APRIL – JUNE 2025

BIOARCTIC

Interim Report

Increasing Leqembi® royalties and new partnership with Novartis

Events during the second quarter 2025

- The European Commission granted Marketing Authorisation (MA) for Leqembi (lecanemab), triggering a milestone payment of EUR 20 M from Eisai
- The EU granted Exidavnemab orphan designation for multiple system atrophy (MSA) and the European Patent Office extended patent protection until 2041
- Approval to include MSA patients in the phase 2a study with exidavnemab
- 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
- The safety review of the first part of the phase 2a study with exidavnemab supported initiating the second part of the study with a higher dose
- BioArctic launched 2030 ambitions at Capital Markets Day

Events after the second quarter 2025

- The latest findings on lecanemab were presented at the AAIC conference which:
  - showed that early and continued treatment with lecanemab indicated increasing benefit after four years with maintained safety profile
  - real world data from nine US clinics where 84% of patients did not progress to the next stage of the disease, with safety data in line with the Clarity AD study
  - confirmed appropriateness of 360 mg weekly subcutaneous dosing for maintenance treatment, and equivalency with current IV maintenance treatment
- Leqembi launch initiated in the EU, starting in Austria and Germany
- Option, collaboration and license agreement signed with Novartis, with an upfront payment of USD 30 million plus additional potential milestones and royalties

Financial summary April – June 2025

- Net revenues amounted to SEK 392.1 M (49.8), of which SEK 162.5 M (42.6) in royalties for Leqembi
- Operating profit amounted to SEK 179.1 M (-75.8)
- Profit for the period amounted to SEK 96.6 M (-68.4)
- Earnings per share before dilution amounted to SEK 1.09 (-0.77)
- Earnings per share before and after dilution amounted to SEK 1.09 (-0.77)
- Cash flow from operating activities amounted to SEK 1,147.1 M (-94.3)
- Cash and cash equivalents and short-term investments at the end of the period amounted to SEK 1,916.1 M (889.7)

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.

KEY FINANCIAL PERFORMANCE INDICATORS

	Q2		Jan-Jun		Jan-Dec
SEK M	**2025**	**2024**	**2025**	**2024**	**2024**
Net revenues	392.1	49.8	1,681.7	79.5	257.4
Of which royalty revenue	162.5	42.6	258.4	63.9	230.4
Total operating expenses	-192.6	-120.9	-395.5	-221.4	-458.9
Share of R&D of total operating expenses	58%	69%	50%	66%	68%
Operating profit/loss	179.1	-75.8	1,254.3	-148.9	-228.5
Profit/loss for the period	96.6	-68.4	1,118.0	-126.0	-177.1
Earnings per share before dilution, SEK	1.09	-0.77	12.64	-1.43	-2.00
Earnings per share after dilution, SEK	1.09	-0.77	12.61	-1.43	-2.00
Cash flow from operating activities	1,147.1	-94.3	1,158.9	-208.7	-316.3
Cash, cash equivalents and short term investments	1,916.1	889.7	1,916.1	889.7	778.9
Share price at the end of the period, SEK	178.70	228.80	178.70	228.80	199.50

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

CEO comment

It has been an eventful and very positive period since our last report. We have seen strong data for Leqembi, a clear increase in sales, continued progress in our development portfolio, and successfully held our first Capital Markets Day. After the end of the second quarter, we also signed a new collaboration agreement with another of the world's largest pharmaceutical companies. We are already starting to deliver on our newly launched ambitions for 2030.

I am particularly excited about our new agreement with Novartis, announced this week. It differs from our previous collaborations as it combines our BrainTransporter™ technology with one of Novartis' own drug candidates. This is an important recognition of the growing need for precision neurology and of the unique potential of our BrainTransporter platform in particular. The agreement includes an upfront payment of USD 30 million to BioArctic. In the initial research collaboration, we will develop a new drug candidate by combining the BrainTransporter technology with an antibody developed by Novartis. Should Novartis decide to exercise its option after the evaluation, they will assume full responsibility for global development and commercialization. This could result in additional milestone payments of up to USD 772 million, as well as tiered mid-single digit, royalties on future global sales. The agreement highlights the increasing recognition that future treatments for brain diseases will likely require innovative delivery mechanisms – and that our technology is at the forefront of this transformation.

Turning to Leqembi, we continue to see strong momentum. Sales increased significantly during the quarter and our royalty revenue reached SEK 162.5 million – an increase of around 280 percent compared with the same quarter last year, and approximately 60 percent compared with the previous quarter. We are looking forward to seeing the development in the EU now that the launch has just started in Austria and soon also in Germany. In the Nordics, Eisai has now submitted dossiers regarding price and recommended use to all relevant authorities in all countries and the launch preparations are progressing as planned. The growing number of patients benefiting from Leqembi also means that more and more data is being generated on how the drug works outside of clinical trials. At the AAIC conference (Alzheimer's Association International Conference) at the end of July, several presentations addressed precisely this. One of the highlights was data from an ongoing real world evidence study at nine clinics in the USA, which showed that 84 percent of patients treated with Leqembi remained stable or improved after an average of one year of treatment, while safety data were in line with phase 3. These are very strong data, and I look forward to seeing results from the full study towards the end of 2025. Eisai also presented new data from the phase 3 open label extension study, showing that for patients treated with lecanemab for four years, the disease progression was delayed by about a year compared to the natural course of the disease, and the benefit increased the longer the patients remained on treatment. Lastly, data from studies regarding the subcutaneous dosing form of Leqembi, which supported the application currently being reviewed by the FDA in terms of pharmacokinetics, efficacy, safety and usage. Subcutaneous dosing will allow patients to easily and within 15 seconds be treated at home, enabling continued treatment without visiting an infusion center.

In addition to Eisai's presentations at AAIC, new guidelines for the use of blood biomarkers in the diagnosis process were presented. This will have a major impact on the possibility to find and diagnose more patients at an early stage, which is important for achieving the best possible effect with Leqembi. An indirect treatment comparison study was also presented, concluding that Leqembi has the lowest risk of ARIA-related side effects out of the two anti-amyloid antibodies available on the market.

Exidavnemab, our most advanced project within alpha-synucleopathies such as Parkinson's disease and multiple system atrophy (MSA), has made considerable progress during the quarter. First and foremost, the first part of the phase 2a study has been completed with results that support continued development and have allowed us to proceed to the higher dose in the second part of the study. Initially, we intended to include only Parkinson's patients but will now also include twelve MSA patients in part two. This is particularly important as we have received orphan designation for exidavnemab in both the US and EU for the MSA indication, which among other things enables a faster development path going forward.

