Cereno Scientific

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

Annual report 2023

Contents

Annual General Meeting
The Annual General Meeting is planned to be held on 16 April 2024 in Gothenburg. The location of the AGM will be MAQS office, Östra Hamngatan 24, in Gothenburg.

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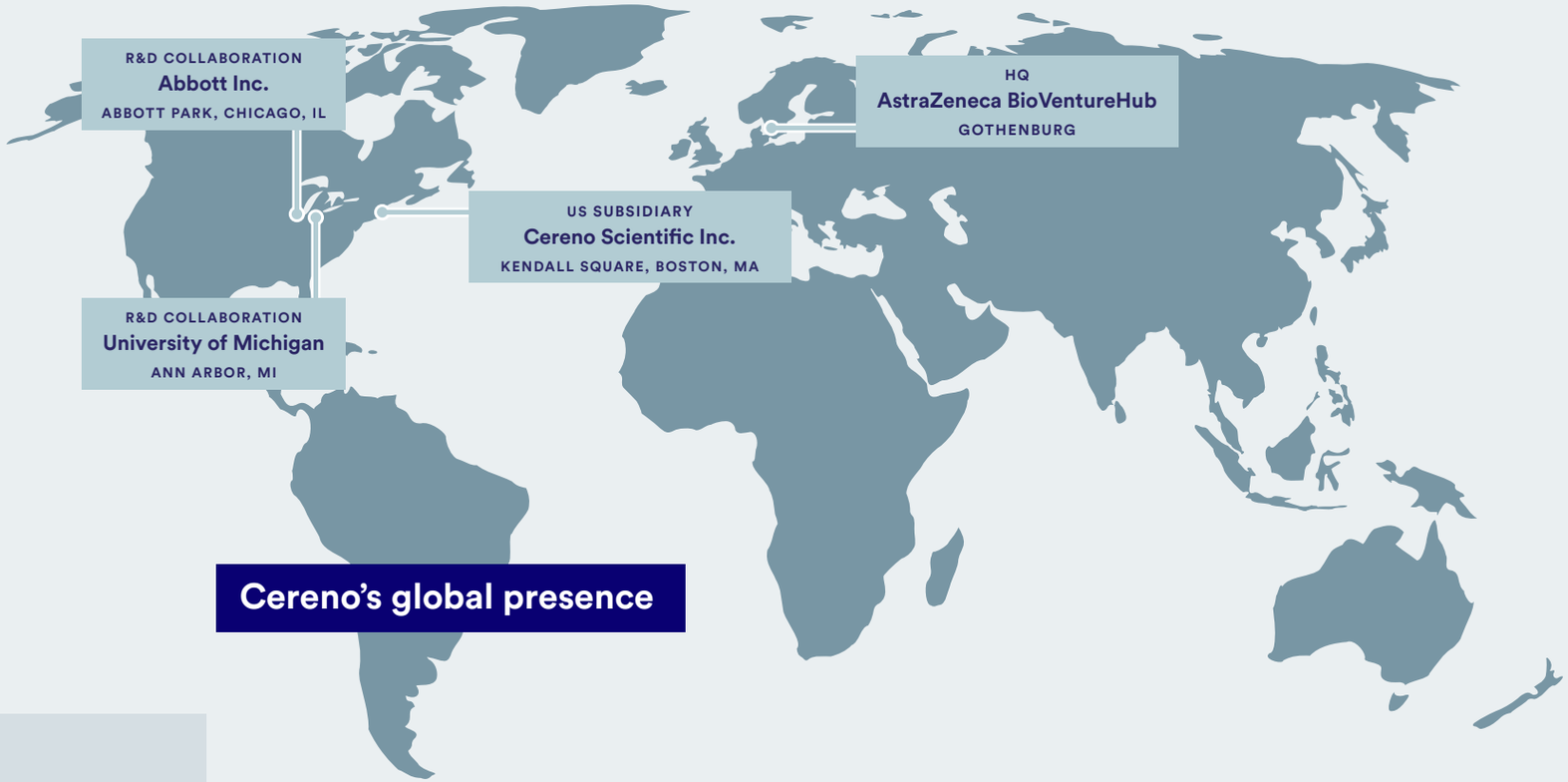
Cereno Scientific in brief

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 global presence

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 and first-in-human study expected to start H1 2024.
- **Drug candidate CS585 in preclinical phase** is being evaluated as a treatment for cardiovascular disease.

June 2023

Listed on Nasdaq First North Growth Market

(CRNO B)

Financial overview

	Group		Parent Company	
(SEK)	Jan-Dec 2023	Jan-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Net sales	-	-	-	-
Loss after financial items	-48 106 210	-27 648 649	-48 181 632	-27 747 301
Earnings per share before dilution	-0,21	-0,20	-0,21	-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 balance	87 168 535	67 045 679	87 102 526	67 012 503

Earnings per share: Earnings for the period divided by 233,775,234 shares as of 2023-12-31 and 137,514,844 shares as of 2022-12-31.

*Earnings per share after dilution: Earnings for the period divided by the number of outstanding shares and the number of shares that can be subscribed for with outstanding options as of the balance sheet date 12/31/2023 and 12/31/2022, respectively.

Year of 2023

Q1 First quarter

- In January, it was announced that an abstract on preclinical drug candidate CS585 had been accepted as a moderated poster presentation at ACC.23/WCC. The scientific congress is hosted by the American College of Cardiology Together With WCC (World Congress of Cardiology), in New Orleans, US, on March 4-6, 2023. The abstract titled “CS585 is a novel orally available prostacyclin receptor agonist with long-term in vivo inhibition of platelets and thrombosis formation in mouse without increased risk of bleeding” will be presented by Dr. Michael Holinstat, lead of Cereno’s development programs at the University of Michigan and Director of Translational Research at Cereno.
- In early February, Cereno launched an Insights Series providing a unique view into different aspects of cardiovascular disease treatment landscape through interviews and conversations with Cereno’s leadership, collaborative partners, and global thought leaders. The videos were mainly recorded in conjunction with the European Society of Cardiology (ESC) Congress in Barcelona late August 2022, and are centered around PAH and thrombosis.
- In February, Cereno announced the progress with its CS1 Phase II trial in PAH. All 9 clinical sites have been activated and the protocol changed to broader patient inclusion criteria and three patients were reported to be randomized and have entered the treatment period. Top-line results are expected end of 2023.
- In February it was announced that Cereno’s preclinical drug candidate CS014 will continue toward clinical development for thrombosis prevention. CS014 has, in preclinical studies, demonstrated anti-thrombotic properties without bleeding, supporting the selection of target indication with the aim of preventing thrombosis. The drug candidate is currently in the final stages of its preclinical development program, and a Phase I study is expected to start in 2024.
- In early March, it was announced that Cereno’s drug candidate CS585’s second patent family has obtained a formally issued patent in Europe, one of the largest markets in cardiovascular disease. This strengthens and broadens the intellectual property rights (IPR) for CS585 which currently is in a preclinical development program in collaboration with the University of Michigan.

Q2 Second quarter

- In early April, it was announced that Cereno had signed a license agreement for the drug candidate CS585 with the University of Michigan. The signed agreement provided Cereno the exclusive rights to CS585 for further development and commercialization. Cereno also extended the preclinical collaboration agreements it has with UoM for the two programs CS585 and CS014.
- In early April, Cereno announced progress in the recruitment of patients into the study in the rare disease PAH with its lead candidate drug CS1. A total of 10 patients had been enrolled in the study which plans to study 30 patients.
- At the end of April, Cereno’s Board of Directors decided to carry out a rights issue of units of approximately 110 MSEK to enable the continued development of the Company’s three drug candidates to the next value-increasing milestones. The subscription period takes place during May 8 – 24. In conjunction with this, Cereno also announced the intention to change marketplace to Nasdaq First North Growth Market.
- An abstract on the preclinical drug candidate CS585 was accepted as an oral presentation at the scientific conference Vascular Discovery 2023: From Genes to Medicine hosted by the American Heart Association, in Boston, Massachusetts, US, May 10-13, 2023. The abstract titled “The eicosanoid analogue CS585 represents a first-in-class in prevention of platelet activation and thrombosis through direct activation of the prostacyclin receptor” was presented by Adriana Yamaguchi, Postdoctoral Research Fellow at the University of Michigan.
- In early May, Cereno reported that two patients successfully completed the treatment period with drug candidate CS1 in the ongoing Phase II study in the rare disease PAH.
- May, the Nomination Committee's proposed resolutions for the 2023 Annual General Meeting were published and included the new election of Joakim Söderström as chairman of the Board. The Nomination Committee also proposed that the Board be consolidated to include five members and no deputies.
- In May, the Company shared an updated progress report of the Phase II study in pulmonary arterial hypertension (PAH) with drug candidate CS1. The study proceeded well with 16 patients enrolled in

Q2 Second quarter

the study, 9 patients having received CardioMEMS HF System implantation, 5 patients randomized and in active treatment, and 2 patients having completed the study.

- In May, it was announced that an abstract on preclinical drug candidate CS585 was accepted as an oral presentation by the Scientific Program Committee at the European Hematology Association (EHA) 2023 Hybrid Congress in Frankfurt, Germany, on June 8-11. The abstract "Sustained inhibition of platelet activity and thrombosis via IV and oral administration of CS585" was presented by Dr. Michael Holinstat, lead of Cereno's preclinical development programs at University of Michigan and Director of Translational Research at Cereno.

- On June 26, the Company announced that an investigator initiated patient case study performed on the first patient having completed the study at a specific clinic showed remarkable efficacy data. In 12 weeks of treatment with CS1, the patient showed a 30% reduction in pulmonary pressure and a 20% increase in cardiac output. The patient's overall functional status was changed from NYHA/WHO functional class II to I at the end of the treatment period, meaning that the patient had next to normal functional physical capacity with CS1 added to stable conventional therapy.

- On June 27, preclinical data for the drug candidate CS585 was presented at the 31st Congress of the International Society on Thrombosis and Haemostasis (ISTH 2023 Congress). The abstract titled "CS585 is a novel and highly selective IP receptor agonist for prevention of thrombosis" was presented by Dr. Michael Holinstat, lead of Cereno's development programs at University of Michigan and Director of Translational Research at Cereno.

- June 29, the Company reported that Joakim Söderström, Chairman of the Board, purchased a total of 1,240,000 shares to a value of 0,648 SEK per share; and Sten R. Sörensen, CEO, purchased a total of 144,000 shares to a value of 0,69 SEK per share.

