mendus

Changing the course of cancer treatment

Q2

Report on the second quarter 2024

Significant events of Q2 2024

» Net sales for the period amounted to KSEK - (-)

» Result for the period amounted to KSEK -38,240 (-3,886)

» Earnings and diluted earnings per share totaled SEK -0.76 (-0.02)

» 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.

Significant events after end of reporting period

» Mendus announced in July that the company had 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-labeled Phase 1/2 trial combining regorafenib and avelumab in solid tumors.

Financial summary

Amounts in KSEK	2024 apr-jun	2023 apr-jun	2024 jan-jun	2023 jan-jun	2023 jan-dec
Revenue	–	–	–	–	–
Operating profit/loss	-37,941	-27,737	-73,258	-57,346	-100,650
Net profit/loss	-38,240	-3,886	-73,854	-34,055	-101,619
Earnings/loss per share, before and after dilution (SEK)	-0.76	-0.02	-1.58	-0.17	-0.22
Cash	130,160	20,186	130,160	20,186	120,782
Shareholders equity	698,380	485,171	698,380	485,171	704,727
Number of employees	28	30	28	30	30

CEO Comment

Data Reported in Q2 Confirm that Vididencel Acts as Active Immunotherapy in AML

In the second quarter of 2024, Mendus reported in-depth immunological data from the ADVANCE II trial studying its lead product vididencel in acute myeloid leukemia (AML) at the Cancer Immunotherapy (CIMT) and European Hematology Association (EHA) annual meetings.

The data presented confirm the potential of vididencel to induce broad immune responses and improve overall immune status. Importantly, the observed immunological responses to vididencel treatment were associated with improved clinical outcomes.

Disease relapse due to residual cancer cells is the main hurdle to long-term survival in AML. Vididencel addresses the need for novel maintenance therapies in AML, allowing patients to experience longer disease-free and overall survival following intensive chemotherapy treatment. In the ADVANCE II trial, AML patients diagnosed with measurable residual disease (MRD) were treated with vididencel in order to stimulate active immunity against residual cancer cells. Active immunity is the only long-lasting form of immunity, since the immune system generates populations of immune cells which persist and can control disease over longer periods of time. Mendus had earlier reported that the majority of patients treated with vididencel in the ADVANCE II trial were still alive in long-term follow-up. We have now performed in-depth immunological analyses on blood samples collected during the trial. These data, presented at CIMT and EHA reveal in detail how different constituents of the immune system may play a role in controlling cancer cells. Vididencel treatment resulted in an overall improvement of the immune status and patients with multiple T cell responses over time and above-median B cell levels, all experienced long-term clinical remissions. The data indicate that vididencel has the potential to induce relevant active immunity, resulting in long-lasting immune control over residual disease in AML.

The immunological data from the ADVANCE II trial strengthen our determination to develop vididencel in AML. So far, there has been little success with existing immunotherapies such as immune checkpoint inhibitors in this indication. The medical need for maintenance therapies that deliver durable clinical benefit remains high. In previous quarters, we had already taken major operational steps, allowing us to expand clinical development in AML in collaboration with the Australasian Leukaemia and Lymphoma Group (ALLG) and step up vididencel manufacturing in collaboration with NorthX Biologics. Ethics committee approval in March cleared the path for the start of the Phase 2 AMLM22-CADENCE trial that will study vididencel in combination with oral azacitidine, the only currently approved AML maintenance therapy. In Q2 Mendus, has been working closely with ALLG to engage up to nine participating clinical centers to support the trial, which will initially recruit 40 patients and, subject to positive safety analysis, another 100 patients. The large-scale vididencel manufacturing facility at NorthX Biologics has been established and in Q2, the first full-scale runs of the technology transfer process were successfully completed. Based on the timelines for clinical trial protocol development, continued interactions with regulatory agencies and the implementation of large-scale GMP manufacturing, Mendus expects vididencel to be ready for pivotal-stage development in AML in the second half of 2025.

To explore the applicability of vididencel as a maintenance therapy in ovarian cancer, Mendus is collaborating with the University Medical Center Groningen (UMCG) to carry out the ALISON Phase 1 trial. The trial is fully recruited (17 participants) and data presented in June at the ESMO Gynaecological Cancers annual congress showed T cell responses against multiple documented ovarian cancer antigens in the majority (10/15) of patients evaluated so far. At week 22, 10 patients had stable disease and 7 patients had imaging-confirmed recurrence. To further evaluate the potential clinical benefit of vididencel in ovarian cancer, long-

term follow-up of patients is ongoing. Mendus expects to provide further updates of the ALISON trial later this year.

In the past months, Mendus also completed discussions with Institut Bergonié, a leading French cancer research institute, to study our second clinical-stage product, the intratumoral immune primer ilixadencel, in soft tissue sarcomas. As part of the ongoing REGOMUNE trial, ilixadencel will be combined with the immune checkpoint inhibitor avelumab and the tyrosine kinase inhibitor regorafenib in up to 43 participating patients. We announced the signing of the contract with Institut Bergonié in July and trial preparations for the ilixadencel arm of the REGOMUNE trial are expected to be completed in the second half of 2024, with initial clinical data anticipated in the first half of 2026.

The increasingly compelling vididencel data in AML require our full dedication to execute on the path towards pivotal-stage readiness, as a major catalyst for our corporate development and to support partnering discussions with potentially interested pharma companies. In the meantime, our early pipeline programs are well-positioned to deliver additional upside to the company, our shareholders and, ultimately, patient benefit. Thank you for your continued support.

Erik Manting, Ph.D.
Chief Executive Officer

Mendus in short

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.

Cancer treatment without harming health or quality of life.

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.

Changing the course of cancer treatment

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. Active immunity, built up by the patient's own immune system, has the potential to result in long-term immune control over residual cancer cells.

