
mendus
Changing the course of cancer treatment
2024
ANNUAL REPORT

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Year in Brief

Q1

» Mendus provided a business update mentioning preparations for the registration study with vididencel were ongoing after positive initial feedback from the FDA, the manufacturing alliance with NorthX Biologics was progressing according to plan, and the collaboration with ALLG was progressing according to previous guidance with expected start of the AMLM22-CADENCE trial in April 2024.

» Mendus announced that the company had received declarations of intent from major owners and the board of directors as well as company management regarding the exercise of warrants of series TO3. The exercise period for the warrants began on March 15, 2024.

» Mendus presented the progress of its NK cell program at the 9th Annual Innate Killer Cell Summit, a leading conference for NK cell-based therapies.

» Mendus announced Human Research Ethics Committee (HREC) approval to initiate the AMLM22-CADENCE trial, which studies Mendus' lead product vididencel as a novel maintenance therapy in acute myeloid leukemia (AML).

Q2

» Mendus announced that the company raised approximately SEK 69.1 million through the warrants of series TO3. In total, 144,043,202 warrants were exercised, corresponding to approximately 76.3 percent of the total number of outstanding warrants.

» Mendus presented updated clinical data from the ADVANCE II clinical trial in acute myeloid leukemia (AML) at the Cancer Immunotherapy (CIMT) Annual Meeting. The data demonstrate the potential of vididencel to induce broad immune responses in AML patients, which are associated with improved survival.

» Mendus carried out a reverse stock split in relations 20:1, resolved on at the Annual General Meeting on May 17, 2024. The record date for the reverse share split was June 4, 2024.

» Mendus presented data from the ADVANCE II Phase 2 trial with vididencel in AML during the annual European Hematology Association conference (EHA). The data confirm the potential of vididencel to stimulate functional immune responses in AML patients, comprising T cell and B cells. All patients with confirmed T cell responses against tumor antigens following vididencel treatment were alive in long-term follow-up at the time of read-out.

» Updated clinical data from the ALISON clinical trial with vididencel in ovarian cancer presented at the ESMO Gynaecological Cancers conference demonstrated tumor-directed immune responses in the majority of patients treated with vididencel. The trial thus reached its primary objective of inducing tumor-directed immune responses in at least 10 patients treated with vididencel.

Q3

» Mendus entered into a collaboration with Institut Bergonié, a leading cancer center in Bordeaux, France to study the Mendus' intratumoral immune primer ilixadencel in soft tissue sarcomas as part of the REGOMUNE trial, a multicenter, prospective open-labelled phase 1/2 trial combining regorafenib and avelumab in solid tumors.

Q4

» Mendus presented preclinical data supporting the combination of its intratumoral primer ilixadencel with the immune checkpoint inhibitor avelumab at the 39th annual meeting of the Society for Immunotherapy of Cancer (SITC).

» Mendus announced that the members of the Nomination Committee for the 2025 Annual General Meeting were appointed. The Nomination Committee consists of Erik Esveld, appointed by Van Herk Investments BV, Karl Elmqvist, appointed by Flerie Invest AB, and Mats Andersson, appointed by Holger Blomstrands Byggnads AB.

» Mendus presented positive survival data from the ongoing ADVANCE II Phase 2 trial at the ASH 2024 conference. The data showed that the majority of AML patients treated with vididencel remained alive and disease-free in long-term follow-up, with a median follow-up of 41.8 months.

» Mendus also presented two preclinical abstracts during the ASH 2024 conference. The first abstract demonstrated synergies between vididencel and the combination of venetoclax and azacitidine, two backbone drugs in the treatment of AML, with venetoclax having a direct synergistic effect on vididencel's mode of action. The second abstract supports the potential use of vididencel in the treatment of chronic myeloid leukemia (CML).

» Mendus reported positive topline data from the ALISON Phase 1 clinical trial with vididencel in ovarian cancer.

The data confirmed that vididencel stimulates immune responses against ovarian cancer antigens, as a potential basis for an effective anti-tumor response, and the strong safety profile for vididencel.

» Mendus announced that Institut Bergonié was no longer in a position to study Mendus' intratumoral immune primer ilixadencel in soft tissue sarcomas as part of the REGOMUNE trial, because third party funding for the trial was terminated.

Significant events after year end

» In January 2025 Mendus announced a summary of the feedback received from FDA and EMA in the fourth quarter of 2024. The feedback is supportive of the preparations for a registration trial with vididencel in AML.

» In February 2025 Mendus announced that the first patient was enrolled in the AMLM22-CADENCE trial, which studies Mendus' lead product vididencel as a novel maintenance therapy in acute myeloid leukemia (AML).

Financial summary – The Group

Amounts in KSEK	2024	2023
Revenue	–	–
Operating profit/loss	-130,655	-100,650
Net profit/loss	-128,399	-101,619
Earnings/loss per share before and after dilution (SEK)*	-2.64	-4.39
Cash	101,905	120,782
Shareholders equity	645,149	704,727
Average number of employees	28	30

* The comparative numbers recalculated taking into account the reverse split, 20:1

CEO Comment:

Establishing a late-stage clinical development company

Erik Manting

The year 2024 has been transformative for Mendus. In April, we secured an additional SEK 69M of funding via the exercise of warrants of series TO3 associated with our July 2023 financing, bringing the total funding raised in the round to SEK 386M.

With significant funding in place, we moved forward in our preparations to become a late-stage clinical development company, based on the strong Phase 2 data generated with our lead product vididencel. As part of the use of proceeds, we established a large-scale manufacturing alliance with NorthX Biologics, which is essential for preparing vididencel for late-stage clinical development and commercialization. The dedicated facility for vididencel manufacturing was completed in the first half of 2024 and the implementation of large-scale production is ongoing, with first GMP production batches expected to be completed in the second half of 2025. Feedback received in the End-of-Phase 2 meeting with FDA and Scientific Advise from EMA endorsed our preparations for a registration trial in AML. During the ASH meeting in December 2024, we presented positive updated survival data of our Phase 2 trial in acute myeloid leukemia (AML), demonstrating long-term survival of the majority of patients treated with vididencel at a median follow-up of 41.8 months. Based on its potential to trigger active immunity against residual disease, resulting in durable clinical remissions and combined with a strong safety profile, vididencel is uniquely positioned as a potential novel maintenance treatment in AML. We remain committed to preparing the product for a registration trial in the same patient population as studied in Phase 2, while expanding the clinical development of vididencel in AML and additional blood-borne tumors.

In a rapidly evolving cancer therapy landscape, it is important to address clearly defined medical needs with a competitive product profile. Whereas immune checkpoint inhibitors as a class of novel immunotherapies have revolutionized the treatment of solid tumors, such success has not been realized in blood-borne tumors. This leaves ample room for novel immunotherapy approaches, such as vididencel, in the blood borne tumor space. Particularly, the potential of vididencel to stimulate active, long-lasting immunity against residual cancer cells following initial treatment success may have a profound effect on disease-free and overall survival. Mendus is therefore developing vididencel as a maintenance treatment following first-line therapy, which is further supported by its strong safety profile.

Acute myeloid leukemia (AML) is an aggressive form of blood cancer which yearly affects about 50,000 people in Europe and the US combined and 145,000 people globally. It is a deadly disease, with a 5-year survival rate of approximately 30 percent, mainly related to its high relapse rate. The only potential cure for AML is a hematopoietic stem cell transplant (HSCT) following successful chemotherapy, but this option is not available to many of the patients diagnosed with AML. In the Phase 2 ADVANCE II trial, AML patients in complete remission following high-intensity chemotherapy were treated with vididencel. All patients had measurable residual disease (MRD), which is associated with a high risk of disease relapse and poor overall survival. Mendus presented updated survival data during the American Society of Hematology (ASH) conference last December, which showed that the majority (13/20) of patients treated with vididencel were alive at a median follow-up of 41.8 months, with 11 out of the 20 patients still in first complete remission, without relapse. Immunological analyses of patient samples collected during the trial showed that durable clinical remissions were associated with broad immune responses detected after vididencel treatment, confirming the product's mode of action as an active immunotherapy in AML.

The positive updated Phase 2 survival data presented at ASH support our ongoing registration trial preparations for vididencel in AML. In Q4, Mendus received feedback on its development program for vididencel in an end-of- Phase 2 meeting held with the US Food and Drug Administration (FDA) and a Scientific Advice Meeting with the European Medicines Agency (EMA). The feedback from both agencies supported the registration trial design, patient population, reference therapy, primary and secondary endpoints and statistical analysis strategy, as proposed by Mendus. The agencies also agreed to the development steps taken by Mendus towards establishing large-scale manufacturing of vididencel. To support late-stage clinical development and future commercialization, Mendus entered into a large-scale manufacturing alliance with NorthX Biologics, a specialized contract manufacturing organization. The alliance is on track, with multiple consecutive large-scale production runs having been completed successfully and production of clinical-grade material expected in the second half of 2025.

In addition to preparing for pivotal-stage readiness of vididencel as a post-chemotherapy maintenance treatment for MRD+ AML patients, Mendus is broadening the potential of vididencel by expanding its clinical development. We continue to work with the Australasian Leukaemia and Lymphoma Group (ALLG) to study vididencel in combination with oral azacitidine, currently the only approved AML maintenance treatment, for patients with or without residual disease in the AMLM22-CADENCE trial. The collaboration with ALLG significantly expands Mendus' clinical trial network and the data collected in the CADENCE trial will contribute to the safety dossier of vididencel, supporting Mendus' registration trial preparations.

Two preclinical abstracts presented at ASH focused on the applicability of vididencel in additional patient populations. AML patients not eligible for high-intensity chemotherapy can today be treated with a combination of azacitidine (AZA) and venetoclax (VEN). The first abstract demonstrated that vididencel acts synergistically with AZA+VEN, supporting potential clinical evaluation of vididencel as a maintenance therapy also in this patient population. The second preclinical abstract studied vididencel in chronic myeloid leukemia (CML). In CML, stimulation of active immunity against residual cancer cells with vididencel may allow for more patients to control their disease without the need for life-long medication. Subject to funding, Mendus is preparing for additional vididencel trials which may further broaden the addressable patient population in AML and adjacent diseases, such as CML.

We also reported in December positive topline data from the ALISON Phase 1 clinical trial with vididencel in high-grade serous ovarian cancer performed by the UMC Groningen, The Netherlands. The data demonstrated vididencel-induced immune responses against ovarian cancer antigens in most patients and confirmed vididencel's strong safety profile also in this indication. At week 22 from start of treatment, 10 out of 17 patients treated had stable disease, whereas 8 out of 12 patients with detectable vididencel-induced immune responses had stable disease (67%). A next update of the ALISON trial based on 2-year survival follow-up is expected in the fourth quarter of 2025, after which we expect to be able to assess potential clinical benefit of vididencel in ovarian cancer.

In our earlier-stage clinical pipeline, we encountered a setback for the intratumoral immune primer ilixadencel, as we were notified during Q4 by our partner Institut Bergonié that third party funding for the REGOMUNE trial had been terminated. Mendus and Institut Bergonié were preparing to study ilixadencel in soft tissue sarcomas as part of the REGOMUNE trial, but due to the lack of funding Institut Bergonié was no longer able to proceed with the collaboration. Mendus decided to not actively pursue additional trials with ilixadencel and further clinical development will be subject to potential partnering.

Mendus' research facilities in Leiden, The Netherlands, remain an integral and essential part of our progress. In 2024, we compiled additional immunomonitoring data based on the patient samples collected in the ongoing ADVANCE II and ALISON trials, providing a deeper understanding of the immune responses triggered by vididencel. We also delivered throughout 2024 strong fundamental research data supporting our clinical programs, which were presented at leading medical-scientific conferences. Finally, the Research group has continued to work on the development of the DCOne platform for the expansion of memory NK cells and other immune cells for therapeutic purposes, which is supported by several grants in place.

The company is in a strong position in 2025. Our Phase 3 trial preparations are on track thanks to the continued positive Phase 2 data presented at ASH, supportive feedback from regulatory authorities and progress towards large-scale production of vididencel. In addition, we are expanding the clinical development in AML and adjacent diseases to broaden the addressable patient population that could benefit from vididencel as an active immunotherapy for the treatment of blood-borne tumors.

We look forward to keeping our stakeholders informed of our progress in 2025.

Thank you for your continued interest in Mendus.

Erik Manting, Ph.D.
Chief Executive Officer

Mendus in short

In today's cancer therapy landscape, many cancer patients experience an initial treatment success, leading to clinical remission. However, tumor recurrence remains an imminent threat in many cases and causes the vast majority of cancer-related deaths today. As a result, there is an increasing need for maintenance therapies, particularly in tumor indications with a high recurrence rate. Mendus is developing immunotherapies which result in active immunity against cancer cells with the potential to achieve long-term immune control over residual cancer cells, while preserving health and quality of life.

Portfolio of immunotherapies combining clinical efficacy with a benign safety profile

Mendus' product candidates are off-the-shelf, whole cell-based approaches designed to boost anti-tumor immunity, combined with an excellent safety profile. This is particularly relevant for maintenance therapies, aimed at controlling residual disease and prolonging disease-free survival following first-line treatment.

Vididencel in AML – novel maintenance therapy with expected pivotal-stage readiness in 2025

Vididencel is an immunotherapy comprising irradiated, leukemic-derived dendritic cells derived from the company's proprietary DCOne production cell line. During manufacturing, the DCOne cells, which have a leukemic origin, undergo a phenotypic shift to express dendritic cell phenotypic markers. This renders the cells highly immunogenic and suitable as the basis for vididencel.

Vididencel is an off-the-shelf product, which is stored frozen, available on-demand for treatment and administered via simple intradermal injection. In the skin, vididencel triggers local immune activation and phagocytosis by skin-resident antigen-resenting cells, which subsequently activate the immune system against the broad range of vididencel tumor antigens.

Vididencel is being evaluated by Mendus in the ongoing ADVANCE II Phase 2 trial, and in the ongoing AMLM22-CADENCE Phase 2 trial supported by the Australasian Leukaemia & Lymphoma Group (ALLG).

The ADVANCE II trial evaluates single-agent activity of vididencel as maintenance therapy in AML, for patients brought into complete remission through intensive chemotherapy, but who were diagnosed with measurable residual disease (MRD). The presence of MRD puts patients at a high risk of relapse and reduced overall survival. Mendus

reported updated survival data from the ADVANCE II trial during the American Society of Hematology (ASH) conference held December 2024. At a median follow-up of 41.8 months, the majority (13/20) of patients participating in the ADVANCE II trial were reported to be alive in long-term follow-up, with 11 still in first complete remission. Median relapse-free (RFS) and overall survival (OS) was not reached, as the majority of patients remained alive and disease-free. All patients had passed 3-year follow-up and 2 patients completed 5-year follow-up. The 1-year survival stood at 88%, 3-year survival at 71% and the estimated 5-year survival was 58%. Immunomonitoring data confirmed that vididencel treatment improves the overall immune status and induces broad immune responses. These immune responses were associated with clinical benefit, with patients showing multiple T cell responses over time and above-median B cell levels all being alive in long-term follow-up.

The clinical proof-of-concept data from the ADVANCE II trial support the expansion of clinical development of vididencel in AML. Mendus entered into a collaboration with ALLG to study vididencel in combination with oral azacitidine (AZA), the only approved maintenance therapy for transplant-ineligible AML patients. The AMLM22-CADENCE trial is a multicenter, randomized controlled trial comparing vididencel in combination with oral-aza versus oral-aza alone in both MRD-positive and MRD-negative patients. The trial comprises a first stage involving 40 patients and, subject to positive safety evaluation, a second stage involving 100 patients. In February 2025, Mendus announced that the first patient was enrolled in the trial. The data collected in the initial stage of the CADENCE trial will contribute to the safety dossier of vididencel.

In parallel to the ongoing ADVANCE II and CADENCE trials, Mendus is preparing vididencel for a registration trial in AML, the final and pivotal development stage before market registration. In 2024Q4, Mendus received positive feedback from the EMA and FDA, supporting the trial design, patient population, reference therapy, primary and secondary endpoints and statistical analysis strategy, as proposed by Mendus. The Phase 3 study design was considered appropriate to demonstrate efficacy in the intended patient population. Both agencies also agreed to the development steps taken by Mendus towards establishing large-scale manufacturing of vididencel, including the required comparability protocol. Based on the timelines for trial protocol development, continued regulatory interactions and implementation of large-scale manufacturing, Mendus expects pivotal-stage readiness of the vididencel program in AML in 2025H2.

The results from multiple clinical trials consistently demonstrated vididencel's ability to induce durable immune responses, combined with an excellent safety profile. The clinical development of vididencel in AML is supported by Orphan Drug status (EU + US) and Fast-track Designation (US).

Vididencel in ovarian cancer – positive topline data from the ALISON trial

Like AML, ovarian cancer is characterized by fast tumor recurrence following initial treatment, providing for the rationale to develop maintenance therapy options in this disease. Supported by preclinical data demonstrating vididencel's potential to stimulate anti-tumor immunity in ovarian cancer, the ALISON Phase 1 clinical trial is carried

out by the University Medical Center Groningen, The Netherlands (UMCG). The ALISON trial explores safety and the potential of vididencel to induce clinically relevant immune responses in high-grade serous ovarian carcinoma (HGSC).

In December 2024, Mendus has reported positive topline data confirming that vididencel stimulates immune responses to well-documented ovarian cancer antigens, which may provide a potential basis for an effective anti-tumor response. At week 22, the majority (10/17) patients treated had stable disease. The ALISON trial also confirmed the strong safety profile of vididencel, with only mild side effect reported, mainly at the injection site. Based on the updated analysis of samples from all 17 patients treated with vididencel, a vaccine-induced immune response (VIR) against one or more tumor antigens regularly upregulated in HGSC was observed in 12 of 17 patients (71%). Of the patients with detectable immune responses, 8/12 (67%) had stable disease at week 22. Following these initial positive safety and feasibility data, long-term follow-up of patients treated with vididencel is ongoing, with an expected next read-out based on 2-year survival follow-up expected in the fourth quarter of 2025.

Vididencel – broadening the addressable patient population in hematological oncology

Mendus is aiming to broaden the potential of vididencel by expanding its clinical development in hematological cancer. Preparations for additional vididencel trials, which may further broaden the addressable patient population in AML and adjacent diseases such as chronic myeloid leukemia (CML) are ongoing. At the ASH 2024 conference Mendus presented two abstracts based on preclinical data exploring the use of vididencel in additional patient populations.

AML patients ineligible for high-intensity chemotherapy can be treated today with a combination of azacitidine (AZA) and venetoclax (VEN). In the first preclinical abstract, in vitro data demonstrated that AZA and VEN do not interfere with vididencel's mode of action and that VEN stimulates the processing of vididencel by antigen-presenting cells. In vivo data confirmed that vididencel and AZA+VEN act synergistically in a humanized mouse model for AML, supporting the clinical exploration of vididencel in AML patients treated with AZA+VEN.

The second preclinical abstract addressed the potential use of vididencel in CML. Data showed that vididencel can stimulate cellular immunity against a CML cell line and investigated the combination potential of vididencel with different tyrosine kinase inhibitor drugs currently used for the treatment of CML. The possibility to improve immunity against residual cancer cells with vididencel addresses the need to improve treatment-free remission rates, allowing CML patients to control their disease without the need for life-long medication.

Vididencel strategic manufacturing alliance with NorthX Biologics

To support late-stage clinical development and commercial-scale manufacturing of vididencel, Mendus has entered into a strategic manufacturing alliance with NorthX Biologics, a Sweden-based manufacturer of cell- and gene-therapy products. Mendus and NorthX Biologics have co-established a vididencel manufacturing facility and initiated the technology transfer of the large-scale manufacturing process in 2024H1. First large-scale production of GMP material for clinical use is expected in 2025H2.

NorthX Biologics facility in Matfors, Sweden.

The vididencel manufacturing process was validated by an ATMP certificate issued by the European Medicines Agency (EMA).

Ilixadencel for hard-to-treat solid tumors – focus on partnerships

The intratumoral immune primer ilixadencel consists of dendritic cells derived from healthy donor material, which are administered as an intratumoral injection to stimulate local inflammation and cross-presentation of tumor antigens, resulting in a tumor-specific immune response. ilixadencel has been studied in clinical trials across a range of hard-to-treat solid tumor indications in combination with existing cancer therapies, including tyrosine kinase inhibitors and the immune checkpoint inhibitor pembrolizumab. ilixadencel has consistently demonstrated promising signs of clinical efficacy across different tumor types, combined with an excellent safety profile. Overall, a substantial body of clinical data underscore ilixadencel's potential as a viable combination therapy for hard-to-treat tumors.

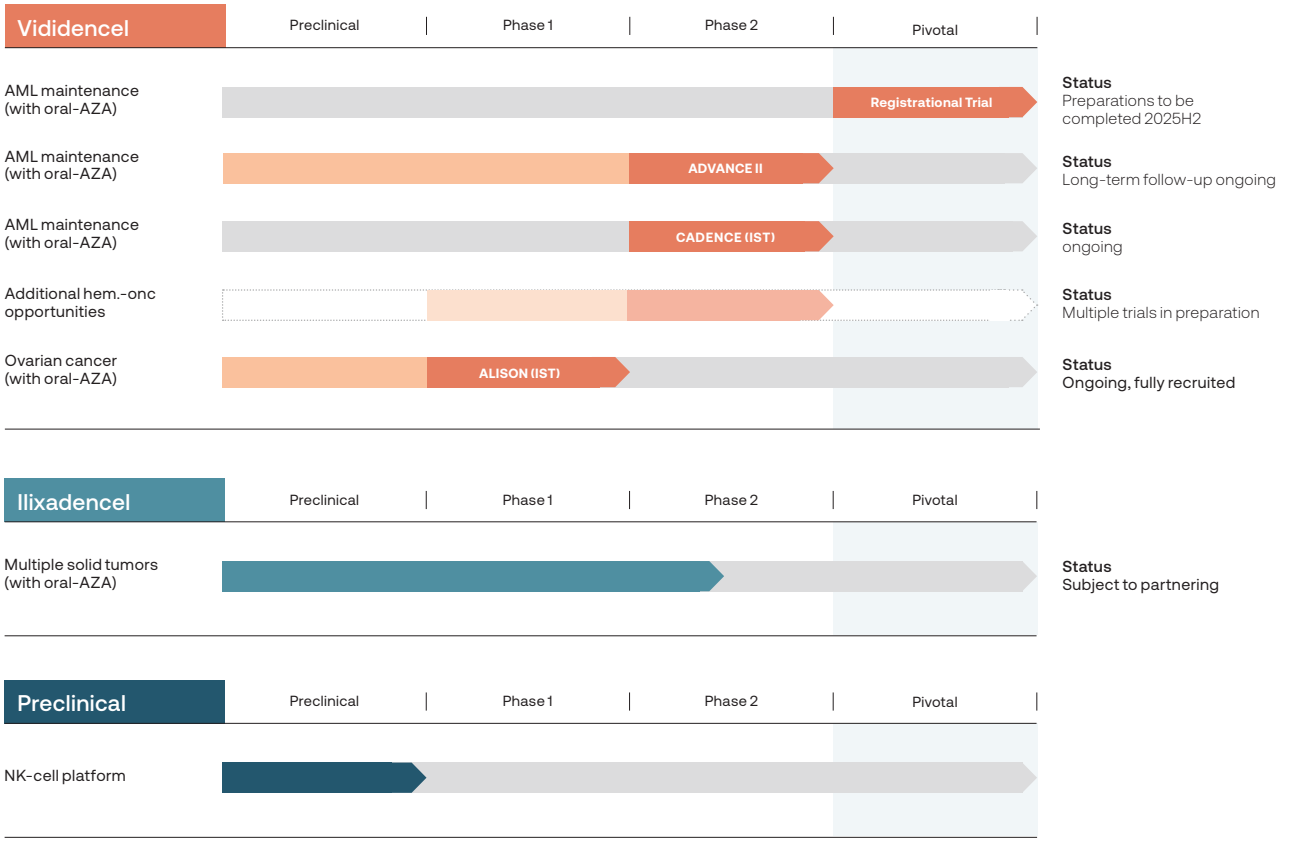
Further clinical development of ilixadencel will be dependent on the establishing corporate partnerships based on combination therapy approaches.