Q3 Third quarter

- In July, Cereno participated in the 8th Annual Drug Discovery & Development Symposium arranged by the Pulmonary Vascular Research Institute (PVRI) on July 10-11, 2023. Raymond Benza, PI of the Phase II study of CS1 and member of Cereno's scientific advisory Board, co-chairs the event while Björn Dahlöf, Cereno's Chief Medical Officer (CMO), shared insights on the Company's drug candidate CS1 as an HDAC inhibitor in PAH.

- On July 27, the Company reported that Sverker Jern, a co-founder of Cereno and Board member, purchased a total of 366,828 shares on July 24, 2023, to a value of 0.65-0.659 SEK per share on the Nasdaq First North Growth Market marketplace.

- Two abstracts on the preclinical drug candidates CS014 and CS585, respectively, were accepted as moderated ePoster presentations at the ESC Congress 2023 hosted by the European Society of Cardiology, in Amsterdam, Netherlands, on August 25-28, 2023.

- Eva Jagenheim joined the Company as the Chief Financial Officer (CFO) on August 28, 2023. Jagenheim has broad experience in finance and the Swedish biotech sector.

- In August, Cereno announced that additional strategies have been activated in the Phase II study of CS1 in PAH due to slower patient recruitment than expected. Two new specialist clinics with large capacity are currently in the start-up phase to complete the recruitment of patients meeting the study criteria. Consequently, the study timeline is estimated so that top-line results will be reported during the first quarter of 2024.

- In August, Cereno launched a data quality control initiative for the CardioMEMS HF System in the Phase II study with CS1 in PAH, which also allows for the reporting of early efficacy data for CS1 during Q4 2023. The data quality control will support the possibility of a conclusive study result from this new CardioMEMS HF System technology in a new disease indication.

- On August 28, a scientific article about the drug candidate CS585 was prepublished in the peer-reviewed medical journal Blood's online First Edition. The publication shows that CS585, a prostacyclin receptor agonist, is a very potent and selective substance that is administered both orally and intravenously and prevents thrombosis for up to 48 hours as observed in preclinical studies.

- On August 29, it was announced that Cereno Scientific's Board and Management had signed a lock-up agreement for their shares and/or other securities in the Company until the publication of the report from the data quality control of CardioMEMS measurements, which took place on October 13, 2023.

- Cereno held a well-received capital market day on August 30, 2023, a recording of the event is avail-

Q3 Third quarter, cont.

able on the Company's website at https://cereno-scientific.com/investors/cmd-2023/

- Sten R. Sörensen, CEO of Cereno, acquired 65,000 shares on August 31, 2023, at a value of 1.50 SEK per share on the Nasdaq First North Growth Market trading platform.
- The members of the Nomination Committee for the Company's 2024 annual meeting were announced on September 12. More information is available on the Company's website under Corporate Governance, https://cerenoscientific.com/corporate-governance/.
- An Extraordinary General Meeting was held on September 14, where it was decided to adopt proposals for a directed issue of warrants to employees and for a directed issue of warrants to certain Board members.
- On September 20, it was announced that an agreement had been signed with the Contract Research Organization (CRO) Clinical Trial Consultants (CTC) to conduct the Phase I study of CS014. CTC will also provide support in the preparatory steps for Phase I, including the development of study protocols and the application process to start the study, which will be conducted in Sweden.
- On September 21, it was announced that a second season of the Insights video series will be released over the coming months. The Insights series is conducted as a series of interviews and conversations with internationally known scientific experts who share their knowledge and insights to convey a greater understanding of the Company's development program. The video series is available on the Company's website and YouTube.
- On September 29, it was announced that members of the Company's Board and Management, as well as scientific advisors, had subscribed warrants within the framework of the incentive programs introduced at the Extraordinary General Meeting held on September 14, 2023.

Q4 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 (mean pulmonary arterial pressure) of similar or greater magnitude as the initial Patient Case as measured with CardioMEMS HF System over time (area under the curve, 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.
- On November 8, Cereno announced that the Company's drug candidate CS585 was highlighted by top-tier medical journal Blood as a promising novel anti-thrombotic strategy without risk of bleeding. The paper on CS585 was published in Volume 142, Issue 18 of the paper and was further 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

Q4 Fourth quarter, cont.

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 and Kristina Runge, Head of Office and Administration had subscribed warrants within the framework of the Company's incentive program.

- 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).

After end of year

- 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 se-

After end of year, cont.

cured 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 PulmonaryHypertension 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 30, 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 not yet decided CV indication.

- On February 21, it came to the Company's attention that equity research Company Edison had initiated coverage of Cereno with a valuation of 2.32 BSEK and a price of 9.90 SEK per 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 topline results are expected in Q3 2024.

- On February 22, equity research Company Edison Investment Research published its first, in-depth research on Cereno Scientific.

- February 29, Cereno announced that one new additional patient had been enrolled in the study, one additional patient had been randomized on CS1 drug and one additional patient had completed the Phase II study of drug candidate CS1 in rare disease pulmonary arterial hypertension (PAH).

- On March 4, Cereno announced that the exercise price for the warrants of series TO3 had been determined to 1,60 SEK per share of series B.

- On March 6, Cereno announced the study protocol for the Expanded Access Program (EAP) for its lead candidate drug, the HDAC inhibitor CS1, in the rare disease Pulmonary Arterial Hypertension (PAH).

- On March 14, the Company sent out a notice to attend the Annual General Meeting, and an updated timeline bringing forward the AGM to April 16, and the Annual Report to March 26, 2024.

- On March 14, the Nomination Committee proposed Dr. Gunnar Olsson and CEO Sten R. Sörensen as new members of the Board of Directors.

- On March 14, Cereno announced that Don de Bethizy had been engaged as Senior Advisor to the Executive Management and Board of Directors of the Company.

- On March 21, Cereno announced that the TO3 warrants had been invoked at 99,6 %, bringing in an additional 76,7 MSEK to the Company.

- On March 22, the Company announced that the drug candidate CS1:s third patent family had been issued in 25 European countries following a completed validation and registration process.

CEO letter

Looking back at 2023, we have experienced an eventful and exciting year in which we have seen significant positive developments in terms of our understanding of the potential of our pipeline of three innovative candidate drugs. We have added competence and capacities to our team to match the requirements of a broader portfolio, advancing toward clinical development with two of three candidates, and maturing into a multiple clinical stage biotech company. Moving towards a fully recruited Phase II study with our promising lead asset the histone deacetylase inhibitor (HDACi) CS1 in Pulmonary Arterial Hypertension (PAH) and with our second program, the novel HDACi CS014, being prepared to enter clinical development in 2024 we now enter next stage of clinical development for these two drug candidates.

A key highlight from 2023 is that we have seen several indications of potential clinical benefit for our CS1 asset in PAH, including a Patient Case Report, findings from a Data Quality Control Review as well as high interest expressed from study investigators and patients to participate in our FDA approved Expanded Access Program (EAP, Compassionate Use). The EAP will provide CS1 access to patients that have completed the Phase II study and are deemed by investigators to be eligible for continued access to CS1, thus providing patients with potential CS1 drug therapy benefits and Cereno with long-term efficacy and safety data.

During the year we have continued to position the Company for further growth via secured financing through a rights issue of 77 MSEK, up listing from Spotlight to Nasdaq First North Growth Market and a 90 MSEK loan facility. As we have entered 2024 we have secured further financial capacity to pursue our programs with the TO3 warrant series bringing in 76,7 MSEK invoked to 99,6 %, highlighting the strong confidence our shareholders have in our programs and our ability to deliver value leverage for capital invested. This year promises to be a pivotal year for the Company with a key milestone delivered through topline read out from our clinical Phase II PAH study with CS1 and additionally with CS014 initiating a Phase I study. As we move our programs toward key milestones, we are increasing our exposure to the sector specialized investor community globally as well as to potential pharma partners.

During 2023, we have seen several indications of potential clinical benefit for our CS1 asset in PAH, including a Patient Case Report, findings from a Data Quality Control Review as well as high interest expressed from study investigators and patients to participate in our FDA approved Expanded Access Program (EAP, Compassionate Use).

- Sten R. Sörensen, CEO

Phase II Study with CS1 in Pulmonary Arterial Hypertension (PAH) towards completion - signs of clinical benefit and high interest in FDA approved Expanded Access Program

During the past year, we have reached several important milestones in our Phase II study with CS1 in PAH, with several positive findings indicating a potential clinical efficacy of CS1 in PAH patients.

First, a Patient Case Study performed on the first patient having completed the study at a specific clinic showed remarkable efficacy data. In 12 weeks of treatment with CS1, the patient showed a 30% reduction in pulmonary pressure and a 20% increase in cardiac output. The patient's overall functional status was changed from NYHA/WHO functional class II to I at the end of the treatment period, meaning that the patient had next to normal functional physical capacity with CS1 added to stable conventional therapy.

Later in the year we reported that a Data Quality Control Review (DQCR), of data obtained by the CardioMEMS HF System from the first 16 patients, was concluded with positive findings. 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. Efficacy findings showed a clinically meaningful reduction of pulmonary pressure in several patients, included in the data quality control, of a similar or greater magnitude as in the Patient Case.

The Phase II study is now actively running at 10 specialist clinics in the US. With the last clinic, Mount

Sinai, New York, in late start-up-phase, we are now making good progress towards reaching the milestone of completing our Phase II study of CS1 in PAH expecting topline results in Q3 2024.

An exciting development in the Phase II study program and for CS1 regards the request and subsequent approval for Expanded Access to CS1 for use as a treatment outside of a clinical trial, sometimes called "Compassionate Use." In November, an investigator urged Cereno to submit an Expanded Access request to the FDA, seeking permission to continue administering the investigational drug, CS1, to patients post the conclusion of the study treatment. Cereno promptly submitted the request on January 3rd, which was granted by the FDA at the end of the month. The Expanded Access Program (EAP) is now progressing according to plan, propelled by investigator and patient interest. Investigators indicate that close to two-thirds of the patients, having completed the study or are currently on therapy, are deemed to be eligible for continued access to CS1. Currently site-specific and Institutional Review Board (IRB) approvals are being progressed.