> We are already starting to deliver on our newly launched ambitions for 2030.

Finally, at our capital markets day, we launched our ambitions for 2030 focused on establishing Leqembi as treatment for Alzheimer's disease, building a broader and more balanced pipeline, adding more global long-term partnerships and becoming sustainably profitable, enabling recurring dividends. To achieve this, we will increase our investments in innovation while broadening our focus in severe brain diseases. Guided by our 2030 ambitions, we will continue to build BioArctic for the benefit of both patients and shareholders.

With steadily increasing royalty revenues, a drug soon ready for launch in Europe and the Nordics, an additional BrainTransporter partnership, and an organization prepared for the next step on our journey, the future looks bright for BioArctic.

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 severe brain 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 where science defeats severe brain diseases

Mission

BioArctic is a biopharmaceutical company pioneering precision neurology. With world-leading science and strong collaborations, we create, develop, and provide innovative treatments for patients with severe brain diseases

BioArctic is entering into a new growth era with focus on:

- Accelerating innovation
- Business development
- Making our science accessible to more patients than ever before

Leading Research & Development in 2 areas

- BioArctic is at the forefront of two different areas: developing selective antibodies against misfolded proteins and transporting drugs across the blood-brain barrier into the brain
- Based on core competencies in medical understanding of neurodegenerative diseases and knowledge in antibody and protein technology, we develop new innovative drug candidates for e.g. Alzheimer's disease, Parkinson's disease and ALS as well as improved uptake of both our own and other drugs 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

Ambitions for 2030 on our way towards becoming Sweden's next major biopharma company

Leqembi – an established treatment for Alzheimer's disease
Balanced and broader pipeline with projects in all stages of development
Additional successful global partnerships
Profitable with recurring dividends

Partnership as strategy

- 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
- Our world-leading BrainTransporter technology is generating great interest in the industry, and we are continuously discussing and evaluating new partnership opportunities

Project portfolio[1)]

BioArctic has a broad research portfolio within, among other things Alzheimer's disease, Parkinson's disease, ALS and enzyme deficiency diseases. 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 major pharmaceutical companies, 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)[2)]	Eisai							
Lecanemab (s.c.)[3)]	Eisai							
Lecanemab (presymtomatic treatment)	Eisai							
Lecanemab back-up	Eisai							
BAN1503 (PyroGlu Aβ)	BMS[4)]							
Parkinson's disease								
Exidavnemab (α-synuclein)								
ALS								
ND3014 (TDP-43, ALS)								
Other CNS diseases								
Lecanemab (other indications)								

BrainTransporter

	Partner	Research	Preclinical	Phase 1	Phase 2	Phase 3	Regulatory Phase	Market
Alzheimer's disease								
BAN2803 (PyroGlu Aβ with BT[6)]	BMS[4)]							
BAN2802	Eisai[5)]							
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) As per June, 30, 2025 2) Intravenous treatment 3) Subcutaneous treatment 4) Bristol Myers Squibb 5) Research evaluation agreements with Eisai 6) 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. The drug lecanemab is approved in the US, Japan, China, Great Britain, in the EU and several other countries under the brand name Leqembi. The development and the commerzialisation of Leqembi against Alzheimer's disease is being financed and pursued by BioArctic's partner Eisai. Eisai 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 combined with the BrainTransporter technology.

Drug 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 and the commerzialisation 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. The antibody selectively binds to, neutralizes and eliminates soluble toxic amyloid beta (Aβ) aggregates (protofibrils) that are thought to drive the neurodegenerative process in Alzheimer's disease, but also removes insoluble aggregates (fibrils) that make up the plaque in the brain and are associated with the disease.

Results from the large pivotal Phase 3 study Clarity AD showed that lecanemab reduced clinical decline from baseline compared to placebo with 27 percent, with high statistical significance (p=0.00005), with less than one percent of patients experiencing severe adverse events.

An open-label extension study of Clarity AD is ongoing, and Eisai has presented four-year data showing that lecanemab treatment continues to provide increasing benefit in patients with a maintained safety profile. In addition, data from the patient group in the earliest stages of the disease show that 69% of patients remained stable or showed improvement in cognition and function after four years.

Since July 2020, Eisai's phase 3 study (AHEAD 3-45) of lecanemab for individuals with preclinical Alzheimer's disease, having intermediate or elevated levels of amyloid in their brains but no symptoms, is ongoing. The program aims to investigate whether four-year treatment with lecanemab can reduce the risk of developing Alzheimer's disease in this group. The study is fully recruited, and results are expected in 2028.

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

On April 15, 2025, the European Commission granted Marketing Authorisation for lecanemab which applies to all 27 EU member states as well as Iceland, Liechtenstein and Norway. Lecanemab has to date been approved in over 45 markets. During the second quarter and up until publication of this report, the drug was approved in the EU, Qatar, Singapore, Thailand, Saudi Arabia, Kuwait and Bahrain.

In January 2025 the USFDA approved Eisai's Supplemental Biologics License Application (sBLA) for less frequent intravenous (IV) maintenance dosing with lecanemab. Further, the authority accepted Eisai's application for subcutaneous maintenance treatment with autoinjector with lecanemab. The PDUFA date was set to August 31, 2025.

Lecanemab back-up (collaboration with Eisai)

The antibody is a refined version of lecanemab for the treatment of Alzheimer's disease and was developed in collaboration with Eisai, resulting in a new license agreement in 2015. Eisai runs and finances this preclinical stage project.

Drug project BAN2802 (research evaluation agreement with Eisai)

BAN2802 is a potential new antibody treatment against Alzheimer's disease which is combined with the blood-brain barrier technology, BrainTransporter (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 licensing agreement with Bristol Myers Squibb)

BioArctic has signed a 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.

Substance patents have been granted for exidavnemab 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 exidavnemab showed that the substance was generally well tolerated, with a half-life of approximately 30 days.

During the fourth quarter 2024, BioArctic initiated a phase 2a study (Exist)of exidavnemab in individuals with Parkinson's disease.

During the second quarter of 2025, the first part of the study was completed and the safety review supported progressing to the next stage with a higher dos. The second part of the phase 2a has now been initiated and will include two cohorts, one with Parkinson's disease and one with multiple system atrophy (MSA). 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.

Exidavnemab has been granted orphan drug designation for the treatment of MSA in both the US and EU.

