025**	**2024**	**2025**	**2024**
Current tax	-174,740	-336	-174,218	—
Deferred tax	-58,521	12,776	345	263
Total tax on profit for the year	**-233,261**	**12,440**	**-173,873**	**263**

RECONCILIATION OF EFFECTIVE TAX

In the table below, reported tax is reconciled against tax based on the Swedish tax rate of 20.6% (20.6%).

RECONCILIATION OF EFFECTIVE TAX

	Group		*Parent Company*	
Amounts in kSEK	**2025**	**2024**	**2025**	**2024**
Profit/loss before tax	1,255,585	-189,519	967,757	-130,356
Tax under applicable tax rate, 20.6% (20.6%)	-258,224	39,370	-199,358	26,853
Tax under applicable tax rate in subsidiaries	-522	-329	—	—
Non-deductible expenses	-599	-333	-599	-322
Non-taxable income	—	118	—	118
Standard income on tax allocation reserve	—	-302	—	-302
Tax effect on loss carry-forward capitalized[1]	26,084	—	26,084	—
Tax effect on loss carry-forward not capitalized[1]	—	-26,084		-26,084
Total tax	**-233,261**	**12,440**	**-173,873**	**263**
Effective tax, %	18.6%	6.6%	18.0%	0.2%

1) Taxable loss for 2024 was MSEK 186.7 and the loss carryforward was utilized against the taxable profit for 2025.

Note 12, cont.

CURRENT TAX LIABILITIES

	Group		*Parent Company*	
Amounts in kSEK	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
Current tax liabilities	136,713	33,580	136,438	33,461
Total current tax liabilities	**136,713**	**33,580**	**136,438**	**33,461**

DEFERRED TAX

Deferred tax consists of tax items to be settled in the future. The table below specifies deferred tax receivables and tax liabilities regarding temporary differences between the carrying amount of assets and liabilities and their taxable value.

	Group		*Parent Company*	
Amounts in kSEK	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
Leasehold improvements	1,141	797	1,141	797
Deferred tax, IFRS 16	314	160	—	—
Total deferred tax assets	**1,455**	**957**	**1,141**	**797**
Tax allocation reserve	-58,051	—	—	—
Accelerated depreciation	-969	—	—	—
Total deferred tax liabilities	**-59,020**	**—**	**—**	**—**
Total net deferred tax	**-57,565**	**957**	**1,141**	**797**

CHANGE IN DEFERRED TAX

	Group			*Parent Company*		
Amounts in kSEK	Jan. 1, 2025	Recognized in profit or loss	Dec. 31, 2025	Jan. 1, 2025	Recognized in profit or loss	Dec. 31, 2025
Leasehold improvements	797	345	1,141	797	345	1,141
Deferred tax, IFRS 16	160	154	314	—	—	—
Total deferred tax assets	**957**	**499**	**1,455**	**797**	**345**	**1,141**
Tax allocation reserve	—	-58,051	-58,051	—	—	—
Accelerated depreciation	—	-969	-969	—	—	—
Total deferred tax liabilities	**—**	**-59,020**	**-59,020**	**—**	**—**	**—**
Total net deferred tax	**957**	**-58,521**	**-57,565**	**797**	**345**	**1,141**

	Group			*Parent Company*		
Amounts in kSEK	Jan. 1, 2024	Recognized in profit or loss	Dec. 31, 2024	Jan. 1, 2024	Recognized in profit or loss	Dec. 31, 2024
Leasehold improvements	533	263	797	533	263	797
Deferred tax, IFRS 16	33	127	160	—	—	—
Total deferred tax assets	**566**	**391**	**957**	**533**	**263**	**797**
Tax allocation reserve	-11,515	11,515	—	—	—	—
Accelerated depreciation	-870	870	—	—	—	—
Total deferred tax liabilities	**-12,385**	**12,385**	**—**	**—**	**—**	**—**
Total net deferred tax	**-11,819**	**12,776**	**957**	**533**	**263**	**797**

NOTE 13 Earnings per share and share data

Earnings per share is calculated by dividing earnings for the year attributable to Parent Company shareholders by a weighted average of the number of ordinary shares outstanding during the period. As of the balance-sheet date, 258,500 are outstanding after deductions for lapsed, exercised and repurchased warrants. These outstanding warrants correspond to a maximum dilution effect of 0.3 percent of the shares at year end. At the balance sheet date, 460,000 share rights had been allocated and were outstanding at the end of the year. These outstanding share rights correspond to a maximum dilution effect of 0.6 percent of the shares at year end.

	Group	
Amounts in kSEK	**2025**	**2024**
Loss for the year attributable to owners of the Parent Company, kSEK	1,022,324	-177,079
Weighted average number of shares outstanding before dilution	88,545,595	88,347,345
Earnings per share before dilution, SEK	**11.55**	**-2.00**
Earnings per share after dilution, SEK[1]	**11.52**	**-2.00**
Proposed dividend per share, SEK	2.00	0.00
Number of shares outstanding as of the balance sheet date	88,641,485	88,389,035
Number of warrants and share rights outstanding	718,500	659,950

1) No dilution effect for 2024 since the company reported negative earnings.

NOTE 14 Tangible assets

	Group			
Amounts in kSEK	**Leasehold improvements**	**Inventarier och Equipment**	**Total**	**Right-of-use assets**
Cost at January 1, 2025	17,788	72,473	90,260	68,090
Acquisitions		10,243	10,243	3,075
Remeasurement	—	—	—	1,303
Disposal	—	—	—	-596
Cost at December 31, 2025	**17,788**	**82,716**	**100,503**	**71,872**
Depreciation at January 1, 2025	-6,067	-44,741	-50,808	-10,921
Correction of opening balance	—	—	—	
Disposal	—	—	—	374
Depreciation	**-2,562**	-10,269	-12,831	-15,205
Depreciation at December 31, 2025	**-8,629**	**-55,009**	**-63,638**	**-25,752**
Carrying amount at January 1, 2025	**11,721**	**27,732**	**39,453**	**57,169**
Carrying amount at December 31, 2025	**9,159**	**27,706**	**36,864**	**46,120**

	Group			
Amounts in kSEK	**Leasehold improvements**	**Inventarier och Equipment**	**Total**	**Right-of-use assets**
Cost at January 1, 2024	6,517	57,109	63,625	44,816
Acquisitions	11,271	15,364	26,635	62,681
Remeasurement	—	—	—	1,013
Disposal	—	—	—	-40,420
Cost at December 31, 2024	**17,788**	**72,473**	**90,260**	**68,090**
Depreciation at January 1, 2024	-4,078	-36,012	-40,090	-37,226
Correction of opening balance	—	—	—	
Disposal	—	—	—	39,972
Depreciation	-1,989	-8,730	-10,719	-13,668
Depreciation at December 31, 2024	**-6,067**	**-44,741**	**-50,808**	**-10,921**
Carrying amount at January 1, 2024	**2,439**	**21,097**	**23,536**	**7,590**
Carrying amount at December 31, 2024	**11,721**	**27,731**	**39,451**	**57,169**

Note 14, cont.

	Parent Company		
Amounts in kSEK	**Leasehold improvements**	**Equipment**	**Total**
Cost at January 1, 2025	17,788	72,413	90,201
Acquisitions	—	10,243	10,243
Cost at December 31, 2025	**17,788**	**82,656**	**100,444**
Depreciation at January 1, 2025	-6,067	-44,727	-50,794
Depreciation	-2,562	-10,257	-12,819
Depreciation at December 31, 2025	**-8,629**	**-54,984**	**-63,613**
Carrying amount at January 1, 2025	**11,721**	**27,686**	**39,407**
Carrying amount at December 31, 2025	**9,159**	**27,672**	**36,831**

	Parent Company		
Amounts in kSEK	**Leasehold improvements**	**Equipment**	**Total**
Cost at January 1, 2024	6,517	57,049	63,566
Acquisitions	11,271	15,364	26,635
Disposal	—	—	—
Cost at December 31, 2024	**17,788**	**72,413**	**90,201**
Depreciation at January 1, 2024	-4,078	-36,012	-40,090
Disposal	—	—	—
Depreciation	-1,989	-8,715	-10,704
Depreciation at December 31, 2024	**-6,067**	**-44,727**	**-50,794**
Carrying amount at January 1, 2024	**2,439**	**21,037**	**23,476**
Carrying amount at December 31, 2024	**11,721**	**27,686**	**39,407**

NOTE 15 Shares in subsidiaries

	Parent Company	
Amounts in kSEK	**Dec. 31, 2025**	**Dec. 31, 2024**
Opening cost	90	140
Acquisition/Divestment	—	-50
Closing cost	**90**	**90**

SPECIFICATION OF PARENT COMPANY'S SHARES AND PARTICIPATIONS IN SUBSIDIARIES

Subsidiary/Corp. ID No./Reg. office	**Share owned, %[1]**	**Equity**	**Profit for the year[2]**
BioArctic Denmark ApS, 43775154, Copenhagen	100.0%	2,216	395
BioArctic Finland Oy, 3345860-8, Helsinki	100.0%	2,467	778
BioArctic Norway AS, 930931349, Oslo	100.0%	944	393

1) Pertains to ownership share of capital, which also corresponds to the proportion of voting rights for the total number of shares.

2) Profit for the year in the foreign subsidiaries pertains to intra-Group services

NOTE 16 Other non-current financial assets

	Group		*Parent Company*	
Amounts in kSEK	**Dec. 31, 2025**	**Dec. 31, 2024**	**Dec. 31, 2025**	**Dec. 31, 2024**
Deposit	3,833	3,442	3,487	3,421
Total other non-current financial assets	**3,833**	**3,442**	**3,487**	**3,421**

Pertains to deposit for rental contract in the form of restricted cash; refer to Note 27.

NOTE 17 Overview of financial instruments

CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

The Group's financial assets and liabilities are fully attributable to cash and cash equivalents, current investments, trade receivables, other current receivables, trade payables, contractual accrued expenses and tax liabilities. The Group holds forward exchange contracts under other current receivables, which also affects the operating result, but no listed securities.

Dec. 31, 2025 Amounts in kSEK	Note	Amortized cost	Fair value through profit or loss	Fair value through other comprehensive income
Financial assets				
Trade receivables		121,647		
Other current receivables	18	20,422	885	—
Contractual accrued revenue	19	132,951	—	—
Current investments		1,150,000		
Cash and cash equivalents	20	1,040,430	—	—
Total financial assets		**2,465,450**	885	—
Financial liabilities				
Trade payables		-23,941	—	—
Tax liabilities	12	-136,713	—	—
Contractual accrued expenses	26	-39,601	—	—
Total financial liabilities		**-200,254**	—	—
Total financial instruments (assets + / liabilities -)		**2,265,196**	885	—

Dec. 31, 2024 Amounts in kSEK	Note	Amortized cost	Fair value through profit or loss	Fair value through other comprehensive income
Financial assets				
Trade receivables		71,196		
Other current receivables	18	35,626	—	—
Contractual accrued revenue	19	100,281	—	—
Current investments		265,989		
Cash and cash equivalents	20	512,927	—	—
Total financial assets		**986,020**	—	—
Financial liabilities				
Trade payables		-50,453	—	—
Tax liabilities	12	-33,580	—	—
Contractual accrued expenses	26	-22,862	—	—
Total financial liabilities		**-106,895**	—	—
Total financial instruments (assets + / liabilities -)		**879,125**	—	—

THE GROUP'S MATURITY STRUCTURE FOR UNDISCOUNTED FINANCIAL LIABILITIES

Amounts in kSEK	2026	2027	2028	2029	2030
Trade payables	23,941	—	—	—	—
Lease liabilities	15,236	15,236	15,236	5,079	—
Contractual accrued expenses	39,601	—	—	—	—
Total	**78,777**	**15,236**	**15,236**	**5,079**	**—**

NOTE 18 Other current receivables

	Group		Parent Company	
Amounts in kSEK	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
VAT receivables	3,550	3,654	3,761	3,444
Tax account	16,862	32,470	16,862	32,470
Other	896	-498	896	-498
Total other current receivables	**21,307**	**35,626**	**21,518**	**35,415**

NOTE 19 Prepaid expenses and accrued income

	Group		Parent Company	
Amounts in kSEK	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
Prepaid rent	—	—	3,809	3,991
Other prepaid expenses	9,615	18,196	9,207	17,768
Accrued interest income	11,006	6,447	11,006	6,447
Contractual accrued revenue	132,951	100,281	132,951	100,281
Total prepaid expenses and accrued income	**153,572**	**124,925**	**156,973**	**128,487**

NOTE 20 Cash and cash equivalents

	Group		Parent Company	
Amounts in kSEK	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
Cash and bank balances	1,040,430	512,927	1,035,580	509,301
Total cash and cash equivalents	**1,040,430**	**512,927**	**1,035,580**	**509,301**

NOTE 21 Share capital

Class of share	Number of shares	Share capital, SEK	Quotient value, SEK	Votes per share	Total votes
A shares	14,399,996	288,000	0.02	10	143,999,960
B shares	74,241,489	1,484,829	0.02	1	74,241,489
Total	**88,641,485**	**1,772,829**			**218,241,449**

DEVELOPMENT OF SHARE CAPITAL

Year	Event	Number of new shares	Number of A shares	Number of B shares	Total number of shares	Change in share capital, SEK	Total share capital, SEK
2000	Company founded	1,000	1,000	—	1,000	100,000	100,000
2002	Split 1000:1	999,000	1,000,000	—	1,000,000	—	100,000
2002	Split 4:1	3,000,000	4,000,000	—	4,000,000	—	100,000
2002	Reclassification of A shares to B shares	—	3,000,000	1,000,000	4,000,000	—	100,000
2004	Rights issue	133,333	3,133,333	1,000,000	4,133,333	3,333	103,333
2005	Rights issue	66,666	3,199,999	1,000,000	4,199,999	1,667	105,000
2011	Subscription through warrants	4,000	3,199,999	1,004,000	4,203,999	100	105,100
2017	Stock dividend issue	—	3,199,999	1,004,000	4,203,999	1,156,100	1,261,200
2017	Split 15:1	58,855,986	47,999,985	15,060,000	63,059,985	—	1,261,200
2017	Reclassification of A shares to B shares	—	14,399,996	48,659,989	63,059,985	—	1,261,200
2017	Rights issue	25,000,000	14,399,996	73,659,989	88,059,985	500,000	1,761,200
2022	New share issue through exercise of employee stock options	71,586	14,399,996	73,731,575	88,131,571	1,431	1,762,631
2023	New share issue through exercise of employee stock options	183,414	14,399,996	73,914,989	88,314,985	3,669	1,766,300
2024	New share issue through exercise of employee stock options	74,050	14,399,996	73,989,039	88,389,035	1,481	1,767,781
2025	New share issue through exercise of employee stock options	252,450	14,399,996	74,241,489	88,641,485	5,048	1,772,829
		88,641,485				**1,772,829**	

Regarding changes in equity, refer to the consolidated and Parent Company statements of changes in equity.

NOTE 22 Proposed appropriation of retained earnings

The Board of Directors proposes that available funds amounting to SEK 1,732,532,564 be disposed of as follows:

Amounts in SEK	Dec. 31, 2025
Dividend to shareholders	177,438,970
Carried forward	1,555,093,594
Total	**1,732,532,564**

The proposed dividend amounts to SEK 177,438,970, or SEK 2.00 per share. The Board has concluded that the company's financial resources are sufficient to finance its projects and programs as planned without additional share issue."

NOTE 23 Untaxed reserves

	Parent Company	
Amounts in kSEK	Dec. 31, 2025	Dec. 31, 2024
Tax allocation reserves	281,800	—
Accelerated depreciation	4,705	—
Total untaxed reserves	**286,505**	**—**

NOTE 24 Lease liabilities

Lease liabilities presented in the balance sheet are allocated as follows:

	Group	
Amounts in kSEK	Dec. 31, 2025	Dec. 31, 2024
Current	15,722	13,149
Non-current	28,348	41,079
Total lease liabilities	**44,070**	**54,228**

For 2025, interest paid on leases totaled SEK 2,026,146 (1,654,799) and the total cash flow for leases in 2025 was SEK 19,371,771. The table below describes the Group's leases based on the type of right of use recognized in the statement of financial position:

Right-of-use assets	Number of right-of-use assets	Interval, duration remaining	Average remaining lease period	Number of contracts with warrants to extend	Number of contracts with warrants to purchase	Number of contracts with variable fees pegged to an index	Number of contracts with warrants to cancel
Office premises	1	1–4 years	3.3 years	1	0	1	0
Garage spaces	1	1 year	1 year	1	0	1	1
Employee vehicles	26	0–3 years	1.5 years	26	26	0	0

Note 24, cont.

The table shows a specification of acquisitions, depreciation, remeasurements and disposals of right-of-use assets by type of right of use.

	Right-of-use assets		
Amounts in kSEK	**Premises**	**Employee vehicles**	**Total**
Cost at January 1, 2025	61,548	6,542	68,090
Acquisitions	—	3,075	3,075
Remeasurement	997	306	1,303
Disposal	—	-596	-596
Cost at December 31, 2025	**62,545**	**9,327**	**71,872**
Depreciation at January 1, 2025	-8,955	-1,966	-10,921
Disposal	—	374	374
Depreciation	-12,920	-2,285	-15,205
Depreciation at December 31, 2025	**-21,875**	**-3,877**	**-25,752**
Carrying amount at January 1, 2025	**52,593**	**4,576**	**57,169**
Carrying amount at December 31, 2025	**40,670**	**5,450**	**46,120**

	Right-of-use assets		
Amounts in kSEK	**Premises**	**Employee vehicles**	**Total**
Cost at January 1, 2024	40,089	4,727	44,816
Acquisitions	59,516	3,166	62,681
Remeasurement	1,200	-187	1,013
Disposal	-39,256	-1,164	-40,420
Cost at December 31, 2024	**61,548**	**6,542**	**68,090**
Depreciation at January 1, 2024	-36,044	-1,181	-37,226
Disposal	39,256	716	39,972
Depreciation	-12,167	-1,501	-13,668
Depreciation at December 31, 2024	**-8,955**	**-1,966**	**-10,921**
Carrying amount at January 1, 2024	**4,044**	**3,546**	**7,590**
Carrying amount at December 31, 2024	**52,593**	**4,576**	**57,169**

LEASES NOT RECOGNIZED AS LIABILITIES

The Group has chosen not to recognize a lease liability regarding short-term leases (leases with an expected term of 12 months or less) or low-value leases. Payments concerning such leases are expensed on a linear basis. The Group did not have any short-term leases in either 2025 or 2024, and no variable lease fees were routinely expensed.

NOTE 25 Reconciliation of liabilities attributable to financing operations

Amounts in kSEK	Lease liabilities
Jan. 1, 2025	**54,228**
Cash items	
Payments received	
Amortization	890
Non-cash items	
Cost	3,784
Amortization	-14,832
Dec. 31, 2025	**44,070**

Amounts in kSEK	Lease liabilities
Jan. 1, 2024	**4,979**
Cash items	
Amortization	-329
Non-cash items	
Cost	23,274
Amortization	26,304
Dec. 31, 2024	**54,228**

NOTE 26 Accrued expenses and prepaid income

	Group		*Parent Company*	
Amounts in kSEK	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
Accrued personnel expenses	59,415	45,255	57,469	43,773
Contractual accrued expenses	39,601	22,862	39,601	22,862
Prepaid income	234,582	—	234,582	—
Other accrued expenses and prepaid income	462	220	—	—
Total accrued expenses and prepaid income	**334,060**	**68,338**	**331,652**	**66,635**

No revenue was recognized during the year from fulfilled or partially fulfilled performance obligations from earlier periods.

NOTE 27 Pledged assets

PLEDGED ASSETS

The pledged assets in the table below pertain to deposits for office premises and for leased company vehicles.

	Group		*Parent Company*	
Amounts in kSEK	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
Restricted cash	3,261	3,261	3,261	3,261
Deposit, lease and premises	257	180	226	160
Total pledged assets	**3,518**	**3,442**	**3,487**	**3,421**

CONTINGENT LIABILITIES

The contingent liabilities below have been identified as applying to both the Group and the Parent Company:

- BioArctic has agreed with a former partner that if BAN0805 reaches the market, a payment obligation will arise in relation to the contracting party pertaining to a low single-digit percentage royalty on global sales. This obligation lies far in the future and is time-limited.

All projects are proceeding according to plan, and there are no indications that repayment obligations or other obligations could arise. The same assessment was made in 2024.

NOTE 28 Disclosures on the cash flow statement

ADJUSTMENT FOR NON-CASH ITEMS

	Group		*Parent Company*	
Amounts in kSEK	2025	2024	2025	2024
Depreciation of tangible assets	12,831	10,719	12,819	10,704
Accrued income				
Capitalized income	—	—	—	—
Unrealized foreign exchange gains (-) / losses (+)	432	-2,096	434	-2,096
Share-based remuneration	24,044	19,334	23,040	18,649
Other non-cash items	—	—	—	—
Total adjustment for non-cash items	**37,307**	**27,957**	**36,294**	**27,257**

NOTE 29 Transactions with affiliated parties

Remuneration to the Group's senior executives during the year was paid in accordance with applicable guidelines. This includes allocation of share rights in accordance with the resolution by the 2025 Annual General Meeting on the introduction of a performance share unit program. The company has not had any costs (MSEK 0.1) during the year pertaining to consulting services from Ackelsta AB, which is owned by Board member Pär Gellerfors. All transactions were concluded under market conditions. For further information, refer to Note 7. The Parent Company's costs pertaining to services performed by Group companies amounted to MSEK 27.4 (20.9).

NOTE 30 Events after the balance sheet date

- The market authorization application for subcutaneous starting dose with Leqembi was accepted in China and assigned priority review
- Supplemental Biologics License Application (sBLA) for Leqembi Iqlik as subcutaneous starting dose granted priority review by the US FDA
- Eisai submitted an expanded application for EU approval of intravenous infusion maintenance dosing every four weeks with Leqembi

NOTE 31 Information on purchases and sales within the Group

The Parent Company has not had any income (MSEK 0.0) from Group companies. The Parent Company's costs from Group companies totaled MSEK 27.4 (20.9) for full-year 2025 and pertained to services performed.

NOTE 32 Definition and reconciliation of key ratios

Key ratios	Definition
Net revenue	Income attributable to BioArctic's normal operations
Cost of goods sold	Costs for royalties indicated for BioArctic's commitments regarding Leqembi
Gross earnings	Net sales less cost of goods sold
Operating profit/loss	Profit/loss before financial items
Operating margin, %	Operating profit/loss divided by net revenue
Profit/loss for the year	Profit/loss after financial items and tax
Earnings per share before dilution, SEK	Profit divided by number of shares outstanding before dilution
Earnings per share after dilution, SEK	Profit divided by number of shares outstanding after dilution
Equity per share	Adjusted equity divided by the number of shares at the end of the period
Cash flow from operating activities per share, SEK	Cash flow from operating activities divided by the weighted average number of shares outstanding
Equity/asset ratio, %	Adjusted equity divided by the balance sheet total
Return on equity	Earnings after tax divided by the average adjusted equity

Note 32, cont.

Amounts in kSEK	2025	2024	2023	2022	2021
Operating margin					
Operating profit/loss	1,258,807	-228,515	252,640	-17,442	-139,723
Net revenue	1,999,111	257,352	615,995	228,291	23,146
Operating margin, %	**63.0%**	**neg**	**41.0%**	**neg**	**neg**
Earnings per share before dilution					
Profit/loss for the year	1,022,324	-177,079	229,249	-11,179	-119,789
Weighted average number of shares outstanding before dilution	88,545,595	88,347,345	88,230,640	88,074,302	88,059,985
Earnings per share before dilution, SEK	**11.55**	**-2.00**	**2.60**	**-0.13**	**-1.36**
Earnings per share, after dilution					
Profit/loss for the year	1,022,324	-177,079	229,249	-11,179	-119,789
Weighted average number of shares outstanding after dilution	88,724,256	88,523,690	88,487,401	88,682,985	88,579,985
Earnings per share after dilution, SEK	**11.52**	**-2.00**	**2.59**	**-0.13**	**-1.36**
Equity per share					
Equity	1,967,083	894,942	1,046,575	786,241	788,676
Number of shares outstanding	88,641,485	88,389,035	88,314,985	88,131,571	88,059,985
Equity per share	**22.19**	**10.13**	**11.85**	**8.92**	**8.96**
Cash flow from operating activities per share					
Cash flow from operating activities	1,431,064	-316,332	309,694	-31,638	-140,457
Weighted average number of shares outstanding before dilution	88,545,595	88,347,345	88,230,640	88,074,302	88,059,985
Cash flow from operating activities per share	**16.16**	**-3.58**	**3.51**	**-0.36**	**-1.60**
Equity/asset ratio					
Adjusted equity	1,967,083	894,942	1,046,575	786,241	788,676
Balance sheet total	2,575,228	1,111,681	1,186,078	858,307	897,730
Equity/asset ratio, %	**76.4%**	**80.5%**	**88.2%**	**91.6%**	**87.9%**
Return on equity					
Profit/loss for the year	1,022,324	-177,079	229,249	-11,179	-119,789
Average adjusted equity	1,431,013	970,759	916,408	787,459	847,988
Return on equity, %	**71.4%**	**-18.2%**	**25.0%**	**-1.4%**	**-14.1%**

Signatures of the Board of Directors and CEO

The Board of Directors and the CEO hereby assure that the consolidated accounts and annual report were prepared as per the International Financial Reporting Standards (IFRS) as adopted by the EU, and generally accepted accounting principles, respectively, and provide a true and fair view of the development of the Group's and Parent Company's financial position and performance, and that the Board of Directors' report provides a true and fair view of the Group's and Parent Company's operations, financial position and performance as well as describing material risks and uncertainties faced by the companies that are part of the Group. The content of the Annual report was finalized on April 20, 2026. The income statements and balance sheets of the Parent Company and the Group are subject to adoption by the Annual General Meeting on May 28, 2026.

STOCKHOLM, APRIL 21, 2026

Eugen Steiner
Chairman of the Board

Cecilia Edström
Board member

Anna-Lena Engwall
Board member

Pär Gellerfors
Board member

Lars Lannfelt
Board member

Lotta Ljungqvist
Board member

Mikael Smedeby
Board member

Gunilla Osswald
Chief Executive Officer

Our audit report was submitted on April 21, 2026
Grant Thornton Sweden AB

Therese Utengen
Authorized Public Accountant
Auditor in charge

Auditor's Report

N.B. The English text is a translation of the official version in Swedish. In the event of any con-flict between the Swedish and English version, the Swedish shall prevail.

To the general meeting of the shareholders of BioArctic AB (publ) Corporate identity number 556601 - 2679

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of BioArctic AB (publ) for the year 2025.

The annual accounts and consolidated accounts of the company are included on pages 61 - 113 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company as of 31 December 2025 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2025 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act.

The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period, and include, among other things, the most important assessed risks of material misstatement. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Revenue recognition

The Group's reported revenues as at December 31, 2025 is kSEK 1 999 111, and mainly includes royalty and compensations related to collaborations. Since the Group's revenues are of material amount and consist of different revenue streams which are reported as revenue at a point in time or over time and include elements of assessments, revenues have been assessed as a key audit matter. For further information on accounting policies for revenue recognition, see note 2 and note 5 in the annual report of BioArctic AB (publ).

