Cereno Scientific

Our vision is to develop innovative treatments to prolong life and improve quality of life for people with common and rare cardiovascular disease.

January – December

Year-end-report 2023

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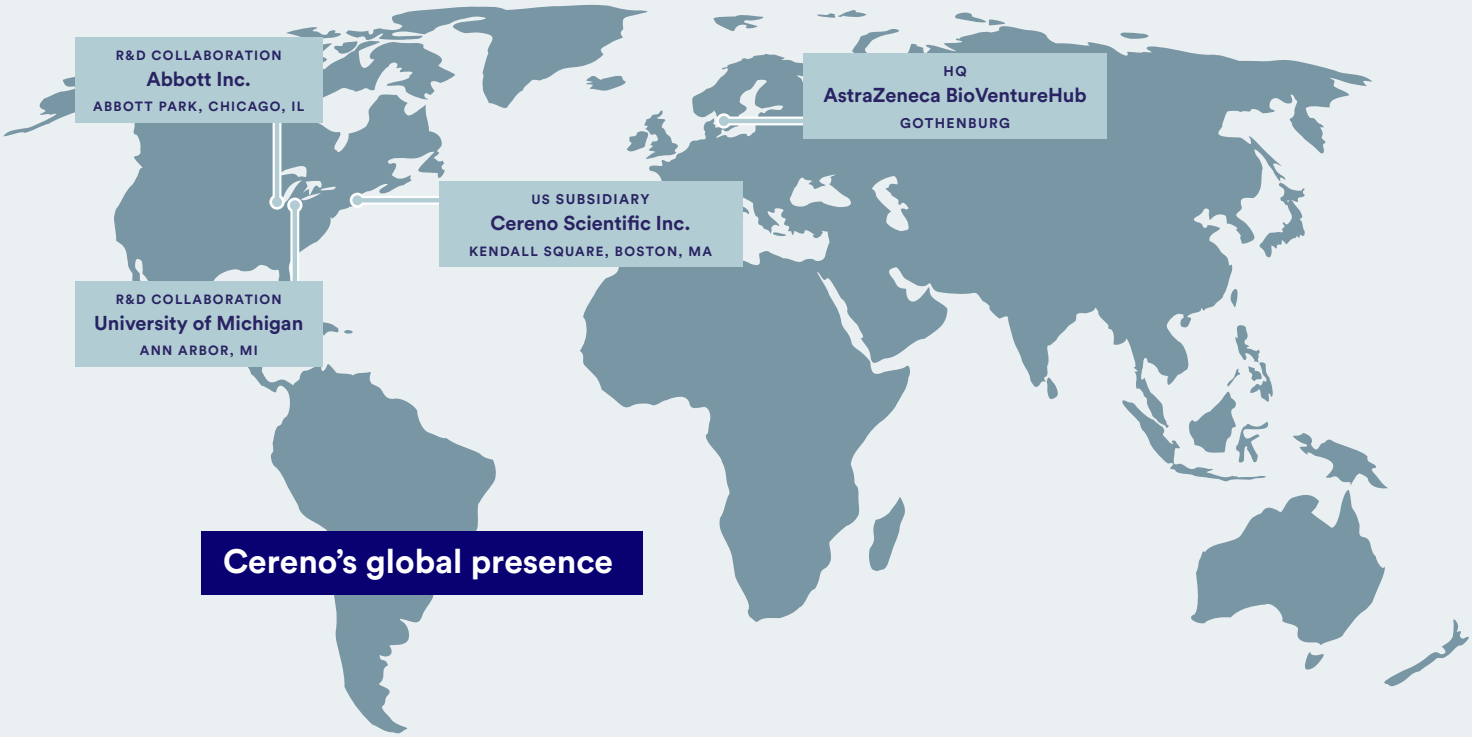


Cereno Scientific in brief

June 2023

Listed on Nasdaq First North Growth Market

(CRNO B)

Cereno Scientific is a clinical-stage biotech company focusing on developing innovative, effective, and safe treatments for patients affected by common and rare cardiovascular disease where great unmet medical needs persist.

Cardiovascular disease is the number one cause of death globally, killing nearly twice as many people as cancer. The term cardiovascular disease includes all diseases which involve the heart and/or the blood vessels. A majority of the complications associated with cardiovascular disease are caused by a blocking blood clot in a vein or artery in the body. Many people affected by a blood clot have as a consequence, for example, a heart attack, secondary heart failure, cardiac arrhythmias, stroke or other direct manifestations of blood clots in lungs or peripheral vessels.

Cereno's pipeline comprises:

- **Drug candidate CS1 in Phase II** is being developed as a treatment of the rare disease pulmonary arterial hypertension (PAH).
- **Drug candidate CS014 in late preclinical phase** is being developed as a treatment for thrombosis prevention.
- **Drug candidate CS585 in preclinical phase** is being evaluated as a treatment for cardiovascular disease.

Fourth quarter summary

Financial overview

	Group		Parent company	
(SEK)	Oct-Dec 2023	Oct-Dec 2022	Oct-Dec 2023	Oct-Dec 2022
Result after financial items	-21 933 596	-8 635 283	-21 936 821	-8 536 630
Earnings per share before dilution	-0.09	-0.06	-0.09	-0.06
Earnings per share after dilution*	-0.07	-0.06	-0.07	-0.06
Equity/assets ratio	75.9 %	93.4 %	75.9 %	93.5 %
Cash and bank balances	87 168 535	67 045 679	87 102 526	67 012 503

	Group		Parent company	
(SEK)	Jan-Dec 2023	Jan-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Result after financial items	-48 106 210	-27 648 649	-48 181 632	-27 747 301
Earnings per share before dilution	-0.21	-0.20	-0.12	-0.20
Earnings per share after dilution*	-0.16	-0.19	-0.16	-0.19
Equity/assets ratio	75.9 %	93.4 %	75.9 %	93.5 %
Cash and bank balances	87 168 535	67 045 679	87 102 526	67 012 503

Earnings per share: Profit/loss for the period divided by 233 775 234 shares as of 31 December, 2023 and 137 514 844 shares as of 31 December, 2022.

*Diluted earnings per share: Profit/loss for the period divided by shares outstanding and warrants as of the balance sheet date, 31 December 2023 and 31 December 2022, respectively.

Significant events during the fourth quarter

- October 13, the company reported positive results from the data quality control review initiative in the Phase II study of CS1 in rare disease pulmonary arterial hypertension (PAH). Some of the key findings were:
    - The DQCR concluded no concerning issues with digital data transfer and patient/physician protocol adherence.
    - The DQCR shows several patients with a reduction in mPAP of similar or greater magnitude as the initial Patient Case as measured with CardioMEMS HF System over time (AUC mmHg days). This indicates a clinically meaningful efficacy potential with CS1 in reducing mPAP in patients with PAH on top of standard-of-care drug therapy.
    - The DQCR shows that more than 60% of patients on CS1, all doses included, have a sustained reduction in mPAP evaluated as the AUC.
- October 26, the company was informed that the Swedish Economic Crime Authority (ECA) had initiated a preliminary investigation related to a suspected insider trade on the Swedish stock market. No employee, member of the management team, or board member in the Company was notified about any criminal suspicion.
- On October 27, drug candidate CS1's second patent family has obtained a newly issued patent in Japan. This strengthens and broadens the intellectual property rights (IPR) for Cereno's Phase II drug candidate CS1, which is being developed for the treatment of rare disease pulmonary arterial hypertension (PAH).
- An extraordinary general meeting was held on November 7 where resolutions were made about the number of board members, remuneration to the board, election of the new board member Jeppe Øvlesen as well as about a directed issue of warrants to the new board member and adoption of a new incentive program.
- Cereno's drug candidate CS585 was highlighted by top-tier medical journal Blood as a promising novel anti-thrombotic strategy without risk of bleeding, which was announced on November 8. The paper on CS585 was selected to feature in the journal's Blood Podcast as well as awarded a commentary titled "Targeting prostacyclin: all gain with no pain?" concluding that the discoveries reported by Stanger and colleagues mark a possible important milestone to improve anti-thrombotic strategies.
- On November 17, the company reported significant progress and a timeline adjustment in the Phase II study of CS1 in rare disease PAH. The timeline adjustment was due to a slower recruitment pace than estimated during the months before and a longer start-up phase for two new clinics had affected the study timeline.
- On November 17, the company reported entering a loan of 90 MSEK, extending the company's financial runway into 2025 and strengthens partnering opportunities.
- On November 17, the company announced the intention to submit a request for expanded access to investigational drug CS1 for use as a treatment outside of a clinical trial, sometimes called "compassionate use." The initiative was prompted by a request from an investigator in the ongoing Phase II study of CS1.
- On November 24, the company reported that Board Member Jeppe Øvlesen had acquired 1 000 000 warrants of series 2023/2026:3 within the framework of the company's incentive program; and that Kristina Runge, Head of Office and Administration, had acquired 250 000 warrants of series 2023/2026:4.
- On November 28, Cereno announced that drug candidate CS1's third patent family obtained a patent in India. This strengthened and broadened the intellectual property rights (IPR) for Cereno's Phase II drug candidate CS1, which is being developed for the treatment of rare disease pulmonary arterial hypertension (PAH).
- On November 29–30, CEO Sten Sörensen attended the Nordic Life Science Days in Copenhagen, as part of the company's intensified efforts into business development, partnering and M&A. Nordic Life Science Days is the largest Nordic partnering conference dedicated to the life science industry. NLS Days attracts global leading decision makers from biotech, pharma and medtech as well as finance, research, policy and regulatory authorities.
- On December 1, Cereno announced that the preclinical safety program for drug candidate CS014 had successfully been completed. The safety documentation is a key component needed to apply for permission from regulatory authorities to start a first-in-human Phase I study. The Phase I study will be conducted in Sweden in partnership with the contract research organization (CRO) Clinical Trial Consultants (CTC) and is planned to start during the first half of 2024.
- On December 6–7, CEO Sten R. Sörensen attended the 8th Annual Conference NAHC 2023 in New York City. The event took place over two days in New York City and is an invitation-only event. NAHC brings together leading Nordic biotechnology, co-tech and health technology companies and investors, partners, and business development managers, together with an outstanding network of private and public sector contributors – all committed to

promoting cooperation between the US and the Nordic health service.