BioArctic's project portfolio in Parkinson's disease also includes PD-BT2238, a project 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 as a result of 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)

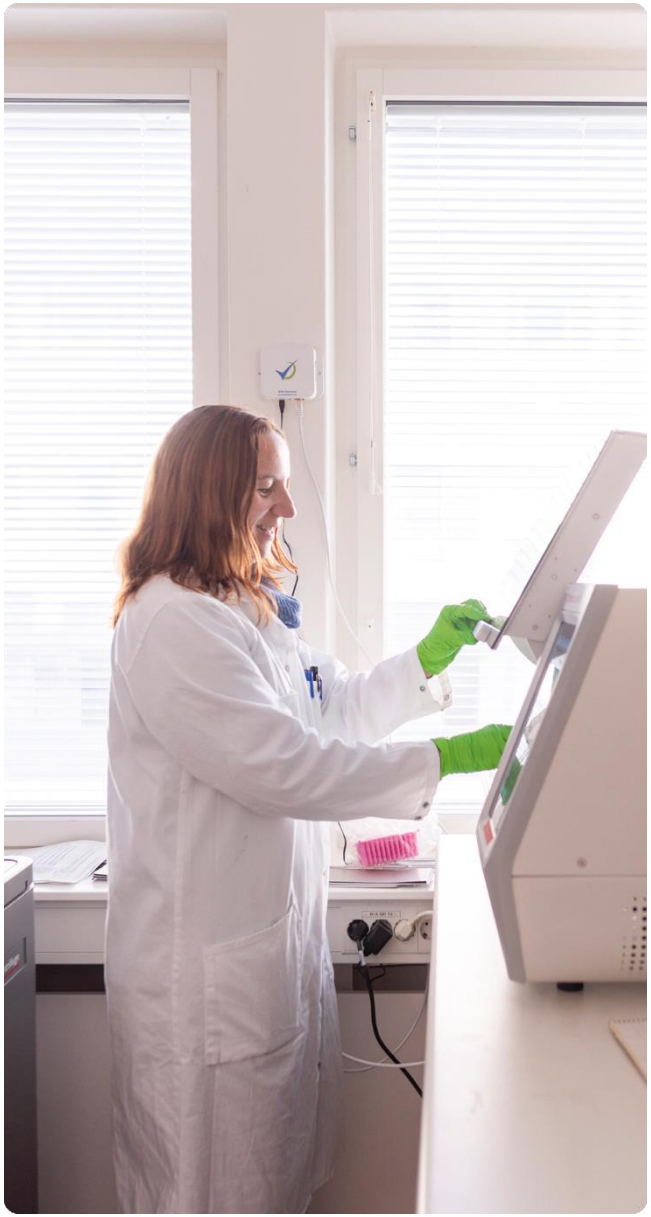
The blood-brain barrier controls the passage of substances between the blood and the brain. It protects the brain from harmful substances, but at the same time makes it difficult for drugs to reach the brain. BioArctic has developed a BrainTransporter technology, which has demonstrated a profound increase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

In August 2025, BioArctic signed an option, collaboration and license agreement with Novartis Pharma AG regarding a potential new treatment combining BioArctic's proprietary BrainTransporter technology with an undisclosed target in neurodegeneration.



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 second quarter amounted to SEK 392.1 M (49.8). Net revenues included a milestone payment of SEK 223.1 M (-) from Eisai and SEK 162.5 M (42.6) in royalties for Leqembi sales, mainly for the USA, Japan and China. The increase in sales in China is partly a one-time effect connected to inventory replenishment. Net revenues also include SEK 2.7 M (4.5) in revenue from research collaboration agreements and SEK 3.9 M (2.7) in co-promotion revenues from commercialization of lecanemab in the Nordic region with Eisai. Net revenues for the first half of the year amounted to SEK 1,681.7 M (79.5). During the first quarter 2025 an upfront payment of SEK 1,074.8 M (-), (USD 100 M) was received for the new license agreement with Bristol Myers Squibb. Revenues also included two milestone payments from Eisai of SEK 335.8 M. Cost of sales, consisting of royalties paid for the commitments that BioArctic has towards LifeArc for Leqembi, amounted to SEK 20.5 M (4.8) during the second quarter and to SEK 31.9 M (7.0) for the first half of the year.

Operational expenses for the business amounted to SEK 192.6 M (120.9) for the second quarter and to SEK 395.5 M (221.4) for the first half of the year, where the cost increase mainly is explained by currency effects.

Costs for research- and development increased to SEK 111.9 M (83.5) during the quarter, as several in-house projects have progressed to a later phase. For the first half of the year the costs amounted to SEK 196.5 M (146.5). 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 19.6 M (15.5) as a consequence of a growing commercial organization and work to prepare for the launch of lecanemab in the Nordics. For the first half of the year the costs amounted to SEK 38.4 M (28.1). General and administration costs increased to SEK 29.5 M (21.4) for the quarter and to SEK 56.7 M (47.7) for the first half year period.

Other operating income relates to operating exchange rate gains and amounted to SEK 4.2 M (0.6) in the second quarter and for the first half of the year to SEK 5.1 M (2.5).

Other operating expenses amounted to SEK 35.8 M (1.0) in the second quarter. For the first half of the year the expenses amounted to SEK 109.0 (1.7) and consisted mainly of exchange rate losses of an operating nature attributable to revenue from Bristol Myers Squibb.

Operating profit before net financial items (EBIT) amounted to SEK 179.1 M (-75.8) for the second quarter and to SEK 1,254.3 M (-148.9) for the first half year period. The increased result for the period is a consequence of the upfront payment from Bristol Myers Squibb and increasing royalties.

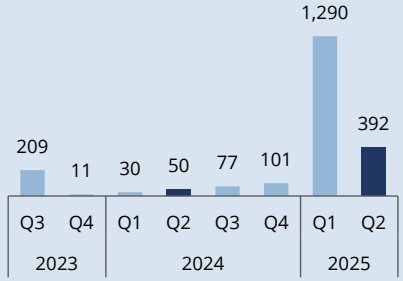
Net financial items totaled SEK -7.6 M (7.4) for the second quarter and to SEK -16.9 M (23.0) for the first half year. The decrease is primarily attributable to a stronger krona that negatively affected liquid assets in foreign currency.

Tax related cost totaled SEK 74.9 M (0.0) for the second quarter and to SEK 119.4 M (0.1) for the half year period.

