



# Q1

Report on the first quarter 2023



# Significant events of Q1 2023

- » Net sales for the period amounted to KSEK – (1,794).
- » Result for the period amounted to KSEK -30,169 (-27,582).
- » Earnings and diluted earnings per share totaled SEK -0.15 (-0.14).
- » Mendus presented an update on the use of its DCOne platform to source high-quality NK cell therapies at the 8th Annual Innate Killer Summit
- » Mendus secured a second shareholder loan from Van Herk Investments and reduced the number of outstanding convertible bonds with Negma Group
- » The INN name “vididencel” for DCP-001 was selected by the World Health Organization’s International Nonproprietary Names Expert Committee
- » Mendus announced the request of a first tranche of convertible loan from Negma Group

## Significant events after end of period

- » Mendus presented updated clinical data from ADVANCE II trial in an oral presentation and a scientific poster on a next-generation immune primer program at the 2023 CIMT Annual Meeting
- » Mendus presented positive data from the ALISON trial in ovarian cancer at the AACR Annual Meeting 2023
- » Mendus held an investor update call following the Annual Report publication on April 17th
- » Mendus redeemed the outstanding convertible bonds from Negma Group

## Financial summary

Amounts in KSEK	2023 jan-mar	2022 jan-mar	2022 jan-dec
Operating profit/loss	-29,609	-26,820	-133,957
Net profit/loss	-30,169	-27,582	-138,786
Earnings/loss per share, before and after dilution (SEK)	-0.15	-0.14	-0.70
Cash	37,496	122,926	41,850
Shareholders equity	487,791	629,257	514,439
Average number of employees	33	32	31



## In the first quarter of 2023, Mendus continued on the path set out by the key progress realized at the end of 2022.

“The Phase 2 monotherapy proof-of-concept data from the ADVANCE II trial presented last December at the American Society for Hematology conference support the continued clinical development of vididencel (DCP-001) in combination with standard of care, for which we are preparing the next steps. In the meantime, we continue with the in-depth analysis of the immunomonitoring data collected as part of the ADVANCE II trial. The data teach us a lot about the way vididencel stimulates the immune system and which immunological parameters are important to improve immune control or even achieve complete elimination of residual disease. The successful initial read-outs on safety and feasibility of the ALISON Phase 1 trial studying vididencel in ovarian cancer allow us to continue the enrollment of patients and provide additional trial updates in the remainder of 2023. Our intratumoral primer ilixadencel will benefit from manufacturing process improvements for which we have laid the foundation in 2022, as a prerequisite for continued clinical development. Finally, we have discovered a method to expand memory NK cells using our DCOne platform, allowing us to enter the exciting field of NK cell-based therapies and providing us with a basis for a potential new pipeline program to be further established in 2023 and beyond.

Acute myeloid leukemia (AML) is an aggressive blood-borne tumor leading to rapid disturbance of the bone marrow and blood count. Even when AML is treated successfully with high-dose chemotherapy and results in complete remission according to clinical parameters, relapse rates



Erik Manting, Chief Executive Officer.

are very high due to the presence of residual tumor cells. Therefore, there is a big medical need for maintenance therapies, designed to prevent or delay relapse, particularly for patients with measurable residual disease (MRD). In the registration trial for the current standard of care in AML maintenance, oral azacitidine, the median relapse-free survival in MRD-positive patients following high-dose chemotherapy was 7.1 months versus 2.7 months for placebo. These data underline the continued unmet medical need for AML maintenance treatments resulting in more durable clinical responses. In December 2022, Mendus presented survival data from the ADVANCE II trial at the American Society of Hematology (ASH) conference, studying its lead compound DCP-001 as a monotherapy maintenance treatment in AML patients who had undergone high-dose chemotherapy but were still MRD-positive. The majority of patients (14/20) were still alive at the end

of the 70-weeks study period and 12 patients remained disease-free during the long-term follow-up ranging from 16 to 47 months. Immunomonitoring data confirmed that DCP-001 treatment resulted in increased immune responses to tumor antigens, whereby highest average levels were observed in patients having a complete MRD response. The safety profile of DCP-001 continues to be excellent, with product-related side effects limited to injection site reactions. Shortly following the successful read out of the ADVANCE II trial, in January 2023, the progress of DCP-001 was reflected in the selection of the INN name “vididencel” by the World Health Organization’s International Nonproprietary Names Expert Committee and we will increasingly use it in all our materials.

While a next survival update of the ADVANCE II trial is expected in the second half of 2023, Mendus continues with the in-depth analysis of the immunomonitoring samples collected as part of the trial. These data help us to enhance the understanding of the immune status of patients before and after vididencel treatment, further supporting the positioning of vididencel as a novel immunotherapy modality in AML maintenance. The data will be prepared for presentation at medical-scientific conferences, starting with the 2023 Cancer Immunotherapy (CIMT) meeting. As a next step in the development of vididencel, Mendus will prepare for a trial in combination with current standard of care as a step-up to pivotal-stage development, with oral azacitidine as the most logical combination partner. In preclinical studies, vididencel was shown to act synergistically with

current and two upcoming small molecule AML drugs azacitidine and venetoclax.

Mendus has selected ovarian cancer to explore vididencel in a solid tumor setting. Ovarian cancer is the deadliest gynaecological cancer due to high recurrence rates after initial treatment, providing for the rationale to explore the safety and feasibility of vididencel as maintenance treatment option in this disease. Most recently, data from the ALISON trial were presented at the American Association for Cancer Research (AACR) conference held in April 2023. The initial data are encouraging, confirming safety and the potential of vididencel to stimulate immune responses against tumor antigens previously shown to be relevant for ovarian cancer. Based on the positive data collected so far, recruitment of the ALISON trial will continue, and additional read-outs are expected in the second half of 2023.