Vididencel – positioned as a novel maintenance therapy in AML

Vididencel is an immunotherapy comprising 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-presenting cells, which subsequently activate the immune system against the broad range of vididencel tumor antigens.

Promising clinical data with vididencel were presented at various high-profile medical conferences. The

results 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). The vididencel manufacturing process has been validated by an ATMP certificate issued by EMA.

The ongoing ADVANCE II Phase 2 monotherapy 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.

At a median follow-up of 31.6 months, the majority (14/20) 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 survival stood at 30.4 months (2,5 years). 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. Mendus expects to report additional data from the ADVANCE II trial in 2024Q4.

Manufacturing of the first large-scale GMP batches of vididencel at NorthX Biologics.

The positive ADVANCE II monotherapy data support the expansion of clinical development of vididencel in AML. Mendus has entered into a collaboration with the Australasian Leukaemia & Lymphoma Group (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 combined with oral AZA versus oral AZA alone. The trial comprises a first stage involving 40 patients and, subject to positive safety evaluation, a second stage involving 100 patients. Following ethics committee approval in March 2024, Mendus and ALLG are activating up to nine clinical centers in Australia to support the first stage of the CADENCE trial.

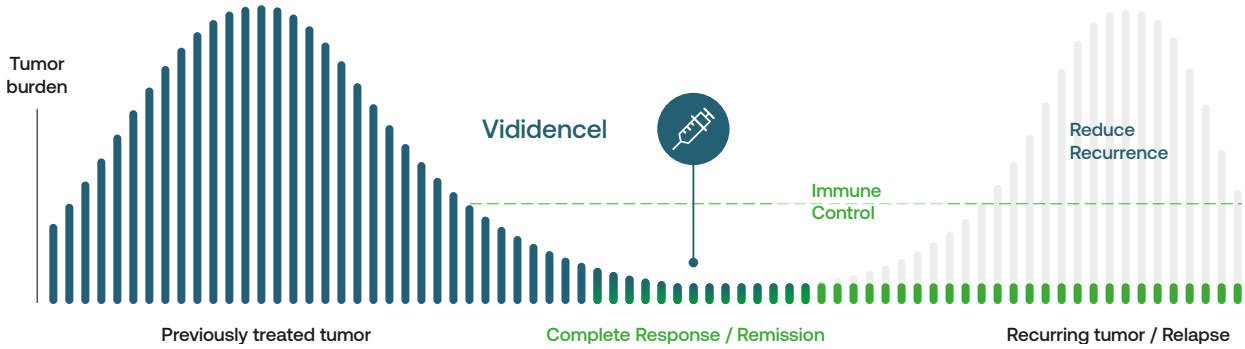
To support late-stage clinical development and commercial-scale manufacturing of vididencel, Mendus has entered into a strategic manufacturing alliance with NorthX Biologics, a Sweden-based manufacturer of cell- and gene-therapy products. Mendus and NorthX Biologics have co-established a vididencel manufacturing 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.

In parallel to the ongoing ADVANCE II and CADENCE trials, Mendus is preparing vididencel for pivotal-stage development in AML. Based on the timelines for trial protocol development, regulatory feedback and implementation of large-scale manufacturing, Mendus expects pivotal-stage readiness in 2025H2.

Indication expansion – ovarian cancer

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 currently active and recruiting ALISON Phase 1 clinical trial explores safety and feasibility of vididencel as a maintenance treatment in ovarian cancer.

The ALISON trial is fully enrolled (17 participants) and all participants



The vast majority of cancer-related deaths is due to recurrence of the disease, caused by residual cancer cells. Vididencel is designed to boost immunity against residual cancer cells, to improve disease-free and overall survival following first-line treatment of the primary tumor.

have completed vididencel treatment. Data reported at different scientific conferences confirmed vididencel's excellent safety profile and demonstrated T cell responses against tumor antigens relevant for ovarian cancer in the majority of patients. At week 22, 10 patients had stable disease and 7 patients had imaging-confirmed recurrence. To further evaluate clinical benefit, long-term follow-up of patients is ongoing. Mendus anticipates to report the primary read-out of the ALISON trial based on immune response evaluation of all treated patients in 2024Q4.

Ilixadencel – an intratumoral immune primer for hard-to-treat solid tumors

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.