Preclinical pipeline – NK cell platform

In addition to supporting the clinical development and manufacturing processes of the company's lead programs,

Mendus' research activities include the design of next-generation immune primers based on the DCOne cell line as well as leveraging internal pipeline synergies through the combination of cancer vaccination and intratumoral priming. Mendus has also applied its expertise in dendritic cell biology to improve other cell-based therapies. Particularly, Mendus has explored the application of the proprietary DCOne platform to expand memory NK cells, an important subset of NK cells because of their longevity, resistance to immune suppression and correlation with improved clinical outcomes in blood-borne tumors in particular. Establishing a novel method to expand this class of NK cells may provide the basis for improved NK cell-based therapies, to potentially enter the Mendus pipeline.

Pipeline overwiev

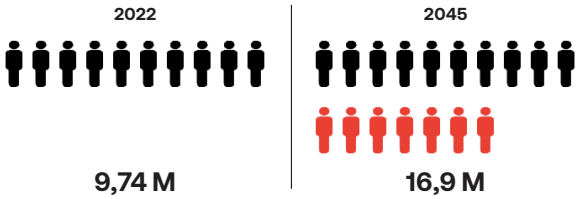


Markets and Strategy

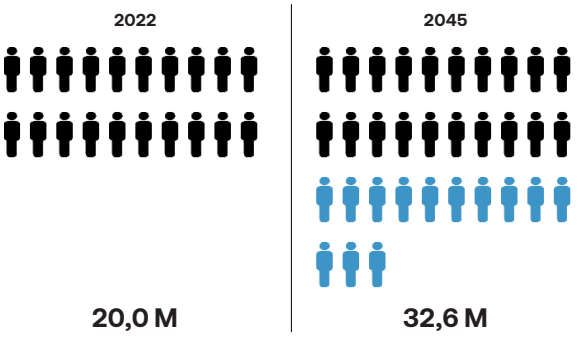
According to the International Agency for Research on Cancer (IARC), a specialized cancer agency of the World Health Organization, cancer is expected to surpass cardiovascular disease as the leading cause of premature death in most industrialized countries.

IARC's latest estimates show that the global cancer burden rose to 20.0 million new cases and 9.7 million cancer-related deaths in 2022. IARC also predicts that by 2045 cancer incidence will increase to 32.6 million new cases and 16.7 million deaths[1]. The main cause of cancer-related deaths is tumor recurrence and disease relapse following initial successful treatment[2].

Estimated **number of deaths** from 2022 to 2045, Both sexes, age (0-85+)
All cancers



Estimated **number of new cases** from 2022 to 2045, Both sexes, age (0-85+)
All cancers



Immuno-Oncology

Immuno-oncology, or "IO", has revolutionized the cancer therapy landscape. The field encompasses different therapeutic modalities which are based on antibodies or cells of the immune system or can modulate the immune system. The global IO field was estimated to be valued at around USD 85bn in 2020 and is expected to grow to over USD 300bn in 2030[3].

In the treatment of cancer and infectious diseases a difference can be made between active immunity, acquired via natural immunity against a disease or vaccination and passive immunity, which is based on the injection of antibodies or modified immune cells directed against the disease. Passive immunity is generally immediately effective, whereas active immunity takes time, typically a few weeks, to develop. However, only active immunity is long-lasting[4]. Immune checkpoint inhibitors are the most successful class of IO drugs, with the leading drug pembrolizumab alone being approved in more than twenty solid tumor indications and realizing around USD29.5bn in revenues in 2024, an 18 percent growth from previous year[5]. Checkpoint inhibitors support active immunity, by activating the patient's own anti-tumor T cell response.

Despite their success in achieving long-term survival benefit in patients suffering from solid tumors, still only the minority of patients respond to checkpoint inhibitors and despite a massive effort involving more than 4.000 clinical trials[6], other immuno-therapy modalities have largely failed to improve the success rate of checkpoint inhibitors.

Mendus focuses on tumor indications which today do not benefit from checkpoint inhibitors, being blood-borne tumors and hard-to-treat solid tumors that poorly respond to existing therapies, including checkpoint inhibitors. Mendus' lead product vididencel, and ilixadencel, are designed to improve active immunity, built up by the patient's own immune system, which has the potential to deliver long-lasting clinical benefit without compromising health or quality of life.

Mendus develops vididencel as a cancer maintenance therapy, aiming to prolong disease-free and overall survival following initial successful treatment. Vididencel is an active immunotherapy, designed to boost the patient's own immune response against residual cancer cells.

AML – Acute Myeloid Leukemia

According to the US National Cancer Institute, new cases of acute myeloid leukemia (AML) are estimated to affect about 22,000 in 2025 and lead to more than 11,000 cancer deaths in the United States alone[7]. The five-year survival rate is estimated at about 30 percent overall, with survival rates dropping to about 10 percent for patients older than 65. The main reason that AML is such a deadly disease is that patients with AML frequently relapse, even after achieving complete remission with initial chemotherapy[8]. Therapeutic options for AML patients in remission following successful initial treatment are very limited, with the only potentially curative approach being an allogeneic hematopoietic stem cell transplant (HSCT, or "bone marrow transplant"). Currently the only drug approved for AML maintenance therapy is an oral version of azacitidine, a chemotherapy agent marketed under the brand name Onureg®, which was approved in 2020 by the United States Food and Drug Administration specifically for AML maintenance treatment of transplant-ineligible patients following high-intensity chemotherapy[9]. It is expected that the need for additional therapeutic options in the AML maintenance market will further grow after this first approval of a maintenance-specific product.

Mendus intends to provide a new therapeutic option for AML maintenance through the development of its lead program vididencel in this indication. In December 2024, during the annual American Society of Hematology conference (ASH), Mendus presented positive updated survival data from the ADVANCE II Phase 2 trial evaluating vididencel as maintenance treatment for AML patients in first complete remission (CR1) following chemotherapy. Data showed that 13 out of 20 patients treated with vididencel were alive and 11 patients were still in first complete remission at a median follow-up of 41.8 months.

Following the positive updated Phase 2 survival data Mendus continues to focus on preparing vididencel for a Phase 3 registration trial in AML. Mendus has received positive feedback from the FDA and EMA supporting the proposed trial design, patient population, reference therapy, primary and secondary endpoints, and statistical analysis strategy.

Based on the positive Phase 2 data, Mendus is expanding clinical development for vididencel. In the Phase 2 trial AMLM22-CADENCE, the Australasian Leukaemia and Lymphoma Group (ALLG) is studying vididencel as a novel AML maintenance treatment in combination with oral azacitidine (AZA), currently the only approved AML maintenance drug.

Preparations for additional vididencel trials, which may further broaden the addressable patient population in AML and adjacent diseases, such as chronic myeloid leukemia (CML), are ongoing, subject to funding.

Ovarian Cancer

According to the Centers for Disease Control and Prevention (CDC), ovarian cancer is the second most common gynecological cancer in the United States. The American Cancer Society estimates that some 21.000 women will receive a new diagnosis of ovarian cancer in the US alone during 2025, and some 13.000 women will die from ovarian cancer[10,11]. Ovarian cancer causes more deaths than any other cancer of the female reproductive system due to its high recurrence rate following initial treatment. Available treatment options have shown to be less effective with each recurrence, further highlighting the need for maintenance therapies aimed at reducing recurrence and extending the progression-free survival. In the past, maintenance therapy using chemotherapy regimens showed little improvement and carried significant toxicity. The more recent development of targeted molecular therapies such as Poly ADP-ribose polymerase (PARP) inhibitors has resulted in greater maintenance therapy options with less toxicity and greater therapeutic benefit but significant room for improvement remains[12].

Mendus is studying vididencel as a potential novel maintenance treatment for ovarian cancer in combination with standard of care including PARP inhibitors via the ongoing single-center Phase 1 ALISON trial carried out by the University Medical Center Groningen, The Netherlands (UMCG). In December 2024 Mendus reported positive topline data from 17 patients confirming that vididencel stimulates immune responses against ovarian cancer antigens, as a potential basis for an effective anti-tumor response. The strong safety profile for vididencel was confirmed.

Soft Tissue Sarcomas

The American Cancer Society estimates that more than 13.000 will be diagnosed with soft tissue sarcomas (STS) in the United States during 2025 and that STS will result in more than 5.000 deaths[13]. Sarcomas are a group of heterogenous tumors which comprise more than 100 subtypes. They are broadly considered immunologically

"cold" tumors, resulting in the need for treatment options that can help overcome the immunosuppressive strategies of the tumor.

Besides surgery, several lines of treatment are available for STS, with tyrosine kinase inhibitors (TKI) representing the dominant treatment class. However, following TKI treatment failure there are currently very few available alternative treatment options and STS also poorly respond to checkpoint inhibitors.

Mendus has been active in STS via the development of ilixadencel as an intratumoral immune primer, in combination with the TKI regorafenib and the immune checkpoint inhibitor avelumab as part of the ongoing REGOMUNE trial, in collaboration with Institut Bergonié, France. However, at the end of 2024, Mendus was informed of the termination of the collaboration agreement, because third-party funding for the REGOMUNE trial had been stopped and Institut Bergonié was no longer in a position to continue the trial. As a result, Mendus has decided to not pursue new clinical trials and to explore alternative strategic options for the ilixadencel program, including potential partnering, to continue its clinical development in STS and other solid tumor indications.

Natural Killer Cell Therapy

Natural Killer (NK) cells are a first line of defense against virus-infected and cancerous cells and therefore hold large therapeutic potential[14]. The global market for NK cell therapies was valued at approximately USD 0.55bn in 2024 and is expected to grow to USD 2.1bn in 2033[15]. The rapidly evolving field of NK cell-based therapies generally focuses on the manufacturing of therapeutic quantities of NK cells and on methods to improve NK cell function and persistence in the body following administration. Memory NK cells are a specific class of NK cells which have been associated with improved tumor cell killing capacity and clinical benefit in hematological tumors[16].

Mendus is developing a method to expand donor-derived memory NK cells for therapeutic purposes. The method is based on Mendus' DCOne platform and can potentially be used to generate high-quality NK cells for different therapeutic applications in blood-borne and other tumors.

Research Collaborations

Mendus continues to explore new product opportunities based on its current technology platform, as well as novel therapeutic concepts. The company has established a broad network of collaboration partners to explore new treatment options and therapeutic concepts. A research collaboration with the University Medical Center Groningen explores novel treatment options for ovarian cancer based on the combination of vididencel with immune checkpoint inhibitors. The alliance receives grant funding from Health-Holland, an organization supported by the Dutch Ministry of Economic Affairs and Climate Policy. Mendus also participates in the public-private partnership Oncode Accelerator, which is supported by the National Growth Fund, an initiative of the Dutch Ministry of Economic Affairs and Climate Policy and the Ministry of Finance. The National Growth Fund invests 325 million euros in the Oncode Accelerator plan to accelerate the preclinical development process of cancer drug. Within the framework of Oncode Accelerator, Mendus may be eligible for matching funds to support part of its research and development programs.

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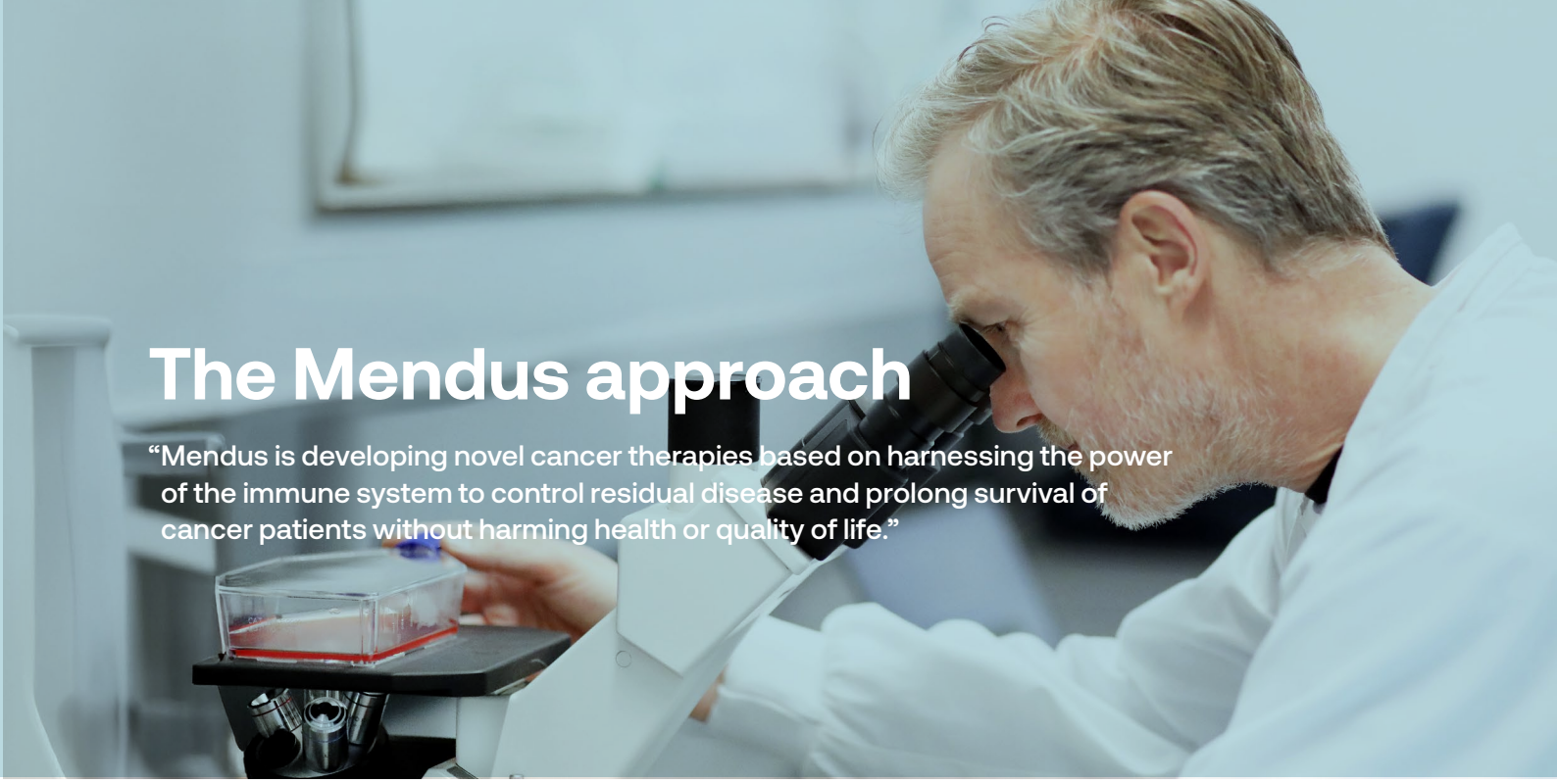


The Mendus approach

"Mendus is developing novel cancer therapies based on harnessing the power of the immune system to control residual disease and prolong survival of cancer patients without harming health or quality of life."

Changing the course of cancer treatment

More cancer patients than ever before experience initial treatment success, leading to clinical remission of the disease. However, tumor recurrence due to residual cancer cells is an imminent threat and responsible for the majority of cancer-related deaths.

Mendus addresses tumor recurrence by developing therapies that enable the immune system to build up active immunity against residual cancer cells, in order to improve long-term survival while preserving health and quality of life.

Development strategy

The immuno-oncology landscape includes a wide range of drugs, both on the market and in development, with immune checkpoint inhibitors as the leading class of agents. Mendus is developing vididencel as an active immunotherapy in acute myeloid leukemia (AML), where immune checkpoint inhibitors generally have not been effective.

Mendus is focusing on maintenance therapy, for which active immunotherapy is ideally suited based on the opportunity to achieve durable clinical responses combined with a benign safety profile.

In a completed Phase 1 safety and feasibility trial, patients with a low disease burden had the best chance to respond to vididencel treatment, supporting the maintenance therapy setting currently pursued in the ADVANCE II Phase 2 trial.

In the ADVANCE II trial, patients with an increased risk of disease relapse because of the presence of measurable residual disease (MRD) following high-dose chemotherapy were treated with vididencel. At a median follow-up of 41.8 months, the majority of patients remained alive and disease-free. Immune- and disease monitoring data confirmed that vididencel acts as an active immunotherapy against residual cancer cells.

Based on successful Phase 2 proof-of-concept data in the AML maintenance therapy setting, Mendus is expanding the clinical development of vididencel in AML and other blood-borne tumors. The first step has been a combination trial with oral azacitidine, currently the only approved AML maintenance treatment, in collaboration with the Australasian Leukaemia and Lymphoma Group (ALLG), which is currently

Mendus Vision

To become a relevant player in the treatment of cancer - both in terms of clinical benefit for patients and as a company with a solid foundation and long-term future in the biopharmaceutical industry.

Mendus Mission

To change the course of cancer treatment by controlling residual disease in order to achieve deeper and longer-lasting clinical remissions, ultimately leading to a potential cure of tumors that are among the deadliest diseases due to their high recurrence rate.

ongoing (AMLM22-CADENCE). As a next step in the expansion of clinical development, Mendus is actively preparing for additional trials in AML and other blood-borne diseases, such as chronic myeloid leukemia (CML).

Pivotal-stage development is the final step towards market registration of vididencel. To support this late-stage development step, the product needs to be manufactured on a large scale, based on a process that is also suitable for market launch and commercialization. Mendus has developed such a scalable manufacturing process for vididencel and is now preparing for large-scale clinical grade production. Based on supportive feedback from the US FDA and EMA, Mendus is developing a clinical trial protocol for a vididencel registration trial in AML. Pivotal-stage readiness based on trial preparations and large-scale manufacturing is expected in the second half of 2025.

Earlier-stage programs include the ongoing Phase 1 ALISON clinical trial with vididencel in ovarian cancer. Initial safety and feasibility have been established and long-term follow-up to assess potential survival benefit is ongoing, with 2-year survival data expected in the fourth quarter of 2025. Depending on the survival analysis, Mendus will decide if and how to progress in this indication, including possible combinations with other therapeutic modalities.

The intratumoral immune primer ilixadencel has been studied in a Phase 2b trial in metastatic renal cell carcinoma (mRCC), which despite encouraging signs of efficacy missed its primary endpoint and did not show potential superiority over current first-line therapies, including immune checkpoint inhibitors. In mRCC and other solid tumor settings, ilixadencel was shown to be safe in combination with other therapies and Mendus is therefore aiming to find collaboration partners to develop the product as a potential combination therapy in hard-to-treat solid tumors.

In preclinical discovery, Mendus has focused on the expansion of immune cells for therapeutic purposes based on a proprietary platform technology (DCOne). As a first product candidate, Mendus has developed a protocol to expand donor-derived memory NK cells, which are associated with improved survival in blood-borne tumors.

Technology background

Mendus is developing off-the-shelf, allogeneic cell-based therapies based on its expertise and know-how in dendritic cell biology. Dendritic cells play a central role in immune responses. They train the immune system to recognize antigenic sequences produced by infections or tumor cells and provide for co-stimulation to facilitate the proliferation of T cells and other immune cells. Increasing evidence suggests that there are dynamic interactions between dendritic cells, involving cellular crosstalk and the exchange of cellular content.

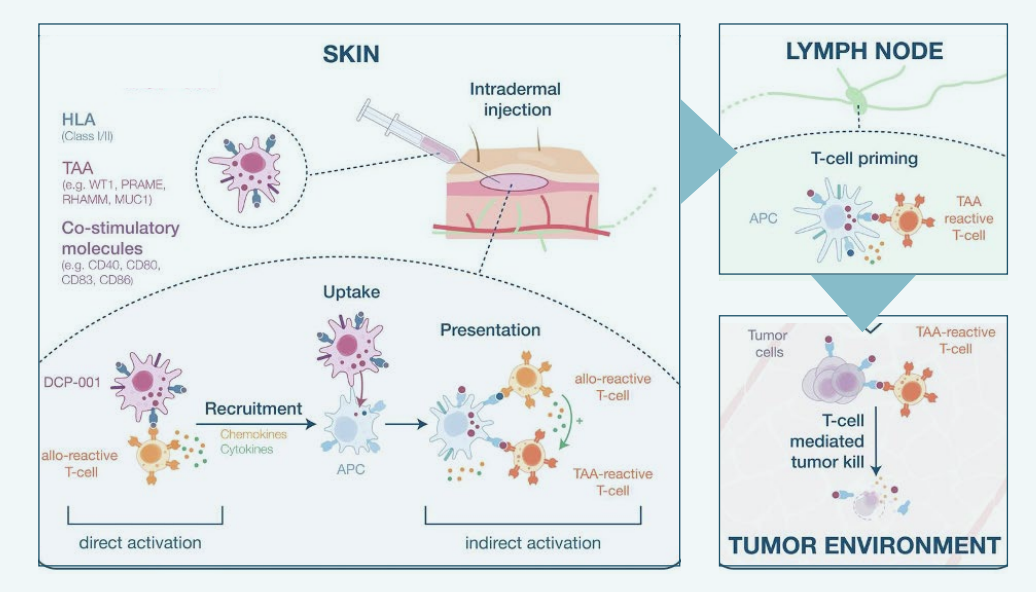
ALLOGENEIC DENDRITIC CELL BIOLOGY

These mechanisms are crucial to the priming of anti-tumor responses and need to be considered when designing cancer immunotherapies based on dendritic cell biology[1,2,3,4]. These biological pathways also support the design of allogeneic cell-based therapies, which do not rely on patient material and allow for the development of highly immunogenic products with improved manufacturability. Mendus has leveraged its expertise in allogeneic dendritic cell biology to design its lead therapeutic programs, vididencel and ilixadencel. Each product relies on specific interactions with the patient's immune cells, including the patient's dendritic cells. In addition, Mendus applies its technology to expand so-called memory natural killer (NK) cells, which may be used as the basis for novel therapeutic approaches.