The EAP is important not only for the patients that can, if judged by investigators to benefit from treatment, continue to have access to CS1 therapy after the study has been completed, but also for Cereno as it allows us to gather longer term safety and efficacy data on CS1 in PAH. The EAP will allow Cereno to gather further documentation of CS1 use in patients suffering from PAH, which will help in discussions with regulatory authorities and support the design of our Phase IIb/III pivotal study with CS1. We see the interest shown by investigators and patients in the EAP as an indication of possible CS1 clinical benefits experienced by patients.

During Q4 2023, we 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. The expansion of CS1's patent portfolio plays an important role in building and strengthening the commercial potential of CS1.

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

We made a significant decision during the first quarter of 2023 to prepare our novel HDAC inhibitor CS014 for continued clinical development as an innovative treatment for prevention of thrombosis. CS014 has shown promising anti-thrombotic properties in the ongoing preclinical program and the side effect profile has been shown to be favorable as it does not increase the risk of bleeding. This is a highly sought-after property for an anti-thrombotic drug as there is currently no treatment alternative with such a profile and hence the medical need for safer drugs are strong in this major market.

Our preparations for starting the first-in-human clinical Phase I trial with drug candidate CS014 have progressed well and in December we reported that the preclinical safety program was completed successfully. 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 therefore it constitutes 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 targeted to start during the first half of 2024.

We also presented new positive preclinical data on CS014 as an effective HDAC inhibitor that inhibits platelet activity, small and large vessel thrombosis while maintaining hemostasis in a dose-dependent manner. We also, separately, presented 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.

CS585, now exclusively licensed by Cereno, is gaining international attention as a promising antithrombotic treatment strategy

This year marks an important milestone for our journey in developing CS585. During Q1 2023, we signed a license agreement, which gives Cereno exclusive rights to CS585 for further drug development and commercialization. We also extended the collaboration agreement on preclinical development with University of Michigan, led by Dr. Holinstat. In addition, CS585 reached a major milestone during the year as the second patent family was formally issued by the European Patent Office.

Having achieved these milestones and in addition obtained the global licensing rights to the drug we are happy to share that CS585 is making an impression on the scientific and medical community. The prestigious medical journal Blood featured CS585 as a promising novel anti-thrombotic strategy with no bleeding risks. Not only did the article with the title "The oxylipin analog CS585 prevents platelet activation and thrombosis through activation of the prostacyclin receptor" 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 to have our work with CS585 gaining this recognition and standing out in the scientific and medical community.

Throughout the year, we presented further preclinical data that strengthen the case for CS585. A 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, better 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 prevention of thrombosis and with a low risk of bleeding. It is exciting to see CS585 compared to two FDA-approved drugs and demonstrate a more selective and sustained efficacy than currently available IP receptor agonists.

Expanded Operational expertise and capacity; a springboard for the next steps in Cereno's growth journey

During the year, we have made great advances towards our vision to provide valuable, more effective, and safer drug therapies to patients in need with common and rare cardiovascular diseases. Thanks to the passionate, creative, and competent work of the entire Cereno Team, we made great progress with all our three drug candidates. To support further progress, we have made several high-quality additions to the team lately. We welcomed CFO Eva Jagenheim and Head of Office & Administration Kristina Runge during 2023. In the beginning of 2024, we have further recruited, Medical Director Dr. Tatiane Abreu Dall'Agnol, Project Director Megha Ranjan, Director of Business Development Julia Fransson and Chief Medical Officer (CMO) and Head of R&D Dr. Rahul Agrawal to the Cereno Team.

With Dr. Rahul Agrawals arrival, Dr. Björn Dahlöf, previously CMO, Chief Scientific Officer (CSO) and Head of Clinical Development will now be focusing on his role as CSO, providing more time for focused scientific leadership to identify and drive value of our development portfolio with its vast potential. Cereno's Executive Management Team now consists of CEO Sten R. Sörensen, CSO Dr. Björn Dahlöf, CMO & Head of R&D Dr. Rahul Agrawal, Head of Preclinical Development Nicholas Oakes, CFO Eva Jagenheim and Director of Business Development Julia Fransson. These additions to our Cereno Team strengthen our Management foundation, enhances our capabilities to advance as a company with three drug development programs and, soon to be, two in clinical development, and bolsters our business development efforts.

In 2023, we were pleased to welcome Chairman, Joakim Söderström and Board Member, Jeppe Øvlesen to the Board of Directors. Both Joakim Söderström and Jeppe Øvlesen have extensive experience of developing successful companies.

Intensified exposure of Cereno in external channels

During the past year, Cereno has been given well-earned attention. We participated and presented at American College of Cardiology Together With WCC (World Congress of Cardiology), the scientific conference Vascular Discovery 2023, the European Hematology Association (EHA) 2023 Hybrid Congress, 31st Congress of the International Society on Thrombosis and Haemostasis (ISTH 2023 Congress); the Annual Drug Discovery & Development Symposium arranged by the Pulmonary Vascular Research Institute (PVRI), the European Society of Cardiology (ESC) Congress, CardioVascular Clinical Trialists (CVCT) Forum 2023, as well as the ASH Annual Meeting & Exposition organized by the American Society of Hematology.

During ESC, members of our Scientific Advisory Board (SAB); Dr. Bertram Pitt was awarded the ESC Gold Medal and Dr. Gunnar Olsson was honored with the ESC President Award; in recognition of their outstanding achievements. We further saw SAB Member Dr. Raymond Benza be named Network Director of Pulmonary Hypertension for the prestigious Mount Sinai Health System, New York, US. We are very proud to see our Scientific Advisor Members be recognized with these honors.

It's evident from the intensified coverage that the interest in both our Company and our drug candidate pipeline is increasing and we have several investor, scientific and partner activities scheduled throughout 2024 to continue to build awareness of Cereno.

Cereno is supported by a large and growing number of highly engaged shareholders

The engagement of Cereno's growing number of shareholders is deeply appreciated by us and we very much look forward to being able to deliver on expectations, creating value for shareholders as well as ultimately for patients in need and society as a whole.

On August 30th, we hosted a well-attended Capital Markets Day, where Sten R. Sörensen, CEO; Dr. Raymond Benza, Network 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; Dr. Phil B. Adamson, Divisional Vice President and Chief Medical Officer, Heart Failure Division, Abbott, Dr. Björn Dahlöf, CSO (previously also CMO and Head of Clinical Development), and Dr. Michael Holinstat, professor at University of Michigan Medical School and Director Translational Research, Cereno, provided an update on Cereno's pipeline, clinical and preclinical development, and growth strategy.

In early 2024, we 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. The first Initiation Report research was published late February, with a valuation of 2,32 BSEK and a price of 9,90 SEK per share.

During the year we have increased our efforts to educate and inform the market of our vision, programs and progress. To this extent, we have published over 80 press releases, a multitude of articles and CEO video interviews as well as launched our video program - Insights Series - to showcase Cereno's development pipeline and include perspectives from world-renowned clinical experts, partners and Cereno's leadership. We presented the Company at well attended investor meetings such as BioStock Summit, Aktiedagen and the Nordic-American Healthcare Conference.

Financial milestones in the past year

To fund our growth and efforts to bring new medicines to patients with common and rare cardiovascular diseases we have raised new funds during the year. On June 14, 2023, we rang the Nasdaq bell marking the start of the trading of the Cereno share on the marketplace Nasdaq First North Growth Market, marking another growth milestone for Cereno. As we approach several key milestones for our portfolio and expect high interest from the national and international investor community, the uplisting from Spotlight Stock Market to Nasdaq First North Growth Market was a natural next step in Cereno's growth journey. In connection with the move to a new marketplace, we carried out a rights issue of 77 MSEK before deduction of issue costs, enabling us to proceed with further development of our promising drug candidates. To further extend our financial runway we announced a secured loan facility of 90 MSEK in November.

I am grateful for the continued strong support for our Company which was expressed by a subscription rate of 99,6 % in the TO3 warrant program in March 2024. With the combination of the loan and the TO3 warrants we have secured a significantly extended financial runway for the Company, ensuring stability until spring 2025.

Looking ahead into 2024

In 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 being the most important.

With a fresh TO3 capital injection of an additional 76,7 MSEK, we are eager to finalize the Phase II study in PAH with drug candidate CS1; execute the EAP for CS1; initiate preparatory activities for a pivotal Phase III study with the drug candidate CS1; initiate a clinical Phase I study with drug candidate CS014 and to complete the pre-clinical development and preparation activities required to apply to initiate a clinical Phase I study with our drug candidate CS585. Last year, 2023, was a year of strong growth for Cereno. This year, 2024, we are off to a good start and it certainly promises to be another exciting period in Cereno's development.

Thank you for being on this exciting journey with us.

March 2024

Sten R. Sörensen
Chief Executive Officer
Cereno Scientific

Goals and strategy

Cereno's strategy, business model, and organization are shaped to support the overarching goal of developing innovative treatments for common and rare cardiovascular disease where great unmet medical needs persist. The Company has attracted competent employees, consultants, advisors, and collaboration partners that combine decades of experience in areas that are crucial for drug development and commercialization. The Company's strategy aims to leverage the full potential of the project portfolio in profitable markets within the cardiovascular disease space and provide significant value to both patients and shareholders.

Cereno focuses on discovering and developing drug candidates for cardiovascular disease with great unmet medical needs where existing treatments are insufficient. Cereno's project portfolio has a broad therapeutic potential with two possible pathways to market: in-house development within rare disease or through partnership for a broader indication. For a drug that has received an orphan drug designation (ODD) as CS1 within PAH, there is the opportunity to first evaluate the drug candidate for rare diseases, which allows for smaller studies, market exclusivity, and certain monetary reliefs. Alternative paths for development within common cardiovascular disease are provided through partnerships with resourceful pharmaceutical companies.

In a future out-licensing or deal with a major pharmaceutical company, the primary factors are compelling preclinical and clinical data, the patent portfolio and potential regulatory market exclusivity.

Cereno is a research and development company without current income. The Company is mainly financed via the capital market or through future out-licensing or sale of projects. Activities to achieve financing via the capital market are ongoing in parallel and in interaction with processes that enable entering into agreements for out-licensing or sale of projects.

> We are approaching a significant inflection point in our growth journey, with anticipated top-line read out from our clinical Phase II PAH study with CS1 and additionally with CS014 initiating a Phase I study. As we now move our programs toward key milestones, we increase business development efforts and our exposure toward the the global sector specialized investor and pharma community.
>
> **- Julia Fransson, Business Development Director**

Cardiovascular diseases

Cardiovascular disease is the most common cause of death in the world, killing nearly twice as many people as cancer every year. These disease manifestations have in common that today's treatment options are often insufficient and can lead to serious side effects. Cereno develops innovative treatments in cardiovascular disease that potentially can offer better efficacy and less serious side effects compared with today's available medicines.