Our audit has included the following audit procedures but were not limited to these:

- Understanding and assessment of the company's routines and controls related to revenue recognition,
- Examination of recognized revenue related to royalty and collaborations against agreements received payments and royalty report,
- Examination of project accounting, examination of project expenses and examination of the assessments made by management related to fulfillment of performance obligations in major research collaborations,
- Examination and assessment that applied accounting principles are in accordance with IFRS and whether information disclosed in the annual report is in all material respect sufficient in accordance with the Annual Accounts Act and IFRS.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1 - 60 and 135 - 186. The remuneration report for the financial year 2025, which will be issued after the date of this

audit report, also constitutes other information. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The auditor's audit of the administration of the Board of The auditor's audit of the administration of the Board of Directors and the Managing Director and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of BioArctic AB (publ) for the year 2025 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional

judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

THE AUDITOR'S EXAMINATION OF THE ESEF REPORT

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for BioArctic AB (publ) for the year 2025. Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of BioArctic AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), based on the procedures performed. RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements. Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report. The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

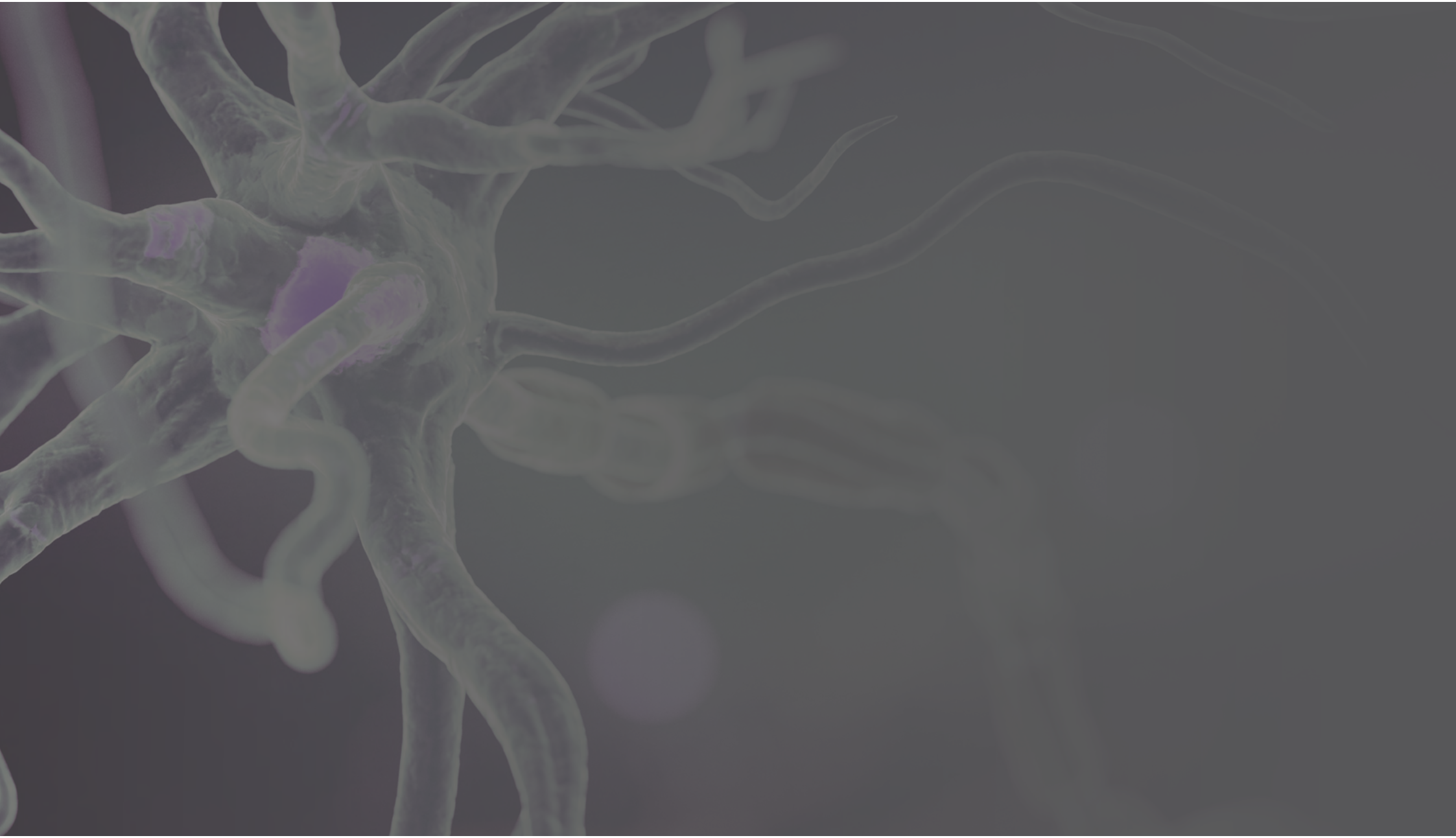
The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts. Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Grant Thornton Sweden AB, Kungsgatan 57, 103 94 Stockholm, was appointed auditor of BioArctic AB (publ) by the general meeting of the shareholders on the 22 May 2025 and has been the company's auditor since the 22 June 2016.

Stockholm, according to the date indicated by the electronic signature.

Grant Thornton Sweden AB

Therese Utengen
Authorised Public Accountant



Corporate governance

"Setting priorities and striking the right balance among projects is key"

BioArctic's chairman Eugen Steiner sees great potential in the company's two platforms. The Board is now focusing on BioArctic becoming Sweden's next great biopharma company while delivering returns and dividends along the way.

What did the Board focus on in 2025?

"Our mission is to ensure that BioArctic is in a position to deliver on the growth strategy we have set out, and I note that the company made great progress in 2025. Our first drug, Leqembi, has been approved in over 50 countries. Although the establishment in Europe – especially in Sweden – has been slower than we'd have liked, we look forward with confidence to Swedish patients benefiting from this tremendous medical success as well. Equally as important for the future is the company putting its BrainTransporter technology firmly on the map during the year. It is a sign of strength that we signed a collaboration agreement with yet another of the world's largest and most successful pharmaceutical companies during the year, which means that we now have three extensive strategic partnerships based on our unique technology."

BioArctic's ambition to become Sweden's next big biopharma company – what does that mean?

"It means that we will be a financially strong company that operates across the entire value chain – that is, research, development and drug sales."

How will you get there?

"Our initial marketed product gives us solid and predictable profitability. This allows us to invest in a more diversified pipeline for future growth, which decreases dependence on one single asset. We will expand our pipeline by running several well-funded projects in parallel. In addition to our current pipeline, we are seeing potential for significantly more collaborations around BrainTransporter. At the same time, research into entirely new programs is under way. These will be evaluated and prioritized on the basis of thoroughgoing fundamental biological research, just as we once did with our current most advanced projects and platforms."

How does your financial strategy look?

"Our revenue streams today comprise income from collaborations, non-recurring milestone payments and growing royalty income. Partnerships remain central to our strategy: they balance risk, validate our biology and provide capital that does not dilute shareholders. This balanced strategy is designed to generate growth with an acceptable risk profile. The potential for the whole is great. High profitability and the strength of our operating cash flows also promote sustainable dividends, which reflect our commitment to shareholder returns."

What challenges do you see?

"We face a major challenge in changing the way we think about diseases of the brain. Alzheimer's is a disease with a fatal outcome, but it is still considered part of the process of aging. The fact that reasonable figures for a five-year survival rate cannot be obtained is telling, but I would guess that they would be just as disheartening as for many forms of cancer, COL or heart failure. This impacts how new treatments are viewed, since progress in therapy is not valued in the same way. Here, we need to collaborate with others in the field to demonstrate all the progress that is actually being made in research concerning diseases of the brain.

"For example, I believe that, together with our new pipeline of BrainTransporter-linked molecules, the diagnostic developments now taking place will allow us to stop the progress of dementia altogether and give many years of continued high-quality life to people who would otherwise be suffering hard. We are a key player in that effort, and I want to thank our shareholders for their continued trust, our fantastic BioArctic team and all those who share our belief that patients with neurodegenerative diseases deserve more. We must stop accepting the unacceptable – it is time to re-imagine and create a new and better standard of care in these difficult areas of disease."

Stockholm, April 21, 2026

Eugen Steiner
Chairman of the Board

Corporate governance

Bodies, regulations and governance

INTRODUCTION

Active control of risks and a well-functioning corporate culture promote the creation of value for stakeholders. Corporate governance refers to the rules and decision-making hierarchies that efficiently and in a controlled manner promote management and governance as well as the ability to monitor developments within the company.

BioArctic AB, corporate registration number 556601-2679, is a Swedish limited company with its head office in Stockholm. The BioArctic share has been listed on Nasdaq Stockholm since 2017 and in the Large Cap segment since the beginning of 2024. The Corporate Governance Report, which is a part of the company's Board of Directors' report, has been reviewed by the company's auditor, Grant Thornton Sweden AB, and the results of the review are presented in their statement on page 134 of this Annual Report.

GOVERNANCE DOCUMENTS

Corporate governance in BioArctic is regulated through both external and internal regulations. The external regulations include the relevant laws and ordinances (including the Companies Act, the Annual Accounts Act, the Market Abuse Regulation and IFRS), stock market regulations in the market where the company's shares are admitted for trading (the Nordic Main Market Rulebook for Issuers of Shares), and the Swedish Corporate Governance Code (the "Code"). Internal regulations include the company's Articles of Association, as well as internal instructions and guidelines. Examples of internal instructions and guidelines include the rules of procedure for the Board of Directors and sub committees and instructions to the CEO. In addition, the Board of Directors of BioArctic has adopted a number of policies and guidelines that control the company's operations, and instructions for financial reporting are documented in the company's finance handbook.

THE SWEDISH CORPORATE GOVERNANCE CODE

BioArctic applies the Swedish Corporate Governance Code, and no deviations from the Code occurred during the year. The Company was not subject to any decision of the Nasdaq Stockholm disciplinary board or any statement by the Swedish Securities Council during the year.

GOVERNANCE MODEL

Internal governance documents

Vision, mission, business concept and goals. Articles of Association, the Board's rules of procedure, instructions to the CEO, strategies, policies, finance handbook, Code of Conduct, and core values.

External governance documents

Companies Act, Annual Accounts Act, other relevant legislation. Regulations for issuers of shares and the Swedish Code of Corporate Governance.

THE GOVERNANCE MODEL

Governance, management and control of BioArctic is exercised by the shareholders through the Annual General Meeting (AGM), the Board of Directors, the CEO and the auditors in accordance with the Swedish Companies Act and the Articles of Association.

SHAREHOLDERS AND SHARES

BioArctic's B share (BIOA B) has been traded on Nasdaq Stockholm since 2017. At December 31, 2025, share capital in BioArctic amounted to SEK 1,772,829 divided into 14,399,996 Class A shares (number of votes: 10) and 74,241,489 Class B shares (number of votes: 1), each with a quotient value of SEK 0.02. The number of shares in the company increased by 252,450 during the year as a result of subscription of shares by participants in the 2019/2028 employee stock option program. According to ownership data from Monitor by Modular Finance, the number of shareholders at year-end was 26,610 (23,833) and the ten largest shareholders owned 88.6 percent (90.8) of the votes and 71.9 percent (77.3) of the capital in the company. Provided that the attendees of the AGM have registered in the prescribed order, each owner will have the right at the AGM to vote for all owned, directly registered, and represented shares.

There are no provisions in BioArctic's Articles of Association that limit the right to transfer shares or how many votes each shareholder can cast at a general meeting. For further information on BioArctic's share and ownership structure, see the BioArctic share section on pages 180-182 or visit www.bioarctic.com.

GENERAL MEETING

The General Meeting is BioArctic's highest decision-making body, at which the stakeholders have the right to pass resolutions on issues affecting the company. An AGM is held on a yearly basis, within six months of the end of the financial year. At the AGM, the balance sheet and income statement are presented, as well as the consolidated balance sheet and income statement, and resolutions are passed on such matters as appropriation of the Company's earnings, election of Board members and fees to Board members and auditors, and other matters submitted to the AGM in accordance with the law.

The Articles of Association do not contain any specific provisions relating to the amending of the Articles of Association.

Resolutions at the 2025 AGM included:

- that no dividend would be paid for the 2024 financial year, and that profits at the disposal of the General Meeting would be carried forward
- the discharge of the Board members and CEO from liability for the 2024 financial year
- the re-election of Board members Eugen Steiner (chairman), Cecilia Edström, Anna-Lena Engwall, Pär Gellerfors, Lars Lannfelt, Lotta Ljungqvist, and Mikael Smedeby
- that total fees, including fees for committee work, of SEK 2,720,000 are to be paid yearly to the Board
- the appointment of Grant Thornton Sweden AB as the auditing company, with Therese Utengen as auditor in charge
- the passing of a resolution on approval of the remuneration report pertaining to the 2024 financial year
- the passing of a resolution on authorization to issue shares, warrants and/or convertibles
- the passing of a resolution on incentive programs, involving a) resolutions on introducing the incentive program and b) resolutions on hedging measures owing to the incentive program

The complete minutes are available on BioArctic's website.

2025 AGM

The AGM of BioArctic was held on May 22, 2025. The Board of Directors decided, by virtue of the Articles of Association, that shareholders could exercise their voting rights at the meeting through physical participation, by proxy or by postal voting. A total of 192,294,143 votes were present at the meeting out of 218,007,249 votes overall according to the meeting records, corresponding to 88.2 percent of the votes. 62,694,179 shares were registered at the AGM, or 70.9 percent of the total number of shares. The minutes and other documentation from the General Meeting are available on BioArctic's website, www.bioarctic.com.

2026 AGM

The 2026 AGM will be held on Thursday, May 28, 2026 at Lindhagen Konferens in Stockholm, Sweden. Shareholders registered in the share register maintained by Euroclear Sweden as of May 20, 2026 and who have registered in accordance with the instructions in the notice to attend the AGM will have the right to attend the meeting.

NOMINATION COMMITTEE

The task of the Nomination Committee is to ensure that the members of the Board of Directors of BioArctic jointly possess the knowledge and experience that are relevant for enabling the satisfactory performance of the company over time. The Nomination Committee presents a proposal to the AGM regarding the number of Board members and the composition of the Board as well as proposals regarding fees to the Board of Directors, including fees for committee work.

The Nomination Committee will also present a proposal concerning the Chairman of the Board and the AGM, as well as the auditors and their remuneration.

Under the Code, the Nomination Committee must have

at least three members, a majority of which must be independent in relation to the company and Group Management. The basis for the activities of the Committee consists of the annual assessment of the activities of the Board, as well as the company-specific needs in BioArctic. The proposals of the Nomination Committee are presented in the notice to attend the AGM, and a justification for the Nomination Committee's proposals is published on BioArctic's website. All shareholders have the right to present proposals to the Nomination Committee via e-mail to arsstamma@bioarctic.se.

The members of the Nomination Committee shall be appointed ahead of the 2026 AGM by the Chairman of the Board contacting the three largest shareholders in terms of voting rights according to Euroclear Sweden AB's transcription of the share register as of September 30, 2025 and asking each of them to appoint a member of the Nomination Committee. In the event that any of the three largest shareholders does not wish to appoint a member of the Nomination Committee, further shareholders should be contacted until the Nomination Committee consists of three members.

Composition of the Nomination Committee

Name	Representing	Share of votes as of Sep. 30, 2025, %
Margareta Öhrvall	Demban AB	48.6
Claes Andersson	Ackelsta AB	32.0
Jannis Kitsakis	The Fourth AP Fund	2.4

The Nomination Committee prior to the 2026 AGM

A Nomination Committee was appointed in October 2025. The owners who are included on the Nomination Committee based on the company's ownership structure as of September 30, 2025 are Demban AB, Ackelsta AB and the Fourth AP Fund. The company's Chairman of the Board, Eugen Steiner, has been co-opted onto the Nomination Committee. All members have been deemed independent in relation to the company and Group Management. The Nomination Committee has held 2 (2) meetings as well as informal contacts up until the time for the AGM. No remuneration has been paid for the activities of the Nomination Committee.

Composition of the Board

Under BioArctic's Articles of Association, the Board shall consist of no less than three and no more than eight ordinary members elected by the General Meeting, with no deputies. The members, who are normally elected annually at the AGM for the period until the close of the next AGM, must provide competence and experience that benefit BioArctic's performance. Industry expertise with a focus on clinical, commercial and industrial experience as well as progressively expanding know-how in sustainability are key areas of competence. An equitable gender composition, where the underrepresented gender will comprise at least 40 percent of its members, is desirable. The Articles of Association do not contain any specific provisions relating to the appointment or dismissal of Board members.

At present, the Board consists of seven regular members with no deputies. The members were elected at the AGM on May 22, 2025. CEO Gunilla Osswald and CFO Anders Martin-Löf are present at all Board meetings. Anders Martin-Löf is secretary of the Board. Other senior executives participate as rapporteurs in connection with particular issues.

For a summary and presentation of the Board members, see pages 130-131.

Independence of the Board

Six of the seven Board members are independent in relation to both the company and its management, and five of the seven Board members are independent in relation to the major shareholders. The company's two founders, Lars Lannfelt and Pär Gellerfors, who are also Board members and primary

owners, cannot be considered independent in relation to major shareholders. Lars Lannfelt is employed by the company and is part of the company's Research and Development Leadership Team, and therefore cannot be considered independent in relation to the company and to management.

BioArctic herewith meets the requirements from Nasdaq Stockholm and the Code regarding the independence of Board members.

Board activities

The Board will carry out its activities jointly, under the leadership of the Chairman. The Board of Directors' rules of procedure are revised annually and adopted at the inaugural Board meeting every year.

The rules of procedure govern such aspects as Board functions, work tasks, the decision-making procedure within the company, the Board's meeting agenda, the Chairman's duties and the allocation of responsibilities between the Board and the CEO. The Board also establishes instructions for the Board's committees and the CEO. The Chairman, who is selected by the AGM, has an expanded responsibility for governing and managing the work of the Board and of ensuring that the Board's work is efficiently carried out, that the Board fulfills its commitments in accordance with the Companies Act and the Board's rules of procedure, and that the decisions of the Board are implemented in an efficient manner. The Chairman is also responsible for conducting an annual Board evaluation, which is also presented to the Nomination Committee.

The Board meets according to a meeting schedule that is established yearly. At each regular Board meeting, an update on the operations and a financial follow-up is given. During the year, matters regarding the company's long-term strategy and objectives, external collaborations and partnerships and sustainability strategy were discussed, as well as issues regarding the development of the company's research portfolio. The completion of a Phase 2a study in-house and activities pertaining to clinical tests were also discussed. The continued expansion of the Nordic sales and marketing organization remained on the Board's agenda during the year. The Board received training in sustainability on several occasions during the year, and discussed and evaluated the company's double materiality assessment as well as the company's next steps in preparing ahead of forthcoming sustainability legislation. Collaboration with current and potential partners, organization and competence needs, compensation and succession planning were other issues that were addressed.

In 2025, the Board held 15 (17) meetings, one of which was an inaugural meeting in connection with the AGM on May 22, 2025. The company's auditor participated in one of these meetings even without the presence of management. The minutes taken at these meetings record decisions that have been taken.

Remuneration to the Board

Fees and other remuneration to the Board members are established at the AGM. The AGM on May 22, 2025 resolved

Sustainability governance

The Board of Directors ensures that sustainability issues are part of operational governance and risk management. The Audit Committee prepares matters and reviews procedures for risk management, governance, control and sustainability reporting. Operational activities are managed by BioArctic's Sustainability Director, who is represented in Group Management by the Head of IR & Communication.

The company's governance of its sustainability activities is defined in:

- Rules of Procedure for the Board of Directors and CEO
- Rules of Procedure for the Audit Committee
- Sustainability Policy

The Board has extensive expertise in social sustainability, with patient safety and health being of greatest importance to the company. The Board has been trained in other sustainability areas and formal reporting during the year.

Composition of the Board, 2025 financial year

Name	Elected	Independent in relation to company and management	Independent in relation to major shareholders	Audit Committee	Remuneration Committee	Board of Directors	Audit Committee	Remuneration Committee
Eugen Steiner	2017	Yes	Yes	—	Yes	15/15	—	5/5
Cecilia Edström	2023	Yes	Yes	Yes	—	15/15	4/4	
Anna-Lena Engwall	2024	Yes	Yes	Yes	—	14/15	4/4	—
Pär Gellerfors	2003	Yes	No	—	Yes	15/15	—	5/5
Lars Lannfelt	2003	No	No	—	—	13/15	—	—
Lotta Ljungqvist	2021	Yes	Yes	—	Yes	14/15	—	5/5
Mikael Smedeby	2018	Yes	Yes	Yes	—	15/15	4/4	—

that the total fees to Board members, including committee work, would increase somewhat year-on-year, totaling SEK 2,720,000 (2,610,000). The fee is to be allocated as follows:

- Fees to the Chairman of the Board Eugen Steiner totaling SEK 830,000 (800,000)
- For regular Board members not employed by the company (i.e. five members excluding Lars Lannfelt) fees totaling SEK 300,000 (290,000) each
- Fees in the Audit Committee totaled SEK 110,000 (100,000) to the Chairman and SEK 65,000 (60,000) to the other non-executive committee members
- Fees in the Remuneration Committee totaled SEK 70,000 (60,000) to the Chairman and SEK 40,000 (40,000) to the other non-executive committee members
- No fees are paid to the Research Committee

AUDIT COMMITTEE

The primary task of the Audit Committee is to support the Board in its work of fulfilling its financial reporting responsibilities including accounting, audits, internal control, internal audits and risk management. During the year, the Audit Committee was also assigned responsibility for monitoring and safeguarding the company's sustainability initiatives. The Audit Committee also routinely ensures contact with the Company's auditor and stays informed and active in decisions concerning financial issues, risks, the company's Annual and Sustainability Report, quarterly reports and internal control.

The Audit Committee is also responsible for reviewing and evaluating the auditor's work and, if necessary, procuring new auditors. The company's auditor reports to the committee meetings on the audit's focus, scope and view of the company's risks. The tasks of the Audit Committee also include establishing guidelines for which services, other than the audit, the company can procure from the company's auditor.

The Audit Committee works in accordance with instructions established by the Board of Directors. All meetings of the Audit Committee are minuted and the minutes are reported in connection with the meetings of the Board.

Audit Committee members, 2025–2026
- Cecilia Edström (Chairman)
- Anna-Lena Engwall (member)
- Mikael Smedeby (member)

The Audit Committee met 4 (5) times. The company's auditor participated in three of these meetings.

REMUNERATION COMMITTEE

The primary task of the Remuneration Committee is to submit proposals to the Board regarding remuneration to the CEO and principles of remuneration and other conditions of employment for management as well as monitoring and evaluating variable remuneration and long-term incentive programs. The Remuneration Committee will monitor and assess application of the guidelines for remuneration to senior executives that the AGM resolved on. The Remuneration Committee works in accordance with a formal work plan established by the Board of Directors. All meetings of the Remuneration Committee are minuted and the minutes are reported to the Board.

Remuneration Committee members, 2025–2026
- Lotta Ljungqvist (Chairman)
- Pär Gellerfors (member)
- Eugen Steiner (member)

The Remuneration Committee met 5 (7) times.

RESEARCH COMMITTEE

The company's Research Committee focuses on addressing scientific issues. The Research Committee works according to rules of procedure adopted by the Board and has an advisory capacity in relation to the Board and the CEO. The Research Committee has one ordinary member, with BioArctic's Senior Science Advisor Christer Möller and Chief Scientific Officer Per-Ola Freskgård as co-opted members. In addition, internal and external researchers take part depending on the area being discussed. The role of the Research Committee is primarily to identify and evaluate research areas and disease indications where BioArctic can develop commercially successful products.

Research Committee members, 2025–2026
• Lars Lannfelt (Chairman)

The Research Committee met 7 (8) times.

AUDITORS

The auditor is appointed by the AGM in accordance with proposals from the Nomination Committee. The auditor is to review BioArctic's annual report and financial statements, as well as the administration of the company. The auditor also reviews whether the company has made any necessary preparatory efforts ahead of a future audit of its sustainability initiatives. After each financial year, the auditor will submit an Auditor's Report for the Parent Company and for the Group to the AGM. The external audit of the financial statements is to be carried out in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. The company's auditor, Grant Thornton Sweden AB, was first elected at the 2016 AGM. The current mandate is for the period up until the end of the 2026 AGM, and Therese Utengen is the auditor in charge. An authorized public accountant, Therese Utengen is a member of FAR, the association of Swedish professional accountants. Grant Thornton Sweden AB may be responsible for the audit until 2027, or until 2037 if a new procurement is carried out after ten years, before a new auditor is chosen in accordance with the rules in force.

In addition to the assignment in BioArctic, Therese Utengen is auditor in charge for companies including Medivir AB and Vivesto AB. For information on remuneration to auditors, refer to Note 8 in the 2025 Annual Report.

CEO AND GROUP MANAGEMENT

Group Management at BioArctic in 2025 consisted of the CEO and nine other individuals, three of whom are men and six are women. Management meets twice a month for discussion and decisions concerning the ongoing operations, and holds at least one strategy meeting annually. The members of Group Management develop the annual business plan, which the Board decides on at the end of the year, and prepare material in their respective areas that is presented to the Board.

For a summary and presentation of Group Management, see pages 132-133.

BioArctic's research and development operations are led by the company's Chief R&D Officer, Head of Research & Development Johanna Fälting. In addition to Johanna Fälting, the team consists of nine directors in BioArctic's research organization. The Group leads the research efforts at BioArctic and reports back to the company's Group Management.

BioArctic's sustainability initiatives are integrated into its operations through the company's strategy for sustainability, which takes its starting point in sustainable innovation and business culture. Management is responsible for presenting this strategy to the Board of Directors, monitoring the efforts and reporting the outcome of these efforts. A double materiality assessment of the impact of the operation on its business environment was conducted, as were training courses and workshops, to prepare ahead of forthcoming sustainability legislation. The company's Sustainability Director reports to the VP Head of IR and Communications, who in turn is responsible for sustainability matters in Group Management.

GUIDELINES FOR REMUNERATION TO SENIOR EXECUTIVES

Updated guidelines for remuneration to senior executives were adopted at the 2022 AGM and are valid up until the 2026 AGM. The guidelines do not cover remuneration that is to be resolved on by the General Meeting (e.g., fees to Board members or share-based incentive programs). The guidelines will be applied to remuneration that is agreed on – and to changes made to remuneration that was previously agreed on – after the guidelines were adopted by the 2022 AGM. The guidelines also cover remuneration paid out under BioArctic's existing milestone-related incentive programs in accordance with resolutions by the General Meeting. The guidelines govern the decisions on remuneration that are taken by the Remuneration Committee and Board of Directors.