VIDIDENCEL

Mendus' lead product vididencel is a whole cell-based cancer vaccine derived from Mendus' proprietary DCOne leukemic cell line. For vididencel manufacturing, the DCOne cells are cultured from a qualified working cell bank and are then reprogrammed to express mature dendritic cell phenotype. This renders the cells highly immunogenic and provides for the basis for the vaccine. The resulting cells comprise a broad array of endogenous tumor antigens combined with a mature dendritic cell co-stimulatory profile. Upon intradermal injection of vididencel, the product induces a local inflammatory reaction, leading to recruitment of antigen-presenting cells (APCs) in the skin, which phagocytose ("eat") the vaccine and become activated in the process. These activated APCs subsequently migrate from the skin towards the draining lymph nodes, where they trigger a broad anti-tumor response. Immune responses against multiple tumor antigens have been observed following vididencel vaccination, including increased levels of tumor antigen-specific T cell activities. The proposed mode of action for vididencel is based on clinical observations and detailed preclinical research[5,6].

Vididencel– Mode of action



ILIXADENCEL

Activated, allogeneic dendritic cells derived from healthy donor material represent the basis for ilixadencel. These cells, following the administration directly into the tumor, induce a local inflammatory reaction and lead to recruitment and activation of NK cells and recruitment of the patient's own dendritic cells into the tumor microenvironment. The activated NK cells are responsible for the killing of tumor cells and the recruited dendritic cells will encounter and engulf dying tumor cells and tumor cell debris, including tumor specific (neo-)antigens, that will act as an antigen source to activate tumor specific T cells. The proposed mode of action for ilixadencel has been demonstrated in preclinical studies and is supported by clinical observations[7,8].

MEMORY-NK-CELLS

NK cells are part of the innate immune system and form a first line of defense against infections and tumor cells[9]. So-called "memory" or "adaptive" NK cells are associated with improved tumor cell killing and significantly reduced relapse rates in bone marrow-transplanted leukemia patients[10, 11].

Memory NK cells therefore hold great therapeutic promise in the treatment of hematological cancers and potentially other tumor types. The NK cell research at Mendus has focused on using the proprietary DCOne platform to improve NK cell quality and specifically on the expansion of memory NK cells, which subsequently can be used in different therapeutic applications.

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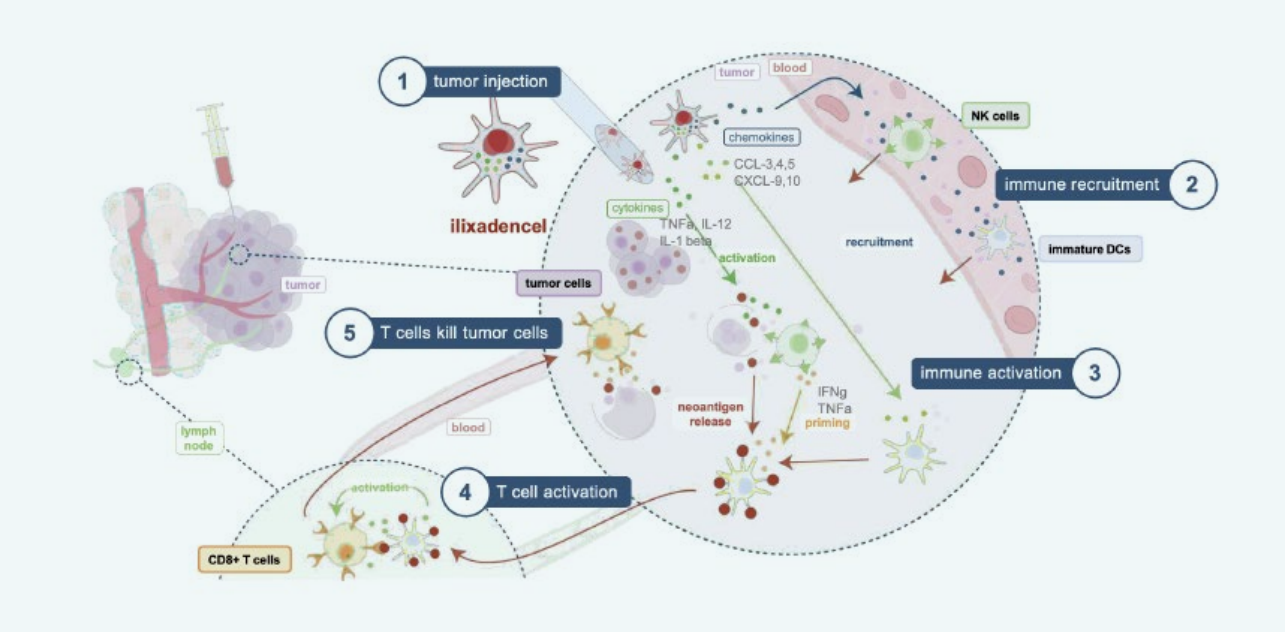
Ilixadencel –Mode of action



The figure above shows that ilixadencel produces recruiting and activating molecules in the tumor, which then recruit and activate natural killer (NK) cells for the release of tumor antigens and the patient's own dendritic cells (DCs) for the uptake of these tumor neoantigens. Thus, what Mendus expects to accomplish by means of a standardized primer is to subsequently load the patients' own dendritic cells with their tumor-specific neoantigens in vivo, and in this way offer patients a more potent, individualized treatment. This is something that makes ilixadencel a unique cancer immune primer with a favorable positioning.

The Mendus Share

Mendus AB (publ) is a Swedish public limited liability company and is regulated by the Swedish Companies Act (2005:551). Mendus' shares are issued in accordance with the Swedish Companies Act and are denominated in SEK. Shareholders' rights may only be changed in accordance with the procedures set out in the Companies Act.

Each share in the company entitles the holder to one vote at the general meeting. All shares have equal rights to the company's assets and profits. At general meetings, shareholders may vote for the total number of shares they own and represent with no restrictions on voting rights. All shares in the Company are of the same class and are freely transferable. The share register is maintained by Euroclear Sweden AB.

The Mendus share has been traded since April 22, 2013 on Nasdaq First North. As of January 15, 2018, the share is traded on the Nasdaq Stockholm Small Cap list under the ticker IMMU.

Share performance

In 2024, the share price decreased by 25.42 percent. In comparison, OMX Stockholm Small Cap PI increased by 9.90 percent during the same period. The highest closing price in 2024 was SEK 11.26 and the lowest price was SEK 7.10. Mendus' market capitalization at the end of 2024 amounted to SEK 393 million.

Liquidity

The average trading volume per trading day was SEK 495,937 (compared to SEK 2,104,554 in 2023). A total of 13.5 million shares (compared to 49 million in 2023) were traded in Mendus in 2024, corresponding to a value of approximately SEK 144 million (2023: 506).

Analyst monitoring

Analysts who covered the stock at year-end 2024 were: Arron Aatkar and Jyoti Prakash, Edison Investment Research, Christian Binder, Redeye AB and Chien-Hsun Lee and Dan Akschuti, Pareto Securities.

Share capital

The number of shares and votes in Mendus changed in 2024 as a result of new shares being issued during the year in connection with the conversion of outstanding options into shares. In connection with this transaction, the share capital has increased by SEK 7,202,160, from SEK 43,157,419 to SEK 50,359,579.

After the Annual General Meeting, a reverse split of 20:1 was made, which resulted in a reduction in the number of outstanding shares to 50,359,579 while the quota value per share was changed to SEK 1.00 (SEK 0.05).

The number of shares and votes in the Company as of

Share capital development

Year	Event	Change in no. of shares	Total no. of shares	Change in share capital (SEK)	Total share capital (SEK)	Quota value (approx. SEK)
2010	New share issue	1,326	6,629	33,150	165,725	25.00
2012	New share issue	600	7,229	15,000	180,725	25.00
2012	Split 1,000:1	7,221,771	7,229,000	–	180,725	0.025
2012	Bonus issue	12,771,000	20,000,000	319,275	500,000	0.025
2013	Reverse split 2:1	-10,000,000	10,000,000	–	500,000	0.05
2013	New share issue	2,675,000	12,675,000	133,750	633,750	0.05
2013	New share issue	1,100,000	13,775,000	55,000	688,750	0.05
2014	New share issue	3,500,00	17,275,000	175,000	863,750	0.05
2014	New share issue	2,755,000	20,030,000	137,750	1,001,500	0.05
2016	New share issue	130,000	20,160,000	6,500	1,008,000	0.05
2016	New share issue	5,798,541	25,958,541	289,927	1,297,297	0.05
2017	New share issue	24,999,990	50,958,531	1,249,999	2,547,927	0.05
2018	New share issue	41,299,000	92,257,531	2,064,950	4,612,877	0.05
2020	New share issue	73,909,635	166,167,166	3,695,482	8,308,358	0.05
2021	New share issue	33,233,433	199,400,599	1,661,672	9,970,030	0.05
2023	New share issue	663,747,772	863,148,371	33,187,389	43,157,419	0.05
2024	New share issue	144,043,202	1,007,191,573	7,202,160	50,359,579	0.05
2024	Reverse split 20:1	-956,831,995	50,359,578	–	50,359,579	1.00

December 31, 2024 amounted to 50,359,579 compared to a total of 43,157,419 shares and votes at the end of 2023. The quota value per share is SEK 1.00.

Shareholder structure

At the end of 2024, Mendus' management and board of directors owned 1.78 percent of the total number of shares in Mendus (up from 1.72 percent at the end of 2023). The single largest shareholder was Adrianus Van Herk with a total of 17,972,176 shares at the end of 2024, corresponding to 35.9 percent of the total number of shares. Mendus' ten largest shareholders owned 76.9 percent of the capital and votes (compared to 74.1 percent at the end of 2023). In terms of the geographical division, the shareholding in Sweden amounted to 59.1 percent (compared to 60.9 percent at the end of the financial year 2023) of total capital and 40.9 (39.1) percent of foreign ownership.

Proposed dividend

Mendus currently has no drugs sold on the market, which means that the company does not generate any significant revenues and reports negative results. Ahead of the 2025 Annual General Meeting, the Board of Directors has proposed that no dividend be paid for the 2024 financial year.

Incentive

The purpose of share-based incentive programs is to promote the company's long-term interests by motivating and rewarding the company's senior executives and other employees in line with the interests of the shareholders. There is currently an active program in the company.

LTI 2021/2024

At the Annual General Meeting on 4 May 2021, it was resolved to implement an incentive program with employee stock options and share awards. The number of subscribed share rights amounted to 34,000*. During 2021-2023, a total of 13,050* share awards have been forfeited in connection with employee departures. This brings the number of issued share awards to 20,950*. During the year, the program was terminated and the participants were compensated with a one-time payment corresponding to the value of the share awards received.

The part of the program that pertained to employee stock options has been terminated prematurely and all options have been withdrawn.

LTI 2023/2027

At an Extraordinary General Meeting on 13 December 2023, it was resolved to introduce an incentive program with employee stock options. The number of issued employee stock options amounts to 2,366,661, which corresponds to a dilution of 4.7%.

For more information about the programs, see the minutes from the Annual General Meeting 2021 and from the Extraordinary General Meeting 20231213 published on the Company's website www. mendus.com.

Shareholders as of 2024-12-31

Source: Euroclear Sweden

Owners	Shares	% of votes and capita
Adrianus Van Herk	17,972,176	35.69%
Flerie Invest AB	12,053,572	23.94%
Fourth Swedish National Pension Fund	4,991,714	9.91%
Avanza Pension	1,177,235	2.34%
Nordnet Pensionsförsäkring	708,488	1.41%
Holger Blomstrand Byggnads AB	649,443	1.29%
SEB Investment Management	331,034	0.66%
Erik Manting	277,695	0.55%
Staffan Wensing	277,510	0.55%
Handelsbanken Fonder	265,001	0.53%
Dharminder Chahal	264,615	0.53%
Lars Inge Thomas Nilsson	238,770	0.47%
FCG Fonder	160,646	0.32%
Lotta Ferm	135,000	0.27%
Thomas Fønlev Jensen	134,477	0.27%
Handelsbanken Liv Försäkring AB	108,080	0.21%
Crister Isberg	108,000	0.21%
Jeroen Rovers	107,526	0.21%
Ulf Ronny Storm	97,994	0.19%
Martin Lindström	90,000	0.18%
Total topp 20	40,148,976	79.72%
Other	10,210,602	20.28%
Total	**50,359,578**	**100.00%**

* Number of share rights and employee stock options are recalculated taking into account the reverse split, 20:1

The Board of Directors

SVEN ANDREASSON

Chairman since 2024
Board Member since 2020

About:
Sven Andreasson (born 1952, Swedish) has broad experience in biotech and pharmaceutical companies. He was CEO of Active Biotech AB 1999-2008, Beta-Cell NV in Belgium 2008-2012 and Isconova AB 2012-2013 where he initiated and completed a sale of the company in 2013 to the American company Novavax. He was appointed as Senior VP Corporate Development and subsequently as Senior Advisor Business & Corporate Development at Novavax, until May 2024. Sven has also held several senior management positions within Pharmacia in Sweden, Germany, Belgium and France. Previous experience from board assignments includes TiGenix NV, Belgium, Cantargia AB and Chairman of Erytech SA, France. Sven holds a MSc in Engineering from the Stockholm School of Economics and participated in MBA programs from IMEDE Lausanne, INSEAD Fontainebleau and Ashridge London.

Ongoing engagements:
Board member of Cellastra Inc USA

Independency:
Sven Andreasson is independent in relation to the company, its senior executives and major shareholders.

Shares:
25,000

HELÉN TUVESSON

Board Member since 2020

About:
Dr Helén Tuvesson (born 1962, Swedish) has more than 25 years of experience from the pharmaceutical industry in various positions within Pharmacia and Active Biotech, including as Chief Scientific Officer at Active Biotech for 6 years. In this role she was responsible for the operational research activities and the company's project portfolio in late-stage clinical development in neurodegenerative diseases and cancer indications. Helén is currently the CEO of Active Biotech AB, which role she has had since 2017. Helén holds a MSc and PhD in Cellular and Molecular Biology in Medical Science from Lund University.

Ongoing engagements:
CEO of Active Biotech AB and chairman of the board of Active Security Trading AB and Actinova AB.

Independency:
Helén Tuvesson is independent in relation to the company, its senior executives and major shareholders.

Shares:
3,200

DHARMINDER CHAHAL

Board Member since 2021

About:
Dharminder Chahal (born 1976, Dutch) is an experienced person in the global life science industry, renowned for his expertise in founding, financing, and guiding successful ventures. As the managing director of Sairopa, owner and managing director of Exponential BV., and CEO and co-founder of SkylineDx, he plays pivotal roles in shaping the trajectory of various companies. Chahal's extensive network and track record of success are evident through his involvement in significant transactions, such as the sale of Crucell, deVGen, and Ablynx. He also oversees major investments in companies like Galapagos, Zealand Pharma, and BioInvent.
In addition to his executive roles, Chahal serves as a board member or advisor for numerous European companies and funds in the life sciences sector. His background in investment banking and asset management, along with his academic credentials in Business Economics and Aerospace Engineering, further underscore his multidisciplinary expertise. Through his strategic leadership and extensive experience, Dharminder Chahal continues to make significant contributions to the advancement of the life science industry globally. Dharminder holds a MSc in Business Administration from Erasmus University Rotterdam and MSc (cum laude) in Aerospace Engineering from Delft University of Technology.

Ongoing engagements:
CEO of SkylineDx BV, Ceradis BV, Medis Holding BV, Pancancer T BV, Sensara Group BV and Vitalnext Products BV as well as advisory board member of BioGeneration Ventures II, Spatium Medical Imaging BV, Thuja Capital Fund I and Gilde Healthcare Funds II and III.

Independency:
Dharminder Chahal is independent in relation to the company and its senior executives, and dependent in relation to the major shareholders.

Shares:
264,615

The Board of Directors

HANS PREUSTING

Board Member since 2021

About:
Dr Hans Preusting (born 1962, Dutch) has previously served as the Chief Business Officer and interim Chief Operating Officer of uniQure. Prior to that he was the VP of Process Development and Manufacturing at AMT, the predecessor of uniQure. Hans is currently CEO of Synerkine Pharma and he also works as an independent consultant for several biotech companies and is co-founder of two biotech start-up companies. He holds two patents and has published over 20 scientific articles. His expertise is focused on business development, product development and manufacturing. Hans holds an MSc in Chemistry and a PhD in Biochemistry from the University of Groningen and an MBA from the Rotterdam School of Management.

Ongoing engagements:
CEO of Synerkine Pharma BV and CDO of DegenRx BV

Independency:
Hans Preusting is independent in relation to the company, its senior executives, and major shareholders.

Shares:
10,000

TED FJÄLLMAN

Board Member since 2023

About:
Dr Ted Fjällman (born 1978, Swedish, Swiss & British) has a background in clinical research, strategy consulting and biotech company building. He has served as committee member of the UK BioIndustry Association (BIA) and on the Management Board of the International Bacterial Vaccines Network (BactiVac). He also co-founded Tekiu, an international knowledge transfer broker. Since 2023 he is CEO of Flerie, an investment company listed on the Nasdaq Stockholm since 2024 with biotech investments across Europe, the US and Israel. Prior to his CEO role he was Partner and Venture Partner at Flerie as well as the CEO of one of its portfolio companies Prokarium in London. He is board member of several drug development companies and was the first CEO of NorthX Biologics after Flerie acquired a manufacturing facility from Charles River to set up this CDMO. Ted holds a BSc in Biology, Physics, Science & Technology Management from the University of Waikato, a MSc from the University of Gothenburg, and MSS from the International Space University, and a PhD in Molecular Biology from the University of Guelph.

Ongoing engagements:
CEO of Flerie AB and board member of Geneos Therapeutics, Vitara Biomedical, Prokarium, Synerkine Pharma, Alder Therapeutics, Roseberry, St Andrews Folkestone and Tekiu.

Independency:
Ted Fjällman is independent in relation to the Company and its senior executives, and dependent in relation to the major shareholder Flerie Invest AB.

Shares:
0

The Executive Management Team

ERIK MANTING

Chief Executive Officer

About:
Dr Erik Manting (born 1971, Dutch) has worked for a number of years as a post-doctoral researcher in the field of immunology before making a career switch to banking in 2001. He has more than 15 years of experience in different commercial and management roles in banking, including five years as Executive Director Corporate Finance at Kempen & Co. He acted as CEO of DCPrime BV since March 2018 and was appointed as CEO of Immunicum AB in March 2021, following the merger between both companies in December 2020. The combined company was renamed Mendus in June 2022. Erik holds a MSc in Medical Biology and a PhD in Molecular Microbiology from the University of Groningen.

Ongoing engagements:
Supervisory board member (Chairman) Synerkine Pharma BV and Independent Director Transcode Therapeutics Inc.

Shares:
302,192

Stock options:
662,666 (LTI 2023/2027)

LOTTA FERM

Chief Financial Officer

About:
Lotta Ferm (born 1966, Swedish) has nearly 30 years of finance and controlling experience from a range of corporations including most recently Doktor24 Healthcare AB and Medivir AB in the healthcare and life science sectors. She has held CFO, Head of Finance and Head of Controlling positions consistently over the last decade and led the corporate finance and accounting functions for multiple transitions for dynamic and innovative companies. Lotta joined Mendus as CFO in October 2021. Lotta holds a degree in Business Administration and Economics from Högskolan Kristianstad and Växjö University.

Ongoing engagements:
–
Shares:
135,000 (private and through related persons' holdings)

Stock options:
331,333 (LTI 2023/2027)

ALEX KARLSSON-PARRA

Chief Scientific Officer

About:
Dr Alex Karlsson-Parra (MD) (born 1950, Swedish) was trained as physician in clinical immunology at Uppsala University Hospital, Uppsala, Sweden and has more than 20 years of experience in the field of transplantation immunology. In addition to his position as Co-Founder and CSO at Mendus, he has also served as Associate Professor in Clinical Immunology at Uppsala University Hospital, with special expertise in transplantation immunology and cancer immunotherapy and is former chairman of the Swedish Expert Group for Clinical Immunology. In 2014, Alex was awarded the Athena Prize, the most prestigious award for clinical research in the Swedish healthcare community. Prior to his current positions, he served as Associate Professor and Senior Physician at the Department of Clinical Immunology at Sahlgrenska University Hospital, Gothenburg, Sweden and Uppsala University Hospital, Sweden. Alex has been founder and CSO of Immunicum since 2002 and remained CSO after the merger with DCPrime in December 2020, to form Mendus. Alex holds a MD degree and PhD in Experimental and Clinical Immunology from Uppsala University, Sweden.

Ongoing engagements:
–
Shares:
39,124 (private and through related persons' holdings)

Stock options:
189,333 (LTI 2023/2027)

The Executive Management Team

JEROEN ROVERS

Chief Medical Officer

About:
Dr Jeroen Rovers (MD) (born 1970, Dutch) was trained as a pharmaceutical physician at the European Center of Pharmaceutical Medicine in Basel. In the past 20 years he worked in different academic institutes and companies, such as Wyeth and Organon and Kiadis Pharma, where he held the role as Chief Medical Officer. He has mainly worked on the development of products related to oncology, haematology and transplantation. Jeroen has acted as CMO of DCPrime BV since October 2018 and was appointed as CMO of Immunicum AB in March 2021, following the merger between both companies to form Mendus. Jeroen holds a MD degree and a PhD in Surgical Oncology from Leiden University.

Ongoing engagements:
–
Shares:
107,526

Stock options:
331,333 (LTI 2023/2027)

LEOPOLD BERTEA

Chief Technology Officer

About:
Dr Leopold Bertea (born 1964, French & Swiss) joined Mendus in May 2022. Before Mendus, he worked at Cellectis, a clinical-stage biotechnology company using a proprietary gene-editing platform to develop cell and gene therapies, where he most recently held the position of Senior Vice President Technical Operations Europe and was Member of the Executive Committee. With previous senior roles at Novartis, LFB Biotechnologies, and LFB's subsidiary CELLforCURE, Sanofi, and Ciba-Geigy, Leopold brings a total of 30 years of biopharmaceutical industry experience to Mendus. Leopold holds a MSc and PhD in Chemical Engineering from ETH Zürich.