Cardiovascular diseases are a collective term for all diseases involving the heart and/or blood vessels. This includes both common and rare diseases, which often lead to great morbidity, reduced quality of life for the patient, and premature death. A majority of the complications that occur in cardiovascular disease are caused by an occluding blood clot in a vein or artery in the body that can lead to a heart attack, secondary heart failure, arrhythmia, stroke, or direct manifestations of blood clots in the lungs and peripheral vessels.

Every year, nearly 18 million people die from cardiovascular disease, which is about a third of all deaths worldwide. The number of deaths is expected to increase due to an aging population, lifestyle factors, inadequate medicines, and steady patient growth globally. Heart attack and stroke are two of the most common cardiovascular complications and account for 85 percent of all deaths in cardiovascular disease.

Despite improved treatments and new treatment alternatives, it is estimated that approximately 22 million people will die annually from cardiovascular disease by 2030.

Cardiovascular diseases represent a great economic burden for society and great suffering for the individual. The associated economic societal burden of cardiovascular disease is estimated at an annual cost of EUR 210 billion in Europe and USD 555 billion in the United States.

There is a great need for new, more effective and safe treatment options that can contribute to an improved quality of life and increased survival in patients affected by cardiovascular disease.

Pulmonary Arterial Hypertension (PAH)

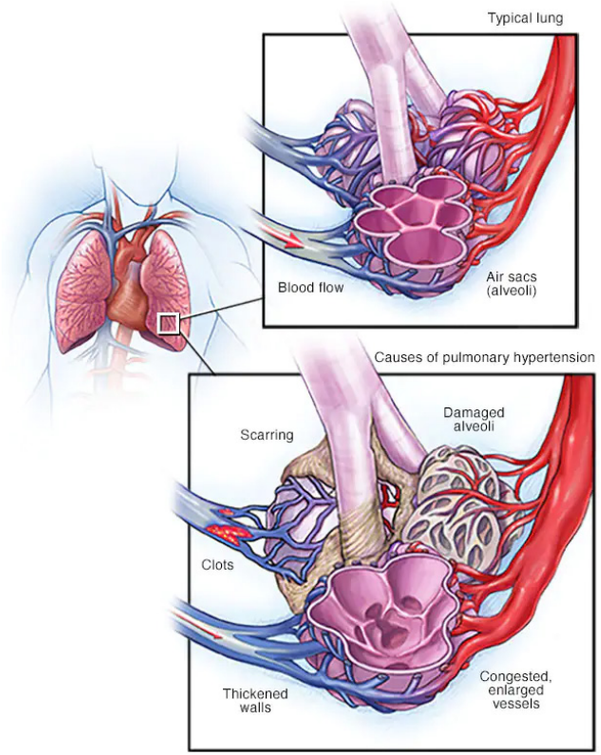
Pulmonary arterial hypertension (PAH) is a rare disease and a specific form of high blood pressure in the pulmonary circulation. The disease is characterized by an increase in the pulmonary pressure secondary to a thickening of the walls of the pulmonary arteries, i.e. the blood vessels that lead from the right side of the heart to the lungs. This impedes blood flow and causes high blood pressure in the lungs, at later stages local blood clots (so-called thromboses) are also formed.

Globally, the disease affects approximately 10 in 100 000 people. It is a severe, progressive disease with various etiologies that ultimately leads to heart failure and poor lung function. Patients with PAH have a severe prognosis, with inadequate treatment options, with more than 50 percent of patients dying within 5 years with a reduced quality of life throughout the course of the disease. The life expectancy of a person with PAH is about 2.5 years without any treatment, which with current medical interventions can be extended up to 7.5 years.

In most cases, there is no known cause of PAH. There is no cure and most patients die from the right side of the heart eventually giving up.

PAH has a major impact on the individuals' level of functioning and causes shortness of breath, fatigue, chest pains, reduced ability to work, unnatural swelling, fainting and heart palpitations. This has significant implications for a patient's physical, mental, and social well-being.

The global market for PAH drugs is estimated to amount to nearly 12 billion dollars by 2027; among the three central markets, US, EU4 + UK and Japan, the US accounts for 60 percent. There is currently no cure available for PAH with the exception of lung transplantation, which patients are often too seriously ill to undergo. The treatments offered today are focused on improving the patient's functional level and involve, at best, a moderate slowing of the disease progression. There is therefore a great need for novel disease-modifying treatments that address the underlying causes of PAH that can give patients an increased opportunity for an improved and longer life.



Rare disease

There are approximately 6,000–8,000 rare diseases affecting more than 300 million individuals worldwide. Despite this, approximately 95 percent of these diseases have no approved treatment to offer those affected. There is not even a common global definition of what a rare disease is, but different regions have created their own. In the US, it is considered a rare disease if it affects fewer than 200,000 people, while in Europe the definition is that there should be fewer than 1 in 10,000 people affected.

Rare diseases came to be called 'orphan diseases', i.e. abandoned diseases, because pharmaceutical companies were not interested in developing treatments for a smaller market. In the US, therefore, the 'Orphan Drug Act' was launched to create financial incentives to encourage companies to develop novel treatments for rare diseases.

Cereno's lead drug candidate CS1 could be extremely helpful for patients who have stalled on the current vasodilator therapy. CS1, when added on top of current therapies allows the pulmonary vessels to restore to normal structure and function as well as improve the way the right heart functions.

- Dr. Raymond Benza, Network 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

I wasn't able to walk the 50 feet from my car to the elevator at my building or even up the stairs from my living room to my bedroom. I feel short of breath and lightheaded just walking around the house or trying to do normal household chores.

- PAH patient from FDA's Voice of Patient Survey

Thrombosis

A dangerous thrombosis occurs when a blood clot blocks a blood vessel and it can occur in many different places in the body. There are two different forms of thrombosis; venous thrombosis and arterial thrombosis. Venous thrombosis is when the blood clot blocks a vein that carries blood from the body to the heart, and an arterial thrombosis is when the blood clot blocks an artery that carries oxygen-rich blood from the heart to the body. An occluding thrombosis is a serious complication that contributes to nearly 85 percent of all deaths in cardiovascular disease, with heart attacks and strokes being two of the most common complications. Many who have suffered a blood clot are prescribed drug treatment to prevent recurrent blood clots. In some cases, preventive drug treatment is initiated to prevent thrombosis even for those who never before suffered a blood clot when the risk is considered to be high in this individual.

Venous thrombosis consists of two types of venous thromboembolism, including the conditions deep vein thrombosis and pulmonary embolism, and stroke prevention in atrial fibrillation. Over 3.5 million cases of venous thromboembolism were diagnosed in 2021 and are considered a significant health burden, claiming over 800,000 lives each year in Europe and the US. The most common forms of arterial thrombosis include ischemic stroke and myocardial infarction, which kill more than one in four people globally. An arterial thrombotic event can also lead to poor blood flow to the extremities, which is a complication of peripheral artery disease. It is more common in the legs than in the arms because atherosclerosis is often found to a greater extent in the legs than in the arms due to higher blood pressure in the legs. About 8 million people, in the US alone, have peripheral artery disease.

Treatment for the prevention of thrombosis is a type of maintenance treatment where medicines are primarily prescribed to prevent recurrent thrombosis during different treatment periods depending on which type of thrombosis is involved. There are many anti-thrombotic drugs, so-called blood thinners on the market, which are used to prevent the formation of blood clots. These existing drugs have all different mechanisms of action, however, all have the serious and unwanted side effect of an increased risk of bleeding that can cause hospital stays and lead to death.

This is the main reason why antithrombotic drugs are not optimally used, but rather underutilized, i.e. not prescribed to all needing it, underdosed or used for a too short time. It is estimated that as many as 40–50 percent of people who would need antithrombotic drugs do not receive appropriate treatment. An effective drug without the high risk of bleeding that today's available treatments have is sought-after and could completely change the current approach to thrombosis prevention.

> Despite several existing treatment options, thrombosis still remains a leading cause of morbidity and mortality. In current management of thrombosis prevention, we have very effective drugs both on the antiplatelet side as well as on the anticoagulation side, but they all come with an increased risk of bleeding. The holy grail is to develop effective therapies without driving bleeding risk.
>
> **– Dr. Michael Holinstat, Director of Translational Research**

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

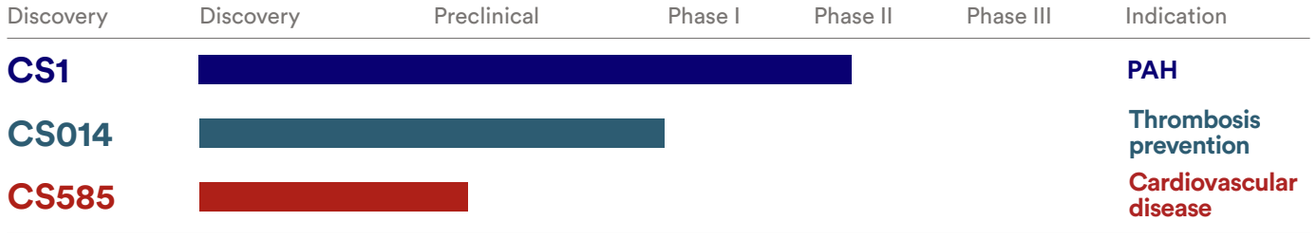
CS1
The drug candidate CS1 is an HDAC (histone deacetylase) inhibitor that acts as an epigenetic modulator through pressure-reducing, “reverse-remodeling”, anti-fibrotic, anti-inflammatory and anti-thrombotic properties. CS1 is undergoing a Phase II clinical trial for the treatment of the rare disease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



We have observed significant positive developments in terms of our understanding of the potential of our pipeline consisting of three innovative candidate drugs. We have seen several advantages of potential clinical benefit for our CS1 asset in PAH. The preclinical safety program for CS014, in preparation for entering clinical development, was completed successfully. Additionally, promising data supporting the potential of CS585 have been presented.

