JANUARY – MARCH 2025

BIOARCTIC

Interim Report

Leqembi approved in the EU and billion-dollar license agreement with Bristol Myers Squibb came into effect

Events during the first quarter 2025

- FDA approved less frequent IV maintenance dosing of Leqembi® for the treatment of early Alzheimer's disease and accepted the Biologics License Application (BLA) for subcutaneous maintenance dosing of Leqembi in the US
- Leqembi sales during BioArctic's partner Eisai's fiscal year 2024 (Apr-24 – Mar-25) exceeded EUR 200 M, resulting in a EUR 10 M milestone payment to BioArctic
- The license agreement with Bristol Myers Squibb came into effect, which meant that BioArctic was entitled to an initial payment of USD 100 million
- According to BioArctic's partner Eisai, Leqembi sales is expected to reach JPY 250 to 280 billion for their fiscal year 2027 (Apr-27 – Mar-28)

Events after the first quarter 2025

- The European Commission has granted Marketing Authorisation (MA) for Leqembi (lecanemab) in the EU. The regulatory approval entitles BioArctic to a milestone payment of EUR 20 M from Eisai
- The European Patent Office, EPO, expanded the patent protection for exidavnemab to 2041 through a substance patent in Europe
- Leqembi was approved in Singapore
- BioArctic received regulatory approval to expand the ongoing Phase 2a study with exidavnemab and include patients with multiple system atrophy (MSA)
- BioArctic's partner Eisai issued Leqembi sales forecast of JPY 76.5 billion for its fiscal year 2025 (Apr-25 – Mar-26), representing a 73% increase year over year

Financial summary January – March 2025

- Net revenues amounted to SEK 1,289.6 M (29.6) , of which SEK 96.0 M (21.3) in royalties for Leqembi
- Operating profit amounted to SEK 1,075.3 M (-73.1)
- Profit for the period amounted to SEK 1,021.5 M (-57.6)
- Earnings per share before dilution amounted to SEK 11.55 (-0.65)
- Earnings per share after dilution amounted to SEK 11.53 (-0.65)
- Cash flow from operating activities amounted to SEK 11.8 M (-114.4)
- Cash and cash equivalents and short-term investments at the end of the period amounted to SEK 789 M (991)

KEY FINANCIAL PERFORMANCE INDICATORS

	Q1		Jan-Dec
SEK M	2025	2024	2024
Net revenues	1,289.6	29.6	257.4
Of which royalty revenue	96.0	21.3	230.4
Total operating expenses	-202.9	-100.5	-458.9
Share of R&D of total operating expenses	42%	63%	68%
Operating profit/loss	1,075.3	-73.1	-228.5
Profit/loss for the period	1,021.5	-57.6	-177.1
Earnings per share before dilution, SEK	11.55	-0.65	-2.00
Earnings per share after dilution, SEK	11.53	-0.65	-2.00
Cash flow from operating activities	11.8	-114.4	-316.3
Cash, cash equivalents and short term investments	788.6	991.0	778.9
Share price at the end of the period, SEK	184.50	215.40	199.50

[1] For the definition of financial performance indicators, see page 27

Unless otherwise stated, this Interim report refers to the Group. Figures in parentheses refer to the corresponding period last year. The amounts stated are rounded, which sometimes leads to some totals not being exact.

CEO comment

Leqembi has finally been approved in the EU for treatment of early Alzheimer's disease. BioArctic is entering a new growth phase where we will receive recurring royalties and we are making success with our BrainTransporter technology.

In mid-April we received the long awaited announcement that the European Commission had granted Marketing Authorisation for Leqembi (lecanemab). This means that Leqembi is now approved in over 40 countries, which is very encouraging, and that patients in the EU – for the first time – can be offered a treatment that targets an underlying cause of Alzheimer's disease. Preparations are under way in our marketing organization for the joint launch, together with Eisai, of Leqembi in the Nordic countries. An important step in this process is ensuring that the treatment is offered to those patients where it will provide the greatest benefit. Alzheimer's disease and mild cognitive impairment can be regarded as common diseases – around 19 million Europeans suffer from them – and we are convinced that Leqembi should be regarded as a precision medicine that can make a large difference for the right patients. Registers and follow-up will be especially important in this work, as will the development of diagnostics, which is moving towards both simpler and more precise methods. It is encouraging that the FDA recently approved the first blood test for diagnosing Alzheimer's disease.

In February Eisai reached the first sales milestone of EUR 200 M in a fiscal year, generating a milestone payment to BioArctic of EUR 10 M. A further milestone payment of EUR 20 M is due in the second quarter of 2025 as a result of the EU approval. Moreover, sales in the first quarter generated approximately SEK 100 M in royalties, nearly five times as much as during the year-earlier period. Eisai expects sales to continue growing by more than 70% during its fiscal year 2025 (Apr-25 – Mar-26).

Our financial position was strengthened substantially during the quarter as our global license agreement with Bristol Myers Squibb became effective after antitrust clearance, and we could invoice the upfront payment of USD 100 M. This license agreement with BMS includes up to USD 1.25 billion in additional development, regulatory and commercial milestones, as well as tiered low double-digit royalties on global product sales. All together, we made an operating profit of approximately SEK 1.1 billion in the quarter and we expect to be profitable from this year onwards. Apart from strengthened financial resources from this agreement, we look forward to monitoring the continued development of the antibodies against Alzheimer's disease that are covered by the agreement – especially BAN2803, which uses our BrainTransporter technology. This groundbreaking platform technology is being developed in parallel with our antibody programs and can be used in several different therapy areas for active transportation of biological drugs into the brain. Therefore it is important that we retain the rights to the technology itself. As the BrainTransporter technology evolves and we demonstrate that it can be used not only for antibodies but also for other modalities such as enzymes and oligopeptides, we see growing potential for more license agreements in various therapeutic areas in the future.

In parallel with the success of the BrainTransporter technology, I am proud to note that our antibody exidavnemab is making great progress. This drug candidate is being developed as a new disease-modifying treatment for synucleinopathies such as for example Parkinson's disease and multiple system atrophy (MSA). In March, the US Food and Drug Administration granted orphan drug designation for exidavnemab for the treatment of MSA. In May, we also received permission to broaden our ongoing Phase 2a study to include MSA patients, in addition to patients with Parkinson's disease, thereby further increasing the potential for exidavnemab. This shows our capacity for innovation and our ability to identify entirely new ways of tackling the diseases of the brain.

BioArctic's research and innovative power is generating significant attention. This can be seen at international conferences – for example, at ADPD in Vienna in April – where our Chief R&D Officer, Head of Research & Development Johanna Fälting presented exidavnemab. We are also making an impression here in Sweden where I, along with BioArctic's two founders Lars Lannfelt and Pär Gellerfors, recently received Uppsala University's innovation and entrepreneurial award. Receiving this award jointly is particularly gratifying since it is the result of how we work at BioArctic: we work together, using our differing perspectives and competences to bring groundbreaking treatments one step closer to patients every day.

> It is gratifying that Leqembi is finally approved in the EU and reaches patients in over 40 countries.

On June 2, BioArctic will host a Capital Markets Day for the first time. At the event, we will present our visions and plans for BioArctic that has now entered a new era with a strong financial position, a global market approval for Leqembi and a new partnership with an associated billion-dollar agreement signed.

Gunilla Osswald,
CEO, BioArctic AB

BioArctic in short

BioArctic AB (publ) is a Swedish research-based biopharma company focusing on innovative treatments that can delay or stop the progression of neurodegenerative diseases.

The company is the originator of 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 Eisai. BioArctic has a broad research portfolio within Alzheimer's disease, Parkinson's disease, ALS and enzyme deficiency diseases. Several of the projects utilize the company's proprietary BrainTransporter technology, which improves the transport of drugs into the brain. BioArctic's B share (BIOA B) is listed on Nasdaq Stockholm Large Cap.

Strategy for sustainable growth

Vision

A world in which we successfully stop the onset of neurodegenerative diseases

Mission

Together, we create, develop, and provide drugs of the future for patients with severe neurodegenerative diseases and other conditions with significant medical needs

Overarching company- and operational strategy

BioArctic is a biopharmaceutical company that creates, develops, and provides disease-modifying treatments for severe neurodegenerative diseases and other conditions with significant medical needs

Research and development

- Based on core competencies in medical understanding of neurodegenerative diseases and knowledge in antibody and protein technology, we develop new innovative product candidates for e.g. Alzheimer's disease, Parkinson's disease and ALS as well as create new drug candidates with improved uptake in the brain via our BrainTransporter technology
- BioArctic continuously develops the project portfolio based on both scientific and commercial considerations in order to optimize our scientific competence and financial abilities

Business concept

1. Through pioneering research, BioArctic creates and develops biological drugs for patients with neurodegenerative diseases and other conditions with significant medical needs
2. BioArctic shall generate revenue and increase the value of the company by outlicensing and commercializing drugs

Commercialization:

- BioArctic prioritizes long-term partnerships that add to our core competencies, finances late-phase clinical development and maximize the global commercial potential of the product
- BioArctic plans to sell and commercialize drugs in the Nordics, and in the future also in Europe

Project portfolio

BioArctic has a broad research portfolio within Alzheimer's disease, Parkinson's disease, ALS and enzyme deficiency diseases. All projects focus on diseases of the central nervous system and several of the projects utilize the company's proprietary technology platform BrainTransporter, which improves the transport of drugs into the brain.