Ongoing engagements:
–
Shares:
60,269

Stock options:
331,333 (LTI 2023/2027)

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INFORMATION

Board of Directors' Report

The Board of Directors and the CEO of Mendus AB (publ), 556629–1786, may hereby submit consolidated and annual reports for the financial year 2024-01-01–2024-12-31.

Mendus AB was founded in 2002 as a spin-off from Sahlgrenska University Hospital in Gothenburg. In December 2020, Mendus acquired 100% of the shares in Mendus BV, a Dutch privately held company. At the end of 2023, Mendus Australia Pty was formed, which is a wholly-owned subsidiary of Mendus AB. The company's shares are listed on Nasdaq Stockholm Small Cap. The company is a public limited liability company registered in Sweden, with its registered office in Stockholm. The company has its laboratories and additional facilities in Leiden, the Netherlands. The address of the head office is Västra Trädgårdsgatan 15, 11153 Stockholm, Sweden.

Share capital and ownership structure

Mendus AB's share capital at the end of the year amounted to 50,360 KSEK divided into 50,359,578 shares. Only one class of shares occurs. All shares entail equal rights to a share in the company's assets and dividends. For information about the company's major shareholders, see page 19, in this annual report.

Mendus activities

Mendus is a clinical-grade biopharmaceutical company that, based on the company's expertise in allogeneic dendritic cell biology, focuses on the development of immunotherapies that address tumor recurrence and difficult-to-treat established tumors. In addition to the clinical business, Mendus conducts preclinical research, which aims to advance the company's understanding of dendritic cell biology and further optimization of its manufacturing processes. For more information about Mendus' product candidates and research, see the Mendus in brief section, pages 7-10 in this Annual Report.

Personnel & remuneration to senior executives

Mendus AB shall offer market-based remuneration levels and terms of employment that enable the ability to recruit and retain senior executives and key competence. All pension commitments must be defined contributions. For more information on remuneration, see Note 7 for the Parent Company. For information about incentive programs, see Note 30.

Changes in the composition of the Board of Directors

At the Annual General Meeting in May 2024, the AGM resolved in accordance with the Nomination Committee's proposal to re-elect Sven Andreasson, Dharminder Chahal, Ted Fjällman, Helen Tuvesson and Hans Preusting. Andrea van Elsas and Christine Lind had declined re-election.

The recommendation of the Board of Directors for the appropriation of the company's profits/losses

Amount in SEK	
The following unrestricted shareholders' equity are available to the Annual General Meeting for its disposition:	
Share premium reserve	1,739,428,321
Retained earnings	-737,766,375
Net profit/loss for the year	-30,816,260
Total	**970,845,686**
The Board of Directors proposes that the profits available for distribution and unrestricted reserves be allocated as follows:	
To be carried forward	970,845,686
Total	**970,845,686**
(of which to Share premium reserve)	**(1,739,428,321)**

Risks and uncertainties

Mendus has not yet, either independently or via partners, launched any cancer immune primers or any other drug on the market. Therefore, the company has not been engaged in the sale of any pharmaceutical products and not generated any revenue. If the present product candidates' introduction on the market is delayed, are made more expensive, or never occur, it could have a significant negative impact on the company's business operations, financial results and financial position.

Risks related to possible future revenues
Mendus' future earnings will depend, among other things, on Mendus being able to enter into agreements for licensing of the company's product candidates and/or technology platforms. If Mendus fails to enter into agreements for the licensing of products, the sale of intellectual property rights or similar transactions on terms favourable to the company, if such agreements lead to delays and increased costs, or if payments under the agreements are delayed or completely non-made, it could have a material negative impact on the company's operations, earnings and financial position.

Additional funding needs
It may take a long time before the company's pharmaceutical products can be sold commercially and generate ongoing cash flow from the company's operations. The company's planned clinical studies entail significant costs and there is a risk that the company's development of product candidates may be more time- and cost-consuming than planned. Mendus will therefore continue to need capital injections to conduct continued research and development. There is a risk that new capital cannot be raised when the need arises, that it cannot be raised on favourable terms or that it cannot be raised at all. If Mendus is unable to obtain financing, the company may be forced to significantly reduce its research and development activities or ultimately discontinue its operations, which could have a material adverse impact on the company's operations, results and financial position. The Company's Board of Directors and management continuously monitor and evaluate the Group's financial position and the availability of cash and cash equivalents. There is a risk that the available liquidity as of December 31, 2024 will not finance the business after the beginning of 2026 and the company will need to access additional capital to be able to continue advancing the development of the various programs.

It is the assessment of the Board of Directors that the company is well placed to secure future financing, but at the time of publication of this report, there is still some uncertainty regarding the company's ability to finance continued operations. See also Group Note 3, page 38.

Dependence on key personnel and qualified personnel
Mendus' business is highly dependent on a number of key employees, some of whom hold senior positions and are shareholders in the company. If Mendus is unable to recruit and retain key employees and other qualified personnel to the extent and on the terms needed, it could have a material negative impact on the company's operations, earnings and financial position.

Research and development
The preclinical and clinical studies conducted by the company are based on ilixadencel and the DCone® technology platform. Neither ilixadencel nor any product based on the company's platform technologies has yet been approved for market launch. Before a medicine can be placed on the market, the safety and efficacy of the treatment of humans must be ensured for each individual indication, as demonstrated by preclinical studies conducted in animals and clinical studies in humans. Unforeseen study results, delayed or non-existent recruitment of patients, may delay or prevent the launch of the product candidates on the market, if authorities or other decision-makers decide that the company's product candidates do not meet established criteria. If Mendus cannot demonstrate to a sufficient extent through clinical studies that a product candidate is safe and effective and thus possible to commercialize, it could have a significant negative impact on the company's operations, earnings and financial position.

Intellectual property rights, know-how and confidentiality
Mendus' future success will largely depend on its ability to obtain and maintain intellectual property protection, primarily patent protection in the United States, the European Union, Asia and other countries, for the intellectual property rights associated with the company's product candidates. There is a risk that the company's intellectual property rights cannot be maintained or do not constitute adequate commercial protection, which could have a material negative impact on the company's operations, results and financial position.

Competition
Mendus operates in a competitive industry, and many companies, universities and research institutions conduct research and development of pharmaceuticals, including those that can, or may compete, with the company's product candidates. If the company is unable to compete effectively in the market, it could have a material negative impact on the company's operations, earnings and financial position.

Changes in the pharmaceutical industry could make the company's products obsolete
The pharmaceutical industry is characterized by rapid changes in legislation, licensing procedures, technology, new technological advances and continuous improvements in industrial know-how. There is a risk that such conditions may increase the company's costs, complicate the development of the company's product candidates or cause the company's currently or in the future planned products to lose their commercial value, which could have a material negative impact on the company's operations, earnings and financial position.

Significant events

» Mendus provided a business update mentioning preparations for the registration study with vididencel were ongoing after positive initial feedback from the FDA, the manufacturing alliance with NorthX Biologics was progressing according to plan, and the collaboration with ALLG was progressing according to previous guidance with expected start of the AMLM22-CADENCE trial in April 2024.

» Mendus announced that the company had received declarations of intent from major owners and the board of directors as well as company management regarding the exercise of warrants of series TO3. The exercise period for the warrants began on March 15, 2024.

» Mendus presented the progress of its NK cell program at the 9th Annual Innate Killer Cell Summit, a leading conference for NK cell-based therapies.

» Mendus announced Human Research Ethics Committee (HREC) approval to initiate the AMLM22-CADENCE trial, which studies Mendus' lead product vididencel as a novel maintenance therapy in acute myeloid leukemia (AML).

» Mendus announced that the company raised approximately SEK 69.1 million through the warrants of series TO3. In total, 144,043,202 warrants were exercised, corresponding to approximately 76.3 percent of the total number of outstanding warrants.

» Mendus presented updated clinical data from the ADVANCE II clinical trial in acute myeloid leukemia (AML) at the Cancer Immunotherapy (CIMT) Annual Meeting. The data demonstrate the potential of vididencel to induce broad immune responses in AML patients, which are associated with improved survival.

» Mendus carried out a reverse stock split in relations 20:1, resolved on at the Annual General Meeting on May 17, 2024. The record date for the reverse share split was June 4, 2024.

» Mendus presented data from the ADVANCE II Phase 2 trial with vididencel in AML during the annual European Hematology Association conference (EHA). The data confirm the potential of vididencel to stimulate functional immune responses in AML patients, comprising T cell and B cells. All patients with confirmed T cell responses against tumor antigens following vididencel treatment were alive in long-term follow-up at the time of read-out.

» Updated clinical data from the ALISON clinical trial with vididencel in ovarian cancer presented at the ESMO Gynaecological Cancers conference demonstrated tumor-directed immune responses in the majority of patients treated with vididencel. The trial thus reached its primary objective of inducing tumor-directed immune responses in at least 10 patients treated with vididencel.

» Mendus entered into a collaboration with Institut Bergonié, a leading cancer center in Bordeaux, France to study the Mendus' intratumoral immune primer ilixadencel in soft tissue sarcomas as part of the REGOMUNE trial, a multi-center, prospective open-labelled phase 1/2 trial combining regorafenib and avelumab in solid tumors.

» Mendus presented preclinical data supporting the combination of its intratumoral primer ilixadencel with the immune checkpoint inhibitor avelumab at the 39th annual meeting of the Society for Immunotherapy of Cancer (SITC).

» Mendus announced that the members of the Nomination Committee for the 2025 Annual General Meeting were appointed. The Nomination Committee consists of Erik Esveld, appointed by Van Herk Investments BV. Karl Elmqvist, appointed by Flerie Invest AB, and Mats Andersson, appointed by Holger Blomstrands Byggnads AB.

» Mendus presented positive survival data from the ongoing ADVANCE II Phase 2 trial at the ASH 2024 conference. The data showed that the majority of AML patients treated with vididencel remained alive and disease-free in long-term follow-up, with a median follow-up of 41.8 months.

» Mendus also presented two preclinical abstracts during the ASH 2024 conference. The first abstract demonstrated synergies between vididencel and the combination of venetoclax and azacitidine, two backbone drugs in the treatment of AML, with venetoclax having a direct synergistic effect on vididencel's mode of action. The second abstract supports the potential use of vididencel in the treatment of chronic myeloid leukemia (CML).

» Mendus reported positive topline data from the ALISON Phase 1 clinical trial with vididencel in ovarian cancer. The data confirmed that vididencel stimulates immune responses against ovarian cancer antigens, as a potential basis for an effective anti-tumor response, and the strong safety profile for vididencel.

» Mendus announced that Institut Bergonié was no longer in a position to study Mendus' intratumoral immune primer ilixadencel in soft tissue sarcomas as part of the REGOMUNE trial, because third party funding for the trial was terminated.

Significant events after year end

» In January 2025 Mendus announced a summary of the feedback received from FDA and EMA in the fourth quarter of 2024. The feedback is supportive of the preparations for a registration trial with vididencel in AML.

» In February 2025 Mendus announced that the first patient was enrolled in the AMLM22-CADENCE trial, which studies Mendus' lead product vididencel as a novel maintenance therapy in acute myeloid leukemia (AML).

Financial information

The Group

Revenue
No turnover was reported for the full year – (-). Other operating income amounted to KSEK 5,048 (29,613) for the full year and mainly consisting of revenue from patent transfers and research grant from Oncode PACT. Previous year, Mendus repaid a loan from the Dutch state. Part of the loan was written off and that part was reported under other income.

Operating expenses
The total operating costs amounted to KSEK -135,704 (-130,263) for the full year. Operating expenses were associated with administrative and R&D expenses for the DCOne® platform and the vididencel and ilixadencel programs. The cost increase compared to the previous year is mainly related to the technology transfer of the manufacturing process for vididencel, to NorthX. The costs to NorthX are paid in advance during 2023, and thus burden the company's results, but have no effect on the cash flow.

Research and development costs
Research and development costs amounted to KSEK -101,075 (-92,653) for the full year. The costs consist mainly of research and development costs for the DCOne® platform as well as the programs for vididencel and ilixadencel. The cost increase compared to the previous year is mainly related to the technology transfer of the manufacturing process for vididencel, to NorthX. For the full year KSEK 38,689 was expensed regarding the tech transfer to NorthX.

Administrative expenses
Administration expenses for the full year amounted to KSEK -34,070 (-37,051). Included administrative (G&A) costs are mainly attributable to the finance department, corporate management and costs related to activities related to financing and investor relations. Mendus continues to review costs and streamlines where possible.

Result
For the full year, operating profit amounted to KSEK -130,655 (-100,650). The net result year amounted to KSEK -128,399 (-101,619). The change in the result is mainly due to the fact that the group has increased research and development costs for the technology transfer to NorthX during the year. Previous year, Mendus repaid a loan from the Dutch state. Part of the loan was written off and that part was reported under other income, which affected the result positively in 2023.

Earnings per share before and after dilution for the Group amounted to KSEK -2.64 (-4.39*) for the full year.

Tax
No tax was reported for the year.

Cash flow, investments and financial position
The cash flow from operating activities for the full year amounted to KSEK -79,671 (-162,761). The reduced negative cash flow compared to previous year is due to the fact that last year the costs for the planned tech transfer to NorthX were prepaid. Thus, these costs affect the result, but have no effect on cash flow in current year. The non-cash flow-affecting costs to NorthX amount to SEK 38,689 thousand during the full year.

During the year, cash flow from investing activities amounted to KSEK -1,577 (-442).

The cash flow from financing activities amounted to KSEK 61,515 (242,097) for the full year. The positive cash flow for the full year is attributable to the warrants that were used to subscribe for shares in the second quarter

As of December 31, 2024, the Company's cash and cash equivalents amounted to KSEK 101,905 (120,782). The cash is estimated to be sufficient to the beginning of 2026, for further information on uncertainty factors, see page 26.

Total equity as of December 31, 2024 amounted to KSEK 645,149 (704,727), corresponding to SEK 12.81 (16.33*) per share. The company's solvency at the year-end is 93% (93%).

Finansiell översikt

Amounts in KSEK	2024	2023	2022	2021	2020
Net sales	-	-	-	-	-
Operating profit/loss	-130,655	-100,650	-133,685	-130,100	-86,027
Profit/loss before tax	-128,399	-101,619	-138,785	-133,410	-89,248
Profit/loss for the period	-128,399	-101,619	-138,785	-133,410	-89,248
Earnings per share before and after dilution (SEK)*	-2.64	-4.39	-13.92	-14.60	-23.40
Cash flow from operating activities	-79,671	-162,761	-109,332	-138,033	-56,626
Shareholders' equity	645,149	704,727	514,439	656,742	661,094
Cash and cash equivalents end of period	101,905	120,782	41,851	155,313	167,643

* The comparative numbers recalculated taking into account the reverse split, 20:1

Financial information

Parent Company Mendus AB (publ)

Revenue

No turnover was reported for the full year – (-). Other operating income amounted to KSEK 5,657 (6,613) for the full year and consisted mainly of pass-through costs to Mendus BV and revenue for patent transfer.

Operating expenses

Total operating expenses amounted to KSEK -40,047 (-40,838) for the full year. Operating expenses were related to administrative expenses and R&D expenses for ilixadencel.

Research and development costs

Research and development costs amounted to KSEK -15,482 (-15,208) for the full year. The costs consist mainly of activities relating to clinical studies.

Administrative expenses

Administrative expenses for the full year amounted to KSEK -24,288 (-25,071). Included costs within administrative (G&A) are mainly attributable to the finance department, corporate management and costs related to financing and investor relations activities.

Result

For the year, operating profit amounted to KSEK -34,391 (-34,225). The net result amounted to KSEK -30,816 (-33,802) for the year.

Tax

No tax was reported for the full year.

Cash flow, investments and financial position

The cash flow from operating activities amounted to KSEK -21,499 (-36,621) for the full year. The continued negative cash flow for the full year is according to plan and is mainly explained by the fact that the Company is in a development phase.

During the year, cash flow from investing activities amounted to KSEK -43,553 (-178,165). The cash flow is primarily attributable to shareholder contributions to Mendus BV. and loan to Mendus Australia Pty.

The cash flow from financing activities amounted to KSEK 64,490 (287,904) for the full year and is mainly attributable to new share issues. Previous year, the company made a new share issue, which explains the large positive cash flow previous year.

As of December 31, 2024, the Company's cash and cash equivalents amounted to KSEK 100,039 (100,427). The cash is estimated to be sufficient to the beginning of 2026, for further information on uncertainty factors, see page 26.

Total equity as of December 31, 2024 amounted to KSEK 1,021,031 (985,337), corresponding to SEK 20.28 (22.83*) per share. The company's solvency at the year-end was 98% (99%).

Finansiellt sammandrag moderbolaget

Amounts in KSEK	2024	2023	2022	2021	2020
Net sales	–	-	-	-	-
Operating profit/loss	-34,391	-34,225	-64,153	-69,593	-106,621
Profit/loss before tax	-30,816	-33,802	-64,647	-69,347	-106,308
Profit/loss for the period	-30,816	-33,802	-64,647	-69,347	-106,308
Earnings per share before and after dilution (SEK)*	-0.63	-1.40	-6.40	-7.80	-22.60
Cash flow from operating activities -	21,499	-36,621	-65,979	-70,018	-120,690
Shareholders' equity	1,021,205	985,337	721,832	786,177	726,123
Cash and cash equivalents end of period	100,039	100,427	27,840	145,156	157,762

* The comparative numbers recalculated taking into account the reverse split, 20:1

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THE GROUP

Consolidated income statement

Amounts in KSEK	Note	2024	2023
Revenue	7	–	–
Total revenue		–	–
OPERATING EXPENSES			
Administration expenses	8, 9, 10, 11	-34,070	-37,051
Research and development expenses	8, 9, 10, 11	-101,075	-92,653
Other operating income	7	5,048	29,613
Other operating expenses	12	-558	-559
Operating profit/loss		**-130,655**	**-100,650**
RESULT FROM FINANCIAL ITEMS			
Financial income	13	3,475	2,147
Financial costs	14	-1,219	-3,115
Profit/loss after financial items		**-128,399**	**-101,619**
TOTAL PROFIT/LOSS BEFORE TAXES		**-128,399**	**-101,619**
Income tax expense	15	–	–
PROFIT/LOSS FOR THE YEAR		**-128,399**	**-101,619**
Earnings/loss per share before and after dilution (SEK), for profit attributable to owner of the parent company´s shareholders. *	16	-2.64	-4.39

* The comparative numbers recalculated taking into account the reverse split, 20:1

Consolidated statement of comprehensive income

Amounts in KSEK	2024	2023
Result for the year	-128,399	-101,619
Other comprehensive income	**–**	**–**
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	2,136	-5,403
Other comprehensive income for the year	**2,136**	**-5,403**
Other comprehensive income for the year	**-126,263**	**-107,022**

Profit/loss for the year and total comprehensive income, are in their entirety attributable to the parent company's shareholders.

Consolidated statement of financial position

Amounts in KSEK	Note	31/12/2024	31/12/2023
ASSETS			
NON-CURRENT ASSETS			
Goodwill	17	108,350	108,350
Technology	17	424,091	424,091
Right-of-use assets	8	21,070	23,247
Equipment	19	8,497	11,197
Other long term receivables	20, 21	373	624
Total non-current assets		**562,381**	**567,509**
CURRENT ASSETS			
Other receivables	22	3,151	3,302
Prepaid expenses and accrued income	23	28,927	64,359
Cash and cash equivalents	24	101,905	120,782
Total current assets		**133,983**	**188,443**
TOTAL ASSETS		**696,364**	**755,952**
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital	25	50,360	43,157
Additional paid-in capital		1,454,241	1,394,758
Reserves		-3,448	-5,584
Retained earnings (including profit/loss for the year)		-856,003	-727,604
Total equity attributable to the shareholders of the parent company		**645,149**	**704,727**
LIABILITIES			
NON-CURRENT LIABILITIES			
Other long-term liabilities	26	850	850
Lease liabilities	8	19,112	21,115
Total non-current liabilities		**19,962**	**21,965**
CURRENT LIABILITIES			
Lease liabilities	8	2,745	2,523
Accounts payable		7,601	8,129
Accounts payable	27	1,996	1,633
Accrued expenses and deferred income	28	18,910	16,975
Total current liabilities		**31,253**	**29,260**
Total liabilities		**51,215**	**51,225**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**696,364**	**755,952**

Consolidated statement of changes in equity

Attributable to owners of Mendus AB (publ)

Amounts in KSEK		Share capital	Additional paid in capital	Reserves	Retained earnings inc. profit/loss for the period	Total
Opening shareholders' equity 01/01/2024		**43,157**	**1,394,758**	**-5,584**	**-727,604**	**704,727**
Opening shareholders' equity 01/01/2024		–	–	–	-128,399	-128,399
Other comprehensive income		–	–	2,136	–	2,136
Other comprehensive income		–	–	**2,136**	**-128,399**	**-126,263**
Transactions with owners						
Issued warrants	**30**	–	2,194	–	–	2,194
Share issue		7,202	61,939	–	–	69,141
Costs for new share issue		–	-4,650	–	–	-4,650
Total transaction with owners		**7,202**	**59,483**	–	–	**66,685**
Shareholders' equity 31/12/2024		**50,360**	**1,454,241**	**-3,448**	**-856,003**	**645,149**

Opening shareholders' equity 01/01/2023		**9,970**	**1,130,636**	**-181**	**-625,985**	**514,440**
Profit/loss for the year		–	–	–	-101,619	-101,619
Other comprehensive income		–	–	-5,403	–	-5,403
Total comprehensive income		–	–	**-5,403**	**-101,619**	**-107,022**
Transactions with owners						
Issued warrants	**30**	–	-595	–	–	-595
Share issue		33,187	288,605	–	–	321,792
Costs for new share issue		–	-23,889	–	–	-23,889
Total transaction with owners		**33,187**	**264,122**	–	–	**297,309**
Shareholders' equity 31/12/2023		**43,157**	**1,394,758**	**-5,584**	**-727,604**	**704,727**

Consolidated statement of cash flows

Amounts in KSEK	Note	2024	2023
OPERATING ACTIVITIES			
Operating profit/loss before taxes		-128,399	-101,619
Adjustment for items not included in cash flow	**32**	8,497	4,337
Cash flow from operating activities before changes in working capital		**-119,902**	**-97,281**
Increase/decrease in other current receivables		38,107	-64,377
Increase/decrease in accounts payable		347	729
Increase/decrease in other current liabilities		1,776	-1,831
Cash flow from operating activities		**-79,671**	**-162,761**
INVESTMENT ACTIVITIES			
Investments in tangible assets	**19**	-1,835	-1,823
Divestments of tangible fixed assets	**19**	–	1,387
Investment in long-term receivables	**20, 21**	–	-7
Divestment of long-term receivables	**20, 21**	258	–
Cash flow from investing activities		**-1,577**	**-442**
FINANCING,ACTIVITIES			
New Share issue		69,141	321,793
New share Issue costs		-4,650	-23,889
Payment of lease liability	**8**	-2,976	-2,921
Repayment of borrowings	**26**	–	-92,886
New loans	**26**	–	40,000
Cash flow from financing activities		**61,515**	**242,097**
Cash and cash equivalents at the beginning of the period		120,782	41,851
Cash flow for the period		-19,733	78,894
Foreign echange difference in cash and cash equivalents		857	37
Cash and cash equivalents at the end of the year	**24**	**101,905**	**120,782**

Notes

Note 1 – General information

Mendus AB (publ) (hereinafter "Mendus"), 556629–1786 is a Swedish public company with its registered office in Stockholm. The address of the company's head office is Västra Trädgårdsgatan 15, 111 53 Stockholm, Sweden. On April 14, 2025, the Board of Directors approved this Annual Report and it will be presented for adoption at the Annual General Meeting on May 6, 2025.