BioArctic's remuneration system must be market-based and competitive. Remuneration can be paid out in the form of fixed salary, variable remuneration, pensions and other benefits. Fixed salary will be individual for each executive and based on the executive's position, responsibility, competence, experience and performance. Variable remuneration will be related to the outcome of BioArctic's goals and strategies and based on predefined and measurable criteria designed to promote long-term value creation. These criteria are designed in accordance with operational and sustainability goals. The share of total remuneration that comprises variable remuneration may vary depending on position, but can total a maximum of 50 percent of fixed salary with the exception of milestone based rewards. [The guidelines that were resolved on by the 2022 AGM have been complied with, and all previously decided remuneration that has not yet been paid out is within the framework indicated above.]

In 2025, BioArctic deviated from the remuneration guidelines adopted by the Annual General Meeting. The Board of Directors assessed that there were special reasons for this deviation. The financial year 2025 was an exceptional year for BioArctic, mainly as a result of the agreements entered into with Bristol Myers Squibb and Novartis. The extraordinary effort from the CEO and the positive outcome for the company justified a bonus in excess of established levels. The Remuneration Committee recommended and the Board of Directors decided on an additional bonus of SEK 2.3 million, which resulted in the company's CEO receiving a total of 12 months' salary in variable remuneration, corresponding to 6 months' salary in excess of the adopted guidelines. For the complete guidelines as resolved, refer to Note 7 on pages 92-99.

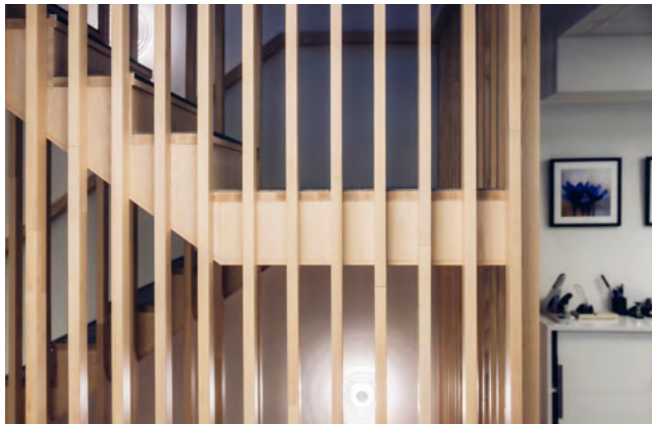
BOARD PROPOSALS FOR NEW GUIDELINES FOR REMUNERATION TO GROUP MANAGEMENT

Prior to the 2026 AGM, the Board of Directors reviewed the guidelines adopted at the 2022 AGM, and ahead of the 2026 AGM the Board will propose a number of changes regarding the policies for remuneration and other terms of employment for Group Management.

The report of the Board on internal control over financial reporting

In accordance with the Companies Act and the Swedish Code of Corporate Governance (the Code), the Board is responsible for the company having well-designed control and functional procedures so that the company's financial reporting, administration and operation are monitored and controlled in a satisfactory manner. The report has been prepared in accordance with the Annual Accounts Act and the Code.

The CEO of BioArctic is ultimately responsible for monitoring whether the work on the company's internal control is being carried out in accordance with the form decided on by the Board of Directors. BioArctic's work on internal control over financial reporting is led by the CFO. The overall purpose of the internal control is to ensure, to a reasonable degree, that the company's operating strategies, targets and defined risks are monitored and that the owners' investments are protected. Furthermore, the internal control shall ensure, with reasonable certainty, that external financial reporting is reliable and prepared in accordance with accepted accounting practices in Sweden, that applicable laws and regulations are followed, and that the requirements that are set on listed companies are complied with.



Framework for internal control

Internal control at BioArctic is based on the Committee of Sponsoring Organizations of the Treadway Commission (COSO) model, the framework of which has been applied to the company's operations and conditions. The framework comprises five components:

- control environment
- risk assessment
- control activities
- information and communication
- monitoring

Control environment

The control environment constitutes the basis for internal control concerning financial reporting. Clearly defining and communicating the company's decision-making paths, authority and responsibility in the organization, as well as making governing documents in the form of policies, instructions and manuals available, is important. The objective of internal control is to identify, assess, and manage BioArctic's risks. Using effective risk management, the work can concentrate on the areas that are most important for reducing the Company's total risk exposure.

The Board of Directors of BioArctic has established a work procedure and rules of procedure for its work and the Board's committee activities. For monitoring and quality assurance of the financial reporting, the Board has inaugurated an Audit Committee. To create a foundation for proper internal control and to maintain a high standard in the company, the Board has adopted a number of fundamental governing documents including rules of procedure for the Board and the CEO, instructions for financial reporting, an authorization instruction, a finance policy, a Code of Conduct, and an Information Policy.

In addition to the above-described internal control pertaining to financial reporting, there is also internal, operation-specific control of data regarding research and development and quality control systems, including systematic monitoring and evaluation of the company's research and manufacturing work and products.

In accordance with the Companies Act and the Swedish Code of Corporate Governance (the Code), the Board is responsible for the company having well-designed control and functional procedures so that the company's financial reporting, administration and operation are monitored and controlled in a satisfactory manner. The report has been prepared in accordance with the Annual Accounts Act and the Code.

Risk assessment

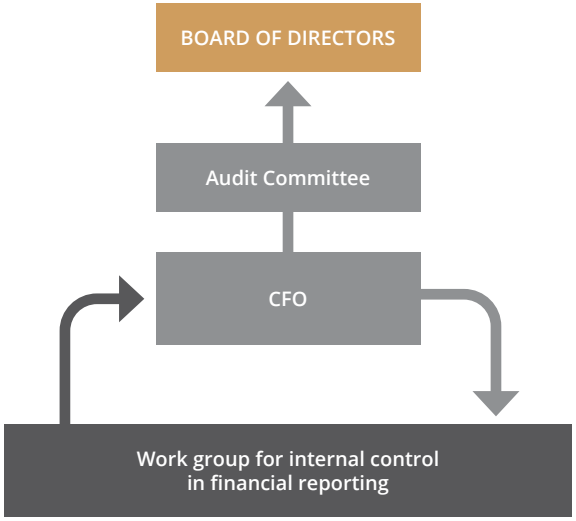
BioArctic continually evaluates the risks that could lead to errors in the financial reporting in order to ensure proactive management of these risks and proper internal control over risk-taking.

The Board's Audit Committee takes decisions in which risks are essential to monitor in order to ensure proper internal control in financial reporting. This is done by identifying key procedures in financial administration, project reporting, and company-wide areas, and defining controls for these.

In addition, the Audit Committee conducts an annual risk assessment pertaining to operational and strategic risks. For a more detailed description of risks and risk management, refer to pages 55-59.

Control activities

The Company's organization and procedures are designed to manage the risks that the Board deems to be essential for internal control of financial reporting. At BioArctic, the company's control structure consists of an organization with clear roles that facilitate an efficient and suitable allocation of responsibilities as well as specific control activities designed to detect, manage, and proactively prevent risks of errors in the reporting. Examples of control activities are decision-making processes in connection with important decisions or investments and routine monitoring of procedures as regards earnings analyses, payments, VAT and tax accounting, spot checks, and reconciliation. The items and key processes that are linked to the risks identified are routinely subject to tests. Review of the design of the internal controls with regard to quality and efficiency is carried out every year. The test results are reported to the Audit Committee, where they are prepared to be presented to the Board.



Information and communication

All of BioArctic's governing documents such as policies, instructions, and procedural descriptions are communicated and are available via a validated electronic document management system. The finance handbook comprises a governing document that contains guidelines and procedural descriptions for the routine work in the finance department. The finance handbook is routinely updated based on changes to both internal and external requirements. The Information Policy contains guidelines for disseminating information pertaining to internal and external reporting of financial information. The purpose of the policy is to ensure that all of BioArctic's disclosure obligations are met correctly and completely.

Monitoring

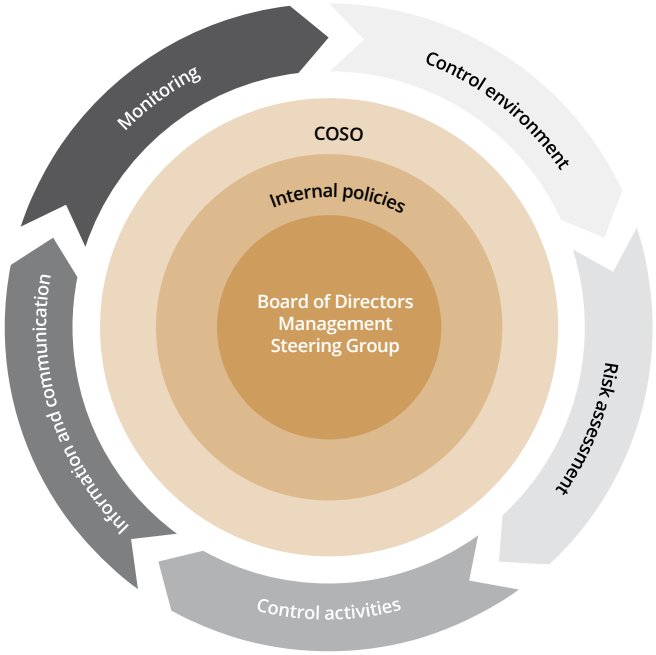
The internal control work constitutes support for the Board, the Audit Committee and senior management in their assessment and evaluation of areas of material risk in financial reporting. Suitable measures can be taken thereafter and follow-ups selected to ensure reliable financial reporting.

Areas of focus during the year

The activities that strengthened internal control during the year include:

- a change to the payroll system, including support systems linked to the payroll system. This system change provides more efficient payroll preparation in the Swedish parent company, enables a better overview and control for the finance department, and facilitates a higher level of service toward employees in the organization as everything linked to time reporting and expenses is done in the same solution for the entire Group
- annual update of selected governing documents

Stockholm, April 21, 2026
Board of Directors of BioArctic AB



Evaluation of specific review function

The Board of Directors of BioArctic has evaluated the need for a special review function, meaning an internal audit function. BioArctic has a review function that is carried out internally within the company. Through the internal review function, it is the opinion of the Audit Committee and the Board of Directors that monitoring, documentation and review of the company's internal control fulfills the function of a special review function.

Board of Directors

1. Eugen Steiner
2. Cecilia Edström
3. Anna-Lena Engwall
4. Pär Gellerfors
5. Lars Lannfelt
6. Lotta Ljungqvist
7. Mikael Smedeby

1. Eugen Steiner

Chairman

Born: 1954

Nationality: Swedish

Other assignments: Chairman of the board of Empros Pharma AB. Board member of Inbox Capital AB and Stockholm School of Entrepreneurship. Member of Royal Swedish Academy of Engineering (IVA) and deputy chairman of its Division X, Biotechnology.

Education: Medical degree and Doctor of Clinical Pharmacology at Karolinska Institutet, Stockholm.

Experience and prior assignments: CEO or acting chairman of the board in several life science companies in Sweden, Norway, Iceland, the UK and the US for more than 35 years.

Member since: 2017 (Chairman of the Board since 2023)

Committee membership: Remuneration Committee

Independent in relation to the company and management, and to major shareholders in the company.

Total holdings* in BioArctic: 89,000 Class B shares.

2. Cecilia Edström

Board member

Born: 1966

Nationality: Swedish

Other assignments: Founder and CEO, ceed konsult AB. Board member of Flerie AB and A3P Biomedical AB. Advisory Board Member, European Patient Safety Foundation (EUPSF). Chairman of the board of Perspetivo AB.

Education: Master of Business Administration, Stockholm School of Economics, Sweden.

Experience and prior assignments: More than 30 years of experience in various industries, including life science. Executive roles including CEO and CFO at Bactiguard, member of management groups of TeliaSonera and Scania (and corporate finance at SEB).

Member since: 2023

Committee membership: Chairman of the Audit Committee

Independent in relation to the company and management, and to major shareholders in the company.

Total holdings* in BioArctic: 6,500 Class B shares.

3. Anna-Lena Engwall

Board member

Born: 1971

Nationality: Swedish

Other assignments: Global Commercial Vice President Cardiovascular at AstraZeneca, based in Cambridge, UK

Education: B. Sc in Nursing, Karolinska Institutet and DIHM, Marketing and Business.

Experience and prior assignments: More than 25 years of experience in the life science and pharmaceutical industries, with executive roles in commercialization, marketing, and drug and business development, and during her career has held several positions at AstraZeneca, Shire and Novartis, both in Sweden and internationally.

Member since: 2024

Committee membership: Audit Committee

Independent in relation to the company and management, and to major shareholders in the company.

Total holdings* in BioArctic: 792 Class B shares.

4. Pär Gellerfors

Board member

Born: 1947

Nationality: Swedish

Other assignments: Founder and board member of Ackelsta AB.

Education: Bachelor degree in chemistry; PhD in chemistry; Associate Professor of Biochemistry. All at Stockholm University, Sweden.

Experience and prior assignments: Founder of BioArctic in 2003, CEO of the company until 2013. CEO and board member of Swenora Biotech AB; founder and research director at Zymenex AS; founder and board member of LPB Sweden Holding AB; board member of Sigrid AB. Founder and CEO of MPG Medical AB.

Member since: 2003

Committee membership: Remuneration Committee

Independent in relation to the company and company management. Not independent in relation to major shareholders in the company.

Total holdings* in BioArctic: 5,759,998 Class A shares through Ackelsta AB. 12,143,201 Class B shares through Ackelsta AB.

5. Lars Lannfelt

Board member

Born: 1949

Nationality: Swedish

Other assignments: Founder and board member of Demban AB.

Education: Medical degree (specialist in psychiatry) and doctoral thesis at Karolinska Institutet, Stockholm, Sweden; Associate Professor of Neurogenetics at Karolinska Institutet, specialist in geriatrics.

Experience and prior assignments: More than 35 years of experience in research into Alzheimer's disease and other neurodegenerative diseases. Professor of Geriatrics at Uppsala University; member of the Royal Swedish Academy of Sciences. Founder of BioArctic in 2003, Chairman of the Board of BioArctic until 2017 and a number of assignments and roles in the company.

Member since: 2003

Not independent in relation to the company and management, and to major shareholders in the company.

Total holdings* in BioArctic: 8,639,998 Class A shares through Demban AB. 19,685,052 Class B shares through Demban AB. Owns 7,000 Class B shares privately.

6. Lotta Ljungqvist

Board member

Born: 1961

Nationality: Swedish

Other assignments: Board member of Atlas Antibodies AB, Genovis AB, NorthXBiologics AB and BioLamina AB.

Education: Degree in biochemistry from KTH Royal Institute of Technology in Stockholm, Sweden. Doctorate in biochemical technology from KTH.

Experience and prior assignments: CEO of Testa Center, Cytiva (formerly GE Healthcare Life Sciences). Executive roles as CEO, head of business area, head of research and project manager for biopharma projects at GE Healthcare Life Sciences, Biovitrum and Pharmacia. Board member of several life science companies.

Member since: 2021

Committee membership: Chairman of the Remuneration Committee

Independent in relation to the company and management, and to major shareholders in the company.

Total holdings* in BioArctic: 3,159 B shares.

7. Mikael Smedeby

Board member

Born: 1968

Nationality: Swedish

Other assignments: Lawyer and partner at Advokatfirman Lindahl. Chairman of the board of Sallén gruppen AB (including subsidiaries) and Uppsala Akademiförvaltning. Board member of Coeli Group AB (publ) (including certain subsidiaries), Sirius Fotboll and Mikael Smedeby Advokat AB.

Education: Master of Laws, Uppsala University, Sweden. Reserve officer training at the Swedish Infantry Officers' College and the Swedish Infantry Combat School.

Experience and prior assignments: Special experience in corporate law, mergers and acquisitions, financing and licensing. Held executive positions at Advokatfirman Lindahl 2010–2019, including Managing Partner and chairman of the board. Member of the Board of Directors of BioArctic, 2014–2017.

Member since: 2018

Committee membership: Audit Committee

Independent in relation to the company and management, and to major shareholders in the company.

Total holdings* in BioArctic: 4,422 Class B shares.

Includes own holdings, related-party holdings, holdings in companies and capital insurance accounts as of March 31, 2026.

Senior executives

1. Rebecca Kastell
2. Gabrielle Åhlberg Hillert
3. Anna-Kaija Grönblad
4. Anders Martin-Löf
5. Emilie Ankarcrona Smith
6. Mikael Moge
7. Oskar Bosson
8. Biljana Rizoska
9. Gunilla Osswald
10. Johanna Fälting

1. Rebecca Kastell

Vice President, Head of Human Resources (HR)

Born: 1978

Nationality: Swedish

Employed since: 2024

Other assignments: Board member/CEO of Skala Tio AB, deputy board member of Azio Aktiebolag, Baseline Retail AB and Revictus AB.

Education: Licensed psychologist. Bachelor's degree in Psychology from Bond University, Australia. Master's degree in Psychology (Kand. Psych), University of Copenhagen, Denmark; Executive MBA from the Stockholm School of Economics, Sweden.

Experience and prior assignments: More than 20 years of experience in organizational psychology, HR and M&A in state-owned, public and private companies. Senior HR positions in medical product and healthcare technology companies.

Member of BioArctic Group Management since: 2025

Total holdings* and warrants in BioArctic: 0 shares. 3,000 performance share rights (2024/2027 share rights program). 5,000 performance share rights (2025/2028 share rights program).

2. Gabrielle Åhlberg Hillert

Chief Medical Officer (CMO), Head of Clinical & Regulatory Affairs

Born: 1961

Nationality: Swedish

Employed since: 2023

Education: Medical degree from Karolinska Institutet, PhD from Karolinska Institutet, neurologist certified by the Swedish Society of Medicine, diploma in pharmaceutical medicine from Karolinska Institutet/The Swedish Medical Products Agency.

Experience and prior assignments: Over 25 years of experience in the pharma industry, in leading positions in clinical research at AstraZeneca and H. Lundbeck. Chief Specialist ICR Neurology H Lundbeck A/S (2017–2023).

Member of BioArctic Group Management since: 2024

Total holdings* and warrants in BioArctic: 400 Class B shares. Employee stock options that grant acquisition rights to 20,000 Class B shares (2023/2026 program). 3,000 performance share rights (2019/2028 share rights program). 3,000 performance share rights (2024/2027 share rights program). 5,000 performance share rights (2025/2028 share rights program).

3. Anna-Kaija Grönblad

Chief Commercial Officer

Born: 1968

Nationality: Swedish

Employed since: 2021 (contracted since 2020)

Education: B.Sc. in business administration from Uppsala University.

Experience and prior assignments: More than 25 years of experience in executive commercial roles in the global pharma industry. Former CEO of Sanofi AB and board member of Läkemedelsindustriföreningen (LIF) and Index Pharmaceuticals AB.

Member of BioArctic Group Management since: 2021

Total holdings* and warrants in BioArctic: 11,000 Class B shares. Employee stock options that grant acquisition rights to 10,000 Class B shares (2019/2028 program). 3,000 performance share rights (2023/2026 share rights program). 3,000 performance share rights (2024/2027 share rights program). 5,000 performance share rights (2025/2028 share rights program).

4. Anders Martin-Löf

Chief Financial Officer (CFO)

Born: 1971

Nationality: Swedish

Employed since: 2023

Other assignments: Board member of Cantargia AB and Affibody Medical AB.

Education: Master's degree in Engineering Physics from KTH Royal Institute of Technology in Stockholm, and bachelor's degree in Economics from Stockholm University.

Experience and prior assignments: Lengthy experience as CFO for life science companies listed on the Stockholm Stock Exchange. Previously CFO for Oncopeptides, Wilson Therapeutics and RaySearch Laboratories. Also Head of Investor Relations and held various business development positions at Swedish Orphan Biovitrum.

Member of BioArctic Group Management since: 2023

Total holdings* and warrants in BioArctic: 2,500 Class B shares. Employee stock options that grant acquisition rights to 20,000 Class B shares (2019/2028 program). 3,000 performance share rights (2023/2026 share rights program). 3,000 performance share rights (2024/2027 share rights program). 5,000 performance share rights (2025/2028 share rights program).

5. Emilie Ankarcrona Smith

General Counsel, Head of Legal & IP

Born: 1981

Nationality: Swedish

Employed since: 2024

Education: Law degree from Uppsala University, Sweden.

Experience and prior assignments: Approximately 20 years of experience in the life science industry, including working as a legal adviser, business area manager and senior company lawyer. Previously worked at Swedish Medtech, Roche and Bayer.

Member of BioArctic Group Management since: 2025

Total holdings* and warrants in BioArctic: 9 Class B shares. 3,000 performance share rights (2024/2027 share rights program). 5,000 performance share rights (2025/2028 share rights program).

6. Mikael Moge

Vice President Chemistry, Manufacturing & Control

Born: 1967

Nationality: Swedish

Employed since: 2012

Education: Master of Chemical Engineering, KTH Royal Institute of Technology; Ph.D. in organic chemistry, KTH; Stockholm, Sweden.

Experience and prior assignments: Over 25 years of experience in drug development and more than 20 years of experience as R&D director in process development and GMP manufacturing. Former section manager in Process R&D at AstraZeneca.

Member of BioArctic Group Management since: 2012

Total holdings* and warrants in BioArctic: 11,970 shares. 3,000 performance share rights (2023/2026 share rights program). 3,000 performance share rights (2024/2027 share rights program). 5,000 performance share rights (2025/2028 share rights program).

7. Oskar Bosson

Vice President, Head of Investor Relations & Communications

Born: 1976

Nationality: Swedish

Employed since: 2020

Education: Engineering degree in molecular biotechnics and bachelor's degree in business administration from Uppsala University.

Experience and prior assignments: Over 20 years of experience globally in communications. Has previously held executive positions in companies such as Sobi, Ovako and Elekta.

Member of BioArctic Group Management since: 2020

Total holdings* and warrants in BioArctic: 7,214 Class B shares. 3,000 performance share rights (2023/2026 share rights program). 3,000 performance share rights (2024/2027 share rights program). 5,000 performance share rights (2025/2028 share rights program).

8. Biljana Rizoska

Vice President, Head of Research

Born: 1975

Nationality: Swedish

Employed since: 2018

Education: Doctorate in neurobiology at Lund University; Master's in chemistry at Högskolan i Kalmar.

Experience and prior assignments: Experience with drug development in R&D over the last 20 years, including executive positions in the global pharma industry and biotech.

Member of BioArctic Group Management since: 2025

Total holdings* and warrants in BioArctic: 1,796 Class B shares. 3,000 performance share rights (2023/2026 share rights program). 3,000 performance share rights (2024/2027 share rights program). 5,000 performance share rights (2025/2028 share rights program).

9. Gunilla Osswald

President and CEO of BioArctic AB

Born: 1961

Nationality: Swedish

Employed since: 2013, CEO since 2014

Other assignments: Board member of Egetis Therapeutics AB.

Education: Pharmacist; Ph.D. in biopharmacy and pharmacokinetics at Uppsala University, Sweden.

Experience and prior assignments: Over 35 years of experience in drug development. Executive positions at Astra/AstraZeneca, including Vice President responsible for the project portfolio in neurodegenerative diseases. Board member of SP Process Development AB.

Member of BioArctic Group Management since: 2013

Total holdings* and warrants in BioArctic: 72,000 Class B shares. Employee stock options that grant acquisition rights to 10,000 Class B shares (2019/2028 program). 10,000 performance share rights (2023/2026 share rights program). 10,000 performance share rights (2024/2027 share rights program). 10,000 performance share rights (2025/2028 share rights program).

10. Johanna Fälting

Chief R&D Officer, Head of Research & Development

Born: 1972

Nationality: Swedish

Employed since: 2012

Other assignments: Member of the Swedish Research Council, expert for medicine and health. Board member of Synthetic MR.

Education: Ph.D. in Physiology, Stockholm University; Licentiate degree in physiology, Stockholm University; Master's degree in biology, Stockholm University, Sweden.

Experience and prior assignments: Over 20 years of experience in drug development in executive positions in R&D, and development in the global pharma and biotech industry.

Member of BioArctic Group Management since: 2012

Total holdings* and warrants in BioArctic: 20,855 Class B shares. 3,000 performance share rights (2023/2026 share rights program). 3,000 performance share rights (2024/2027 share rights program). 5,000 performance share rights (2025/2028 share rights program).

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Includes own holdings, related-party holdings, holdings in companies and capital insurance accounts as of March 31, 2026.

Auditor's report on the corporate governance statement

To the general meeting of the shareholders in BioArctic AB (publ), corporate identity number 556601-2679

Engagement and responsibility

It is the board of directors who are responsible for the corporate governance statement for the year 2025 on pages 119-133 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinion

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6, section 6, the second paragraph, points 2-6, the Annual Accounts Act and chapter 7 section 31, the second paragraph of the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm, April 21, 2026

Grant Thornton Sweden AB

Therese Utengen
Authorized Public Accountant

Sustainability Report

ESRS 2 General disclosures

ABOUT THE REPORT (BP-1)

This Sustainability Report summarizes and structures the company's sustainability efforts, and is a stage in increasing transparency and fulfilling stakeholders' requirements. To meet these expectations, the content and structure of the report are inspired by the European Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

The operations BioArctic conducts are characterized by transparency, creativity and respect for the equal worth of all. The company's strategy for a sustainable future is encapsulated in the terms "Sustainable innovation" and "Sustainable business", which are described on page 137.

Scope and limitations (BP-1)

This Sustainability Report pertains to calendar year 2025 and encompasses the entire Group under the applicable consolidation principles. This report clarifies the areas that the company deems material. Since the CSRD does not yet apply to companies of BioArctic's size, this reporting is intentionally inspired by ESRS but limited as the company does not intend to fully comply with the new framework in this report. The report has not been audited.

Estimates and uncertainties (BP-2)

BioArctic follows standard practice for time horizons, where short term refers to one year, medium term two to five years and long term more than five years. These definitions are used for the materiality assessment, for assessing financial and impact materiality. Operations in the pharmaceutical industry are characterized by complex long-term processes, with contracts, research and regulatory requirements often extending over several years, which impacts the assessment of time frames and rate of change.

The calculations of GHG emissions are largely built on data that is estimated using the spend-based method, but the company intends to shift its reporting to supplier-specific data to demonstrate conscious choices and decouple emissions from increased costs and investments in a growth phase. The spend-based method is deemed to be proportionate in relation to the scope of and emissions from the operations to provide a sufficient estimate of its climate impact. At the same time, this estimate involves uncertainty compared to supplier-based calculations.

BioArctic has out-licensed a number of its drug candidates to partners who are then

responsible for production, regulatory submissions and sales without any further action by BioArctic, which strongly limits the company's influence on all sustainability parameters, including emissions linked to the company's revenue through royalties.

Change in reporting and prior errors (BP-2)

The 2025 report follows the core elements of ESRS and has incorporated selected material elements from the standards. Both structure and content have been adjusted to better reflect the requirements of the ESRS. This means a clearer focus on double materiality, governance and the link between impacts, risks and opportunities (IROs). This report encompasses policies, measures, metrics and targets in Environment (E), social (S) and governance (G). Focus is on the areas that have been deemed material. Compared to the preceding year, the methods for data collection and materiality assessment have been refined. No material errors or discrepancies were identified in the previous report. Due to determination of materiality, data on waste and water are not included in the report but can be found on the company's website.

This report has been approved by the Board of Directors and represents a step in the company's gradual alignment with future CSRD requirements.