The company's project portfolio consists of a combination of fully funded projects run in partnership with the Japanese pharma company Eisai and the American pharma company Bristol Myers Squibb, and innovative development and research projects with significant market- and out-licensing potential.

Antibody project

	Partner	Research	Preclinical	Phase 1	Phase 2	Phase 3	Regulatory Phase	Market
Alzheimer's disease								
Lecanemab (IV)[1]	Eisai							
Lecanemab (s.c.)[2]	Eisai							
Lecanemab (presymtomatic treatment)	Eisai							
Lecanemab back-up	Eisai							
BAN1503 (PyroGlu Aβ)	BMS[3]							
Parkinson's disease								
Exidavnemab (α-synuclein)								
Other CNS diseases								
Lecanemab (other indications)								
ND3014 (TDP-43, ALS)								

BrainTransporter™

	Partner	Research	Preclinical	Phase 1	Phase 2	Phase 3	Regulatory Phase	Market
Alzheimer's disease								
BAN2803 (PyroGlu Aβ with BT[5])	BMS[3]							
BAN2802	Eisai[4]							
Parkinson's disease								
PD-BT2238 (α-synuklein with BT)								
ALS								
ND-BT3814 (TDP-43 with BT)								
Gaucher's disease								
GD-BT6822 (GCase with BT)								
Misc								
Technology- and modality development								

1) Intravenous treatment 2) Subkutan treatment 3) Bristol Myers Squibb. A license agreement was signed on December 19, 2024 and began on February 20, 2025. 4) Research evaluation agreements with Eisai 5) BrainTransporter-technology

Alzheimer's disease

In Alzheimer's disease, the amyloid beta protein clumps together into increasingly larger aggregates in the brain – from the harmless form with a normal function (monomers) to larger forms such as oligomers, protofibrils, fibrils and finally amyloid plaques containing fibrils. Oligomers and protofibrils are considered the most harmful forms of amyloid beta that initiate the process of Alzheimer's disease.

BioArctic has developed several unique and selective antibodies with the potential to slow or halt the progression of Alzheimer's disease. Lecanemab, which is the first fully approved disease-modifying drug for Alzheimer's disease. The drug is approved in the US, Japan, China, Great Britain, in the EU and several other countries under the brand name Leqembi.

The development of lecanemab against Alzheimer's disease is being financed and pursued by BioArctic's partner Eisai, which also co-owns the rights to another antibody called lecanemab back-up and has a research evaluation agreement regarding BAN2802 that uses BioArctic's BrainTransporter technology. BioArctic has also out-licensed two projects to Bristol Meyers Squibb, where one of the projects, BAN2803, is connected to the BrainTransporter technology.

Drug candidate lecanemab (collaboration with Eisai), brand name Leqembi

Lecanemab, which is the result of a long-term strategic research collaboration between BioArctic and Eisai, is a humanized monoclonal antibody against Alzheimer's disease. Eisai is responsible for the clinical development of lecanemab in Alzheimer's disease. The project is based on research from BioArctic, Uppsala University and Karolinska Institutet, Sweden.

Lecanemab has a unique binding profile that distinguishes it from other amyloid beta antibodies. It selectively binds to neutralize and eliminate soluble toxic Aβ aggregates (protofibrils) that are thought to contribute to the neurodegenerative process in Alzheimer's disease, but also removes insoluble aggregates (fibrils) that make up the plaque in the brain associated with the disease. BioArctic has an ongoing research collaboration with Eisai in order to further deepen the knowledge about the drug candidate lecanemab.

Clarity AD was a global confirmatory 18-month Phase 3 placebo-controlled, double-blind, parallel-group, randomized study in 1,795 people with early Alzheimer's disease. The treatment group was administered lecanemab 10 mg/kg biweekly, with participants allocated in a 1:1 ratio to receive either placebo or lecanemab.

Results from the pivotal Phase 3 study Clarity AD showed that lecanemab achieved the primary endpoint of reducing clinical decline from baseline on the global cognitive and functional scale CDR-SB (Clinical Dementia Rating-Sum of Boxes) compared to placebo with 27 percent, with high statistical significance ($p=0.00005$). Already at 6 months and across all time points thereafter, lecanemab showed statistical significance compared to placebo ($p<0.01$) in slowing clinical decline. All secondary efficacy measures were also achieved with high statistical significance ($p<0.01$).

Notably, lecanemab slowed functional deterioration by 37 percent, as measured by the ADCS MCI-ADL scale, which measures the patient's ability to perform daily activities. In addition, lecanemab had a positive impact on biomarkers for amyloid, tau[1], and neurodegeneration, indicating that the drug affects the underlying mechanisms of the disease.

For patients, this could equal remaining in the earlier stages of the disease for an additional 2-3 years longer, according to a modeling study, performed and published by Eisai.

The most common adverse events (>10%) in the lecanemab group were infusion reactions, ARIA-H (combined cerebral microhemorrhages, cerebral macrohemorrhages, and superficial siderosis), ARIA-E (edema/effusion), headache, and fall.

An open-label extension study of Clarity AD is ongoing for those patients who completed the core study, to further evaluate the safety and efficacy of lecanemab. Eisai has presented three-year data from the extension study showing that treatment with lecanemab continues to provide increasing benefit in patients with early Alzheimer's disease with a maintained safety profile. In addition, data from the very earliest patient group show that 51% of patients continued to show improvement in cognition and function after three years.

Lecanemab continues to positively impact biomarkers over the course of treatment – Clinical data and biomarkers suggests that AD does not stop progressing after plaque clearance. Data indicates that patients continue to benefit by remaining on treatment, potentially at a lower maintenance dose, which was shown to prevent reaccumulating of brain amyloid and worsening of plasma biomarkers.

Eisai has also conducted a Phase 1 study for subcutaneous dosing and the subcutaneous formulation is currently being evaluated in the open-label extension study of Clarity AD. In addition, since July 2020, Eisai's phase 3 study (AHEAD 3-45) for individuals with preclinical Alzheimer's disease, having intermediate or elevated levels of amyloid in their brains but no symptoms, is ongoing. The AHEAD 3-45 program aims to investigate whether four-year treatment with lecanemab can reduce the risk of developing Alzheimer's

[1] Cognitive deterioration in Alzheimer's disease is closely associated with increasing levels of the tau protein in brain nerve cells

disease in this group. The study is being conducted as a public-private collaboration between the Alzheimer's Clinical Trials Consortium (ACTC), funded by the United States National Institute on Aging within the National Institutes of Health, and Eisai.

Since January 2022, the Tau NexGen clinical study for individuals with Dominantly Inherited AD (DIAD) is ongoing, in which lecanemab is given as anti-amyloid background treatment in combination with a treatment targeting the intracellular protein tau to see if the treatments can slow or stop the progression of the disease. Tau NexGen is a clinical trial conducted by the Dominantly Inherited Alzheimer Network Trials Unit (DIAN-TU) consortium.

Lecanemab has to date been approved in over 40 markets and regions, including the US, Japan, China, Great Britain and in the EU.

In January 2025 the FDA in USA approved Eisai's Supplemental Biologics License Application (sBLA) for less frequent intravenous (IV) maintenance dosing for the treatment of Alzheimer's disease with Leqembi. Further, the FDA in USA accepted Eisai's application for subcutaneous maintenance treatment with autoinjector with Leqembi. The PDUFA date was set to August 31, 2025. On April 15, 2025 the European Commission granted Marketing Authorisation (MA) for Leqembi (lecanemab) in the European Union (EU). This is the first therapy targeting an underly-ing cause of Alzheimer's disease (AD) to be granted an MA in the EU. Leqembi's Market Authorization applies to all 27 EU Member States as well as Iceland, Liechtenstein and Norway. Leqembi is already approved in the US, Japan, China, Great Britain and in other markets. The regulatory approval in the EU entitled BioArctic to a milestone payment of EUR 20 M.