- On December 9–12, Cereno presented two abstracts on the preclinical drug candidates CS014 and CS585 at the 65th ASH Annual Meeting & Exposition organized by the American Society of Hematology, in San Diego, US. The abstract on CS014 concluded that CS014 has the potential to enrich the toolbox of antithrombotic therapies to prevent thrombosis without bleeding in patients with a high risk of thrombotic events. The abstract on CS585 concluded that CS585 provides a new option of activating the IP receptor to decrease platelet reactivity and could represent the first viable option for targeting the IP receptor on platelets for primary inhibition of thrombosis with a reduced risk of bleeding.

- In the 20th anniversary December issue of the prestigious Journal of Thrombosis and Haemostasis, a review article titled "Antiplatelet strategies: past, present, and future" highlighted the company's innovative drug candidate CS585 as a promising future strategy in reducing platelet activity.

- On December 19, Cereno announced a change of Certified Adviser from Mangold Fondkommission to Carnegie Investment Bank as per January 1, 2024.

- On December 21, the company announced that a new clinic had been activated in the ongoing Phase II study of CS1 in the rare disease pulmonary arterial hypertension (PAH).

Significant events after the period

- On January 3, Cereno submitted a request to the FDA for Expanded Access, sometimes called “compassionate use”, to use CS1 in an extension of the ongoing Phase II trial evaluating CS1 in PAH. The “compassionate use” Expanded Access Program will initially be limited to patients who have completed the Phase II study in PAH.

- On January 5, the company announced that a research article on the innovative study design of the ongoing Phase II study of drug candidate CS1 in pulmonary arterial hypertension (PAH) had been published in the renowned medical journal Pulmonary Circulation. The research article concludes that CS1 represents a potential novel disease-modifying treatment for PAH.

- On January 11, Cereno signed an agreement with CordenPharma, a Contract Development and Manufacturing Organization (CDMO). CordenPharma is contracted to manufacture drug candidate CS1 in larger quantities, so-called scale-up manufacturing, needed to ensure supply to conduct the next clinical trial and later when approved for market launch. A request for Extended Access (also called “compassionate use”) for the use of CS1 was at the time under consideration by the FDA, which, if accepted, would require a supply of CS1 to PAH patients for whom there may be a request to continue treatment long-term with CS1 after the initial Phase II study. With this contract, we also secured long-term availability of CS1 supply for the Extended Access Program.

- On January 12, the company announced that Tatiane Abreu Dall’Agnol had joined the company as Medical Director. She will be part of the company’s R&D team and report to Björn Dahlöf.

- On January 17, Cereno announced that drug candidate CS014, a novel HDAC inhibitor, has obtained an issued patent in the UK. This is the drug candidate’s first patent that strengthens the positioning of CS014, which is currently in the preparatory stages of a Phase I study and being developed to effectively prevent thrombosis without increasing the risk of bleeding.

- On January 22, Cereno announced that equity research company Edison Investment Research has been engaged by Cereno to produce regular, in-depth research on the company. The intention is to raise the visibility of the company and enable investors and stakeholders to develop an improved understanding of the business.

- On January 31–February 3, CEO Sten R. Sörensen, Dr. Raymond Benza, System Director of Pulmonary Hypertension at Mount Sinai Icahn School of Medicine, New York City, Principal Investigator of the Phase II study of CS1, and member of Cereno’s Scientific Advisory Board as well as CMO Björn Dahlöf, attended the PVRI 2024 Annual Congress organized by the Pulmonary Vascular Research Institute. The PVRI 2024 Annual Congress: “The next 50 years of pulmonary hypertension - a global view” is a top pulmonary vascular congress globally.

- On January 31, Cereno was granted approval by the FDA for Expanded Access, sometimes called “compassionate use”, to investigational drug CS1 for use in an extension of the ongoing Phase II trial evaluating CS1 in pulmonary arterial hypertension (PAH). This is an important milestone on our path toward making a difference for patients with the deadly rare disease PAH.

- On February 1, Megha Ranjan joined the company as Project Director. She will be part of the company’s business and operational team and report to Sten R. Sörensen, Chief Executive Officer (CEO).

- On February 2, Julia Fransson joined the company as Director of Business Development. Julia will be a great addition to our team in developing value leverage to our BD strategies as well as working across functions to coordinate our commercial business focus.

- On February 13, the company announced that Dr. Rahul Agrawal had been appointed as Chief Medical Officer and Head of R&D. The recruitment followed an intense period in the clinical-stage biotech’s growth journey. With a background in leading and/or co-designing close to 30 clinical trials with over 200,000 patients, he will play a significant role in moving the development of CS1 into a pivotal clinical study phase, and starting up CS014 in Phase I.

- On February 13, Cereno announced that they have expanded the Executive Management Team with CEO Sten R. Sörensen, CSO Björn Dahlöf, Head of Preclinical Development Nicholas Oakes and Chief Financial Officer Eva Jagenheim, to include the newly appointed Chief Medical Officer & Head of Research & Development Rahul Agrawal and the Business Development Director Julia Fransson, to strengthen focus on the strategic priorities in development programs of lead candidate drug CS1 in PAH, and CS014 in thrombosis prevention and CS585 in thrombosis prevention in a CV indication not yet decided.

- On February 21, it came to our attention that equity research company Edison had initiated coverage of Cereno with a valuation of SEK 2.32bn and a price range of SEK 9.9/share.

- On February 21, Cereno announced an update on the progress of the Phase II study of CS1 in PAH, with substantial interest in the FDA-approved Expanded Access Program (“compassionate use”) for patients who have completed the Phase II study, with investigators indicating that a majority of the patients at their sites who have completed the study would be interested in continued access to CS1 following study completion. The company reports significant progress in the study, however, a slower recruitment pace than estimated during the last months and a longer start-up phase for two new clinics have affected the study timeline and top-line results are expected in Q3 2024.

Letter from the CEO

The last quarter of the year brought several positive developments for Cereno Scientific and we entered 2024 with a positive outlook. During the fourth quarter we were happy to report progress in the CS1 study program with promising findings from the data quality control review (DQCR) of the Phase II PAH study and a subsequent submission to the FDA of an Expanded Access Program (EAP) ("compassionate use") enabling continued access to CS1 for patients who have completed the Phase II study. We are pleased to announce that the EAP was approved by the FDA during the start of 2024 and that we are seeing substantial interest in the program, with investigators indicating that close to two-thirds of the patients, having completed the study or are currently on therapy, have been judged to be interested in continued access to CS1 following study completion. CS014 is also taking strides toward the clinic and met an important milestone with a successfully completed safety program. Our commitment and ability to deliver on our strategy was further strengthened through a loan of 90 MSEK, extending the company's financial runway into 2025 to perform further studies and accelerate partnership activities.

We have already seen a high level of interest in the Expanded Access Program with close to two-thirds of the patients, having completed the study or are currently on therapy, have been judged to be interested in continued access to CS1 following study completion.

- Sten R. Sörensen, CEO

Phase II Study with CS1 in Pulmonary Arterial Hypertension (PAH) – further signs of efficacy and high interest in approved Expanded Access Program

I would like to start with highlighting the positive findings from the data quality control review (DQCR) initiative of data obtained by the CardioMEMS HF System from the first 16 patients in the Phase II study of CS1 for PAH. The data quality of the CardioMEMS measurements was found satisfactory with adherence to study protocol and with timely data transfers from the patient's home to the clinic. We were also intrigued to see efficacy findings showing a clinically meaningful reduction of pulmonary pressure in several patients, included in the data quality control, already after 3 weeks of treatment with CS1, in line with the results from the previously communicated Patient Case. These findings, combined with the, previously announced, Patient Case data, provide valuable information for us to initiate planning of a pivotal clinical study for CS1 in PAH while the Phase II study will continue to run to completion according to plan. We are now confident that top-line data, once reported, will comprise optimal data quality for efficacy data on CS1, which strengthens both our scientific and business case moving forward.

In late January FDA gave us the green light for "compassionate use" of CS1 in the US under an Expanded Access Program. This means that patients who have completed the Phase II study, now have the option to continue CS1 therapy if judged beneficial by the investigator, and subject to approval by the ethics committee at the local hospital. Our EAP will allow for gathering of crucial long-term safety and efficacy data for CS1 in PAH patients under an official FDA-approved protocol. This initiative not only extends support to those suffering from PAH, but also provides valuable support for potential future FDA applications, including fast-track designation/breakthrough therapy and IND acceptance for a Phase IIb/III pivotal study with CS1. We have already seen a high level of interest in the EAP with close to two-thirds of the patients, having completed the

study or are currently on therapy, have been judged to be interested in continued access to CS1 following study completion. CDMO CordenPharma has been contracted to manufacture drug candidate CS1 in larger quantities, so-called scale-up manufacturing, to ensure timely supply, and safeguarding long-term availability, of CS1 both for the EAP and as preparation for the next study.