Mendus' second clinical-stage program is the intratumoral immune primer, ilixadencel. Mendus

is preparing for a next clinical trial with ilixadencel in gastro-intestinal stromal tumors (GIST) as a prioritized indication, based on signs of clinical efficacy in this indication in earlier clinical trials. There continues to be clinical interest to pursue a trial in GIST and potentially the broader group of soft-tissue sarcomas. In parallel, Mendus has successfully implemented a series of technical and equipment-related optimizations of the ilixadencel manufacturing in order to support future product supply and for the continued clinical development of ilixadencel.

In the preclinical pipeline development, we have leveraged our expertise to design next-generation intratumoral immune primers based on our proprietary DCOne cell line, with data being presented at the 2023 CIMT conference. We have furthermore established the rationale to combine vaccination and intratumoral priming and evaluated the use of our DCOne platform to improve other cell-based immunotherapies. The latter showed that DCOne-derived dendritic cells stimulate so-called memory natural

killer (NK) cells. This particular NK cell subtype has demonstrated improved persistence, metabolic fitness and tumor cell killing capacity and is associated with reduced relapse rates in blood-borne tumors. The possibility to expand memory NK cells using the DCOne cells could provide the basis for a novel pipeline program and allow Mendus to enter the exciting new field of NK cell-based therapies. Mendus has earmarked the NK cell program as the main focus of its preclinical research activities in 2023.

In the first quarter of 2023, we have continued on the successful path of 2022, and we look forward to sharing with you the next steps in the development of the Company in 2023 and beyond.

Thank You,

**Erik Manting, Ph.D.**  
Chief Executive Officer





# Mendus in Short – Q1 2023

Mendus is developing novel cancer therapies based on harnessing the power of the immune system. Our products aim to achieve durable clinical responses without harming health or quality of life.

The Company leverages its expertise in allogeneic dendritic cell biology to design off-the-shelf immunotherapies which enhance anti-tumor immunity. In clinical trials, our product candidates have shown promising signs of clinical efficacy in blood-borne and solid tumors combined with an excellent safety profile. This is particularly relevant for maintenance therapies, aimed at the prevention or delay of tumor recurrence.

## 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 re-

currence 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, that focus on controlling residual disease and prolonging relapse-free and overall survival while keeping the patient's quality of life front and center.

## Vididencel – a first-in-class immunotherapy in AML and ovarian cancer

Vididencel is currently being evaluated in clinical trials in acute myeloid leukemia (AML) and ovarian cancer as a potential therapy to reduce tu-

mor recurrence. The intradermal cell-based vaccine is derived from the Company's proprietary DCOne cell line, has shown to be highly immunogenic and to express a multitude of tumor-associated antigens.

Promising clinical data with vididencel were presented at various high-profile medical conferences, including the American Society of Hematology (ASH) Annual Meeting, the American Association for Cancer Research (AACR) Annual Meeting and the European Hematology Association (EHA) Congress. The results consistently demonstrated vididencel's ability to induce immune responses against a broad



Cancer treatment without harming health or quality of life.

range of tumor-associated antigens. Vididencel was also generally safe and well-tolerated, with only mild to moderate adverse events observed in these trials.

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 chemotherapy, but with measurable residual disease (MRD). The presence of MRD puts patients at a high risk of relapse and correlates with reduced overall survival.

Mendus presented positive survival data from the ADVANCE II trial in December 2022 at the ASH conference. The data showed that after completion of the active 70-week study period from start of vaccination, the majority of patients (14/20) were still alive. In the ongoing long-term follow-up phase of the trial, 12 patients remained disease-free in a period ranging from 16 to 47 months. At the time of the data cut, median follow-up was 19.4 months and median relapse-free survival was not yet reached, while the overall survival median stood at 30.9 months. Immunomonitoring data showed broadly increased immune responses against tumor-associated antigens following vididencel administration. Patients that had experienced a reduction in their MRD levels or a full conversion to the MRD- status also showed a higher number of immune responses, supporting vididencel's mode of action as an immune primer which boosts anti-tumor immunity and improves immune control over residual cancer cells. Mendus expects to report a next survival read-out of the ADVANCE II trial in the second half of 2023.

The ADVANCE II monotherapy proof-of-concept data support the broader positioning of vididencel as a new treatment modality in AML maintenance. As a step-up to pivotal-stage development, Mendus will prepare for a combination trial with oral azacitidine, the only approved mainte-



Mendus has prepared for next clinical development steps with ilixadencel to establish proof-of-concept in tumors that are poorly responding to current available therapies.

nance therapy for transplant-ineligible AML patients.

Like AML, ovarian cancer is characterized by a fast 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. Interim data from the ALISON trial presented at AACR in April 2023 confirmed vididencel's excellent safety profile and demonstrated improved immune responses against tumor antigens previously shown to be relevant for ovarian cancer following vididencel administration. Mendus expects to report additional updates from the ALISON trial in the second half of 2023.

### **Ilixadencel – an intratumoral immune primer**

Ilixadencel is Mendus' most advanced intratumoral immune primer candidate in development. Intratumoral immune primers are injected into the tumor of a patient to produce an inflammatory environment and ultimately a tumor-specific immune response. Ilixadencel consists of allogeneic proinflammatory dendritic cells derived from healthy donor material.

Ilixadencel has been studied in clinical trials across a range of solid tumor indications in combination with existing cancer therapies, including tyrosine kinase inhibitors and the immune checkpoint inhibitor pembrolizumab. Preclinical results furthermore suggest synergies between intratumoral priming and CTLA-4 inhibitors, another class of checkpoint inhibitor. Overall, a substantial

body of preclinical and clinical data underscore ilixadencel's potential as a safe and feasible combination partner in cancer therapy.