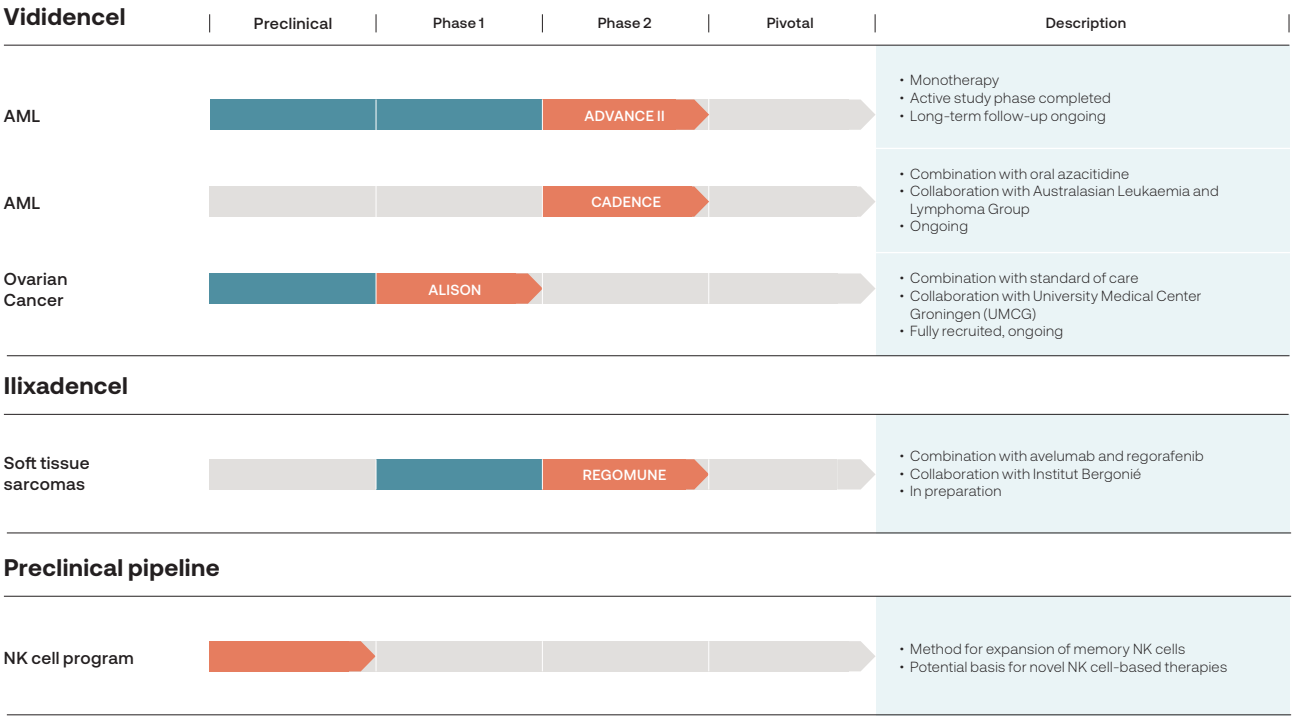
Ilixadencel has been studied in clinical trials across a range of hard-to-treat solid tumor indications in combination with existing cancer therapies, including tyrosine kinase inhibitors and the immune checkpoint inhibitor pembrolizumab. Ilixadencel has consistently demonstrated promising signs of clinical 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.

Mendus aims to establish proof-of-concept data with ilixadencel in soft tissue sarcomas, a group of tumors that is poorly responding to current available therapies. In collaboration with Institut Bergonié, a leading French cancer center, Mendus will study ilixadencel in soft tissue sarcomas as part of the ongoing REGOMUNE trial, a multicenter Phase 1/2 trial combining the tyrosine kinase inhibitor regorafenib and the immune checkpoint inhibitor avelumab in solid tumors. As part of the trial, ilixadencel will be combined with regorafenib and avelumab to treat up to 43 soft tissue sarcoma patients. Mendus and Institut Bergonié expect study preparations for the ilixadencel arm of the REGOMUNE trial to be completed in 2024Q4 and initial clinical data to be available in 2026H1.

Preclinical pipeline

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.



Financial information

The Group

Revenue

No turnover was reported for the second quarter - (-) or for the first half of the year - (-). Other operating income amounted to KSEK 625 (13) for the second quarter and to KSEK 3,409 (299) for the first half of the year and consisted mainly of income from patent transfer and research grants from Oncode-PACT

Operating expenses

The total operating expenses for the quarter amounted to KSEK -38,567 (-27,750) and to KSEK -76,667 (-57,645) for the first half of the year. Operating expenses were related to administrative costs and research and development costs for the DCOne® platform as well as the vididencel and ilixadencel programs. The increase in costs compared to the previous year is mainly related to the technology transfer of the manufacturing process for vididencel, to NorthX.

Research and development costs

Research and development expenses for the quarter amounted to KSEK -28,869 (-19,221) and to KSEK -57,887 (-39,003) for the first half of the year. The costs consist mainly of research and development costs for the DCOne® platform as well as the programs for vididencel and ilixadencel. The increase in costs compared to the previous year is mainly related to the technology transfer of the manufacturing process for vididencel, to NorthX.

Administrative expenses

Administrative expenses amounted to KSEK -9,406 (-8,438) and for the first half of the year KSEK -18,391 (-18,352). Included administrative expenses (G&A) are mainly attributable to the finance department, Group Management and costs related to activities related to financing and investor relations.

Result

Operating profit amounted to KSEK -37,941 (-27,737) for the second quarter and for the first half of the year to KSEK -73,258 (-57,346). The result for the second quarter amounted to KSEK -38,240 (-3,886) and for the first half of the year to KSEK -73,854 (-34,054). The change in earnings is mainly due to the fact that the Group has had increased research and development costs for the technology transfer to NorthX during the year and that Mendus BV received a grant during the previous year when redeeming the RVO loan.

Earnings per share before and after dilution for the Group amounted to SEK -0.76 (-0.02) for the second quarter and SEK -1.58 (-0.17) for the first half of the year.

Tax

No tax was reported for the second quarter – (-).

Cash flow, investments and financial position

Cash flow from operating activities for the second quarter amounted to KSEK -22,370 (-7,313) and to KSEK -52,985 (-40,867) for the half-year The negative cash flow is according to plan and is explained by the development costs incurred by the company.

During the quarter, cash flow from investing activities amounted to KSEK -59 (2,815) and to KSEK -1,413 (2,320) for the first half of the year and refers to investments in equipment.

Cash flow from financing activities amounted to KSEK 64,210 (12,650) and for the half-year KSEK 63,278 (17,038). The positive cash flow is attributable to the warrants that were exercised to subscribe for shares, in the second quarter.

The company's cash and cash equivalents amounted to KSEK 130,159 (20,186) on June 30, 2024.

Total equity as of June 30, 2024 amounted to KSEK 698,379 (485,172), corresponding to KSEK 13.87 (2.39) per share. The company's equity/assets ratio at the end of the quarter was 94% (81%).

