EDISON

SynAct Pharma

Q126 results

Key upcoming readouts to shape outlook

Pharma and biotech

11 June 2026

SynAct Pharma delivered a milestone-rich Q126, advancing resomelagon across multiple clinical programmes while moving closer to several potential re-rating catalysts. Key highlights included the initiation of the RESPIRE study in hospitalised patients with viral respiratory insufficiency and RESOVIR-2 in dengue fever, alongside completion of enrolment in the Phase IIb ADVANCE trial in newly diagnosed RA. Investor attention now turns to the ADVANCE top-line readout in June, which we view as the company's most important near-term catalyst. Positive data could validate SynAct's inflammation-resolution approach, while subsequent top-line data from the RESPIRE trial in Q3 will be key to establishing the asset's platform applicability across both chronic and acute inflammatory settings. The SEK45m equity raise completed in March extends the cash runway into H127, supporting upcoming catalysts and an expected acceleration in partnering discussions in H226. Our valuation remains broadly unchanged at SEK2.25bn, or SEK40.1/share (SEK2.21bn or SEK39.4/share previously).

Year end	Revenue (SEKm)	PBT (SEKm)	EPS (SEK)	DPS (SEK)	P/E (x)	Yield (%)
12/24	0.0	(90.8)	(2.08)	0.00	N/A	N/A
12/25e	0.0	(119.0)	(2.17)	0.00	N/A	N/A
12/26e	0.0	(91.9)	(1.49)	0.00	N/A	N/A
12/27e	0.0	(50.8)	(0.76)	0.00	N/A	N/A

Note: PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

Anticipation builds ahead of ADVANCE readout

While Q126 was marked by significant clinical progress for SynAct, the key near-term catalyst remains the imminent top-line readout from the ADVANCE trial (n=246; double-blinded, placebo-controlled Phase IIb study). In our view, investor focus will centre on efficacy across the three dose cohorts (DAS28-CRP reduction at week 12), consistency across endpoints and safety profile relative to current treatment paradigms. Positive results would de-risk the rheumatoid arthritis (RA) opportunity and could materially accelerate partnering discussions in H226. Subsequent Phase II data from the RESPIRE trial (expected in Q326) should help expand resomelagon's potential in the acute setting, validating its platform applicability.

Directed share issue extends runway

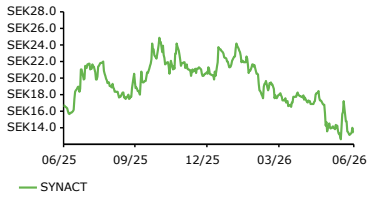
Ahead of key clinical catalysts, SynAct has strengthened its funding position through the March 2026 directed share issue, raising c SEK59.1m (c SEK45m net proceeds). The company ended Q126 with net cash of SEK65.8m and no debt, which we estimate provides operational visibility into H127. We expect this will allow SynAct greater flexibility as it approaches key data readouts and should strengthen its position in prospective partnering negotiations (enabling the company to maximise deal economics) should the clinical data prove supportive.

Valuation: SEK2.25bn or SEK40.1 per share

Following the Q126 results we keep our long-term estimates unchanged, while incorporating the latest net cash position. Our valuation shifts modestly to SEK2.25bn or SEK40.1 per share (SEK2.21bn or SEK39.4/share previously).

Price	**SEK14.36**
Market cap	**SEK807m**
	SEK9.30/US$
Net cash at 31 March 2026	SEK65.8m
Shares in issue	56.2m
Code	SYNACT
Primary exchange	OMX
Secondary exchange	N/A

Share price performance



%	1m	3m	12m
Abs	(1.7)	(24.9)	(21.6)
52-week high/low		SEK25.3	SEK12.8

Business description

SynAct Pharma is a clinical-stage biotechnology company focused on the development of treatments to resolve, rather than inhibit, ongoing inflammatory processes in acute and chronic diseases.