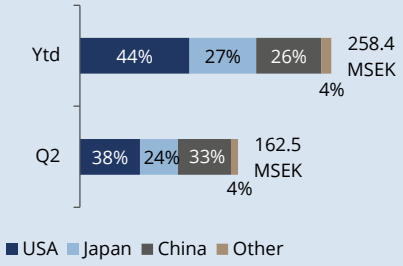
The profit for the period amounted to SEK 96.6 M (-68.4) for the second quarter and to SEK 1,118.0 M (-126.0) for the half year period.

Profit per share before and after dilution amounted to SEK 1.09 (-0.77) for the second quarter. For the first half of the year, earnings per share before dilution amounted to SEK 12.64 (-1.43) and after dilution to SEK 12.61 (-1.43).

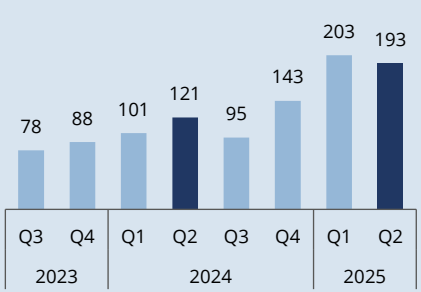
NET REVENUES (SEK M)



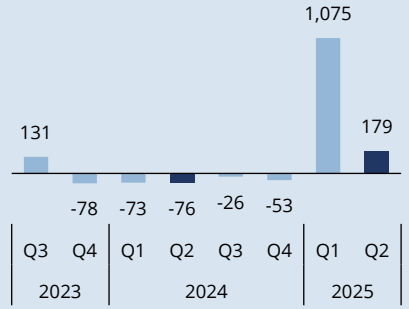
ROYALTIES BY COUNTRY (SEK M)



OPERATIONAL COSTS (SEK M)



OPERATING PROFIT/LOSS (SEK M)



Cashflow and investments

Cash flow from operating activities for the second quarter amounted to SEK 1,147.1 M (-94.3) and for the half-year period to SEK 1,158,9 M (-208.7). The main explanation for the improved cash flow during the quarter compared to the previous year are the milestone payments from Eisai and rising royalties. The increase during the half-year period is mainly explained by an upfront payment of SEK 1,074.8 M (-), (USD 100 M) that was received for the license agreement with Bristol Myers Squibb.

Cash flow from investing activities for the second quarter amounted to SEK -742.9 M (95.5) and for the half-year period to SEK -707.7 M (82.0). The change compared with the second quarter and for the half-year period last year is explained by the increase in short-term investments during 2025.

Cash flow from financing activities amounted to SEK 0.7 M (-1.3) for the quarter and to SEK 13.1 M (0.8) for the first six months 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 404.9 M (-0.1) and SEK 464,4 M (-125.9) for the half-year period. The improving cash flow quarter-on-quarter is attributable to a milestone payment from Eisai and for the half-year period the increase is attributable to the upfront payment from Bristol Myers Squibb.

Liquidity and financial position

Equity amounted to SEK 2,036.1 M as of June 30, 2025, compared with SEK 894.9 M as of December 31, 2024. This corresponds to equity per outstanding share of SEK 23.00 (10.13). The equity/asset ratio was 87.4 percent as of June 30, 2025, compared with 80.5 percent as of December 31, 2024.

The Group's cash and cash equivalents consist of bank balances of SEK 948.1 M (512.9). Short-term investments amount to SEK 968.0 M (266.0). Cash and cash equivalents and short-term investments amounted to a total of SEK 1,916.1 M as of June 30, 2025, compared with SEK 778.9 M as of December 31, 2024. There were no loans as of June 30, 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.

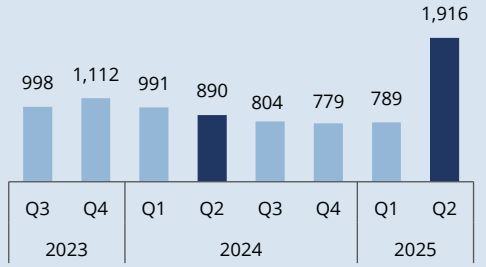
Events during the second quarter 2025

- The European Commission granted Marketing Authorisation (MA) for Leqembi® (lecanemab), triggering a milestone payment of EUR 20 M from Eisai
- The EU granted Exidavnemab orphan designation for multiple system atrophy (MSA) and the European Patent Office extended patent protection until 2041
- Approval to include MSA patients in the phase 2a study with exidavnemab
- 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
- The safety review of the first part of the phase 2a study with exidavnemab supported initiating the second part of the study with a higher dose
- BioArctic launched 2030 ambitions at Capital Markets Day

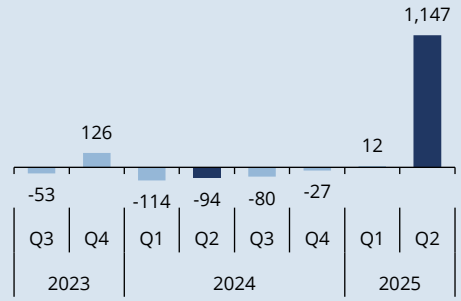
FINANCIAL POSITION (SEK M)

	30 Jun 2025	31 dec 2024
Non-current lease liabilities	34.6	41.1
Current lease liabilities	14.4	13.1
Cash, cash equivalents and short term investments	1,916.1	778.9
Net cash position	**1,867.2**	**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)

1 916

Other information

Events after the end of the second quarter

- The latest findings on lecanemab were presented at the AAIC conference which:
  - showed that early and continued treatment with lecanemab indicated increasing benefit after forty years with maintained safety profile
  - real world data from nine US clinics where 84% of patients did not progress to the next stage of their disease, with safety data in line with the Clarity AD study
  - confirmed appropriateness of 360 mg weekly subcutaneous dosing for maintenance treatment, and equivalency with current IV maintenance treatment
- Leqembi launch initiated in the EU, starting in Austria and Germany
- Option, collaboration and license agreement signed with Novartis, with an upfront payment of USD 30 million plus additional potential milestones and royalties

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 June 2025, BioArctic's patent portfolio consisted of 20 patent families with over 260 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 may provide additional funding and R&D expertise to the company's product candidates in earlier phase. Furthermore, collaborations may provide manufacturing, commercialization and marketing expertise, geographic reach 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 30 June 2025, up to EUR 54 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.

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.

