ADVERTISEMENT

This letter is an introduction to the rights issue in SynAct Pharma AB (the "**Rights Issue**") and should be regarded as marketing material. This letter is not and shall not be considered to constitute a prospectus in accordance with applicable laws and regulations. Invitation to shareholders and the public to subscribe for shares in the Rights Issue takes place only through the prospectus that has been approved and registered by the Swedish Financial Supervisory Authority (the "**Prospectus**"), and which has been published on www.synactpharma.com/en/investors/rights-issue-2022/. The Swedish Financial Supervisory Authority's approval of the Prospectus shall not be construed as an approval of the new shares. Any investment decision, in order for an investor to fully understand the potential risks and benefits associated with the decision to participate in the Rights Issue, should only be made based on the information in the Prospectus. Investors are advised to read the full Prospectus. Other restrictions are applicable. See the section "Important information" at the end of this letter.

Rights issue in SynAct Pharma AB

SynAct Pharma AB's ("**SynAct**" or the "**Company**") primary development project is focused on its primary drug candidate AP1189, which is currently being developed as a treatment method for patients with rheumatoid arthritis ("**RA**"). In the fourth quarter 2021, the Company reported statistically significant and clinically relevant treatment effects of the Company's drug candidate AP1189, following 4 weeks treatment in patients with severe RA in the Company's BEGIN study. The data from the study strongly supports further development of AP1189, a potential first-in-class selective melanocortin type 1 and 3 receptor drug in RA.

In parallel with the clinical development of the BEGIN study, the Company has conducted additional pre-clinical development to support longer treatment in humans than the 4 weeks treatment applied in the BEGIN study. Moreover, and not less important, the Company has conducted a combined bioequivalence and pharmacokinetic study of a new tablet formulation to be used for further development and potential commercialization. This study has identified the tablet as having a very beneficial exposure profile that makes is possible to continue development of the AP1189 project in RA using this new and IP-protected tablet formulation.

The Company intends to initiate two additional Phase 2 clinical RA studies with AP1189 in 2022. The Company is also conducting a clinical phase 2a study with AP1189 for Nephrotic Syndrome ("**NS**") and announced in November 2021 that the current phase 2a study would undergo a larger design change to benefit from the Company's newly developed tablet and the possibility of treatment for up to three months. The work to have the study setup in a re-designed setup is ongoing and data from the optimized study is expected to be reported during 2023.

In addition, the Company recently completed a phase 2a study on patients with Covid-19, the RESOVIR-1 study, with the purpose of evaluating if AP1189 could shorten the recovery from breathing difficulties and prevent acute respiratory distress syndrome ("**ARDS**"). Following positive data from this study, the Company has evaluated the possibility to conduct additional clinical development in Covid-19 patients. However, as the omicron variant of the virus has been dominating, the symptomatology of the disease has changed, and it was decided to postpone further clinical development within Covid-19 until further. Currently, the Company evaluates potential opportunities for AP1189 for treatment of non-Covid-19-induced respiratory insufficiency. Further development of AP1189 for treatment of virus induced respiratory insufficiency will be based on this ongoing pharmacology program and will be communicated when more data is available.

In order to support the Company's general goals and strategy, including the abovementioned development plans, the Board of Directors of SynAct has resolved, pursuant to the authorization granted by the annual general meeting on 21 May 2021, to carry out a rights issue of approximately SEK 150 million. In addition, the Board of Directors may, based on the authorization granted by the annual general meeting on 21 May 2021, resolve on an over-allotment option, in the form of a directed issue of up to approximately SEK 25 million, conditional upon the Rights Issue being oversubscribed. The reason for the over-allotment option, and the deviation from the shareholders' preferential rights, is to meet a higher demand than initially estimated. The subscription price in the over-allotment option will be the same as in the Rights Issue.

The net proceeds from the Rights Issue amount to approximately SEK 126 million and is planned to be used for the following purposes in order of priority: (I) conducting additional clinical phase 2 development with AP1189 in RA, approximately 51 percent; (II) continue development of AP1189 for kidney disease in a re-designed study set-up, approximately 7 percent; (III) other research and development activities related to AP1189 and new chemical molecules, approximately 22 percent; (IIII) general administration costs, approximately 20 percent.