Next events

ADVANCE Phase IIb RA trial results	June 2026
RESPIRE topline data	Q326

Analysts

Jyoti Prakash, CFA +44 (0)20 3077 5700
Arron Aatkar, PhD +44 (0)20 3077 5700

healthcare@edisongroup.com
Edison profile page

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Q126: An active period for resomelagon's clinical development

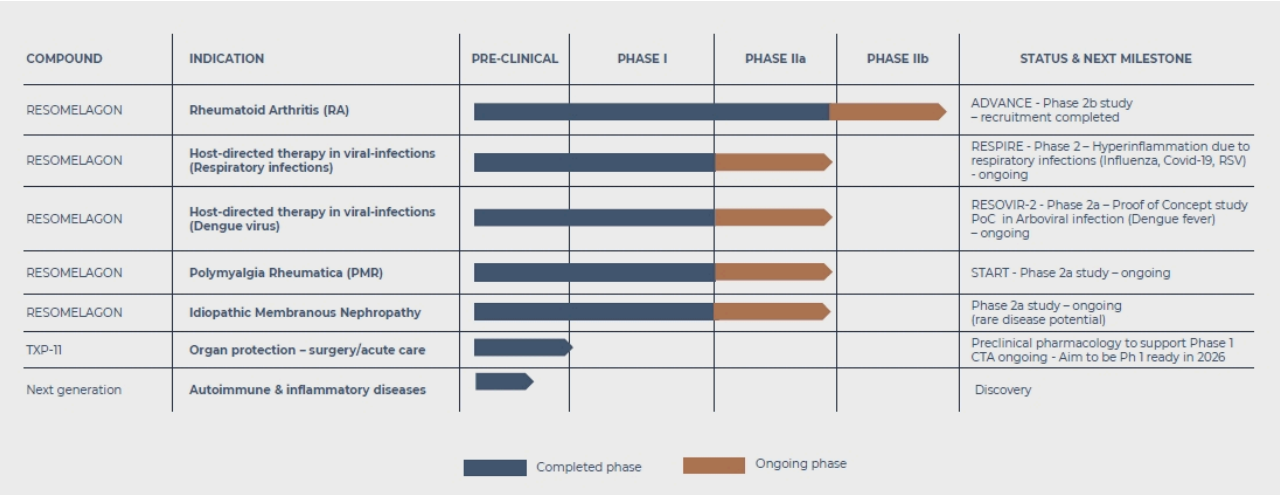
Q126 marked a strategically important quarter for SynAct, with the company delivering against multiple clinical objectives while moving closer to what we view as its most important value-inflection event to date. Key developments included the initiation of the RESPIRE study in viral respiratory insufficiency and RESOVIR-2 in dengue fever, alongside completion of enrolment in the Phase IIb ADVANCE trial in newly diagnosed RA. In our view, these milestones continue to broaden the clinical investment thesis around resomelagon and reinforce management's efforts to establish proof-of-concept across a diverse range of inflammatory indications.

The focus now shifts to the imminent ADVANCE readout, which we believe is the most significant upcoming inflection point for SynAct. A positive outcome would not only de-risk the RA opportunity but could also provide important validation of SynAct's pro-resolution approach to inflammation. Given the optimised clinical design (based on learnings from the past BEGIN, EXPAND and RESOLVE studies) we expect efficacy across the three test doses, consistency across endpoints and a favourable safety profile to be the primary considerations for investors.

Beyond ADVANCE, forthcoming data from RESPIRE should offer an important test of resomelagon's applicability in acute inflammatory settings. Collectively, these datasets are likely to inform future development priorities and could serve as a catalyst for partnering discussions, which we expect to gain momentum during H226 should the clinical data prove supportive.

A schematic of SynAct's ongoing development programmes is presented below:

Exhibit 1: SynAct Pharma's development pipeline



Source: SynAct Pharma corporate presentation, April 2026.

Phase IIb ADVANCE trial – approaching a critical inflection point

ADVANCE is a 12-week, randomised, double-blind, placebo-controlled Phase IIb trial evaluating resomelagon in 246 newly diagnosed, treatment-naïve RA patients with high disease activity across more than 30 sites. The study is evaluating three once-daily oral doses of resomelagon (40mg, 70mg and 100mg) versus placebo, each administered in combination with methotrexate. Patient enrolment was completed in February 2026, with the last patient completing dosing in May 2026.