Lecanemab back-up candidate (collaboration with Eisai)

The antibody is a refined version of lecanemab for the treatment of Alzheimer's disease. The antibody was developed in collaboration with Eisai, which resulted in a new license agreement in 2015. The project is driven and financed by Eisai and is in the preclinical phase.

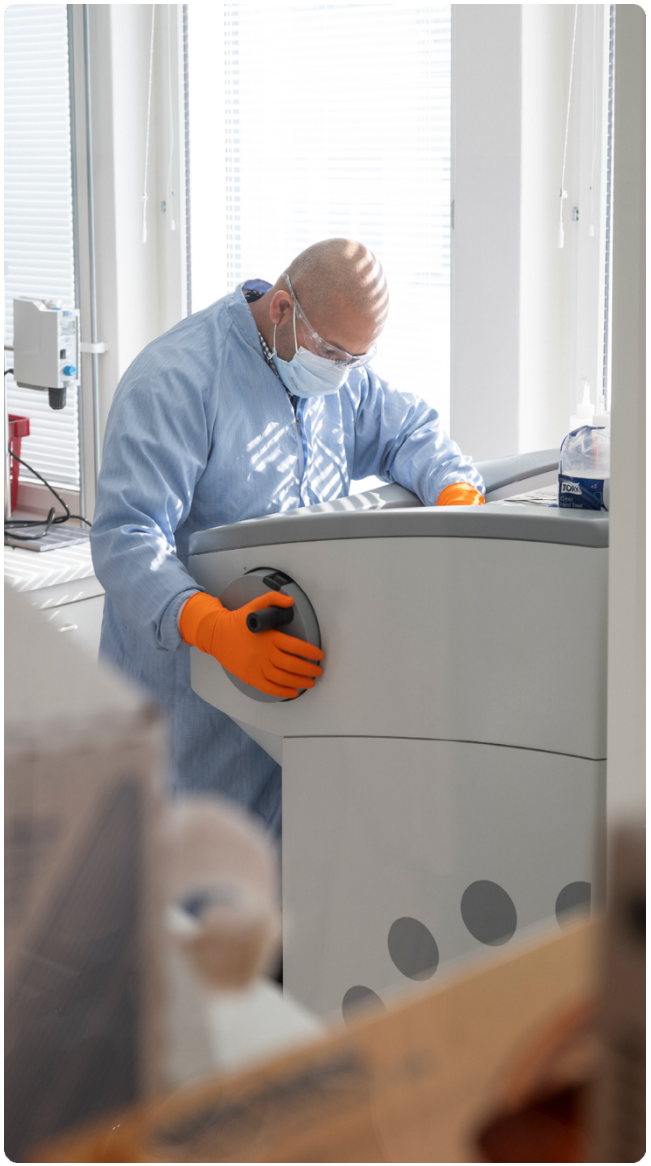
Drug project BAN2802 (research evaluation agreement with Eisai)

BAN2802 is a potential new antibody treatment against Alzheimer's disease that is combined with the blood-brain barrier technology — BrainTransporter, or BT — to enhance the uptake of drug in the brain.

In April 2024, BioArctic entered into a research agreement with Eisai regarding BAN2802, a project that Eisai, after evaluation, has an option to in-license for the treatment of Alzheimer's disease.

Project BAN1503 and BAN2803 (under agreement with Bristol Myers Squibb)

BioArctic has signed an global outlicensing agreement with Bristol Myers Squibb for the antibody projects BAN1503 and BAN2803 in Alzheimer's disease. The projects target a shorter (truncated) form of amyloid beta (PyroGlu-Aβ). BAN2803 includes BioArctic's BrainTransporter technology.



Parkinson's disease

BioArctic's antibodies for misfolded aggregated alpha-synuclein have the potential to be efficacious disease-modifying treatments for synucleinopathies such as Parkinson's disease. Exidavnemab (BAN0805) is a monoclonal antibody that selectively binds to and eliminates neurotoxic aggregated forms of alpha-synuclein.

Drug candidate Exidavnemab (BAN0805) and PD-BT2238

BioArctic develops disease-modifying treatments for synucleinopathies such as Parkinson's disease, Lewy body dementia and multiple system atrophy. Exidavnemab is a monoclonal antibody that selectively binds to and eliminates neurotoxic aggregated forms of alpha-synuclein. The goal is to develop a disease modifying treatment that stops or slows down disease progression. The project is based on research from Uppsala University. In September 2021, preclinical results and findings from the Phase 1 study were presented, supporting the continued development of the antibody in a Phase 2 study with monthly dosing. The substance patent for exidavnemab is granted in the US, Japan and now also in Europe until 2041, with a possible extension to 2046. The results from two phase 1 studies with ex-idavnemab showed that the substance was generally well tolerated, with an half-life of approximately 30 days. BioArctic initiated a phase 2a study of exidavnemab in individuals with Parkinson's disease during the fourth quarter 2024.

During the first quarter of 2025, the first part of the recruitment to the study was completed. In March 2025, exidavnemab received orphan drug designation (ODD) for the treatment of multiple system atrophy (MSA). In May 2025 regulatory authorities in Spain in Poland, where the study is conducted, announced the approval of the inclusion of Multiple System Atrophy (MSA) patients for treatment with exidavnemab in ongoing the EXIST Phase 2a study. In addition to the 24 participants with mild to moderate Parkinson's Disease, an additional 12 participants with MSA will be recruited. In addition to the primary endpoints of safety and tolerability, a broad range of biomarkers will be evaluated, in plasma, cerebrospinal fluid (CSF) and using digital measurements.Further BioArctic's project portfolio in Parkinson's disease consists of project PD-BT2238, which combines a selective antibody directed against soluble alpha-synuclein aggregates (so-called oligomers and protofibrils) with BioArctic's BrainTransporter technology.

Other neurodegenerative diseases

BioArctic aims to improve the treatment of a number of central nervous system disorders. The company is evaluating the possibility of developing both existing as well as new antibodies against other diseases in the central nervous system.

Drug candidate lecanemab (indications other than Alzheimer's disease, owned by BioArctic)

Lecanemab can potentially also be used for other indications which in that case would be owned by BioArctic. The antibody is in the preclinical phase as a potential treatment of cognitive disorders in conjunction with for example Down's syndrome and traumatic brain injury. BioArctic has presented findings supporting that lecanemab also could be developed into a disease modifying treatment benefiting individuals with Down's syndrome with dementia.

Project ND3014, ND-BT3814 and GD-BT6822 (owned by BioArctic)

The drug projects ND3014 and ND-BT3814 are focused on developing antibody drugs against TDP-43, a protein that is believed to play a key role in the development of the rare neurodegenerative disease ALS. The ND-BT3814 project is linked to BioArctic's blood-brain barrier technology. The projects are in research phase.

BioArctic's project portfolio also include a project focused on enzyme replacement therapy for Gaucher disease in combination with the company's BrainTransporter technology to address the CNS-symptoms of the disease.

Blood-brain barrier technology

BioArctic's BrainTransporter technology facilitates the passage of biological drugs, such as antibodies, into the brain. This groundbreaking platform technology is being applied to select in-house drug projects and is included in BAN2803 which BioArctic has outlicensed to Bristol Myers Squibb and in the research evaluation agreement with Eisai regarding BAN2802. BioArctic has retained all other rights of use for the BrainTransporter technology. The opportunities for future collaborations with other pharmaceutical companies in various disease areas and out licensing of this platform technology are considered substantial.

Braintransporter technology (owned by BioArctic)

The blood-brain barrier controls the passage of substances between the blood and the brain. It protects the brain from harmful substances, but at the same time it can make it difficult for drugs to reach the brain. BioArctic has developed a BrainTransporter technology, which has demonstrated a profound increase and improved exposure of antibodies in the brain.

At the PEGS conference in Barcelona in November 2024 results were presented that showed that BioArctic's BrainTransporter technology could provide up to 70 times higher brain exposure of amyloid-beta antibodies, with a rapid, broad, and deep distribution of the antibodies throughout the brain.

The technology has the potential to generate better effects and fewer side effects with lower doses compared to current treatments. The BrainTransporter technology is being used in five projects, two in Alzheimer's disease, BAN2802 (Eisai), BAN2803 (BMS), one in Parkinson´s disease, PD-BT2238, one in ALS, ND-BT3814, and one in Gaucher disease, GD-BT6822. The technology, which is now in the pre-clinical phase, has significant potential to enhance many treatments for diseases of the brain.

In December 2024, BioArctic and Bristol Myers Squibb signed a global exclusive license agreement for BioArctic's PyroGlutamate-amyloid-beta antibody program, which includes the Alzheimer's projects BAN1503 and BAN2803, of which the latter utilizes BioArctic's BrainTransporter technology.