In August 2025, BioArctic entered into an option, collaboration and license agreement with Novartis Pharma AG regarding a potential new treatment combining BioArctic's proprietary BrainTransporter technology with an undisclosed target in neurodegeneration. As part of the initial research collaboration, BioArctic will receive USD 30 million in upfront payment. Novartis will evaluate the data generated during the initial collaboration and decide whether to exercise their option to license any drug candidate generated. If Novartis exercises their option, BioArctic will be eligible to receive additional payments of up to USD 772 million. BioArctic will also be entitled to

tiered mid-single digit royalties on future global sales if the product reaches the market.

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 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 second quarter, the number of full-time employees was 119 (96) of which 78 (61) women and 41 (35) were men. 66 (67) percent of the employees work in R&D and of these 81 (83) percent are PhDs. The turnover rate in the quarter was 0.8 (0) percent.

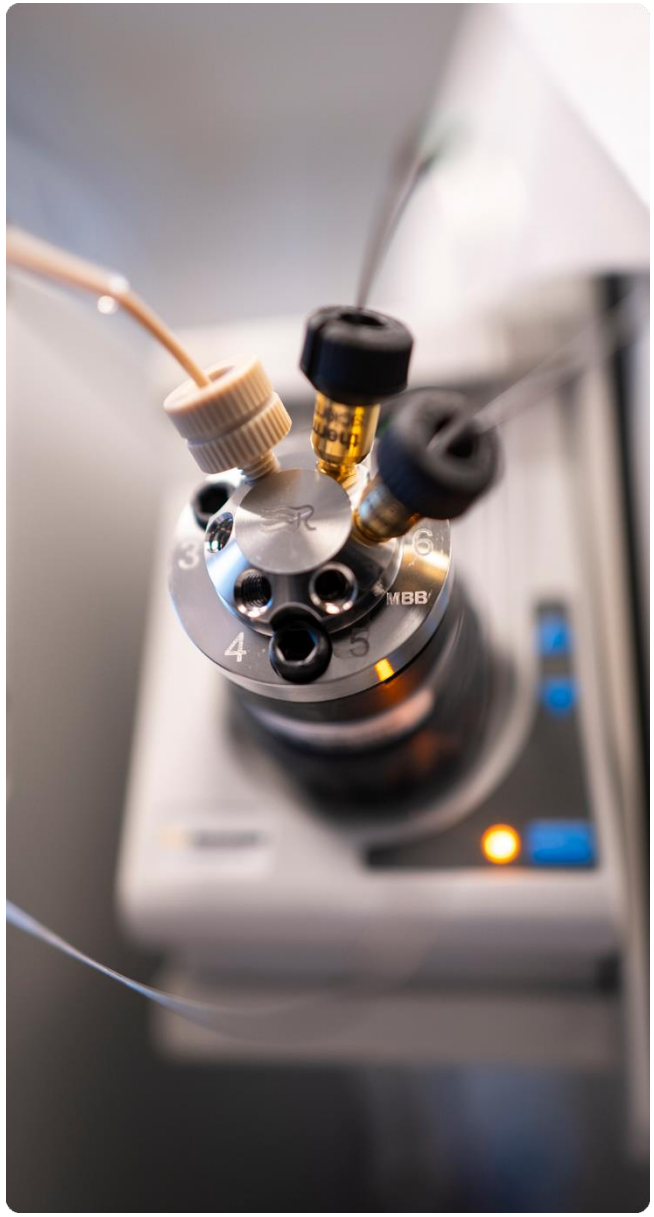
The share and shareholdings

The share capital in BioArctic amounts to SEK 1,770,630 divided by 88,531,485 shares which is split between 14,399,996 A-shares and 74,131,489 B-shares. The number of shares increased during the second quarter by 3,000 shares as a result 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.

LARGEST SHAREHOLDERS AS OF JUNE 30, 2025[2]

	Number		Share of (%)	
	A-shares	B-shares	capital, %	votes, %
Demban AB (Lars Lannfelt)	8,639,998	20,885,052	33.3	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
Nordea Funds	-	2,415,455	2.7	1.1
Lannebo Kapitalförvaltning	-	2,348,557	2.7	1.1
Unionen	-	2,175,973	2.5	1.0
Handelsbanken Funds	-	2,147,940	2.4	1.0
Third Swedish National Pension Fund	-	1,414,212	1.6	0.6
Vanguard	-	1,007,689	1.1	0.5
SEB Funds	-	853,700	1.0	0.4
Tot. 10 largest shareholders	**14,399,996**	**52,185,269**	**75.2**	**89.9**
Other	-	21,946,220	24.8	10.1
Total	**14,399,996**	**74,131,489**	**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)



Long-term incentive programs

BioArctic has four outstanding long-term share-related incentive programs, Employee Share Option Program 2019/2028, Performance Share Program 2023/2026, Performance Share Program 2024/2027 and Performance Share Program 2025/2028.

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 June 30, 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 June 30, 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 June 30, 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.

Long-term incentive program (program 2025/2028) is a performance share program aimed at the company's senior executives, researchers and other personnel and includes up to 210,000 PSUs. As of 30 June 2025, the number of outstanding and not yet exercised PSUs amounted to 194,000. The maximum dilution effect of the performance share program 2025/2028 is estimated to amount to 0.29 percent of the share capital and 0.12 percent of the votes in the company.

In total, the maximum dilution effect of the three incentive programs amounted to 1.07 percent of the shares and to 0.43 percent of the votes as of June 30, 2025.

Review and submission of report

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

Stockholm, Sweden, August 28, 2025

Eugen Steiner
Chairperson

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
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.

