



# BioArctic as an investment

Groundbreaking research and the company's capacity for developing disease-modifying drug candidates create value for patients and their relatives, society, the company's shareholders and partners.

# “Several of our projects have the potential to reach the market by 2032

At the 2023 Annual General Meeting, Eugen Steiner was elected the new Chairman of the Board of BioArctic. The successes with lecanemab have triggered several strategy discussions, and during the year the Board defined a clear goal for the company: when the patent for lecanemab expires in 2032, BioArctic will have brought at least one of its other projects to market approval.

**Which are the strategically most important issues for BioArctic in coming years?**

“The single most important task for us on the Board is to ensure that in ten years, BioArctic has at least one new compound in the market. After having carried out a thorough strategic review, we feel that several of our current drug projects have the potential to reach the market within this time frame – even some that are currently in an early preclinical phase, since they will



likely be developed as orphan drugs, which shortens the time for development. Together with management, the Board has therefore laid out an ambitious plan for rapid and cost-efficient development of several projects with the same high level of quality that always characterizes BioArctic's drug development."

**The success of lecanemab is historic in many senses.**

**How will you nurture this?**

"The most important consequence is that we can accelerate the projects in our research portfolio further at the greatest possible speed, without risk of delay owing to a deficit of capital. BioArctic's research has enabled a new era to be initiated in the treatment of neurodegenerative diseases, and it is our absolute ambition to continue leading this development in coming decades. Our top priority is to take our existing projects further. With the available forecasts for sales of lecanemab we see that in addition to these investments there are good possibilities for a healthy dividend yield for our shareholders."

**Will you pursue these projects entirely on your own, or together with partners?**

"BioArctic's success is built on having well-supported scientific hypotheses, good molecules and good partners, and I am convinced that we will continue to work this way. Having global pharma companies as partners in the development is good in many ways. They bring in skills, networks and capital. Our greatest asset is the intellectual property rights for the unique hypotheses and molecules that we create, and the more of them that can be taken forward in parallel the better, both for future patients and our shareholders."

**Can you envision acquiring projects?**

"The strategy we are working from is now focused on our own projects. Over the long term, acquisitions of market-ready products may be possible, that can be managed by our Nordic commercial organization and thus even be expanded into a European organization. But in the years ahead, our commercial



organization needs to focus on the potential launch of lecanemab in the Nordic region, so any such move is several years in the future."

**You are growing rapidly, and the company is changing shape a bit. What new issues will arise with this shift?**

"One of the most important issues to come into focus, now that we have grown into a Large Cap company, is that we also have to clarify our activities in the field of environment, social responsibility and governance (ESG). BioArctic has always kept innovation, which is a central ESG aspect, high on the agenda. Innovation will remain important in our sustainability initiatives, but we will also clarify how we address other aspects of ESG."

**What kind of company will BioArctic be in ten years?**

"In ten years, at least two of BioArctic's drugs will be on the market. We will have a well-established commercial organization in the Nordic region, and perhaps also in other parts of

Europe, that commercializes both our own and inlicensed products. And we will have at least two established partnerships with global pharma companies.

## Took over the chairman's gavel

Eugen Steiner was elected Chairman of the Board of BioArctic in June 2023 after having been a member since 2017. He trained as a physician at Karolinska Institutet, is now a doctor of clinical pharmacology, and for more than 35 years has held positions as CEO or working chairman in several life science companies in Sweden, Norway, Iceland, the UK and the US. He is a member of the Royal Swedish Academy of Engineering Sciences (IVA) and is chair of its Division X, Biotechnology. Since 1996, Eugen Steiner has been a Venture Partner in HealthCap and is currently Chairman of the Board of Empros Pharma AB and a Board member of Inbox Capital AB and the Stockholm School of Entrepreneurship.

# Six reasons to invest in BioArctic

1

Increasing numbers of patients around the world are gaining access to lecanemab

After approval of lecanemab in the US in 2023, the drug has also been approved in Japan and China. Additional applications are ongoing in several markets and regions. BioArctic's royalty revenue is increasing in pace with more patients having access to the treatment. At the same time, the company is preparing a launch in the Nordic region in partnership with Eisai.

2

The potential for treatment in earlier stages of the disease and new drug formulation

An ongoing Phase 3 study is evaluating the possibilities of using lecanemab to prevent the development of Alzheimer's disease among people who have not yet manifested any clinical symptoms but have elevated levels of amyloid beta in the brain. This would mean reaching out to a new, larger patient population. In addition, a subcutaneous formulation is being developed that has the potential to simplify treatment for both patients and care providers.

3

Exidavnemab against Parkinson's disease on the way to clinical Phase 2

The inauguration of a clinical Phase 2a study of exidavnemab, BioArctic's most advanced antibody for treatment of Parkinson's disease, is expected in 2024. The antibody, which targets misfolded alpha-synuclein, demonstrated good properties in a Phase 1 study and is intended to slow the progress of the disease. There is currently no disease-modifying drug on the market.

4

World-class innovative research with focus on diseases with significant medical need

The successes with lecanemab are just the first step in BioArctic's ambition to improve the lives of patients with neurodegenerative diseases. The research portfolio includes additional drug projects for Alzheimer's disease and Parkinson's disease, as well as projects that target ALS and Gaucher disease. The company also has a proprietary technology platform, BrainTransporter, which helps improve the transport of antibodies into the brain.

5

Strong financial position and long-term revenue generation

BioArctic's successes in its partnerships with global pharma companies and the launch of lecanemab have enabled a very strong financial position. Royalty income from Eisai's global sales of lecanemab will contribute to long-term revenue generation. At the end of 2023, the company had M 1,112 SEK in cash on hand and current investments, which creates a great degree of flexibility and facilitates robust and innovative investments in both new and existing drug projects.

6

Stable values, leadership model and sustainability initiatives

Employee competence, commitment, and capacity to cooperate with both colleagues and outside partners are BioArctic's foremost assets. The company's clear values, leadership model and sustainability initiatives enable new scientific breakthroughs and successes in the development of new treatments that can improve the lives of patients with neurodegenerative diseases. BioArctic's success with lecanemab has increased the company's attractiveness as an employer.