Financial information

Parent Company Mendus AB

Revenue

No sales were reported for the second quarter – (-) or for the half-year. Other operating income in the quarter amounted to KKSEK 1,284 (660) and to KKSEK 2,868 (1,808) for the half-year and consisted mainly of re-invoiced costs to Mendus B.V and revenue from patent transfer.

Operating expenses

Total operating expenses for the second quarter amounted to KSEK -10,529 (-10,593) and to KSEK -21,182 (-22,106) for the first half of the year. Operating expenses were related to administrative costs as well as research and development costs for ilixadencel.

Research and development costs

Research and development expenses for the second quarter amounted to KSEK -3,557 (-7,085) and to KSEK -7,405 (-10,218) for the half-year. The costs consist primarily of activities related to clinical studies and development costs for ilixadencel.

Administrative expenses

Administrative expenses for the second quarter amounted to KSEK -6,938 (-3,484) and to KSEK -13,658 (-11,693) for the half-year. Included administrative expenses (G&A) are mainly attributable to the finance department, Group Management and costs related to financing and investor relations activities. The cost increase compared to last year is mainly related to the strategic market review that the Company has conducted, together with external consultants.

Result

Operating loss amounted to KSEK -9,245 (-9,933) for the second quarter and to KSEK -18,314 (-20,298) for the half-year. Profit/loss amounted to KSEK -9,270 (-11,013) for the second quarter and to KSEK -18,337 (-21,622) for the half-year.

Earnings per share before and after dilution for the parent company amounted to KSEK -0.18 (-0.06).

Tax

No tax was reported for the second quarter - (-) or for the half-year.

Cash flow, investments and financial position

Cash flow from operating activities for the quarter amounted to KSEK -7,333 (-1,181) and to KSEK -17,105 (-9,920) for the half-year. The continued negative cash flow is in line with plan and is mainly explained by the fact that the Company is in a development phase.

Cash flow from investing activities amounted to KSEK -10,453 (-30,449) and to KSEK -20,906 (-45,266) for the half-year. The cash flow relates to shareholder contributions to Mendus B.V.

Cash flow from financing activities for the quarter amounted to KSEK 64,535 (16,500) and to KSEK 64,535 (44,691) for the half-year. The positive cash flow is related to the warrants that were exercised to shares, in the second quarter.
The company's cash and cash equivalents amounted to KSEK 126,950 (18,667) on June 30, 2024.

Total equity as of June 30, 2024, amounted to KSEK 1,032,711 (705,151), corresponding to KSEK 20.51 (3.48) per share. The company's equity/assets ratio at the end of the quarter was 99% (91%).

Other information

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 are currently two active programs 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*. The part of the program that related to warrants has been terminated prematurely and all options have been recalled.

LTI 2022/2025
In accordance with a decision by the Annual General Meeting on May 2022, it was resolved to introduce an incentive program with warrants; "LTI 2022/2025".

The program 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. The number of warrants amounted to 2,342,999*.

For more information about the programs, see the minutes from the Annual General Meeting 2021, 2022 and from the Extraordinary General Meeting 20231213 published on the Company's website www.mendus.com.

Employees
As of June 30, 2024, the Group had 28 (30) employees, of whom 18 (19) were women and 10 (11) men.

after reverse share split 20:1.

Mendus Share
The share is traded on Nasdaq Stockholm's main market under the ticker IMMU, with ISIN code SE0005003654. As of June 30, 2024, the number of shares in the Company amounted to 50,359,578* (202,694,512) and the share capital in the Company amounted to KSEK 50,360 (10,135). All shares have equal voting rights and a share of Mendus' assets and profits.

Shareholders as of 2024-06-30
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	1,255,743	2.49%
Holger Blomstrand Byggnads AB	649,443	1.29%
Nordnet Pensionsförsäkring	535,214	1.06%
SEB Fonder	331,034	0.66%
Staffan Wensing	321,385	0.64%
Erik Manting	277,695	0.55%
Handelsbanken Fonder	265,001	0.53%
Dharminder Chahal	264,615	0.53%
Futur Pension	220,263	0.44%
Lars Inge Thomas Nilsson	209,671	0.42%
FCG Fonder	183,943	0.37%
Lotta Ferm	135,000	0.27%
Thomas Fønlev Jensen	119,627	0.24%
Jeroen Rovers	107,526	0.21%
Handelsbanken Liv Försäkring AB	106,080	0.21%
Nicklas Persson	92,456	0.18%
Martin Lindström	90,000	0.18%
Total top 20	40,182,158	79.79%
Other	10,177,420	20.21%
Total	**50,359,578**	**100.00%**

Review
This report has not been reviewed by the company's auditor.

FINANCIAL REPORTS

THE GROUP

Consolidated income statement

Amounts in KSEK	2024 apr-jun	2023 apr-jun	2024 jan-jun	2023 jan-jun	2023 jan-dec
Revenue	–	–	–	–	–
Other operating income	625	13	3,409	299	29,613
Total revenue and other operating income	**625**	**13**	**3,409**	**299**	**29,613**
OPERATING EXPENSES					
Administration expenses	-9,406	-8,438	-18,391	-18,352	-37,051
Research and development expenses	-28,869	-19,221	-57,887	-39,003	-92,653
Other operating expenses	-292	-91	-389	-290	-559
Operating profit/loss	**-37,941**	**-27,737**	**-73,258**	**-57,346**	**-100,650**
RESULT FROM FINANCIAL ITEMS					
Financial income	15	25,270	18	25,270	2,147
Financial costs	-313	-1,419	-613	-1,979	-3,115
Profit/loss after financial items	**-38,240**	**-3,886**	**-73,854**	**-34,055**	**-101,619**
TOTAL PROFIT/LOSS BEFORE TAXES	**-38,240**	**-3,886**	**-73,854**	**-34,055**	**-101,619**
Income tax	–	–	–	–	–
PROFIT/LOSS FOR THE PERIOD	**-38,240**	**-3,886**	**-73,854**	**-34,055**	**-101,619**
Earnings/loss per share before and after dilution (SEK), for profit attributable to owner of the parent company´s shareholders.	-0.76	-0.02	-1.58	-0.17	-0.22