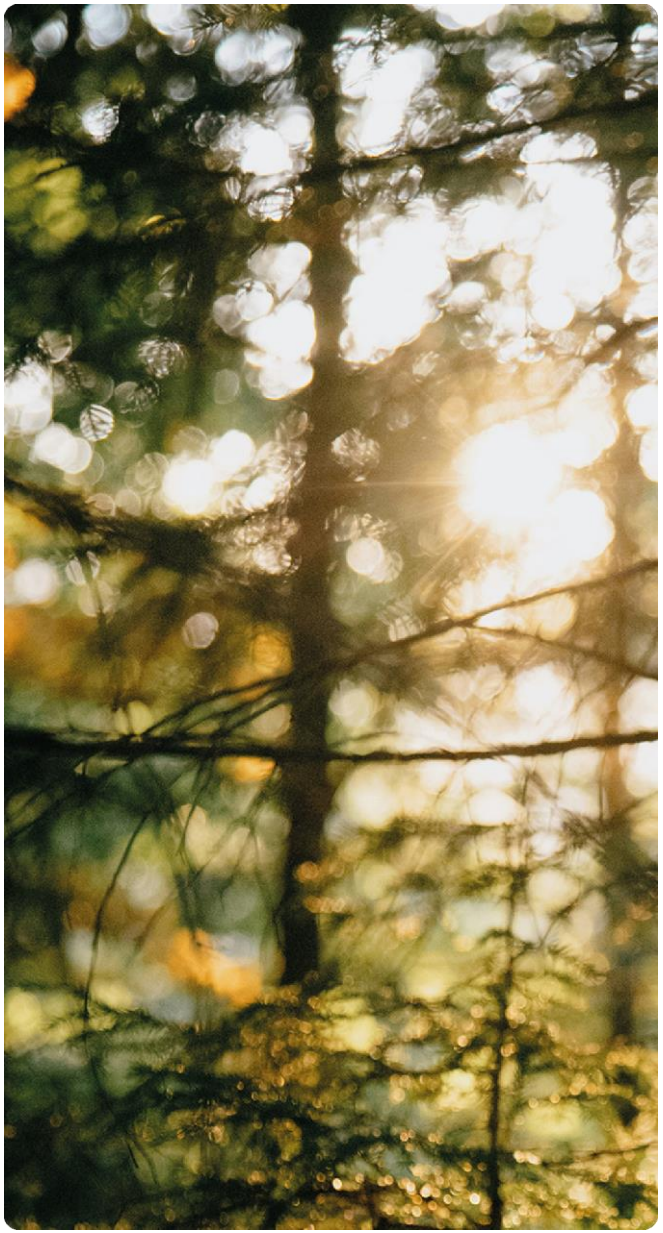
BioArctic's greatest contribution to contribute to a sustainable future is through innovation and the development of safe and effective drugs for diseases that affect the brain and where there is a great medical need. BioArctic conducts important research of the highest quality, which in turn requires 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, employee ship, 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 second 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 Q2 2025
Vehicle fleet 100% electric or plug-in hybrid	Achieved
Survey of Scope 1 and 2 emissions	Achieved
Survey of Scope 3 emissions	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 Q2 2025
100% follow up of workplace accidents	Follow-up of accidents and incidents
Employee satisfaction survey, eNPS>50	eNPS 80 2 measurements (65 Q2 2024)
Inclusion and diversity survey	Measurement carried out - no significant remarks. Training for all employees.
Total number of market approvals	Over 45 countries, in Q2: EU, Qatar, Singapore, Thailand

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 Q2 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 has been formed.

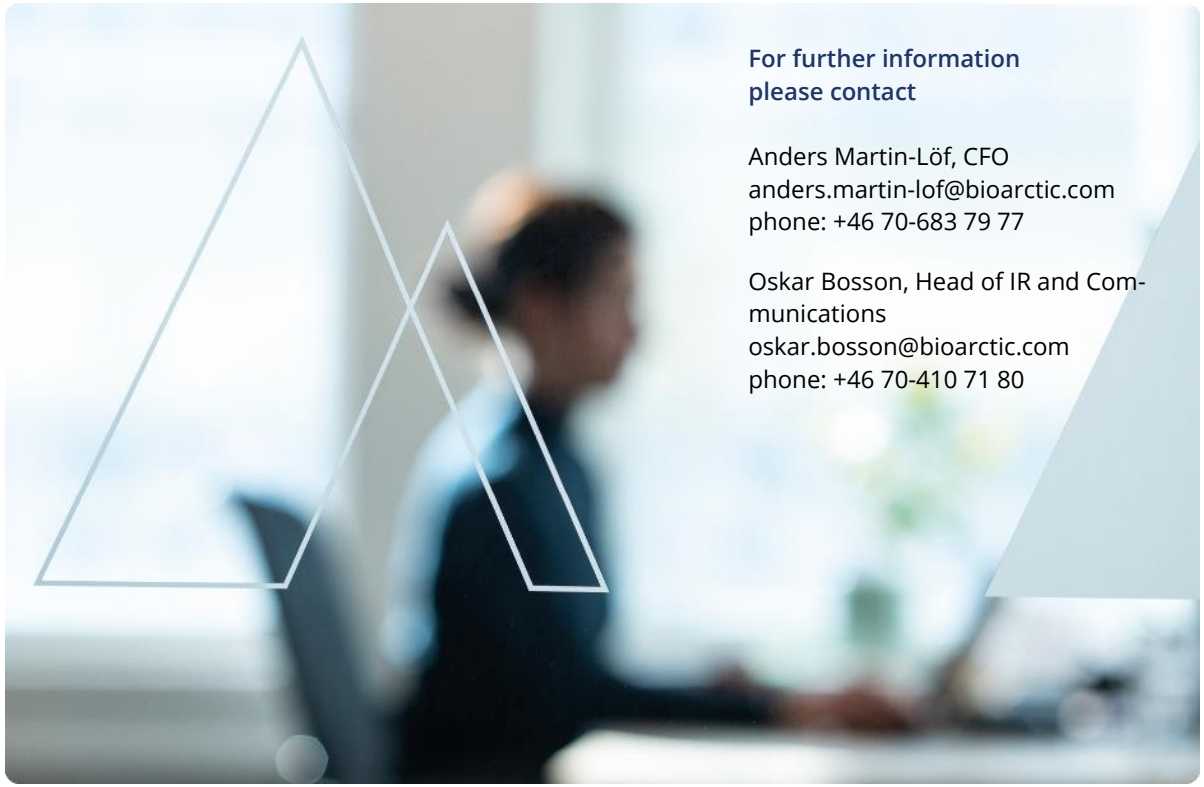
Invitation to presentation of the second quarter report for April – June 2025

BioArctic invites investors, analysts, and media to an audiocast with teleconference (in English) today, August 28, 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/q2-report-2025

Calendar 2025/2026

Quarterly 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
Quarterly Report JAN-MAR 2026	May 20, 2026 at 08:00 a.m. CEST
Annual General Meeting 2026	May 28, 2026 at 16:30 a.m. CEST
Half-year report JAN-JUN 2026	August 26, 2026 at 08:00 a.m. CEST



For further information please contact

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Telephone +46 (0)8 695 69 30
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GROUP