Mendus has prepared for next clinical development steps with ilixadencel to establish proof-of-concept in tumors that are poorly responding to current available therapies. Based on initial signs of clinical efficacy in gastro-intestinal stromal tumors (GIST), Mendus aims to confirm clinical efficacy of ilixadencel in GIST and potentially the broader group of soft tissue sarcomas in a next clinical trial. In order to support future product supply and as a prerequisite for continued clinical development, the Company is developing an improved manufacturing process for ilixadencel. In 2022, a series of

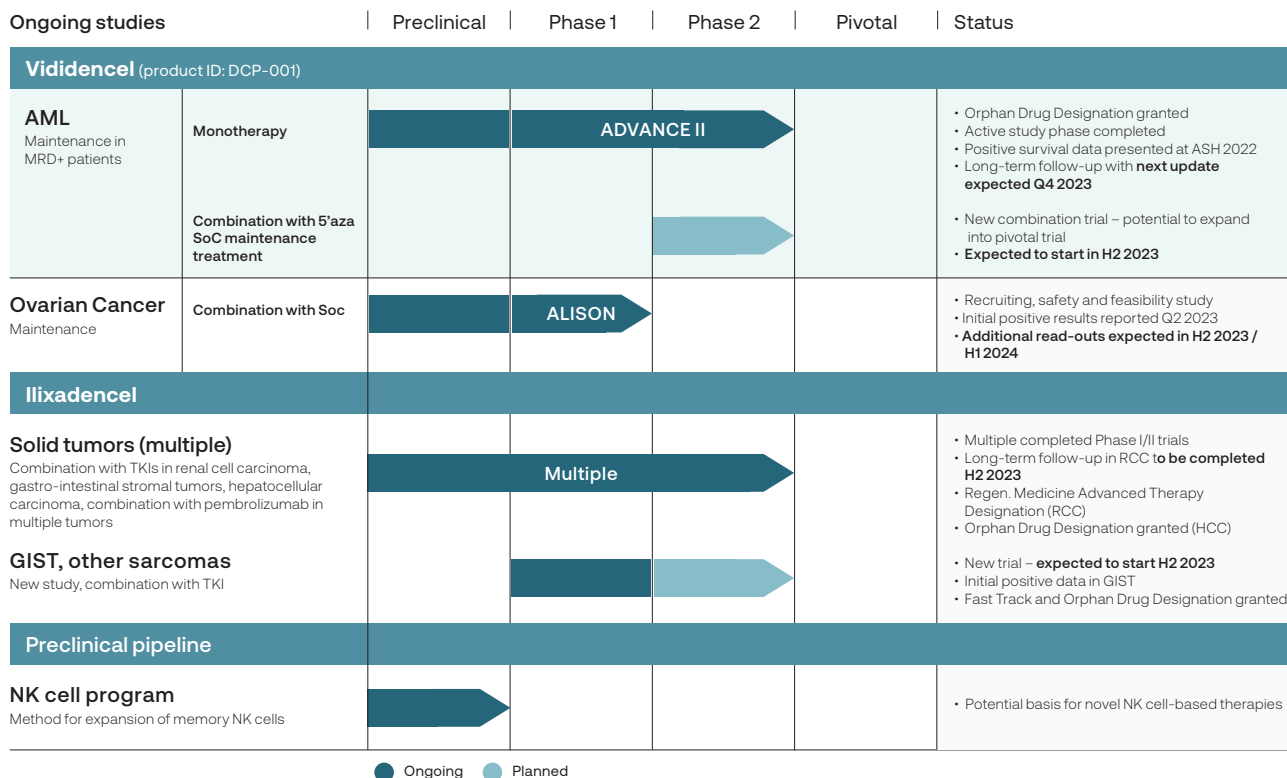
technical and equipment-related optimizations were implemented.

### 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 vaccination and intratumoral priming strategies. At the 2022 European Society for Gynaecological Oncology (ESGO) Conference, Mendus presented data showing a synergistic effect of vaccination and intratumoral priming in preclinical models for ovarian cancer.

Based on its expertise in dendritic cell biology, Mendus has also explored the use of the DCOne platform to improve other cell-based therapies. Data presented at the 2022 Society for Immunotherapy of Cancer (SITC) Conference describe the application of the 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 outcome in blood-borne tumors. Establishing a novel method to expand this class of NK cells may provide the basis for novel, improved NK cell-based therapies, as a potential new program in the Mendus pipeline.

## Advanced clinical pipeline with near-term value inflection potential



# Financial information

## The Group

### Revenue

No revenue was reported for the first quarter KSEK – (1,794). Other operating income amounted to KSEK 286 (1,911) for the quarter and relate to transfer of patents.

### Operating expenses

Total operating expenses for the first quarter amounted to KSEK -29,895 (-28,731). Operating expenses primarily relate to research and development costs related to the DCOne® platform and Vididencel and Ilixadencel programs.

### Research and development costs

Research and development costs for the first quarter amounted to KSEK -19,782 (-18,815). Costs are primarily related to preclinical development, process development and clinical development for the DCOne® platform as well as Vididencel and Ilixadencel programs. Cost reductions during the first quarter, compared to the previous year, mainly relate to lower activity in the projects during the quarter.

### Administrative expenses

Administration expenses for the first quarter amounted to KSEK -9,914 (-9,255). The increased costs during the quarter mainly relate to rent increases, personnel changes, and consultancy fees.

### Result

The operating profit for the quarter amounted to KSEK -29,609 (-26,820). Earnings per share before and after dilution amounted to KSEK -0.15 (-0.14) for the quarter.

### Tax

No tax was recognized for the first quarter.

### Cash flow, investments, and financial position

Cash flow from operating activities for the quarter amounted to KSEK -33,554 (-23,888). The negative cash flow is according to plan and is mainly explained by the Company's research and development activities for the DCOne® platform and the programs for Vididencel and Ilixadencel. The increased negative cash flow during the first quarter of 2023 stems from reduced accrued costs.

During the quarter, the cash flow from investment activities amounted to KSEK -495 (-8,328). The reduced cash flow, compared to the previous year, is related to the previous year investments in equipment for the facility in Leiden. Cash flow from financing activities for the quarter amounted to 29,687 (-346). The capital comes partly from a shareholder loan and partly from new issues.

The company's cash and cash equivalents on 31 March 2023 amounted to KSEK 37,496 (122,926).

Total equity as of 31 March 2023 amounted to KSEK 487,791 (628,849), corresponding to SEK 2.42 (3.16) per share. The Company's equity/assets ratio at the end of the quarter is 79% (88%).