- Dr. Rahul Agrawal, Chief Medical Officer (CMO) and Head of R&D

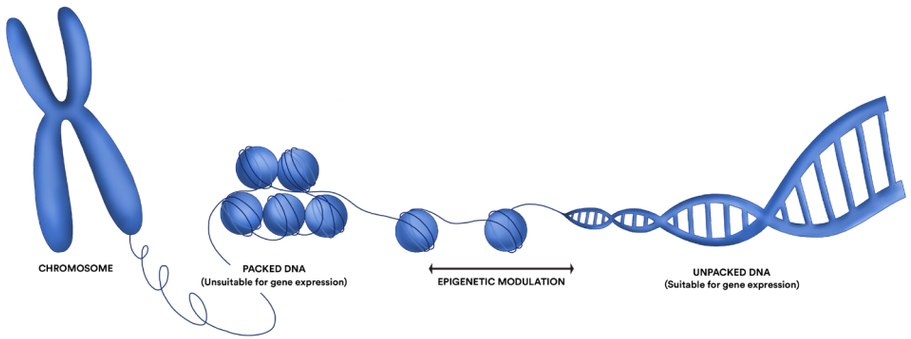
Epigenetic modulation

Cereno has two drug projects based on HDAC inhibition with epigenetic effects – the clinical drug candidate CS1 and the preclinical drug candidate CS014. The Company is one of the first to develop treatments for cardiovascular disease through the application of epigenetic modulation. This provides the opportunity to develop safer and more effective treatments for cardiovascular diseases in a completely new way.

Epigenetic modulation can be described as changing gene expression without actually changing the genetic code, which is a new way to treat cardiovascular diseases. One of the most common epigenetic modulators is a class of enzymes called histone deacetylase, abbreviated HDAC. HDACs are found in most cells throughout the body and stimulation or inhibition of these can lead to changes in how an individual's DNA is translated into the production of proteins within the cells. This can affect important cellular mechanisms and thus increase or decrease the risk of disease.

In recent years, epigenetic modulation has played an important role in new treatments for cancer, however, research into the use of epigenetic modulation in cardiovascular disease is just beginning. Scientists have discovered ways to regulate certain disease-causing epigenetic changes as a form of treatment through the use of HDAC inhibitors, among other things. HDAC inhibitors are epigenetic modulators that have been shown to have a full spectrum of potentially disease-modifying effects, with Cereno being among the first biotech companies to exploit its effects for the development of innovative drugs for the treatment of cardiovascular disease.

Simplified illustration of epigenetic modulation



> Cereno is one of the first to develop treatments for cardiovascular diseases through the application of epigenetic modulation. This provides the opportunity to develop safer and more effective treatments for cardiovascular diseases in a completely new way.
>
> **– Dr. Björn Dahlöf, Chief Scientific Officer (CSO)**

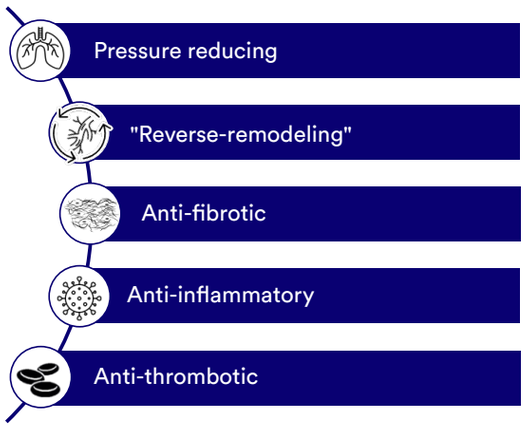
Clinical Phase II drug candidate CS1

The clinical Phase II 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 10 clinics in the US is ongoing in collaboration with the global healthcare company Abbott.

CS1 is an innovative formulation of valproic acid (VPA) and it is an HDAC inhibitor that has received Orphan Drug Designation (ODD) 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, offers the possibility to impact the underlying pathophysiology of the disease.

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 local thrombolysis with impending occlusive thrombosis 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 PA-1 and no problems with bleeding.

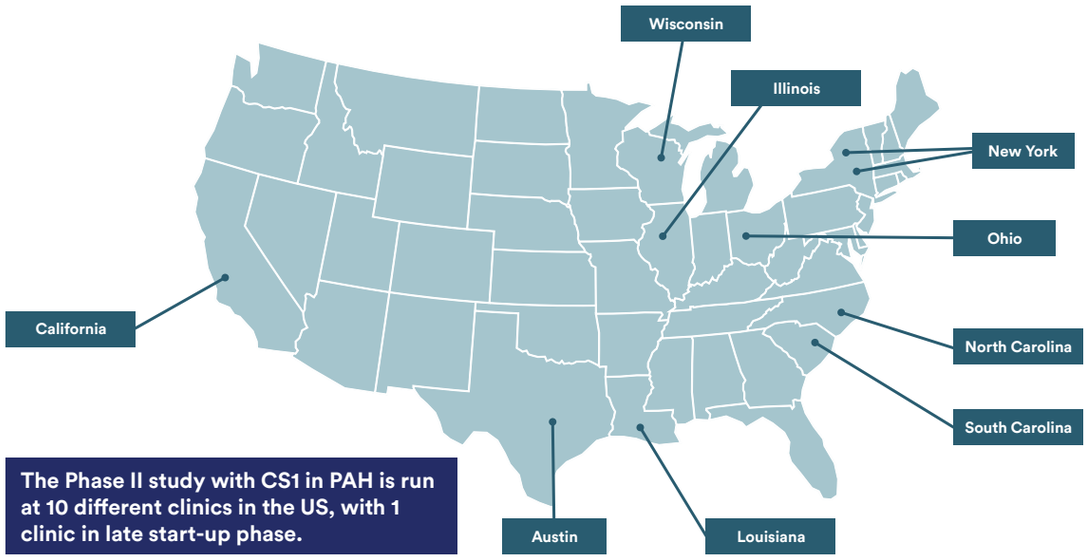
Overall, CS1 shows promising potential with a multifold efficacy profile with properties such as:



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 the rare disease PAH and is believed to be able to address today's major unmet need for better treatment alternatives.

I believe that CS1, with its cardiovascular remodeling properties, is unique and could be very complementary to other drugs already in use. In contrast to the currently available drugs, it offers a possibility to impact the underlying pathophysiology of the disease.

- Dr. Rahul Agrawal, Chief Medical Officer (CMO) and Head of R&D



The Phase II study with CS1 in PAH is run at 10 different clinics in the US, with 1 clinic in late 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 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 possible to be determined from the study.

The Phase II study is being conducted at ten different specialist clinics in the USA, with one additional clinic in late start-up phase, and will include 30 patients. Top-line results are expected in Q3 2024.

> Our CS1 trial utilizing CardioMEMS in PAH is groundbreaking. The advent of being able to frequently evaluate pulmonary blood pressure and other pulmonary hemodynamics, the target of many PAH therapies, is revolutionary. I think this will change not only the way we treat this disease, but also how we understand the disease and its pathophysiology.
>
> **– Dr. Philip B. Adamson, MD, MSc, FACC, FESC, FRCP (Ed), Divisional Vice President and Chief Medical Officer of the Heart Failure Division, Abbott, and collaborative partner in the Phase II study of CS1**

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.

CS1 – Signs of clinical benefit and Compassionate Use

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 Patient 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 pump 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 CS1 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 Patient Case Study indicates that using the CardioMEMS permits safe daily remote monitoring of hemodynamics over time in patients with PAH, permitting assessment of medication effectiveness on an individual patient level.

Positive findings from the Data Quality Control Review

In October, an initiative for a Data Quality Control 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 is to continue to completion without any changes to the study protocol. 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 30th 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 (EAP) 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 will also allow Cereno to gather further documentation of CS1 use in patients suffering from PAH, which will help in discussions with regulatory authorities and support the design of our Phase IIb/III pivotal study with CS1.

The level of interest in the EAP has been high, with close to two-thirds of the patients, having completed the study or currently being on therapy, have been judged by investigators to be suitable for continued access to CS1 following study completion.

FDA definition of Expanded Access

Sometimes called "Compassionate Use", expanded access is a potential pathway for a patient with a serious or immediately life-threatening disease or condition to gain access to an investigational medical product (drug, biologic, or medical device) for treatment outside of clinical trials when no comparable or satisfactory alternative therapy options are available.

> Compassionate use allows patients to continue CS1 for their treatment of PAH, and to continue to experience the quality-of-life improvements perceived by the patients and clinicians.
>
> **- Dr. Raymond Benza, Network 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**

Preclinical programs

Cereno has two preclinical development programs with novel drug candidates for the treatment of cardiovascular disease. The aim is for these to meet all the requirements to be allowed to start clinical studies. The novel HDACi CS014 to enter clinical phase in 2024 and the novel IP receptor agonist CS585 under going preclinical evaluation during 2024.

Novel HDACi CS014

The investigational drug candidate CS014 belongs to Cerenos 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 treatment to effectively prevent arterial and venous thrombosis without increasing the risk of bleeding.

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. 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.

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 of Michigan. Dr. Michael Holinstat received his PhD in pharmacology from the University of Illinois at Chicago and completed postdoctoral training at Vanderbilt University in Nashville. His research areas have included thrombosis, pharmacology and hematology. Dr. Holinstat is an associate 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.

In 2023, new positive preclinical data were presented with CS014 as an effective HDAC inhibitor that inhibits platelet activity, small and large vessel thrombosis while maintaining hemostasis in a dose-dependent manner. Also, when combined with rivaroxaban, CS014 inhibited the formation of platelet and fibrin-rich thrombosis without adding to the bleeding risk. These cumulated data shows that CS014 has the potential to enrich the toolbox of antithrombotic therapies in both venous and arterial thrombosis. With clinical use of the HDAC inhibitor CS014, through epigenetic modulation, it would be possible to prevent thrombosis without an increased risk of bleeding, a much desired unmet medical need. 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.

In April 2023, the preclinical collaboration agreement with the University of Michigan for CS014 was extended.

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. 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.

> CS014, through its effect as an HDAC inhibitor, is able to limit platelet accumulation as well as fibrin formation without causing increased risk in bleeding. This opens an avenue for a completely new area of drug targeting for thrombosis prevention in man.
>
> **- Dr. Michael Holinstat, Director of Translational Research**

Novel IP Receptor agonist CS585

Drug candidate CS585 has, in initial in vivo animal models, demonstrated the potential to significantly improve disease mechanisms relevant to selected cardiovascular diseases. 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. 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 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 conjunction, the Company extends the preclinical development collaboration agreements with University of Michigan.

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 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.

Market

The World Health Organization (WHO) states that cardiovascular disease is a global epidemic, which is only expected to increase. About one-third of all deaths in the world can be attributed to cardiovascular disease, with many of the resulting complications being caused by an occluding blood clot. Due to the high morbidity, death rates and reduced quality of life caused by cardiovascular disease, a significant pharmaceutical market exists.