Consolidated statement of comprehensive income

Amounts in KSEK	2024 apr-jun	2023 apr-jun	2024 jan-jun	2023 jan-jun	2023 jan-dec
Result for the period	**-38,240**	**-3,886**	**-73,854**	**-34,055**	**-101,619**
Other comprehensive income	–	–	–	–	–
Exchange differences on translation of foreign operations	-635	-332	1,795	-154	-5,403
Other comprehensive income for the period	**-635**	**-332**	**1,795**	**-154**	**-5,403**
Total comprehensive income for the period	**-38,875**	**-4,218**	**-72,059**	**-34,209**	**-107,022**

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

Consolidated balance sheet statement

Amounts in KSEK	30/06/2024	30/06/2023	31/12/2023
ASSETS			
NON-CURRENT ASSETS			
Goodwill	108,350	108,350	108,350
Technology	424,091	424,091	424,091
Right-of-use assets	22,318	26,242	23,247
Equipment	9,729	13,069	11,197
Other long term receivables	630	632	624
Total Non-current assets	**565,118**	**572,383**	**567,509**
CURRENT ASSETS			
Other receivables	3,232	3,662	3,302
Prepaid expenses and accrued income	42,451	4,347	64,359
Cash and cash equivalents	130,160	20,186	120,782
Total current assets	**175,843**	**28,195**	**188,443**
TOTAL ASSETS	**740,961**	**600,578**	**755,952**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	50,360	10,135	43,157
Additional paid-in capital	1,453,267	1,135,412	1,394,758
Reserves	-3,790	-335	-5,584
Retained earnings (including profit/loss for the period)	-801,457	-660,040	-727,604
Total equity attributable to the shareholders of the parent company	**698,380**	**485,171**	**704,727**
LIABILITIES			
Non-current liabilities			
Other long-term liabilities	850	850	850
Lease liabilities	20,271	23,792	21,115
Total non-current liabilities	**21,121**	**24,642**	**21,965**
CURRENT LIABILITIES			
Lease liabilities	2,649	2,616	2,523
Accounts payable	5,857	3,686	8,129
Current portion of long-term debt	–	68,064	–
Other liabilities	1,797	5,777	1,633
Accrued expenses and deferred income	11,157	10,622	16,975
Total current liabilities	**21,460**	**90,765**	**29,260**
Total liabilities	**42,581**	**115,407**	**51,225**
Total shareholders' equity and liabilities	**740,961**	**600,578**	**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**
Profit/loss for the period	–	–	–	-73,854	-73,854
Other comprehensive income	–	–	1,795	–	1,795
Total comprehensive income	**–**	**–**	**1,795**	**-73,854**	**-72,059**
Transactions with owners					
Issued warrants	–	1,175	–	–	1,175
Share issue	7,202	61,939	–	–	69,141
Costs for new share issue	–	-4,605	–	–	-4,605
Total transaction with owners	**7,202**	**58,509**	–	–	**65,711**
Shareholders' equity 30/06/2024	**50,360**	**1,453,267**	**-3,790**	**-801,458**	**698,379**

Opening shareholders' equity 01/01/2023	**9,970**	**1,130,636**	**-181**	**-625,985**	**514,440**
Profit/loss for the period	–	–	–	-34,054	-34,054
Other comprehensive income	–	–	-154	–	-154
Total comprehensive income	–	–	**-154**	**-34,054**	**-34,210**
Transactions with owners					
Issued warrants	–	250	–	–	250
Share issue	165	4,526	–	–	4,691
Costs for new share issue	–	–	–	–	–
Total transaction with owners	**165**	**4,776**	–	–	**4,941**
Shareholders' equity 30/06/2023	**10,135**	**1,135,412**	**-336**	**-660,040**	**485,172**

Opening shareholders' equity 01/01/2023	**9,970**	**1,130,636**	**-181**	**-625,985**	**514,440**
Profit/loss for the period	–	–	–	-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	–	-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 apr-jun	2023 apr-jun	2024 jan-jun	2023 jan-jun	2023 jan-dec
Operating activities						
Operating profit/loss		-37,942	-27,737	-73,259	-57,346	-100,650
Adjustment for items not included in cash flow	9	1,701	-3,155	6,235	-1,007	4,337
Interest income		–	25,270	1	25,270	2,147
Interest expense paid		-302	32	-601	-139	-3,115
Cash flow from operating activities before changes in working capital		**-36,543**	**-5,590**	**-67,624**	**-33,222**	**-97,281**
Increase/decrease in other current receivables		13,904	-2,031	22,013	-2,540	-64,377
Increase/decrease in accounts payable		1,351	-131	-1,061	-3,760	729
Increase/decrease in other current liabilities		-1,082	438	-6,313	-1,345	-1,831
Cash flow from operating activities		**-22,370**	**-7,313**	**-52,985**	**-40,867**	**-162,761**
Investment activities						
Investments in tangible assets		-59	2,826	-1,413	2,334	-1,823
Divestments of tangible fixed assets		–	–	–	–	1,387
Investment in long-term receivables		–	-10	–	-14	-7
Cash flow from investment activities		**-59**	**2,815**	**-1,413**	**2,320**	**-442**
Financing activities						
New Share issue		69,141	1,499	69,141	4,691	321,793
New share Issue costs		-4,605	–	-4,605	–	-23,889
Repayment of borrowings		-325	-3,254	-1,258	-4,525	-95,807
New loans		–	-10,894	–	16,872	40,000
Cash flow from financing activities		**64,210**	**-12,650**	**63,278**	**17,038**	**242,097**
Cash and cash equivalents at the beginning of the period		88,186	37,496	120,782	41,851	41,851
Cash flow for the period		41,780	-17,147	8,879	-21,509	78,894
Foreign echange difference in cash and cash equivalents		193	-162	498	-155	37
Cash and cash equivalents at the end of the period		**130,160**	**20,186**	**130,160**	**20,186**	**120,782**