# Financial information

## Parent Company Mendus AB

### Revenue

No revenues were reported for the first quarter - (1,794). Other operating income amounted to KSEK 1,148 (866) and consisted mainly of invoiced costs to Mendus B.V and transfer of patent.

### Operating expenses

Total operating expenses for the first quarter amounted to KSEK -11,513 (-15,686). Operating expenses are related to administrative and research and development costs for the DCOne® platform as well as the programs for Vididencel and Ilixadencel. The lower costs for the first quarter, compared to last year, primarily relate to lower activity in the projects during the quarter.

### Research and development costs

Research and development costs for the first quarter amounted to KSEK -3,133 (-7,039). The costs mainly consist of activities regarding clinical studies. The lower costs for the first quarter, compared to last year, primarily relate to lower activity in the projects during the quarter.

### Administrative expenses

Administration expenses for the first quarter amounted to KSEK -8,209 (-7,986). Included administrative expenses (G&A) are mainly attributable to the finance department, group management and costs linked to activities for investment.

### Result

Operating profit for the first quarter was KSEK -10,365 (-13,026). The result amounted to KSEK -10,609 (-12,847) for the same period. Earnings per share before and after dilution for the Parent Company was reported to SEK -0.05 (-0.06) for the quarter.

### Tax

No tax was recognized for the first quarter.

### Cash flow, investments, and financial position

Cash flow from operating activities for the first quarter amounted to KSEK -11,101 (-24,050). The negative cash flow is according to plan and is mainly explained by the Company's research and development activities for the DCOne® platform and the programs for Vididencel and Ilixadencel.

During the quarter, cash flow from investing activities amounted to KSEK -14,818 (-10,480). Cash flow from financing activities for the first quarter amounted to KSEK 28,191 (-) and refers to a new loan and new share issues.

The company's cash and cash equivalents 31 March 2023 amounted to KSEK 30,357 (110,800).

Total equity as of 31 March 2023 amounted to KSEK 714,557 (773,738), corresponding to SEK 3.55 (3.88) per share. The Company's equity/assets ratio at the end of the quarter is 93% (98%).

# Other information

## Incentive program

The purpose of share-based incentive programs is to promote the company's long-term interests by motivating and rewarding the Company's senior management and other employees in line with the interests of the shareholders. There are currently two outstanding incentive 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 warrants issued amounts to 1,286,092. The number of restricted shares issued amounts to 680,000. In 2021, 40,000 restricted shares had been forfeited in connection with employees leaving. In 2022, 50,000 restricted shares and 50,000 warrants have been forfeited in connection with employees leaving. During the first quarter of 2023, 3 employees left their employment and 70,000 restricted shares and 50,000 warrants have been forfeited. This brings the number of restricted shares issued amounted to 520,000 and issued warrants amounted to 1,186,092, which corresponds to a dilution of 0.85 percent if fully utilized.

### LTI 2022/2025

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

The number of warrants issued amounts to 3,000,000. In the first quarter of 2023, 75,000 warrants have been forfeited in connection with employees leaving. This corresponds to a dilution of 1.45 percent if fully utilized.

For more information about the program, see minutes from the Annual General Meeting 2021 and 2022 published on the Company's website [www.mendus.com](http://www.mendus.com).

## Employees

As of March 31, 2023, the Group had 33 (32) employees, of whom 22 (19) were women and 11 (13) were men.

## Mendus Share

The share is traded on Nasdaq Stockholm's Main Market under the ticker IMMU, with ISIN code SE0005003654. As of March 31, 2023, the number of shares in the Company amounted to 201,311,406 (199,400,599) and the share capital in the Company amounted to KSEK 10,066 (9,970). All shares have equal voting rights and share of

## Shareholders as of 2023-03-31

Source: Euroclear Sweden AB.

Owners	Shares	% of votes and capita
Adrianus Van Herk	85,477,402	42.9%
Fourth Swedish National Pension Fund	19,575,980	9.7%
Avanza Pension	8,629,774	4.3%
Nordnet Pension Insurance	4,721,930	2.3%
Holger Blomstrand Byggnads AB	2,975,386	1.5%
Martin Lindström	2,140,000	1.1%
Erik Manting	1,328,474	0.7%
Dharminder Chahal	1,323,073	0.7%
Swedbank Insurance	1,003,403	0.5%
Handelsbanken Funds	960,932	0.5%
Lennart Sten	875,000	0.4%
Ivar Nordqvist	830,256	0.4%
SEB Funds	814,249	0.4%
Bengt Andersson	671,319	0.3%
FCG Funds	625,691	0.3%
Alex Karlsson-Parra	621,736	0.3%
Mats Artur Andersson	620,000	0.3%
Hans Edvin Ståhlgren	600,000	0.3%
Crister Isberg	592,434	0.3%
Anders Davås	580,678	0.3%
Others	66,343,689	32.6%
<b>Total</b>	<b>199 400 599</b>	<b>100%</b>

## Review

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



FINANCIAL REPORTS  
**THE GROUP**

## Consolidated income statement

Amounts in KSEK	2023 jan-mar	2022 jan-mar	2022 jan-dec
Revenue	–	1,794	1,794
Other operating income	286	116	1,581
<b>Total revenue and other operating income</b>	<b>286</b>	<b>1,911</b>	<b>3,375</b>
<b>OPERATING EXPENSES</b>			
Administration expenses	-9,914	-9,255	-48,876
Research and development expenses	-19,782	-18,815	-87,049
Other operating expenses	-199	-661	-1,134
<b>Operating profit/loss</b>	<b>-29,609</b>	<b>-26,820</b>	<b>-133,684</b>
<b>RESULT FROM FINANCIAL ITEMS</b>			
Financial income	–	174	163
Financial costs	-560	-937	-5,264
<b>Profit/loss after financial items</b>	<b>-30,169</b>	<b>-27,582</b>	<b>-138,785</b>
<b>TOTAL PROFIT/LOSS BEFORE TAXES</b>	<b>-30,169</b>	<b>-27,582</b>	<b>-138,785</b>
Income tax	–	–	–
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>-30,169</b>	<b>-27,582</b>	<b>-138,785</b>
Earnings/loss per share before and after dilution (SEK), for profit attributable to owner of the parent company's shareholders.	-0.15	-0.14	-0.70