During the quarter we also activated a new clinic in the ongoing Phase II study, which we believe will be a significant contributor to the recruitment of patients. While I can report considerable progress in the study, due to a longer start-up phase for the two new study sites than previously estimated, the study timeline has been negatively affected and top-line results are now expected in Q3 2024.

During Q4 2023, we also expanded our patent protection for CS1 in Japan and India. Japan is one of the largest global pharmaceutical markets and India is also a major pharmaceutical market and a valuable addition to our patent portfolio. This strengthens and broadens the intellectual property rights (IPR) for CS1. The expansion of CS1's patent portfolio plays an important role in shaping its forthcoming commercial strategy, which will be bolstered by robust clinical data.

CS014 soon to be a clinical candidate, ramping up to start Phase I study

At the end of 2023, we shared that the team had successfully completed the safety program for CS014, which is necessary for the submission of an application to start Phase I. The safety documentation is a key component needed to apply for permission from regulatory authorities to start a first-in-human Phase I study and is as such an important milestone for Cereno and the CS014 program. The Phase I study will be conducted in Sweden in partnership with the contract research organization (CRO) Clinical Trial Consultants (CTC) and is planned to start during the first half of 2024. We are excited to now have moved one step closer towards the next important inflection point for CS014, and to having two promising clinical candidates in our portfolio.

After our February 2023 announcement about CS014's progression towards clinical development for preventing thrombosis, we were glad to be able to present new positive preclinical data in December at the 65th ASH Annual Meeting & Exposition. What we have documented is that when combined with rivaroxaban, CS014 inhibits the formation of platelet and fibrin-rich thrombosis without adding to the bleeding risk. These data show that CS014 has the potential to enrich the toolbox of antithrombotic therapies to prevent thrombosis without bleeding in patients with a high risk of thrombotic events.

Recently, in January 2024, CS014 obtained an issued patent in the UK. This is the drug candidate's first patent, a significant milestone for our CS014 project that further strengthens the commercial positioning of CS014.

CS585 is gaining international attention as promising anti-thrombotic treatment strategy

Our drug candidate CS585 is making an impression on the medical world. The prestigious medical journal Blood featured CS585 as a promising novel anti-thrombotic strategy with no bleeding risks. Not only did the article catch the eye of the journal's podcast initiative where only a few articles end up, but also earned a commentary titled "Targeting prostacyclin: all gain with no pain?", concluding that the discoveries made by Stanger and colleagues is a possible important milestone to improve anti-thrombotic strategies. It is a proud moment for all of us to have our work gaining this recognition and stand out in the medical and scientific community.

In December, we presented further preclinical data that strengthen the case for CS585. The study, which was a head-to-head comparison of CS585, a novel IP receptor agonist, and FDA-approved IP receptor agonists selexipag and iloprost, concluded that CS585 provides a new option of activating the IP receptor to decrease platelet reactivity,and could represent the first viable option for targeting the IP receptor on platelets for primary inhibition of thrombosis with a reduced risk of bleeding. It is very exciting to see CS585 compared to two FDA-approved drugs and demonstrate more selective and sustained efficacy than currently available IP receptor agonists.

Expanded Operational capacity and expertise pave the way for the next step of Cereno's growth journey

Cereno has made great advances towards its vision to provide valuable, more effective, and safer drug therapies to patients in need with rare and common cardiovascular diseases over the last year in a challenging investment and market climate. Thanks to the passionate, creative, and competent work of the whole Cereno team, we indeed made great progress with all our portfolio assets. One consequence of success is growth, which is why we have made several high-quality additions to the team lately.

We are happy to have welcomed the newly elected board member, Jeppe Øvlesen, our new Medical Director Tatiane Abreu Dall'Agnol, Project Director Megha Ranjan, Director of Business Development Julia Fransson and new CMO and Head of R&D Rahul Agrawal. Julia Fransson and Rahul Agrawal have also joined our Executive Management Team. With Rahul Agrawals arrival, Björn Dahlöf will be focusing on his role as CSO providing more time for focused scientific leadership to identify and drive value of our portfolio and its vast potential. The Executive Management Team now consists of CEO Sten R. Sörensen, CSO Dr. Björn Dahlöf, CMO & Head Research & Development Dr. Rahul Agrawal, Head of Preclinical

Development Nicholas Oakes, CFO Eva Jagenheim and Director of Business Development Julia Fransson. These additions to our, already competent, Cereno team strengthens our management foundation, enhances our capabilities to advance as a company with three programs and, soon to be, two in clinical development, and bolsters our business development efforts.

Expanding awareness of Cereno at Medical and Investor Events

During Q4, I have represented the company at several medical congresses and investor events. Two of these took place during November, when Cereno attended the Nordic Life Science Days, (NLSDays), in Copenhagen, and the invitation-only Nordic-American Healthcare Conference 2023 (NAHC) in NYC. On January 31–February 3, I, together with Dr. Raymond Benza, System Director of Pulmonary Hypertension at Mount Sinai Icahn School of Medicine, New York City, Principal Investigator of the Phase II study of CS1, and member of Cereno's Scientific Advisory Board as well as CSO Björn Dahlöf, attended the PVRI 2024 Annual Congress organized by the Pulmonary Vascular Research Institute. This year's theme focused on the global future of pulmonary hypertension, aligns greatly with our mission to transform the treatment of PAH.

It's evident from these meetings that the interest in both our company and our pipeline is increasing and we have several investor and scientific engagements scheduled throughout the coming year to continue to build our network and awareness of Cereno.

Future outlook

After having secured financing through a loan of 90 MSEK, we have significantly extended the company's financial runway, ensuring stability until 2025 and strengthened our partnership opportunities. Currently, we are in the process of preparing for subscription of series 3 (TO3) warrants set to be invoked in March 2024. I hope that we will see a high subscription rate for the warrants supporting our vision to continue developing innovative treatments for common and rare cardiovascular disease, while also building shareholder value. With the combination of the loan and TO3 warrants, we believe we've secured a robust position for discussions and potential negotiations with partners.

Furthermore, the enhanced cash position supports our capabilities to deliver increasing shareholder value. We anticipate leveraging this strengthened financial standing to strategically advance all three of our programs, steering them towards future milestones adding considerable value to each of them.

The engagement of Cereno's shareholders is deeply appreciated by us and we very much look forward to being able to deliver on their expectations, creating value for them as shareholders as well as for patients and society as a whole. To help our present and potential future shareholders make well-informed decisions, we have recently engaged the equity research company Edison, to produce regular, in-depth research on Cereno. The intention is to raise the visibility of the company and enable investors and stakeholders to develop an improved understanding of our business.

Looking ahead into 2024 we look forward to achieving several impactful milestones for Cereno, with topline results of the Phase II study of CS1 in PAH and initiating First-time-in-human studies for CS014. Once again, thank you for being on this journey with us!

February 2024

Sten R. Sörensen
Chief Executive Officer
Cereno Scientific

Project portfolio

Cereno has a promising project portfolio of innovative drug candidates focused on developing effective and safe treatments for rare and common cardiovascular disease with major unmet medical needs. The company's portfolio includes a Phase II program and two preclinical programs.

Clinical phase
Tolerability, safety and efficacy studies

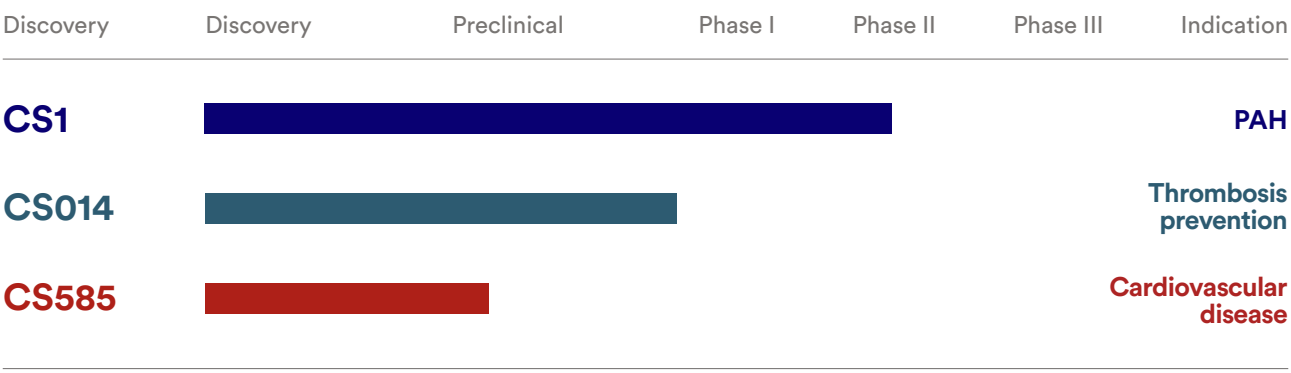
CS1
The drug candidate CS1 is an HDAC (histone deacetylase) inhibitor that acts as an epigenetic modulator through pressure-reducing, "reverse-remodeling", anti-fibrotic, anti-inflammatory and anti-thrombotic properties. CS1 is undergoing a Phase II clinical trial for the treatment of the rare disease PAH.