The primary endpoint is the change from baseline in DAS28-CRP at week 12, a widely used composite measure of RA disease activity incorporating tender and swollen joint counts, patient assessment and C-reactive protein (CRP) levels.

ADVANCE is intended to establish the dose-response relationship and efficacy profile required to support Phase III development. According to the European League Against Rheumatism response criteria, a DAS28-CRP score improvement exceeding 1.2 points from baseline is generally considered clinically meaningful while a score below 2.6 is indicative of remission. For context the last approved JAK inhibitor in RA, AbbVie's Rinvoq (upadacitinib) had demonstrated a placebo-adjusted improvement of 1.33 DAS28-CRP points at week 12 in the Phase III SELECT-COMPARE study, corresponding to a mean reduction of 2.48 points from baseline versus 1.15 points in the placebo arm. While SynAct has not disclosed a predefined efficacy threshold for success, we note that ADVANCE has enrolled

patients with high disease activity (DAS28-CRP >5.1; similar to the Rinvoq study) and we therefore estimate that a placebo-adjusted improvement approaching 1.0 DAS28-CRP point would likely be viewed positively by investors (across any of the three tested doses), particularly for a non-immunosuppressive therapy in the early RA setting. While cross-trial comparisons should be interpreted with caution given differences in patient populations and study designs we believe this provides a useful benchmark for contextualising ADVANCE results.

Another important observation will be the ACR20 response rate (which corresponds to at least a 20% improvement in disease symptoms), which was a secondary endpoint in ADVANCE but is the standard and most common primary endpoint used for registrational trials in RA. We therefore expect ACR20 to be a primary efficacy endpoint in any future Phase III programme for resomelagon, assuming the Phase II data are supportive. A robust ACR20 signal would strengthen confidence in the clinical relevance of any observed DAS28-CRP improvements and provide an important benchmark against other therapies in the RA treatment landscape. For reference in the Phase III SELECT-COMPARE cited above Rinvoq had delivered a ACR20 of 71%.

Importantly, unlike biologics and JAK inhibitors, which achieve efficacy through targeted inhibition of inflammatory pathways, resomelagon selectively activates melanocortin MC1R and MC3R receptors to promote the endogenous resolution of inflammation and restore immune homeostasis. If ADVANCE demonstrates clinically meaningful improvements in disease activity alongside a favourable safety and tolerability profile, we believe it would support resomelagon's positioning as an earlier-line oral treatment option with the potential to delay escalation to biologic or JAK inhibitor therapy. Such an outcome would not only materially de-risk the Phase III programme, in our view, but could also enhance partnering interest, given continued industry interest in differentiated mechanisms that may deliver clinical benefit without the safety considerations associated with chronic immunosuppression.

RESPIRE trial – Q3 results key to broadening the resomelagon opportunity

While ADVANCE remains the key near-term catalyst, we note that it represents only one component of the broader investment case for SynAct (albeit the most important at this stage). We believe that the ongoing RESPIRE study, initiated in Q126, provides an opportunity to demonstrate the applicability of resomelagon's pro-resolution mechanism beyond chronic autoimmune disease, potentially supporting a broader clinical and commercial opportunity. With top-line data expected in Q326, RESPIRE also represents an additional value inflection point for the programme.

As a reminder, RESPIRE is a randomised, double-blind, placebo-controlled Phase II trial evaluating resomelagon in 96 hospitalised patients with respiratory insufficiency associated with viral infections, including influenza, COVID-19 and respiratory syncytial virus . Patients will receive once-daily oral resomelagon or placebo in addition to standard of care, with the primary endpoint assessing progression to severe outcomes, including death, invasive mechanical ventilation, extracorporeal membrane oxygenation, cardiovascular organ support and severe renal failure. Top-line results are expected in Q326 and will be instrumental in strengthening the commercial potential and the partnering rationale for the programme. For further details on the RESPIRE study, please refer to our previous update note on the company.