## Consolidated statement of comprehensive income

Amounts in KSEK	2023 jan-mar	2022 jan-mar	2022 jan-dec
<b>Result for the period</b>	<b>-30,169</b>	<b>-27,582</b>	<b>-138,785</b>
<b>Other comprehensive income</b>	<b>–</b>	<b>–</b>	<b>–</b>
Exchange differences on translation of foreign operations	178	-311	-3 819
<b>Other comprehensive income for the period</b>	<b>178</b>	<b>-311</b>	<b>-3 819</b>
<b>Total comprehensive income for the period</b>	<b>-29,991</b>	<b>-27,893</b>	<b>-142,604</b>

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



## Consolidated statement of financial position

Amounts in KSEK	2023-03-31	2022-03-31	2022-12-31
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Goodwill	108,350	108,350	108,350
Technology	424,091	424,091	424,091
Right-of-use assets	25,829	26,120	26,216
Equipment	13,516	9,640	13,899
Other long term receivables	621	848	618
<b>Other long term receivables</b>	<b>572,407</b>	<b>569,048</b>	<b>573,175</b>
<b>CURRENT ASSETS</b>			
Other receivables	3,086	18,892	3,442
Prepaid expenses and accrued income	2,808	8,011	1,919
Cash and cash equivalents	37,496	122,926	41,851
<b>Total current assets</b>	<b>43,390</b>	<b>149,829</b>	<b>47,212</b>
<b>TOTAL ASSETS</b>	<b>615,798</b>	<b>718,877</b>	<b>620,386</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>Shareholders' equity</b>			
Share capital	10,066	9,970	9,970
Additional paid-in capital	1,133,875	1,130,742	1,130,636
Reserves	3	3,327	-182
Retained earnings (including profit/loss for the period)	-656,153	-514,782	-625,985
<b>Total equity attributable to the shareholders of the parent company</b>	<b>487,791</b>	<b>629,257</b>	<b>514,439</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Other long-term liabilities	28,342	37,523	22,844
Lease liabilities	23,690	23,658	23,706
<b>Total non-current liabilities</b>	<b>52,032</b>	<b>61,181</b>	<b>46,550</b>
<b>Current liabilities</b>			
Lease liabilities	2,471	2,170	2,413
Accounts payable	3,810	3,810	7,411
Short-term part of long-term liabilities to credit institutions	55,167	-	29,198
Other liabilities	5,523	3,452	4,765
Accrued expenses and deferred income	9,004	19,007	15,610
<b>Total current liabilities</b>	<b>75,975</b>	<b>28,439</b>	<b>59,397</b>
<b>Total liabilities</b>	<b>128,007</b>	<b>89,620</b>	<b>105,947</b>
<b>Total shareholders' equity and liabilities</b>	<b>615,798</b>	<b>718,877</b>	<b>620,386</b>

## 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
<b>Opening shareholders' equity 2023-01-01</b>	<b>9,970</b>	<b>1,130,636</b>	<b>-181</b>	<b>-625,985</b>	<b>514,440</b>
Profit/loss for the period	-	-	-	-30,169	-30,169
Other comprehensive income	-	-	185	-	185
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>185</b>	<b>-30,169</b>	<b>-29,984</b>
<b>Transactions with owners</b>					
Issued warrants	-	144	-	-	144
Share issue	96	3,095	-	-	3,191
Costs for new share issue	-	-	-	-	-
<b>Total transaction with owners</b>	<b>96</b>	<b>3,239</b>	<b>-</b>	<b>-</b>	<b>3,335</b>
<b>Shareholders' equity 2023-03-31</b>	<b>10,066</b>	<b>1,133,875</b>	<b>4</b>	<b>-656,154</b>	<b>487,791</b>
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<b>Opening shareholders' equity 2022-01-01</b>	<b>9,970</b>	<b>1,130,334</b>	<b>3,638</b>	<b>-487,199</b>	<b>656,743</b>
Profit/loss for the period	-	-	-	-27,582	-27,582
Other comprehensive income	-	-	-311	-	-311
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-311</b>	<b>-27,582</b>	<b>-27,893</b>
<b>Transactions with owners</b>					
Issued warrants	-	408	-	-	408
Share issue	-	-	-	-	-
Costs for new share issue	-	-	-	-	-
<b>Total transaction with owners</b>	<b>-</b>	<b>408</b>	<b>-</b>	<b>-</b>	<b>408</b>
<b>Shareholders' equity 2022-03-31</b>	<b>9,970</b>	<b>1,130,742</b>	<b>3,327</b>	<b>-514,782</b>	<b>629,257</b>
<hr/>					
<b>Opening shareholders' equity 2022-01-01</b>	<b>9,970</b>	<b>1,130,334</b>	<b>3,638</b>	<b>-487,199</b>	<b>656,743</b>
Profit/loss for the period	-	-	-	-138,786	-138,786
Other comprehensive income	-	-	-3,819	-	-3,819
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-3,819</b>	<b>-138,786</b>	<b>-142,605</b>
<b>Transactions with owners</b>					
Issued warrants	-	302	-	-	302
Share issue	-	-	-	-	-
Costs for new share issue	-	-	-	-	-
<b>Total transaction with owners</b>	<b>-</b>	<b>302</b>	<b>-</b>	<b>-</b>	<b>302</b>
<b>Shareholders' equity 2022-12-31</b>	<b>9,970</b>	<b>1,130,636</b>	<b>-181</b>	<b>-625,985</b>	<b>514,440</b>