Today, more than 200 million people are at high risk of suffering from cardiovascular complications. Most complications resulting from cardiovascular disease occur due to a blood clot forming in the body's cardiovascular system and obstructing blood flow – so-called thrombosis. Almost 85 percent of all deaths from cardiovascular disease are due to heart attack or stroke. Other common types of cardiovascular complications include heart failure, arrhythmia, peripheral vascular disease, venous thrombosis, and pulmonary embolism. However, there are many more types of common and rare conditions included in the field of cardiovascular disease. With the rapidly growing number of people affected by cardiovascular diseases around the world, the need for new innovative treatments that are better and safer than current options is increasing.

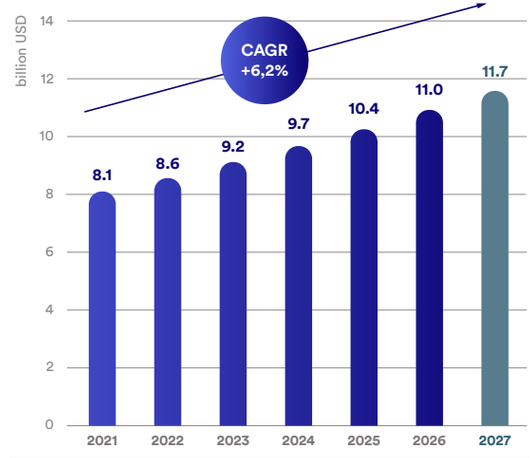
Market for Cereno's clinical drug candidate CS1

CS1 is being developed to treat patients with the rare disease PAH. There is currently no cure for PAH with the exception of lung transplantation, which patients often are too ill to undergo. Today, the life expectancy of a person with PAH is about 2.5 years without any treatment, with current medical interventions, the life expectancy can be extended up to 7.5 years.

The global market for PAH drugs is estimated to amount to nearly 12 billion USD in 2027. Among the three central markets, US, EU4 + UK and Japan, the US accounts for 60 percent of sales. Most of today's available treatments only offer an approximately 11 percent improvement in the patient's functional level and involve, at best, a moderate slowing of disease progression. There is therefore a great need for new disease-modifying treatments addressing the underlying causes of PAH, which can give patients an increased opportunity for an improved and longer life.

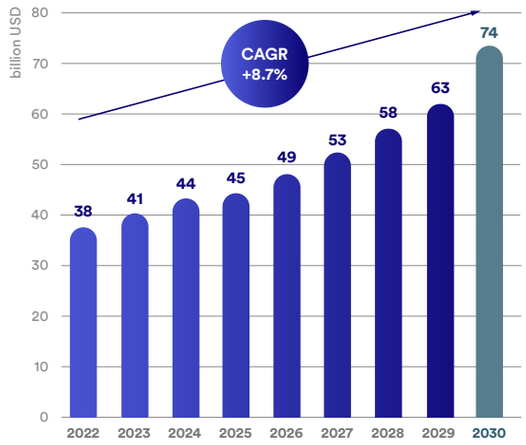
CS1 has the potential through epigenetic modulation to completely change the treatment options for PAH patients with improved quality of life and extended life.

Market size for PAH



Source: Infogence Global Research (2021) "Global Pulmonary Arterial Hypertension (2021-2027)

Global market size for Thrombosis prevention



Source: https://finance.yahoo.com/news/global-anticoagulants-market-reach-74-124400338.html)

Market for the drug candidate CS014

The drug candidate CS014 is being developed as a treatment to prevent thrombosis. There are two types of thrombosis, vein thrombosis and arterial thrombosis. Just over 3.5 million cases of venous thromboembolism were diagnosed in 2021 and considered a significant health burden, taking over 800,000 lives every year in Europe and the USA. The most common forms of arterial thrombosis include ischemic stroke and heart attack, which kills more than one of four people globally. An arterial thrombotic event can also lead to poor blood flow to the extremities, which is a complication of peripheral arterial disease, which affects approximately 8 million people in the US alone.

There are many antithrombotic drugs on the market used to prevent the formation of blood clots, so-called blood thinners. These existing drugs have all different mechanisms of action, however, they all also have the serious and unwanted side effect of an increased risk of bleeding that can cause hospitalizations and lead to death. The global market for antithrombotic drugs is expected to grow beyond 70 billion USD by 2030.

It is estimated that as many as 40–50 percent of the people needing antithrombitic therapy instead receive inadequate or no treatment due to the fear of bleeding. The need for new effective treatments with less risk of bleeding is therefore large and sought-after in the field. CS014 thus has the potential to become a new major treatment in thrombosis prevention with its favorable efficacy and safety profile.

Market for the drug candidate CS585

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 prevents thrombosis without increased risk of bleeding. These preclinical data demonstrate that CS585 may have the potential to become one of the most effective prostacyclin receptor agonists (PRA) treatments for the indications PAH and thrombosis prevention. Market estimates for these two indications can be seen above in the section on CS1 and CS014 respectively.

Patent portfolio

Cereno is continuously working actively with securing patents for the Company's three development projects in order to optimally acquire a competitive position before a potential market launch or partnership agreement. In addition to the already granted patents below, there are additional patent applications for all drug candidates undergoing national registration processes in strategically selected markets, which, if approved, could provide additional market exclusivity. The Company's IP assets are continuously evaluated based on new data from preclinical and clinical studies that may represent an opportunity for further extended patent protection.

Patent for drug candidate CS1

Cereno has three patent families in relation to the drug candidate CS1. In these three patent families, there are a total of approved patents in the most important global markets, including Australia, Europe, Israel, Japan, Canada, Malaysia, Mexico, the US, Russia, South Korea and India. This gives CS1 patent protection up to 2035 and 2037, respectively, depending on the patent family. Additional patent applications are undergoing national registration processes in other strategically selected markets, which, if approved, could provide additional market exclusivity.

Patent for drug candidate CS014

Drug candidate CS014 has one issued patent in the UK, valid through 2042. Further, CS014 currently has a pending international patent application, which will be converted into national patent applications to be processed by the authorities in selected national markets. Thus, there is potential for a geographically extensive patent protection for CS014, should these be approved.

Patent for drug candidate CS585

Drug candidate CS585 has two patent families that have patents granted in Europe and in the US. Based on these, the CS585 has patent protection until at least 2039.

> Our patent portfolio is an important tool for securing a strong competitive position before a potential market launch or partnership agreement. At Cereno, we continuously work to evaluate our assets in pace with new data from preclinical and clinical studies obtained.
>
> **- Jonas Faijerson Säljö, Chief Intellectual Property Officer (CIPO) and Member of the Board of Directors at Cereno Scientific**

Organization

Today, Cereno is led by a Management Team with broad experience in all areas of development and commercialization of pharmaceuticals. Cereno has prioritized securing the key competence needed to deliver on the Company's vision of developing medicines that can improve both quality of life and survival for patients with cardiovascular disease. Research and development (R&D) of pharmaceuticals is a multidisciplinary approach that also often requires collaborations and partnerships to achieve success. Collaborations within both academia and industry are therefore important components for optimizing R&D strategies and driving development forward with the right skills and high productivity.

Cereno has an international presence with a base both in Sweden and the US with the Headquarters based in AstraZeneca's BioVentureHub in Gothenburg and an American subsidiary Cereno Scientific Inc. located in the biotech center Kendall Square in Boston, US.

Cereno has built a significant group of advisors who bring preclinical and clinical expertise, extensive drug development experience, business development and commercial expertise and a strong global network to the Company. These thought leaders in the field of cardiovascular diseases, contribute with their expertise regarding the definition of clinical strategy, design of specific programs or studies for optimal drug development for the development projects in the Company's portfolio. This integrated form of collaboration enables close contact with clinical reality, ongoing research and opens doors to a large network of researchers, other opinion leaders and industry contacts which are very valuable for the Company's development.

Cereno's collaboration partners

Cereno has well-established collaboration partners within both the preclinical and clinical development programs. Parts of the preclinical development programs for CS014 and CS585 in preparation for Phase I studies are conducted in collaboration with the University of Michigan. For other developments, such as safety studies, pharmacokinetic evaluation and formulation work, collaboration takes place with established contract research organizations (CRO). The Phase II study with CS1 in PAH is being conducted in collaboration with the global healthcare company Abbott as well as with an established CRO for conducting clinical studies.

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 in the US. Dr. Michael Holinstat leads work on Cereno's two preclinical programs at the University of Michigan. Dr. Holinstat is Associate Professor of Pharmacology in the Department of Pharmacology at the University of Michigan and has extensive experience leading translational programs in drug development in hemostasis and thrombosis.

The collaboration with the global healthcare company Abbott means that Cereno can use Abbott's pioneering implantable technology, the CardioMEMS HF System, in the ongoing Phase II study with CS1 in PAH.

Selected partners for drug development

Cereno works with several carefully selected partners to be able to carry out research and development and operationally drive the Company forward.

Preclinical development	Accelerera
	ApconiX
	Emeriti Bio
	Synchrosome
	University of Michigan
Formulation development and manufacturing	Ardena
	Corden Pharma
	Galenica
	Klifo
	NCK
Pharmaceutical synthesis	GVK
	Red Glead Discovery
Clinical studies	Abbott
	Clinical Trial Consultants
	TFS
	Worldwide Clinical Trials
IPR strategy	Cozen O'Connor
	Synergon
Regulatory strategy	Arex Advisor
	NDA Regulatory Service
	Rare Moon
US regulatory agent	Cardinal Health
Communications and IR	Livewire
	Rippler Communications
Pricing and access	Fingerpost
Legal counsel	MAQS Advokatbyrå
Business administration	Frejs Revisorer
	RSM

Cereno's Scientific Advisory Board

Chairman, Dr. Bertram Pitt

Professor Emeritus in Medicine, University of Michigan School of Medicine

Dr. Pitt is a Professor Emeritus in Medicine at the University of Michigan School of Medicine, US. Pitt assumed directorship of the division of Cardiology at the University of Michigan School of Medicine in 1977. Among his achievements, he has been awarded the James B Herrick award from the American Heart Association as well as life-time achievement awards from the Heart Failure Society of America and the European Heart Failure Society. He has served on the editorial boards of several cardiovascular journals and has published over 750 articles, chapters and books. Co-chairman, CVCT Global Forum. In 2023, Dr Bertram Pitt was acknowledged by the European Society of Cardiology (ESC), the world's largest association of cardiologists, who awarded him the ESC Gold Medal for his outstanding lifetime achievements.