FINANCIAL REPORTS

PARENT COMPANY

Parent Company income statement

Amounts in KSEK	2024 apr-jun	2023 apr-jun	2024 jan-jun	2023 jan-jun	2023 jan-dec
Revenue	–	–	–	–	–
Other operating income	1,284	660	2,868	1,808	6,613
Total revenue	**1,284**	**660**	**2,868**	**1,808**	**6,613**
OPERATING EXPENSES					
Administration expenses	-6,938	-3,484	-13,658	-11,693	-25 071
Research and development expenses	-3,557	-7,085	-7,405	-10,218	-15,208
Other operating expenses	-34	-24	-119	-195	-559
Operating profit/loss	**-9,245**	**-9,933**	**-18,314**	**-20,298**	**-34,225**
RESULT FROM FINANCIAL ITEMS					
Financial income	–	–	1	–	2,012
Financial costs	-26	-1 080	-24	-1,324	-1,589
Profit/loss after financial items	**-9,270**	**-11,013**	**-18,337**	**-21,622**	**-33,802**
TOTAL PROFIT/LOSS BEFORE TAXES	**-9,270**	**-11,013**	**-18,337**	**-21,622**	**-33,802**
Income tax expense	–	–	–	–	–
PROFIT/LOSS FOR THE PERIOD	**-9,270**	**-11,013**	**-18,337**	**-21,622**	**-33,802**
Earnings/loss per share before and after dilution (SEK), for profit attributable to owner of the parent company´s shareholders.	-0.18	-0.06	-0.37	-0.11	-0.07

Parent Company statement of comprehensive income

Amounts in KSEK	2024 apr-jun	2023 apr-jun	2024 jan-jun	2023 jan-jun	2023 jan-dec
Result for the period	-9,270	-11,013	-18,337	-21,622	-33,802
Other comprehensive income	–	–	–	–	–
Total comprehensive income for the period	**-9,270**	**-11,013**	**-18,337**	**-21,622**	**-33,802**

Parent Company balance sheet

Amounts in KSEK	30/06/2024	30/06/2023	31/12/2023
ASSETS			
Financial assets			
Participants in Group companies	910,485	746,581	889,580
Other long term securities	1	–	1
Other long term receivables	401	394	401
Total financial assets	**910,887**	**746,975**	**889,981**
Total fixed assets	**910,887**	**746,975**	**889,981**
CURRENT ASSETS			
Intercompany receivables	2,510	1,514	–
Other receivables	3,385	1,438	627
Prepaid expenses and accrued income	1,652	3,050	1,026
Total current receivables	**7,547**	**6,002**	**1,653**
Cash and bank balances	126,952	18,667	100,427
Total current assets	**134,499**	**24,669**	**102,080**
TOTAL ASSETS	**1,045,386**	**771,645**	**992,061**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Restricted equity			
Share capital	50,360	10,135	43,157
New share issue in progress	–	–	–
Total restricted equity	**50,360**	**10,135**	**43,157**
Unrestricted equity			
Share premium reserve	1,738,455	1,420,601	1,679,946
Retained earnings	-737,766	-703,964	-703,964
Profit/loss for the period	-18,337	-21,622	-33,802
Total unrestricted equity	**982,351**	**695,015**	**942,180**
Total shareholders' equity	**1,032,711**	**705,150**	**985,337**
LIABILITIES			
LONG-TERM LIABILITIES			
Other long-term liabilities	850	850	850
Total long-term liabilities	**850**	**850**	**850**
CURRENT LIABILITIES			
Accounts payable	1,571	–	1,808
Intercompany liabilities	5,970	11,117	–
Short-term part of long-term liabilities to credit institutions	–	–	–
Other liabilities	443	50,495	564
Accrued expenses and deferred income	3,841	4,033	3,502
Total current liabilities	**11,825**	**65,645**	**5,874**
Total liabilities	**12,675**	**66,495**	**6,724**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**1,045,386**	**771,645**	**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	TotalT
Opening shareholders' equity 01/01/2024	**43,157**	**1,679,946**	**-737,766**	**985,337**
Profit/loss for the period	–	–	-18,337	-18,337
Total comprehensive income	–	–	**-18,337**	**-18,337**
Transactions with owners				
Issued warrants	–	1,175	–	1,175
Share issue	7,202	61,939	–	69,141
Costs for new share issue	–	-4,605	–	-4,605
Total transaction with owners	**7,202**	**58,509**	–	**65,711**
Shareholders' equity 30/06/2024	**50,359**	**1,738,455**	**-756,103**	**1,032,711**

Opening shareholders' equity 01/01/2023	**9,970**	**1,415,825**	**-703,963**	**721,832**
Profit/loss for the period	–	–	-21,622	-21,622
Total comprehensive income	–	–	**-21,622**	**-21,622**
Transactions with owners				
Issued warrants	–	250	–	250
Share issue	165	4,526	–	4,691
Costs for new share issue	–	–	–	–
Total transaction with owners	**165**	**4,776**	–	**4,941**
Shareholders' equity 30/06/2023	**10,135**	**1,420,601**	**-725,585**	**705,151**