## Consolidated statement of cash flows

Amounts in KSEK	Note	2023 jan-mar	2022 jan-mar	2022 jan-dec
<b>Operating activities</b>				
Operating profit/loss		-29,609	-26,820	-133,684
Adjustment for items not included in cash flow	9	2,148	842	-1,542
Interest expense paid		-171	-937	-1,135
<b>Cash flow from operating activities before changes in working capital</b>		<b>-27,632</b>	<b>-26,915</b>	<b>-136,361</b>
Increase/decrease in other current receivables		-510	2,938	23,465
Increase/decrease in accounts payable		-3,629	-7,800	-4,146
Increase/decrease in other current liabilities		-1,783	7,889	7,711
<b>Cash flow from operating activities</b>		<b>-33,554</b>	<b>-23,888</b>	<b>-109,331</b>
<b>Investment activities</b>				
Investment in tangible fixed assets		-492	-8,323	-12,097
Investments in long-term receivables		-4	-5	228
<b>Cash flow from investment activities</b>		<b>-495</b>	<b>-8,328</b>	<b>-12,324</b>
<b>Financing activities</b>				
New Share issue		3,192	-	-
New share Issue costs		-	-	-
Repayment of borrowings		-1,271	-346	-2,731
New loans		27,766	-	10,925
<b>Cash flow from financing activities</b>	2	<b>29 687</b>	<b>-346</b>	<b>8,195</b>
Cash and cash equivalents at the beginning of the period		41,851	155,313	155,313
Cash flow for the period		-4,362	-32,562	-113,461
Foreign exchange difference in cash and cash equivalents		7	174	-2
<b>Cash and cash equivalents at the end of the period</b>		<b>37,496</b>	<b>122,925</b>	<b>41,850</b>

FINANCIAL REPORTS  
**PARENT COMPANY**



## Parent Company income statement

Amounts in KSEK	2023 jan-mar	2022 jan-mar	2022 jan-dec
Revenue	–	–	–
Other operating income	1,148	2,660	5,740
<b>Total revenue</b>	<b>1,148</b>	<b>2,660</b>	<b>5,740</b>
<b>OPERATING EXPENSES</b>			
Administration expenses	-8,209	-7,986	-43,814
Research and development expenses	-3,133	-7,039	-24,963
Other operating expenses	-171	-661	-1,116
<b>Operating profit/loss</b>	<b>-10,365</b>	<b>-13,026</b>	<b>-64,153</b>
<b>RESULT FROM FINANCIAL ITEMS</b>			
Financial income	–	174	163
Financial costs	-244	4	-657
<b>Profit/loss after financial items</b>	<b>-10,609</b>	<b>-12,847</b>	<b>-64,647</b>
<b>TOTAL PROFIT/LOSS BEFORE TAXES</b>			
Income tax	–	–	–
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>-10,609</b>	<b>-12,847</b>	<b>-64,647</b>
Earnings/loss per share before and after dilution (SEK), for profit attributable to owner of the parent company's shareholders.	-0.05	-0.06	-0.32

## Parent Company statement of comprehensive income

Amounts in KSEK	2023 jan-mar	2022 jan-mar	2022 jan-dec
Result for the period	-10,609	-12,847	-64,647
Other comprehensive income	–	–	–
<b>Total comprehensive income for the period</b>	<b>-10,609</b>	<b>-12,847</b>	<b>-64,647</b>

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

## Parent Company balance sheet

Amounts in KSEK	2023-03-31	2022-03-31	2022-12-31
<b>ASSETS</b>			
<b>Tangible assets</b>			
Participants in Group companies	731,558	671,077	711,422
Other long term receivables	394	394	394
<b>Total financial assets</b>	<b>731,952</b>	<b>671,471</b>	<b>711,816</b>
<b>Total fixed assets</b>	<b>731,952</b>	<b>671,471</b>	<b>711,816</b>
<b>CURRENT ASSETS</b>			
Tax credits and related receivables	866	947	1,076
Other receivables	1,058	249	1,480
Prepaid expenses and accrued income	985	6,014	854
<b>Total current receivables</b>	<b>2,909</b>	<b>7,210</b>	<b>3,410</b>
Cash and bank balances	30,357	110,800	27,840
<b>Total current assets</b>	<b>33,266</b>	<b>118,010</b>	<b>31,250</b>
<b>TOTAL ASSETS</b>	<b>765,218</b>	<b>789,481</b>	<b>743,066</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>Restricted equity</b>			
Share capital	10,066	9,970	9,970
<b>Total restricted equity</b>	<b>10,066</b>	<b>9,970</b>	<b>9,970</b>
<b>Unrestricted equity</b>			
Share premium reserve	1,418,168	1,145,931	1,415,825
Retained earnings	-703,068	-639,316	-639,316
Profit/loss for the period	-10,609	-12,847	-64,647
<b>Total unrestricted equity</b>	<b>704,491</b>	<b>763,768</b>	<b>711,862</b>
<b>Total shareholders' equity</b>	<b>714,557</b>	<b>773,738</b>	<b>721,832</b>
<b>LIABILITIES</b>			
<b>LONG-TERM LIABILITIES</b>			
Other long-term liabilities	16,275	850	10,957
<b>Total long-term liabilities</b>	<b>16,275</b>	<b>850</b>	<b>10,957</b>
<b>CURRENT LIABILITIES</b>			
Accounts payable	1,224	467	773
Intercompany liabilities	4,709	4,214	1,844
Short-term part of long-term liabilities to credit institutions	25,000	-	-
Other liabilities	487	505	663
Accrued expenses and deferred income	2,966	9,706	6,997
<b>Total current liabilities</b>	<b>34,386</b>	<b>14,893</b>	<b>10,277</b>
<b>Total liabilities</b>	<b>50,661</b>	<b>15,743</b>	<b>21,234</b>
<b>Total shareholders' equity and liabilities</b>	<b>765,218</b>	<b>789,481</b>	<b>743,066</b>

