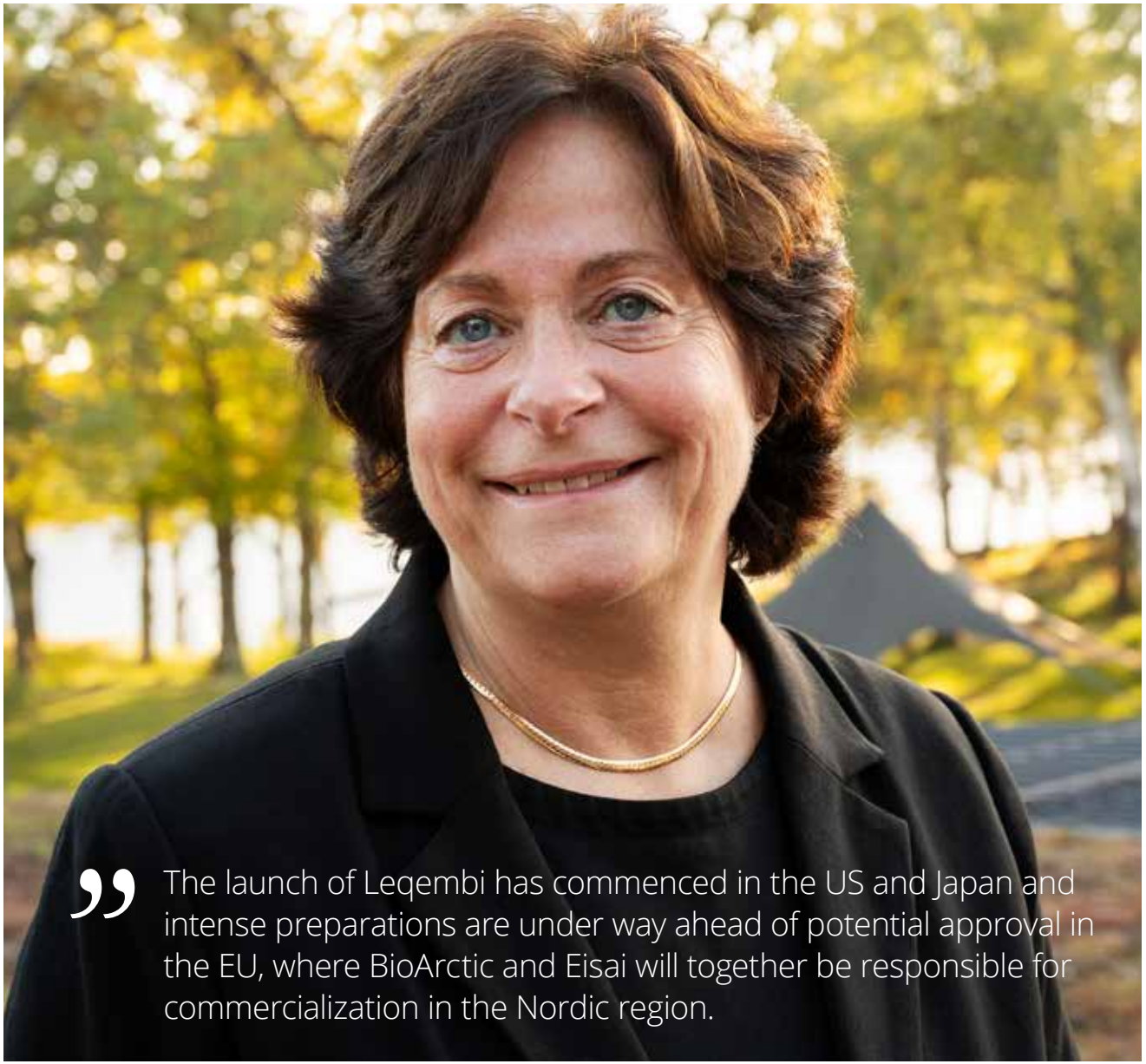
Comments from the CEO

This was a fantastic year for BioArctic. As the first disease-modifying treatment for early Alzheimer's disease, lecanemab received full approval in the US and Japan, and immediately after the new year in China as well. We are now looking forward to more patients around the world having access to this unique antibody drug. The registration process is currently under way in several countries and regions and our partner Eisai is preparing submission's of more marketing authorization applications.