Dr. Raymond Benza

Professor and network director of pulmonary vascular disease at Mount Sinai Heart, Icahn School of medicine in New York City, Principal Investigator of the Phase II study of CS1

Benza is currently Professor and network director of pulmonary vascular disease at Mount Sinai Heart, Icahn School of medicine in New York City. He has extensive clinical trial experience with involvement in over 100 different clinical trials. Dr Benza has published over 200 scientific manuscripts in leading journals, and has written several books focused on pulmonary hypertension.

Dr. Deepak Bhatt

MD, MPH, MBA, FACC, FAHA, FESC, MSCAI, Director of the Mount Sinai Fuster Heart Hospital and the Dr. Valentin Fuster Professor of Cardiovascular Medicine at the Icahn School of Medicine at Mount Sinai in New York City, Principal Investigator of the Phase II study of CS1

Dr. Deepak Bhatt was Professor of Medicine at Harvard Medical School between 2012-2022. He has been listed in *Best Doctors in America* from 2005 to 2020. Dr. Bhatt has authored or co-authored over 2000 publications and has been listed by the Web of Science Group as a Highly Cited Researcher from 2014 to 2023. He is the Editor of *Cardiovascular Intervention: A Companion to Braunwald's Heart Disease and of Opie's Cardiovascular Drugs: A Companion to Braunwald's Heart Disease.*

Dr. Gunnar Olsson

MD & Ph.D. in Medical Sciences, Karolinska Institute

Olsson is an MD, PhD in Medical Sciences at the Karolinska Institute. He was previously Adjunct Professor at the Karolinska Institute, and has extensive experience from leading R&D positions in the pharmaceutical industry. He has over 20 years of experience in different Global R&D management positions at AstraZeneca, and contributed to more than a dozen successful global product registrations for medicines in cardiovascular, vascular and gastrointestinal indications. Dr. Gunnar Olsson has been on the board of ESC, that awarded him the ESC President Award in recognition of his outstanding lifetime achievements, in 2023.

Dr. Gordon Williams

Professor of Medicine at Harvard Medical School

Dr. Williams is a Professor of Medicine at Harvard Medical School since 1981, and was the founder and Director of its Scholars in Clinical Science Program until 2008. A lifelong interest of Williams' has been to understand the mechanisms by which aldosterone participates in cardiovascular diseases. He has published more than 600 original articles, reviews, chapters and books, including co-editing his seminal textbook "Clinical and Translational Science."

Dr. Faiez Zannad

Professor emeritus of Therapeutics and Cardiology, Université de Lorraine

Dr. Zannad is a Professor Emeritus of Therapeutics and Cardiology at Université de Lorraine, France. Zannad is involved in a number of major cardiovascular clinical trials, as a Principal Investigator and/or as a chair or member of several Steering Committees, Critical Event Committees and Data Safety and Monitoring Boards. Founder & chairman, CVCT Global Forum.

Board of Directors

Joakim Söderström
Chairman of the Board since 2023
Born 1984

Joakim Söderström is an entrepreneur and biotech investor with experience as CEO, board member, and chairman. Joakim was previously the CEO of SäkerhetsBranschen and Vice President of Euroalarm. Moreover, Joakim has previously held multiple managerial positions within the Swedish Police Authority. Joakim is considered independent of the Company, its management and major shareholders according to the Swedish corporate governance code.

Education: Joakim has completed the Police Academy at Umeå University, courses through The Swedish Civil Contingencies Agency (MSB) and the Swedish Defense University as well as selected courses in political science at Umeå University, behavioral science at Linköping University, Administrative and Labor Law at Malmö University.

Other board assignments: Board member of Quod Opto AB and Security Holding Sverige AB.

Principal activities outside of Cereno: Joakim is currently the CEO of Svensk Bakgrundsanalys AB, CEO of Quod Opto AB and Security Holding Sverige AB.

Jonas Faijerson Säljö
Member of the Board since 2023
Born 1977

Jonas Faijerson Säljö is Cereno's Chief Intellectual Property Officer since 2019 and has a research background in the stroke area with wide-ranging experience in the commercialization of medical innovations. Jonas Faijerson Säljö has significant expertise in intellectual property and business development experience, from a large number of companies in the life science area. Currently employed as Senior IP Business Consultant and CEO of Synergon AB.

Education: Jonas Faijerson Säljö holds a Ph.D. in Neurobiology and is a licensed pharmacist from the University of Gothenburg.

Other board assignments: Member of the Board of Synergon AB and Innovaurum AB.

Principal activities outside of Cereno: CEO of Synergon AB and founder of Innovaurum AB.

Dr. Sverker Jern
Member of the Board since 2012
Born 1954

Sverker Jern is one of the founders of Cereno Scientific AB. He is a physician and Professor of Cardiovascular Physiology at the University of Gothenburg. It is Sverker Jern's research at the Wallenberg Laboratory for Cardiovascular and Metabolic Research at the Sahlgrenska Academy, Gothenburg, which discovered the molecular mechanisms that control the body's inherent protection against blood clots. These basic research findings are utilized in Cereno's development programs. Sverker Jern has also been in charge of ECG analysis in several of the largest international cardiovascular intervention studies.

Education: Sverker Jern holds a B.A., M.D., Ph.D., and is a Specialist in Clinical Physiology, Associate professor, Professor and a University Hospital Chief Physician at Sahlgrenska University Hospital, University of Gothenburg.

Other board assignments: -

Principal activities outside of Cereno: CEO of Jern Medical AB and Jern Diagnostics AB.

Lena Mårtensson Wernrud

Member of the Board since 2022
Born 1954

Lena Mårtensson Wernrud has been working in the Life Science area in different management level positions since 1984 and has also been a tutor of several doctoral candidates. Among her positions include Head of Preclinical Unit at Gambro AB, Director and Head of Clinical Operations at Perstorp Pharma, Global Director of Project Management at Pharmacia/Pfizer, Director & Head of Business Development Discovery Respiratory and Inflammation at AstraZeneca, as well as Senior Director and Head of Pipeline Sourcing at LEO Pharma.

Education: Lena Mårtensson Wernrud holds a Ph.D. and is associate professor at Lund University.

Other board assignments: Chairman of the Board of Xinnate AB and Transient Pharma AB.

Principal activities outside of Cereno: -

Dr. Anders Svensson

Member of the Board since 2018
Born 1951

Anders Svensson is a licensed physician, medical doctor, and lecturer with over 20 years of experience in academic medicine; his scientific focus is cardiovascular diseases. He has extensive experience in international pharmaceutical development after almost 20 years in leading positions within the global pharmaceutical industry such as F. Hoffmann-LaRoche where he was responsible for the global clinical development of diabetes and cardiovascular. Prior to that he was working as Vice President and responsible for the clinical development of cardiovascular and later gastrointestinal drugs at AstraZeneca. Anders Svensson has almost 100 publications to his name.

Education: Anders Svensson holds a MD, Ph.D. from the University of Gothenburg.

Other board assignments: -

Principal activities outside of Cereno: Founder of C Anders Svensson Consulting.

Jeppe Øvlesen

Member of the Board since 2023
Born 1962

Øvlesen has experience in business development and has been involved in more than 20 successful start-ups in medtech, biotech, and IT, including CLC Bio, Cetrea and Monsenso. Øvlesen is Co-founder and CEO at SynAct Pharma AB (publ), and has previously been CEO at ChemoMetec A/S and PNN Medical A/S. Previous experience also includes founding TXP Pharma, and holding executive positions as CFO and Vice President of business development at Action Pharma A/S, whose lead candidate was sold to AbbVie for 110 MUSD. US. Øvlesen is independent of the Company, the Company Management and of major shareholders as defined by the Swedish Code of Corporate Governance.

Education: Øvlesen has an MBA with a focus on leadership and finance from the University of Hartford.

Other board assignments: Chairman in HG Energy Group A/S, Cercare Medical A/S, Go-Pen A/S, and Neurescue ApS, and a Board member in Perfusion Tech Aps, ResoTher Pharma Aps and SynAct Pharma AB.

Principal activities outside of Cereno: -

Executive Management Team

Sten R. Sörensen
CEO since 2015
Born 1959

Sten R. Sörensen has extensive experience from the pharma, biotech, and finance industries. Before Cereno, he held senior positions in major pharma including Head of International Marketing Operations for the 10 BSEK pharma portfolio at Monsanto and Global Marketing Director for the 4 BSEK portfolio of Secondary Prevention Products, Cardiovasculars at AstraZeneca. At Monsanto and AstraZeneca, he initiated two groundbreaking preventive survival studies in heart failure, RALES and MERIT-HF, both establishing a paradigm shift for mineralocorticoid receptor (MR) antagonism and beta-blocker drug therapies in heart failure, significantly improving quality of life and life expectancy. He is Chairman of SARomics Biostructure and Board Member of SynAct Pharma.

Education: Sten R. Sörensen hold a bachelor's degree in chemistry from Lund University.

Dr. Björn Dahlöf
Chief Scientific Officer, engaged in Cereno since 2012
Born 1953

Björn Dahlöf has over 35 years of clinical experience added to his extensive experience in cardiovascular research, pharmacology, drug development, and clinical trials (all phases) and has lectured in these areas internationally. Adviser to small and large pharmaceutical companies regarding drug development in all phases from preclinical development to larger lifecycle management studies after registration. Björn Dahlöf has initiated and led several major national and multinational mortality and morbidity studies that have had significance for guidelines in cardiovascular prevention and authored over 400 scientific publications.

Education: Dr. Björn Dahlöf is a Medical doctor from the University of Gothenburg, internal medicine physician and associate professor at Sahlgrenska University Hospital, University of Gothenburg.

Dr. Rahul Agrawal
Chief Medical Officer and Head of R&D since 2024
Born 1965

Dr. Rahul Agrawal is an experienced senior executive leader with a diverse background spanning Big Pharma and biotech. His expertise encompasses the entire value chain including R&D, Medical Affairs, commercial and strategy experience across various therapeutic areas such as cardiovascular, renal, respiratory, and rare/orphan drugs and he has launched seven drugs globally. Previous roles include CMO at Cardior, VP and Global Medicines Leader at AstraZeneca, and Global Director of Medical Affairs and Clinical Development at Bayer HealthCare.

