

Remuneration report for Mendus AB (publ) 2023

Introduction

This report describes how the guidelines for executive remuneration of Mendus AB (publ), adopted by the annual general meeting 2021, were implemented in 2023. The report also provides information on remuneration to the CEO and a summary of the company's outstanding share-related and share price-related incentive plans. The report has been prepared in accordance with the Swedish Companies Act (2005:551) (Sw. *aktiebolagslagen*) and *Rules on remuneration of the Board and Executive Management and on Incentive Programmes* issued by the Stock Market Self-Regulation Committee.

Further information on remuneration to the senior executive in accordance with Chapter 5, Section 40-44 of the Swedish Annual Accounts Act (1995:1554) (Sw. *årsredovisningslagen*) is available in note 7 on pages 47-48 in the annual report 2023. Information on the work of the remuneration committee during 2023 is set out in the corporate governance report available on page 61 in the annual report 2023.

Remuneration of the board of directors is not covered by this report. Such remuneration is resolved annually by the annual general meeting and disclosed on page 47 in the annual report 2023.

Development in 2023

The CEO summarizes the company's overall performance in his statement on pages 5-6 in the annual report 2023.

The company's remuneration guidelines: scope, purpose and deviations

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company can recruit and retain qualified personnel. Mendus is a biopharmaceutical company focusing on tumour relapses and operates within an area with high demand for individuals with the right competence, both from a national and an international perspective. The company aspires to offer a competitive total compensation at market level both from a national and an international perspective and thereby be able to attract and retain qualified employees.

According to the remuneration guidelines, the remuneration to executives shall be at market level, be in relation to responsibility and authority and consist of the following components: fixed cash salary, possible variable cash remuneration, pensions and other benefits. The variable remuneration shall be linked to one or several financial or non-financial predetermined and measurable objectives which shall be designed to promote to the company's business strategy and long-term interests, including its sustainability.

The guidelines are found on page 62 in the annual report 2023. During 2023, the company has complied with the applicable remuneration guidelines adopted by the general meeting. No deviations

from the guidelines have been decided and no derogations have been made from the decision-making process that according to the guidelines shall be applied to determine the remuneration. The auditor's report regarding the company's compliance with the guidelines is available on www.mendus.com. No remuneration has been reclaimed.

In addition to the remuneration covered by the remuneration guidelines, the general meeting has resolved to implement a long-term share-based incentive programme, the employee stock option programme 2023/2027. In connection with the implementation of the employee stock option programme 2023/2027 the company also resolved to prematurely terminate the employee stock option programme within LTI 2021/2024 and LTI 2022/2025, see more below under *Share-based remuneration*.

Total CEO remuneration in 2023

Erik Manting has received the following remuneration, stated in SEK, in his capacity as CEO for the financial year 2023.

	1 Fixed salary		2 Variable remuneration & other remuneration		3	4	5	6
	Base salary	Other benefits	Annual	Multiannual	Extra-ordinary items	Pension benefits ¹⁾	Total remuneration	Percentage of fixed and variable remuneration
Erik Manting (CEO)	4,446,639	-	1,778,650	-	-	312,218	6,537,506	73 % / 27 %

¹⁾ Pension benefits, which in its entirety relates to base salary and is premium defined, have been fully recognised as fixed remuneration.

Application of performance criteria for variable cash remuneration

The variable cash remuneration shall be linked to one or several predetermined and measurable objectives and shall be designed to promote the company's business strategy and long-term interests, including sustainability. The objectives shall be based on both the company's overall objectives for the business and on individual objectives relevant to the senior executive's position in the company. The variable cash remuneration may not exceed 50 percent of the fixed annual salary. For 2023, the board of directors chose to have company objectives related to financing of the company, clinical and pre-clinical studies and the manufacturing process of the Company's main candidate vididencel. Together, these company objectives have been achieved to 80 per cent.

Share-based remuneration

In 2023, the company has introduced an incentive programme, the employee stock option program 2023/2027. In connection with the implementation of the employee stock option programme 2023/2027 the board of directors resolved to prematurely terminate the employee stock option program within LTI 2021/2024 and LTI 2022/2025.

LTI 2021/2024

At the annual general meeting held on 4 May 2021 it was resolved on a long-term performance-based incentive programme LTI 2021/2024 comprising of employee stock options and restricted share units. In connection with the implementation of the employee stock option programme 2023/2027, the board of directors resolved to cancel all outstanding employee stock options under LTI 2021/2024 and

thereby terminate the employee stock option programme in advance. The restricted share units issued under LTI 2021/2024 have not been cancelled.

Under LTI 2021/2024, 660 000 restricted share units were granted. Thereafter, restricted share units have been forfeited in connection with employees leaving and the number of outstanding restricted share units under LTI 2021/2024 amounts to 419,000. The restricted share units are vested with 1/3 each year for a three-year period and vesting presuppose that the participant is still employed. Each restricted share unit that has been vested entitles the right to acquire one share in the Company corresponding to the quota value of the share during the exercise period. The exercise period for the restricted share units commencing on 1 September 2024 up until and including 31 October 2024.

LTI 2022/2025

At the annual general meeting held on 10 May 2022 it was resolved on a long-term performance-based incentive programme 2022/2025. In connection with the implementation of the employee stock option programme 2023/2027 the board of directors resolved to cancel all outstanding employee stock options and related warrants under LTI 2022/2025 and thereby terminate the employee stock option programme in advance.

Employee stock option programme 2023/2027

At the extraordinary general meeting held on 13 December 2023 it was resolved on a long-term performance-based incentive program based on employee stock options for management and key employees. The number of employee stock options amounts to a maximum of 47,333,226. Since the subscription period was executed after 31 December 2023, no employee stock options have been subscribed for during 2023.

Comparative information on the change of remuneration and company's performance

Remuneration and company's performance in 2023

	IS 2020	IS 2021	IS 2022	IS 2023
CEO remuneration (KSEK)	5,468 ¹⁾	5,381 ²⁾	4,179	6,225 ⁴⁾
Change from previous year	- ³⁾	-87	-1,202	2,046
Percentage change (%)	- ³⁾	-1.6%	-22.3%	49.0%
Group operating income (KSEK)	-86,027	-130,100	-133,685	-100,650
Change from previous year	- ³⁾	-44,073	-3,585	33,035
Percentage change (%)	- ³⁾	-51.2%	-2.8%	24.7%
Average remuneration to all employees based on the number of full-time equivalents employed in the group excluding group management (SEK thousand)	705	706	553	1,010

Change from previous year	- ³⁾	1	-153	457 ⁵⁾
Percentage change (%)	- ³⁾	0.01%	-21.7%	82.6%

¹⁾ This remuneration relates to the remuneration that Carlos de Sousa received during the financial year 2020 related to the notice period during the financial year 2020 and the remuneration that Alex Karlsson-Parra has received for the period when he was CEO during 2020. Furthermore, the consulting fees paid to Sven Rohman during the period 28 August 2020 up until and including 31 December 2020 are included.

²⁾ This remuneration relates to the remuneration received by Erik Manting during the period 16 March 2021 up to and including 31 December 2021 and the consultancy fee paid to Sven Rohman during the period 1 January 2021 up to and including 15 March 2021.

³⁾ The company has not previously produced information on previous financial years in this respect.

⁴⁾ KSEK 170 refers to the exchange rate difference compared to the previous year.

⁵⁾ Part of the increase is due to Mendus reducing its number of employees during 2023 and in connection with this, severance pay has been paid. KSEK 74 is attributable to exchange rate differences.

Stockholm, April 2024

Mendus AB (publ)

The board of directors