The launch of Leqembi (the brand name for lecanemab in the US, Japan and China) commenced in the US and Japan during the year – at the same time, intense preparations are under way ahead of potential approval in the EU, where BioArctic and Eisai will together be responsible for commercialization in the Nordic region. In preparation, we established subsidiaries in all Nordic countries during the year and continued the establishment of a professional organization that will support the build-up of knowledge about the treatment to the health care sector.

IT WILL REQUIRE time and resources for the healthcare providers to be able to fully offer the treatment to broad patient populations, but the launch efforts in the US and Japan indicate that we are on the right path. With the potential addition of new ways to diagnose the disease, subcutaneous administration of lecanemab and maintenance dosing, this drug will continue to grow and could, according to Eisai, serve approximately 100,000 patients as early as 2026. We are eager to give patients,



their families and society as a whole the opportunity to benefit from the paradigm shift that a disease modifying treatment of early Alzheimer's disease means. In the early stages of the disease, individuals often function well and can continue to live an active life together with family and friends. Every month that the disease can be slowed is therefore highly valuable. A modeling study published during the year shows that lecanemab could delay the development of dementia for up to three years, an enormous advance for patients and their loved ones.

THE RAPID DEVELOPMENT in the field of diagnostics and the development of a subcutaneous formulation of lecanemab administered by an autoinjector are two factors that have the potential to create even more patient benefit in the future. In October, Eisai presented data showing that the subcutaneous formulation results in a more pronounced reduction of amyloid plaque, fewer infusion reactions and no increase in the incidence of ARIA compared with intravenous treatment. During the past year we also learned of new findings indicating that patients could have even better efficacy if the treatment began earlier in the progression of the disease, as well as data showing that treatment after the 18 months covered by the Phase 3 study continued to have an effect. As recently as March 2024, data were presented at the ADPD Congress in Lisbon that further strengthen lecanemab's efficacy and safety results, not least in the population with the lowest tau accumulation in the brain, representing earlier stages of the disease, where the data indicated that early treatment may be particularly important in order to stabilize the course of the disease. Eisai also submitted a registration application in the US for intravenous maintenance treatment and a subcutaneous maintenance treatment is expected to be filed in 2024.

JANUARY 2023 marked 20 years since Lars Lannfelt and Pär Gellerfors founded BioArctic. Since then, the company has achieved major scientific successes and robust growth. We are now one of the largest biopharma companies on the Stockholm Stock Exchange, listed on Nasdaq Large Cap, with close to 100 employees and significant financial resources. Our values and leadership model has been a strong contributor to these successes, especially since they are an important platform for successful partnerships – both internally as well as with commercial partners, academia and society as a whole. I am pleased that BioArctic now formally has signed the UN Global Compact and its ten principles regarding human rights, labor law, the environment and anti-corruption. As a company, we have long held to these principles, and through the membership our commitments are clear to everyone. Our strategy to contribute to a sustainable future builds upon innovation and responsible business practices. Over the past year, together with our partner Eisai we have received a number of prestigious awards as proof of the value we create, from magazines such as TIME and Scrip's as well as the Research!Sweden Foundation and the European Lifestar Awards.

STRENGTHENED BY THE SUCCESS with lecanemab, BioArctic is continuing its efforts to improve the treatment of Alzheimer's disease and other neurodegenerative diseases. We are strategically focused on bringing our broad project portfolio forward with a high level of quality (please read the interview with our Chairman of the Board, Eugen Steiner, on page 48). The recent advancements in our project portfolio shows that we are on the right path. For example, we were recently able to nominate two new drug candidates for Alzheimer's disease, our BrainTransporter technology has been successfully integrated in projects in all the therapeutic areas where we operate, and the potential disease-modifying drug candidate exidavnemab is being prepared for a Phase 2a clinical trial in patients with Parkinson's disease. The drug candidate is patented until 2046 in both the US and Japan.

I AM INCREDIBLY PROUD of BioArctic's successes over the past year, and I look forward to working further with my colleagues and our external partners with the goal of improving life for even more patients and their families.

Gunilla Osswald
CEO, BioArctic