BUSINESS MODEL, STRATEGY AND VALUE CHAIN (SBM-1)

BioArctic's clearest and most important contribution to a globally sustainable future is in the company's innovative research and the development of safe and effective drugs against diseases of the brain. Being a good employer and pursuing responsible research of the highest quality, with the patient's best interests in mind, is of crucial significance in realizing the company's goal of discovering, developing and providing innovative treatments for patients with serious diseases of the brain through pioneering research and partnerships. Due to its size, the company has limited resources and capabilities, which makes partnerships crucial to growth. The basis of the business model can be summarized as follows:

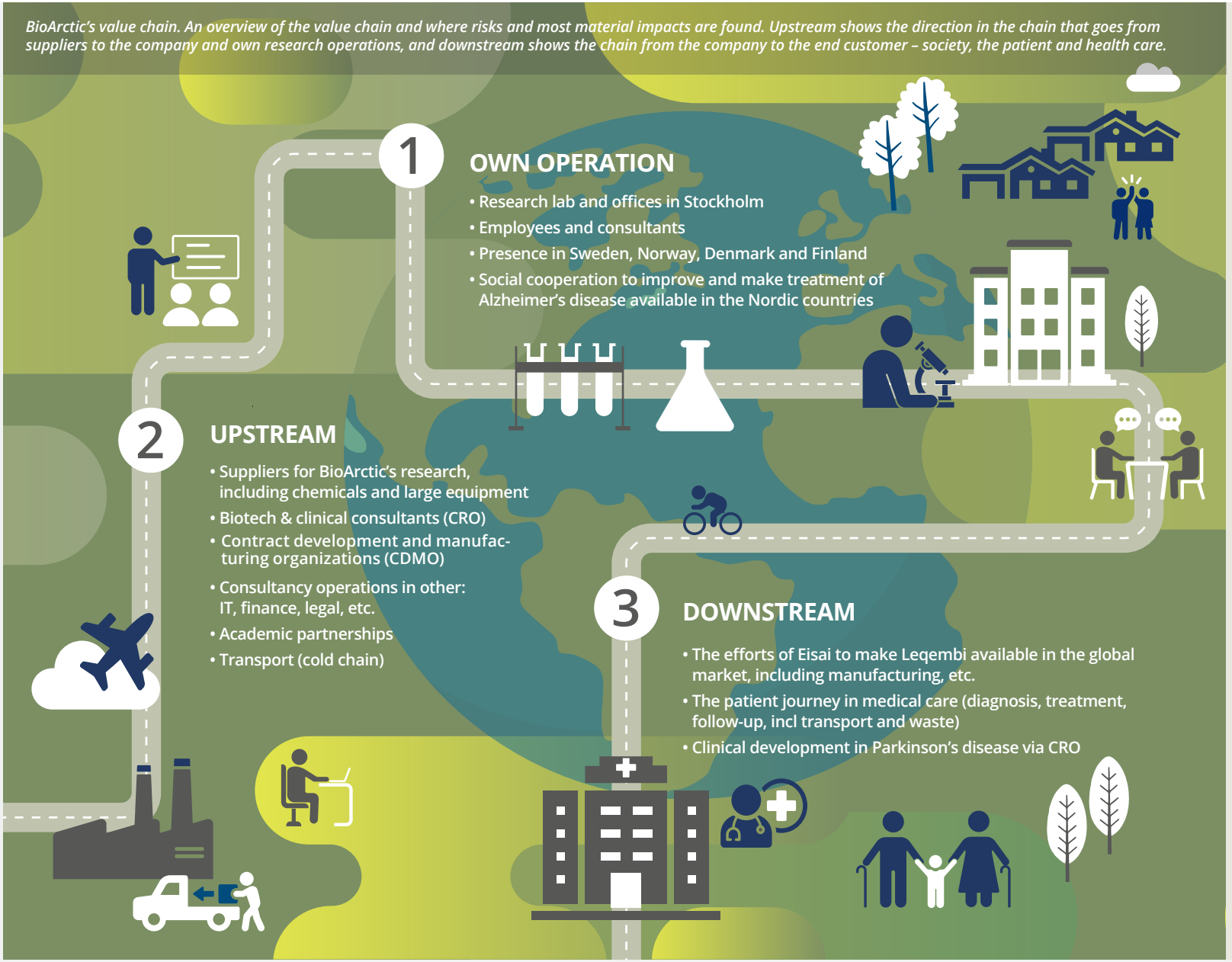
Sustainable innovation is the foundation of all developments within the company, with the aim of contributing to better health for patients. The company's main assets are the patents generated by its research and the skills possessed by its staff. A significant portion of the company's strategy is collaborating with partners so that the value of its research can reach more people and facilitate access to the company's innovations around the globe. These activities create value for the individual, society, and the company.

Sustainable business is central to the company's business model, given the company's regulated operations and the industry it is active in. It must permeate the entire operation, and continually improve the company's processes and quality assurance systems. BioArctic must comply with applicable regulations and legislation, and take responsibility for its decisions and actions. Furthermore, the company must guard against the environmental impact of its own operations and minimize risks of negative impacts.

Sustainable innovation – Our impact	Sustainable business – Our responsibility
• Our capacity for developing innovative treatments for serious brain diseases • Our responsibility to society and our employees	• Ensuring our regulatory and statutory compliance • Reducing negative impacts on the environment and the planet
S1 – Own workforce • Employees and work environment **S4 – Patient safety and health**[1] • Improving health through medicines • Access to quality-assured information • Access to equal treatment • Patient and product safety	**E1 – Environment** • Environmental management and climate initiatives **G1 – Business conduct** • Compliance with legislation • Supplier relationships

1) Includes ESRS topics pertaining to S4: Consumers and end-users, and company-specific topics such as innovation in areas of significant medical need

BioArctic's value chain. An overview of the value chain and where risks and most material impacts are found. Upstream shows the direction in the chain that goes from suppliers to the company and own research operations, and downstream shows the chain from the company to the end customer – society, the patient and health care.



IMPACT RISKS

1) Own operation

- *Own employees' well-being & development*
- *Business ethics & Anti-corruption*
- *Political impact*

- *Energy consumption (premises)*
- *Chemicals management*
- *Waste*
- *Emissions, cars & business travel*

2) Upstream

- *Knowledge transfer and collaboration (primarily academic)*

- *Energy consumption and carbon emissions*
- *Use of materials*
- *Animal testing*

3) Downstream

- *Make new treatments available for areas with significant medical need*
- *Information and know-how on new treatments and their effects*

- *Risk of side effects*
- *Emissions during production*
- *Transportation, logistics, waste during treatment and in connection*

BioArctic's core values – Care, Challenge, Collaborate – are the foundation of its operation and guide the entire organization in everyday decisions and working methods. These values shape the corporate culture, set frameworks for responsibilities and govern behaviors. The focus is on clarity, integrity and long-term sustainability at every stage of the work.

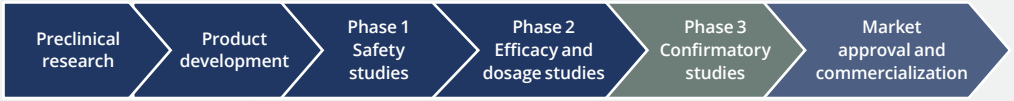
BioArctic's vision is to generate innovative drugs that improve the lives of patients with serious brain diseases. The focus is on treatments with the potential to affect the underlying reasons for the disease, alter the course of the disease and transform the care of Alzheimer's disease and other serious neurodegenerative diseases. These efforts also include the development of innovative platform technology for facilitating the passage of drugs across the blood-brain barrier.

The company collaborates with leading academic research groups and companies in the global pharmaceutical industry. These partnerships strengthen the company's innovative capacity and increase the potential for creating tangible value for patients and society.

Vision	Mission	Values
A world where research conquers serious brain diseases.	BioArctic is an innovative biopharmaceutical company in precision neurology. Through world-leading research and collaborations, we create, develop and deliver innovative treatments for patients with severe brain diseases.	Our values reinforce one another, going hand in hand to form a unity that drives us forward to achieving our vision and mission. **Care** – We care about one another, the patient and the world around us. **Challenge** – We push the boundaries with curiosity and perseverance to drive innovation and set new standards. **Collaborate** – We work as one company across functions and with external partners to create shared value and lasting trust.

Products and services (SBM-1)

BioArctic engages in research and development of biological drug candidates for the treatment of serious diseases in the brain. At present, the company is developing treatments up to phase 2 clinical testing and intends to out-license the product for further development to achieve commercial use. BioArctic is involved in the commercial activities in the Nordics.



The company has developed a platform technology, under the name BrainTransporter, that can be both used in combination with BioArctic's proprietary drug candidates and out-licensed to other pharmaceutical companies. BioArctic has three current agreements regarding the BrainTransporter technology.

BioArctic has a limited geographic reach for commercializing the treatments the company is researching and making them available. Collaboration with partners is an explicit strategy to reach the market. In the case of lecanemab, a BioArctic discovery, Eisai have led the development and BioArctic has retained the rights to commercialize Leqembi in the Nordic countries in collaboration with Eisai.

BioArctic does not have its own manufacturing, but engages external partners for production of the materials that are used in the clinical development phase.

BioArctic collaborates with, and has entered into license agreements with, various partners globally where responsibility for development and production of the future product is assumed by the partner. While this creates financial growth and stability, and develops the company's own research operations, this means that BioArctic's impact on its partners' continued development of the outlicensed products is extremely limited.

Markets and customer groups (SBM-1)

BioArctic has its registered office and laboratory in Stockholm, Sweden. Since 2023, the company has subsidiaries in Denmark, Finland and Norway, which are carrying out preparatory activities for commercial operations. Eisai has obtained market approval for Leqembi in over 50 markets and regions such as North America, China, Japan and Europe for the treatment of early Alzheimer's disease, and is responsible for marketing and sales. Together with Eisai, BioArctic has provided Leqembi to patients in Finland since October 2025. Other Nordic markets are waiting on price and subsidy negotiations.

The company's drug candidates focus mainly on severe brain diseases such as Alzheimer's disease, synucleinopathies such as Parkinson's disease and multiple system atrophy (MSA), as well as rare diseases such as Huntington's disease and ALS.

Opportunities and challenges (SBM-1)

BioArctic operates in a strictly regulated pharmaceutical market, with comprehensive regulations for quality and safety. These regulations govern both product and patient safety, which means that several areas of sustainability have clearly been integrated into the operations and thus defined as material matters. Research is being conducted in areas with significant medical need where disease-modifying treatments are lacking. For many years, BioArctic has prioritized issues in employeeship and work environment.

BioArctic is in a phase of growth that is creating both opportunities and challenges. Growth facilitates the building of stronger structures, increased recruiting of skills and a strengthened sustainability agenda. At the same time, the demands on governance, processes, monitoring and maintaining the entrepreneurial corporate culture are increasing.

The company takes a preventive and responsible approach with its sub-suppliers in order to ensure that business partners comply with the company's requirements for ethics, quality and sustainability. The materiality assessment shows that BioArctic has the greatest opportunity to create social and economic value through the company's efforts to develop and provide innovative, safe and efficacious medicines for diseases with significant medical needs, for the benefit of the patient's health. The development of treatments promotes improved patient health and a healthier society.

Sustainability-related targets (SBM-1)

BioArctic has established a number of targets and key performance indicators for the company's sustainability efforts. The aim is to ensure that the business is run and developed in line with an ambition to create value while reducing negative impacts. For each priority area, there are targets and metrics that are systematically tracked and reported. BioArctic's progress in relation to set goals and the measures the company is taking to achieve them are reported in each sustainability section. A selection of sustainability goals and key ratios is illustrated to the right. For outcomes on sustainable innovation, see page 171.

BioArctic signed on to the United Nations Global Compact (UNGC) in January 2024. The operation's research and development activities contribute in particular to UN Sustainable Development Goal (SDG) 3: Good health and well-being.

Sustainability goals and key performance indicators

Sustainable innovation	**Links to strategic priorities 2030**		
	Significant investments in Research & Development	Pipeline with projects in all stages of development	New projects in collaboration with partners
Sustainable business	**Environment (E)**	**Social (S)**	**Business conduct (G)**
	- Maintain 100 percent renewable electricity in own operations - Validate climate targets in accordance with SBTi 2026 - 65 percent reduction of CO_2 in the value chain by 2035 - Net zero 2050	eNPS over **50**	**Code of Conduct:** all employees must confirm the policy annually

Key performance indicators 2025				
Gender distribution *(>40% of the under represented gender)* % *Board of Directors:* Men 57 /Women 43 *Executive Management Team:* Men 30 /Women 70	79 eNPS score	66% of the total cost base was invested in Research & Development	51 Number of approved markets for Leqembi	15 Number of nationalities (employees)

SDG	Target
3: Good health and well-being	• 3.4 • 3.8 • 3.B

INTERESTS AND VIEWS OF STAKEHOLDERS (SBM-2)

BioArctic has regular contact with and ongoing dialogue with representatives from the company's stakeholders such as health and medical care personnel, patient advocacy groups, government agencies, politicians, and current and future partners as well as analysts and investors. BioArctic's key stakeholder groups are presented in the table below.

Stakeholder	Type of interaction	Interests and views	Management of views
Upstream			
Industry associations	• Meetings • Working groups • Reports	• Start from the patient perspective to promote more efficacious care and sustainable health • Corporate culture and working conditions must be strategic goals	• Annual reporting of sustainability activities in survey • Participation in training courses and collaboration meetings on sustainability, market access, competitiveness, research and regulatory issues
Medical regulatory agencies	• Meetings • Reports • Digital portals • Inspections	• Regulatory compliance • Environmental responsibility	• Systematic quality-assurance activities in drug development • Scientific advice
Academia	• Collaboration	• Trustworthy long-term partnerships • Exchange of experiences	• Participation and investment in research collaboration • Publication of data
Own operation			
Board of Directors / Executive management	• Management meetings • Strategy days	• Operations must meet requirements set by investors, partners and procurement authorities • Investments in knowledge, skills development, research and innovation	• CSRD-inspired reporting • Developing long-term sustainability strategies and activities • Sustainability training
Employees	• Intranet • Workshops • Surveys • Dialogues • Training courses	• Promoting better patient health • Outstanding employer • Safe workplace • Opportunities for continued development	• Robust financial growth • Strategic investment in research • Systematic occupational health and safety activities • Annual performance appraisals that include questions on employee self-development
Property owners	• Meetings • Digital platforms	• Social issues: work environment and personnel safety • Energy efficiency to reduce the environmental impact of premises.	• Involvement in remodeling • Annual meetings to evaluate energy efficiency and development opportunities

Stakeholder	Type of interaction	Interests and views	Management of views
Downstream			
Partners (Eisai, BMS and Novartis)	• Regularly scheduled meetings • Monitoring • Contracts • Joint projects • Reports	• Patient safety • Regulatory compliance • Anti-corruption • Data security • Human rights	• Systematic quality-assurance activities in drug development • Well-developed compliance agenda • Enhanced and well-developed data security practices • Supplier check
Investors and Fund managers	• Meetings • Reports • Interviews	• Patient benefits and societal contributions • Developing the value chain and partnership with a due diligence process • Focus on employees and their development • Governance and corporate culture aligned with long-term goals • Integrate sustainability into the business strategy	• Continual investment in research • Increased transparency and reporting in accordance with anticipated regulations and analytical methods • Development of policies covering material matters
Patient advocacy groups	• Meetings • Questionnaires • Workshops • Reports	• Patient benefits and societal contributions • Further develop transparency and openness in sustainability activities and communication • Enhance collaborations and partnerships to create innovation • Safeguard a long-term perspective in the work	• Participation and representation at company seminars • Participation in patient organization meetings • Continual investment in research into fields with significant medical need
Regions (Public Procurement Agency Sweden, Norway, Finland, Denmark)	• Procurement requirements	• Sustainable supply chains based on human rights, workers' rights, environmental protection and anti-corruption	• Introduction of documented, systematic monitoring of the supply chain

Integration of stakeholder views into strategy and business model (SBM-2)

BioArctic systematically integrates stakeholder interests and views into the company's sustainability program. By continuously monitoring and communicating with its stakeholders, the company can adapt its operation to changing market conditions and expectations. Dialogue with BioArctic's various stakeholders takes place both formally and informally. The company uses meetings, project tracking and annual employee surveys to collect feedback. The focus is on issues related to social work with employees, patient safety and health.

Stakeholder analyses are conducted on a regular basis to identify sustainability matters that have, or may have, significant positive or negative impacts on stakeholders and operations. The results of these analyses are reviewed from a financial perspective as part of the double materiality assessment.

Stakeholder views are discussed in the relevant business units, and routinely reported to management and the Board in conjunction with annual strategy reviews and quarterly meetings. These activities ensure that strategic decisions are based on up-to-date information on risks and opportunities. When needed, external experts are used to deepen understanding in specific sustainability fields. This way, stakeholder perspectives are integrated into both strategy and business model.

SUSTAINABILITY GOVERNANCE (GOV-1)

BioArctic's sustainability governance is fully integrated into the company's business strategy. The Board of Directors has overall responsibility and ensures that sustainability matters are part of governance and risk management in the operation. The Audit Committee prepares matters and reviews procedures for risk management, governance, control and sustainability reporting in accordance with the established work plan. Operational activities are managed by the Sustainability Director, and are represented in the Executive Management Group by the Head of IR & Communication. A Sustainability Committee has been established to drive this effort across the organization. The Committee is led by the Sustainability Director and comprises representatives from Human Resources, Legal, Finance, Research & Development, Quality Assurance, Commercial and work environment managers. Reports are presented to the Executive Management Group. The Board of Directors approves the sustainability strategy, central policies and the corporate governance framework, and examines the company's risk assessment. More information on the roles and responsibilities of the Board and the Executive Management Group can be found on page 123 of the Corporate Governance Report.

The company's sustainability governance is defined in the following policies:
- Rules of Procedure for the Board of Directors and CEO
- Rules of Procedure for the Audit Committee
- Sustainability Policy

The table below presents functions with critical roles and responsibilities for BioArctic's material sustainability matters and for implementing the sustainability strategy.

Function	Responsibility
Sustainability	• Materiality assessments • Development of guidelines • Proposes and supports the implementation of the strategy • Reporting of results • Supplier audit
Legal	• Implementation of the Anti-corruption Policy, the Collaboration with Health and Medical Care Policy, data privacy, the review of third-party risks and the whistleblower function.
Research and development (R&D)	• Development of biotechnological innovations • Environmental compliance in the company's internal operations • Driver in supplier sustainability efforts
Finance	• Control of data • Evaluation and improvement of procedures concerning management, internal control and risk
HR	• Personnel-related topics and procedures • Health and safety work
Commercial	• Commercialization of Leqembi in the Nordics

Composition of the Board of Directors and Executive Management Group (GOV-1)

BioArctic's Board of Directors is elected annually at the AGM for the period until the close of the next AGM. The Board's task is to provide expertise and experience that will enhance the company's long-term development. The CEO and CFO attend all Board meetings, with the CFO acting as secretary. Other senior executives attend as necessary on specific issues, to inform decisions. The Board is to have an equitable gender distribution, with the under-represented gender comprising at least 40 percent of members. In 2025, 43 percent of the Board of Directors were women and 57 percent were men, with varying backgrounds and experiences that are presented further on in the Corporate Governance Report on page 131.

Composition of the Board	2025	2024	2023
Men	4	4	6
Women	3	3	2
30–50 years	0	0	0
Over 50 years	7	7	8
Committee chairs (3 committees)	**2025**	**2024**	**2023**
Men	1 (3) – Research Committee	1 (3)	2 (3)
Women	2 (3) – Audit & Remuneration Committee	2 (3)	1 (3)
Composition of Management Group	**2025**	**2024**	**2023**
Men	3	4	5
Women	7 (CEO)	5 (CEO)	4 (CEO)
30–50 years	4	1	1
Over 50 years	6	8	8

Experience and competence of Board and executive management (GOV-1)

The Board of Directors and the Executive Management Group are continually trained in sustainability matters to ensure the necessary competence in this field. The company's Board of Directors and management also oversee the progress of the work, and ensure that sustainability practices are developed in line with the company's strategy. In 2025, one training session in sustainability reporting was held with the Board of Directors and Executive Management Group.

Since social sustainability – encompassing patient safety and health – is the most material

area of sustainability, the Board's expertise in health professions such as physicians and nurses is an advantage.

Sustainability-related incentive scheme (GOV-3)

Remuneration to the CEO and senior executives can be found in Note 7, page 92. The bonus program encompasses all employees and is linked to milestones achieved, innovative capacity and the company's sustainability goals. In 2025, a long-term incentive program in the form of a performance share unit program was approved for all permanent employees. The scheme includes ESG-related targets and is intended to strengthen engagement, motivation and affinity with the company and its shareholders.

Risk management and internal control (GOV-5)

Risks are potential factors that could adversely impact BioArctic's operation. Through effective and strategic management, these risks can be transformed into value-creating opportunities for the company. BioArctic focuses on identifying and preventing risks as well as establishing action plans to minimize the consequences of any undesirable event.

The company's greatest sustainability risks are linked to the following issues:
- Employee risks
- Risks related to sub-suppliers and partners
- Corruption-related risks

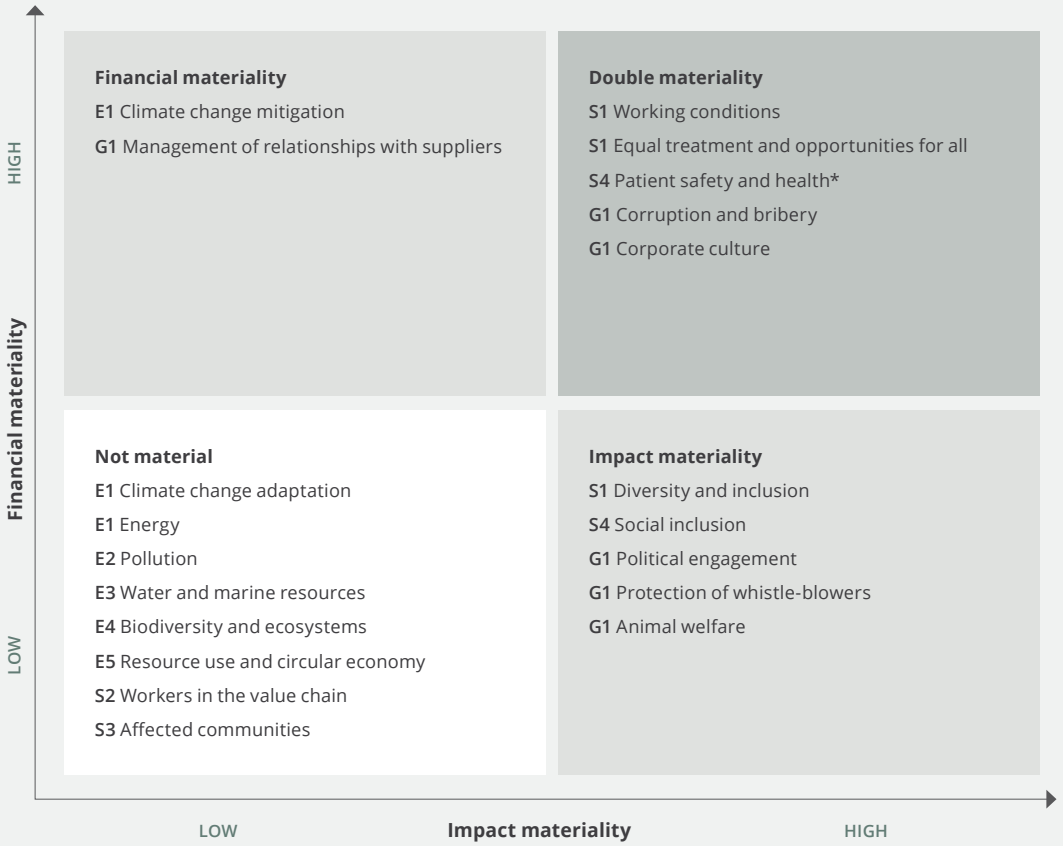
For a detailed, comprehensive description of the company's risk management and internal control processes, refer to page 55-59.

RESULTS OF DOUBLE MATERIALITY ASSESSMENT (SBM-3)

In 2023, BioArctic conducted its first double materiality assessment, which was then updated in 2024 and 2025. The assessments were based on the ESRS sustainability standards, which are part of the new CSRD directive for sustainability reporting. A sustainability matter or topic meets the criteria for double materiality if it is material from either an impact perspective or a financial perspective. If the issue is deemed material on the basis of both impact and financial position, it is classified as doubly material.

The methodology and processes for conducting BioArctic's materiality assessment were based on the company's internal assessments and advice from external experts. The assessment was based on a combination of internal and external dialogues to capture a broad picture of the sustainability matters that are most significant for the business. Refer to Interests and views of stakeholders (SBM-2) on page 141. The internal dialogues encompassed representatives from various parts of the organization to ensure that perspectives from multiple functions were included. The dialogues were conducted through interviews and workshops with the Executive Management Group and the Board of Directors as well as external stakeholders such as shareholders, industry representatives and government agencies. This approach yielded a balanced understanding of how various stakeholders view the company's material sustainability matters.

BIOARCTIC'S DOUBLE MATERIALITY ASSESSMENT



*S4 Patient safety and health includes information-related impacts for and personal safety of consumers and/or end-users

Changes and updates (SBM-3)

In 2024, an analysis was written of reports and interviews with patient representatives such as Alzheimer's Disease International and World Alzheimer Report, and interviews with Alzheimer Europe and Parkinson's Europe as well as ESG analysts and suppliers. In addition, an analysis was conducted of regulatory frameworks, ESG rankings and sustainability reporting from select pharmaceutical companies – both large industry players ranked best in class and smaller companies with more comparable operations. In 2025, additional stakeholder dialogues were conducted with investors, foundations and authorities to ensure that the operation is reflected in accordance with current conditions. A workshop on double materiality was also held during the spring.

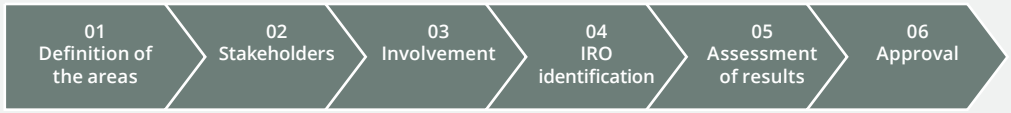
The double materiality assessment was updated during the year to ensure the proper focus. In social matters, S4 Consumers and end-users has been renamed S4 Patient safety and health, in order to better reflect the operation. Furthermore, G1 Management of relationships with suppliers has been given higher priority, in line with stakeholders' increased demand for transparency ahead of the anticipated launch in Nordic markets. At the same time, E1 Climate change adaptation and E2 Pollution have fallen below the threshold and have been assessed as not material.

The outcome of the stakeholder dialogue showed that focus on innovation, employees, transparency, know-how and skills development are key areas for BioArctic. This corresponds with the company's own priority areas. The matrix clarifies how the ESRS areas that were identified in the analysis relate to each other and to materiality for the company.