Financial development

Revenues and results

Revenues consist of milestone payments, royalty, co-promotion and payments related to research agreements. Due to the nature of the business operations, revenues may fluctuate significantly from quarter to quarter, as revenues from milestone payments are recognized at the point in time when performance obligations are fulfilled.

Net revenues in the first quarter amounted to SEK 1,289.6 M (29.6). Net revenues included SEK 1,074.8 M (-) attributable to an upfront payment of USD 100 M for the new license agreement with Bristol Myers Squibb. Net revenues also included a milestone payment of SEK 112.4 M (-) from Eisai and SEK 96.0 M (21.3) in royalties for Leqembi sales, mainly for the USA and Japan. The royalty income for the first quarter includes a negative currency effect of SEK 5,7 M from the fourth quarter last year as invoicing of royalty takes place in the following quarter. Net revenues also include SEK 3.0 M (5.4) in revenue from research collaboration agreements and SEK 3.4 M (2.9) in co-promotion revenues from commercialization of lecanemab in the Nordic region with Eisai.

Cost of sales, consisting of royalties paid for the commitments that BioArctic has towards LifeArc for Leqembi, amounted to SEK 11.4 M (2.2) during the first quarter. Other operating income relates to operating exchange rate gains and amounted to SEK 0.9 M (2.0) in the first quarter.

Operational expenses for the business amounted to SEK 202.9 M (100.5) for the first quarter, where the cost increase mainly is explained by currency effects. Other operating expenses amount to SEK 73.2 M (0.7) in the first quarter, and consist mainly of exchange rate losses of an operating nature attributable to revenue from Bristol Myers Squibb. Costs for research- and development increased to SEK 84.6 M (63.0) during the quarter, as several in-house projects have progressed to a later phase. BioArctic's proprietary projects are in an early research phase and do not meet the criteria for capitalization of R&D expenses, which is why all such costs have been charged to the income statement. Costs of marketing and sales in the quarter increased to SEK 18.8 M (12.5) as a consequence of a growing commercial organization and work to prepare for the launch of lecanemab in the Nordics. General and administration costs increased to SEK 27.2 M (26.3) for the quarter.

Operating profit before net financial items (EBIT) amounted to SEK 1,075.3 M (-73.1) for the first quarter. The increased result for the quarter is mainly a consequence of the upfront payment from Bristol Myers Squibb.

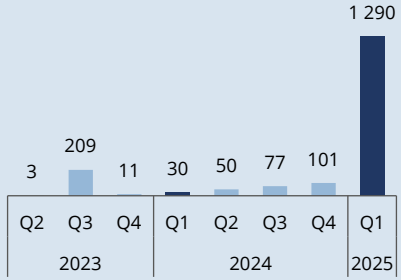
Net financial items totaled SEK -9.3 M (15.6) for the first quarter. The decrease is primarily attributable to a stronger krona that negatively affected liquid assets in foreign currency.

Tax related cost totaled SEK 44.5 M (0.0) for the first quarter.

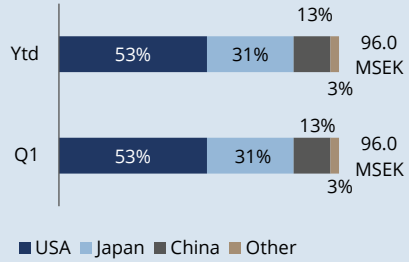
The profit for the period amounted to SEK 1,021.5 M (-57.6) for the first quarter.

Profit per share before dilution amounted to SEK 11.55 (-0.65) and after dilution to 11.53 (-0.65).

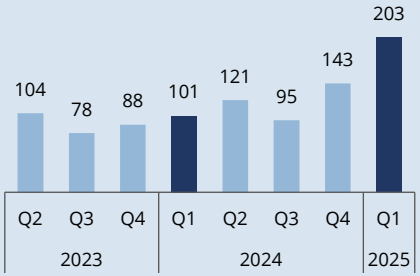
NET REVENUES (SEK M)



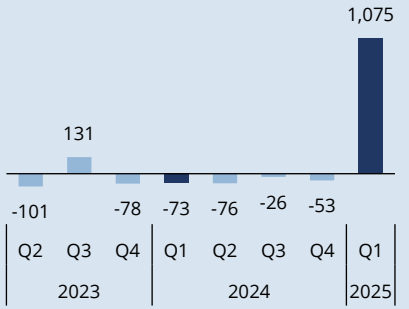
ROYALTIES BY COUNTRY (SEK M)



OPERATIONAL COSTS (SEK M)



OPERATING PROFIT/LOSS (SEK M)



Cashflow and investments

Cash flow from operating activities for the first quarter amounted to SEK 11.8 M (-114.4). The main explanation for the improved cash flow during the quarter compared to the previous year is the milestone payment from Eisai and rising royalties.

Cash flow from investing activities for the first quarter amounted to SEK 35.2 M (neg. 13.5). The improvement compared with the first quarter last year is explained by the fact that short-term investments have expired and has been added to liquid funds.

Cash flow from financing activities amounted to SEK 12.5 M (2.1) and relates to a new issue of shares supported by employee stock options and amortization of leasing debt.

Cash flow for the quarter totaled SEK 59.5 M (-125.7). The improving cash flow quarter-on-quarter is attributable to higher operating profit.

Liquidity and financial position

Equity amounted to SEK 1,934.0 M as of March 31, 2025, compared with SEK 894.9 M as of December 31, 2024. This corresponds to equity per outstanding share of SEK 21.85 (10.13). The equity/asset ratio was 91.1 percent as of March 31, 2025, compared with 80.5 percent as of December 31, 2024.

The Group's cash and cash equivalents consist of bank balances of SEK 558.6 M (491.0). Short-term investments amount to SEK 230.0 M (500.0). Cash and cash equivalents and short-term investments amount to a total of SEK 788.6 M as of March 31, 2025, compared with SEK 778.9 M as of December 31, 2024. There were no loans as of March 31, 2025, and no loans have been taken since this date. The Group has no other credit facility or loan commitments.

In order to neutralize foreign exchange rate exposure some liquid funds are held in foreign currency. This has implications on reporting in conjunction with revaluation of currency to current rate. These effects are recognized in financial income and expenses.

Parent company

The Group's business operations are mainly conducted in the Parent Company.

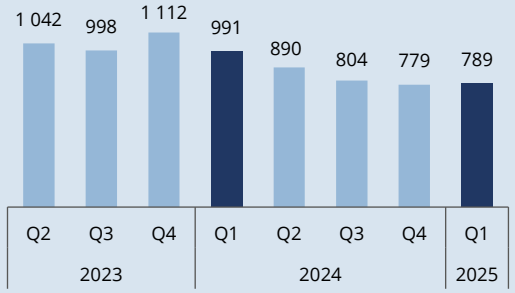
Events during the first quarter 2024

- FDA approved less frequent IV maintenance dosing of Leqembi for the treatment of early Alzheimer's disease and accepted the Biologics License Application (BLA) for subcutaneous maintenance dosing of Leqembi in the US
- Exidavnemab received orphan drug designation (ODD) for the treatment of multiple system atrophy (MSA)
- Leqembi sales during BioArctic's partner Eisai's fiscal year 2024 (Apr-24 – Mar-25) exceeded EUR 200 M, resulting in a EUR 10 M milestone payment to BioArctic
- The license agreement with Bristol Myers Squibb came into effect, which meant that BioArctic was entitled to an initial payment of USD 100 million
- According to BioArctic's partner Eisai, Leqembi sales is expected to reach JPY 250 to 280 billion for their fiscal year 2027 (Apr 27- Mar-28)

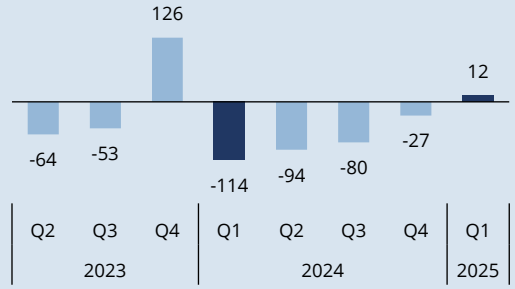
FINANCIAL POSITION (SEK M)

	31 Mar 2025	31 dec 2024
Non-current lease liabilities	37.7	41.1
Current lease liabilities	13.3	13.1
Cash, cash equivalents and short term investments	788.6	778.9
Net cash position	**737.6**	**724.7**

CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS (SEK M)



CASH FLOW FROM OPERATING ACTIVITIES (SEK M)



CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS (SEK M)

788.6

Other information

Events after the end of the first quarter

- The European Commission granted Marketing Authorization (MA) for Leqembi (lecanemab) in the EU. The regulatory approval entitled BioArctic to a milestone payment of EUR 20 M
- The European Patent Office, EPO, expanded the patent protection for exidavnemab to 2041 through a substance patent in Europe
- BioArctic's partner Eisai published preliminary global sales figures for Leqembi for the first quarter of 2025 amounting to JPY 14.7 billion
- Leqembi was approved in Singapore
- BioArctic received regulatory approval to expand the ongoing Phase 2a study with exidavnemab and include patients with multiple system atrophy (MSA)
- BioArctic's partner Eisai issued Leqembi sales forecast of JPY 76.5 billion for its fiscal year 2025 (Apr-25 – Mar-26), representing a 73% increase year over year

Patents

Patents are crucial to the company's future commercial opportunities. BioArctic has therefore an active patent strategy covering all major pharmaceutical markets including the US, EU, Japan and China. At the end of March 2025, BioArctic's patent portfolio consisted of 20 patent families with over 225 granted patents and more than 60 ongoing patent applications.