Financials

SynAct's Q126 results were broadly in line with our expectations and reflected the acceleration of clinical activities around resomelagon, including the initiation of the RESPIRE study and completion of patient recruitment in ADVANCE. As a clinical-stage company, SynAct reported no revenues in Q126 and recorded an operating loss of SEK30.6m, up 8.8% y-o-y and 34.5% q-o-q.

R&D expenditure increased to SEK22.9m in Q126 from SEK12.3m in Q425 (+85.6% q-o-q; +6.6% y-o-y). We attribute the increase primarily to the initiation of the Phase II RESPIRE study in respiratory viral infections, with an additional contribution from the investigator-sponsored RESOVIR-2 dengue study, which commenced patient dosing in Brazil in March 2026. With recruitment now complete in ADVANCE, we expect R&D expenditure to moderate in H226 ahead of the anticipated start of a Phase III programme, which we continue to assume will be funded through a commercial partnership. Following the Q126 results, we leave our FY26 and FY27 estimates unchanged.

SynAct ended Q126 with a net cash position of SEK65.8m and no debt. This was supported by a SEK51.9m directed share issue completed in March 2026, which generated net proceeds of SEK45m. The raise was executed against the issue of 2,883,725 shares at SEK18/share (5.26% discount to the prior price of SEK19 and 5.41% discount to the last 10-day volume-weighted average price for the shares).

Based on our projected cash burn, we estimate that available cash will support operations into H127, compared with

our previous estimate of H227 (and this is more conservative than management's guidance of Q327). This provides funding visibility beyond upcoming milestones, including the ADVANCE readout and RESPIRE top-line results, expected in Q326.

Positive data from either study could support the company's partnering plans, with potential for non-dilutive deal-related cash inflows that should provide further support to the cash runway. Note that our forecasts currently do not incorporate potential drawdowns from the SEK40m credit facility provided by Hunter Capital, which remains available for drawdown until 28 February 2027. Full utilisation of the facility would extend SynAct's funding runway into 2028.

Valuation

We continue to value SynAct using a risk-adjusted net present value (rNPV) methodology. Our valuation incorporates the company's clinical programmes in RA, respiratory viral infections and polymyalgia rheumatica (PMR), where an investigator-sponsored Phase II START study is planned. The study is expected to enrol 60 PMR patients, randomised to receive 100mg resomelagon or placebo once daily for 12 weeks, with the protocol currently under review within the European Clinical Trials Information System (CTIS) .

We also continue to include the opportunity in RA flares among patients receiving biologics. Our model assumes that SynAct, either independently or through a licensing partner, will pursue this indication as a future label expansion opportunity within the broader RA market. We will revisit our assumptions for this indication as more information is available from management. For further details on our assumptions see our initiation report and previous update notes.

Following the updated net cash position and the roll-forward of our valuation model, our rNPV increases modestly to SEK2.25bn, equivalent to SEK40.1/share, from SEK2.21bn, or SEK39.4/share, previously

Exhibit 2: SynAct risk-adjusted net present value

Product	Indication	Expected launch	Peak sales ($m)	NPV (SEKm)	Probability	rNPV (SEKm)	rNPV/share (SEK)
Resomelagon	Rheumatoid arthritis – newly diagnosed patients	2031	2,300	5,823.9	30%	1,736.6	30.9
	Rheumatoid arthritis – flares	2032	1,000	2,271.8	15%	319.8	5.7
	Respiratory viral-infections	2029	360	1,404.0	20%	267.1	4.8
	Polymyalgia rheumatica	2032	180	404.9	10%	36.2	0.6
Direct costs to 2035 less tax				(172.3)		(172.3)	(3.1)
Net cash at end-March 2026				65.8		65.8	1.2
Valuation				**9,798.0**		**2,253.2**	**40.1**