Financial statements

CONSOLIDATED INCOME STATEMENT

	Q2		Jan-Jun		Jan-Dec
kSEK	**2025**	**2024**	**2025**	**2024**	**2024**
Net revenues (note 4)	392,119	49,844	1,681,731	79,483	257,352
Cost of sales	-20,489	-4,811	-31,933	-7,047	-26,984
Gross margin	**371,631**	**45,033**	**1,649,798**	**72,435**	**230,369**
Research and development cost	-111,915	-83,523	-196,548	-146,497	-311,145
Marketing and sales cost	-19,570	-15,543	-38,400	-28,077	-55,461
General and administration cost	-29,482	-21,400	-56,653	-47,678	-93,380
Other operating income	4,196	559	5,092	2,543	3,740
Other operating expenses	-35,786	-968	-108,952	-1,667	-2,638
Total operating expenses	**-192,557**	**-120,874**	**-395,460**	**-221,376**	**-458,884**
Operating profit/loss	**179,074**	**-75,842**	**1,254,338**	**-148,940**	**-228,514**
Interest income and similar items	8,475	7,872	13,421	23,595	40,845
Interest expenses and similar items	-16,072	-460	-30,306	-573	-1,849
Financial items net	**-7,597**	**7,412**	**-16,885**	**23,022**	**38,995**
Profit/loss before tax	**171,477**	**-68,430**	**1,237,453**	**-125,918**	**-189,519**
Tax	-74,926	5	-119,430	-69	12,440
Profit/loss for the period	**96,552**	**-68,425**	**1,118,023**	**-125,988**	**-177,079**
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME					
Exchange rate differences connected to foreign operations	82	-21	-92	32	42
Comprehensive income for the period	**96,633**	**-68,446**	**1,117,931**	**-125,956**	**-177,038**
Earnings per share					
Earnings per share before dilution, SEK	1.09	-0.77	12.64	-1.43	-2.00
Earnings per share after dilution, SEK	1.09	-0.77	12.61	-1.43	-2.00

CONSOLIDATED BALANCE SHEET

kSEK	30 Jun 2025	30 Jun 2024	31 dec 2024
Assets			
Tangible fixed assets	38,765	35,027	39,451
Right-to-use assets	51,318	63,092	57,169
Deferred tax assets	1,220	679	957
Other financial assets	3,482	3,440	3,442
Cash and cash equivalents	948,138	489,679	512,927
Short term investments	968,007	400,000	265,989
Other current assets	318,746	140,060	231,746
Total assets	**2,329,677**	**1,131,976**	**1,111,681**
Equity and liabilities			
Equity	2,036,084	929,365	894,942
Deferred tax liabilities	-	12,385	-
Non-current lease liabilities	34,564	46,755	41,079
Current lease liabilities	14,427	12,950	13,149
Other current liabilities	150,415	69,046	94,173
Accrued expenses and deferred income	94,187	61,475	68,338
Equity and liabilities	**2,329,677**	**1,131,976**	**1,111,681**

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

kSEK	30 Jun 2025	30 Jun 2024	31 dec 2024
Opening balance at 1 January	894,942	1,046,575	1,046,575
Comprehensive income for the period	1,118,023	-125,988	-177,079
Share issue connected to exercised employee warrants	12,462	1,651	6,125
Share-based payments	10,576	7,095	19,280
Exchange rate differences	82	32	42
Closing balance	**2,036,084**	**929,365**	**894,943**

CONSOLIDATED STATEMENT OF CASH FLOW

	Q2		Jan-Jun		Jan-Dec
kSEK	2025	2024	2025	2024	2024
Operating profit	179,074	-75,842	1,254,338	-148,940	-228,514
Adjustment for non-cash items [4]	-65,344	10,207	14,381	13,426	27,956
Interest received/paid	7,827	8,633	12,175	19,086	32,655
Income tax paid	-10,475	-704	-50,167	1,410	-520
Cash flow from operating activities before changes in working capital	**111,083**	**-57,705**	**1,230,727**	**-115,017**	**-168,422**
Changes in operating receivables	920,502	-37,350	-86,989	-98,881	-190,564
Changes in operating liabilities	115,547	756	15,183	5,194	42,655
Cash flow from operating activities after changes in working capital	**1,147,132**	**-94,299**	**1,158,922**	**-208,704**	**-316,332**
Cash flow from investing activities	**-742,914**	**95,501**	**-707,679**	**82,033**	**205,633**
Cash flow from financing activities	**674**	**-1,316**	**13,126**	**808**	**5,686**
Cash flow for the period	**404,892**	**-114**	**464,369**	**-125,862**	**-105,013**
Cash and cash equivalents at beginning of period	558,566	491,031	512,927	611,567	611,567
Exchange rate differences in cash and cash equivalents	-15,320	-1,238	-29,158	3,975	6,374
Cash and cash equivalents at end of period	**948,138**	**489,679**	**948,138**	**489,679**	**512,928**

CONSOLIDATED QUARTERLY DATA

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

SEK M	2025 Q2	2025 Q1	2024 Q4	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3
Income statement								
Net revenues	392	1,290	101	77	50	30	11	209
Cost of sales	-20	-11	-12	-8	-5	-2	-1	-0
Total operating expenses	-193	-203	-143	-95	-121	-101	-88	-78
Operating profit/loss	179	1,075	-53	-26	-76	-73	-78	131
Operating margin, %	45.7	83.4	neg	neg	neg	neg	neg	62.7
Profit/loss for the period	97	1,021	-31	-20	-68	-58	-87	125
Balance sheet								
Fixed assets	95	95	101	103	102	43	33	28
Current assets	1,287	1,469	498	385	540	603	541	516
Cash and cash equivalents	948	559	513	604	490	491	612	698
Equity	2,036	1,934	895	919	929	993	1,047	1,129
Deferred tax liabilities	-	-	-	12	12	12	12	-
Lease liabilities	49	51	54	56	60	4	5	3
Current liabilities	245	138	163	106	131	127	122	110