Partnerships, collaborations and major agreements

Collaborations and license agreements with leading pharma and biopharma companies are an important part of BioArctic's strategy. In addition to financial compensation, BioArctic benefits from the expertise the company's partners contribute in drug development, manufacturing and commercialization. BioArctic has entered into a number of such agreements with the global Japanese pharma company Eisai and previously also with the global American biopharma company AbbVie. In December 2024, the company also signed a global license agreement with the American pharma company Bristol Myers Squibb. These strategic partnerships with leading global companies confirm that BioArctic's research is of very high quality. In the future BioArctic may enter into new agreements that can contribute further funding and research and development competence for those product candidates in preclinical and clinical phase, manufacturing, commerzialisation and marketing competence, geographic coverage, and other resources.

BioArctic has been collaborating with Eisai in the field of Alzheimer's disease since 2005. The company has signed research and/or licensing agreements concerning lecanemab, lecanemab back-up and BAN2802. The total value of lecanemab and lecanemab back-up agreements may amount to EUR 222 M in addition to royalty. As of 31 March 2025, up to EUR 74 M in milestone payments remain from Eisai under existing agreements.

BioArctic and Eisai have agreed on commercialization and co-promotion for the Nordic countries based on a fifty-fifty profit share for the region and thus no sales royalty is received as in other markets. According to the agreement Eisai will be responsible for pricing and reimbursement as well as distribution whereas BioArctic will take on a larger responsibility for customer interaction. Eisai is the Marketing Authorisation Holder in Europe, and the intention is that BioArctic will be local representative at the point of commercial launch. The collaboration will be governed by a joint Nordic commercialization committee.

In December 2024, BioArctic AB and Bristol Myers Squibb signed a global exclusive license agreement for BioArctic's PyroGlutamate-amyloid-beta (PyroGlu-Aβ) antibody program, including BAN1503 and BAN2803, whereof the latter includes BioArctic's BrainTransporter technology. As part of the agreement, in April, BioArctic received a USD 100 million upfront payment when the agreement entered into force in February 2025. BioArctic may receive up to USD 1.25 billion in milestone payments. BioArctic is also entitled to tiered low double-digit royalties on global product sales.

Collaborating with universities is also of great importance to BioArctic. The company has ongoing collaborations with academic research groups at a number of universities.

Risks and uncertainty factors

The management makes assumptions, judgments and estimates that affect the content of the financial statements. Actual results may differ from these assumptions and estimates, as is also stated in the accounting principles. The objective of the Group's risk management is to identify, mitigate, measure, control, and limit business risks. Significant risks are the same for the Parent Company and the Group.

BioArctic's operational and external risks mainly consist of risks related to research and development, clinical trials, and dependence on key employees.

A detailed description of exposure and risk management is presented in the Annual Report 2024 on pages 42-47.

Fluctuations in revenue generation

BioArctic is developing a number of drug candidates for chronic neurodegenerative diseases in partnership with global pharma companies. The company also conducts research for proprietary projects including new potential antibody treatments as well as a blood-brain barrier technology platform. The company signs research and licensing agreements with partners and then receives remuneration for research as well as milestone payments and royalty, which the company uses to finance current and new projects. Milestone payments are normally received when project reaches 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 submissions of applications to regulatory authorities, approvals, and sales milestones. Thus, these payments arise unevenly over time. BioArctic also receives royalty income from the global sale of Leqembi and co-promotion income from sales in the Nordics and as these revenues increase, the fluctuations will decrease.

Future prospects

As a result of the approval of Leqembi, the company's future income generation is deemed to be very good. The global launch of the drug is ongoing, which will contribute to gradually increasing revenues. Operating expenses for financial year 2025 are expected to increase due to the build-up of the commercial organization ahead of the potential launch of lecanemab in the Nordic region and costs for the expanded and more advanced 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 unmet medical need and have great market potential. The company's ambition is to continue to generate and develop 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.

Employees

At the end of the first quarter, the number of full-time employees was 116 (90) of which 76 (57) women and 40 (33) were men. 69 (68) percent of the employees work in R&D and of these 81 (82) percent are PhDs. The turnover rate in the quarter was 0.9 (1.1) percent. During the quarter, four changes have taken place in the company's group management. Two people have retired, Gunilla Andersson VP Head of HR has been replaced by Rebecca Kastell and Leif Gallo General Counsel, Head of Legal & IP has been replaced by Emelie Ankarcrona Smith. Furthermore, Johanna Fälting has been given increased responsibility as Chief R&D Officer, Head of Research & Development. Biljana Rizoska has taken on the role as VP Head of Research.

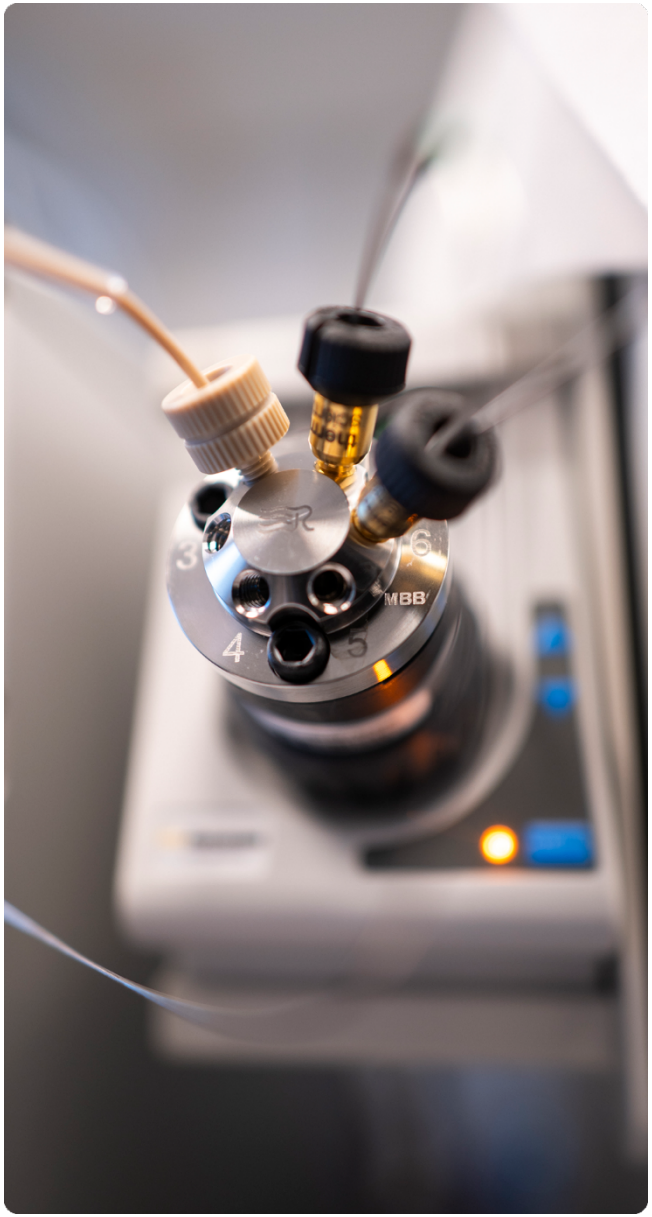
The share and shareholdings

The share capital in BioArctic amounts to SEK 1,770,569 divided by 88,528,485 shares which is split between 14,399,996 A-shares and 74,128,489 B-shares. The number of shares increased during the first quarter by 139,450 shares as a result

LARGEST SHAREHOLDERS AS OF MARCH 31, 2025[2]

	Number		Share of (%)	
	A-shares	B-shares	capital, %	votes, %
Demban AB (Lars Lannfelt)	8,639,998	20,885,052	33.4	49.2
Ackelsta AB (Pär Gellerfors)	5,759,998	13,343,201	21.6	32.5
Fourth Swedish National Pension Fund	-	5,593,490	6.3	2.6
RA Capital Management LP	-	3,117,736	3.5	1.4
Handelsbanken Fonder	-	2,236,266	2.5	1.0
Unionen	-	2,149,001	2.4	1.0
Lannebo Kapitalförvaltning	-	2,120,900	2.4	1.0
Nordea Funds	-	1,970,204	2.2	0.9
Third Swedish National Pension Fund	-	1,094,212	1.2	0.5
Vanguard	-	990,092	1.1	0.5
Tot. 10 largest shareholders	**14,399,996**	**53,500,154**	**76.7**	**90.5**
Other	-	20,628,335	23.3	9.5
Total	**14,399,996**	**74,128,489**	**100.0**	**100.0**

[2] Monitor by Modular Finance AB. Compiled and processed data from various sources, including Euroclear, Morningstar and Swedish Financial Supervisory Authority (Finansinspektionen)



of the subscription of shares by participants in the employee stock option program 2019/2028. The quotient value for both A- and B-shares is SEK 0.02. The A-share has 10 votes per share and the B-share has 1 vote per share.