Preclinical phase
Studies in the laboratory to fulfill requirements to start clinical studies

CS014
Drug candidate CS014 is an HDAC inhibitor with epigenetic effects that is being developed as a treatment to effectively prevent thrombosis without increased risk of bleeding.

CS585
The drug candidate CS585 is being evaluated as a treatment for cardiovascular disease and further studies are ongoing to confirm an indication for clinical studies in cardiovascular disease.

Drug candidates in the portfolio



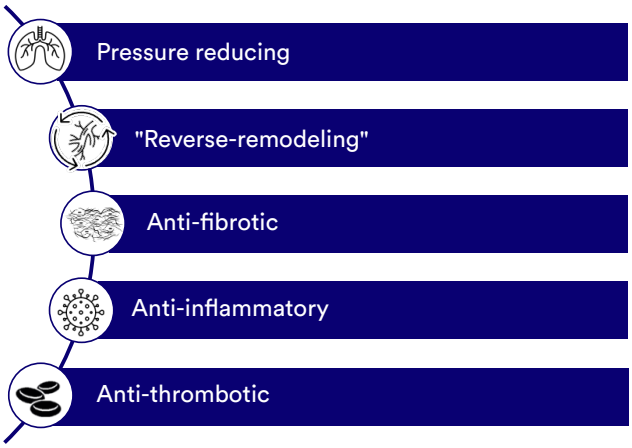
Clinical drug candidate CS1

The drug candidate CS1 is being developed as a treatment for the rare disease pulmonary arterial hypertension (PAH). The aim of CS1's development is to offer a disease-modifying drug that potentially can slow down, or reverse, the course of disease and thus improve the patient's quality of life and prolong the patients' life. A Phase II study with ten clinics, and one additional clinic to be opened, in the US is ongoing in collaboration with the global healthcare company Abbott.

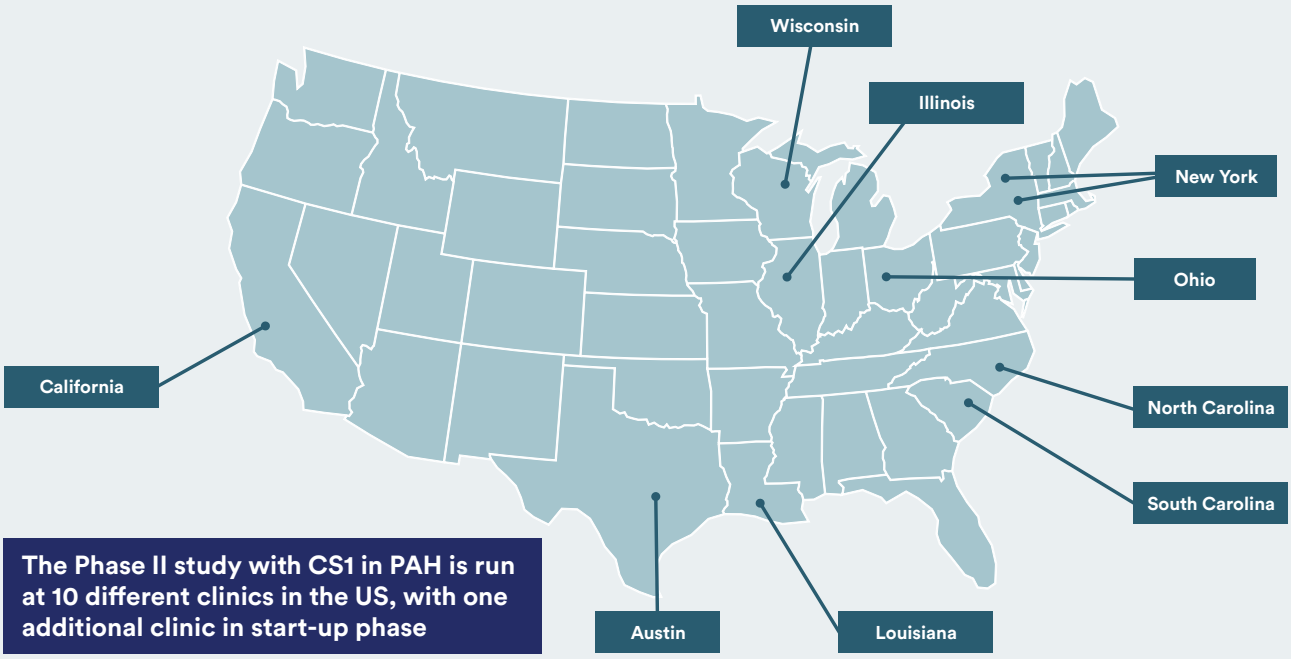
CS1 is an innovative formulation of valproic acid (VPA) and is an HDAC inhibitor that has received orphan drug designation for the treatment of PAH. CS1's active substance VPA works through epigenetic modulation with a multifold efficacy profile that is pressure-reducing, "reverse-remodeling" and has anti-fibrotic, anti-inflammatory, and anti-thrombotic properties. CS1 has the potential to offer an effective, safe and disease-modifying PAH treatment through epigenetic modulation and thus be able to offer improved quality of life and increased survival. CS1, therefore, has the potential to completely change the treatment landscape for PAH patients.

The documentation of CS1's properties has been demonstrated through in vitro models, animal models, human physiological data, independent epidemiological studies and a successfully completed Phase I study. In preclinical studies and clinical studies of the anti-thrombotic effect, CS1 showed an improvement of the endogenous fibrinolytic system by supporting thrombolysis through the effect on local release of t-PA and reduction of the blood levels of PAI-1. With the Phase I clinical trial, CS1 demonstrated good safety and tolerability, robust reduction of PAI-1 and no problems with bleeding.

Overall, CS1 shows promising potential with a multifold efficacy profile with properties such as:



CS1 is being developed as a treatment for the rare disease PAH with the aim of offering patients a better and safer disease-modifying drug. CS1's unique efficacy profile fits well with the pathogenetic mechanisms of rare disease PAH and is believed to be able to address today's major unmet need for better treatment alternatives.



The Phase II study with CS1 in PAH is run at 10 different clinics in the US, with one additional clinic in start-up phase

Phase II study in PAH

CS1's unique efficacy profile has been shown to be a good match with the pathogenetic mechanisms of the rare disease PAH and is believed to have potential as a disease-modifying treatment in the future.

The development program for CS1 in PAH is anchored in the orphan drug designation (ODD) granted by the US FDA in March 2020. The FDA grants national orphan drug designation to encourage the development of drugs intended for the treatment of rare diseases in the US. Several incentives are associated with orphan drug status to facilitate drug development and they include, among other things, seven years of market exclusivity in the US from approval, assistance from the FDA in the design of clinical studies, and tax credits for qualified study costs. Through the granted orphan drug status, the FDA has also indicated that they believe that CS1 has the potential to offer patients with PAH a significantly improved treatment.

A Phase II clinical trial is ongoing to confirm CS1's safety, tolerability and efficacy in patients with PAH. A collaboration agreement with the global healthcare company Abbott is the basis for Cereno to be able to use Abbott's pioneering technology, the CardioMEMS HF System, in the study. The technology will be used to daily monitor pulmonary pressure and other cardiopulmonary function in patients in the Phase II study. The primary objective of the study is to evaluate the safety and tolerability of the drug candidate CS1. All relevant standard endpoints used in previous PAH studies for this patient group will also be evaluated and a validated estimate of risk is calculated and various biomarkers, quality of life and various aspects of cardiac function are evaluated. Cereno expects that the optimal dose for later clinical trials will be able to be determined from the study. The study is being conducted at ten different specialist clinics in the USA, with one additional clinic in late start-up phase, and includes 30 patients.

Remarkable patient case study data

Data from a patient case study reviewed during the ongoing study was reported in June 2023. The data is based on one patient, the first patient that completed the study at the site where the investigator who initiated the case study was based. The main aim of the case study was to control the utility of CardioMEMS HF System. In summary, data indicated that CS1 has a positive effect on pulmonary arterial pressure and cardiac function. It further indicated the utility of CardioMEMS in evaluating drug medication effectiveness in PAH.

Findings of the case study, carried out during a 12-week treatment period with CS1, further show that the patient's mean pulmonary arterial (PA) pressure was reduced from 33 mmHg at baseline to 23 mmHg at the end of the period. Cardiac output was increased from 4.7 L/min at baseline to 5.6 L/min. Right ventricular (RV) stroke volume (SV) also increased when treated with CS1 over time, together with SV index and RV efficiency. These changes were accompanied by reductions in RV stroke work and total pulmonary resistance (TPR). The patient required no changes to her PAH medication during the study, and her status was improved from NYHA/WHO functional class II to functional class I at the end of the treatment period. There were no adverse events related to the CardioMEMS sensor implantation or the device itself and there were no serious adverse events reported on CS1.

In addition to the data related to the effects of CS1 in the PAH patient, the case study indicates that using the CardioMEMS permits safe daily remote monitoring of pulmonary arterial (PA) pressure over time in patients with PAH, permitting assessment of medication effectiveness on an individual patient level.

The collaboration with the global healthcare company Abbott allows Cereno to use Abbotts pioneering implantable technology CardioMEMS HF System in the ongoing Phase II-study with CS1 in PAH.

The technology is used to be able to monitor the lung pressure of patients in the study on a daily basis. Through the continuous monitoring, a smaller patient population than would otherwise be necessary can be used, which means that the study can be conducted more resource-efficiently. In addition, the function of the heart can be measured to see an effect of the medication with CS1.