Methodology and approach (IRO-1)

The 2025 double materiality assessment for BioArctic builds on the work performed in

2024 and is based on ESRS standards, ESG rankings and current regulations. Stakeholders participated in interviews and dialogues that focused on material sustainability matters across the value chain. Impacts, risks and opportunities (IROs) were assessed in terms of actual, and potential, positive and negative impacts and financial effects. The results were analyzed on the basis of various factors and compiled into a matrix. The assessment was approved by the Executive Management Team and the Board of Directors, and forms the basis of the company's sustainability strategy. The procedure for the double materiality assessment comprises six different steps that are explained below.



1. Definition of the areas

The starting point in the efforts to define the scope was the ESRS standards and other ESG rankings that the company's stakeholders – for example, MSCI and Sustainalytics – follow. In addition, regulatory frameworks such as CSRD and sustainability reporting from select pharmaceutical companies were analyzed.

2. Stakeholders

Internal and external stakeholder groups were identified across the value chain. BioArctic's stakeholders include: industry associations, medical products agencies, public procurement agencies, corporate management, employees, property owners, investors and banks, Alzheimer's and Parkinson's patient advocacy groups and partners such as Eisai, Bristol Myers Squibb and Novartis.

3. Involvement

Stakeholders were involved through interviews and reviews of publicly available reports that they have published. The conversations focused on the sustainability matters and areas covered by the ESRS, but without the framework itself governing the dialogue. The aim was to create an open, intelligible discussion on material sustainability aspects. Following the interviews, the responses were analyzed using the ESRS structure to identify relevant sustainability matters and areas of potential risk and opportunity.

4. IRO identification

The company's operations were examined on the basis of impacts, risks and opportunities (IROs) for all ESRS areas. The analysis covered both impact materiality and financial materiality and forms the basis for determining which sustainability matters were deemed material. The mapping was based on internal data, stakeholder dialogues and sector-specific sources. For each area, actual and potential impacts and possible financial effects were analyzed.

5. Analysis of the results, and documentation

The results of the stakeholder dialogues and IROs were evaluated against the company's own estimated impact and external financial impact, and were assigned a score between 1 and 5 (low to very high). The outcome of the analysis is presented in the materiality matrix. Time horizon comprises short-term ≤1 year, medium-term 2-5 years and long-term ≥5 years. IRO is assessed on the basis of scale, scope, likelihood and irremediable character. Documentation of the procedure and the outcome has been compiled internally.

6. Approval

The results of the materiality assessment were approved by BioArctic's Executive Management Team and Board of Directors. The structure of the activities has been previously presented to the company's auditors in order to ensure transparency and traceability in the process. The assessment was embedded through dialogue with central functions in the organization, in order to ensure that sustainability matters reflect the actual impact of the operation as well as stakeholder expectations. The results form the foundation for BioArctic's sustainability program, targets and tracking. The analysis is updated and validated annually to confirm that it remains relevant and aligned with the company's strategy, risks and external requirements.

Assessment of materiality and thresholds

To determine which sustainability matters are the most material, BioArctic used threshold values for both impact and financial materiality. The assessment was based on scale, scope, likelihood and irremediable character, in line with ESRS and the company's internal methodology. For impact materiality, the threshold was set between 3.0 and 5.0, ensuring that issues with significant long-term effects were detected. For financial materiality, the threshold was set at 3.5.

IRO TABLE (SBM-3)

Material topic	Sub-topic/ sub-sub-topic	Description	Impact materiality positive or negative	Financial materiality risk or opportunity	Value chain			Time horizon		
					Up-stream	Own operation	Down-stream	Short term 1 year	Medium term 2–5 years	Long term >5 years
E1 Climate change	Climate change mitigation	Climate change and GHG emissions (increased reporting of risks)		Risk	x	x	x	x	x	x
S1 Own workforce	Working conditions	Employee well-being	Actual positive			x		x	x	
				Opportunity		x		x	x	
	Equal treatment and opportunities for all	Career opportunities and development	Actual positive			x				
				Opportunity		x		x	x	x
				Risk		x			x	x
		Diversity and inclusion	Actual positive			x		x	x	x
			Potential negative			x			x	
	Health and safety	Health and safety at the workplace	Potential negative			x		x		
				Risk		x		x	x	
S4 Patient safety and health (Consumers and End-users)	Improving health through medicines	Commercialization of drugs against Alzheimer's disease Desired efficacy and potential side effects	Actual positive			x	x	x	x	x
				Opportunity		x	x	x	x	x
			Potential negative	Risk		x	x	x	x	x
		Development of innovative drugs	Potential positive		x	x	x		x	x
				Opportunity		x	x	x	x	x
				Risk		x	x		x	x
	Information-related issues	Marketing and communication. Product information. Health data.	Potential positive			x	x	x		
			Potential negative			x	x	x		
				Opportunity	x	x	x	x		
	Access to equal treatment (Social inclusion for consumers and/or end-users)	Social inclusion and geographic spread in trials and market access	Potential positive				x	x	x	x
				Opportunity		x	x	x	x	x
				Risk			x	x	x	x
		Limited inclusion related to access and pricing	Potential negative				x	x	x	
				Risk			x	x	x	

IRO TABLE (SBM-3) *cont.*

Material topic	Sub-topic/ sub-sub-topic	Description	Impact materiality positive or negative	Financial materiality risk or opportunity	Value chain			Time horizon		
					Up-stream	Own operation	Down-stream	Short term 1 year	Medium term 2–5 years	Long term >5 years
G1 Business conduct	Corporate culture	Values and culture as a foundation for growth and business success	Actual positive			x	x	x	x	x
				Opportunity		x	x	x	x	x
				Risk		x	x		x	x
	Corruption and bribery	Detection and prevention of corruption and bribery	Potential negative		x	x	x	x	x	
				Risk	x	x	x	x	x	
	Political engagement and lobbying	Political engagement and engagement with government agencies	Potential positive			x	x	x	x	x
				Opportunity		x	x	x	x	x
	Protection for whistleblowers	Protection for whistleblowers	Actual positive		x	x		x	x	x
	Animal welfare	Animal welfare and animal testing in line with ethical guidelines	Actual negative		x	x		x	x	x

POLICY OVERVIEW (MDR-P)

The table below lists policies with a bearing on BioArctic's sustainability agenda, and which division is responsible for their implementation. All these policies encompass the entire company and all employees unless otherwise stated.

Policy	Purpose	Scope/Scale	Owner
AI Policy	Framework for secure, ethical, legal and efficient use of AI	All employees	Communication and IR
Alcohol and Drug Policy	Create a safe, secure and healthy work environment	All employees	HR
Anti-bribery and Anti-corruption Policy	Clarifies the company's zero tolerance toward bribery and corruption Framework for preventing all forms of bribery and corruption	All employees	Legal
Car Policy	Safe vehicles from a work environment perspective. Permits only electric and hybrid electric vehicles as staff cars	All employees	Finance
Code of Conduct	Provide employees with guidance in their daily activities, based on the company's core values	All employees	Executive Management Team
Code of Conduct for Partners	Sustainability requirements for partners and suppliers	External partners and suppliers	Communication and IR
Data Privacy Policy	Clarifies application of the GDPR and individual rights	All employees	Finance/IT
Discoveries and Patents Policy	Protects the company's patents and research Framework for identifying and patenting discoveries, and for remunerating employees for discoveries	All employees	IP/Legal
Diversity and Equality Policy	Actively counteract discrimination and promote equal rights and opportunities Basis in several Swedish laws including the Discrimination Act, the Work Environment Act and the Parental Leave Act	All employees	HR
Ethical Animal Policy	Guidance in the principles of animal ethics in studies that involve laboratory animals	All employees	R&D
Fire Safety Policy	Prevent fire risks and ensure the safety of people, the environment and property	All employees	HR
Information Security Policy	Minimize operational risks linked to information that concerns people, procedures, and systems	All employees	Finance/IT
IT Policy	Support a good, secure IT environment and reduce cybersecurity risks	All employees	Finance/IT
Quality Management Policy	Guidelines for providing safe, efficacious and high-quality drugs that comply with laws, regulations and customer requirements Sets requirements for all employees to possess suitable competence and to continually train, and further their training, in order to perform their work	All employees	CEO
Rehabilitation Policy	Help employees recover the best functionality possible, and conditions for a normal working life, in the event of injury or illness	All employees	HR
Sustainability Policy	Framework for sustainability activities at all levels, with a focus on employeeship, use of resources and compliance with laws. Also includes environment	All employees	Communication and IR
Tax Policy	Ensure responsible tax practices	CEO / CFO	Finance
Whistleblowing Policy	Clarifies opportunities for internal and external stakeholders to report suspected improprieties	All employees and external working relations	Legal
Work Environment Policy	Actively promote a safe and secure workplace as well as health, well-being and productivity Based on Swedish work environment legislation	All employees	HR

Environment (E)

E1 CLIMATE CHANGE ADAPTATION

Environmental and climate impact

The company's environmental and climate impact stems from direct and indirect activities in the value chain and in its own operations. BioArctic applies the precautionary principle in order to reduce the company's impact on the environment and the climate. Using 2024 as a base year, the company has begun surveying the operation's emissions. The purpose of this survey is to specify climate emissions in accordance with the Science Based Targets initiative (SBTi). BioArctic's goal is to initiate climate target validation by SBTi in 2026.

BioArctic's carbon emissions are limited and originate primarily from operations on the premises, business travel and the purchase of manufacturing and distribution services upstream in the value chain. The greatest environmental impact is found in the laboratory operations and pertains to waste as well as the use of energy, plastics and chemicals.

BioArctic's drugs and drug candidates are defined as biologics. Under the guidelines of the European Medicines Agency, these have a negligible negative impact on the environment and are not subject to risk assessment requirements.

BioArctic believes that the company's impact on biodiversity is negligible, but not nonexistent. Biodiversity is a key issue for the pharmaceutical research industry and is monitored by the company. In the research environment, the company works to protect vulnerable sources of biological material by choosing materials from sustainable sources.

EU Taxonomy

As a result of BioArctic's assessment that the Group's primary economic operation is not covered by the Climate Delegated Act and thus not by the reporting requirements for the EU Taxonomy, the Sustainability Report for 2025 does not include reporting under the Taxonomy.

Impacts, risks and opportunities (E1 SBM-3)

Material topic	Sub-topic/ sub-sub-topic	Description	Impact materiality positive or negative	Financial materiality risk or opportunity	Value chain			Time horizon		
					Up-stream	Own operation	Down-stream	Short term 1 year	Medium term 2–5 years	Long term >5 years
E1 Climate change	Climate change mitigation	Climate change and GHG emissions (increased reporting of risks)		Risk	x	x	x	x	x	x

Within the parameters of the 2025 double materiality assessment, E1 Climate change mitigation was deemed to be financially material for BioArctic. From a financial materiality perspective, the company identifies this issue as a risk.

The mapping of BioArctic's carbon emissions shows that they arise mainly in own operations through use of the premises, business travel and vehicles. Upstream in the value chain, carbon emissions arise from energy use and production of clinical materials via suppliers. Downstream, there are additional impacts linked to manufacturing processes carried out by external partners. This includes the use of products derived from the company's patents but not sold in markets controlled by BioArctic.

Laboratory operations account for the greatest environmental burden in the company, and include waste as well as the use of energy, water, single-use plastic items and chemicals. Under European guidelines, the company's biological drugs and candidates are deemed to have a negligible negative environmental impact.

The issue may entail financial risks, since stricter climate requirements can impact costs, supplier relationships and market access. New regulations on emissions and energy use may increase operating costs and require investments in more resource-efficient solutions. Suppliers may incur higher production costs that are passed on to BioArctic. Procurement authorities may require detailed climate calculations and life cycle assessments. Investors and partners may also set more explicit requirements for climate performance. Failure to meet these expectations could affect the company's competitiveness and access to capital.

E1-2 – Policies related to climate change mitigation and adaptation

BioArctic's environmental management is integrated into the GxP pharmaceutical framework and is based on ISO 14001, but the business is not certified under the standard. The company is registered with the County Administrative Board under Swedish environmental legislation.

The handling of chemicals is governed by established work instructions and monitored from a risk perspective. BioArctic is not involved in any environmental disputes. The company complies with Swedish environmental legislation in all its operations.

Beyond legislation, the following policies and instructions work together to reduce the company's climate and environmental impact:

Policy	Purpose	Scope/Scale	Owner
Sustainability Policy	Framework for sustainability activities at all levels, with a focus on use of resources and adjacent environmental issues	All employees	Communication and IR
Car Policy	Permits only electric and hybrid electric cars	All employees	Finance
Quality Management Policy	Guidelines for providing safe, efficacious and high-quality drugs that comply with laws, regulations and customer requirements	All employees	CEO
Code of Conduct	Specifically highlights responsibility for safeguarding the environment and natural resources, as well as regulatory compliance	All employees	Group Management
Code of Conduct for Partners	Sustainability requirements for suppliers and partners	Suppliers	Finance
Standard Operating Procedures for laboratory work	Several instructions that ensure proper management of, for example, environmental waste	Employees in a laboratory environment	Research and development

Actions in relation to climate change policies (E1-3)

BioArctic is implementing several measures to reduce emissions in own operations and is continually investigating opportunities to reduce its climate impact. The premises of the head office are environmentally certified under LEED O+M, level Gold. Through a green lease, BioArctic and its landlord have undertaken to use renewable or climate-neutral energy, and use only origin-certified green electricity from solar power. The equipment and machinery in the laboratory require extra process cooling, which has a negative impact on climate performance as the property is not optimized for these operations. The offices in Finland and Norway also use renewable electricity, according to certificates from suppliers and landlords.

The company's AI solution uses optimized technology that reduces energy consumption, and strategies for reducing data consumption and energy use over time were evaluated during the year. BioArctic monitors energy consumption of low-temperature freezers (–80 degrees C), with older models being replaced by more energy-efficient freezers.

The company handles large quantities of single-use plastics and hazardous waste. Hazardous waste bins have been replaced with Woodsafe bio-based bins since 2024. Electronic equipment such as computers, mobile phones and monitors, as well as office furniture is re-used as much as possible or sent for materials recycling. Furthermore, only electric and hybrid cars are permitted as staff cars, and since 2024 the entire vehicle fleet has consisted of these. BioArctic encourages the use of environmentally friendly means of transportation – for example, by offering opportunities for staff bicycles.

Metrics and targets (E1-4)

In April 2025, BioArctic presented climate neutrality targets in conjunction with the presentation of the results for full-year 2024. BioArctic tracks its environmental targets annually. The aim is to pursue a conscious effort to reduce environmental impact and ensure that the operation meets relevant requirements. The environmental targets also serve as an effective tool for monitoring progress towards carbon neutrality. The pharmaceutical industry is moving toward carbon neutrality, and stakeholders expect companies to be part of this trend. BioArctic supports this, even if its own environmental impact is limited.

The company's environmental targets are presented below:

Year	Area	Target	Progress
2025	Emissions, Scope 1, 2 and 3	Survey of the value chain according to materiality, in order to set baseline values Communicate reduction targets	Achieved
2026	Emissions, Scope 1, 2 and 3	Validate climate targets in accordance with SBTi	Achievement expected in 2027
2035	Emissions, Scope 1, 2 and 3	65% CO2 reduction	
2050	Emissions, Scope 1, 2 and 3	Net zero	

Energy consumption and mix (E1-5)

Energy consumption and mix	2025	2024
Energy consumption from fossil sources (%)	0 (0)	0 (0)
Energy consumption from nuclear sources (%)	0 (0)	0 (0)
Energy consumption from renewable sources, kWh (%)	339,465 (100)	289,830 (100)
Fuel consumption from renewable sources (%)	n/a	n/a
Consumption of heat, steam, and cooling from renewable sources, kWh (%)	388,579 (100)	326,389 (100)
Share of renewable sources in total energy consumption, %	100	100
Total energy consumption, kWh	728,044	616,219

GHG emissions (E1-6)

Scope 1

Includes emissions from cars leased by the company for both private and business use. The increase in 2025 is attributable to a larger fleet and longer distances driven due to the establishment of a sales organization in the Nordic countries.

Scope 2

The climate impact from indirect own emissions linked to energy use is based on the property owner's purchase of electricity with an environmental product declaration (EPD), water and direct-acting certified solar energy. All are verified through guarantees of origin. The property owner's aim is to use 100 percent green electricity but it purchases its electricity from the market, where the origin can vary depending on circumstances. The market-based climate impact of the property owner in 2025 was 2.07 kg CO_2/m^2.

Scope 3

On the basis of identification of relevant other indirect Scope 3 emissions in the value chain, the following categories are relevant: 1, 2, 3, 4, 5, 6, 7, 8 and 14.

Category 1 Goods and services and Category 2 Capital goods

Emissions from the purchase of goods and services were calculated using a combination of spend-based and supplier-specific methods. Since the largest emission categories are research and clinical trials, these areas have been given priority in the assessment. In the cases where supplier-specific data is available, the reported emissions are lower than the estimated emissions resulting in reduced total emissions despite increased spend in 2025. For other purchases, the company has continued to use spend-based emission factors to estimate its emissions. BioArctic is continually engaged in increasing the proportion of supplier-specific data in the calculations, in order to eventually achieve as accurate and fair a picture of indirect emissions as possible.

Category 6 Business travel

Business travel increased in 2025 to CDMO and sites involved in clinical development (Europe). The preparations ahead of the commercial launch in the Nordic region and the establishment of commercial teams in those countries have increased travel between the Nordic countries.

Category 7 Commuting

Commuting surveys are sent out to employees in order to examine travel habits, and the response rate is around 80 percent. Commuting to and from the office is primarily by public transportation and has increased in share this year. The workforce increased by 40 percent, which is reflected in higher emissions for commuting.

Category 14 Franchises

BioArctic's ongoing revenue comprises royalties from sales of products that are based on the company's research and patents. Carbon emissions linked to income via royalties are reported as Franchises, since BioArctic "grants licenses to other companies to sell or distribute its goods and services in return for payments, such as royalties." The category is considered suitable for BioArctic's business model, since it encompasses emissions from activities that BioArctic does not have direct control over. BioArctic receives a 9 percent royalty share from its partner company Eisai's total sales of Leqembi. In 2025, Eisai did not calculate product-specific emissions for Leqembi, but only for the company as a whole. Royalty income from sales of Leqembi increased in 2025, with a corresponding increase in emissions.

Emissions (metric tons CO2)	2025	2024	2023	Source and calculation method
Scope 1[1]				
Staff cars	4.5	2.8[4]	5.8	WLTP. Goal achieved 2024: 100% electric or hybrid
Of which, plug-in hybrid electric vehicles (PHEV), %	11 (46%)	8 (42%)	7 (47%)	
Of which electric vehicles, %	13 (54%)	11 (58%)	6 (40%)	
Scope 2[2]				Operation of the company's head office
Property electricity (market-based)	6.9	6.0	7.3	Percentage of property use
Direct purchased electricity (location-based)	2.4	1.9	1.2	100% renewable solar energy, supplier specific
Property – district heating and cooling	3.9	4.1	-	District heating and cooling
Scope 3				
Category 1: Goods and services	6273	6556	2866	Combination of supplier-specific and spend-based calculations Spend-based calculated with emission factor "research and development services"
Category 2: Capital goods	713	1093	476	Spend-based, calculated with emission factor "research and development services"
Category 3: Fuel and energy-related activities	9.5	5.8	3.4	Includes purchased heat, cooling and electricity
Category 4: Transport upstream	56	29.5[3]	7.1	Combination of supplier-specific and spend-based calculations
Category 5: Waste	2.0	2.1[4]	1.0[4]	Supplier-specific
Category 6: Business travel	240.5	233.2	197.5[4]	Flights + hotels, travel agency-specific, DEFRA
Category 7: Commuting	20.7	12	49	Response rate, 2025 & 2024: 80%, 2023: 70%
Category 8: Leased properties upstream	0.1	0.1	0.1	Supplier-specific – Finland, Norway
Category 14: Franchises[5]	7,875	2,790[6]	139[6]	The company's estimated share of Eisai's total CO2 emissions (Scope 1, 2, 3)

1) Scope 1 includes only staff cars leased by the company. No other production or emissions from own sources. 2024 emissions adjusted after complete reporting.

2) Scope 2 includes purchased electricity, district heating and district cooling for the head office according to supplier-specific data from energy suppliers and the landlord for the total leased area of the premises in the property. Energy consumption decreased by an average of 13 percent per square meter over the year, while the need for process cooling increased. Other office premises are recognized as leased assets in Scope 3, Category 8.

3) Purchased transportation according to the shipping company's calculations (supplier-specific). Transport originating from Category 1: goods and services calculated with standard amount for estimated share of spend.

4) Adjustment from previously reported value owing to access to more complete data.

5) BioArctic receives a 9 per cent royalty from total sales of Leqembi, corresponding to 0.9 percent of Eisai's total sales in 2025, 0.4 percent in 2024 and 0.02 percent in 2023. Eisai reports total emissions, not product-specific emissions.

6) Calculated using emissions data for 2023 fiscal year.

Social (S)

S1 – OWN WORKFORCE

BioArctic is in a growth phase, with new hires across all functions and an increased focus on employee skills development. Over the years, BioArctic has developed from its original role as a research organization to now also encompass the development of drugs. The company has established a commercial department that is preparing for commercialization in the Nordic region. BioArctic aims in the long term to become a fully fledged pharmaceutical company, which entails increased demands and expectations from stakeholders.

S4 – PATIENT SAFETY AND HEALTH

BioArctic's most important contribution to a sustainable society has been our innovation and research, which has the objective of developing treatments for serious diseases of the brain and other conditions with significant medical need. Patient safety is of paramount importance in all drug development. BioArctic takes all safety precautions required by laws and regulators and makes responsible decisions in order to protect patients in accordance with its Code of Conduct. Read about S4 – Patient safety and health on page 167.

Impacts, risks and opportunities (S1 SBM-3)

Material topic	Sub-topic/ sub-sub-topic	Description	Impact materiality positive or negative	Financial materiality risk or opportunity	Value chain			Time horizon		
					Up-stream	Own operation	Down-stream	Short term 1 year	Medium term 2–5 years	Long term >5 years
S1 Own Workforce	Working conditions	Employee well-being	Actual positive			x		x	x	
				Opportunity		x		x	x	
	Equal treatment and opportunities for all	Career opportunities and development	Actual positive			x				
				Opportunity		x		x	x	x
				Risk		x			x	x
		Diversity and inclusion	Actual positive			x		x	x	x
			Potential negative			x			x	
	Health and safety	Health and safety at the workplace	Potential negative			x		x		
				Risk		x		x	x	

BioArctic is a knowledge-intensive organization, where employees with the right skills are crucial for the operation's success and financial opportunities. Diversity has shown itself to be a crucial contribution to a successful innovation climate, and working conditions, equal treatment and diversity are therefore key areas with a potential for creating positive impact. A good working environment, where employees thrive, and active efforts in relation to succession planning and skills supply are key.

A significant part of the operation is carried out in a biotechnology laboratory environment, which means that the work environment has been deemed to have a potential negative impact and risk if appropriate protective measures are absent. Own workforce entails both financial risks and opportunities linked to equal treatment and equal opportunities. Shortcomings can lead to discrimination, increased staff-related costs and brand damage. This in turn can affect both productivity and profitability. The company therefore adheres to thorough health and work safety processes and makes a deliberate effort to ensure fair and inclusive processes that strengthen BioArctic's capacity for attracting and retaining competence. This promotes stability, efficiency and long-term competitiveness.

Risks related to human rights, living wages, and forced and child labor are very low. Neither the geographical areas in which the company operates (Nordics) nor the nature of its activities are deemed to pose any material risk to employees in these respects.

Policies related to own workforce (S1-1)

Occupational health and safety management for the physical, organizational and social work environment is guided in accordance with a number of adopted policies that comply with the work environment regulations of the Swedish Work Environment Authority (AFS). BioArctic's Chief Executive Officer (CEO) bears primary responsibility for the ongoing health and safety program, with delegated operational responsibility. All of BioArctic's employees are responsible for complying with health and safety regulations, working safely, using the protection provided correctly and reporting risks, illness and serious incidents or accidents. These regulations must also contribute to well-being and a sense of community. Suggestions for measures for improvement are regularly taken into account. A work environment group with representatives from various parts of the organization has been appointed to structure and coordinate the systematic occupational health and safety initiatives at BioArctic.

The following policies act together to ensure a safe and secure work environment for BioArctic's employees:

Furthermore, BioArctic has a number of associated instructions:
- Health and Safety Instructions
- Several instructions that describe working safely in the laboratory
- Gender Equality Plan
- Office Safety Instructions
- Fire Safety Instructions

BioArctic's policies set out the company's overall direction and level of regulatory compliance, and ensure systematic occupational health and safety practices. Instructions describe how the work is conducted in practice. These instructions explain procedures, responsibilities and working methods, for example during safety inspections.

Policy	Purpose	Scope	Owner
Work Environment Policy	Actively promote a safe and secure workplace as well as health, well-being and productivity Based on Swedish work environment legislation.	All employees	HR
Diversity and Equality Policy	Actively counteract discrimination and promote equal rights and opportunities The company's initiatives are described in its Diversity and Equality Policy and Diversity and Equality Plan. Has its legal basis in several Swedish laws: • The Discrimination Act (SFS 2008:567) prohibits discrimination and instructs employers to pursue systematic efforts to prevent discrimination • The Work Environment Act (1977:1160) requires employers to create a safe and healthy work environment without being exposed to harassment or discrimination • The Parental Leave Act (1995:584) ensures that both women and men have the right to parental leave, with no adverse impact on working conditions	All employees	HR
Alcohol and Drug Policy	Create a safe, secure and healthy work environment	All employees	HR
Car Policy	Setting a high, safe standard for staff cars	All employees	Finance
Fire Safety Policy	Prevent fire risks and ensure the safety of people, the environment and property	All employees	HR
Rehabilitation Policy	Help sick and injured employees recover the best possible functionality and conditions for a normal working life after illness or injury	All employees	HR

Actions related to own workforce (S1-4)

BioArctic is committed to developing and strengthening its own workforce. The company continually implements measures to maintain a sustainable and attractive workplace. The following is a compilation of key measures. More detailed information can be found in each subsection under the disclosures on the company's employees.

Established measures	Measures this year	Planned measures
• Assurance that all employees are treated fairly • Compliance with industry-standard terms of employment • Conducting mandatory training • Establishing an annual Diversity and Equality Plan • Conducting planning and performance reviews and quarterly employee surveys • Recurring conferences for all employees • Company-wide informational meetings every other week	• All-employee training on drug development • Continued training in artificial intelligence (AI) • Leadership training for the Executive Management Team • Three employee conferences and several theme days • Four employee surveys focusing on subjects such as inclusion, values and work environment • New time-sheet and recruitment system implemented • Occupational health and safety training for new managers	• Leadership development for more people in executive positions • Training initiatives for new managers • Comprehensive introductory training for new employees

Metrics and targets for own workforce (S1-5)

BioArctic's Executive Management Team, in collaboration with the occupational health and safety group, has adopted the following targets for its activities around health and safety, which are described below with metrics and evaluation. The targets are monitored annually, and measures for risk minimization and improvement are identified by the health and safety group in collaboration with the Executive Management Team and routinely managed throughout the year.