Opening shareholders' equity 01/01/2023	**9,970**	**1,415,825**	**-703,963**	**721,832**
Profit/loss for the period	–	–	-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 apr-jun	2023 apr-jun	2024 jan-jun	2023 jan-jun	2023 jan-dec
Operating activities						
Operating profit/loss before financial items		-9,247	-11,013	-18,314	-21,622	-33,802
Adjustment for items not included in cash flow	9	588	106	1,175	250	-595
Interest income		–	–	1	–	2,012
Interest expense paid		-26	-1,080	-24	-1,324	-1,589
Cash flow from operating activities before changes in working capital		**-8,684**	**-11,987**	**-17,162**	**-22,696**	**-33,974**
Increase/decrease in accounts receivable		-1,255	-604	-2,510	-915	1,076
Increase/decrease in other current receivables		-1,258	-2,487	-3,384	-1,677	681
Increase/decrease in accounts payable		126	8,050	-237	8,500	-809
Increase/decrease in other current liabilities		3,738	8,210	6,188	6,867	-3,595
Cash flow from operating activities		**-7,333**	**-1,181**	**-17,105**	**-9,920**	**-36,621**
Investment activities						
Increase/decrease in long term receivable, intra-group		–	-15,425	–	-10,107	–
Investment in financial assets		-10,453	-15,024	-20,906	-35,160	-178,165
Cash flow from investment activities		**-10,453**	**-30,449**	**-20,906**	**-45,266**	**-178,165**
Financing activities						
New share issues		69,141	1,500	69,141	4,691	321,793
New share issues cost		-4,605	–	-4,605	–	-23,889
Premiums for repurchased warrants		–	–	–	–	–
Repayment of loans		–	–	–	–	-50,000
New loans		–	15,000	–	40,000	40,000
Cash flow from financing activities		**64,535**	**16,500**	**64,535**	**44,691**	**287,904**
Cash and cash equivalents at the beginning of the period		80,200	30,357	100,427	27,840	27,840
Cash flow for the period		46,750	-12,768	26,525	-10,495	73,118
Foreign echange difference in cash and cash equivalents		–	1,078	–	1,322	-531
Cash and cash equivalents at the end of the period		**126,950**	**18,667**	**126,951**	**18,667**	**100,427**

Notes

Note 1 – General information

Mendus AB (publ) (hereinafter "Mendus"), 556629-1786 is a Swedish public limited company with its registered office in Stockholm. The address of the Company's head office is Västra Trädgårdsgatan 15, SE-111 53 Stockholm, Sweden. On Aug 22, 2024, the Board of Directors approved this interim report for publication.

Note 2 – Accounting principles

The consolidated financial statements of Mendus have been prepared in accordance with the Swedish Annual Accounts Act, RFR 1 Supplementary Accounting Rules for Groups, as well as International Financial Reporting Standards (IFRS) and interpretations from the IFRS Interpretations Committee (IFRS IC) as adopted by the EU. The consolidated financial statements have been prepared in accordance with the cost method.

The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act.

The Parent Company's interim report has been prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2.

The Group's accounting principles are unchanged and are presented in the Annual Report for 2023 (Note 2, pages 33-35).

In cases where the Parent Company applies accounting principles other than the Group's accounting policies, these are presented in the Annual Report 2023 (Note 2, page 46).

Note 3 – Important estimates and judgments for accounting purposes

The preparation of financial statements requires the use of accounting estimates, which will rarely correspond to actual earnings. Management also makes judgments in the application of the Group's accounting principles. These assessments are unchanged and are presented in the Annual Report for 2023 (Note 5, page 36).

Note 4 – Prospects, significant risks and uncertainty factors

Mendus is a research and development company. The company has not generated any significant revenue historically and is not expected to do so in the near term. The Company's product candidates are dependent on research and development and may be delayed and/or incur higher costs. The Company is dependent on its ability to enter into license agreements and joint cooperation agreements, as well as on a large number of approval and compensation systems and related laws, regulations, decisions and practices (which are subject to change). In addition, the Company is dependent on intellectual property rights. The risk that is considered to be of particular importance for Mendus' future development is access to sufficient financial resources to support the Company's financing needs. The company's Board of Directors and management continuously monitor and evaluate the Group's financial status and the availability of cash and cash equivalents. There is a risk that the available liquidity as of June 30, 2024 will not fund operations beyond the end of H2 2025 and the company will need to access additional capital to be able to continue to advance the development of the various programs. It is the Board of Directors' assessment that the company is well placed to secure future financing, but at the time of publication of this report there still exists some uncertainty about the company's ability to fund continued operations.
This report contains forward-looking statements. Actual results may differ from what has been stated. Internal factors such as successful management of research projects and intellectual property rights can affect future performance. There are also external conditions, such as the economic climate, political changes, and competing research projects that can affect Mendus' results.

Note 5 – Information on related party transactions

The parent company Mendus AB is related to the subsidiary Mendus B.V and Mendus Australia Pty. During the second quarter, purchases of goods and services in Mendus AB amounted to SEK -2,942 (-6,408) and sales amounted to SEK 1,255 (648). For the year so far, purchases in Mendus AB of goods and services refer to KSEK -5,970 (-11,117) and sales refer to KSEK 2,510 (1,514) The parent company Mendus AB has also issued a short-term loan to Mendus Australia Pty amounting to KSEK 2,288. No further transactions were made with related parties during the quarter. Transactions with related parties are conducted on market terms.

Note 6 – Financial instruments

Mendus' financial assets and liabilities consist of cash and cash equivalents, other current receivables, other long-term receivables, other long-term securities holdings, other long-term liabilities, other current liabilities and accounts payable. The fair value of all financial instruments is substantially the same as their carrying amounts.

Note 7 - Significant events after end of period

» Mendus announced in July that the company had 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-labeled Phase 1/2 trial combining regorafenib and avelumab in solid tumors.