CardioMEMS is a safe method already approved for monitoring in heart failure. With the current Phase II study, Abbott also gets the opportunity to test its system on a new disease indication. The study has received recognition for its innovative study design and has been presented at significant scientific congresses.

Positive finding from the Data Quality Control Review

In October, an initiative for Data Quality Controll Review (DQCR) was completed with the aim of correcting potential deviations from the set protocol or identifying issues around data transfer from the patient's home to the clinic to increase standardization of the data and also obtain an early indication of CS1's efficacy. The DQCR was performed on blinded data regarding the individual patient dosing. The review included data obtained by the CardioMEMS HF System from the first 16 patients enrolled in the Phase II study.

Key findings from the DQCR:

1. The DQCR concluded no concerning issues with digital data transfer and patient/physician protocol adherence.
2. The DQCR shows several patients with a reduction in mPAP of similar or greater magnitude as the initial Patient Case as measured with CardioMEMS HF System over time (AUC mmHg days). This indicates a clinically meaningful efficacy potential with CS1 in reducing mPAP in patients with PAH on top of standard-of-care drug therapy.
3. The DQCR shows that more than 60% of patients on CS1, all doses included, have a sustained reduction in mPAP evaluated as the AUC.
4. Reductions of mPAP (AUC) as so far seen in several patients in this study are clinically meaningful for patients with PAH.
5. The DQCR indicates an efficacy response compatible with a dose-response pattern. As the analysis was performed with dosages blinded, the final assessment of a dose-response relationship will need to await unblinding of the data at the end of the study.
6. The DQCR indicates an early onset of action with drug therapy of CS1 as measured by the reduction of mPAP. This early onset was observed already after 3 weeks for several patients.
7. The DQCR showed a sustained reduction of mPAP in the 2-week follow-up period after the 12-week period of therapy with CS1 was discontinued.

The Phase II study will continue to completion without any changes to the study protocol. Top-line results are expected in Q3 2024. The DQCR findings are not based on data from all patients participating in the Phase II study and some patients in this analysis have not completed the full study period. The final results of the study may differ from the findings in this DQCR and should not in any way be seen as a guarantee regarding the outcome and conclusions of the upcoming final Phase II study results.

"Compassionate use" of CS1

Since January 2024, CS1 is approved by the FDA for Expanded Access, or "Compassionate Use", as an extension of the ongoing Phase II trial evaluating CS1 in pulmonary arterial hypertension (PAH). The Expanded Access Program will provide Cereno with the opportunity to, under a formal FDA-approved protocol, collect safety and efficacy data from long-term exposure to CS1 in patients with PAH. This initiative not only extends support to those suffering from PAH, but also provides valuable support for potential future FDA applications, including fast-track designation/breakthrough therapy and IND acceptance for a Phase IIb/III pivotal study with CS1. We have already seen a high level of interest in the EAP with close to two-thirds of the patients, having completed the study or are currently on therapy, have been judged to be interested in continued access to CS1 following study completion.

Patent overview

Cereno has three patent families in relation to the drug candidate CS1. In these three patent families, there are granted patents in the most important global markets, including Australia, Europe, India, Israel, Japan, Canada, Malaysia, Mexico, the USA, Russia and South Korea. Additional patent applications are undergoing national registration processes in other strategically selected markets, which, if approved, could provide additional market exclusivity.

Preclinical drug candidate CS014

The drug candidate CS014 belongs to the preclinical HDAC inhibitor program consisting of HDAC inhibitors that act through epigenetic modulation. In March 2019, CS014 was acquired from Emeriti Bio and has since been developed in a collaboration between Cereno and Emeriti Bio. The drug candidate CS014 is being developed as a future treatment to effectively prevent thrombosis without increasing the risk of bleeding.

CS014 as an HDAC inhibitor with epigenetic effects is a completely new approach to thrombosis prevention with the potential to effectively reduce the risk of developing thrombosis without increased bleeding risk. Given the potential for the additional disease-modifying properties seen with HDAC inhibition (see details under CS1), additional benefit may be expected from treatment with CS014 in thrombosis prevention in cardiovascular disease as inflammation, fibrosis, vascular changes and elevated blood pressure are common in these conditions. HDAC inhibition as thrombosis prevention has the opportunity to fundamentally change the treatment landscape and meet a major unmet medical need.

In preclinical studies, CS014 has, in both venous and arterial thrombosis, shown to reduce the formation of thrombosis by inhibiting platelet activity and increase the fibrinolytic capacity. Preclinical data were presented at the scientific congress ESC in August 2022 where these anti-thrombotic effects on both the venous and arterial side without increased bleeding risk were well received by the scientific community. This shows that CS014 has the potential to become a treatment option in both forms of thrombosis: venous thrombosis and arterial thrombosis. With the help of HDAC inhibitor CS014 and epigenetic modulation, it would be possible in the clinic to prevent thrombosis without an increased risk of bleeding. Additional preclinical and clinical studies will be conducted to determine the first indication where CS014 has the greatest potential as a treatment to prevent thrombosis.

The preclinical development program with CS014 is ongoing in collaboration with the University of Michigan. The preclinical safety program for CS014 was successfully completed in December 2023. The safety documentation is a key component needed to apply for permission from regulatory authorities to start a first-in-human Phase I study. Preparations to start clinical studies are ongoing. In April 2023, the preclinical collaboration agreement with the University of Michigan was extended for both CS014 and CS585. Cereno aims to be able to start a first-in-human Phase I study with CS014 in the second quarter of 2024 in the indication thrombosis prevention..

Cereno is collaborating with contract research organization (CRO) Clinical Trial Consultants (CTC) to conduct the Phase I study of CS014.

Preclinical drug candidate CS585

The drug candidate CS585 belongs to the preclinical prostacyclin receptor agonist (PRA) program. CS585 has, in initial in vivo animal models, demonstrated the potential to significantly improve disease mechanisms relevant to selected cardiovascular diseases.

The drug candidate CS585 has not yet been assigned a specific indication for clinical development as evaluation in the preclinical program is still ongoing.

In preclinical studies, CS585 has shown efficacy by stimulation of the prostacyclin (IP) receptor and thus prevents thrombosis without increased risk of bleeding. Preclinical data were presented at the scientific congress EHA 2022 and the US-based scientific congress ACC.23/WCC in March 2023. These preclinical data demonstrate that CS585 may have the potential to become one of the most effective PRA treatment for the indications PAH and thrombosis prevention.

In early April 2023, Cereno signed a license agreement for drug candidate CS585 with the University of Michigan. The agreement provides Cereno exclusive rights to further development and commercialization of CS585. In April 2023, the preclinical collaboration agreement with the University of Michigan was also extended for both CS014 and CS585.

In early November 2023, CS585 was highlighted by top-tier medical journal Blood as a promising novel anti-thrombotic strategy without risk of bleeding.

In early December 2023, preclinical data was presented that conclude that CS585 provides a new option of activating the IP receptor to decrease platelet reactivity and could represent the first viable option for targeting the IP receptor on platelets for primary inhibition of thrombosis with a reduced risk of bleeding. For the first time, a head-to-head comparison of CS585, a novel IP receptor agonist, was conducted with the FDA-approved IP receptor agonists selexipag and iloprost. The preclinical results with CS585 indicate a favourable profile for inhibiting platelet activation and clot formation and demonstrate a sustained duration of action in mice in the ability to inhibit platelet activation through multiple routes of administration.

Research collaboration with the University of Michigan

The University of Michigan is a top-ranked public research university in Ann Arbor, Michigan, USA with an extensive track record of successful collaborations with the pharmaceutical industry. The university has one of the largest annual academic research budgets of any university in the United States. Over US$1.6 billion is spent each year on research and development across the 2.8 million square meter laboratory area. The university has 6,200 faculty members and approximately 38,000 employees. Dr. Michael Holinstat leads work on Cereno's two preclinical programs at the University. Dr. Michael Holinstat received his PhD in pharmacology from the University of Illinois at Chicago and completed post-doctoral training at Vanderbilt University in Nashville. His research areas have included thrombosis, pharmacology and hematology. Dr. Holinstat is a professor of pharmacology and leads the translational programs in drug development in hemostasis and thrombosis at the Department of Pharmacology at the University of Michigan. Dr. Holinstat has built a "state of the art" laboratory to investigate the effects of various pharmacological principles on platelets and coagulation both in vitro and in vivo.

The group's performance, January-December 2023

Financial performance

During the fourth quarter, the group has mainly invested in the implementation of the Phase II clinical study with CS1 in PAH, in the development of the patent portfolio, and in preclinical studies with CS585 and CS014. At the end of the fourth quarter-year, the group had a cash balance of SEK 87 million and an equity ratio of 75.9 %.

Risk factors

A number of risk factors can have a negative impact on Cereno Scientific's operations. It is therefore of great importance to take into account relevant risks in addition to the company's growth opportunities. These risks are described without mutual arrangement and without claims to be comprehensive in the company's prospectus issued in connection with the rights issue in May 2023 and which can be read on the Company's website.

Company structure and shareholding

Cereno Scientific Group comprises parent company Cereno Scientific AB and its US subsidiary Cereno Scientific Inc. The US subsidiary was formed on 20 December 2019, and is wholly owned by Cereno Scientific AB.

Company share

Cereno Scientific's B shares were listed on Spotlight Stock Market on 22 June 2016 but since 1 July 2023 the shares are trading on Nasdaq First North Growth Market with the short name "CRNO B" and ISIN code SE0008241558. Carnegie Investment Bank AB, Regeringsgatan 56, 103 38, Stockholm, is Cereno Scientific's Certified Advisor and helps the company comply with Nasdaq First North Growth Market rules and regulations.