Note 2 – Accounting policies

The note contains a list of the significant accounting principles applied when these annual and consolidated accounts were prepared. These principles have been applied consistent for all years presented, unless otherwise stated.

2.1 Basis for the preparation of the report
The annual and consolidated accounts for Mendus have been prepared in accordance with applicable parts of the Annual Accounts Act, RFR 1 Supplementary Accounting Rules for Groups, and International Financial Reporting Standards (IFRS)® and interpretations from the IFRS Interpretations Committee (IFRIC®) as adopted by the EU. The consolidated financial statements have been prepared in accordance with the cost method. In addition, the financial statements are prepared taking into account the going concern assumption. Preparing IFRS compliant reports requires the use of some important estimates for accounting purposes. Furthermore, management is required to make certain assessments when applying the Group's accounting policies. The areas that involve a high degree of assessment, that are complex, or areas where assumptions and estimates are of material importance for the consolidated financial statements are listed in Note 5.

2.2 Consolidated financial statements Subsidiaries
Subsidiaries are all companies over which the Group has controlling influence.

2.3 Foreign currency translation Functional currency and reporting currency
The consolidated accounts are presented in SEK, which is the Parent Company's functional currency and the Group's presentation currency. All amounts are, unless otherwise stated, rounded off to the nearest thousand kronor (KSEK).

Transactions and balance sheet items
Transactions in foreign currency are translated into the functional currency according to the exchange rates that apply on the transaction date. Receivables and liabilities in foreign currency have recalculated at the exchange rate on the balance sheet date. Exchange rate gains and exchange losses on the business' receivables and liabilities are added to the operating profit. Gains and losses on financial receivables and liabilities are reported as financial items.

Group companys
Earnings and financial position for all Group companies which has a functional currency other than the reporting currency are converted to the Group's reporting currency as follows:

- Assets and liabilities for each of the balance sheets are translated at the exchange rate on the balance sheet date;
- Income and expenses for each of the income statements are translated at the average exchange rate, and
- All resulting exchange differences

2.4 Government grant
Grants received are reported in the balance sheet as prepaid income and recognized in the income statement in the period when the cost which the grant is intended to be reported. Government grants are reported as other operating income when it is clear that the conditions that are associated with the contributions are met.

2.5 Leasing

The Group as a lessee
Lease contracts are normally signed for fixed periods of between one and two years with an option for extension. The conditions are negotiated separately for each lease and include a large number of different terms.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the expected useful life of the asset and the lease term. Assets and liabilities arising from leasing agreements is initially reported at present value. Included in the leasing debt the present value of fixed fees and / or variable leasing fees which depends on an index or an interest rate. Future fees are discounted using the agreement's implicit interest. If it can Note be determined, the Group's marginal borrowing rate is used instead.

For leases where the underlying asset is of low value or for short-term leases, the Group applies the recognition exemptions in IFRS 16, which means that the lease payment is expensed on a straight-line basis over the lease term in the income statement and no right-of-use asset or lease liability is recognized in the balance sheet.

In the consolidated statement of cash flows, the main payment attributable to leases is recognized in financing activities as payments pertaining to repayment of lease liabilities. The interest portion is recognized in operating activities and is included in the item "Interest paid".

Options to extend and terminate agreements
Options to extend or terminate a lease are included in the asset and the liability in cases when it is considered reasonably certain that the Company will exercise extension options or Note exercise options to terminate the lease.

2.6 Remuneration to employees

Post-employment obligations
The company only offers fee-based pension plans.

Share-based payments
The group has a share-based compensation plan there the company receives services from employees as remuneration for the group's equity instrument.

Employee stock option program
The Group has an employee stock option program that entitles employees to allot options based on employment. The options are reported as a personnel cost with a corresponding increase in equity.

For further information, see Note 30.

2.7 Income tax
The Company is currently Note in a tax position and therefore does Note pay income tax. Deferred tax assets relating to unutilized losses carried forward and deductible temporary differences are recognized only to the extent that it is probable that these will be able to be utilized against future taxable profits. As there is uncertainty as to when in time the Company's loss carry-forwards will be able to be used for settlement against taxable profits, deferred tax assets are only recognized to the extent that there are future taxable temporary differences. The remaining part of the loss carry-forwards is Note assigned any value.

2.8 Goodwill
Goodwill is not amortized, but is impaired annually or more often about events or changes in relationships indicates a possible depreciation. Goodwill is reported to acquisition value less accumulated writedowns.

In order to test impairment, goodwill is distributed as acquired in a business combination to cash-generating units or groups of cash-generating units expected benefit from synergies from the acquisition. Each device or group of units to which goodwill has been allocated the lowest level in the Group at which the goodwill in question monitored in the internal control, which for Mendus corresponds to ilixadencel.

2.9 Expenditures for research and development
Research costs refer to expenditures for research aimed at obtaining new scientific or technical knowledge. Development expenditure means expenditure when research findings or knowhow are applied to achieve new or improved products or processes.

Research costs are expensed in the period incurred.

Development expenditure is recognized as an intangible asset in the event that the asset is expected to generate future economic benefits and then only on condition that it is technically and financially possible to complete the asset, the intention and the conditions exist to use the asset in operations or sold and the value can be measured reliably. The Company has made the assessment that there is currently no prerequisite for capitalization of development costs.

2.10 Technology
Technology that has been acquired through a business acquisition is reported at fair value on the acquisition date. Technology consists of the cell therapy product ilixadencel which is an immune activator that is storable and developed for the treatment of solid tumors. The asset is Note yet in such a state that it can be used to generate income.

2.11 Equipment
Equipment is valued at acquisition value less accumulated depreciation. The acquisition value is including expenses that can be directly attributed to the acquisition of the asset. Equipment is depreciated on a straight-line basis over the assets' expectations useful life amounting to 5 years.

2.12 Impairment of non-financial assets
Goodwill and intangible assets that are Note ready for use, is Note written off but tested annually, or in the event of an indication of impairment, with regard to any impairment.

2.13 Financial instruments
Financial instruments are any form of agreement that provides giving rise to a financial asset, financial liability or a equity instrument in another company. For the group this includes cash and cash equivalents, other current receivables, other long-term receivables, other long-term securities holdings, accounts payable, other liabilities and borrowings. Cash and cash equivalents consist of bank balances and are reported at fair value. Others are reported at accrued acquisition value.

Impairment of financial assets
The Group values the future expected credit losses related to investments in debt instruments reported at accrued acquisition value on forward-looking information. The Group chooses a reservation method based on whether there has been a significant increase in credit risk or Note.

2.14 Share capital
Ordinary shares are classified as equity. Transaction costs that can be directly attributed to the issue of new ones ordinary shares are reported, net after tax.

Earnings per share before dilution
Earnings per share before dilution are calculated by divide:
- results attributable to the parent company's shareholders
- with a weighted average number of outstanding shares during the period, adjusted for the bonus issue element in ordinary shares issued during the year.

Earnings per share after dilution
For the calculation of earnings per share after dilution, the amounts used to calculate earnings per share are adjusted. share before dilution by considering:

- the weighted average of the additional ordinary shares which would have been outstanding at a conversion of all potential ordinary shares.

2.15 Operating segment
It is on the basis of the Group as a whole that the Chief Executive Officer makes decisions on the allocation of resources and assesses results. Internal reporting is also based on the Group's result as a whole. The Group's operations currently consist of research and development for pharmaceuticals. In light of the above, the assessment is that the Group has one operation and thus has one operating segment, which constitutes the Group as a whole.

2.16 Cash flow statement
The cash flow analysis is prepared according to the indirect method. The reported cash flow only includes transactions that resulted in inflows or outflow.

Note 3 – Financial risks and management of capital

Through its operations, the Group is exposed to different financial risks: market risks (including exchange-rate risk, interest rate risk), credit risk and liquidity risk. The Group's overall risk management focuses on the unpredictability of the financial markets and strives to reduce potential unfavorable effects on the Group's financial earnings.
The Group's financial transactions and risks are managed centrally by the Company through the Company's CFO and CEO. The overall aim in relation to financial risks is to provide cost-effective financing and liquidity management as well as to ensure that all payment obligations are managed in a timely manner. Every year, the Board of Directors establishes a Finance Policy with associated risk parameters.

Foreign exchange exposure
The group's foreign exchange exposure increases as development projects progress in the value chain and the costs for services in connection with clinical trials increase. These services are partially carried out outside of Sweden and paid for in foreign currency. According to the Finance Policy, the Group is not to apply any form of currency hedging activities other than cash denominated in foreign currency. The Group is primarily exposed to changes in the EUR/SEK, AUD/SEK and USD/SEK exchange rates related to accounts payable.

Balance sheet exposure	31/12/2024	31/12/2023
Trade payables, EUR	3,906	6,052
Trade payables, EUR	441	–
Trade payables, USD	693	782

Operational exchange rate differences for the fiscal year amounted to a net loss of KSEK 558 (559)

The Group is exposed to certain effects of changes in foreign exchange rates, mainly in EUR, AUD and USD. A change in exchange rates of +/-5% (where foreign currencies increase/decrease in value against SEK) would effect the book value in the balance sheet as of December 31, 2024. The effect on earnings would be KSEK -/+ 979 for EUR, KSEK -/+ 22 for AUD and KSEK -/+ 41 for USD

Interest rate exposure
Interest rate exposure The Group's exposure to market risk for changes in interest rates relates to bank deposits, and from interest bearing liabilities. Interest rate risk exposure is considered low as the Group has low exposure to interest bearing liabilities. During the fiscal year, the Company paid interest on liabilities of KSEK 1,219 (3,115).

Credit risk
Credit risk is the risk that a counterparty is unable to fulfill its contracted obligations to Mendus, thus causing a financial loss for the Company. Mendus invests its cash and cash equivalents in banks with high credit ratings.

Liquidity risk and going concern
As of December 31, 2024, the Group had available liquidity of KSEK 208,236. Liquidity consists of bank balances. At year-end, there was one external borrowing in the Group. The objective regarding the capital structure is to maintain the Group's ability to continue its operations in order to generate returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to minimize the cost of capital. There is a risk that the Group's cash and cash equivalents for the next twelve months will be insufficient. The company's capital requirement depends on several factors including the earnings from and costs for ongoing and future drug trials. In light of this, the Board is monitoring the situation and is evaluating different financing options including timing and scope for raising capital that can be beneficial to the company. The Board believes that the prospects for raising capital are good and has therefore used the going concern assumption in preparing this financial report. However, if financing is insufficient, this indicates material uncertainty, which could lead to significant doubts on the Group's ability to continue its operations. In accordance with the policy by the Board of Directors, the Group must maintain a strong financial position, which will help the company retain investor and market confidence. It also creates a foundation for further development of company operations, with continued long-term support for its goal of securing dividends for the company's owners.

The table below analyzes the Group's liabilities broken down by the time remaining on the balance sheet date until the contractual maturity date. The amounts disclosed in the table are the contractual, undiscounted cash flows. Future cash flows in foreign currency have been calculated on the basis of the exchange rate applied on the balance sheet date.

As of December 31, 2024	Less than 1 year	Between 1 and 3 years	After 3 years	Total constractual cash flows
Financial liabilities				
Other long-term liabilities	–	–	850	850
Other long-term liabilities	5,779	17,187	18,041	41,006
Other short-term liabilities	1,996	–	–	1,996
Accounts payable	7,601	–	–	7,601
Accrued expenses and deferred income	18,444	466	–	18,910
Total	**33,820**	**17,653**	**18,891**	**70,364**

Note 4 – Management of capital

An effective risk assessment combines Mendus' business opportunities and results with shareholders' and other stakeholders' demands for sustainable profitability, stable long-term value development and control. Research and drug development until approved registration is both a risky and capital-intensive process. The Group's objective regarding the capital structure is to safeguard the Group's ability to continue its operations, so that it can continue to generate value growth for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to keep costs of capital down. In order to maintain, operate and broaden the research portfolio over time and thereby generate future values, Mendus needs a strong capital base. The Group's equity amounts to KSEK 645,149 (704,727). Cash and cash equivalents amount to KSEK 101,905 (120,782).

Note 5 – Key estimates and assessments for accounting purposes

The preparation of financial statements requires the use of accounting estimates, which will rarely correspond to actual profit or loss. Management also makes assessments when applying the Group's accounting principles. This note provides an overview of the areas that often involve a higher degree of complexity in assessments and over items where an adjustment due to incorrect estimates and assessments can in many cases become material.

Research and development

Development expenses are recognized as an intangible asset in the event that the asset is deemed to be able to generate future economic benefits and then only provided that it is technically and financially possible to complete the asset, the intention is and condition is that the asset can be used in the business or sold and that the value can be calculated reliably. The Group has made the assessment that there is currently no prerequisite for activation of development costs

Impairment test for goodwill and technology

Each year, the Group assesses whether there is a need for impairment for goodwill and technology with an indefinite useful life and development projects that have not yet been completed. Other intangible assets are tested for impairment when events or changes indicates that the carrying amount is not recoverable. At calculation of value in use, future cash flows are discounted by an interest rate that takes into account the market's assessment of the risk-free rate and Risk (WACC). The Group bases these calculations on achieved results, estimated forecasts and business plans. The underlying assumptions about projected revenues, costs and margins are based on both internal and external sources of information. For the purposes of the assessment of impairment, assets are grouped on the minimum levels where there are separate identifiable cash flows (cash-generating units). The estimates and assumptions that management makes when assessing whether there is a need for impairment can have a major impact on the Group's reported earnings. Impairment is recognised if the estimated value in use is less than the carrying amount and charged to profit for the year. The acquisition of Mendus (reverse acquisition) which has given rise to the items goodwill and technology has taken place on market terms on 21 December 2020.

Note 6 – Segment assets

The total of non-current assets other than financial instruments and deferred tax assets, broken down by location of the assets, is shown in the following table:

Amounts in KSEK	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Sweden	532,441	532,441
Netherlands	29,567	34,444
Australia	–	–
Total	**562,008**	**566,885**

Note 7 - Income

No turnover was reported for the full year - (-). Other operating income amounts to KSEK 5,048 (29,613) and consists of government support and the transfer of patents. The Company has during 2023 recognized as revenue the portion of the RVO loan received as a grant in connection with the loan redemption.

Amounts in KSEK	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Exchange rate gains	437	1,124
Government grants	3,256	28,213
Transfer of patent	284	273
Other	1,071	2
Total	**5,048**	**29,613**

Note 8 – Leases

Amounts in KSEK	2024-01-01 2024-12-31	2023-01-01 2023-12-31
The balance sheet shows the following amounts relating to leases:		
Right-of-use assets:		
Right-of-use assets:	21,070	23,247
Right-of-use assets:	**21,070**	**23,247**
Lease liabilities:		
Current	19,112	21,115
Non-current	2,745	2,523
Total	**21,858**	**23,637**

Additional right-to-use assets in 2024 amounted to KSEK 0 and in 2023 amounted to KSEK 0.

The statement of profit or loss shows the following amounts relating to leases:

Depreciation charge of right-of-use assets:		
Properties	2,976	2 921
Total	**2,976**	**2,921**
Interest expense (included in finance cost)	1,141	1,238
Expense relating to short-term leases	878	1,174
Expense relating to leases of low-value assets that are not shown above as short-term leases	163	275

The total cash outflow for leases in 2024 was KSEK 3,736 (3,667).
Maturity analysis for lease liabilities is presented in note 3.

Note 9 - Remuneration to the auditor

Amounts in KSEK	2024-01-01 2024-12-31	2023-01-01 2023-12-31
KPMG		
Audit fees	1,080	-
Tax advisory	-	-
Tax advisory	-	-
Review of prospectus	-	-
Ruitenburg		
Audit fees	386	506
Audit-related fees -	-	
Other fees	7	26
EY		
Audit fees	-	1,800
Tax advisory	-	-
Other audit-related fees	63	291
Review of prospectus	84	189
Total	**1,621**	**2,813**

The audit assignment involves review of the Annual Report, interim reports and financial accounts and the administration by the Board of Directors and the CEO.

Note 10 - Employees and personnel costs

Average number of employees geographically broken down by country	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Sweden	6	6
of which men	(2)	(2)
Netherlands	22	24
of which men	(8)	(9)
Group total	**28**	**30**
Salaries, other remuneration and social costs		
Salaries and other remuneration	36,664	37,376
Social costs	11,581	10,395
(of which, pension costs)	(4,984)	(5,178)
Total	**48,246**	**47,772**
Salaries and other remuneration regarding other employees		
Board Members and senior management	21,755	16,745
(of which bonus and similar remunerations)	(3,173)	(4,130)
Other employees	14,909	20,631
(of which bonus and similar remunerations)	(999)	(1,948)
Total	**36,664**	**37,376**
(of which bonus and similar remunerations)	(4,172)	(6,078)

For further information see parent company note 7.

Note 11 – Depreciation

Amounts in KSEK	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Equipment	3,543	3,382
Total	**3,543**	**3,382**

Note 12 - Other operating expenses

Other operating expenses amount to KSEK 558 (559) and refers to currency exchange loss from accounts payable.

Note 13 - Finance income

Amounts in KSEK	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Interest income	3,475	2,147
Total	**3,475**	**2,147**

Note 14 – Finance costs

Amounts in KSEK	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Finance costs	78	1,877
Financial costs for lease liabilities	1,141	1,238
Total	**1,219**	**3,115**

* Of the interest expenses, only KSEK 0 (1,135) affects the cash flow.

Note 15 – Taxes

Amounts in KSEK	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Current taxes	–	–
Deferred taxes	–	–
Recognized tax expense on the year's net income	–	–
Difference between recognized tax expense and an estimated tax expense based on the current tax rate:		
Total profit/loss before taxes	-128,399	-101,619
Income tax according to current tax rate	24,396	15,243
Tax effect of non-deductible expenses	68	93
Tax effect of non-taxable income	-134	139
Deductible issue costs reported over equity	–	–
Tax effect of a deductible deficiency for which no deferred tax assets have been taken into account	-24,318	-17,472
Tax expense	–	–

Regarding reconciliation of effective tax, the Dutch tax rate is used. The current Dutch tax rate is 19% (19%)

Unutilized deductible deficiency for which no deferred tax asset has been recognized	**1,058,878**	**932,740**
Deferred tax liability attributable to technology	**-87,363**	**-87,363**
Deferred tax asset attributable to unused tax loss carryforwards	**87,363**	**87,363**

Deferred tax assets and tax liabilities are reported net in the balance sheet.

Note 16 – Earnings per share

Amounts in KSEK	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Earnings per share, before dilution		
Net profit/loss for the year	-128,399,026	-101,618,632
Average number of shares outstanding *	48,559,038	23,127,546
Earnings per share, before dilution, SEK	**-2.64**	**-4.39**
Earnings per share, after dilution		
Net profit/loss for the year	-128,399,026	-101,618,632
Average number of shares outstanding *	48,559,038	23,127,546
Earnings per share, after dilution, SEK	**-2.64**	**-4.39**

Earnings per share before dilution is based on the financial results for the year and the weighted average of the number of shares outstanding.

Earnings per share after dilution is based on the financial results for the year and the weighted average of the number of shares outstanding plus the dilutive effect of potential shares. There is no dilution effect for the stock option program, as earnings for the periods have been negative.

* The comparative numbers recalculated taking into account the reverse split, 20:1

Note 17 –Intangible assets

Amounts in KSEK	Goodwill	Technology
Opening balance January 1, 2023	108 350	424 091
Acquisition of business	–	–
Closing balance accumulated acquisition values December 31, 2023	**108,350**	**424,091**
Opening balance accumulated depreciation January 1, 2023	–	–
Depreciation for the year according to plan	–	–
Closing balance accumulated depreciation December 31, 2023	–	–
Closing book value December 31, 2023	**108,350**	**424,091**

Amounts in KSEK	Goodwill	Technology
Closing book value December 31, 2023	108 350	424 091
Acquisition of business	–	–
Closing balance accumulated acquisition values December 31, 2024	**108,350**	**424,091**
Opening balance accumulated depreciation January 1, 2024	–	–
Depreciation for the year according to plan	–	–
Closing balance accumulated depreciation December 31, 2024	–	–
Closing book value December 31, 2024	**108,350**	**424,091**

Impairment tests for Goodwill and technology
The management assesses the operating performance fromn two cash-generating units based on the two platforms vididencel and ilixadencel. Goodwill and technology are attributable to ilixadencel.

The recoverable amount of goodwill and technology has been determined based on calculations of the value in use. Management believes that the probability that the company's products will reach the market is the most significant assumption in the test to test the need for impairment, since the value of the assets depends on future expected revenues. The calculations of value in use are based on estimates and assumptions about future pre-tax cash flows based on market data and management's forecasts. The operating margin and discount rate used in the model are based on data from corresponding companies in the pharmaceutical industry. The impairment test is based on forecasted sales revenue based on current sales statistics, as no revenue is reported. Furthermore, cost of goods sold has been calculated based on cost estimates from suppliers, partners and personnel. The company's other external costs and personnel costs for the projects have been taken into account and included in the impairment test. The valuation includes cash flows until 2040 based on the time the platform is expected to generate cash flows based on the current level of development and patents.