Long-term incentive programs

BioArctic has three outstanding long-term share-related incentive programs, Employee Share Option Program 2019/2028, Performance Share Program 2023/2026 and Performance Share Program 2024/2027.

Employee Share Option Program 2019/2028 is an employee stock option program for the company's management, researchers and other employees. The employee stock option program 2019/2028 includes up to 1,000,000 employee stock options. As of 31 March 2025, the number of outstanding and not yet exercised employee stock options amounted to 371,500. The outstanding employee stock options may entail a dilution effect corresponding to 0.42 percent of the share capital and 0.17 percent of the votes in the company.

Long-term incentive program (program 2023/2026) is a performance share program aimed at the company's senior executives, researchers and other personnel and includes up to 125,000 PSUs. As of 31 March 2025, the number of outstanding and not yet exercised PSUs amounted to 116,500. The maximum dilution effect of the performance share program 2023/2026 is estimated to amount to 0.14 percent of the share capital and 0.06 percent of the votes in the company.

Long-term incentive program (program 2024/2027) is a performance share program aimed at the company's senior executives, researchers and other personnel and includes up to 160,000 PSUs. As of 31 March 2025, the number of outstanding and not yet exercised PSUs amounted to 148,500. The maximum dilution effect of the performance share program 2024/2027 is estimated to amount to 0.22 percent of the share capital and 0.09 percent of the votes in the company.

In total, the maximum dilution effect of the three incentive programs amounted to 0.78 percent of the shares and to 0.32 percent of the votes as of March 31 2025.

Review and submission of report

This interim report has not been subject to review by BioArctic's auditors.

Stockholm, Sweden, May 21, 2025

Gunilla Osswald
CEO
BioArctic AB (publ)

Sustainability

Sustainable business is the foundation of our operations and enables innovation with the aim of making a significant difference in the field of neurodegenerative diseases.

BioArctic's greatest contribution towards a sustainable future is the innovation and development of safe and effective drugs against diseases of great medical need affecting the brain. BioArctic conducts responsible research of the highest quality, which in turn requires us to be a reliable and attractive employer. The company's partnership model is the business model we apply to make BioArctic's research and innovations available to patients around the world. That the drugs we and our partners develop reach market approvals in new markets contributes to the well-being of patients and to society, which is an important part of our social responsibility.

BioArctic endeavors to integrate ethical, economic, and environmental sustainability at all levels in its operations. Key parts are the routine development and implementation of procedures and governance, the quality management system, and measures to prevent negative ethical or environmental impact from the company's own operations.

General information

The forthcoming legislation in the area of sustainability, stakeholder expectations, the company's growth and the realization of the strategy to market drugs in the Nordic region guide the company's sustainability program. As the European legislation on sustainability reporting is not yet required for companies of our size, BioArctic will adopt the general CSRD reporting structure, but does not aspire to present a CSRD-compliant report until legally required to do so. Sustainability reporting covers the BioArctic Group, including subsidiaries, and is reported annually. BioArctic reports advancements towards the annual targets on a quarterly basis.

To ensure that we are pushing our operation in a direction that creates more value and reduces our negative impact BioArctic's sustainability goals have been implemented based on the Sustainable innovation and Sustainable business strategies. BioArctic presents key ratios and measurable targets as part of the environment, employeeship, the work environment, ethics and development. These targets are included as part of the long-term remuneration models for senior executives and employees.

During the first quarter the following actions and advancements towards our targets have been made:

ENVIRONMENTAL

BioArctic aims to align energy and climate ambitions with our commitments to UN Global Compact, the industry association and Sweden's overarching aims. BioArctic has conducted a survey of emissions with the aim of understanding the company's emissions before adopting long-term reduction targets.

Focus area	Status Q1 2025
Vehicle fleet 100% electric or plug-in hybrid	Achieved
Survey of Scope 1 and 2 emissions, achieved 2024	Achieved
Survey of Scope 3 emissions, achieved 2025	Ongoing

SOCIAL

BioArctic exercises social sustainability to our employees by providing a thriving and safe workplace and to society and patients by ensuring access to our research and that the drugs we develop are effective, safe and reach the market.

Focus area	Status Q1 2025
100% follow up of workplace accidents	Follow-up of accidents and incidents
Employee satisfaction survey, eNPS>50	eNPS 80, 1 measur (65 Q1 2024)
Inclusion and diversity survey	Planned for in Q2 2025
Total number of market approvals	Over 40 countries

GOVERNANCE

BioArctic operates in a highly regulated environment and has developed a policy framework to support regulatory compliance. Data protection highlighted in all company training.

Focus area	Status Q1 2025
Board gender balance at least 40:60	43:57 (female/male)
Management gender balance at least 40:60	56:44 (female/male)
Patient safety training	100% completion

OTHER INFORMATION

BioArctic's board adopted long-term climate goals for 2025 and beyond:

- Maintain 100% renewable electricity in own operations
- Validate climate targets according to SBTi 2026
- 65% CO2 reduction by 2035 in the value chain

BioArctic presented its sustainability report in connection with the publication of the annual report. The report included the company's double materiality analysis, which will be revised during 2025 to reflect the company's development.
A cross-functional sustainability committee was formed.

Invitation to presentation of the first quarter report for January – March 2025

BioArctic invites investors, analysts, and media to an audiocast with teleconference (in English) today, May 22, at 9:30–10:30 a.m. CET. CEO Gunilla Osswald and CFO Anders Martin-Löf will present BioArctic, comment on the interim report and answer questions.

Webcast:
https://bioarctic.events.inderes.com/q1-report-2025

Calender 2025

Annual General Meeting 2025	May 22, 2025 at 16:30 p.m. CEST
Capital Markets Day in Stockholm	June 2, 2025 at 10:0 a.m. CEST
Half Year Report JAN-JUN 2025	August 28, 2025 at 08:00 a.m. CEST
Quaterly Report JAN-SEP 2025	November 13, 2025 at 08:00 a.m. CEST
Full Year Report JAN-DEC 2025	February 18, 2026 at 08:00 a.m. CEST

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GROUP

Financial statements

CONSOLIDATED INCOME STATEMENT

	Q1		Jan-Dec
kSEK	2025	2024	2024
Net revenues (note 4)	1,289,612	29,639	257,352
Cost of sales	-11,444	-2,236	-26,984
Gross margin	**1,278,167**	**27,403**	**230,369**
Research and development cost	-84,633	-62,973	-311,145
Marketing and sales cost	-18,831	-12,535	-55,461
General and administration cost	-27,170	-26,278	-93,380
Other operating income	896	1,984	3,740
Other operating expenses	-73,166	-700	-2,638
Total operating expenses	**-202,903**	**-100,501**	**-458,884**
Operating profit/loss	**1,075,264**	**-73,098**	**-228,514**
Interest income and similar items	4,946	15,724	40,845
Interest expenses and similar items	-14,234	-114	-1,849
Financial items net	**-9,288**	**15,610**	**38,995**
Profit/loss before tax	**1,065,976**	**-57,488**	**-189,519**
Tax	-44,505	-75	12,440
Profit/loss for the period	**1,021,472**	**-57,563**	**-177,079**
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME			
Exchange rate differences connected to foreign operations	-174	53	42
Comprehensive income for the period	**1,021,297**	**-57,510**	**-177,038**
Earnings per share			
Earnings per share before dilution, SEK	11.55	-0.65	-2.00
Earnings per share after dilution, SEK	11.53	-0.65	-2.00