Target	Metric	Result
Integrate occupational health and safety practices into daily operations through continual interaction among employers, employees and safety delegates in accordance with current regulations.	At least six meetings per year in the health and safety group.	Goal achieved
	Health and Safety Policy, and instructions updated and aligned with regulations, vision and targets	Goal achieved
All managers with personnel responsibilities will undergo training in systematic health and safety work	Percentage of new managers who have completed training within six months (%)	100%
	Percentage of experienced managers who have completed updated training at least once every three years (%)	100%
All new employees are to participate in an introductory program adapted to their role, including introduction to health and safety work	Percentage of new employees who have started/completed an introductory program (%)	100%
BioArctic's work environment is to be evaluated through regular safety inspections and employee surveys, during employee planning and performance reviews between managers and employees, and at function-specific meetings	At least two regular safety inspections per year	Goal achieved 3 - office, laboratory, remote
	At least four employee surveys conducted per year (including questionnaire on victimization)	Goal achieved
	eNPS >50	79

Target	Metric	Result
BioArctic will continually conduct documented risk assessments in order to prevent and eliminate any risks or ill health in the operations.	Percentage of documented risk assessments available before potentially risky work is commenced (e.g. implementation of new instruments, methods, procedures, reorganization, reconstruction etc.) (%)	90 percent of the highest priority risks in the lab have been assessed, otherwise 100 percent
Create a safe working environment by actively reporting, analyzing and addressing serious incidents and workplace accidents to reduce the risk of future incidents	100 percent of all accidents and serious incidents are reported and followed up, with a documented action plan	Goal achieved
Ensure that systematic occupational health and safety practices are evaluated and monitored yearly for the Executive Management Team	Report available and communicated in the first quarter of the following year	Goal achieved

Characteristics of the undertaking's employees (S1-6) (S1-7)

BioArctic's own workforce is key to its operation. The majority of the employees work at the company's head office in Sweden, but there are also employees at the company's subsidiaries in Norway, Denmark and Finland. All employees and non-employee workers are covered by the same set of values, and each individual is considered equally important to BioArctic's operation. The total number of employees and full-time consultants, divided by gender and age, is presented in the adjacent table.

Consultants with specific expertise are hired to meet demands for flexibility and specialized skills. Short-term employees and consultants can be brought in when needed – for example, during parental leave. All consultants are covered by the company's Code of Conduct, complete mandatory training and participate under the same conditions as permanent employees. When possible, the company prioritizes the conversion of consultants and short-term employees into permanent positions in order to enhance continuity and long-term skills supply.

All employees are offered full-time employment. Working hours are based on trust and provide each employee with the possibility of adapting their working hours, within a given framework and in accordance with requirements and tasks. 23 new employees were hired in 2025, and 5 employees left the company. Two employees retired, one of whom continued employment as a part-time consultant. 69 percent of the company's employees are active in research and development, and 73 percent of these have a PhD. Furthermore, 1 consultant and 5 short-term employees were transitioned into permanent employment.

Collective bargaining agreements (S1-8)

All of BioArctic's employees have the right to form, participate in or refrain from participation in trade-union organizations. The company's employees fall under the category of salaried employees, and an academic trade union association works for the benefit of its members. BioArctic has not signed any collective bargaining agreements, but offers terms that are on par with such agreements. The company ensures and keeps itself updated on the compliance of contracts with industry standards. The academics' association at the company holds open meetings and collects employees' views ahead of collaboration meetings with the company's CEO or heads of research and HR. These meetings take place four times a year. In the event that significant organizational changes are made, employee representatives are summoned to extraordinary collaboration meetings to be informed about measures.

Employees	Total	Women	Men	≤30	30–49	≥50
Permanent employees	129	85	44	2	71	56
Full-year employees (FTE[1])	127	85	42	2	71	54
Temporary employees	2	2	-	1	-	1
Temporary substitutes	0	-	-	-	-	-
Hourly employment	3	2	1	2	-	1
Executive Management Team	10	7	3	-	3	7
Managers with personnel responsibilities	23	16	7	-	8	15
New recruitments	23	19	4	3	13	7
Departures	5	4	1	-	-	5
Personnel turnover	4.1%					
Number of nationalities	15					
Doctoral degrees	74	43	31	-	46	28
Consultants[2]	17	12	5	2	5	10

1) FTE = Full-time equivalent. All employees are employed full time (40 hours per week)
2) Consultants employed from 10 to 100 percent of full-time capacity.

Diversity and equality (S1-9) (S1-12)

Diversity, equality and inclusion (DEI) is a central part of BioArctic's strategy for creating an innovative, inclusive and safe workplace. These continual efforts are based on the principles of equal treatment, respect and fairness and are intended to build a corporate culture where all employees are included and given equal opportunities. The company does not accept any form of victimization such as discrimination, bullying or sexual harassment. BioArctic is to be a workplace where all employees are treated equally and respectfully regardless of ethnic affiliation, disability, gender, transgender identity or expression, religion or other expression of faith, sexual orientation or age.

Guidelines and procedures, including policies, are in place to prevent victimization and harassment. The content is comprehensive and includes clear instructions on how to handle situations. For example, there is a description of what victimization might look like, what people's responsibilities are in the context and how employees are to act if they have been subjected to it. Guidelines and processes are evaluated annually.

A Diversity and Equality Plan is developed annually in collaboration with employee representatives to ensure high quality. The plan encompasses working conditions, provisions and practices concerning salaries and other conditions of employment, recruitment and promotions, training and other competence development, and possibilities for combining work and parenthood. The plan also contains an analysis of the current situation of the operation and suggestions for activities.

Researchers from around the globe are applying to BioArctic and the company now has employees from 15 countries. Since 2021, courses in the Swedish language have been offered to employees whose native language is not Swedish. Their purpose is to facilitate integration into society and create inclusion. 14 employees took the course in 2025.

Gender equality work follows a systematic process with the aim of creating an equitable workplace across the organization. The work follows a plan that includes allowances, skills development and succession planning. BioArctic's objective is to achieve a gender balance (the underrepresented gender constitutes at least 40 percent of a group) at all levels of the company. The gender balance varies across departments – for example, with more men in Finance and IT, and more women in Research and Development and staff management positions. Possibilities for attaining a greater diversity in applicants for job announcements are continually being assessed, and in 2026 the company will retain its focus on achieving a more equitable gender distribution.

The annual planning and performance reviews as well as recurring anonymous surveys provide all employees with the opportunity to call attention to any shortcomings in the workplace, and include questions about harassment, discrimination, victimization and sexual harassment.

Recruitment

BioArctic has a well-defined and documented competence-based recruitment process that contains several methods for selection. All recruitments are based on clearly defined criteria. Several methods are used to ensure correct selection, including interviews, personality tests, logical tests, background checks and taking references. When external recruiting consultants are employed, the importance of a fair and inclusive approach is emphasized. Recruitment in some specialized areas is challenging, due to the area of expertise in which BioArctic operates. To date, the company has been very successful in attracting and recruiting employees. Interest from qualified applicants is significant in all areas.

In coming years, recruitment pressure is expected to increase in connection with growth and upcoming retirements, especially in research. To meet this need, the focus is on creating efficient recruitment procedures and enhancing the onboarding process. Onboarding has evolved from individual introductions to programs, with a major focus on online courses, that provide all new employees with a uniform and clear introduction to the operation. The procedures are continually being improved to create a long-term perspective and sustainability. Going forward, efficient and uniform recruitment activities, a structured introduction and a strategic focus on attracting the right competence will be prioritized in pace with the expansion of the operation. This way, a sustainable competence supply will be ensured over time. The goal is a workplace where people feel safe and included, and quickly become part of the culture.

Several times a year, the company's employees participate in various job market activities. Target groups have included high school students, college and university students, researchers, and participants in vocational training.

Human rights

BioArctic safeguards and respects internationally recognized human rights. These efforts are based on a central international framework. We exercise zero tolerance toward all forms of forced labor and child labor, slavery and trafficking. These requirements apply to both our own operations and across the value chain. BioArctic systematically identifies and manages risks linked to human rights, and ensures compliance with high ethical standards in all stages.

Wadges and compensation (S1-10) (S1-16)

All conditions of employment and benefits are clearly specified and available in a personnel handbook, which can be accessed via the HR system. BioArctic's objective is to offer competitive, market-based conditions (on the basis of numerous analyses and statistics) that facilitate recruitment and retention of the most skilled employees in the markets where we are active.

Apart from salary and differentiated stock option programs, salaries are adjusted and bonuses are awarded according to performance, with all employees guaranteed a living wage. The company promotes a holistic approach to compensation that includes career development and training combined with well-being, health and job satisfaction.

The company's salary structure is built on gender-neutral values. Salaries are set on the basis of the nature, difficulty and importance of the work to the company, market comparisons and market effects. Salary adjustments then vary according to the nature and level of the role, performance against objectives and performance in line with company values.

BioArctic takes an active, structured approach to salary issues, with targets and development plans being established annually in dialogue with the immediate supervisor. Salary adjustments take place using the same procedure. Annual salary reviews are conducted in order to ensure fairness and transparency. No unjustifiable gaps in salary between the genders were identified in 2025. All managers have been trained in payroll work and setting salaries. A benchmarking tool was introduced in early 2025 to ensure that salaries are aligned with the market. The analysis shows that the company offers salaries in line with normal market conditions.

Salary ratio (K SEK)	2025	2024
Salary, CEO	13,504	8,042
Median salary, other employees	1,438	1,259

Employees are offered defined-premium pension provisions and sickness insurance in line with collective bargaining agreements, even during parental leave. The company encourages health-promoting activities through health and wellness allowances. Subsidiaries in Denmark, Finland and Norway offer similar terms and conditions adapted to the standards of their local markets.

Social protection (S1-11)

BioArctic offers robust social protection for employees in case of illness, accident, parental leave and retirement. The basic coverage applies to all employees, including temporary employees but not consultants. All employees are insured against workplace injuries during work hours and are covered during business travel. The company has not signed any collective bargaining agreement, but offers insurance and terms that correspond to collective bargaining agreement levels.

The company offers permanent and temporary employees the opportunity to sign private health and sickness insurance, which provides access to both preventive measures, treatment, health care and rehabilitation.

Training and skills development (S1-13)

Training and skills development are key elements in BioArctic's long-term efforts to secure the right competence in pace with the development of the business. The need for skills is continually being evaluated, and when skill gaps are identified, they are managed through training of existing staff and recruitment or by hiring consultants with specialist knowledge.

BioArctic operates in an industry with long turnaround times, and has very low personnel turnover, which facilitates early identification of needs and structured succession planning. To meet the need for development in research, the company has a career ladder and specialist roles that give more employees the opportunity for internal career development.

To secure the long-term supply of skills, BioArctic actively participates in industry dialogues and policy discussions on training, labor immigration and access to skills. The company also takes part in activities at universities to raise interest in the industry and attract future employees. All employees (100 percent) who were employed during the first quarter of 2025 participated in an annual planning and performance review with their immediate supervisor, during which the employees were given the opportunity to design and influence their development plans.

BioArctic has established a number of mandatory training courses to develop and strengthen employee know-how in key areas. This is also a part of the pharmaceutical responsibilities that are incumbent upon the company. Courses must be completed within 3 weeks of assignment. Completed training courses are tracked and documented in the quality assurance system to ensure high standards and traceability. In 2025, each employee had spent at least 50 hours on training activities, divided evenly between genders.

The initiatives of previous years in training in artificial intelligence (AI) have continued through lectures and two mandatory digital training courses on the company's AI Policy, security, ethics and the use of implemented AI tools. The focus in 2025 was on a course in drug development offered to all employees.

In 2025, several activities were arranged to integrate BioArctic's value-based leadership into day-to-day work. Leadership training courses – several of which were in collaboration with external partners – are held on a regular basis on topics including work environment, labor rights and recruitment. Going forward, the focus will remain on training courses for new managers in the research division, with an intended focus on project management and leadership. All of the training courses are based on BioArctic's principles, values, vision and mission. A new timesheet system has also been introduced that will facilitate more detailed and effective tracking of training initiatives and time invested.

Learning platform

In 2024, BioArctic initiated efforts to introduce an e-learning platform that facilitates access to and monitoring of training courses. The platform is open to all employees, and provides both mandatory and voluntary training courses. It also facilitates tracking time spent on completed training courses, which strengthens the company's capacity for measuring and monitoring skills development initiatives.

Sana Labs was established in 2025 as a central tool in the program on learning and internal development. Several training courses – including AI, cardiopulmonary resuscitation (CPR) and occupational health and safety – have been integrated through the collaboration between Communication and HR. This provides a clear overview of all the training courses offered and which employees have completed them. The platform thus promotes more structured and efficient learning.

Business Days

BioArctic Days (BA Days), which are internal conference days for all staff and consultants, are organized every year. Their purpose is to highlight shared issues that concern the operation, strategy, and employeeship, as well as to create learning and inclusion across the organization. Three BA Days were held in 2025. The theme of the spring conference was innovation with a focus on development and future opportunities. External perspectives – of patients, investors, partners, families and so on – were the company's focus in the autumn.

BA informational meetings are held every other week, and are a vital channel for internal communication. Transparency is a clear hallmark of BioArctic – which, according to feedback from employee surveys, is felt and appreciated by employees. Furthermore, the company invites external speakers to address such areas as health economics, therapeutic areas and patients, which promotes greater understanding of the significance of the external environment for the business. Altogether, these initiatives enhance the company's culture of openness, learning and collaboration.

1) Turnover and recruitment influenced the yearly result

Training and development plan	Scope	Frequency	Implementation by active employees (%)	
			2025	2024
Planning and performance reviews	All employees	Yearly	100	100
Quality Management System (QMS)	All employees	Upon employment, follow-up every three years	100	100
Code of Conduct	All employees	Upon employment, follow-up every three years	100	100
Anti-bribery and anti-corruption	All employees	Upon employment, follow-up bi-annually	100	100
Anti-bribery and anti-corruption – transparency reporting	Personnel vulnerable to risk: Commercial, Executive Management Team	Yearly	100	100
Standard operating procedures (SOP) according to work instructions	Relevant personnel	Upon employment	100	100
Internal or external training according to individual work descriptions	Relevant personnel	Before work task is initiated		
Fire safety	All employees	Upon employment, follow-up bi-annually	100	100
Artificial intelligence (AI)	All employees	Upon employment	87	89
Pharmacovigilance – Safety reporting of drugs	All employees	Upon employment, follow-up annually	99[1]	100
Pharmaceutical GxP training	R, CMC and QA	Upon employment, follow-up annually	98[1]	100
Work environment	Managers	Newly promoted managers, monitoring every three years	100	100
GDPR	All employees	Upon employment, follow-up annually	92	100
First aid, defibrillators	Office-based staff	Every 3 years	64	56

Health and safety (S1-14)

Occupational health and safety (OHS) is a central part of BioArctic's operation, and is integrated into the company's daily activities. BioArctic complies with applicable OHS laws and regulations. The company strives to create and maintain a safe, secure and inclusive workplace where risks are minimized and the well-being of employees is in focus. As a research-based company, systematic and preventive occupational health and safety activities are carried out with clear procedures, division of responsibilities and follow-up. An OHS team with representatives from both the Executive Management Team and employees ensures that issues are dealt with in a structured manner and in accordance with applicable regulations. The occupational health and safety program encompasses all of BioArctic's employees.

The Swedish Work Environment Authority updated several work environment regulations (AFS) in 2024/2025, which led to a comprehensive revision of BioArctic's policies and instructions to correctly reflect these. This work was completed in 2025.

Questions about health and safety are included in employee surveys and annual planning and performance reviews.

Fire inspections and safety inspections were conducted during the year, and occupational health and safety training courses focusing on the social work environment and psychosocial well-being were held for managers. Occupational health and safety responsibilities are delegated in writing after completion of training to ensure clarity and accountability. The introductory program for new employees covers health and safety, and all employees follow updated and mandatory policies and instructions.

Six (6) workplace accidents of a less severe nature were reported to the OHS team in 2025, of which two (2) concerned incidents related to travel to and from the workplace. These accidents were analyzed in the OHS team and measures have been taken to prevent recurrence.

Physical work environment

The greatest risk for the company is in its laboratory environment. The company therefore has clear instructions for conduct in the laboratory, with requirements for protective clothing and supplementary specialized routines for work tasks that require a greater level of protection. Employees are provided with instructions and sign an assurance that they will comply with the procedures. The company provides all necessary personal protective equipment.

BioArctic's laboratory is divided into specialized areas, including one for handling samples from human patients that carry an increased risk of infection. Clear safety procedures are required when handling tissues and other handling of specific equipment and instrumentation. Some instrumentation and sub-operations require special protective measures and may only be used in accordance with established instructions and documented training.

Social work environment

A safe, inclusive culture is a cornerstone of BioArctic's operation. To monitor and develop the work environment, questions are asked in all four anonymous employee surveys. These surveys measure such themes as stress levels, psychological well-being, work climate and the occurrence of abusive behavior.

The high response rate and results for 2025 show a stable work environment without serious problems.

Risk assessment and work environment

BioArctic conducts systematic risk assessments to ensure a safe and secure work environment. Safety inspections are conducted twice a year with the participation of the occupational health and safety group, lab managers and safety delegates. In 2025, five safety inspections were conducted: office (2), laboratory (2) and remote working (1).

Risk assessments with accompanying unambiguous risk mitigation instructions are core elements in maintaining a safe laboratory environment. Risk assessments are updated for new methods and instruments. Two sets of overall governance instructions are documented and updated in accordance with applicable regulations. In addition, there are around 25 specific risk assessments with associated instructions and over 250 method statements with associated risk assessments. Upon employment, customized instructions and practical training are provided.

The company conducted a comprehensive review of risk assessments and documents in 2025. New persons responsible have been appointed, documentation has been enhanced, and expanded, structured and documented laboratory training has been introduced where the needs for such have been identified. Increased awareness and proactive risk assessments have led to an increase in the number of assessments. 90 percent (2024: 80) of the risk assessments were conducted on new and priority risks in labs in 2025 and updating of older assessments (comprising the other 10 percent) is ongoing.

In 2025, these activities also encompassed commercial operations with employees who work remotely or travel frequently. Digital safety inspections are conducted to assess the work environment and identify risks related to travel and working alone. The purpose is to provide a safe and secure work environment for all employees, regardless of their workplace.

Specific risk assessments of the work environment and working conditions are conducted for

employees who are pregnant or nursing. If risks are identified, accommodations or temporary reassignments are offered. Employees who handle biological material are offered vaccinations.

Ergonomics in the work environment

Ergonomics is a core element of occupational health and safety, and covers both office and laboratory environments. Its purpose is to create a sustainable work environment that reduces the risk of injuries. An ergonomics audit is conducted once a year, and starts with a voluntary lecture by an external ergonomist. Ergonomic aids are provided by the company.

The audit for 2025 confirmed that the work environment adheres to a good ergonomic standard, with a focus on preventive measures and individual accommodations.

Sick leave

During the reporting year, one workplace injury resulted in 70 lost workdays, corresponding to a Lost Workday Rate (LWR) of 58.98 based on adjusted annual hours worked. The incident also resulted in a Lost Time Injury Frequency Rate (LTIFR) of 4.21 per million hours worked.

Work environment	2025	2024	2023	2022
Workplace accidents	3 near misses 6 accidents (of lesser severity)	3 (lesser severity)	0	0
Sick leave resulting from workplace injuries	1	0	0	0
Fatalities	0	0	0	0
Lost workday rate (LWDR)[1]	59	1.8	0	0
Lost time incident rate (LTFIR)[2]	4.2	4.5	0	0

1) Number of days per 100 employees
2) (LTIR) Number of injuries resulting in loss of work per 1,000,000 hours worked

Work-life balance (S1-15)

Work-life balance is a key element of a sustainable work environment. BioArctic creates good conditions for employees to thrive, develop and contribute in the long term. The company offers flexible working hours and the possibility of hybrid working two days a week, within given limits, when work tasks allow. This creates scope for recovery, family life and leisure interests. Parents have an opportunity to cut back on their hours in accordance with applicable legislation.

Health and well-being are a natural part of this culture. All employees receive one health and wellness hour per week, as well as a health and wellness allowance equal to the maximum tax-free amount. The head office has space for bicycle storage and changing rooms. Many activities originate from employee initiatives and are supplemented by an engagement team that organizes cultural events, thematic after-work events, wellness and other physical activities. This enhances a sense of community and creates inclusion outside of official work. The company also encourages community involvement by giving employees the opportunity to donate blood during working hours. Furthermore, all employees are offered influenza vaccinations every year.

All staff who have children are entitled to parental leave. 5 persons used long term parental leave (more than 8 months) in 2025.

Employee satisfaction

BioArctic works to promote open dialogue, and employees are encouraged to communicate any situations that arise and may require action by their immediate supervisor, HR, or Legal. A whistleblower service (refer to page 175) has been established as a potential reporting channel in the event the employee wishes to remain anonymous.

There were no (0) formal or informal reports, rumors or observations of offensive, discriminatory or otherwise objectionable language in 2025.

Employee surveys

BioArctic conducts quarterly anonymous employee satisfaction surveys, two of which focus specifically on discrimination and inclusion. See the table on the next page. The results are presented internally and followed up on with managers and employees in order to identify any emerging situations at an early stage. The questions cover such subjects as stress, mandates, competence, discrimination, and harassment.

The outcome for 2025 shows a thoroughly positive work climate that received high marks. BioArctic is described by employees and managers as a company with a good atmosphere that is characterized by empathy.

Planning and performance reviews

All employees are offered annual planning and performance reviews which, in addition to personal development and performance, also address work environment, stress and victimization. Project managers and supervisors routinely engage in dialogue to detect signals early on and prevent ill health. Individual viewpoints, linked primarily to stress over project deliveries, were presented in 2025.

Employee Net Promoter Score (eNPS)

eNPS is a measurement of employee engagement and of whether employees would recommend working at the company to others. The eNPS score ranges between -100 and +100, with a score above 30 being considered as very good. BioArctic has a goal of never falling below an average eNPS of 50, but is striving to retain the current higher level even in the growth phase that the company currently finds itself in. These results improved further in 2025 compared with previous years, with an outcome of 79.

Employee surveys – outcomes	2025	2024	2023	2022
eNPS score (-100 to +100)	79	65	76	75
Number of employee surveys	4+2	4+2	4+2	4+2
Number of employees who reported experiencing cases of discrimination	0	0	0	0
Number of employees who reported experiencing sexual harassment	0	0	0	0

S4 – PATIENT SAFETY AND HEALTH

Impacts, risks and opportunities (S4 SBM-3)

BioArctic's development of innovative drugs against diseases of the brain has a potential material impact on the end-users concerned and society as a whole. BioArctic's investments concentrate on research in areas of significant medical need where effective treatments are absent.

The company's research has already resulted in the production of the world's first disease-modifying treatment for Alzheimer's disease. BioArctic's continued investment in BrainTransporter enables more efficacious and targeted treatment of severe brain diseases and creates further possibilities for new innovative treatments. The aim is to develop efficacious treatments that improve quality of life and well-being for individuals.

Clear, transparent and reliable communication about BioArctic's innovations and research strengthens confidence among stakeholders, facilitates strategic partnerships, attracts investments and enhances the company's position in the market. By making the proprietary BrainTransporter technology available through a broad partnering strategy, a greater number of companies can use the technology and it can therefore benefit more patients and therapeutic areas.

Access to correct, high-quality information about the product for prescribing physicians and health care decision-makers increases the chances of broader product use, which in turn promotes economic gains for BioArctic and possibilities for improved patient care. BioArctic works to create an understanding that treatments promote increased societal benefits, where wider use can have a positive impact on society as a whole, while a negative perception with an excessive focus on costs carries the risk of limited uptake and reduced revenue for the company.

Medicines should have a positive risk-benefit balance, with the clinical efficacy of the medicine being assessed and compared with the risk of side effects and other undesirable effects. High product quality is essential for avoiding financial and operational risks. Failure to protect patients not only has a negative impact on the patients but is also a risk to BioArctic's operation and reputation. Leqembi has some known side effects, and BioArctic and Eisai are working to raise awareness and increase safety around managing these through clear information, training and close monitoring of treatment in everyday clinical practice. Side effects associated with Leqembi generally decrease over time with treatment, and no new safety findings have been observed during the three years that the product has been commercially available on the market. BioArctic has established robust quality and safety procedures to ensure that drugs maintain a high standard throughout the value chain, from clinical studies to production and use in health care and by patients.

A robust approach to information security is essential for ensuring the privacy of sensitive personal and health data. Providing accurate treatment and product information is key to reducing risks and ensuring patient safety. A systematic quality-assurance process aimed at producing, reviewing and managing information correctly creates security for patients and strengthens the confidence of both the organization and end-users.

Material topic	Sub-topic/ sub-sub-topic	Description	Impact materiality positive or negative	Financial materiality risk or opportunity	Value chain			Time horizon		
S4 Patient safety and health (Consumers and End-users)	Improving health through medicines	Commercialization of drugs against Alzheimer's disease Desired efficacy and potential side effects	Actual positive			x	x	x	x	x
				Opportunity		x	x	x	x	x
			Potential negative	Risk		x	x	x	x	x
		Development of innovative drugs	Potential positive		x	x	x		x	x
				Opportunity		x	x	x	x	x
				Risk		x	x		x	x
	Information-related issues	Marketing and communication. Product information. Health data.	Potential positive			x	x	x		
			Potential negative			x	x	x		
				Opportunity	x	x	x	x		
	Access to equal treatment (Social inclusion for consumers and/or end-users)	Social inclusion and geographic spread in trials and market access	Potential positive				x	x	x	x
				Opportunity		x	x	x	x	x
				Risk			x	x	x	x
		Limited inclusion related to access and pricing	Potential negative				x	x	x	
				Risk			x	x	x	

Policies related to patient safety and health (S4-1)

BioArctic works systematically to ensure that health care and patients have access to safe and efficacious treatments. All employees have a responsibility to contribute by following procedures, reporting risks and incidents, and suggesting improvements that enhance patient safety. The work includes clear procedures for quality, safety and risk management.

The following policies and instructions interact to ensure a high level of quality for BioArctic's end-users. A number of policies aimed at commercial use of products are being developed:

Policy	Purpose	Scope	Owner
The Information Security Policy, the Privacy Policy and the Personal Data Instruction	Minimize operational risks linked to information that concerns people, procedures, and systems.	All employees	Finance/IT
Quality Management Policy with associated SOP frameworks that regulate:	Guidelines for providing safe, efficacious and high-quality drugs that comply with laws, regulations and customer requirements Sets requirements for all employees to possess suitable competence and to continually train, and further their training, in order to perform their work.	All employees	CEO
- Clinical studies	Regulate performance and monitoring		R&D
- Information to study participants and patients	Provision of clear and accessible information so that study participants can provide informed consent to participation in studies		R&D
- Counterfeit drugs	Reduce risks of counterfeit drugs		R&D
- Review of quality among suppliers	Ensure quality among suppliers		R&D
- Information on and marketing of drugs	Ensure that information on and marketing of drugs complies with industry ethical frameworks on correct, balanced and reliable information.		Commercial
- Monitoring of safety reporting on drugs	Reporting of side effects, safety signals and product quality during use		R&D
- Distribution and management of drugs	Ensure that the product is managed in a manner that maintains its quality		R&D
- Recall of drugs/product	Efficient management of products and information in conjunction with recall		R&D
- Roles, responsibilities and authorizations	Clarify responsibilities for patient safety		R&D
Innovation and Patent Policy and Publication Approval	Protects the company's patents and research		R&D
Code of Conduct	Provide BioArctic's employees with guidance based on the company's core values – respect, commitment, collaboration, and responsibility – in their daily work	All employees	IR & Communication
Whistleblowing Policy	Clarifies opportunities for external stakeholders to report suspected improprieties	All employees	Legal

Procedures for promoting patient safety and health (S4-2)

Patient safety as regards BioArctic's approved drugs, and drugs in clinical development, is the company's greatest responsibility. The pharmaceutical industry and BioArctic follow a large number of rules for governance and ensuring that this responsibility is met. This includes regulations on product quality, monitoring of side effects, communication with healthcare providers, and so on.