Significant assumptions used for calculations of value in use:

	2024	2023
- Discount rate before tax	15.6%	15.6%
- EBIT margin	50%	50%

Sensitivity analysis for goodwill and technology:
The recoverable amount exceeds the carrying amounts of goodwill and technology by a margin. This also applies to assumptions if:
- the discount rate before tax had been 1.5% (1,5%) higher
- the EBIT margin had been 6% (6%) lower

Note 18 – Investments in subsidiaries

The Group had the following legal subsidiary as of December 31, 2024:

Name	Country of registration and operations	Operations	Ownership interest held by the group
Mendus BV.	Netherlands	Research and development of cancer immunotherapies within the field of relapse vaccines.	100%
Mendus Australia Pty.	Australia	Research and development of cancer immunotherapies within the field of relapse vaccines.	100%

Note 19 – Equipment, tools and installations

Amounts in KSEK	Equipment	Other
Opening balance accumulated acquisition values, January 1 2023	18,618	1,677
Acquisition during the year	1,823	326
Sales & divestment during the year	-1,387	-146
Exchange differences	-68	-10
Closing balance accumulated acquisition values, December 31, 2023	**18,985**	**1,847**
Opening balance accumulated depreciation	-5,827	-569
Depreciation for the year according to plan	-3,382	-333
Reverse depreciation sales & divestment	274	72
Exchange differences	120	10
Closing balance accumulated depreciation, December 31, 2023	**-8,816**	**-819**
Closing book value, December 31, 2023	**10,170**	**1,027**
Opening balance accumulated acquisition values, January 1 2024	18,985	1,847
Acquisition during the year	1,775	60
Sales & divestment during the year	–	-6
Exchange differences	-696	65
Closing balance accumulated acquisition values, December 31, 2024	**20,064**	**1,967**
Opening balance accumulated depreciation, January 1, 2024	-8,816	-819
Depreciation for the year according to plan	-3,227	-321
Reverse depreciation sales & divestment	–	6
Exchange differences	-326	-30
Closing balance accumulated depreciation, December 31, 2024	**-12,369**	**-1,165**
Closing book value, December 31, 2024	**7,695**	**802**

Note 20 – Other long term securities

Amounts in KSEK	2024-12-31	2023-12-31
Holdings of shares of LFF Service AB	1	1
Total	**1**	**1**

The share in LFF Service AB is pledged and gives Läkemedelsföreningens Service AB an option to acquire the share at its quotient value (KSEK 1) if Mendus AB (publ) withdraws from the share agreement with LFF Service AB.

Note 21 – Other long term receivables

Amounts in KSEK	2024-12-31	2023-12-31
Deposit lease	142	142
Deposit credit card	230	481
Other deposit	1	1
Total	**373**	**624**

Note 22 – Other receivables

Amounts in KSEK	2024-12-31	2023-12-31
VAT receivable	1,859	1,928
TAX receivables	338	485
Other receivables	955	889
Total	**3,151**	**3,302**

Note 23 – Prepaid expenses and accrued income

Amounts in KSEK	2024-12-31	2023-12-31
Prepaid expenses relating to preclinical development/clinical trials	2,096	592
Prepaid expenses relating to tech transfer to NorthX	25,342	62,338
Prepaid insurance premiums	209	75
Other prepaid expenses	1,280	1,354
Total	**28,927**	**64,359**

Note 24 – Cash and cash equivalents

Cash and cash equivalents refers to cash at bank KSEK 101,905 (120,782).

Note 25 – Share capital

Equity consists of share capital, other contributed capital, translation reserves and balanced income including the period results. For information regarding the share capital, see the parent company's note 19.

Other contributed capital

Other contributed capital means equity contributed by owners in addition to share capital. This includes premiums paid in share issues.

Translation reserves

The translation reserve contains all exchange rate differences arising on the translation of the financial statements of foreign operations that have prepared their financial statements in a currency other than the one in which the Group presents its financial statements.

Note 26 – Other long term liabilities

Amounts in KSEK	2024-12-31	2023-12-31
Other long term liabilities		
Conditional credits from Region Västra Götaland 1)	850	850
Total non-current borrowings	**850**	**850**

The terms of repayment for the conditional credits from Region Västra Götaland are 5% per year of the debt from potential future income. The interest is calculated as the reference rate set by the Swedish National Bank for the calendar half-year in question, plus an additional 2 (two) percentage points. At present, no repayment of the loan has been initiated.

The Innovation Credit RVO covered the project "Therapeutic Vaccine for AML", an interest rate of 9.5% was charged annually with repayment of interest of EUR 11,000. The remaining amount including interest has been repaid in August 2023. The amount outstanding of this part of the project was EUR 1,536,440 (principal plus accumulated interest). A final exemption was granted for the repayment of part of the project, constituting a principal of EUR 1.301,000 plus accumulated interest of EUR 865,000.

A long-term debt to Van Herk Investments BV. of KSEK 10,000 was signed on October 25, 2022. The loan was a shareholder loan with the right to borrow up to KSEK 50,000, of which KSEK 10,000 has been used during 2022. In 2023, the opportunity to borrow an additional KSEK 40,000 was utilized. The entire loan of KSEK 50,000 TSEK was repaid as of December 31, 2023.

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Note 27 – Other liabilities

Amounts in KSEK	2024-12-31	2023-12-31
Wage taxes	1,393	1,555
Other	603	79
Total	**1,996**	**1,634**

Note 28 – Accrued expenses and deferred income

Amounts in KSEK	2024-12-31	2023-12-31
Accrued expenses relating to preclinical development/clinical trials	3,222	4,855
Accrued personnel-related costs	6,235	7,058
Audit fee	1,127	1,223
Consultancy fee	384	664
Other accrued expenses	7,941	3,175
Total	**18,910**	**16,975**

Note 29 – Financial assets and liabilities

Financial assets and liabilities as of December 31, 2024

Amounts in KSEK	Financial assets at amortized cost	Non-financial assets	Total reported value
Assets			
Financial fixed assets	375	–	375
Other receivables	1,045	2,107	3,151
Prepaid expenses and accrued income	28,926	–	28,926
Cash and cash equivalents	101,905	–	101,905
Liabilities			
Account payables	7,601	–	7,601
Long term interest bearing debts	850	–	850
Other current liabilities	370	1,627	1,996
Accrued expenses and deferred income	18,419	492	18,910

Financial assets and liabilities as of December 31, 2023

Amounts in KSEK	Financial assets at amortized cost	Non-financial assets	Total reported value
Assets			
Financial fixed assets	624	–	624
Other receivables	1,374	1,928	3,302
Prepaid expenses and accrued income	64,359	–	64,359
Cash and cash equivalents	120,782	–	120,782
Liabilities			
Account payables	8,129	–	8,129
Long term interest bearing debts	850	–	850
Other current liabilities	319	1,315	1,634
Accrued expenses and deferred income	16,574	402	16,976

Fair value

For all of the above items, the book value is an approximation of the fair value.

Note 30 – Share option program

The purpose of share-related incentive programs is to promote the company's long-term interests by motivating and rewarding the company's senior executives and other employees in line with the shareholders' interests. There is currently one active program in the company.

LTI 2021/2024

In accordance with a decision by the Annual General Meeting on May 4, 2021, it was resolved to introduce an incentive program with warrants and restricted shares; "LTI 2021/2024".

The number of subscribed share rights amounted to 34,000*. During 2021-2023, a total of 13,050* share rights has been forfeited in connection with employees leaving. This brings the number of restricted shares issued amounted to 20,950*. During the year, the program has been terminated and the participants have been compensated with a one-off payment corresponding to the value of received share rights.

The part of the program that relates to warrants has been terminated prematurely and all warrants have been recalled.

LTI 2023/2027

At an Extraordinary General Meeting on December 13, 2023, it was decided to introduce an incentive program with warrants "LTI2023/2027". The employee stock option program is awarded free of charge. The exercise price of the options is based on the volume-weighted average price of the share ten days after the Extraordinary General Meeting annual general meeting on December 13, 2023. The number of warrants amounted to 2,366,661*.

The calculated fair value on the grant date regarding options granted in 2024 was SEK 2.98* per option right. The fair value of the warrants on the grant date has been calculated using a customized version of the Black & Scholes valuation model that takes into account the exercise price, the term of the option, the share price on the grant date and expected volatility in the share price and risk-free interest for the term of the option.

Input into the model for options that have been awarded during the year were:

- Exercise price: SEK 15.58
- Share price on the issue date: SEK 11.13
- Expected volatility in the company's share price: 60%
- Expected dividend yield: 0%
- Risk-free interest rate: 2.22%

The expected volatility of the share price is based on the historical volatility (based on the remaining maturity of the option), adjusted for the expected changes in future volatility due to available public information.

The number of warrants issued amounts to 2,366,661*. This

corresponds to a dilution of approximately 4.7 percent when all warrants are exercised.

For more information about the programs, see the minutes from the Annual General Meeting 2021 and from the Extraordinary General Meeting 2023-12-13 published on the Company's website www.mendus.com.

* Number of share rights and employee stock options are recalculated taking into account the reverse split, 20:1

Note 31 – Pledged assets

Amounts in KSEK	2024-12-31	2023-12-31
Pledged assets for own liabilities and provisions		
Pledged bank deposit	231	489
Summa	**231**	**489**

Note 32- Adjustments in cashflow

Justeringar i kassaflödet	2024-12-31	2023-12-31
Adjustments for items not included in the cashflow, consists of the following		
Depreciations	6,499	6,290
Warrants	2,194	-595
Conversion difference	-196	-3,202
Accrued interest expense	–	–
Other , non cash items	–	1,844
Total	**8,497**	**4,337**

Note 33 – Transactions with related parties

Regarding remuneration to the board and other senior executives, please see to note 10 and parent company note 7. No further transactions were made with related parties during the year.

Note 34 – Operating expenses by type of cost

Amounts in KSEK	2024-12-31	2023-12-31
Other external expenses	83,358	78,551
Personnel costs	48,246	47,772
Depreciations	3,543	3,382
Exchange rate losses	558	559
Total	**135,704**	**130,263**

Note 35 – Significant events after end of period

» Mendus announced a summary of the regulatory feedback the company received from the FDA and EMA under fourth quarter 2024. The authorities' feedback supports the preparations for a registration-based study with vidi-dencel in AML.

» In February 2025, Mendus announced that the first patient had been recruited to the AMLM22-CADENCE study, which is evaluating Mendus' lead product vididencel as a new maintenance treatment for AML.

FINANCIAL REPORTS

PARENT COMPANY

Parent Company income statement

Amounts in KSEK	Note	2024	2023
Revenue	4	–	–
Other operating income	4	5,657	6,613
Total revenue		**5,657**	**6,613**
OPERATING EXPENSES			
Administration expenses	5, 6, 7	-24,288	-25,071
Research and development expenses	5, 6, 7	-15,482	-15,208
Other operating expenses	8	-277	-559
Operating profit/loss		**-34,391**	**-34,225**
RESULT FROM FINANCIAL ITEMS			
Financial income	9	3,624	2,012
Financial costs	10	-50	-1,589
Profit/loss after financial items		**-30,816**	**-33,802**
TOTAL PROFIT/LOSS BEFORE TAXES		**-30,816**	**-33,802**
Income tax	11	–	–
PROFIT/LOSS FOR THE YEAR		**-30,816**	**-33,802**

Parent Company statement of comprehensive income

Amounts in KSEK	Note	2024	2023
Result for the year		-30,816	-33,802
Other comprehensive income		–	–
Total comprehensive income for the year		**-30,816**	**-33,802**

Parent Company balance sheet

Amounts in KSEK	Note	31/12/2024	31/12/2023
ASSETS			
Financial assets			
Participants in Group companies	**14**	930,704	889,580
Other long-term securities	**13**	1	1
Other long term receivables	**15**	2,829	401
Total financial assets		**933,534**	**889,981**
Total fixed assets		**933,534**	**889,981**
CURRENT ASSETS			
Intercompany receivables	**27**	5,197	–
Other receivables	**16**	993	627
Prepaid expenses and accrued income	**18**	1,165	1,026
Total current receivables		**7,355**	**1,653**
Cash and bank balances	**17**	100,039	100,427
Total current assets		**107,394**	**102,080**
TOTAL ASSETS		**1,040,928**	**992,061**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Restricted equity			
Share capital	**19**	50,360	43,157
Total restricted equity		**50,360**	**43,157**
Unrestricted equity			
Share premium reserve		1,739,428	1,679,946
Retained earnings		-737,766	-703,964
Profit/loss for the period		-30,816	-33,802
Total unrestricted equity	**24**	**970,846**	**942,180**
Total shareholders' equity		**1,021,205**	**985,337**
LIABILITIES			
LONG-TERM LIABILITIES			
Other long-term liabilities	**20**	850	850
Total long-term liabilities		**850**	**850**
CURRENT LIABILITIES			
Accounts payable		2,391	1,808
Intercompany liabilities	**27**	12,578	–
Other liabilities	**21**	670	564
Accrued expenses and deferred income	**22**	3,235	3,502
Total current liabilities		**18,873**	**5,874**
Total liabilities		**19,723**	**6,724**
Total shareholders' equity and liabilities		**1,040,928**	**992,061**

Parent Company statement of changes in equity

Amounts in KSEK	Share capital	Share premium reserve	Retained earnings inc. profit/loss for the period	Total
Opening shareholders' equity 31/12/2024	**43,157**	**1,679,946**	**-737,766**	**985,337**
Profit/loss for the year	–	–	-30,816	-30,816
Total comprehensive income	–	–	**-30,816**	**-30,816**
Transactions with owners				
Issued warrants	–	2,194	–	2,194
Share issue	7,202	61,939	–	69,141
Costs for new share issue	–	-4,650	–	-4,650
Total transaction with owners	**7,202**	**59,482**	–	**66,684**
Shareholders' equity 31/12/2024	**50,359**	**1,739,428**	**-768,582**	**1,021,205**

Opening shareholders' equity 01/01/2023	**9,970**	**1,415,825**	**-703,963**	**721,832**
Profit/loss for the year	–	–	-33,802	-33,802
Total comprehensive income	–	–	**-33,802**	**-33,802**
Transactions with owners				
Issued warrants	–	-595	–	-595
Share issue	33,187	288,605	–	321,792
Costs for new share issue	–	-23,889	–	-23,889
Total transaction with owners	**33,187**	**264,121**	–	**297,308**
Shareholders' equity 31/12/2023	**43,157**	**1,679,946**	**-737,766**	**985,337**

Parent Company cash flow statement

Amounts in KSEK	Note	2024	2023
Operating activities			
Profit/loss before taxes		-30,816	-33,802
Adjustment for items not included in cash flow	**26**	2,194	-595
Interest income		–	2,012
Interest expense paid		–	-1,589
Cash flow from operating activities before changes in working capital		**-28,622**	**-33,974**
Changes in accounts receivable		-5,197	1,076
Changes in other current receivables		-505	681
Changes in accounts payable		583	-809
Changes in other current liabilities	**1**	2,417	-3,595
Cash flow from operating activities		**-21,499**	**-36,621**
Investment activities			
Increase in long term receivable, intra-group		-2,428	–
Investment in financial assets	**14, 15**	-41,125	-178,165
Cash flow from investment activities		**-43,553**	**-178,165**
Financing activities			
New share issues		69,141	321,793
New share issues cost		-4,650	-23,889
Repayment of loans	**20**	–	-50,000
New loans	**20**	–	40,000
Cash flow from financing activities		**64,490**	**287,904**
Cash and cash equivalents at the beginning of the period		100,427	27,840
Cash flow for the period		-387	73,118
Cash flow for the period		–	-531
Cash and cash equivalents at the end of the year	**17**	**100,039**	**100,427**

Notes

Note 1 – General information

Mendus AB (publ) (hereinafter "Mendus"), 556629-1786 is a Swedish public company based in Stockholm. The address of the Company's head office is Västra Trädgårdsgatan 15, 111 53 Stockholm. The Board of Directors approved this Annual Report on April 14, 2025, and it will be presented for adoption at the Annual General Meeting on May 6, 2025.

Note 2 – Accounting policies

The most important accounting principles applied when this annual report has been prepared are stated below. These principles have been applied consistently for all years presented, unless otherwise stated.

The annual report for the parent company has been prepared in accordance with RFR 2 Accounting for Legal Entities and the Annual Accounts Act. In cases where the parent company applies other accounting principles than the Group's accounting principles, which are described in Note 2 to the consolidated accounts, these are stated below.

Presentation format

The income statement and balance sheet follow the presentation of the Annual Accounts Act. The statement of changes in equity follows the Group's presentation but must contain the columns specified in the ÅRL. Furthermore, it means a difference in terms, compared with the consolidated accounts, mainly regarding financial income and expenses and equity.

Lease agreement

All leasing agreements are reported as operational leasing, regardless of whether the agreements are financial or operational. The leasing fee is recognized as a cost linearly over the leasing period.

Note 3 - Financial risks and management of capital

The group applies joint risk management for all entities. The description found in the Group's Note 3 Financial risk managment and Note 4 Management of capital is therefore in all material aspects also applicable to the parent company. Below follows supplementary quantitative information for the parent company.

Note 4 - Revenue

No turnover was reported for the full year - (-). Other operating income amounts to KSEK 5,657 (6,613) and mainly consists transfer of patents and invoicing of management fees to Mendus BV. and Mendus Australia Pty.

Amounts in KSEK	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Exchange rate gains	175	1,120
Intercompany Mendus BV. and Mendus Australia Pty	5,197	5,217
Transfer of patent	284	273
Other operating income	–	3
Total	**5,657**	**6,613**

Note 5 - Operating leases

Amounts in KSEK	2024-01-01 2024-12-31	2023-01-01 2023-12-31
The company's operating leases relate only to the rental of office premises where the business is conducted. Future minimum fees according to non-cancellable operating leases at the end of the reporting period fall due for payment as follows:		
Within one year	160	167
Later than one year, but within five years	-	-
Later than five years	-	-
Total	**160**	**167**
During the year, the leasing cost for renting an office amounted to	600	595

General description of significant leases for the company:
Lease agreement for office space in Gothenburg is an ongoing agreement with 6 months notice period. The agreement limits the company to operating within Life Science, the agreement contains an index clause based on changes in the CPI. A lease agreement for office space in Stockholm is an ongoing agreement with a 3-month notice period. The rent is listed at 3% per year from 1 January 2023.

Note 6 – Remuneration to the auditor

Amounts in KSEK	2024-01-01 2024-12-31	2023-01-01 2023-12-31
KPMG		
Audit fees	1,080	–
Ernst & Young		
Audit fees	–	1,800
Tax advisory	–	–
Other audit-related fees	63	291
Review of prospectus	84	189
Total	**1,227**	**2,280**

The audit assignment involves review of the Annual Report, interim reports and financial acounts and the administration by the Board of Directors and the CEO.

Note 7 – Employees and personnel costs

Amounts in KSEK	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Average number of employees		
Men	2	1
Women	4	5
Total	**6**	**6**
Gender breakdown of Members of the Board and senior management		
Board Members	5	7
of which, men	4	5
CEO, and others in senior management	5	5
of which, men	4	4
Salaries, other remuneration and social costs		
Salaries and other remuneration	9,678	9,039
Social costs	3,104	2,180
(of which, pension costs)	(894)	(931)
Total	**12,782**	**11,219**
Salaries and other remuneration distrubuted between Board Members, senior management and other employees		
Board Members and senior management	7,022	5,775
(of which bonus and similar remunerations)	(628)	(928)
Other employees	2,444	3,264
(of which bonus and similar remunerations)	(118)	(116)
Total	**9,466**	**9,039**
(of which bonus and similar remunerations)	(746)	(1,044)
Remuneration and other benefits provided to Board Members		
Christine Lind	264	688
Sven Andreasson	561	321
Helen Tuvesson	355	351
Dharminder Singh Chahal	364	351
Andrea Van Elsas	118	306
Hans Peusting	361	326
Ted Fjällman	314	–
CEO's remuneration and employmet benefits		
Fixed salary	4,607	4,447
Variable remuneration [2]	1,324	1,667
Other benefits [3]	51	47
Pension costs	335	312

CEO Erik Manting is employed by Mendus BV and his salary is paid by that company.

Remuneration and employment benefits to other senior management employed by Mendus AB[1]		
2 persons (2 persons)		
Fixed salary [1]	3,394	2,503
Variable remuneration [2]	628	928
Other benefits [3]	6	5
Pension costs	528	421
Remuneration and employment benefits to other senior management employed by Mendus BV[1]		
2 persons (2 persons)		
Fixed salary [1]	6,196	6,615
Variable remuneration [2]	1,220	1,535
Other benefits [3]	12	11
Pension costs	1,533	1,227

[1] The Company's CSO is included in Mendus AB from May 1, 2023, formerly CSO was employed by Bendus BV.
[2] The variable remuneration refers to bonus. For information on how bonuses are calculated, see below.
[3] Other benefits refers to housing and travelling to and from the workplace and health insurance.

Remuneration to the Members of the Board of Directors
Fees are paid to the Board of Directors in accordance with the resolution of the Annual General Meeting. The Annual General Meeting on May 17, 2024 resolved that fees, based on a financial year comprising a period of 12 months, would be paid in total of SEK 2,120,000 to be distributed as follows: The chairman of the board of directors is entitled to remuneration of SEK 620,000 and other board members are entitled to remuneration of SEK 285,000 per member. Furthermore, a fee for committee work shall be paid in the amount of SEK 85,000 to the chairman of the audit committee, SEK 50,000 to each of the other board members in the audit committee, SEK 50,000 to the chairman of the scientific committee, SEK 25,000 to each of the other board members in the scientific committee, SEK 35,000 to the chairman of the remuneration committee and SEK 20,000 to each of the other board members of the remuneration committee.

Remuneration to Senior executives
At the Annual General Meeting on May 4, 2021, it was resolved to approve the Board of Directors' proposal for guidelines for remuneration to senior executives as set out below to be valid until further notice. Remuneration, in accordance with the guidelines, to the CEO and other senior executives consists of basic salary, pension benefits and variable remuneration.

Periods of notice and severance pay
For the Company's senior executives, there is a mutual notice period of three to six months. During the notice period, senior executives are entitled to full salary and other employment benefits. No agreement have been made regarding severance pay. For the senior executives with consulting contracts, the agreements must be time-limited.

Pension
For the CEO and other members of the management team, pension benefits, including health insurance, shall be defined contribution and may not exceed 30% of the fixed annual salary.

Bonus
The senior management has a possibilty to earn a variable remuneration if meeting pre-set objectives. The bonus could according to the corporate guidelines not exceed 50 percent of the fixed yearly salary.

Note 8 - Other operating expenses

Other operating expenses amount to KSEK 277 (559) and refers to currency exchange loss from accounts payable.