CONSOLIDATED BALANCE SHEET

kSEK	31 Mar 2025	31 Mar 2024	31 dec 2024
Assets			
Tangible fixed assets	37,055	33,162	39,451
Right-to-use assets	53,693	5,453	57,169
Deferred tax assets	1,089	580	957
Other financial assets	3,458	3,401	3,442
Cash and cash equivalents	558,566	491,031	512,927
Short term investments	230,000	500,000	265,989
Other current assets	1,239,255	102,707	231,746
Total assets	**2,123,117**	**1,136,334**	**1,111,681**
Equity and liabilities			
Equity	1,933,964	992,728	894,942
Deferred tax liabilities	-	12,385	-
Non-current lease liabilities	37,681	2,381	41,079
Current lease liabilities	13,311	1,939	13,149
Other current liabilities	68,210	85,610	94,173
Accrued expenses and deferred income	69,951	41,291	68,338
Equity and liabilities	**2,123,117**	**1,136,334**	**1,111,681**

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

kSEK	31 Mar 2025	31 Mar 2024	31 dec 2024
Opening balance at 1 January	894,942	1,046,575	1,046,575
Correction of opening balance [3]	89	-	-
New opening balance at 1 January	895,031	1,046,575	1,046,575
Comprehensive income for the period	1,021,472	-57,563	-177,079
Share issue connected to exercised employee warrants	12,121	647	6,125
Share-based payments	5,515	3,016	19,280
Exchange rate differences	-174	53	42
Closing balance	**1,933,964**	**992,728**	**894,943**

CONSOLIDATED STATEMENT OF CASH FLOW

	Q1		Jan-Dec
kSEK	2025	2024	2024
Operating profit	1,075,264	-73,099	-228,515
Adjustment for non-cash items [4]	79,725	3,219	27,956
Interest received/paid	4,347	10,453	32,655
Income tax paid	-39,692	2,113	-520
Cash flow from operating activities before changes in working capital	**1,119,644**	**-57,313**	**-168,423**
Changes in operating receivables	-1,007,491	-61,530	-190,564
Changes in operating liabilities	-100,364	4,438	42,655
Cash flow from operating activities after changes in working capital	**11,789**	**-114,405**	**-316,333**
Cash flow from investing activities	**35,235**	**-13,468**	**205,633**
Cash flow from financing activities	**12,453**	**2,124**	**5,686**
Cash flow for the period	**59,477**	**-125,749**	**-105,014**
Cash and cash equivalents at beginning of period	512,927	611,567	611,567
Exchange rate differences in cash and cash equivalents	-13,838	5,213	6,374
Cash and cash equivalents at end of period	**558,566**	**491,030**	**512,927**

[3] Correction of opening balance relates to an adjustment after the year end in one of the subsidiaries.

[4] A specification of the line item adjustment for non-cash items is provided in Note 7.

CONSOLIDATED QUARTERLY DATA

SEK M	2025 Q1	2024 Q4	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2
Income statement								
Net revenues	1,290	101	77	50	30	11	209	3
Cost of sales	-11	-12	-8	-5	-2	-1	-0	-0
Total operating expenses	-203	-143	-95	-121	-101	-88	-78	-104
Operating profit/loss	1,075	-53	-26	-76	-73	-78	131	-101
Operating margin, %	83.4	neg	neg	neg	neg	neg	62.7	neg
Profit/loss for the period	1,021	-31	-20	-68	-58	-87	125	-102
Balance sheet								
Fixed assets	95	101	103	102	43	33	28	31
Current assets	1,469	498	385	540	603	541	516	13
Cash and cash equivalents	559	513	604	490	491	612	698	1,042
Equity	1,934	895	919	929	993	1,047	1,129	994
Deferred tax liabilities	-	-	12	12	12	12	-	-
Lease liabilities	51	54	56	60	4	5	3	6
Current liabilities	138	163	106	131	127	122	110	86

	2025 Q1	2024 Q4	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2
Cash flow								
From operating activities	12	-27	-80	-94	-114	126	-53	-64
From investing activities	35	-69	192	96	-13	-205	-302	-1
From financing activities	12	1	4	-1	2	1	11	1
Cash flow for the period	59	-95	116	-0	-126	-78	-344	-65
Key ratios								
Equity/asset ratio, %	91.1	80.5	84.0	82.1	87.4	88.2	90.9	91.5
Return on equity, %	72.2	-3.5	-2.1	-7.1	-5.6	-8.0	11.8	-9.8
Data per share								
Earnings per share before dilution, SEK	11.55	-0.36	-0.22	-0.77	-0.65	-0.99	1.42	-1.16
Earnings per share after dilution, SEK	11.53	-0.36	-0.22	-0.77	-0.65	-0.99	1.42	-1.16
Equity per share, SEK	21.85	10.13	10.39	10.52	11.24	11.85	12.78	11.27
Cash flow operating activities per share, SEK	0.13	-0.31	-0.91	-1.07	-1.30	1.42	-0.60	-0.73
Share price at the end of the period, SEK	184.50	199.50	158.50	228.80	215.40	267.80	283.00	282.00
Number of shares outstanding, thousands	88,528	88,389	88,375	88,335	88,323	88,315	88,299	88,226
Average number of shares outstanding, thousands	88,459	88,382	88,355	88,329	88,319	88,307	88,263	88,204

PARENT COMPANY

Financial statements

There are no items recognized as other comprehensive income in the Parent Company. Accordingly, total comprehensive income matches profit for the year.

PARENT COMPANY INCOME STATEMENT

	Q1		Jan-Dec
kSEK	2025	2024	2024
Net revenues (note 4)	1,289,612	29,639	257,352
Cost of sales	-11,444	-2,236	-26,984
Gross margin	**1,278,167**	**27,403**	**230,368**
Research and development cost	-84,633	-62,973	-311,145
Marketing and sales cost (note 5)	-19,333	-12,983	-57,149
General and administration cost	-27,490	-26,426	-94,450
Other operating income (note 5)	843	2,011	3,781
Other operating expenses	-73,166	-700	-2,579
Total operating expenses	**-203,778**	**-101,071**	**-461,542**
Operating profit/loss	**1,074,389**	**-73,668**	**-231,173**
Interest income and similar items	4,942	15,716	40,815
Interest expenses and similar items	-13,673	-37	-119
Financial items net	**-8,731**	**15,680**	**40,696**
Profit/loss after financial items	**1,065,658**	**-57,988**	**-190,476**
Change in tax allocation reserves	-	-	60,122
Profit/loss before tax	**1,065,658**	**-57,988**	**-130,356**
Tax	-44,436	31	263
Profit/loss for the period	**1,021,222**	**-57,957**	**-130,091**

PARENT COMPANY BALANCE SHEET

kSEK	31 Mar 2025	31 Mar 2024	31 dec 2024
Assets			
Tangible fixed assets	37,014	33,108	39,407
Deferred tax assets	884	564	797
Other financial assets	3,529	3,520	3,511
Cash and cash equivalents	555,404	488,385	509,301
Short term investments	230,000	500,000	265,989
Other current assets	1,243,006	105,638	235,098
Total assets	**2,069,837**	**1,131,215**	**1,054,103**
Equity and liabilities			
Equity	1,930,930	943,213	892,324
Tax allocation reserve	-	60,122	-
Other current liabilities	70,665	88,087	95,144
Accrued expenses and deferred income	68,241	39,793	66,635
Equity and liabilities	**2,069,837**	**1,131,215**	**1,054,103**

Notes

NOTE 1 GENERAL INFORMATION

This interim report for the period January – March 2025 covers the Swedish Parent Company BioArctic AB (publ), Swedish Corporate Identity Number 556601-2679, and the fully owned subsidiaries BioArctic Denmark ApS, BioArctic Finland Oy and BioArctic Norway A/S. The Group's business operations are mainly conducted in the Parent Company. The Nordic subsidiaries belong to the commercial organization whose main activity is aimed at preparing for the launch of lecanemab in the Nordics. BioArctic is a Swedish limited liability company registered in and with its registered office in Stockholm. The head office is located at Warfvinges väg 35, SE-112 51, Stockholm, Sweden.

NOTE 2 ACCOUNTING PRINCIPLES

The consolidated financial statements for BioArctic AB (publ) have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted by the EU, the Annual Accounts Act and the Swedish Financial Reporting Board's RFR 1 Supplementary Accounting Rules for Groups. The Parent Company's financial statements are presented in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities.

The interim report for the period January – March 2025 is presented in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. Disclosures in accordance with IAS 34 are presented both in notes and elsewhere in interim report. The accounting principles and calculation methods applied are in accordance with those described in the Annual Report 2024. New and amended IFRS standards and interpretations applied from 2025 have not had a material impact on the financial statements.