BioArctic also works actively to reach out as widely as possible with the research, development and products that the company's activities generate in order to achieve the greatest possible health benefits for the public.

Product safety and quality assurance

Pharmaceutical quality assurance is ensured through a systematic and efficient quality management system (QMS). BioArctic's QMS meets the requirements for the pharmaceutical industry, and is based on the ISO 9001 standard for quality-assurance systems. This fulfills regulatory requirements, as well as requirements from partners and customers. The purpose is to minimize risks and ensure patient safety, product quality and reliability in deliveries.

These efforts include clear, measurable targets in product development, supplier audit, clinical testing and management of safety data. It also includes follow-up of audits, corrective and preventive measures, management of change and management audits. The QMS was set up using BioArctic's Quality Management Policy and the company's Quality Manual, as well as a number of standard procedures, instructions and other governing documents. All documents regarding quality are stored electronically in a validated system, the Electronic Document Management System (eDMS). The CEO, Executive Management Team and QA Manager are responsible for ensuring that the pharmaceutical quality assurance system is suitable and efficient, that quality assurance objectives are clearly defined and that resources are allocated to achieve them. The company ensures that all employees have the right skills, training and understanding of their responsibilities, which promotes high product quality and patient safety.

The QMS is continually being improved in order to strengthen regulatory compliance, ensure high levels of quality and support the long-term goals of the operation. The QMS for drug development and manufacturing encompasses regulations for Good Clinical Practice (GCP), Good Laborative Practice (GLP), Good Distribution Practice (GDP) and Good Manufacturing Practice (GMP), which BioArctic complies with and are summarized as GxP regulations described in guidelines from the EU Commission, OECD and ICH.

All training activities within GxP are documented and monitored, and the number of completed training courses is reported annually.

Patient safety

Patient safety is a central component of the regulated GxP framework, which establishes clear routines to ensure product quality, reporting of side effects, product complaints and suspected product forgery. BioArctic has strict processes for reporting side effects, and starting in 2025 training in pharmacovigilance (monitoring and reporting of product safety) has been mandatory for all employees throughout the company and is conducted once a year. The purpose of the training is the ability to quickly identify and report suspected side effects or suspected misuse of drugs. Information that may indicate a side effect should be reported within 24 hours. BioArctic's partner Eisai, which holds the marketing authorization for Leqembi, ensures that routine reporting is submitted to the relevant authorities. The SPCs (summaries of product characteristics read by health care professionals) is updated as needed to ensure the information is correct and current.

Communication with the health care sector

A drug must first receive market authorization approval before any marketing communication is allowed. Information material intended for health care regarding Leqembi for the treatment of Alzheimer's disease are reviewed by BioArctic and Eisai as part of the compliance process. The requirements provide a clear framework for these activities and ensure that the information shared is accurate. European approval of Leqembi includes a risk minimization plan, which comprises production of informational material for the health care sector and patients as well as a control access program.

BioArctic complies with the EFPIA Disclosure Code. The EFPIA Code covers all types of communication and interaction (traditional and digital) and clarifies the principles that are intended to create the culture of ethics and integrity needed to guide the industry's interactions with the health care sector and patients. Value transfers to the health and medical care sector are reported annually, in accordance with national practices in each Nordic country.

Patient-oriented activities

BioArctic supports patient-oriented activities in neurodegenerative diseases in order to create platforms where experience is shared and knowledge obtained from the people who are living with diseases that the company is researching. The intent is to expand knowledge among both stakeholders and decision-makers through active participation in social debates to drive dialogue forward.

Routine contact with patient advocacy groups is maintained on a monthly basis. To increase understanding of the patient experience and strengthen employee engagement, guests and patients are invited during the year to give lectures to all employees on living with a neurodegenerative disease or being the family member of a person suffering from one.

Communication channels for enhanced patient safety (S4-3)

BioArctic is not permitted to provide medical advice directly to patients. Patients who contact the company are referred to their treating physicians for accurate and safe information as part of the effort to maintain patient safety and comply with regulatory requirements. Contact and queries from the health care sector are documented and managed in accordance with internal processes and all marketing to the health care sector undergoes compliance review and is approved before publication.

In a unique case, BioArctic was held responsible by an industry organization committee for a violation of the drug industry's ethics regulations to a normal degree regarding the marketing of drugs to the public. The case was raised due to the CEO's answer to company-related questions asked by a financial journalist - a case that normally is exempt from rules for the public. The case was decided in January 2025, against the company's defense, and the penalty was a fine of SEK 55,000.

Policies related to patient safety and health (S4-4)

Patient safety and needs are the company's primary objective. The focus for 2025 was on establishing and implementing the approaches that result from a medicine becoming commercially available.

Product safety and quality assurance

There were no major changes during the year in the company's quality-assurance activities except for the preparatory initiatives that were introduced in 2024 being integrated and now serving as a natural element in operations. The company was granted a wholesale license in March 2025 following an inspection by the Swedish Medical Products Agency, which means that the company is in compliance with good distribution practice (GDP). Training in GDP became mandatory for all employees starting in 2025, and is conducted once a year.

Access to drugs

Leqembi, for the treatment of Alzheimer's disease, is BioArctic's first government-approved drug. An introductory process is under way ahead of the launch of Leqembi in the Nordic market, with a health economics assessment being conducted to assess the costs and efficacy of the treatment. Numerous stakeholders, patient organizations and politicians have been involved in the process.

Leqembi became available in October 2025, as its first Nordic market, to Finnish patients who pay privately for treatment.

BioArctic is actively strengthening its relationship with the healthcare sector in the Nordic region before the company begins providing drugs to the market. Interaction with the health care sector is intended to increase mutual understanding of healthcare and patient needs and promote improved patient care. The company's position on the need for a "Policy paper on a plan for how to diagnose and treat persons with Alzheimer's disease" is that it clarifies the company's and its partner Eisai's positions on equal access to health care and formed the basis for the work undertaken.

Dissemination of knowledge

Alzheimer's disease involves a great deal of suffering for patients and their families, as well as major costs to society. Since there previously has been no access to disease-modifying treatments, established structures in health care for the treatment of Alzheimer's disease are lacking. Accordingly, there is a need for training in and development of the patient journey from diagnosis to treatment. Both of these issues were the focus of discussions with political and public sector representatives during the year.

BioArctic's partner Eisai is continuing to develop Leqembi for the purpose of reducing the burden on medical care and simplifying the treatment. During the year, Leqembi was approved in the US, China and the UK as an intravenous maintenance treatment every four weeks, after the initial 18 months' treatment, and in the US as a subcutaneous formulation (Iqlik®), as maintenance treatment, which facilitates administration, increases availability and reduces the burden on medical care systems.

BioArctic's research portfolio contains a number of drug candidates for other neurodegenerative diseases that currently lack disease-modifying treatments, such as Parkinson's disease, multiple system atrophy (MSA), amyotrophic lateral sclerosis (ALS), Huntington's disease and others – four of which are classed as rare diseases. The company collaborates with the health care sector and patient representatives in these therapeutic areas as well, in order to promote mutual understanding and transfer of knowledge.

Making knowledge available can promote the creation of more equal access to health care and medical care. After having secured the necessary patents, BioArctic's guiding light has been transparency concerning the findings of research and clinical development even if these findings do not measure up to the desired outcome. BioArctic and its employees routinely present select data via scientific articles, oral presentations, lectures at universities and higher education institutions, abstracts, posters and at scientific conferences. BioArctic also has a number of academic partnerships with universities for both education and research.

BioArctic's employees attend scientific conferences to further their training and provide information on research in the field of neurodegenerative diseases. The aim is to enhance knowledge development and research in the field.

Since 2023, BioArctic has been a member of the PROMINENT Consortium, led by Karolinska Institutet. This is a five-year private-public partnership project as part of the Innovative Health Initiative (IHI), whose purpose is to strengthen the capacity of the medical care sector for introducing new drugs and create a digital platform for precision drugs that enhance the efficiency of diagnostics and treatment of neurodegenerative diseases, with a particular focus on Alzheimer's disease. BioArctic is contributing MEUR 1.9 over 5 years and is actively involved in coordinated efforts.

Making research accessible	2025	2024	2023
Presentations at scientific conferences	6	6	4
Poster presentations at scientific conferences	6	6	1
Articles published in peer-reviewed journals	5	7	6
Partnerships with academia	3	3	2

Community engagement

BioArctic marked Alzheimer's Month and Parkinson's Day, and over 80 employees participated in the Alzheimer's Race to raise awareness of the work of the Swedish Alzheimer's Fund. BioArctic also sponsored the annual conference of the Alzheimer Europe patient association for the second consecutive year.

Targets and metrics related to patient safety and health (S4-5)

BioArctic is working to identify pertinent targets and metrics in this area. The aim is to create a clear structure for monitoring and governance that supports long-term development and improvement. These ongoing efforts will serve as the basis for future formulation and reporting. Targets being investigated include those related to product development, quality control, supplier control, regulatory requirements, programs for audits and feedback from customers.

As of April 1, 2026, Leqembi has been approved and launched in 53 countries through collaboration with the company's partner, Eisai.

Product	Regulatory approval in markets (cumulative)		
	2025	2024	2023
Leqembi, IV	51	12	1
Of which low/middle income countries	5	2	-
Leqembi, IV, less frequent maintenance treatment	6	-	-
Leqembi, subcutaneous maintenance treatment (Iqlik)	1	-	-

Innovation and contribution to health can be monitored through the performance of the company's research portfolio. The progress made in 2025 is shown in the table below.

Product/ drug candidate	Project	Development 2025	2024	2023
Leqembi[1]	Early Alzheimer's disease	Approved in South America, Oceania	Approval in Europe	Initial approval in the US and Asia
Leqembi[1]	Presymptomatic AD		Four-year Phase 3 study fully enrolled	
Exidavnemab	Clinical development	Initiation of Phase 2 study Inclusion of MSA patients		
BrainTransporter	Partnership agreements	1 collaboration agreement with Novartis	2 partnership agreements with Eisai and BMS	
BrainTransporter	Development		Presentation of in vivo studies	
Preclinical research	Nomination of drug candidate	2 nominations	2 nominations	
Number of indications (*of which rare)		6 (4*) + MSA*, Huntington's*	4 (2*) + Gaucher's*	3 (1*)

Patient safety can be monitored through a number of quality assurance-related indicators.

Patient safety and product information	2025	2024	2023
Labeling violations of the product[1]	0	0	0
Recall of product[1]	0	0	0
Regulatory inspections (of which remarks)	1 (0)	0 (n/a)	0 (n/a)

1) Managed by Eisai

Governance (G)

G1 – BUSINESS CONDUCT

BioArctic works for responsible and ethical business by promoting robust quality, corporate and regulatory compliance cultures. Monitoring these issues is particularly crucial, and efforts must be made to maintain them in a phase of growth so as to ensure that the successful corporate culture that has carried the company forward stands firm. Based on dialogue with the company's stakeholders, it is particularly clear that there is a high level of external and internal confidence in the competence and ethical compass of the Executive Management Team.

The pharmaceutical industry is characterized by a strong regulatory framework. Incorporating pertinent regulatory and ethical frameworks has been a focus area as the company expands its operations across multiple stages of drug development and commercialization. Maintaining high levels of confidence in the company's operations, its employees and partners is of utmost importance. Through awareness, clear frameworks, training and "tone from the top", BioArctic puts responsible business conduct practices into effect.

Impacts, risks and opportunities (G1 SBM-3)

BioArctic has a firm focus on business conduct. A robust corporate culture is the foundation of BioArctic's business. This culture guides how we act, make decisions and take responsibility on the basis of our values. Openness and transparency around ethics, morality, safety and integrity permeate the business and build trust among employees, customers, partners and other stakeholders. A robust culture creates sustainable approaches and reduces the risk of unethical behavior, while a weak culture comprises risks of unethical behavior and inadequate security. This is why BioArctic actively works to strengthen and develop our corporate culture – to steer us in the right direction.

Detection and prevention of corruption and bribery is part of the effort around responsible business conduct. Corruption leads to negative consequences, both for the credibility of the operation and financially. The negative impact can include reputational damage, legal sanctions and lost business opportunities. BioArctic strives to systematically prevent and detect irregularities through clear guidelines, training and internal control. The goal is to ensure that all business relationships are built on responsibility, with full transparency.

BioArctic is in active and open dialogue with political decision-makers and authorities in order to create conditions for Swedish research and promote the uptake of innovations and implementation of medical advances. Through active and transparent dialogue with decision-makers and authorities, the company can contribute knowledge and insights that strengthen developments in health and regulatory matters and create better conditions for innovation, patient safety and long-term social benefits. BioArctic always operates in accordance with applicable laws and ethical guidelines, with the goal being to enable ethically defensible, informed decisions and sustainable solutions.

BioArctic encourages an open, safe and transparent work environment where employees can report irregularities to their immediate supervisor or HR and where an external whistleblower service is available if internal channels are not felt to be sufficient. This system is also accessible externally and not only enables the early detection of potential irregularities but also strengthens the corporate culture. In this way, the company's whistleblower service has a real positive impact.

IMPACTS, RISKS AND OPPORTUNITIES (G1 SBM-3)

Material topic	Sub-topic/ sub-sub-topic	Description	Impact materiality positive or negative	Financial materiality risk or opportunity	Value chain			Time horizon		
					Up-stream	Own operation	Down-stream	Short term 1 year	Medium term 2–5 years	Long term >5 years
G1 Business conduct	Corporate culture	Values and culture as a foundation for growth and business success	Actual positive			x	x		x	x
			—	Opportunity		x	x		x	x
			—	Risk		x	x		x	x
	Corruption and bribery	Detection and prevention of corruption and bribery	Potential negative		x	x		x	x	
			—	Risk	x	x		x	x	
	Political engagement and lobbying	Political engagement and partnering with government agencies	Potential positive			x	x	x	x	
	Protection for whistleblowers	Protection for whistleblowers	Actual positive		x	x		x	x	
	Animal welfare	Animal welfare and animal testing in line with ethical guidelines	Actual negative		x	x		x	x	

In accordance with regulatory requirements, BioArctic's research requires animal testing, which has an actual negative impact. All animal testing follows legal and ethical guidelines, with the aim of minimizing suffering. At the same time, BioArctic is developing alternate methods that could eventually reduce the need for animal testing.

Business conduct policies and corporate culture (G1-1)

BioArctic is governed by a framework of policy documents that set out how the company is to be managed, how work is to be performed and which objectives are to be achieved. The policy documents are supplemented by detailed instructions that guide daily activities. Depending on their scope and importance, policies and instructions are established by the Board, Executive Management Team or the department responsible. Policies, instructions and job descriptions are managed and archived in the company's validated document management system. Each document has a designated responsible function to ensure that the content is up-to-date, accurate and accessible to everyone concerned. The individual responsible also ensures that new versions and changes are clearly communicated to staff.

The Code of Conduct is approved by the Board of Directors and is Group-wide, with specific reference to responsible business conduct and corporate culture. The Quality Management Policy, which is adopted by the Executive Management Team, requires all employees to have the right skills for their tasks, that they have the correct training and that they undergo further training on a continuous basis. Competence levels are documented and monitored at least once a year to maintain high quality, safety and compliance across the operation.

The table below presents the policies that are central to BioArctic's efforts around responsible business conduct and corporate culture. The table also shows which department is responsible for the implementation of each policy. Unless otherwise stated, all policies apply to the entire Group and all employees. Summaries of most policies are available on the company's website.

Policy	Purpose	Scope	Owner
AI Policy	Framework for secure, ethical, legal and efficient use of AI	All employees	IR & Communication
Anti-bribery and Anti-corruption Policy	Clarifies the company's zero tolerance toward bribery and corruption Framework for preventing all forms of bribery and corruption	All employees	Legal
Code of Conduct	Provide BioArctic's employees with guidance concerning responsible business conduct and corporate culture in their daily work Maintain an open business climate, a high level of business ethics, and see opportunities for improvement	All employees	IR & Communication
Code of Conduct for Partners	Sustainability requirements for partners and suppliers	All suppliers	Finance
Data Privacy Policy	Clarifies how the company is to handle personal data in accordance with the GDPR	All employees	Finance/IT
Discoveries and Patents Policy	Protects the company's patents and research Framework for identifying and patenting discoveries, and for remunerating employees for discoveries	All employees	IP/Legal
Ethical Animal Policy	Guidance in the principles of animal ethics in studies that involve laboratory animals	All employees	Research
Information Security Policy	Minimize operational risks linked to information that concerns people, procedures, and systems.	All employees	Finance/IT
IT Policy	Support a good, secure IT environment and reduce cybersecurity risks	All employees	Finance/IT
Rules of Procedure for the Board of Directors and CEO	Pertains to the responsibility of the Board of Directors and Executive Management Team for sustainability	CEO and Board of Directors	Board of Directors
Sustainability Policy	Framework for sustainability activities at all levels, with a focus on employeeship, use of resources and compliance with laws	All employees	IR & Communication
Tax Policy	Ensure responsible tax practices	CEO and CFO	Finance
Whistleblowing Policy	Clarifies opportunities for external stakeholders to report suspected improprieties	All employees	Legal

Procedures for promoting responsible business conduct and corporate culture

Permits

Operations at BioArctic's premises in Stockholm are conducted in accordance with the permits that the authorities concerned have issued to BioArctic. These include:

- Wholesale license for wholesale trade in drugs, issued by the Swedish Medical Products Agency
- Registration of the facility for research purposes and development of drugs with the Swedish Board of Agriculture
- Contained use of genetically modified microorganisms (GMM) with the Swedish Work Environment Authority
- Permits for import and use of samples for research with the Swedish Board of Agriculture
- Biobank permits with the Swedish Health and Social Care Inspectorate
- Human ethics permits with the Swedish Ethical Review Authority
- Animal ethics permits with the Swedish Board of Agriculture
- Exemption to requisition drugs from non-institutional pharmacies, from the Swedish Medical Products Agency

Protection for whistleblowers

BioArctic has an established Whistleblowing Policy, with an associated channel that ensures that employees and others with a work-related connection can report suspected misconduct safely and under protection. This policy fulfils the requirements in the Swedish Whistleblower Act (SFS 2021:890). The whistleblowing channel is provided by an independent external party. Reports can be submitted by phone or online. BioArctic will therefore not have access to the reporter's identity unless the whistleblower chooses to disclose it. Information about the channel is available on the intranet and the company's website.

The purpose of the whistleblowing system is to provide protection for those who, with good reason, report serious irregularities in the public interest. Whistleblowing should be considered a last resort, when internal channels are not felt to be safe or effective. All incoming cases are handled by BioArctic's Whistleblower Committee, which comprises representatives from HR and Legal, and the chair of the Board's Audit Committee. If necessary, the committee can call in external specialists such as lawyers, auditors or security experts. The Committee is responsible for investigating promptly and objectively, ensuring follow-up, providing feedback and – if necessary – proposing corrective or disciplinary action. The Committee meets at least once a year to monitor the functioning of the system, policies and procedures. No whistleblowing cases (0) were submitted in 2025. One (1) meeting of the Committee was held and the system was tested.

Bioethics

BioArctic is a research company that focuses on developing safe and efficacious drugs against disorders of the central nervous system. Research and preclinical development are conducted at the in-house laboratory in Stockholm, Sweden. Production and clinical product development takes place primarily in collaboration with partners and contracted companies. The company complies with principles of human rights concerning research ethics including the Declaration of Helsinki, which establishes ethical principles for medical research on humans, human materials and data.

The company has limited direct impact on biodiversity, but monitors developments in the field closely. Biodiversity is a key issue for the pharmaceutical research industry and is therefore monitored by the company. In the research environment, the company works to protect vulnerable sources of biological material by choosing materials from sustainable sources.

Conducting scientific studies on laboratory animals is a prerequisite and a requirement from authorities for subsequent testing of a drug candidate in humans. BioArctic's research uses animal models only in studies that promote increased knowledge of diseases and to evaluate the efficacy and safety of drug candidates. Each use of animals in research is carefully considered and follows the "Three R" principle: Replace, Reduce and Refine. This principle means that the company actively works to replace animal testing where possible, reduce the number of animals used, and refine methods for minimizing suffering.

BioArctic does not perform any animal experiments at its own premises. The experiments are conducted by approved and certified external operators. All studies are conducted in accordance with national regulations and undergo ethical review with a focus on animal rights and ethical responsibilities. All animals have been bred for this purpose and there are no wild-caught animals. To manage these issues, BioArctic has the instruction document "Working with laboratory animals".

The use of primary cell cultures is an important step in understanding cellular biology in an entire organism. BioArctic uses embryonic cells from mice to create primary cultures of the nervous system.

Data security

All processing of personal data at BioArctic fulfils the regulatory requirements of the General Data Protection Regulation (GDPR) and other pertinent legislation. BioArctic has a Data Protection Group and a Data Protection Officer. The company safeguards the personal integrity of employees and other individuals. How personal data is to be processed is described in the internal Privacy Notice. Processing of external data is regulated in the company's Data Privacy Notice for external parties and shareholders, and is available on the website.

BioArctic has a solid foundation for data security and personal data protection. The company's strategy for identifying, assessing and managing significant cybersecurity risks is an integral part of the company's overall risk management strategy. Great importance is placed on data security in conjunction with due diligence reviews ahead of partnerships. The Data Protection Policy and Data Privacy Notice were revised in 2025.

A mandatory annual recurring training course in GDPR was launched in 2024. A dedicated Data Privacy Officer reports to the General Counsel, supports contract management and ensures that partnerships with international operators fulfil the company's data security requirements and standards of data protection and information security. The company has clear procedures for protecting personal data.

BioArctic's IT division has developed a form that is used to ensure that data is processed correctly when it is submitted. The form meets the requirements for personal data processing and IT security. BioArctic has visited the server hall that the company uses to verify how data is stored and protected. A quality-assurance audit has been conducted, and data security is managed along with clear procedures for incidents, including potential or actual personal data breaches. No incidents occurred in 2025.

Incidents in the domains of IT or cybersecurity are deemed to be significant risks. Measures have been taken to reduce these risks, and their efficiency is monitored and reported regularly to the Executive Management Team. Incidents are managed and reported through BioArctic's incident management framework for cybersecurity, which has been integrated into the company's crisis management protocol. Annual reviews are conducted to assess cybersecurity risks.

Significant progress has been made in IT security since 2022, and this work continued in 2025. Improvements include incident management and monitoring of cybersecurity, strategies to ensure critical systems and procedures, plans for catastrophe recovery and data restoration, continuity plans for IT system faults, internal audits of IT security checks, external situation analyses and penetration tests. The company has also implemented mechanisms to detect and protect IT systems and business processes. These improvements have markedly strengthened the company's capacity for protecting critical systems and data, which makes the company better equipped to manage potential cybersecurity incidents. The assessment is that cybersecurity risks have not significantly impacted the company's business strategy, operating earnings or financial position.

Management of relationships with suppliers (G1-2)

Since 2005, BioArctic has had a lengthy collaboration with Eisai on research, development and commercialization of drugs for the treatment of Alzheimer's disease. Eisai is responsible for clinical development, applications for market approval, production and commercialization of Leqembi, with partnerships being conducted between BioArctic and Eisai regarding commercialization in the Nordic region. This partnership is governed through quarterly steering group meetings, with both companies reporting on their respective areas of responsibility. The parties also hold regular working meetings pertaining to joint research projects, communication, commercialization and collaboration. Eisai's sustainability initiatives have been recognized for several years in a row, and this collaboration is marked by mutual understanding and cooperation.

The new partnerships that were established in 2025 with Bristol Myers Squibb and Novartis are managed through quarterly steering group meetings, during which feedback concerning the ongoing collaboration partnerships is provided. Upon entering into the collaboration, BioArctic was evaluated without remarks according to the respective companies' due diligence procedures for partners.

Like large parts of the pharmaceutical industry, BioArctic makes use of contract development and manufacturing organizations (CDMOs) and contract research organizations (CROs). BioArctic strives to maintain close collaboration with partners, which has led to proximity being a key principle in the selection of these services. The company has prioritized quality over cost. Adding quality over cost, these factors have led to all the CDMOs and CROs currently being located in western Europe and the US. This selection process also means that BioArctic has chosen to work with suppliers who have well-developed sustainability practices and transparent reporting.

Extensive efforts are put into selecting a partner, with an emphasis on ability to collaborate, quality and ethics. BioArctic's management system clearly states that responsibilities can never be transferred; on this basis, suppliers in GxP-controlled areas are systematically monitored with regularly recurring audits. BioArctic conducted audits of contract research organizations in 2025 in accordance with the audit plan. All audits proved approved results.

BioArctic works for a sustainable supply chain and complies with the criteria established by the public procurement authorities in the Nordic countries. Procedures have been initiated to facilitate due diligence reporting in the supply chain as of the financial year 2025, as well as the implementation of the Code of Conduct for Suppliers. A due diligence process with sustainability requirements has been introduced in conjunction with the audit procedure for new significant agreements, and has been applied in the assessment of newly established research collaborations.

Efforts began in 2024 to establish a system for structured tracking and due diligence in

the supplier chain. This system will encompass risk assessment, supplier assessments, setting requirements and tracking procedures. Full implementation is planned for 2026. The work includes routine evaluation and development of internal procedures and skills. The company's 24 largest suppliers (spend MSEK >1 million per year) were subjected to risk assessment in 2025, and no significant risks were identified.

Prevention and detection of corruption and bribery (G1-3)

BioArctic has a clear policy of zero tolerance toward corruption and bribery. The Anti-corruption Policy was revised in the autumn of 2024 to be more concrete and provide clearer guidance in daily activities. The updated policy sets high standards for compliance, disclosure of conflicts of interest and transparency on external assignments. Only interactions with external parties that comply with applicable regulations and ethical guidelines are allowed. All employees have been trained in conjunction with the launch, and have confirmed that they have studied the contents.

The most re-occurring corruption risks in the value chain are in the operation's external contacts. Commercial functions that are in frequent contact with physicians and decision-makers are particularly vulnerable. Risks are greatly reduced if the procedures are followed, but if the regulations are ignored there is a risk of influence and lack of transparency. More questions and cases were brought to the attention of the compliance function in 2025, showing that awareness in the organization has increased and that more people are actively seeking guidance.