Share capital

Cereno Scientific's share capital was, as of the balance sheet date 31 December 2023, divided into 233 775 234 shares. The company has two classes of shares, of which 722 248 are A shares. The A share gives ten (10) votes per share. Each B share gives one (1) vote per share. Each share carries an equal right to a share in the company's assets and results. The share's quota value (share capital divided by the number of shares) amounts to SEK 0.10.

Warrants of convertible loans

The financing agreement concluded with the European High Growth Opportunities Securitization Fund on 1 March 2019 and consisted of convertible loans and associated warrants. The company no longer has any outstanding convertible loans. During December 2021 Cereno Scientific repurchased 1 105 262 warrants. The number of warrants that remain outstanding after the repurchase amounts to 1 142 307. After the completed share issue in May 2023, the restated number of Class B shares that the warrants give entitlement to is 1 440 157. The subscription price for the new shares that the warrants can be used to subscribe to have been recalculated after the directed issue in September 2020 and is SEK 1.90. The warrants have a maturity of five years from their respective registration dates.

Warrants of series 2019/2023 N01 and series 2019/2023 S01

The Extraordinary General Meeting on 28 August 2019 resolved to issue 650 000 warrants, of which 450 000 relate to key persons (series 2019/2023 N01) and 200 000 relate to operational Board members (series 2019/2023 S01). After the completed share issue in May 2023, the restated number of Class B shares that the warrants give entitlement to is 907 071 with a subscription price of SEK 10.94. The warrants could be used for subscribing for Class B shares during the period 1 April – 31 October 2023.

Warrants of series 2019/2023 SAB01

On 6 September 2019, the Board of Directors of Cereno Scientific resolved to issue 300,000 warrants to members of the company's Scientific Advisory Board (series 2019/2023 SAB01). After the completed share issue in May 2023, the restated number of Class B shares that the warrants give entitlement to is 418 648 with a subscription price of SEK 10.94. The warrant could be used for subscribing for Class B shares during the period from 1 April 2023 to 31 October 2023.

Long-term employee stock option program (qualified employee stock options) for employees

The Extraordinary General Meeting on 28 February 2022 resolved to implement a long-term incentive program for employees of the company, through the issue of not more than 3,000,000 qualified employee stock options, which will be granted to the participants without consideration. Each stock options entitles the participant to acquire one new share of series B in the company at an exercise price amounting to SEK 0.10, equivalent of the share's quota value. Allocation of stock options to the participants shall be made no later than 31 December 2022. The allocated stock options vest for 36 months and may only be utilized to acquire new shares if the participant still is an employee of the company and all other requirements for qualified employee stock options under the Swedish Income Tax Act are fulfilled. The participant may utilize allocated and vested stock options from the end of the vesting period up to and during the entire tenth year calculated from the date of allocation. The Meeting also resolved to issue not more than 3,000,000 warrants to enable delivery of new shares to the participants of the program. A total of 2 444 442 stock options was allocated to employees before 31 December 2022. With employees who have left their employment with the company taken into account, the number of allocated stock options that remains amounts to 1 666 665. After the completed share issue in May 2023, the restated number of Class B shares that the stock options give entitlement to is 1 754 719.

Long-term employee stock option program (qualified employee stock options) for board members

The Extraordinary General Meeting on 28 February 2022 resolved to implement a long-term incentive program for board members of the company, through the issue of not more than 1,111,111 qualified employee stock options, which will be granted to the participants without consideration. Each stock options entitles the participant to acquire one new share of series B in the company at an exercise price amounting to SEK 0.10, equivalent of the share's quota value. Allocation of stock options to the participants shall be made no later than 31 December 2022. The allocated stock options vest for 36 months and may only be utilized to acquire new shares if the participant still is a board member or otherwise remain engaged in the company and all other requirements for qualified employee stock options under the Swedish Income Tax Act are fulfilled. The participant may utilize allocated and vested stock options from the end of the vesting period up to and during the entire tenth year calculated from the date of allocation. The Meeting also resolved to issue not more than 1,111,111 warrants to enable delivery of new shares to the participants of the program. A total of 1 111 110 stock options was allocated to board members before 31 December 2022. With board members who have left their engagement with the company taken to into account, the number of allocated stock options that remains amounts to 444 444. After the completed share issue in May 2023, the restated number of Class B shares that the stock options give entitlement to is 467 925.

Implementation of a long-term incentive program (warrants)

The Extraordinary General Meeting on 28 February 2022 resolved to implement a long-term incentive program for certain key individuals in the company that cannot be allocated qualified employee stock options, through the issue of not more than 3,333,333 warrants. After the completed share issue in May 2023, the restated number of Class B shares that the warrants give entitlement to is 3 509 440 Of these, 807 171 had been allocated as of 31 December 2023. The warrants shall be issued to the company and then transferred to participants in the program at a price corresponding to the warrants' market price at the time of the transfer, calculated pursuant to the Black & Scholes model. Each warrant entitles to subscription for one new share of series B in the company at a subscription price corresponding to 150 percent of the volume-weighted average share price during the fifteen-day period which immediately precedes allocation. Subscription for new shares by virtue of the warrants shall be made during a one-year period starting three years from allocation. It was further resolved that board members and deputies shall be entitled to participate in the program.

Warrants of series 2023/2026:1 and series 2023/2026:1

The Extraordinary General Meeting on September 14 2023 resolved to issue 13 000 000 warrants of series 2023(2026:1 to be transferred to employees at market price, calculated pursuant to the Black & Scholes model. Each warrant entitles to subscription for one new share of series B in the company at a subscription price of 2 SEK. The subscription time is set to Nov 16 to Nov 30, 2026. The extraordinary General

Meeting resolved to issue 7 000 000 warrants to some Members of the Board. The warrants of series 2023/2026:2 are transferred to the board members at market price, calculated pursuant to the Black Scholes model. Each warrant entitles to subscription for one new share of series B in the company at a subscription price of 2 SEK. The subscription time is set to Nov 16 to Nov 30, 2026.

Warrants of series 2023/2026:3 and series 2023/2026:4

The Extraordinary General Meeting on November 7 2023 resolved to issue 250 000 warrants of series 2023/2026:4 to be transferred to employees at market price, calculated pursuant to the Black & Scholes model. One (1) Warrant of series 2023/2026:3 provides the right during the period from 30 November 2026 up to and including 14 December 2026 subscribe to one Share at a Subscription Price amounting to 200 percent of the volume-weighted average price of the Company's share of series B on Nasdaq First North Growth Market during the period from and including 24 October 2023 until and including 6 November 2023, however, never lower than the Shares' quota value. The extraordinary General Meeting resolved to issue 1 000 000 warrants to a new Member of the Board. The warrants of series 2023/2026:4 are transferred to the board member at market price, calculated pursuant to the Black Scholes model. One (1) Warrant of series 2023/2026:3 provides the right during the period from 30 November 2026 up to and including 14 December 2026 subscribe to one Share at a Subscription Price amounting to 200 percent of the volume-weighted average price of the Company's share of series B on Nasdaq First North Growth Market during the period from and including 24 October 2023 until and including 6 November 2023, however, never lower than the Shares' quota value.

The Extraordinary General Meeting on December 12 2023 resolved, in accordance with the board of director's proposal, to adjust the terms and conditions for the warrants of series 2023/2026:1 and 2023/2026:4, respectively, and necessary adjustments of the agreements between the holders of the warrants and the Company related to the respective incentive program.

The general meeting also resolved, in accordance with a shareholder groups' proposal, to adjust the terms and conditions for the warrants of series 2023/2026:1 and 2023/2026:4, respectively, and necessary adjustments of the agreements between the holders of the warrants and the Company related to the respective incentive program.

Audit

The company's auditor has not audited the Interim Report.

Principles of preparation for the Interim Report

The accounts in this Interim Report have been prepared in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board BFNAR 2012:1 Annual Report and Consolidated Accounts (K3).

Financial calendar

Annual Report will be published week 16 2024
Interim Report, Q1 2024 ..... 23 May 2024
Annual general meeting..... 28 May 2024
Interim Report, Q2 2024..... 29 August 2024
Interim Report, Q3 2024 ..... 21 November 2024
Interim Report, Q4 2024 ..... 25 February 2025