IFRS 18 Design and disclosures in financial reports becomes applicable for fiscal years beginning on or after January 1, 2027. The standard will replace IAS 1 The presentation of financial statements and introduce new requirements that will help achieve comparability in the performance reporting of similar companies and provide users with more relevant information and transparency. IFRS 18 will not affect the accounting or valuation of items in the financial statements, i.e. have no effect on the net result. In 2025, management will begin evaluating the consequences of the application of the new standard. No other standards, amendments and interpretations concerning standards that have not yet entered into force are expected to have any material effect on BioArctic's financial statements.

The guidelines of the European Securities and Markets Authority (ESMA) on alternative performance measures have been applied. This involves disclosure requirements for financial measures that are not defined by IFRS. For performance measures not defined by IFRS, see the Calculations of key figures section.

NOTE 3 SEGMENT INFORMATION

An operating segment is a part of the Group that conducts operations from which it can generate income and incur costs and for which independent financial information is available. The highest executive decision-maker in the Group follows up the operations on aggregated level, which means that the operations constitute one and the same segment and thus no separate segment information is presented. The Board of Directors is identified as the highest executive decision maker in the Group.

NOTE 4 NET REVENUES

	Q1		Jan-Dec
kSEK	2025	2024	2024
Geographic breakdown of net revnues			
Europe	3,613	2,921	11,660
North America	1,125,475	18,284	144,515
Asia	160,479	8,434	101,130
Others	44	-	47
Total net revenues	**1,289,612**	**29,639**	**257,353**
Net revenues per revenue type			
Royalty	95,958	21,295	230,410
Co-promotion	3,439	2,921	11,530
Milestone payments	1,187,206	-	-
Research collaborations	3,009	5,423	15,412
Total net revenues	**1,289,612**	**29,639**	**257,352**

BioArctic's net revenues consist of royalties based on sales of lecanemab, co-promotional income, milestone payments and payments from research collaborations with Eisai in Alzheimer's disease. Revenues reported are divided as:

- In total royalty income amounted to SEK 96.0 M (21.3) in the first quarter. The compensation received from Eisai includes two parts; royalty income to BioArctic of 9 percent on global sales, excluding the Nordics, and compensation of 1 percent of sales in the USA and 1.5 percent of sales in the rest of the world which BioArctic pays to LifeArc for the royalty commitments BioArctic has towards LifeArc.
- BioArctic has a collaboration agreement with Eisai, co-promotion, where the parties contribute with resources with the aim of jointly selling lecanemab in the Nordic countries. The result from the collaboration is split evenly between the parties. In the first quarter compensation from this agreement for incurred costs amounted to SEK 3.4 M (2.9). The incurred costs that are reimbursed aim to prepare for launch.
- During the first quarter SEK 112.4 M (-) were recognized as milestone payments.
- During the first quarter BioArctic had ongoing research collaboration agreements with Eisai. During the quarter SEK 3.0 M (5.4) was recognized as revenue from these collaboration agreements.

NOTE 5 INTRA-GROUP PURCHASES AND SALES

The parent company had no income from group companies during the first quarter (SEK 0.04 M). Income from group companies previous year consisted of forwarded costs. The parent company's costs from group companies related to services rendered amounted to SEK 7.2 M (5.5) for the first quarter.

NOTE 6 RELATED PARTY TRANSACTIONS

Remuneration to senior management has been paid in accordance with current policies. This includes allocation of share rights from the decision of the 2024 Annual General Meeting on the issuance of the share rights program. During the first quarter the company had no expenses regarding consulting services from Ackelsta AB, which is owned by board member Pär Gellerfors of (SEK 0.1 M). All transactions have been carried out at market conditions.

NOTE 7 ADJUSTMENT FOR NON-CASH ITEMS

	Q1		Jan-Dec
	2025	2024	2024
Depreciation, amortization and impairment losses reversed	3,132	2,089	10,719
Changes in provisions and pension obligations, etc.	5,515	3,014	19,334
Financial costs/ Fin gain, reversed	71,078	-1,883	-2,096
Adjustment for non-cash items	**79,725**	**3,219**	**27,956**

Definition of key ratios

In this financial report BioArctic reports key financial ratios, some of which are not defined by IFRS. The Company's assesses that these key ratios are important additional information, since they enable investors, securities analysts, management of the company and other stakeholders to better analyze and evaluate the company's business and financial trends. These key ratios should not be analyzed separately or replace key ratios that have been calculated in accordance with IFRS. Neither should they be compared to other key ratios with similar names applied by other companies, as key ratios cannot always be defined in the same way. Other companies may calculate them in a different way than BioArctic.

The key ratios "Net revenues", "Result for the period", "Earnings per share" and "Cash flow from operating activities" are defined according to IFRS..

Key ratios	Definition
Other income	Other income than net revenue
Operating profit	Result before financial items
Operating margin, %	Operating profit divided by net revenues
Cash flow from operating activities per share, SEK	The cash flow from operating activities for the period divided by the weighted number of shares
Cash and cash equivalents and short term investments	Bank balances and short term investments with a term no longer than one year
Equity/asset ratio, %	Adjusted equity divided by total assets
Return on equity, %	Net income divided by equity expressed as a percentage
Equity per share	Adjusted equity divided by the number of shares at the end of the period

Glossary

A

Accelerated approval
An application process which gives an opportunity for an early approval of a drug candidate, where the company at a later stage is required to present additional data to verify clinical effect in order to receive full marketing approval.

Alfa-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 group of motor neuron diseases.

Amyloid beta (Aβ)
A naturally occurring protein in the brain that, in conjunction with Alzheimer's disease, misfolds into harmful structures in brain cells. Amyloid beta form the plaque around brain cells visible in patients with Alzheimer's disease.

Antibody
A biological molecule originating in the immune system that binds to a target molecule with a high degree of accuracy.

ApoE (Apolipoprotein E)
ApoE transports fats in the blood. ApoE 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
Combined cerebral microhemorrhages, cerebral macrohemorrhages, and superficial siderosis.

B

Binding profile
A binding profile specifies in which way, 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™-technology
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

C

CNS - Central nervous system
The part of the body's nervous system comprising the brain and spinal cord.

Clinical studies
Drug trials performed in human subjects.

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 higher dose.

Drug candidate
A drug under development that has not yet gained marketing approval.

E

Early Alzheimer's disease
Mild cognitive impairment due to Alzheimer's disease and mild Alzheimer's disease.

F

Fast Track Designation
Fast Track designation is an FDA program intended to facilitate and expedite the development and review of drugs for serious or life-threatening conditions.

FDA
The US Food and Drug Administration.

L

Lecanemab-irmb
Lecanemab has been given the -irmb add-on by the FDA for the approved substance. -irmb is a suffix assigned by the FDA. Suffixes are used to differentiate originator biological products, related biological products, and biosimilar products containing related drug substances

Licensing
Agreement where a company that has invented a drug gives another company the right to further develop and sell the drug for certain payments.

M

Milestone payment
Financial remuneration received as part of a project or collaboration agreement once a specified goal has been achieved.

Monomer
An individual molecule with the ability to bind to other similar molecules to form larger structures such as oligomers and protofibrils.

N

Neurodegenerative disease
A disease that entails a gradual breakdown and degeneration in brain and nervous system function.

O

Oligomer
Molecules consisting of a number of monomers.

Open-label extension study
Clinical study conducted after a completed randomized and placebo-controlled study in which all patients receive active substance.

P

Pathology
The study of diseases and how they are diagnosed, through analysis of molecules, cells, tissues and organs.

Phase 1 studies
Studies the safety and tolerability of a drug. Performed in a limited number of healthy human volunteers or patients.

Phase 2 studies
Studies the safety and efficacy of a drug. Performed in a limited number of patients. Later stages of phase 2 studies can be called phase 2b and evaluate the optimal dose of the studied drug.

Phase 3 studies
Confirms the efficacy and safety of a drug. Performed in a large number of patients.

Placebo-controlled
A study design in research which means that some of the patients receive inactive compound to obtain a relevant control group.

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 in humans.

Product candidate
A product under development that has not yet gained marketing approval.

Protofibril
A harmful 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 and gives rise to Parkinson's disease.

R

Research phase
Early research focused on studying and elucidating the underlying molecular disease mechanisms and generation of potential drug candidates.

S

Selective binding
The affinity of a molecule for binding to a specific receptor.

Subcutaneous treatment
That the drug is given to the patient through an injection under the skin.

T

Tau
A protein which 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).

Titration of dose
Stepwise increase in medication dose in order to achieve a certain 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.

Truncated amyloid beta
Shortened (truncated) forms of the amyloid beta protein.