Note 9 - Interest income and similar items

Amounts in KSEK	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Interest income	3,450	2,012
Interest income group company	174	-
Total	**3,624**	**2,012**

Note 10 - Interest expenses and similar items

Amounts in KSEK	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Interest expenses	-50	-1,589
Total	**-50**	**-1,589**

Note 11 – Income tax

Amounts in KSEK	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Current taxes	–	–
Deferred taxes	–	–
Income tax	–	–
Difference between recognised tax expense and an estimated tax expense based on the current tax rate:		
Total profit/loss before taxes	-30,816	-33,802
Income tax according to current tax rate	6,348	6,963
Tax effect of non-deductible expenses	1	20
Tax effect of non-taxable income	-1	-5
Deductible issue costs reported over equity	–	–
Tax effect of a deductible deficiency for which no deferred tax assets have been taken into account	-6,348	-6,978
Tax expense	–	–
The current tax rate is 20.6% (20.6%)		
Unutilised deductible deficiency for which no deferred tax asset has been recognised	854,007	824,044

Note 12 – Earnings per share, parent company

Amounts in KSEK	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Earnings per share, before dilution		
Net profit/loss for the year	-30,816,259	-33,802,595
Average number of shares outstanding *	48,539,256	23,127,546
Earnings per share, before dilution, SEK	**-0.63**	**-1.46**
Earnings per share, after dilution		
Net profit/loss for the year	-30,816,259	-33,802,595
Average number of shares outstanding *	48,539,252	23,127,546
Earnings per share, after dilution, SEK	**-0.63**	**-1.46**

Earnings per share before dilution is based on the financial results for the year and the weighted average of the number of shares outstanding.

Earnings per share after dilution is based on the financial results for the year and the weighted average of the number of shares outstanding plus the dilutive effect of potential shares. There is no dilution effect for the stock option program, as earnings for the periods have been negative.

* The comparative numbers recalculated taking into account the reverse split, 20:1

Note 13 – Other long-term securities

Amounts in KSEK	2024-12-31	2023-12-31
Holdings of shares of LFF Service AB	1	1
Total	**1**	**1**

The share in LFF Service AB is pledged and gives Läkemedelsföreningens Service AB an option to acquire the share at its quotient value (SEK 1,000) if Mendus AB (publ) withdraws from the share agreement.

Note 14 – Shares in Group companies

Amounts in KSEK	2024-12-31	2023-12-31
Holdings of shares Mendus BV.	930,704	889,579
Holdings of shares Mendus Australia Pty.	1	1
Total	**930,704**	**889,580**

Mendus AB acquired all shares in DCprime BV (Mendus BV.), organizational number 34224535, on 21 December 2020, with Mendus holding 100% of the capital and votes. Mendus BV. is a Dutch company based in Leiden, The Netherlands. During the year, shareholder contributions were made with KSEK 39,445 (178,618). Mendus Australia Pty was established on October 9, 2023 and Mendus AB holds 100% of the capital and voting rights. The number of shares amounts to 100

Note 15 – Other longterm receivables

Amounts in KSEK	2024-12-31	2023-12-31
Loan to Mendus Australia Pty	2,686	–
Deposit office rent at Kapitel 8 Kontor AB143	142	
Business Card, card limit	–	259
Total	**2,829**	**401**

Note 16 - Other receivables

Amounts in KSEK	2024-12-31	2023-12-31
VAT receivable	742	621
VAT receivable	248	–
Other receivables	2	6
Total	**993**	**627**

Note 17 – Cash and cash equivalents

Cash and cash equivalents refers to cash at bank KSEK 100,039 (100,427).

Note 18 – Prepaid expenses and accrued income

Amounts in KSEK	2024-12-31	2023-12-31
Prepaid expenses relating to preclinical development/clinical trials	53	21
Prepaid insurance premiums	233	40
Prepaid rents	158	152
Other prepaid expenses	721	813
Total	**1,165**	**1,026**

Note 19 – Share capital

Amounts in KSEK	2024-12-31	2023-12-31
Opening amount of shares	863,148,371	199,400,599
Opening amount of shares	144,043,202	663,747,772
Share merger, 20:1	-956,831,994	–
Closing amount of shares	**50,359,579**	**863,148,371**
Opening share capital	43,157,419	9,970,030
Share issue	7,202,160	33,187,389
Closing share capital	**50,359,579**	**43,157,419**
Quotient value, SEK	1.00	0.05

Share premium reserve

Share premium reserve means equity contributed by owners in addition to share capital. This includes premiums paid in share issues.

Note 20 - Other longterm liabilities

Amounts in KSEK	2024-12-31	2023-12-31
Loan Region Västra Götaland	850	850
Total	**850**	**850**

The Company has previously received financing in the form of conditional credits from Region Västra Götaland amounting to SEK 850,000. The terms of repayment for these loans are 5 percent of the debt per year of potential future income, with the addition of interest at the reference rate set by the Swedish National Bank for the calendar half-year in question, plus an additional two percentage points. Today, no repayment of the loan has begun.

A long-term debt to Van Herk Investments BV. of KSEK 10,000 was signed on October 25, 2022. The loan was a shareholder loan with the right to borrow up to KSEK 50 000, of which KSEK 10,000 has been used during 2022. In 2023, the opportunity to borrow an additional KSEK 40,000 was utilized. The entire loan of KSEK 50,000 TSEK was repaid as of December 31, 2023.

Note 21 - Other liabilities

Amounts in KSEK	2024-12-31	2023-12-31
Wage taxes	436	492
Other	234	72
Total	**670**	**564**

Not 22 – Upplupna kostnader och förutbetalda intäkter

Amounts in KSEK	2024-12-31	2023-12-31
Accrued expenses relating to preclinical development/clinical trials	16	21
Accrued personnel-related costs	1,867	1,949
Audit fee	903	890
Consultancy fee	311	597
Other accrued expenses	138	45
Total	**3,235**	**3,502**

Note 23 – Financial assets and liabilities

Amounts in KSEK	Financial assets recognized at amortized cost	Not financial assets	Sum reported value
Financial assets			
Financial fixed assets	933,534	–	933,534
Other receivables	770	991	1,761
Prepaid expenses and accrued income	5,594	-	5,594
Cash and cash equivalents	100,039	-	100,039
Financial liabilities			
Financial liabilities	2,391	-	2,391
Account payables	850	-	850
Other current liabilities	-	670	670
Accrued expenses and deferred income	15,321	492	15,812

Note 23 – Appropriation of profit and loss

Amounts in KSEK	2024-12-31
The following unrestricted shareholders' equity are available to the Annual General Meeting for its disposition:	
Share premium reserve	1,737,077,438
Retained earnings	-737,766,375
Net profit/loss for the year	-30,816,260
Warrants	2,350,883
Total	**970,845,686**
The Board of Directors proposes that the profits available for distribution and unrestricted reserves be allocated as follows	
to be carried forward	970,845,686
(of which to Share premium reserve)	(1,739,428,321)
Total	**970,845,686**

Note 25 – Pledged assets

Amounts in KSEK	2024-12-31	2023-12-31
Pledged assets for own liabilities and provisions		
Pledged bank deposit	–	259
Total	–	259

Note 26 – Adjustments in cashflow

Amounts in KSEK	2024-12-31	2023-12-31
Adjustments for items not included in the cashflow, consists of the following		
Depreciations	–	–
Warrants	2,194	-595
Conversion difference	–	–
Other , non cash items	-174	–
Total	**2,020**	**-595**

Note 27 – Transactions with related parties

The parent company Mendus AB is related to the subsidiary Mendus BV and Mendus Australia Pty. Regarding remuneration to the board and other senior executives, please see to note 7. No further transactions were made with related parties during the year. Transactions with related parties are carried out on market terms.

Amounts in KSEK	Sales of goods and services to related parties	Purchase of goods and services to related parties	Interest income	Outstanding debts as of Dec 31	Outstanding receivables as of Dec 31
Mendus BV.	4,716	12,578	–	12,578	4,716
Mendus Australia Pty.	482	–	174	–	3,168

Note 28 - Events after the balance day

No significant events have occurred after the end of period.

Assurance of the Board of Directors and CEO

The Board of Directors and the CEO hereby assure that the consolidated accounts and annual report were prepared as per the International Financial Reporting Standards (IFRS) as adopted by the EU, and generally accepted accounting principles, respectively, and provide a true and fair view of the development of the Group's and Parent Company's financial position and performance, and that the Board of Directors' report provides a true and fair view of the Group's and Parent Company's operations, financial position and performance as well as describing material risks and uncertainties faced by the companies that are part of the Group. The income statements and balance sheets of the Parent Company and the Group are subject to adoption by the Annual General Meeting on May 6, 2025.

Stockholm on the day shown in our electronic signature

Sven Andreasson
Chairman

Helén Tuvesson
Board member

Dharminder Chahal
Board member

Ted Fjällman
Board member

Hans Preusting
Board member

Erik Manting
Chief Executive Officer

Stockholm on the day shown in our electronic signature
KPMG AB

Ola Larsmon
Authorized Public Accountant

Auditor's Report

To the general meeting of the shareholders of Mendus AB (publ), corp. id 556629-1786

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Mendus AB (publ) for the year 2024, except for the corporate governance statement on pages 60-68.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of December 31, 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of December 31, 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 60-68. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Material uncertainty as to going concern

We would like to draw attention to the management report in the annual report on page 26, which indicates that there is a risk that the available liquidity as of 31 December 2024, will not finance the operations beyond the beginning of 2026. The management report also states that additional capital will be needed to continue advancing the development of the various programs. The board's assessment is that the company is well placed to secure future financing.

Note 3 on page 38 indicates that there is a risk that the cash and cash equivalents will be insufficient in the next 12 months. It also states that the board is monitoring the situation and evaluating various financing options, including timing and scope for raising capital. However, if financing isfunding is not obtained to a sufficient extent, it suggests that there is material uncertainty that may lead to signficant doubt about the group's ability to continue its operations.

We have not modified our opinion due to this.

Other Matter

Revisionen av årsredovisningen och koncernredovisningen för år 2023 har utförts av en annan revisor som lämnat en revisionsberättelse daterad den 17 april 2024 med omodifierade uttalanden i Rapport om årsredovisningen och koncernredovisningen.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. .

Intangible assets and shares in subsidiaries in the parent company

See accounting policies disclosure on page 37, note 17 page 41 and the parent company's note 14 on page 53 in the annual accounts and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

As of December 31, 2024, the group's reported value for technology amounts to SEK 424 million whereas goodwill amount to SEK 108 million, together equaling 76% of the consolidated total assets. As of December 31, 2024, the parent company's reported value for shares in subsidiaries amounts to SEK 931 million equaling 89% of the total assets. These assets are subject to an annual impairment testing.

The impairment testing of these assets are dependent on management's estimates and judgments of for example future revenues, operating results, as well as required levels of working capital and investment needs. Another important assumption is the discount rate to be used in order to reflect the time value of the economic benefits as well as the specific risks associated with the operations. A corresponding impairment test is carried out by management regarding the parent company's value of shares in subsidiaries and group receivables as for technology and goodwill, and the conditions are similar.

Response in the audit
We have assessed whether the impairment tests have been prepared in accordance with the prescribed method as well as assessed the reasonableness in management's test of the carrying value. Additionally, we have considered the reasonableness of the predicted future cash flows as well as the discount rates used through evaluation of management's documentation and forecasts. We have also examined the sensitivity analysis prepared by management to evaluate how reasonable changes in the assumptions may impact the valuation. We have also reviewed the compliance with the accounting principles and disclosures as stated in the annual accounts and consolidated accounts.

Other Information than the annual accounts and consolidated accounts
This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-24 and 60-68. The other information comprises also of the remuneration report which we obtained prior to the date of this auditor's report. The Board of Directors and the Chief Executive Officer are responsible for this other information.Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director
The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility
Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the

underlying transactions and events in a manner that achieves fair presentation.

» Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Auditor's audit of the administration and the proposed appropriations of profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Mendus AB (publ) for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the loss be dealt with in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

» has undertaken any action or been guilty of any omission which can give rise to liability to the company, or

» in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions

undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

The auditor's examination of the Esef report

Opinion
In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Mendus AB (publ) for year 2024.
Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion
We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Mendus AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director
The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

KPMG AB, Box 382, 101 27, Stockholm, was appointed auditor of Mendus AB (publ) by the general meeting of the shareholders on the May 13, 2024. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2024.

Stockholm on the day shown in our electronic signature
KPMG AB

Ola Larsmon
Authorized Public Accountant

Corporate Governance Report

Mendus AB (publ), corporate identity number 556629-1786, is a Swedish public company with its registered office in Stockholm. The company's share is listed on Nasdaq Stockholm Small Cap and are traded under the short name IMMU.

Corporate governance refers to regulations and decision-making hierarchies that contribute to the efficient and controlled management of a company's operations. Mendus' corporate governance is based on applicable laws, rules, and recommendations for listed companies, such as the Swedish Code of Corporate Governance (the "Code"), Nasdaq Stockholm's rulebook for issuers, the Articles of Association and company-specific rules and guidelines. This report, which is separate from the annual report, relates to the financial year 2024 and has been reviewed by the company's auditor.

Deviations from the Code, stock exchange rules or good practice in the stock market

The company has not deviated from the Code or stock exchange rules and has not been subject to decisions by Nasdaq Stockholm's Disciplinary Board or decisions on breaches of good practice on the stock market by the Swedish Securities Council.

Corporate governance at Mendus

The purpose of corporate governance within Mendus is to create a clear division of roles and responsibilities between shareholders, the Board of Directors and company management. Governance, management and control of Mendus is divided between the General Meeting, the Board of Directors, its elected committees and the CEO.

External regulations affecting corporate governance

- Swedish Companies Act
- Regulations for external accounting
- Nasdaq Stockholm's Rulebook for Issuers
- Swedish Code of Corporate Governance
- Other applicable laws and regulations

Important internal regulations and documents

- Articles of Association
- Rules of procedure for the Board including instructions for the Board's committees
- CEO instruction including instructions on financial reporting
- Guidelines for remuneration to senior executives
- IT policy
- Financial Handbook
- Authorization instruction
- Personnel handbook
- Code of Conduct
- Information and insider policy

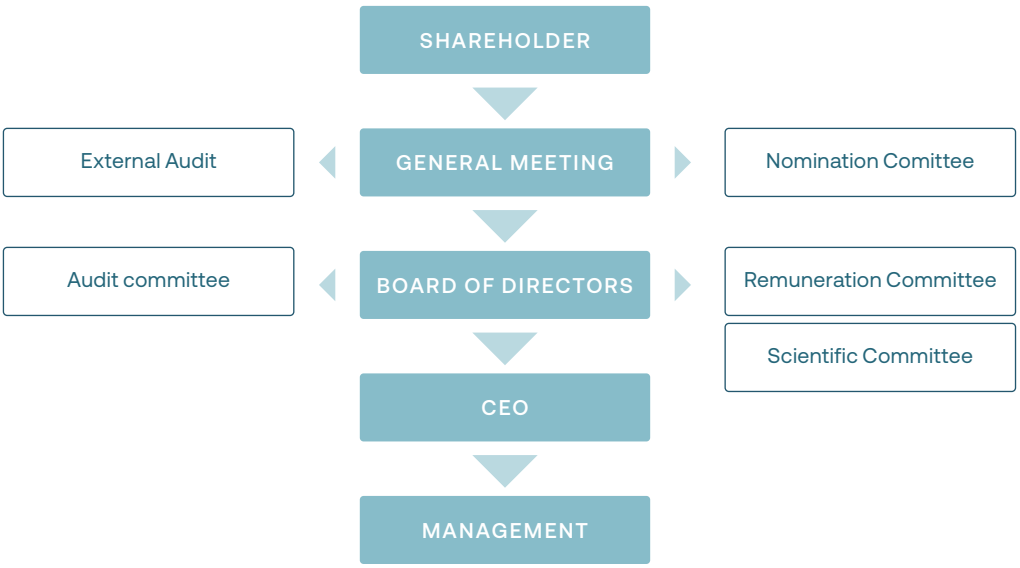
Shareholders and the share

Mendus AB is a CSD-registered company, which means that the company's share register is kept by Euroclear Sweden AB. The share capital in Mendus AB consists of one class of shares entitling to equal voting rights and equal rights to share in the company's assets. Mendus share is admitted to trading on Nasdaq Stockholm in the Small Cap segment. At year-end, Mendus had 9,294 (10,882) shareholders, of which 381 (469) were registered as legal entities and 8,647 (9,977) as natural persons. The share capital is owned 58.8 (60.9) percent by Swedish-registered owners and 41.2 (39.1) percent by foreign owners. For further information about shareholders and Mendus share, see the annual report pages 18-19 and www.mendus.se.

General Meeting

In accordance with the Swedish Companies Act, the shareholders' influence of the company is exercised at the General Meeting, which is the company's highest decision-making body. At the General Meeting, the shareholders decide on key issues such as adoption of income statements and balance sheets, possible dividends and disposition of the company's result, election of and remuneration to Board members and auditors, discharge from liability for the Board of Directors and the CEO, as well as amendments of the articles of association (if applicable). The General Meeting also resolves on guidelines for remuneration to senior executives.

Corporate governance structure



In accordance with the Articles of Association, notice of a General Meeting shall be given by advertising in the Swedish Official Gazette (Sw. Post- och Inrikes Tidningar) and by making the notice available on the company's website. At the same time as notice is given, the company shall, through an advertisement in Dagens Industri, inform that notice has been given. Notice of the Annual General Meeting and notice of an Extraordinary General Meeting where amendment of the Articles of Association will be dealt with shall be issued no earlier than six weeks and no later than four weeks before the Meeting. Notice of other Extraordinary General Meetings shall be issued no earlier than six weeks and no later than three weeks before the meeting.

Shareholders who have been entered in the share register in the manner prescribed in the Swedish Companies Act and who have registered with the company no later than the date stated in the notice convening the meeting have the right to participate in the meeting. This day may not be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and may not fall earlier than the fifth weekday before the meeting.

Provided that notification of participation to the General Meeting has been made in the prescribed manner, each shareholder is entitled to vote at the General Meeting for all owned and represented shares. The Articles of Association do not contain any restrictions on the number of votes each shareholder may cast at a general meeting.

At the Annual General Meeting, the following matters shall be dealt with:

1. Election of chairman of the Meeting
2. Preparation and approval of voting list
3. Presentation and approval of the agenda
4. Election of one or two persons to verify the minutes
5. Determination of whether the meeting has been duly convened
6. Presentation of the annual report and the auditor's report and, where applicable, the consolidated financial statements and the auditor's report on the consolidated accounts
7. *Resolution on:*
   a) adoption of the income statement and balance sheet and, where applicable, the consolidated income statement and consolidated balance sheet
   b) disposition of the company's profit or loss according to the adopted balance sheet;
   c) discharge from liability towards the company for the members of the Board of Directors and the CEO
8. Determination of remuneration to the Board of Directors and auditors
9. Election of the Board of Directors and auditors and any deputy auditors
10. Other business that is the responsibility of the meeting in accordance with the Swedish Companies Act or the Articles of Association

Annual General Meeting 2024

The Annual General Meeting 2024 of Mendus was held on Friday 17 May at Tändstickspalatset on Västra Trädgårdsgatan 15 in Stockholm. At the Meeting, 69.81 percent of the shares and votes in the company was represented. The AGM resolved on, among other things:

- Discharge from liability for the Board of Directors and the CEO for the financial year 2023 and that no dividend would be paid for the financial year 2023.
- Re-election of the board members Sven Andreasson, Dharminder Chahal, Ted Fjällman, Hans Preusting and Helén Tuvesson, for the period until the end of the next Annual General Meeting. Christine Lind and Andrea van Elsas had declined re-election.
- Election of Sven Andreasson as Chairman of the Board.
- Election of the registered auditing company KPMG AB, which has appointed Ola Larsmon as auditor in charge, for the period until the end of the next Annual General

Meeting.

- Resolution on a reverse share split whereby 20 existing shares were combined into one new share and, to enable the reverse share split, amendment of the articles of association with regard to the limits on the number of shares and the share capital entailing that the share capital shall constitute a minimum of SEK 50,000,000 and a maximum of SEK 200,000,000 and the number of shares shall be minimum 50,000,000 and maximum 200,000,000.
- Resolution on the issue of 302,822 warrants in order to ensure delivery of shares to the participants in the incentive programme LTI 2021/2024.
- Authorization for the Board of Directors, during the period until the next Annual General Meeting, on one or more occasions and with or without deviation from the shareholders' preferential rights, to resolve on new issues of shares and issues of warrants and/or convertibles. The number of shares or warrants or convertibles entitling to subscription of shares shall amount to a maximum of 20 percent of the number of registered shares at the time of the Board of Directors' first resolution under the authorisation.

Minutes as well as complete resolutions and more detailed information from the AGM 2024 are available on www.mendus.se, under "Corporate Governance".

Annual General Meeting 2025

The Annual General Meeting 2025 of Mendus will be held on 6 May at 9:30 at Tändstickspalatset, Västra Trädgårdsgatan 15 in Stockholm. For further information and the right to participate, see page 60 of the Annual Report or www.mendus.se. The minutes of the Annual General Meeting will be available on www.mendus.se.

Nomination Committee

The Nomination Committee represents Mendus' shareholders and is tasked with preparing the Annual General Meeting's resolutions on election and remuneration issues. In accordance with the instructions adopted by the Annual General Meeting on 4 May 2021, which applies until further notice, the Nomination Committee shall consist of four members appointed by the four largest shareholders, based on the ownership structure of Euroclear Sweden AB as of 31 August, who have accepted the invitation to participate in the Nomination Committee. If any of the four largest shareholders waives its right to participate in the Nomination Committee, the next largest shareholder in terms of voting rights, who does not already have the right to appoint a member of the Nomination Committee, shall be offered the opportunity to appoint a member to the Nomination Committee. The Nomination Committee shall elect a Chairman from among its members.

The members of the Nomination Committee shall be published on the company's website no later than six months before the Annual General Meeting. If four shareholders at this time have not notified their intention to participate in the Nomination Committee, the Nomination Committee shall consist of fewer members. If there is a change in the ownership structure of the Nomination Committee after 31 August but before the Nomination Committee's complete proposal for resolutions has been published, and if shareholders who after this change have become one of the four largest shareholders in terms of voting rights in the company submit a wish to the Chairman of the Nomination Committee to be a member of the Nomination Committee, this shareholder shall have the right to appoint an additional member of the Nomination Committee . The term of office of the Nomination Committee shall extend until a new Nomination Committee has been appointed. Changes in the composition of the Nomination Committee shall be announced as soon as they have occurred.