	2025 Q2	2025 Q1	2024 Q4	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3
Cash flow								
From operating activities	1,147	12	-27	-80	-94	-114	126	-53
From investing activities	-743	35	-69	192	96	-13	-205	-302
From financing activities	1	12	1	4	-1	2	1	11
Cash flow for the period	405	59	-95	116	-0	-126	-78	-344
Key ratios								
Equity/asset ratio, %	87.4	91.1	80.5	84.0	82.1	87.4	88.2	90.9
Return on equity, %	4.9	72.2	-3.5	-2.1	-7.1	-5.6	-8.0	11.8
Data per share								
Earnings per share before dilution, SEK	1.09	11.55	-0.36	-0.22	-0.77	-0.65	-0.99	1.42
Earnings per share after dilution, SEK	1.09	11.53	-0.36	-0.22	-0.77	-0.65	-0.99	1.42
Equity per share, SEK	23.00	21.85	10.13	10.39	10.52	11.24	11.85	12.78
Cash flow operating activities per share, SEK	12.96	0.13	-0.31	-0.91	-1.07	-1.30	1.42	-0.60
Share price at the end of the period, SEK	178.70	184.50	199.50	158.50	228.80	215.40	267.80	283.00
Number of shares outstanding, thousands	88,531	88,528	88,389	88,375	88,335	88,323	88,315	88,299
Average number of shares outstanding, thousands	88,530	88,459	88,382	88,355	88,329	88,319	88,307	88,263

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

	Q2		Jan-Jun		Jan-Dec
kSEK	**2025**	**2024**	**2025**	**2024**	**2024**
Net revenues (note 4)	392,119	49,844	1,681,731	79,483	257,352
Cost of sales	-20,489	-4,811	-31,933	-7,047	-26,984
Gross margin	**371,631**	**45,033**	**1,649,798**	**72,435**	**230,368**
Research and development cost	-111,915	-83,523	-196,548	-146,496	-311,145
Marketing and sales cost (note 5)	-20,092	-16,017	-39,425	-29,001	-57,149
General and administration cost	-29,791	-21,671	-57,281	-48,097	-94,450
Other operating income (note 5)	4,226	572	5,069	2,584	3,781
Other operating expenses	-35,786	-922	-108,952	-1,622	-2,579
Total operating expenses	**-193,359**	**-121,561**	**-397,137**	**-222,632**	**-461,542**
Operating profit/loss	**178,272**	**-76,529**	**1,252,661**	**-150,197**	**-231,173**
Interest income and similar items	8,471	7,860	13,412	23,577	40,815
Interest expenses and similar items	-15,533	-8	-29,206	-45	-119
Financial items net	**-7,062**	**7,852**	**-15,793**	**23,532**	**40,696**
Profit/loss after financial items	**171,210**	**-68,676**	**1,236,868**	**-126,665**	**-190,477**
Change in tax allocation reserves	-	-	-	-	60,122
Profit/loss before tax	**171,210**	**-68,676**	**1,236,868**	**-126,665**	**-130,356**
Tax	-74,869	59	-119,305	91	263
Profit/loss for the period	**96,341**	**-68,617**	**1,117,563**	**-126,574**	**-130,092**

PARENT COMPANY BALANCE SHEET

kSEK	30 Jun 2025	30 Jun 2024	31 dec 2024
Assets			
Tangible fixed assets	38,725	34,976	39,407
Deferred tax assets	972	624	797
Other financial assets	3,552	3,560	3,511
Cash and cash equivalents	942,904	486,458	509,301
Short term investments	968,007	400,000	265,989
Other current assets	322,359	143,602	235,098
Total assets	**2,276,520**	**1,069,219**	**1,054,103**
Equity and liabilities			
Equity	2,032,645	879,573	892,324
Tax allocation reserve	-	60,122	-
Other current liabilities	151,764	69,869	95,144
Accrued expenses and deferred income	92,111	59,656	66,635
Equity and liabilities	**2,276,520**	**1,069,219**	**1,054,103**

Notes

NOTE 1 GENERAL INFORMATION

This interim report for the period April – June 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 April – June 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.

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:

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

	Q2		Jan-Jun		Jan-Dec
kSEK	**2025**	**2024**	**2025**	**2024**	**2024**
Geographic breakdown of net revnues					
Europe	4,026	2,665	7,639	5,586	11,660
North America	61,803	31,197	1,187,278	49,481	144,515
Asia	326,238	15,981	486,717	24,415	101,130
Others	53	-	97	-	47
Total net revenues	**392,119**	**49,844**	**1,681,731**	**79,483**	**257,353**
Net revenues per revenue type					
Royalty	162,460	42,634	258,418	63,929	230,410
Co-promotion	3,863	2,665	7,301	5,586	11,530
Milestone payments	223,100	-	1,410,306	-	-
Research collaborations	2,697	4,545	5,706	9,968	15,412
Total net revenues	**392,119**	**49,844**	**1,681,731**	**79,483**	**257,352**

In total royalty income amounted to SEK 162.5 M (42.6) in the second quarter and SEK 258.4 M (63.9) for the half-year period. 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 second quarter compensation from this agreement for incurred costs amounted to SEK 3.9 M (2.7) and SEK 7.3 M (5.6) for the half year period. The incurred costs that are reimbursed aim to prepare for launch.

During the second quarter a milestone payment of SEK 223.1 M (-) was recognized as revenue and for the first half of the year SEK 1,410.3 M (-) was recognized, of which SEK 1,074.8 M consists of the upfront payment from Bristol Myers Squibb.

During the second quarter BioArctic had ongoing research collaboration agreements with Eisai. During the quarter SEK 2.7 M (4.5) was recognized as revenue from these collaboration agreements. For the half year period the amount was SEK 5.7 M (10.0).

NOTE 5 INTRA-GROUP PURCHASES AND SALES

The parent company had no income from group companies during the second quarter (0.00) nor from the half year period (0.04). 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 6.5 M (5.6) for the second quarter and SEK 13.7 M (11.1) for the half year period.

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 2025 Annual General Meeting on the issuance of the share rights program. During the second quarter the company had no expenses regarding consulting services from Ackelsta AB (0.0), which is owned by board member Pär Gellerfors. Neither were there any costs for services from Ackelsta AB for the half-year period (0.1). During the second quarter, the company had costs of SEK 0.01 M (0.00) from Genovis AB, where Lotta Ljungqvist is a board member. All transactions have been carried out at market conditions.

NOTE 7 ADJUSTMENT FOR NON-CASH ITEMS

	Q2		Jan-Jun		Jan-Dec
	2025	2024	2025	2024	2024
Depreciation, amortization and impairment losses reversed	3,173	2,595	6,305	4,684	10,719
Changes in provisions and pension obligations, etc.	5,179	4,147	10,694	7,161	19,334
Förändringar i förutbetalda intäkter	-	-	-	3,795	-
Financial costs/ Fin gain, reversed	-73,696	-330	-2,618	-2,213	-2,096
Adjustment for non-cash items	**-65,344**	**6,412**	**14,381**	**13,426**	**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.