## Parent Company statement of changes in equity

Amounts in KSEK	Share capital	Share premium reserve	Retained earnings inc. profit/loss for the period	Total
<b>Opening shareholders' equity 2023-01-01</b>	<b>9,970</b>	<b>1,415,825</b>	<b>-703,963</b>	<b>721,832</b>
Profit/loss for the period	-	-	-10,610	-10,610
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-10,610</b>	<b>-10,610</b>
<b>Transactions with owners</b>				
Issued warrants	-	144	-	144
Share issue	96	3,095	-	3,191
Costs for new share issue	-	-	-	-
<b>Total transaction with owners</b>	<b>96</b>	<b>3,239</b>	<b>-</b>	<b>3,335</b>
<b>Shareholders' equity 2023-03-31</b>	<b>10,066</b>	<b>1,419,064</b>	<b>-714,573</b>	<b>714,557</b>
<hr/>				
<b>Opening shareholders' equity 2022-01-01</b>	<b>9,970</b>	<b>1,415,523</b>	<b>-639,316</b>	<b>786,177</b>
Profit/loss for the period	-	-	-12,847	-12,847
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-12,847</b>	<b>-12,847</b>
<b>Transactions with owners</b>				
Issued warrants	-	408	-	408
Share issue	-	-	-	-
Costs for new share issue	-	-	-	-
<b>Total transaction with owners</b>	<b>-</b>	<b>408</b>	<b>-</b>	<b>408</b>
<b>Shareholders' equity 2022-03-31</b>	<b>9,970</b>	<b>1,415,931</b>	<b>-652,163</b>	<b>773,738</b>
<hr/>				
<b>Opening shareholders' equity 2022-01-01</b>	<b>9,970</b>	<b>1,415,523</b>	<b>-639,316</b>	<b>786,177</b>
Profit/loss for the period	-	-	-64,647	-64,647
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-64,647</b>	<b>-64,647</b>
<b>Transactions with owners</b>				
Issued warrants	-	302	-	302
Share issue	-	-	-	-
Costs for new share issue	-	-	-	-
<b>Total transaction with owners</b>	<b>-</b>	<b>302</b>	<b>-</b>	<b>302</b>
<b>Shareholders' equity 2022-12-31</b>	<b>9,970</b>	<b>1,415,825</b>	<b>-703,963</b>	<b>721,832</b>



## Parent Company cash flow statement

Amounts in KSEK	Note	2023 jan-mar	2022 jan-mar	2022 jan-dec
<b>Operating activities</b>				
Operating profit/loss before financial items		-10,609	-13,025	-64,153
Adjustment for items not included in cash flow	9	144	408	302
Interest expense paid		-244	4	-494
<b>Cash flow from operating activities before changes in working capital</b>				
		<b>-10,709</b>	<b>-12,613</b>	<b>-64,345</b>
Increase/decrease in accounts receivable		-311	-10,617	3 207
Increase/decrease in other current receivables		810	3,181	3,776
Increase/decrease in accounts payable		451	-1,983	-9,585
Increase/decrease in other current liabilities		-1,342	-2,018	968
<b>Cash flow from operating activities</b>				
		<b>-11,101</b>	<b>-24,050</b>	<b>-65,979</b>
<b>Investment activities</b>				
Increase/decrease in long term receivable		5,318	-	-
Investment in financial assets		-20,136	-10,480	-61,442
<b>Cash flow from investment activities</b>				
		<b>-14,818</b>	<b>-10,480</b>	<b>-61,442</b>
<b>Financing activities</b>				
New share issues		3,191	-	-
New share issues cost		-	-	-
Premiums for warrants sold		-	-	-
New loans		25,000	-	10,107
<b>Cash flow from financing activities</b>				
		<b>28,191</b>	<b>-</b>	<b>10,107</b>
Cash and cash equivalents at the beginning of the period		27,840	145,156	145,156
Cash flow for the period		2,272	-34,530	-117,314
Foreign exchange difference in cash and cash equivalents		245	174	-2
<b>Cash and cash equivalents at the end of the period</b>				
		<b>30,357</b>	<b>110,800</b>	<b>27,840</b>

# Notes

## Note 1 – General information

This report covers the Swedish company Mendus AB (publ) (hereinafter "Mendus"), Swedish corporate identity no. 556629-1786. The Company is a Swedish public limited company registered in Stockholm. The address of the Company's head office is Västra Trädgårdsgatan 15, 111 53 Stockholm. The quarterly report was authorized for issue by the Board of Directors on May 11, 2023.

## Note 2 – Accounting policies

The consolidated accounts for Mendus have been prepared in accordance with the Swedish Annual Accounts Act, RFR 1 Supplementary Accounting Rules for Groups and 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 using the cost method.

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

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

The Group's accounting policies are unchanged and are presented in the Annual Report for 2022 (Note 2, pages 34-38).

In cases where the Parent Company applies different accounting policies than the Group's accounting policies, these are stated in Annual Report 2022 (Note 2, page 49).

## Note 3 – Significant estimates and judgements for accounting purposes

The preparation of financial statements requires the use of accounting estimates, which will rarely correspond to the actual result. Management also makes assessments when applying the Group's accounting policies. These assessments are unchanged and are presented in the Annual Report for 2022 (note 5, page 39).

## 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 short 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 licensing agreements and joint cooperation agreements, as well as reliance on a wide range of approval and compensation schemes and related laws, regulations, decisions and practices (as may be 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.

This report contains forward-looking statements. Actual outcomes may deviate from what has been stated. Internal factors such as successful management of research projects and intellectual property rights can affect future results. There are also external conditions, such as the economic climate, political changes and competing research projects that can affect Mendus' results.

## Crisis in Ukraine

Mendus has no direct exposure to Ukraine or Russia in its day-to-day operations and ongoing clinical trials.

For a more detailed description of significant risk factors, please refer to the annual report for 2022 which is available on the Company's website [www.mendus.com](http://www.mendus.com).

## Note 5 – Information on transactions with closely related parties

The parent company Mendus AB is related to the subsidiary Mendus BV. During the first quarter, purchases in Mendus AB of goods and services relate to KSEK -4,709 (-4,273) and sales to KSEK 866 (866) KSEK. Mendus AB has an outstanding long-term debt to Van Herk Investments B.V. of KSEK 35,351. During the quarter, interest was paid in the amount of KSEK 244 (-). No further transactions were made with related parties during the year. 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 payables. The fair value of all financial instruments is substantially consistent with their carrying amounts.