BioArctic continues to build a robust anti-corruption culture through training and internal governance. All employees undergo induction training upon the start of employment as well as annual updates. Employees in high-risk roles receive in-depth training. An open culture, where questions can be asked and suspected violations can be reported in safety, is encouraged. Reports can be made anonymously and all cases are investigated. Disciplinary measures are taken in the event of confirmed deviations. Internal controls, supplier audits and several steps in the disbursement procedure safeguard compliance.

2025 marked a new phase for the company, with the launch of the first prescription product in the Nordic market. In conjunction with the launch, a co-promotion arrangement is in place with Eisai. This sets stringent demands on how BioArctic communicates and acts. Existing policies and procedures were reviewed during the year to ensure that they comply with external regulations and minimize risks. The focus is on avoiding situations where undue influence can arise in contact with decision-makers and healthcare professionals. Also, a process for handling sponsorship issues was introduced in 2024, with the purpose to create a clear structure for approval of, for example, lectures or meetings in which physicians are in attendance.

BioArctic's four ethical anti-corruption principles are:
- Zero tolerance toward corruption
- Compliance with laws, regulations and industry standards
- Maintenance of high ethical standards and taking personal responsibility
- Avoidance of conflicts of interest

	At-risk employees	Other employees
Number participating in training	100%	100%
Frequency	Yearly	Yearly
Areas of focus		
Definition of corruption	YES	YES
Policy	YES	YES
Reporting	YES	-
Industry practice and reporting of transfers	YES	-

Code of Conduct

During the year, BioArctic worked systematically to strengthen and update the Code of Conduct, which is a central part of the company's sustainability agenda. Efforts included new values and an updated, expanded Code. All employees must read the Code and confirm that they understand the contents. Monitoring is routine, and compliance is linked to the system of future bonuses.

To create engagement, the company has conducted training courses and gatherings, including themed meetings and coffee breaks at which anti-corruption is discussed. The purpose is to keep these issues current in daily activities. Work on the Code of Conduct is a continuous process, with regular dialogue to increase understanding and management of practical situations.

Confirmed incidents of corruption or bribery (G1-4)

BioArctic assures the quality of its work through an active and transparent approach. The aim is to strengthen governance, transparency and accountability across the operation. These efforts have resulted in zero reported – and zero confirmed – cases of corruption during the year.

	2025	2024	2023
Number of reported cases of suspected corruption	0	0	0
Number of established cases of corruption	0	0	0
Number of cases for the whistleblower service	0	0	0

Political influence and lobbying activities (G1-5)

As one of Sweden's fastest growing biopharma companies, BioArctic feels that contributing to the regrowth of Swedish life science is important. BioArctic actively participates as a business representative in the creation of Swedish national and regional life science strategies, and in the debate to secure the competitiveness of the Swedish life science industry in view of, for example, the reform of EU drug legislation.

BioArctic works to increase awareness of Alzheimer's disease among stakeholders and decision-makers through active participation in social debates. Examples from 2025 of discussions that the company initiated include the company's participation during Sweden's and Norway's political weeks, an arranged panel debate in the Swedish Riksdag, two policy debates at Folkhälsodalen (Public Health Week) and participation in meetings by other arrangers with a similar focus. BioArctic participates indirectly in activities that are intended for political lobbying through membership in the Nordic industry associations: Lif Sweden, SwedenBio, Lif Norway and Pif Finland. Membership is reported on the website, and the cost of participation corresponds to the statutory membership fees. No political donations are made.

Other

The share and shareholders

BioArctic's market value increased 57 percent during the year and amounted to SEK 27.6 billion, while the number of shareholders in the company continued to increase.

Trading and market value

The BioArctic share is traded on Nasdaq Stockholm's Large Cap under the symbol BIOA B. In 2025, around 125.9 million (96.1) B shares were traded at an aggregate value of about SEK 30.1 billion (18.1). The average daily trading volume during the year totaled SEK 122.0 M (72.4). 52 percent (57) of trading in the share took place on Nasdaq Stockholm. In addition to trading on the Stockholm stock market, 41 percent (35) of trading took place on the Cboe marketplace, 4 percent (4) in the LSE Group, 2 percent (2) on Aquis, and other trading venues accounted for 1 (2) percent of trading. The market value at year-end was SEK 27.6 billion (17.6).

Share performance in 2025

BioArctic's share price increased 57 percent during the year. The closing price on December 30 was SEK 310.80. The highest price paid, SEK 339, was noted on September 3, 2025, and the lowest price, SEK 155, was noted on April 9, 2025.

Share capital

The share capital at year-end totaled SEK 1,772,829 spread over 88,641,485 shares, of which 14,399,996 are unlisted A shares and 74,241,489 are listed B shares. The number of shares in the company increased by 252,450 during the year as a result of subscription of shares by participants in the 2019/2028 employee stock option program. The A share has ten votes per share while the B share has one vote per share. The quotient value per share is SEK 0.02.

Ownership structure

At year-end, BioArctic had 26,610 shareholders (23,833). The shareholding in Sweden totaled 89.5 percent (92.4) of the capital and 95.7 percent (96.9) of the votes. Of foreign ownership, shareholders in the US represented 3.9 percent (6.7) of the capital, shareholders in Finland represented 3.2 percent (2.6) and shareholders in Norway represented 0.9 percent (1.5). Owners with unknown geographic domiciles represented 1.5 percent (–4.2) of the capital. The share ownership was dominated by the category Other shareholders, with 58.2 percent (63.4) of the capital, followed by fund companies with 17.6 percent (18.1) and private individuals with 11.6 percent (11.5) of the capital. BioArctic's ten largest shareholders owned shares

The ten largest shareholders as of December 31, 2025

Owner	Number of A shares (10 votes per share)	Number of B shares (1 vote per share)	Share of capital (%)	Share of votes (%)
Demban AB (Lars Lannfelt)	8,639,998	19,511,302	31.8	48.5
Ackelsta AB (Pär Gellerfors)	5,759,998	11,969,451	20.0	31.9
The Fourth Swedish National Pension Fund	—	5,080,000	5.7	2.3
Nordea Fonder	—	2,745,136	3.1	1.3
Lannebo Kapitalförvaltning	—	2,459,172	2.8	1.1
Handelsbanken Fonder	—	1,931,783	2.2	0.9
Vanguard	—	1,498,867	1.7	0.7
The Third Swedish National Pension Fund	—	1,444,212	1.6	0.7
Unionen	—	1,400,000	1.6	0.6
Swedbank Robur Fonder	—	1,292,558	1.5	0.6
Total	**14,399,996**	**49,332,481**	**71.9**	**88.6**

corresponding to 71.9 percent (77.3) of the capital and 88.6 percent (90.8) of the votes. BioArctic's A shares are owned by Demban AB and Ackelsta AB, which are in turn owned by the founders of BioArctic.

Dividends and dividend policy

The Board's goal is to distribute a dividend to the shareholders that provides a good dividend yield and dividend growth over time. When the dividend is determined, the company's profit development, cash flow, investment needs and financial position in general must be considered. The dividend shall be well balanced with regard to the business's goals, scope and risk.

In the 2025 financial year, BioArctic reported significantly increasing royalty revenues from sales of drugs, while non-recurring revenue from the research, option and license agreements the company had signed, also increased markedly.

BioArctic share data	2025
Number of shares at year-end	88,641,485
Market value at year-end (SEK billion)	27.6
Number of shareholders	26,610
Share price at year-end (SEK)	310.80
Year high (SEK)	339
Year low (SEK)	155
Share of ownership, capital, 10 largest shareholders (%)	71.9

The healthy earnings during the year, in combination with an assessment of more sustainable future profitability in the company, mean that the Board of BioArctic proposes that a dividend of 2.00 per share be paid for the financial year 2025.

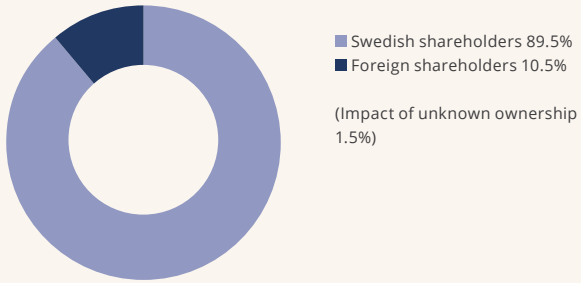
Share-based incentive programs

BioArctic has four outstanding long-term share-based incentive programs: the 2019/2028 employee stock option program, the 2023/2026 share rights program, the 2024/2027 share rights program and the 2025/2028 share rights program. These programs are directed at the company's senior executives, researchers and other staff.

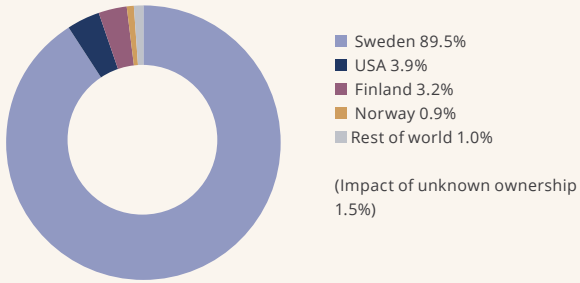
The 2019/2028 employee stock option program encompasses at most 1,000,000 employee stock options. The number of outstanding employee stock options at December 31, 2025 was 258,500. The outstanding employee stock options may result in a dilution effect corresponding to 0.29 percent of the share capital and 0.12 percent of the votes in the company.

The 2023/2026 share rights program encompasses at most 125,000 share rights. The number of outstanding share rights at December 31, 2025 was 115,500. The maximum dilution

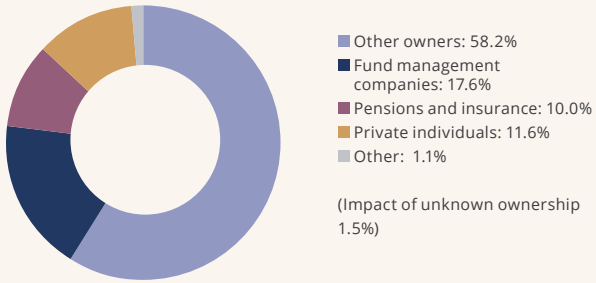
Distribution of Swedish and foreign shareholding at December 31, 2025



Distribution of capital by geography at December 31, 2025



Distribution of capital by ownership category at December 31, 2025



effect of the 2023/2026 share rights program is estimated to be 0.10 percent of share capital and 0.04 percent of the voting rights in the company.

The 2024/2027 share rights program encompasses at most 160,000 share rights. The number of outstanding share rights as of December 31, 2025 was 146,000. The maximum dilution effect of the 2024/2027 share rights program is estimated to be 0.22 percent of share capital and 0.09 percent of the voting rights in the company.

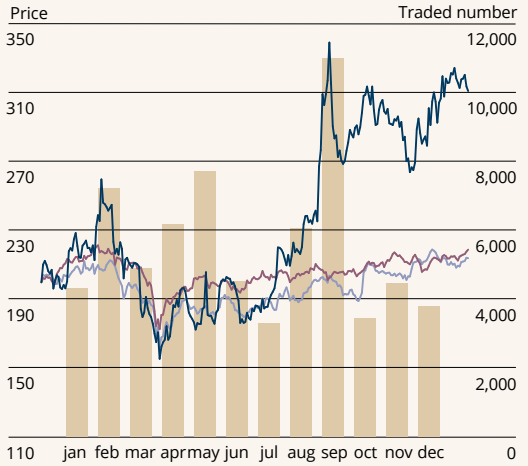
The 2025/2028 share rights program encompasses at most 210,000 share rights. The number of outstanding share rights as of December 31, 2025 was 198,500. The maximum dilution effect of the 2025/2028 share rights program is estimated to be 0.29 percent of share capital and 0.12 percent of the voting rights in the company.

In total, the maximum dilution effect of the four incentive programs at December 31, 2025 was 0.90 percent of the shares and 0.37 percent of the votes.

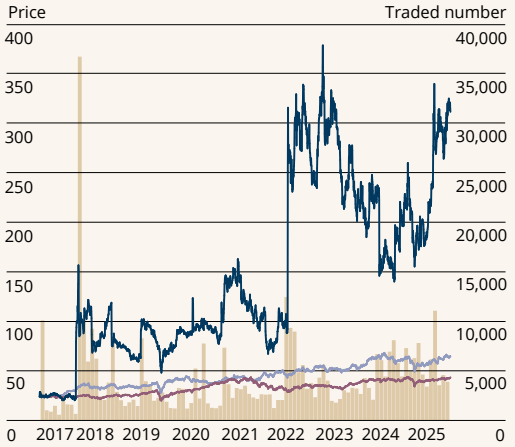
Share structure at December 31, 2025

Number of shares	Number of shareholders	A shares	B shares	Shares (%)
1–500	23,816	—	1,982,969	2.2
501–1,000	1,322	—	1,060,267	1.2
1,001–5,000	1,122	—	2,506,751	2.8
5,001–10,000	155	—	1,140,354	1.3
10,001–20,000	80	—	1,145,138	1.3
20,001–	115	14,399,996	65,067,414	89.7
Size of holding unknown	—	—	1,338,596	1.5
Total, December 31, 2025	**26,610**	**14,399,996**	**74,241,489**	**100**

Share price trends and volume, BioArctic 2025



Historic share price performance for BioArctic



Shareholder information

BioArctic's website

BioArctic's website (bioarctic.com) provides information for investors and other stakeholders who want to expand their knowledge of the company's operations. The website contains information on the company's operation, vision, mission, business concept, and project portfolio as well as a description of the company's strategy and how BioArctic collaborates with partners. The website also contains financial information, press releases, information on corporate governance, Group management, and the Board of Directors as well as the company's sustainability initiatives. In addition, there is information on the how BioArctic's share has developed over time, information on the shareholders, and a summary of the analysts who follow BioArctic's share and their expectations of the company's financial results and performance. Furthermore, there is information on the Annual General Meeting as well as a service that makes it possible to subscribe to press releases and financial reports via e-mail.

Financial information

BioArctic's financial reports – such as quarterly reports and annual reports – are available on the company's website. The website also contains an archive of financial reports since 2017, when BioArctic was listed on Nasdaq Stockholm. The financial reports are distributed in digital form only via the website. Those wishing to do so can choose to subscribe to the financial reports via e-mail using the subscription service found on the website. In conjunction with its interim reports and year-end reports, BioArctic hosts an online conference in English where news and results are presented.

Communication and activities in Investor Relations

BioArctic's information disclosure shall be characterized by openness, relevance, speed and accuracy. Information to shareholders, investors and analysts is intended to increase knowledge about the company's operations. Investor Relations provides the capital market, investors, shareholders and other stakeholders with relevant information in accordance with applicable legislation, Nasdaq Stockholm regulations, the Swedish Code of Corporate Governance, and BioArctic's Information Policy. In conjunction with the communication of its quarterly interim reports, the company's representatives present the company and its financial development and host online conferences. Additionally, important events that occur in the company are published through the distribution of press releases. BioArctic endeavors to maintain a high level of accessibility for existing shareholders, potential shareholders, analysts, media and other stakeholders. The company participates in industry-specific conferences and seminars, and holds regular meetings with investors and analysts.

FINANCIAL CALENDAR

May 20, 2026	Interim Report January – March 2026
May 28, 2026	AGM 2026
August 26, 2026	Interim Report April – June 2026
November 25, 2026	Interim Report July – September 2026
February 17, 2027	Year-end Report January – December 2026

ANALYSTS WHO MONITOR BIOARCTIC:

DNB Carnegie	Erik Hultgård
Goldman Sachs	Rajan Sharma
Nordea	Viktor Sundberg
Royal Bank of Canada (RBC)	Natalia Webster
Redeye	Fredrik Thor
Rx Securities	Joseph Hedden
Van Lanschot Kempen	Suzanne van Voorthuizen

CONTACT

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2026 AGM

The 2026 AGM for BioArctic AB (publ) will be held on Thursday, May 28, 2026 at 4:30 p.m. at Lindhagen Konferens in Stockholm, Sweden. Registration will begin at 4:00 p.m.

Registration

Shareholders who are registered in the share register maintained by Euroclear Sweden AB as of May 20, 2026 and who have notified the company of their intention to participate in the AGM no later than 5:00 p.m. on May 22 have the right to attend the meeting.

Shareholders whose shares are nominee-registered must, in addition to registering their participation in the meeting, temporarily register their shares in their own name in the share register (voting rights registration) in order to have the right to participate in the meeting. Re-registration must be completed by May 20 and should be requested from the bank or fund manager well in advance of this date.

Dividend

IMPORTANT DATES FOR THE 2026 AGM

May 20 – record date for the 2026 AGM
May 22 – final registration date for participation in the AGM
May 28 – admittance to the AGM begins, 4:00 p.m.
May 28 – the AGM begins, 4:30 p.m.

The Board's goal is to provide shareholders with a dividend that offers a good dividend yield and long-term dividend growth. When the dividend is determined, the company's profit development, cash flow, investment needs and financial position in general must be considered. The dividend shall be well balanced with regard to the business's goals, scope and risk.

During the 2025 financial year, BioArctic reported significantly increasing royalty revenues from sales of drugs, while non-recurring revenue from the research, licensing and co-promotion agreements the company had signed, also increased markedly. The strong earnings during the year, combined with an assessment of more sustainable future profitability, means that the Board of BioArctic proposes that a dividend of 2.00 SEK per share be paid for the 2025 financial year.

Notice to attend the Annual General Meeting

The notice to attend the Annual General Meeting is issued via an announcement in Post- och Inrikes Tidningar and Svenska Dagbladet, and is being made available on the company's website. Documents that will be presented at the Annual General Meeting are made available on the company's website. They are also sent to shareholders who request them and provide their mailing address.

Glossary

A

Accelerated approval pathway
An application process that gives an opportunity for an early approval of a drug candidate, where the company is required to present additional data at a later stage, to verify clinical effect in order to receive full marketing approval.

Alpha-synuclein *(α-synuclein)*
A naturally occurring protein in the body that, in conjunction with Parkinson's disease, misfolds and forms harmful structures in brain cells.

ALS *(amyotrophic lateral sclerosis)*
A rare and severe neurodegenerative illness that impacts the body's ability to control muscular activity.

Amyloid beta *(Aβ)*
A naturally occurring protein in the brain that, in conjunction with Alzheimer's disease, misfolds into harmful structures. Amyloid beta forms the plaque around brain cells that is visible in patients with Alzheimer's disease.

Amyloid PET
A diagnostic imaging method used to identify the presence and prevalence of harmful accumulations of amyloid beta in the brain.

Amyloid pathology
A condition in which harmful accumulation of amyloid beta is the underlying cause.

Antibodies
Biological molecules originating in the immune system that bind to a target molecule with a high degree of accuracy.

ApoE *(Apolipoprotein E)*
ApoE is a protein that transports fats in the blood and comes in three forms. Individuals expressing the ApoE4 form are at greater risk of developing Alzheimer's disease.

ARIA-E
A form of cerebral edema that occurs in some patients treated with anti-amyloid monoclonal antibodies for Alzheimer's disease.

ARIA-H
Cerebral microbleeds, cerebral macrobleeds and superficial siderosis.

Arctic mutation
A mutation in the gene for the amyloid precursor protein (APP) that promotes certain hereditary cases of Alzheimer's disease. Discovered by Professor Lars Lannfelt and his research group, and gave the company its name.

B

Binding profile
A binding profile specifies how and to which forms of a protein (such as amyloid beta or alpha-synuclein) an antibody binds.

Biomarker
A measurable molecule, the levels of which can indicate a change in the body and enable diagnosis of a patient or measurement of the effect of a drug.

Blood-brain barrier
A structure of tightly bound cells that surround blood vessels in the brain. This barrier regulates the exchange of nutrients and waste and protects against bacteria and viruses.

BrainTransporter
BioArctic's technology that promotes the passage of biological drugs to the brain and increases and improves the exposure of the antibodies in the brain.

Breakthrough therapy designation
The breakthrough therapy designation is an FDA program intended to facilitate and accelerate the development and review of drugs for serious or life-threatening conditions.

C

CHMP *(Committee for Medicinal Products for Human use)*
The European scientific committee for human medicinal products and advisory body to the European Commission.

Clinical studies
Drug trials performed in human subjects.

CMS *(Center for Medicare and Medicaid Services)*
US government agency responsible for subsidizing and monitoring federally financed health care programs.

CNS – Central nervous system
The part of the body's nervous system comprising the brain and spinal cord.

Controlled introduction of drugs
A controlled introduction program involves a structured and supervised introduction of a drug into clinical practice with a focus on safety, monitoring and risk management.

CSRD *(Corporate Sustainability Reporting Directive)*
The EU's new legislation on integrated sustainability reporting.

D

Disease-modifying treatment
A treatment that interferes with the processes of the disease and changes it in a positive way.

Dose dependent
Increased effect at a higher dose.

Drug candidate
A drug under development that has not yet gained marketing approval.

E

Early Alzheimer's disease
Mild cognitive impairment as a consequence of Alzheimer's disease and mild Alzheimer's disease.

Exidavnemab
A highly selective antibody against aggregate forms of alpha-synuclein, in clinical Phase 2a. Has demonstrated an inhibiting effect on the development of Parkinson's disease in a preclinical model.

ESG *(Environment, social, and governance)*
A standard in the finance industry to measure how sustainable a company is, based on the three main criteria of environment, society and governance.

F

Fast track designation
An FDA program intended to facilitate and accelerate the development and review of drugs for serious or life-threatening conditions.

FDA *(US Food and Drug Administration)*
The US Food and Drug Administration.

H

Huntington's disease
Huntington's disease is an inherited neurological disease that affects nerve cells in the brain and causes a combination of motor, cognitive and psychiatric symptoms.

I

Indication
A medical condition in conjunction with which the administration of a specific treatment has been approved.

Interim analysis
A statistical analysis conducted during an ongoing clinical trial to evaluate preliminary findings.

Intravenous
Most often refers to supplying a drug directly into the blood through injection (syringe) or infusion (drip).

L

Lecanemab-irmb
Lecanemab has been assigned the suffix -irmb by the FDA as part of the approval process in the US. The suffix is used to distinguish the original version of biological products from related biological products and biosimilars that contain similar drug compounds.

Leqembi
Brand name for lecanemab.

Leqembi Iqlik
A subcutaneous autoinjector dose of lecanemab for treatment of Alzheimer's disease. Named one of the "Best Inventions of the Year 2025" in the Medicine and Healthcare category by TIME Magazine.

Lewy bodies
Accumulations of misfolded alpha-synuclein in brain cells. Leads to conditions such as Parkinson's disease and certain dementia-related illnesses.

Licensing
Agreement where a company that has invented a drug gives another company the right to further develop and/or sell the drug for certain payments.

M

Medicines and Healthcare Products Regulatory Agency *(MHRA)*
The UK's medical products agency.

Milestone payment
Financial remuneration received as part of a project or collaboration agreement once a specified goal has been achieved.

Misfolded proteins
Proteins that have folded incorrectly, aggregate and thus risk causing diseases.

Monomer
A molecule with a physiological function that can bind to other similar molecules to form larger structures such as oligomers and protofibrils.

Multiple system atrophy *(MSA)*
A rare, degenerative, rapidly progressing and neurologically fatal disease that affects the central and autonomic nervous system.

Mutation
A change to genetic makeup – DNA – that could give rise to disease.

N

Neurodegenerative diseases
Diseases that entail a gradual breakdown and degeneration in brain and nervous system function.

O

Oligomer
Harmful, soluble molecule consisting of a small number of monomers.

Open-label extension study
Clinical study conducted after a completed randomized and placebo-controlled study in which all patients receive an active substance.

Orphan drug classification
A regulatory classification given to drugs that offer an entirely new treatment for a life-threatening or chronically debilitating disease, or provide significant benefits to sufferers, and occur in no more than 5 in 10,000 people.

P

Pathology
The theory of diseases and how they are diagnosed through analysis of molecules, cells, tissues and organs.

PET *(positron emission tomography)*
A type of diagnostic method using imaging for medical assessment.

Phase 1 study
Studies the safety and tolerability of a drug candidate in a limited number of healthy volunteers or patients.

Phase 2 study
Studies the safety and tolerability of a drug candidate in a limited number of healthy volunteers or patients. Studies the safety and efficacy of a drug candidate in a limited number of patients. Later stages of Phase 2 studies can be called Phase 2b, and evaluate the optimal dosage of the drug being studied.

Phase 3 study
Confirmatory study of the safety and efficacy of a drug candidate in a large number of patients.

Placebo-controlled
A study design in research that entails some of the patients receiving an inactive compound to obtain a relevant control group.

P-tau
The first blood-based biomarker for Alzheimer's disease that has been approved for use in routine healthcare. The test measures levels of phosphorylated tau (p-tau217), which plays a key role in the progress of the disease by forming tangles that accumulate in the brain's neurons.

Precision medicine
Precision medicine (also known as individualized, personalized or customized medicine) is intended to provide patients with care and treatment that is customized to the patient's own conditions and needs.

Preclinical *(asymptomatic)* Alzheimer's disease
Normal cognitive function but with intermediate or elevated levels of amyloid in the brain.

Preclinical phase
Stage of development where preclinical studies of drug candidates are conducted to prepare for clinical studies.

Preclinical studies
Studies conducted in model systems in laboratories prior to conducting clinical trials on humans.

Product candidate
A product under development that has not yet gained marketing approval.

Protofibrils
A harmful, soluble aggregation of amyloid beta formed in the brain, which gives rise to Alzheimer's disease, or a harmful aggregation of alpha-synuclein, formed in the brain, that gives rise to Parkinson's disease.

PyroGlu Aβ
Truncated forms of amyloid beta that have a pronounced tendency to aggregate and create toxic forms that could cause Alzheimer's disease.

R

Randomized study
A random division of test subjects into predetermined treatment groups or placebo groups in a clinical trial.

Receptor
A protein structure that initiates a biochemical chain reaction in the body once activated.

Regulatory exclusivity
Regulatory exclusivity comprises data protection and market exclusivity. Data protection means that a medicinal authority is prevented from using clinical data from an originator company to approve a generic or biosimilar product for as long as the data protection period is in force. Market exclusivity means that the authority may not grant a marketing authorization until the exclusivity period has expired. The combined duration of data protection and market exclusivity constitutes the period of regulatory exclusivity.

Research phase
Early research focused on studying and elucidating the underlying molecular disease mechanisms and the generation
of potential drug candidates.

Royalty
Remuneration when someone uses or sells a product onward.

S

Selective binding
The affinity of a molecule for binding to a specific receptor.

Subcutaneous treatment
Supply of a drug to the patient through an injection under the skin.

T

Tau
A protein that aggregates intracellularly in Alzheimer's disease, which damages the function and survival of neurons. Tau can be measured in plasma, cerebrospinal fluid and with positron emission tomography (PET).

TDP-43
A protein that is found misfolded in several degenerative diseases such as ALS, Alzheimer's disease and frontotemporal dementia.

Titration of dose
Stepwise increase in drug dose in order to achieve a beneficial effect with a delay, with the aim of reducing the risk of side effects.

Tolerability
The degree of side effects from a drug that can be tolerated by a patient.

Transferrin receptor
A carrier protein in the blood-brain barrier that normally transports iron into the brain.

Truncated amyloid beta
Shortened (truncated) forms of the protein amyloid beta.

BIOARCTIC

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