Share capital development

Year	Event	Ratio value (SEK)	Difference shares	Change (SEK)	Total number shares	Total share capital (SEK)
2012	Rights issue	1	50 000	50 000	50 000	50 000
2012	Directed issue	1	10 605	10 605	60 605	60 605
2016	Stock dividend issue	1	1 200	1 200	61 805	61 805
2016	Share split 100:1	10		556 245	61 805	618 050
2016	Subdivision A-/B- shares	0.10	6 118 695		6 180 500	618 050
2016	Directed issue	0.10			6 180 500	
2016	Directed issue	0.10	1 420 000	1 420 000	7 600 500	760 050
2016	IPO	0.10	450 000	45 000	8 050 500	805 050
2016	Conversion	0.10	2 940 000	294 000	10 990 500	1 099 050
2018	Conversion	0.10	188 679	18 868	11 179 179	1 117 918
2018	Conversion	0.10	444 444	44 444	11 623 623	1 162 362
2018	Conversion	0.10	540 540	54 054	12 164 163	1 216 416
2018	Conversion	0.10	483 870	4 838 700	12 648 033	1 264 803
2018	Conversion	0.10	419 354	41 935	13 067 387	1 306 739
2018	Conversion	0.10	384 614	38 461	13 452 001	1 345 200
2018	Conversion	0.10	269 230	26 923	13 721 231	1 372 123
2018	Conversion	0.10	307 692	30 769	14 028 923	1 402 892
2018	Conversion	0.10	333 333	33 333	14 362 256	1 436 226
2018	Conversion	0.10	285 714	28 571	14 647 970	1 464 797
2019	Conversion	0.10	533 333	53 333	15 181 303	1 518 130
2019	Conversion	0.10	666 666	66 667	15 847 969	1 584 797
2019	Conversion	0.10	3 333 333	333 333	19 181 302	1 918 130
2019	Rights issue	0.10	19 181 302	1 918 130	38 362 604	3 836 260
2019	Overallotment issue	0.10	1 724 137	172 414	40 086 741	4 008 674
2019	Remuneration issue	0.10	132 571	13 257	40 219 312	4 021 931
2020	Directed issue	0.10	31 600 000	3 160 000	71 819 312	7 181 931
2021	Share issue TO1	0.10	33 442 470	3 344 247	105 261 782	10 526 178
2022	Share issue TO2	0.10	32 253 062	3 225 306	137 514 844	13 751 484
2023	Rights issue	0.10	96 260 390	9 626 039	233 775 234	23 377 523
At end of period		**0.10**	**96 260 390**		**233 775 234**	

Number of average shares

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Before diluted	185 645 039	137 514 844	185 645 039	137 514 844
After diluted	228 455 687	146 255 418	228 455 687	146 255 418

Share and owners

The largest shareholders by 31 December 2023.

Owners	Capital	Votes
Avanza Pension	21.1 %	20.6 %
Pareto Securities AS	3.2 %	3.0 %
Jern Claes Sverker	0.7 %	1.6 %
Butt Jan	1.4 %	1.4 %
Bergh, Olof Niklas	0.5 %	1.4 %
Ejlegard, Andreas	1.2 %	1.1 %
Nordnet Pensionsförsäkring	1.2 %	1.1 %
Lundberg, Mårten	1.0 %	1.0 %
Borgquist, Niklas	0.9 %	0.9 %
Total ten largest owners	**32.9 %**	**33.7 %**
Other shareholders	67.1 %	66.3 %
Total (6 830 shareholders)	**100 %**	**100 %**

Group – Income statement

(SEK)	1 Oct 2023 31 Dec 2023 3 months	1 Oct 2022 31 Dec 2022 3 months	1 Jan 2023 31 Dec 2023 12 months	1 Jan 2022 31 Dec 2022 12 months
Capitalised work for own account	17 421 150	20 975 523	49 276 646	57 538 069
	17 421 150	**20 975 523**	**49 276 646**	**57 538 069**
Operating expenses				
Other external costs	-23 012 062	-26 798 626	-71 152 162	-76 619 906
Personnel costs	-9 319 711	-2 923 779	-18 748 415	-7 499 784
Depreciation of tangible fixed assets	-3 577	-3 577	-14 308	-14 308
Other operating items	-3 570 918	-144 691	-4 011 820	-903 424
Operating loss	**-18 485 118**	**-8 895 150**	**-44 650 060**	**-27 499 353**
Loss from financial items				
Interest income and similar income	1 839 401	309 778	1 840 942	309 778
Interest expenses and similar expenses	–5 287 879	-49 911	-5 297 093	-459 074
Loss after financial items	**-21 933 596**	**-8 635 283**	**-48 106 210**	**-27 648 649**
Loss before tax	**-21 933 596**	**-8 635 283**	**-48 106 210**	**-27 648 649**
Income taxes	-	-5 845	-	-5 845
Loss for the period	**-21 933 596**	**-8 641 128**	**-48 106 210**	**-27 654 494**

Group – Balance sheet

(SEK)	31 Dec 2023	31 Dec 2022
ASSETS		
Fixed assets		
Intangible assets		
Capitalised expenditures for development activities	182 483 295	135 709 679
Patents, trademarks, licenses and similar rights	13 780 255	11 277 224
	196 263 550	**146 986 903**
Tangible assets		
Fixtures, tools and installations	14 315	28 623
	14 315	**28 623**
Financial assets		
Other long-term receivables	9 264	9 602
	9 264	**9 602**
Total fixed assets	**196 287 129**	**147 025 128**
Current assets		
Current receivables		
Other receivables	1 123 911	1 248 316
Prepaid expenses and accrued income	406 641	334 524
	1 530 552	**1 582 840**
Cash and bank balance	**87 168 535**	**67 045 679**
Total current assets	**88 699 087**	**68 628 519**
TOTAL ASSETS	**284 986 216**	**215 653 647**

Group – Balance sheet cont.

(SEK)	31 Dec 2023	31 Dec 2022
EQUITY AND LIABILITIES		
Equity		
Share capital	23 377 523	13 751 484
Other contributed capital	299 084 217	245 725 032
Other capital including loss for the year	-106 037 304	-57 965 096
Equity attributed to the Parent Company's shareholders	**216 424 436**	**201 511 420**
Total equity	**216 242 436**	**201 511 420**
Long-term liabilities		
Other liabilities to credit institutions	45 400 000	400 000
	45 400 000	**400 000**
Current liabilities		
Accounts payable	6 930 366	9 410 863
Tax liabilities	-	212 761
Other liabilities	1 231 118	406 636
Accrued expenses and deferred income	15 000 296	3 711 967
	23 161 780	**13 742 227**
TOTAL EQUITY AND LIABILITIES	**284 986 216**	**215 653 647**

Group – Change in equity

01 January – 31 December 2022	Share capital	Other contributed capital	Other capital including profit/ loss for the year
At start of period	10 526 178	189 760 849	-30 222 103
Warrant issue	-	398 666	-
Exchange rate differences when translating foreign subsidiaries	-	-	-88 499
New share issue	3 225 306	58 055 512	-
Issue expenses		-2 489 995	-
Loss for the period	-	-	-27 654 494
At the end of the period	**13 751 484**	**245 725 032**	**-57 965 096**

01 January – 31 December 2023	Share capital	Other contributed capital	Other capital including profit/ loss for the year
At start of period	13 751 484	245 725 032	-57 965 096
Qualified personell warrants			1 670 687
Exchange rate differences when translating foreign subsidiaries	-	-	34 002
New share issue	9 626 039	67 382 273	
Issue expenses	-	-15 693 775	-
Loss for the period	-	-	-48 106 210
At the end of the period	**23 377 523**	**297 413 530**	**-104 366 617**

Group – Cash flow statement

(SEK)	1 Oct 2023 31 Dec 2023 3 months	1 Oct 2022 31 Dec 2022 3 months	1 Jan 2023 31 Dec 2023 12 months	1 Jan 2022 31 Dec 2022 12 months
OPERATING ACTIVITIES				
Loss after financial items	-21 933 596	-8 641 128	-48 106 210	-27 654 494
Adjustments for items not included in the cash flow				
Depreciations	3 577	3 577	14 308	14 308
Translation differences	17 464	136 117	34 002	-89 781
Accrued expenses for borrowings	-	20 000	-	200 000
Accrued interest cost	777 040	25 000	777 040	250 000
Qualified Personnel warrants	1 670 687	-	1 670 687	-
Income taxes	-	-4 210	-	-4 210
	-19 464 828	**-8 460 644**	**-45 610 173**	**-27 284 177**
Cash flow from operating activities before changes in working capital	**-19 464 828**	**-8 460 644**	**-46 610 173**	**-27 284 177**
Cash flow from changes in working capital				
Increase (-)/Decrease (+) in operating receivables	-625 150	-167 055	52 288	20 504
Increase (+)/Decrease (-) in operating liabilities	11 542 936	6 913 806	8 642 852	8 648 175
Cash flow from operating activities	**-8 865 857**	**-1 713 893**	**-36 915 033**	**-18 615 498**
Investing activities				
Acquisition of intangible assets	-17 421 150	-20 975 523	-49 276 646	-57 538 069
Cash flow from investing activities	**-17 421 150**	**-20 975 523**	**-49 276 646**	**-57 538 069**
Financing activities				
New share issue	-	61 280 818	77 008 311	61 280 818
Issue expenses	-	–2 489 995	-15 693 775	–2 489 995
Warrants issued	-	-	-	398 666
Amortisation of loans	-	-5 000 000	-	-5 000 000
Proceeds from borrowings	45 000 000	-	45 000 000	-
Paid interest costs	-	-625 000	-	–625 000
Cash flow from financing activities	**45 000 000**	**53 165 823**	**106 314 536**	**53 564 489**
Cash flow for the period	**18 712 993**	**30 476 407**	**20 122 856**	**-22 589 078**
Cash and cash equivalents at start of period	**68 455 542**	**36 569 272**	**67 045 679**	**89 634 757**
Cash and cash equivalents at end of period	**87 168 535**	**67 045 679**	**87 168 535**	**67 045 679**