## Note 7 – Significant events after end of period

» Negma Group Ltd. ("Negma Group") has requested conversion of five (5) convertible bonds issued on January 3, 2023, corresponding to SEK 125,000 of the convertible bonds amounting to a total of SEK 4,050,000, into 121,359 shares. During April, the number of shares and votes in Mendus AB (publ) changed as a result of 1,383,106 new shares being issued to Negma Group upon conversion of convertible bonds. As of April 28, 2023, the last trading day of the month, there was a total of 202,694,512 shares and votes in Mendus AB (publ) and Mendus' total share capital amounts to SEK 10,134,725.60.

» The Company has agreed with Negma Group Ltd. ("Negma Group") to redeem the remainder of the first tranche of the convertible bonds issued to Negma Group on January 3, 2023 for an amount of SEK 3.9M, corresponding to the nominal amount of the outstanding convertible bonds, plus paying an 8% premium in accordance with the provisions of the agreement with Negma.

## Note 8 – Participations in Group companies

Shares in Group companies refer to shares in Mendus B.V, which were acquired on December 21, 2020. Mendus holds 100% of the equity and voting rights. The number of shares amounts to 60,000,000 shares.

## Note 9 – Adjustments for items not included in cash flow

<b>Consolidated</b>	<b>2023</b> jan-mar	<b>2022</b> jan-mar	<b>2023</b> jan-dec	<b>2022</b> jan-dec
Adjustments for items not including consist of following				
Depreciation	1,601	746	1,601	4,848
Warrants	144	408	144	302
Accrued interest	-389	-	-389	-3,215
Translation differences	16	-1	16	-3,397
Other, non cash items	776	-311	776	-80
<b>Total</b>	<b>2,148</b>	<b>842</b>	<b>2,148</b>	<b>-1,542</b>
<b>Parent Company</b>	<b>2023</b> jan-mar	<b>2022</b> jan-mar	<b>2023</b> jan-dec	<b>2022</b> jan-dec
Adjustments for items not including consist of following				
Depreciation	-	-	-	-
Warrants	144	408	302	302
Translation differences	-	-	-	-
Other, non cash items	-	-	-	-
<b>Total</b>	<b>144</b>	<b>408</b>	<b>302</b>	<b>302</b>



## 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

	2023 Jan - Mar	2022 Jan - Mar	2022 Jan - Dec
Share capital at end of period, SEK	10,066	9,970	9,970
Equity at the end of period, KSEK	487,791	628,849	514,439
Earnings per share before and after dilution, SEK	-0.15	-0.14	-0.70
Research and development costs, KSEK	-19,782	-18,815	-87,049
Research and development costs/operating expenses, %	66%	65%	64%

## Parent Company

	2023 jan-mar	2022 jan-mar	2022 jan-dec
Total registered shares at the beginning of period	199,400,599	199,400,599	199,400,599
Total registered shares at the end of period	201,311,406	199,400,599	199,400,599
Share capital at end of period, SEK	10,066	9,970	9,970
Equity at the end of period, KSEK	714,557	773,738	721,832
Earnings per share before and after dilution, SEK	-0.05	-0.06	-0.32
Research and development costs, KSEK	-3,133	-7,039	-24,963
Research and development costs/operating expenses, %	27%	45%	36%

## Definitions and reconciliation of alternative performance measurements

Alternative performance measurements	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

	2023 Jan - Mar	2022 Jan - Mar	2022 Jan - Dec
<b>Equity ratio at the end of the period %</b>			
Total shareholders equity at the end of the period, KSEK	487,791	629,257	514,439
Total assets at the end of the period, KSEK	615,798	718,877	620,387
Equity ratio at the end of the period, %	79%	88%	83%
<b>Research &amp; Development costs/operating expenses%</b>			
Research & development costs	-19,782	-18,815	-87,049
Administrative costs	-9,914	-9,255	-48,876
Other operating expenses	-199	-661	-1,134
Total operating expenses	-29,895	-28,731	-137,060
Research & development costs/operating expenses, %	66%	65%	64%

### Derivation Parent Company

	2023 jan-mar	2022 jan-mar	2022 jan-dec
<b>Equity ratio at the end of the period %</b>			
Total shareholders equity at the end of the period, KSEK	714,557	773,738	721,832
Total assets at the end of the period, KSEK	765,218	789,481	743,066
Equity ratio at the end of the period, %	93%	98%	97%
<b>Research &amp; Development costs/operating expenses, %</b>			
Research & development costs	-3,133	-7,039	-24,963
Administrative costs	-8,209	-7,986	-43,814
Other operating expenses	-171	-661	-1,116
<b>Total operating expenses</b>	<b>-11,513</b>	<b>-15,686</b>	<b>-69,893</b>
Research & development costs/operating expenses, %	27%	45%	36%

## Financial Calendar

- Annual General Meeting 12 May 2023
- Publication of Q1 Report 12 May 2023
- Publication of Q2 Report 29 August 2023
- Publication of Q3 Report 9 November 2023
- Publication of Year-end Report 2023 14 February 2024

## For further information, please contact:

### Erik Manting, CEO, Mendus

Phone: +46 (0)8 732 8400  
E-mail: [ir@mendus.com](mailto:ir@mendus.com)

### Lotta Ferm, CFO, Mendus

Telephone: +46 (0)8 732 8400  
E-mail: [ir@mendus.com](mailto:ir@mendus.com)

Postal address: Västra Trädgårdsgatan 15  
SE- 111 53 Stockholm, Sweden  
Corporate identity number: 556629-1786

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 May 12, 2023, 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.



[www.mendus.com](http://www.mendus.com)



Head Office  
Västra Trädgårdsgatan 15  
111 53 Stockholm  
Sweden



R&D Offices  
Emmy Noetherweg 2K  
2333 BK Leiden  
The Netherlands



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