Note 8 – Participations in Group companies

Participations in Group companies refer to shares in Mendus B.V and Mendus Australia Pty. Mendus B.V. was acquired on December 21, 2020 and Mendus AB holds 100% of the capital and voting rights. The number of shares amounts to 60,000,000 shares. 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 9 – Adjustments for items not included in cash flow

Consolidated	2024 apr-jun	2023 apr-jun	2024 jan-jun	2023 jan-jun	2023 jan-dec
Adjustments for items not including consist of following					
Depreciation	1,635	2,405	3,254	4,006	6,290
Warrants	588	106	1,175	250	-595
Translation differences	-521	-1,451	1,806	-1,840	-3,202
Accrued interest	–	-4,075	–	-4,059	–
Other, non cash items	–	-140	–	636	1844
Total	**1,701**	**-3,155**	**6,235**	**-1,007**	**4,337**

Parent Company	2024 apr-jun	2023 apr-jun	2024 jan-jun	2023 jan-jun	2023 jan-dec
Adjustments for items not including consist of following					
Depreciation	–	–	–	–	–
Warrants	588	106	1,175	250	-595
Translation differences					
Other, non cash items	–	–	–	–	–
Total	**588**	**106**	**1175**	**250**	**-595**

Key performance measurements

The company presents in this report certain key performance measures, including two measures that is not defined under IFRS, namely expenses relating to research and development/operating expenses and equity ratio. These financial performance measures should not be viewed in isolation or be considered to replace the performance indicators that have been prepared in accordance with IFRS. In addition, such performance measure as the company has defined it should not be compared with other performance measures with similar names used by other companies. This is because the above-mentioned performance measure is not always defined in the same manner, and other companies may calculate them differently to Mendus.

The Group

	2024 apr-jun	2023 apr-jun	2024 jan-jun	2023 jan-jun	2023 jan-dec
Share capital at end of period, SEK	50,360	10,135	50,360	10,135	43,157
Equity at the end of period, KSEK	698,380	485,171	698,380	485,171	704,727
Earnings per share before and after dilution, SEK	-0.76	-0.02	-1.58	-0.17	-0.22
Research and development costs, KSEK	-28,869	-19,221	-57,887	-39,003	-92,653
Research and development costs/operating expenses, %	75%	69%	76%	68%	71%

Parent Company

	2024 apr-jun	2023 apr-jun	2024 jan-jun	2023 jan-jun	2023 jan-dec
Total registered shares at the beginning of period	863,148,371	201,311,406	863,148,371	199,400,599	199,400,599
Total registered shares at the end of period	50,359,578	202,694,512	50,359,578	202,694,512	863,148,371
Share capital at end of period, SEK	50,360	10,135	50,360	10,135	43,157
Equity at the end of period, KSEK	1,032,711	705,150	1,032,711	705,150	985,337
Earnings per share before and after dilution, SEK	-0.18	-0.05	-0.37	-0.11	-0.07
Research and development costs, KSEK	-3,557	-7,085	-7,405	-10,218	-15,208
Research and development costs/operating expenses, %	34%	67%	35%	46%	37%

Definitions and reconciliation of alternative performance measurements

Alternative performance measurementsments	Definition	Justification
Equity ratio	Total shareholders' equity divided by total assets	The key ratio provides useful information of the company's capital structure.
Research & development costs/operating expenses, %	Research & development costs/ operating expenses, %	The research and development /operating expenses ratio is an important complement because it allows for a better evaluation of the company's economic trends and the proportion of its costs that are attributable to the company's core business.

Derivation The Group

	2024 apr-jun	2023 apr-jun	2024 jan-jun	2023 jan-jun	2023 jan-dec
Total shareholders equity at the end of the period, KSEK	698 380	485 171	698 380	485 171	704 727
Total assets at the end of the period, KSEK	740 961	600 578	740 961	600 578	755 952
Equity ratio at the end of the period, %	94%	81%	94%	81%	93%
Research & Development costs	-28 869	-19 221	-57 887	-39 003	-92 653
Administrative costs	-9 406	-8 438	-18 391	-18 352	-37 051
Other operating expenses	-292	-91	-389	-290	-559
Total operating expenses	-38 567	-27 751	-76 667	-57 645	-130 263
Research & development costs/operating expenses, %	75%	69%	76%	68%	71%

Derivation Parent Company

	2024 apr-jun	2023 apr-jun	2024 jan-jun	2023 jan-jun	2023 jan-dec
Total shareholders equity at the end of the period, KSEK	1,032,711	705,150	1,032,711	705,150	985,337
Total assets at the end of the period, KSEK	1,045,386	771,645	1,045,386	771,645	992,061
Equity ratio at the end of the period, %	99%	91%	99%	91%	99%
Research & Development costs	-3,557	-7,085	-7,405	-10,218	-15,208
Administrative costs	-6,938	-3,484	-13,658	-11,693	-25,071
Other operating expenses	-34	-24	-119	-195	-559
Total operating expenses	-10,529	-10,593	-21,182	-22,106	-40,838
Research & development costs/operating expenses, %	34%	67%	35%	46%	37%

Financial Calendar

» Publication of Quarterly Report, Q3	November 8, 2024
» Publication of Year-end Report 2024	February 13, 2025

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The information contained in this report is that which Mendus (publ), is obliged to publish in accordance with the Swedish Securities Market Act (SFS 2007:528). The information was submitted for publication, through the agency of the contact persons set out above, on August 23, 2024, at 08:00 a.m. CET.

The Group is referred to unless otherwise stated in this Year-end report. Figures in parentheses refer to the corresponding period last year.

This report has been prepared in a Swedish original version and translated into English. In the event of any inconsistency between the two versions, the Swedish language version should have precedence.

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