Parent company – Income statement

(SEK)	1 Oct 2023 31 Dec 2023 3 months	1 Oct 2022 31 Dec 2022 3 months	1 Jan 2023 31 Dec 2023 12 months	1 Jan 2022 31 Dec 2022 12 months
Net sales	-	-	-	-
Capitalised work for own account	17 421 150	20 975 523	49 276 646	57 538 069
	17 421 150	**20 975 523**	**49 276 646**	**57 538 069**
Operating expenses				
Other external costs	-23 015 287	-26 699 973	-71 227 587	-76 718 563
Personnel costs	-9 319 711	-2 923 779	-18 748 415	-7 499 785
Depreciation of tangible fixed assets	-3 577	-3 577	-14 308	-14 308
Other operating cost	-3 570 918	-144 691	-4 011 817	-903 424
Operating loss	**-18 488 344**	**-8 796 497**	**-44 725 481**	**-27 598 011**
Loss from financial items				
Interest income and similar income	1 839 401	309 778	1 840 942	309 778
Interest expenses and similar expenses	-5 287 879	-49 911	-5 297 093	-459 068
Loss after financial items	**-21 936 821**	**-8 536 630**	**-48 181 632**	**-27 747 301**
Loss before tax	**-21 936 821**	**-8 536 630**	**-48 181 632**	**-27 747 301**
Loss for the period	**-21 936 821**	**-8 536 630**	**-48 181 632**	**-27 747 301**

Parent company – Balance sheet

(SEK)	31 Dec 2023	31 Dec 2022
ASSETS		
Subscribed unpaid capital	-	-
Fixed assets		
Intangible assets		
Capitalised expenditures for development activities	182 483 295	135 709 679
Patents, trademarks, licenses and similar rights	13 780 255	11 277 224
	196 263 550	**146 986 903**
Tangible assets		
Fixtures, tools and installations	14 315	28 623
	14 315	**28 263**
Financial assets		
Shares in group company	941	941
	941	**941**
Total fixed assets	**196 278 806**	**147 016 467**
Current assets		
Current receivables		
Receivables from group companies	107 154	-
Other receivables	1 023 629	1 243 411
Prepaid expenses and accrued income	406 640	334 524
	1 575 775	**1 577 935**
Cash and bank balance	**87 102 526**	**67 012 503**
Total current assets	**88 678 301**	**68 590 439**
TOTAL ASSETS	**284 957 107**	**215 606 906**

Parent company – Balance sheet cont.

(SEK)	31 Dec 2023	31 Dec 2022
EQUITY AND LIABILITIES		
Equity		
Restricted equity		
Share capital	23 377 523	13 751 484
Fund for development expenses	190 941 749	141 665 103
	214 319 273	**155 416 587**
Unrestricted equity		
Share premium reserve	51 688 498	55 565 517
Retained earnings	-1 519 591	18 268 153
Loss for the period	-48 181 632	-27 747 301
	1 987 274	**46 086 369**
Total equity	**216 306 547**	**201 502 956**
Long-term liabilities		
Other liabilities to credit institutions	400 000	400 000
Other long-term liabilities	45 000 000	-
	45 400 000	**400 000**
Current liabilities		
Accounts payable	6 930 366	6 112 278
Liabilities to group companies	-	207 073
Tax liabilities	-	3 265 996
Bridge loan	–	4 800 000
Other liabilities	1 231 117	406 636
Accrued expenses and deferred income	15 089 077	3 711 967
	23 250 560	**13 703 950**
TOTAL EQUITY AND LIABILITIES	**284 957 107**	**215 606 906**

Parent company – Change in equity

01 January – 31 December 2023	Share capital	Fund for development expenses	Share premium reserve	Retained earnings	Net loss for the period
At start of period	13 751 484	141 665 103	55 565 518	18 268 153	-27 747 301
Disposal according to AGM resolution	–	–	-55 565 518	27 818 216	27 747 301
Qualified personell warrants				1 670 687	
New share issue	9 626 039	–	67 382 273	–	–
Issue expenses	–	–	-15 693 775	–	–
Redistribution in equity	–	49 276 646	–	-49 276 646	–
Loss for the period	–	–	–	–	-48 181 632
At the end of the period	**23 377 523**	**190 941 749**	**51 688 498**	**-1 519 591**	**-48 181 632**

01 January – 31 December 2022	Share capital	Fund for development expenses	Share premium reserve	Retained earnings	Net loss for the period
At start of period	10 526 178	84 127 034	88 053 563	3 930 597	-16 576 604
Disposal according to AGM resolution	–	–	-88 053 563	71 476 959	16 576 604
Warrant issued	-	-	--	398 666	-
New share issue	3 225 306	–	58 055 512	–	–
Issue expenses	–	–	-2 489 995	–	–
Redistribution in equity	–	57 538 069	–	-57 538 069	–
Loss for the period	–	–	–	–	-27 747 301
At the end of the period	**13 751 484**	**141 665 103**	**55 565 518**	**18 268 153**	**-27 747 301**

Parent company – Cash flow statement

(SEK)	1 Oct 2023 31 Dec 2023 3 months	1 Oct 2022 31 Dec 2022 3 months	1 Jan 2023 31 Dec 2023 12 months	1 Jan 2022 31 Dec 2022 12 months
OPERATING ACTIVITIES				
Loss after financial items	-21 936 821	-8 536 630	-48 181 632	-27 747 301
Adjustments for items not included in the cash flow				
Depreciations	3 577	3 577	14 308	14 308
Accrued expenses for borrowings	–	20 000	–	200 000
Accrued interest cost	777 040	25 000	777 040	250 000
Qualified stock warrants	1 670 687	–	1 670 687	–
	-19 485 517	**-8 488 053**	**-45 719 597**	**-27 282 993**
Cash flow from operating activities before changes in working capital	**-19 485 517**	**-8 488 053**	**-45 719 597**	**-27 282 993**
Cash flow from changes in working capital				
Increase (-)/Decrease (+) in operating receivables	-325 150	-110 199	40 152	64 566
Increase (+)/Decrease (-) in operating liabilities	10 952 799	6 893 002	8 731 217	8 609 991
Cash flow from operating activities	**-8 857 868**	**-1 705 250**	**-36 947 867**	**-18 608 436**
Investing activities				
Acquisition of intangible assets	-17 421 150	-20 975 523	-49 276 646	-57 538 069
Cash flow from investing activities	**-17 421 150**	**-20 975 523**	**-49 276 646**	**-57 538 069**

Parent company – Cash flow statement cont.

(SEK)	1 Oct 2023 31 Dec 2023 3 months	1 Oct 2022 31 Dec 2022 3 months	1 Jan 2023 31 Dec 2023 12 months	1 Jan 2022 31 Dec 2022 12 months
Financing activities				
New share issue	–	61 280 818	77 008 311	61 280 818
Issue expenses	–	–2 489 995	-15 693 775	–2 489 995
Warrant issued	–	–	–	398 666
Amortisation of loans	–	–5 000 000	–	–5 000 000
Proceeds from borrowings	45 000 000	–	45 000 000	–
Paid interest costs	–	–625 000	–625 000	–
Cash flow from financing activities	**45 000 000**	**53 165 823**	**106 314 536**	**53 564 490**
Cash flow for the period	**18 720 982**	**30 485 050**	**20 090 022**	**-22 582 015**
Cash and cash equivalents at start of period	**68 381 644**	**36 527 454**	**67 012 503**	**89 594 519**
Cash and cash equivalents at end of period	**87 102 526**	**67 012 503**	**87 102 526**	**67 012 503**

The board and the managing director hereby certify that the interim report provides a fair overview of the parent company and the group's operations.

Gothenburg on 22 February 2024,

Joakim Söderström
Chair of the Board

Jonas Faijerson Säljö
Board member

Sverker Jern
Board member

Lena Mårtensson Wernrud
Board member

Anders Svensson
Board member

Jeppe Øvlesen
Board member

Sten R. Sörensen
Chief Excutive Officer

Cereno Scientific

Cereno Scientific develops innovative treatments for common and rare cardiovascular disease. The lead drug candidate, CS1, is a HDAC (histone deacetylase) inhibitor that acts as an epigenetic modulator with pressure-reducing, reverse-remodeling, anti-inflammatory, anti-fibrotic and anti-thrombotic properties. A Phase II study is ongoing to evaluate CS1's safety, tolerability, and efficacy in patients with the rare disease pulmonary arterial hypertension (PAH). A collaboration agreement with global healthcare company Abbott allows Cereno to use their cutting-edge technology CardioMEMS HF System in the study. Two initiatives performed during the ongoing Phase II study have shown positive findings suggesting the potential clinical benefit of CS1 in PAH patients. These initial findings are, however, not a guarantee of the final study results that are expected in Q3 2024. Since January 2024, CS1 has been available under FDA's Expanded Access Program ("compassionate use") for continued CS1 treatment in patients who have completed the Phase II study. Cereno also has two promising preclinical drug candidates in development through research collaborations with the University of Michigan. Investigational drug CS014 is a HDAC inhibitor in development as a treatment for arterial and venous thrombosis prevention. The innovative drug candidate represents a groundbreaking approach to antithrombotic treatment potentially without the associated increased risk of bleeding in humans. CS014 is a new chemical entity with a multi-fold mechanism of action as an epigenetic modulator – regulating platelet activity, fibrinolysis, and clot stability for the prevention of thrombosis without increased risk of bleeding as documented in preclinical studies. Drug candidate CS585 is a prostacyclin receptor agonist that has been documented in several preclinical studies to target the IP receptor for prevention of thrombosis without increased risk of bleeding, which also has been recognized in the medical community. CS585 was in-licensed from the University of Michigan in 2023. The company is headquartered in Gothenburg, Sweden, and has a US subsidiary Cereno Scientific Inc. based in Kendall Square in Boston, Massachusetts, US. Cereno is listed on the Nasdaq First North (CRNO B). More information on www.cerenoscientific.com.

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