Shareholders in the company have the right to submit proposals for Board members for consideration by the Nomination Committee. The Nomination Committee shall take into account that the Board of Directors shall have an appropriate composition based on the company's operations, stage of development, etc., and demonstrate diversity and breadth in terms of qualifications, experience and background. The members of the Nomination Committee are not entitled to any remuneration. However, the company shall bear all reasonable costs for the work of the Nomination Committee. If deemed necessary, the Nomination Committee may engage external consultants to find candidates with relevant experience and the company shall bear the costs of such consultants. The company shall also assist with human resources necessary to support the work of the Nomination Committee.

Ahead of the 2025 Annual General Meeting, the Chairman of Mendus, Sven Andreasson, contacted the largest shareholders to appoint a Nomination Committee. The following members have been appointed by the three largest shareholders who accepted the invitation to participate in the Nomination Committee:

- Erik Esveld, appointed by Van Herk Investments BV
- Karl Elmqvist, appointed by Flerie Invest AB
- Mats Andersson, appointed by Holger Blomstrands Byggnads AB

The Nomination Committee has appointed Karl Elmqvist as Chairman of the Nomination Committee.

The composition of the Nomination Committee as described above was announced in a press release on 8 November 2024.

The Nomination Committee's assignment includes preparing the following proposals for resolutions to the Annual General Meeting 2025: (i) election of the Chairman of the Annual General Meeting; (ii) election of members of the Board of Directors; (iii) election of Chairman of the Board; (iv) remuneration to the Board of Directors; (v) election of auditor; (vi) auditor remuneration; and (vii) amendment of the principles for the nomination process for the Annual General Meeting (if necessary).

According to the Code, the Nomination Committee shall, in connection with the issuance of notice to the Annual General Meeting, submit a reasoned opinion on the company's website regarding its proposal for the Board of Directors, taking into account the Code's rules on the composition of the Board, and in particular justify the proposal in light of the requirement that an even gender distribution shall be sought, and provide a brief account of how the Nomination Committee's work has been conducted. On the website, the Nomination Committee shall at the same time provide relevant information about members proposed for new election or re-election, including main education and work experience, significant assignments within and outside the company and own or closely related persons' holdings of shares in the company.

The Board of Directors

Composition and independence of the Board of Directors
According to Mendus' Articles of Association, the Board of Directors shall consist of a minimum of three and a maximum of eight members without deputies. At the Annual General Meeting on 17 May 2024, five ordinary members were elected; Sven Andreasson (Chairman of the Board), Dharminder Chahal, Ted Fjällman, Hans Preusting and Helén Tuvesson, all of whom are appointed until the end of the next Annual General Meeting.

Dharminder Chahal is considered to be independent in relation to the company and its management but dependent in relation to major shareholders in the company through his assignments for Van Herk Investments BV. Ted Fjällman is considered to be independent in relation to the company and its management but dependent in relation to major shareholders in the company as he is CEO of Flerie Invest AB (publ). Other members are considered to be independent in relation to the company and its management as well as to the company's major shareholders. A major shareholder refers to a shareholder who directly or indirectly controls ten percent or more of the shares and votes in the company.

According to the Code, a majority of the members of the Board of Directors shall be independent in relation to the company and its management. At least two of the members who are independent in relation to the company and its management shall also be independent in relation to the company's major shareholders. In accordance with the above description, Mendus fulfils the requirement for board members' independence in the Code.

Information about the members of the Board of Directors with information about year of birth, year of election to the Board, education, experience, current and previous assignments and shareholding in the company can be found in the Annual Report 2024 on pages 20-21. Shareholding in the company includes own and/or closely related persons' holdings.

Responsibilities of the Board of Directors and its work
The duties of the Board of Directors are regulated in the Swedish Companies Act, the Articles of Association and the Code. The Board has also adopted written rules of procedure that regulate the Board's work, division of duties and responsibilities between the Board, committees, Chairman of the Board and CEO. In addition, the rules of procedure deal with the number of ordinary meetings and matters to be dealt with at these meetings, the form of notices, the meeting and decision-making procedures, documentation for Board meetings, the duties of the Chairman of the Board, minutes, bias and conflicts of interest, mandatory matters that the CEO must submit to the Board, financial reports and signatories. The rules of procedure of the Board of Directors shall be adopted annually. In addition, the Board of Directors has adopted instructions for the CEO and other special policies such as ethical guidelines (so-called Code of Conduct), finance policy and authorization instructions, as well as information and insider policy. In addition to Board meetings, the Chairman and CEO have an ongoing dialogue regarding the company for material issues.

The Board of Directors is responsible for the company's organization and management of its affairs, the company's overall business plan, significant organizational changes, changes in the company's business focus and income statement and balance sheet. The Board of Directors shall also decide on investments, acquisitions or disposals of significant assets, shares or businesses, loans and credits, the provision of guarantees, and the conclusion or amendment of significant agreements. In addition, the Board of Directors shall deal with matters referred to the Board by the CEO. The Board of Directors has the overall responsibility for ensuring that the company's organization is designed so that accounting, asset management and the company's financial conditions in general are controlled in a satisfactory manner and is responsible for ongoing evaluation of the CEO's work. The Board is also responsible for ensuring the quality of financial reporting, including systems for monitoring and internal control of the company's financial reporting and position. In addition, the Board of Directors is responsible for ensuring that the company's external disclosure of information is characterized by openness and is correct, relevant and clear. The Board is also responsible for drawing up the necessary guidelines and other policy documents.

The Chairman of the Board leads and organizes the work of the Board and has a special responsibility for ensuring that the Board's work is well organised and conducted efficiently. The Chairman of the Board is responsible, in consultation with the company's CEO, for ensuring that an agenda for each meeting and the necessary decision documentation are provided to the members in sufficient time before each Board meeting. The Chairman of the Board shall also ensure that each Board member continuously updates and deepens his or her knowledge of the company and that a new Board member undergoes the necessary introductory

training and other training that the Chairman of the Board and the new member deem appropriate. The Chairman of the Board is also responsible for contacts with shareholders on ownership matters and for conveying the views of the shareholders to the Board and also for ensuring that the Board's work is evaluated annually through a systematic and structured process with the aim of developing the Board's working methods and methodology. The results of the evaluation are reported to the company's Nomination Committee.

The Board's work and significant events during 2024
The Board normally meets six times a year. In addition to these meetings, additional meetings may be organised to deal with matters that cannot be referred to a regular meeting. During 2024, the Board held 10 recorded meetings excluding per capsulam meetings. The attendance of members at Board meetings is shown in the table on page 65. During 2024, the Board dealt with the following issues:

» The company's strategic direction
» Clinical studies, for example CADENCE and REGOMUNE
» Financing
» Product development
» Risk management and risk assessment
» Governing documents
» Evaluation of the CEO
» Financial reports including reporting from the auditors

For 2025, the Board has scheduled six (6) meetings.

Board committees
The Board has established three committees from among its members; the Audit Committee, the Remuneration Committee and a Scientific Committee which work in accordance with the Board's established instructions.

Audit committee
The Board of Directors has appointed an Audit Committee consisting of the Board members Dharminder Chahal (Chairman of the Committee), Sven Andreasson and Hans Preusting. The committee meets the requirements of the Swedish Companies Act for independence and accounting and auditing competence.

According to the instructions to the Audit Committee, the Audit Committee shall, without prejudice to the Board's responsibilities and tasks in general, monitor the company's financial reporting, monitor the effectiveness of the company's internal control and risk management with regard to financial reporting, keep itself informed about the audit of the annual report and other financial reports, review and monitor the auditor's impartiality and independence, paying particular attention to if the auditor provides the company with services other than auditing services. The Audit Committee shall also meet annually with the auditor to keep itself informed about the scope and focus of the auditor's review, as well as the auditor's observations in the audit work. The Audit Committee shall also evaluate the audit work and assist in the preparation of proposals to the Annual General Meeting and decisions on the election of auditors. In addition, the Audit Committee shall, together with the company's auditor, review related party transactions and significant accounting principles in connection with quarterly reports and annual reports. The Audit Committee shall hold at least four meetings per year and the Chairman of the Audit Committee shall submit a report at Board meetings on what has been discussed during the last meeting of the Audit Committee.

The Audit Committee has met three times during the year. At these meetings, the committee has discussed periodic financial information, risks, internal control, accounting principles, the auditors' review of the company and the financial reports.

Remuneration Committee
The Board of Directors has appointed a Remuneration Committee consisting of the Board members Sven Andreasson (Chairman of the Remuneration Committee), Hans Preusting and Helén Tuvesson. The committee fulfils the Code's requirements for independence and is deemed to have the necessary knowledge and experience in matters of remuneration to senior executives.

According to the instructions for the Remuneration Committee, the Remuneration Committees main tasks are to prepare the Board's decisions on matters relating to remuneration principles, including the preparation of proposals for the General Meeting's resolution on guidelines for remuneration to senior executives, remuneration and other terms of employment for the company's CEO and senior executives, to monitor and evaluate variable remuneration for senior executives and to monitor and evaluate the application of the guidelines for remuneration to senior executives and current remuneration structures and levels in the company. In addition, the Remuneration Committee shall monitor and continuously evaluate ongoing and completed programs for variable remuneration to senior executives and prepare questions regarding proposals for possible incentive programs.

The Remuneration Committee has had contact via email but did not hold any meetings during the year as the issues related to remuneration matters were dealt with by the Board as a whole. Among other things, the Board has discussed incentive programs and corporate objectives.

For information on salaries and remuneration to the CEO and other senior executives, see Note 7 in the Annual Report 2024.

Scientific Committee
The Board of Directors has appointed a Scientific Committee consisting of the Board members Helén Tuvesson (Chairman of the Committee), Ted Fjällman and Hans

The 2024 annual general meeting decided the fees for the board members

	Independence in relation to the			Compensation, KSEK				
	Function	Company	Owners	Board fees	Audit Committee	Remuneration Committee	Scientific Committee	Total
Christine Lind 1)	Chairman	x	x	–	–	–	–	–
Helén Tuvesson	Board member	x	x	285	–	20	50	355
Sven Andreasson 2)	Chairman	x	x	620	50	35	–	705
Dharminder Chahal	Board member	x		285	85	–	–	370
Andrea van Elsas 3)	Board member	x	x	–	–	–	–	–
Hans Preusting	Board member	x	x	285	50	20	25	380
Ted Fjällman	Board member	x		285	–	–	25	310
				1 760	**185**	**75**	**100**	**2 120**

1) Chairman of the board until the annual general meeting on 17 May 2024
2) Chairman of the board after the annual general meeting on 17 May 2024
3) Board member until the annual general meeting on 17 May 2024

	Attendance			
	Board	Audit Committee	Remuneration Committee	Scientific Committe
Christine Lind	4/4	1/1	–	–
Helén Tuvesson	10/10	–	–	3/3
Sven Andreasson	10/10	3/3	–	–
Dharminder Chahal	9/10	3/3	–	–
Andrea van Elsas	3/4	–	–	1/1
Hans Preusting	10/10	2/2	–	3/3
Ted Fjällman 1)	5/10	–	–	0/3

1) Excluding per capsulam board meetings

Preusting. None of the members of the committee are employees by the company.

According to the instructions for the Scientific Committee, the purpose of the committee is to review and evaluate the research strategy, development and clinical programs of the company. The Chairman of the Scientific Committee and one other member of the Scientific Committee shall be members of the Board of Directors and none of these shall be employed by the company. The company's Chief Scientific Officer and/or the CEO shall prepare the meetings of the Scientific Committee. The Scientific Committee may, if necessary, seek external advice or advice from the company's Scientific Council. The Chair of the Scientific Committee shall inform the Board of the work of the Committee.

The Scientific Committee has met three times during the year. At these meetings, the committee has mainly discussed the development of the company's two product candidates, ilixadencel and vididencel. The committee has also discussed the preclinical studies and has had an ongoing dialogue with the company's Chief Medical Officer and Chief Scientific Officer.

The CEO and management

The CEO is responsible for the day-to-day management and development of Mendus in accordance with applicable legislation and applicable rules, including Nasdaq Stockholm's Rule Book for Issuers as well as the Code and the guidelines, instructions and strategies established by the Board of Directors. The CEO shall ensure that the Board receives such factual and relevant information as is required for the Board to be able to make well-founded decisions. In addition, the CEO monitors compliance with Mendus' goals, policies and strategic plans established by the Board and is responsible for informing the Board about Mendus' development between Board meetings.

Erik Manting has been the company's CEO throughout 2024. The CEO leads the work of the management team, which is responsible for the overall development of the company's operations and business. In addition to the CEO, the management team during the year consisted of Mendus' Chief Financial Officer (CFO), Chief Medical Officer (CMO), Chief Scientific Officer (CSO) and Chief Technology Officer (a total of five people).

A presentation of the CEO and other members of the management team can be found under the section Organization on page 20-21 in the annual report.

Remuneration

Remuneration to the Board of Directors
The Nomination Committee, which is appointed according to the principles approved by the Annual General Meeting, provides its proposals for remuneration to the Board of Directors. Remuneration to the Board is payable pursuant to the resolution by the General Meeting and are presented in the table on page 65.

Remuneration to senior management
Remuneration matters for senior executives are addressed by the Board of Directors' Remuneration Committee. The Board of Directors decides the senior executives' remuneration based on the proposal from the Remuneration Committee. Remuneration and terms for senior executives are to be based on market conditions and a balanced mix of a fixed annual salary, variable salary, pension benefits, other benefits and terms upon termination of employment.

Guidelines for remuneration to senior executives
According to the guidelines for remuneration to senior executives that were adopted at the Annual General Meeting on May 4, 2021, Mendus shall offer a total compensation package at market level that enables the recruitment and retention of qualified senior executives, both from a national and international perspective.

Forms for remuneration etc.
Remuneration shall be on market terms, in relation to responsibilities and powers and consist of the following components: fixed salary, any variable remuneration as agreed, pension and other benefits. In addition - and independently of these guidelines - the General Meeting may decide on share and share price related instruments that form part of the remuneration.

Fixed salary
The fixed salary shall form the basis of the total remuneration and shall consist of a fixed cash salary, which shall be reviewed annually. The fixed salary shall be competitive and reflect the requirements of the position in terms of competence, responsibility, complexity and contribution to the achievement of the corporate objectives.

Variable salary
In addition to a fixed salary, the CEO and other members of management may, according to a separate agreement, receive variable target-based remuneration upon fulfilment of agreed criteria. Any variable remuneration shall consist of an annual variable cash salary and may not exceed 50 per cent of the fixed annual salary. The variable salary shall be linked to one or more predetermined and measurable criteria which shall be designed to promote the company's business strategy and long-term interests, including sustainability, and shall be determined by the Board of Directors. The criteria shall be dependent on the individual's fulfilment of quantitative and qualitative objectives.

Pension
Pension benefits, including health insurance, shall be premium-based and may not exceed 30 per cent of the fixed annual salary. Variable salary shall not contribute to pension.

Other benefits
Other benefits, which may include travel and medical insurance, shall be in line with market conditions and may only represent a limited part of the total remuneration. Premiums and other costs related to such benefits may not exceed 15 per cent of the fixed annual salary.

Conditions in case of termination
The notice period shall be a maximum of twelve months. In the event of termination by the company, severance pay corresponding to a maximum of twelve months' fixed salary may be paid.

Preparation and decision-making process
The Board has established a Remuneration Committee. The Committee's tasks include preparing principles for remuneration to the management and the Board's decision on proposals for guidelines for remuneration to senior executives. The Board of Directors shall prepare proposals for new guidelines at least every fourth year and submit the proposal for decision to the Annual General Meeting. The guidelines shall apply until new guidelines are adopted by the General Meeting.

Deviation from guidelines
The Board of Directors may decide to deviate from the guidelines, in whole or in part, if there are specific reasons in an individual case and a deviation is necessary to meet the long-term interests of the Company or to ensure the financial viability of the Company. As stated above, the Remuneration Committee's tasks include preparing the Board's decisions on remuneration issues, including decisions on deviations from the guidelines. The Board has not deviated from the guidelines in 2024.

External auditor

The Company's auditor is elected by the Annual General Meeting. Mendus' auditor is the registered accounting firm KPMG AB with the authorized public accountant Ola Larsmon as auditor in charge. See section External audit for further information on the external audit.

The remuneration invoiced by the auditors for the last two financial years is presented in note 6 of the annual report 2024.

Internal control and risk management

The overall purpose of the internal control is to ensure to a reasonable degree that the company's operative strategies and goals are followed up and that the owners' investments are protected. The internal control is also to ensure that the external financial reporting is to a reasonable degree reliable and prepared in accordance with good accounting practice, that applicable laws and regulations are followed, and that the demands made on listed companies are met. Within Mendus, internal control of the financial reporting is, for example, directed at ensuring an effective and reliable handling and reporting of accrued costs.

The internal control environment is largely comprised of the following five elements: control environment, risk assessment, control activities, information and communication, and follow-up.

Control environment
The control environment within Mendus constitutes the frame for the direction and culture communicated to the organization by the company's Board and management. Internal management and control in accordance with accepted frameworks are a prioritized area of the management work. The Board and management of Mendus define and shape decision pathways, powers and responsibilities which are clearly defined and communicated in the organization. The company's Board also strives to ensure that steering documents such as internal instructions and policies cover identified significant areas and that they provide the right guidance to the different senior executives in their work at the company.

Risk assessment
Mendus Board works continuously and systematically with risk assessments in order to identify risks and take appropriate measures in respect of these. The company has an annual risk process in place where risks are identified from a company perspective to provide an overview of the most important risks for Mendus, which are followed up by the management team during the year. Each identified risk is to be documented with a potential action plan to reduce the risk whenever possible. The risk assessment is also designed to identify such risks that significantly impact the internal control of the financial reporting.

Control activities
The primary purpose of the control activities is to prevent, discover and rectify errors in the financial reporting. Routines and activities have been designed to manage and deal with significant risks which are related to the financial reporting. The activities include analytical follow-up and comparison of earnings trends or items, reconciliation of accounts and balance sheet specifications, as well as approval of all bank transactions and cooperation agreements, powers of attorney and authorization instructions, and accounting and valuation principles. Access to financial systems is restricted according to authority, responsibility and role.

Information and communication
In addition to the very high demands of Nasdaq Stockholm and supervisory authorities regarding the scope and accuracy of information, Mendus has internal control functions for information and communication in place to ensure that correct financial and other company information is communicated to co-workers and other stakeholders. The company's internal instructions and policies are available to all co-workers and give detailed information about routines that apply in all parts of the company and describe the control functions and how they are implemented. The security around all information that can affect the company's market value and ensuring that such information is communicated externally in a correct and timely manner are cornerstones in the company's commitment as a listed company. These two factors and the routines for managing them ensure that the financial reports are received by the financial market's actors at the same time and present a true and fair view of the company's financial result and position.

Follow-up
Compliance with internal policies, directives, guidelines and codes, and the suitability for purpose and functionality of established control activities are followed up continuously. Measures and routines in respect of the financial reporting are subjected to continuous follow-up. The CEO ensures that the Board of Directors constantly receives reports on the development of the company's operations, including the development of the company's results and position as well as information about important events including research results and important agreements. The Board reviews the Annual Report and interim reports prior to their publication. The Board meets the company's auditors once a year to discuss the internal control and the financial reporting.

Special assessment of the need for internal audit
Mendus has no special scrutinizing function (internal audit). The company has an uncomplicated legal and operative structure in which the Board continually follows up the company's internal control in conjunction with external and internal financial reporting. In addition, the Audit Committee monitors the efficiency of the internal control and the risk management of the financial reporting. In light of the foregoing, the Board of Directors has decided not to establish a separate internal audit function but shall evaluate the matter annually.

External audit
The company's auditor is appointed by the Annual General Meeting for the period until the end of the next Annual General Meeting. The external audit plan and risk management are discussed with the Audit Committee. The auditors conduct a review of the quarterly report for the third quarter and audit the Annual Report. The auditors also express an opinion on whether this corporate governance report has been prepared and whether certain disclosures therein are consistent with the Annual Report. The auditors report the results of their audit of the annual accounts and their review of the corporate governance report through the audit report and the corporate governance report, as well as a special statement on compliance with remuneration to senior executives that is presented at the Annual General Meeting. In addition, the auditors provide reports on the audits performed to the Audit Committee and to the Board of Directors as a whole.

Stockholm on the day shown in our electronic signature

Sven Andreasson
Chairman

Helén Tuvesson
Board member

Dharminder Chahal
Board member

Ted Fjällman
Board member

Hans Preusting
Board member

Erik Manting
Chief Executive Officer

Auditor's report on the corporate governance statement

To the general meeting of the shareholders in Mendus AB (publ), corporate identity number 556629-1786

Engagement and responsibility
It is the board of directors who is responsible for the corporate governance statement for the year 2024 on pages 60 – 68 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit
Our examination has been conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions
A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm on the day shown in our electronic signature
KPMG AB

Ola Larsmon
Authorized Public Accountant

Welcome to the 2025 Annual General Meeting

Mendus Annual General Meeting will be held on May 6, 2024 at Tändstickspalatset, Västra Trädgårdgatan 15 in Stockholm at 9:30. Registration starts at 09:00. Shareholders who wish to participate shall be registered in the shareholders' register maintained by Euroclear by 2 May 2025.

Notification
Registration for participation in the Annual General Meeting must be made no later than 28 April 2025.

Registration must be made in writing to Mendus AB (publ), Västra Trädgårdsgatan 15, 111 53 Stockholm, or via e-mail to info@mendus.com.

In the notification, the shareholder shall provide:
- Name
- Personal/Corporate Registration Number
- Address and daytime telephone number
- Number of shares
- Where appropriate, information about any proxies/assistants

Nominee-registered shares
Shareholders who have had their shares registered with a bank or another nominee must, in order to be entitled to participate in the Annual General Meeting, temporarily re-register the shares in their own name. Shareholders who wish such re-registration, so-called registration of voting rights, must in good time before 28 April 2025, when the re-registration must be executed, request it from its trustee.

Proxy
Shareholders who will be represented by a proxy must issue a written, signed and dated power of attorney. If the power of attorney is issued by a legal entity, a certified copy of relevant registration certificates for the legal entity or an equivalent document for foreign legal entities) must be attached to the power of attorney. Power of attorney is valid for one year after issuing, or the longer applicable period given in the document, though no longer than five years.

Shareholder information
Interim reports, annual reports and Immunicum's press releases are available on Mendus.se and can be ordered from Mendus AB, Västra Trädgårdsgatan 15, 111 53 Stockholm. The annual report for 2024 in printed format is sent to anyone who so requests and is constantly available for download on mendus.se.

Calendar 2025

Publication of the annual report for 2024	15 april
Annual General Meeting 2025	6 maj
Publication of Q1 interim report	6 maj
Publication of Q2 interim report	22 augusti
Publication of Q3 interim report	13 november

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