Source: Edison Investment Research

Exhibit 3: Financial summary

SEKm	2023	2024	2025	2026e	2027e
Year end 31 December	IFRS	IFRS	IFRS	IFRS	IFRS
PROFIT & LOSS					
Revenue	0.00	0.00	0.00	0.00	0.00
Licensing income	0.00	0.00	0.00	0.00	0.00
Royalties	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00
Cost of Sales	0.00	0.00	0.00	0.00	0.00
Gross Profit	0.00	0.00	0.00	0.00	0.00
R&D expenses	(105.06)	(49.31)	(85.61)	(59.91)	(20.00)
G&A expenses	(44.83)	(40.49)	(31.54)	(32.17)	(32.81)
EBITDA	(149.18)	(89.36)	(115.89)	(91.55)	(52.55)
Operating Profit (before amort. and except.)	(149.94)	(89.98)	(116.54)	(92.07)	(52.81)
Intangible Amortisation/impairment	(74.56)	0.00	0.00	0.00	0.00
Exceptionals	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00
Operating Profit	(224.50)	(89.98)	(116.54)	(92.07)	(52.81)
Net Interest	0.22	(0.85)	(2.45)	0.16	2.05
Profit Before Tax (norm)	(149.72)	(90.82)	(118.99)	(91.91)	(50.76)
Profit Before Tax (reported)	(224.28)	(90.82)	(118.99)	(91.91)	(50.76)
Tax	8.47	8.42	8.17	8.17	8.17
Profit After Tax (norm)	(141.25)	(82.40)	(110.83)	(83.75)	(42.59)
Profit After Tax (reported)	(215.81)	(82.40)	(110.83)	(83.75)	(42.59)
Average Number of Shares Outstanding (m)	32.52	39.53	51.08	56.21	56.21
Basic EPS - normalised (SEK)	(4.34)	(2.08)	(2.17)	(1.49)	(0.76)
Basic EPS - reported (SEK)	(6.64)	(2.08)	(2.17)	(1.49)	(0.76)
BALANCE SHEET					
Fixed Assets	152.96	156.67	149.17	148.65	148.39
Intangible Assets	152.16	154.59	147.82	147.82	147.82
Tangible Assets	0.66	1.94	1.21	0.70	0.44
Investments	0.14	0.14	0.14	0.14	0.14
Current Assets	75.06	94.00	71.35	30.86	28.52
Stocks	0.00	0.00	0.00	0.00	0.00
Debtors and prepaid expenses	4.48	24.32	9.98	5.42	5.42
Cash	62.40	61.21	53.41	17.48	15.14
Other	8.19	8.47	7.97	7.97	7.97
Current Liabilities	24.94	28.46	21.52	21.52	61.52
Creditors and accrued expenses	19.48	27.44	20.63	20.63	20.63
Short-term borrowings	0.00	0.00	0.00	0.00	40.00
Lease liabilities and others	5.45	1.02	0.90	0.90	0.90
Long-Term Liabilities	26.90	27.89	28.70	26.13	26.13
Long-term borrowings	0.00	0.00	0.00	0.00	0.00
Other long-term liabilities	26.90	27.89	28.70	26.13	26.13
Net Assets	176.19	194.32	170.29	131.85	89.26
CASH FLOW					
Operating Cash Flow	(100.18)	(89.20)	(97.33)	(81.24)	(42.33)
Net interest	0.00	0.00	0.00	0.00	0.00
Tax	0.00	0.00	0.00	0.00	0.00
Capex	0.00	0.00	0.00	0.00	0.00
Acquisitions/disposals	0.37	0.00	0.00	0.00	0.00
Financing	53.98	87.41	90.46	45.31	0.00
Dividends	0.00	0.00	0.00	0.00	0.00
Net Cash Flow	(45.82)	(1.79)	(6.87)	(35.93)	(42.33)
Opening net debt/(cash)	(108.25)	(62.40)	(61.21)	(53.41)	(17.48)
Other	(0.03)	0.61	(0.93)	0.00	0.00
Closing net debt/(cash)	(62.40)	(61.21)	(53.41)	(17.48)	24.86

Source: Company documents, Edison Investment Research

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London | New York | Frankfurt
20 Red Lion Street
London, WC1R 4PS
United Kingdom