You receive this letter since you, as per the record date for the Rights Issue on 4 April 2022, were a directly registered shareholder in SynAct in the share register maintained by Euroclear Sweden. Attached you will find a pre-printed issue statement with information on the number of subscription rights you have received and how many shares you can subscribe for pursuant to subscription rights. For complete terms and additional information about the Rights Issue, including the risks associated with an investment in the Company's shares, refer to the Prospectus. You are encouraged to read the Prospectus in its entirety before subscribing for shares in the Rights Issue and an investment decision shall solely be based on the information set forth in the Prospectus. The Prospectus is available on SynAct's website, www.synactpharma.com, Nordic Issuing's website, www.nordic-issuing.se, and ABG Sundal Collier's website, www.abgsc.com.

Terms and conditions in brief

Preferential rights and subscription rights
For each existing share in SynAct held on the record date of 4 April 2022, the shareholder receives one (1) subscription right. Eleven (11) subscription rights entitle the holder to subscribe for one (1) new share.

Subscription without preferential rights
For information on subscription without subscription rights, please refer to the Prospectus which is available on SynAct's website, www.synactpharma.com, Nordic Issuing's website, www.nordic-issuing.se, and ABG Sundal Collier's website, www.abgsc.com.

Subscription price
The subscription price is set to SEK 63 per share. No commission is charged.

Subscription period
Subscription for new shares can be made during the period as from and including 6 April 2022 and up to and including 22 April 2022. Following the end of the subscription period, unexercised subscription rights will be worthless and carry no economic value.

In order to not lose out on the value of the subscription rights, the holder must either:

- exercise the subscription rights to subscribe for new shares no later than 22 April 2022 in accordance with the instructions; or
- sell the subscription rights which are not exercised no later than 19 April 2022.

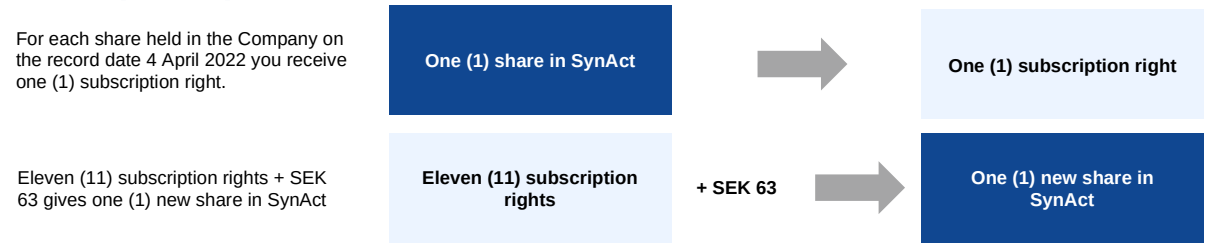
Trading in subscription rights and paid subscribed shares ("BTA")
Trading in subscription rights takes place on Spotlight Stock Market during the period from and including 6 April 2022 up to and including 19 April 2022. Trading in BTAs on Spotlight Stock Market is expected to take place during the period from and including 6 April 2022, up to and including the day the Swedish Companies Registration Office has registered the Rights Issue and the BTAs are converted into shares, which is expected to take place around week 18, 2022.

Paid subscribed shares (BTA)
Following payment, Euroclear Sweden will distribute a settlement note confirming the registration of the BTAs on the subscriber's securities account.

Announcement of the outcome of the Rights Issue
The outcome of the Rights Issue, as well as if the Company has utilised the over-allotment option constituting an extension of the Rights Issue, is expected to be announced on or about 26 April 2022 by way of a press release from the Company.

Additional information
For complete information about the Rights Issue, refer to, as stated above, the Prospectus which is available on SynAct's website, www.synactpharma.com, Nordic Issuing's website, www.nordic-issuing.se, and ABG Sundal Collier's website, www.abgsc.com. In case of any questions relating to the Rights Issue, you can contact Nordic Issuing during office hours on +46 (0) 40-632 00 20 or by e-mail info@nordic-issuing.se.

How to participate:



How to exercise subscription rights (directly registered shareholders):

You have a securities account (Sw. *VP-konto*) and live in Sweden	If you exercise all subscriptions rights; use the dispatched pre-printed payment slip (Sw. *bankgiroavi*) from Euroclear Sweden.
	If you have purchased, sold, or transferred subscription rights to/from your securities account; fill out the special application form (I) which is available on www.synactpharma.com and www.nordic-issuing.se. Payment is made according to the instructions in the application form.
You have a securities account (Sw. *VP-konto*) and live abroad[1]	See the Prospectus under the section "*Terms and conditions for the Offering*" under the heading "*Shareholders residing abroad*".

Important information
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[1] Note that particular rules apply to shareholders residing abroad. Refer to section *"Terms and conditions for the Offering"* under the heading *"Shareholders residing abroad"* in the Prospectus.