Education: Dr. Rahul Agrawal has an MD degree from the Free University of Berlin, Germany and Cornell University, New York, USA, and is board-certified in cardiology, internal medicine, and emergency medicine. Additionally, he holds an MBA from Buckinghamshire New University, UK.

Nicholas Oakes
Head of Preclinical Development since 2022
Born 1961

He has more than 20 years of experience working in the pharmaceutical industry with both efficacy and safety-related aspects of preclinical research to discover and develop new effective and safe medicines in metabolic, cardiovascular, and renal disease areas.

Education: Nicholas Oakes holds a Ph.D. in cardiovascular and metabolic research from the University of New South Wales, Sydney, Australia.

Eva Jagenheim
Chief Financial Officer (CFO) sedan 2023
Born 1966

Eva Jagenheim has a broad experience of various roles within finance. Previous experience includes working as an accountant at PWC, consultant at the accounting firm Arthur Andersen, and at companies of varying sizes across several different industries. She most recently worked as CFO at RLS Global, a medtech company listed on Nasdaq First North Growth Market.

Education: M.Sc. in Business and Economics from Växjö University and an MBA from Gothenburg Business School.

Julia Fransson
Director of Business Development since 2024
Born 1987.

Julia Fransson is an experienced business development professional in the life science industry. Julia has experience from working with business development, strategy and valuation and in the life science industry both in operational, consultancy and investment settings. Previous roles include management positions within developing technology companies as well as, most recently, heading up a boutique life science strategy advisory firm.

Education: B.Sc. in Biotechnology and a M.Sc. in Business Design in life science companies from Chalmers University of Technology, Sweden.

The share

Cereno's share has been listed on Nasdaq First North Growth Market since June 14, 2023. On December 31 2023, the share capital amounted to SEK 23,377,523 SEK divided into 233,775,234 shares, of which 722,248 Class A shares and 233,052,986 Class B shares. The shares have a quotient value of SEK 0.10. All shares carry votes, where the Class A share gives ten (10) votes per share the Class B share gives one (1) vote per share. The number of shareholders on December 31, 2023 was approximately 6,830. The ten largest owners held approximately 34 percent of the share capital.

Size per class on December 31, 2023

Holding	Number of shareholders	Holding (%)	Change in number of shareholders since 2022-12-30
1 - 500	1 907	27,92 %	+42,65 %
501 - 1 000	650	9,52 %	+25,60 %
1 001 - 2 000	1 829	26,78 %	+30,19 %
5 001 - 10 000	746	10,92 %	+40,11 %
10 001 - 15 000	331	4,85 %	+32,65 %
15 001 - 20 000	237	3,47 %	+35,74 %
20 001 -	1 130	16,54 %	+74,14 %
Totalt	**6 830**	**100,00 %**	**+ 42,02 %**

Share development

Administration Report

The Board of Directors and the CEO of Cereno Scientific AB (556890-4071) hereby submit the Annual Report for the fiscal year 2023-01-01 - 2023-12-31. The Annual Report is prepared in Swedish kronor, SEK.

Operations

Cereno Scientific is a clinical stage biotech company within cardiovascular diseases. The lead drug candidate, CS1, is a Phase II candidate in development for the treatment of the rare disease pulmonary arterial hypertension (PAH) and thrombotic indications. CS1 is an HDAC (Histone DeACetylase) inhibitor that acts as an epigenetic modulator with anti-thrombotic, anti-inflammatory, anti-fibrotic and pressure-relieving properties, all relevant for PAH. In addition, the Company has two preclinical programs; CS014 and CS585. 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. 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. The Company is headquartered in AstraZeneca's BioVenture Hub, Sweden, and has a US subsidiary Cereno Scientific Inc. based in Kendall Square in Boston, Massachusetts, US.

Financial performance

During the year 2023, the Company mainly invested in the conduct of the clinical Phase II study with CS1 in PAH, in the production of clinical supplies, in the development of its patent portfolio and in preclinical studies with CS585 and CS014. A share issue was done in May with subscription to new shares, which provided the Company with approximately SEK 77 million before deduction of transaction costs. At the end of the year, the Group had a cash balance of approximately SEK 87 million and an equity/assets 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

On 31 December 2023, the share capital was divided across 233 775 234 shares. The Company has two classes of shares of which 722 248 are Class A shares and 233,052,986 Class B shares. The Class A share carries the right to ten (10) votes per share and the Class B share carries the right to one (1) vote per share. Each share gives equal rights to the Company's assets and earnings. The quotient value (share capital divided by 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 options 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 September 2022, the restated number of Class B shares that the warrants give entitlement to is 386 145 418 648 with a subscription price of SEK 10.94. The warrant can 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 during 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 were 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 during 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 were 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 issue in May 2023, the recalculated number of shares to which the options entitle amounts to 3,509 440, of which 807 171 have been allocated as of December 31, 2023. The warrants shall be issued the Company and then be 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.

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.

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**	

Share and owners

The largest shareholders by the 31 December 2023

Name	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	1.1 %	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 %**

Annual General Meeting

The Annual General Meeting is planned to be held on 16 April 2024 in Gothenburg. The location of the AGM will be MAQS office, Östra Hamngatan 24, in Gothenburg.

Upcoming financial reports

Annual General Meeting ..... 16 April 2024
Interim report for quarter 1 .....23 May 2024
Interim report for quarter 2 ..... 29 August 2024
Interim report for quarter 3 .....21 November 2024
Interim report for quarter 4.....25 February 2025

Development of the Group's operations, profit/loss and position*

(SEK)	2023-12-31	2022-12-31	2021-12-31	2020-12-31	2019-12-31
Net sales	-	-	-	-	-
Loss after financial items	-48 106 210	-27 648 649	-16 250 680	-16 017 060	-1 043 828
Total assets	284 986 216	215 653 647	180 738 186	112 231 644	64 059 182
Equity/assets ratio %	75.9	93.4	94.1	88.9	93.1
Cash and bank balance	87 168 535	67 045 679	89 634 757	66 004 352	26 099 549

*The Group commenced on 20 December 2019.

Development of the Parent Company's operations, profit/loss and position*

(SEK)	2023-12-31	2022-12-31	2021-12-31	2020-12-31	2019-12-31
Net sales	-	-	-	-	-
Loss after financial items	-48 181 632	-27 747 301	-16 576 604	-16 015 061	-15 279 801
Total assets	284 957 107	215 606 906	180 729 727	112 159 718	64 060 123
Equity/assets ratio %	75.9	93.5	94.1	88.9	93.1
Cash and bank balance	87 102 526	67 012 503	89 594 519	65 955 827	26 099 549

Proposed disposition of the Company's profit or loss

The Board of Directors and the CEO propose that available profits, SEK 1,987,274, be disposed of as follows:

Share premium reserve 51 688 498
Retained earnings..... -1 519 591
Profit/loss for the year ..... -48 181 632
Amount **1 987 274**

Retained in new account 1 987 274
Amount..... **1 987 274**

Regarding the Company's profit/loss and position in general, reference is made to subsequent income statements and balance sheets with accompanying notes.

Group – Condensed change in equity

2023-01-01 - 2023-12-31	Share capital	Other contributed capital	Other capital including profit/loss for the year
At the start of the period	13 751 484	245 725 032	-57 965 096
Exchange rate differences when translating foreign subsidiaries	-		1 670 687
Resolve of warrant subscription right	-	-	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**

Parent Company – Condensed change in equity

2023-01-01-2023-12-31	Share capital	Fund for development expenses	Share premium reserve	Retained earning	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
Warrant issued	-	-	0	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**

Group - Condensed income statement

(SEK)	Note	1 Jan 2023 31 Dec 2023 12 months.	1 Jan 2022 31 Dec 2022 12 months.
Net sales		-	-
Capitalised work for own account	1,6	49 276 646	57 538 069
		49 276 646	**57 538 069**
Operating expenses			
Other external costs		-71 152 162	-76 619 906
Personnel costs	3	-18 748 415	-7 499 784
Depreciation of tangible fixed assets	8	-14 308	-14 308
Other operating items	4	-4 011 820	-903 424
Operating loss		**-44 650 060**	**-27 499 353**
Loss from financial items			
Interest income and similar income		1 840 942	309 778
Interest expenses and similar expenses	10	-5 297 093	-459 074
Loss after financial items		**-48 106 210**	**-27 648 649**
Loss before tax		**-48 106 210**	**-27 648 649**
Income taxes	5	0	-5 845
Loss for the period		**-48 106 210**	**-27 654 494**

Group - Condensed balance sheet

(SEK)	Note	31 Dec 2023	31 Dec 2022
ASSETS	1		
Fixed assets			
Intangible assets			
Capitalised expenditures for development activities	6	182 483 295	135 709 679
Patents, trademarks, licenses and similar rights	7	13 780 255	11 277 224
		196 263 550	**146 986 903**
Tangible assets			
Fixtures, tools and installations	8	14 315	28 623
		14 315	**28 623**
Financial assets			
Other long-term receivables	9	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**

(SEK)	Note	31 Dec 2022	31 Dec 2021
EQUITY AND LIABILITIES			
Equity	11		
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		**216 424 436**	**201 511 420**
Long-term liabilities	10		
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		0	212 761
Other liabilities		1 231 118	406 636
Accrued expenses and deferred income	12	15 000 296	3 711 967
		23 161 780	**13 742 227**
TOTAL EQUITY AND LIABILITIES		**284 986 216**	**215 653 647**

Group - Condensed cash flow statement

(SEK)	Note	1 Jan 2023 31 Dec 2023 12 months.	1 Jan 2022 31 Dec 2022 12 months.
OPERATING ACTIVITIES			
Loss after financial items		-48 106 210	-27 654 494
Adjustments for items not included in the cash flow			
Depreciations		14 308	14 308
Translation differences		34 002	-89 781
Accrued expenses for borrowings		0	200 000
Accrued interest cost		777 040	250 000
New share issue through offset of liability		1 670 687	
Income taxes		0	-4 210
Cash flow from operating activities before changes in working capital		**-45 610 173**	**-27 284 177**
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in operating receivables		52 288	20 504
Increase (+)/Decrease (-) in operating liabilities		8 642 852	8 648 175
Cash flow from operating activities		**-36 915 033**	**-18 615 498**

(SEK)	Note	1 Jan 2023 31 Dec 2023 12 months.	1 Jan 2022 31 Dec 2022 12 months.
Investing activities			
Acquisition of intangible assets	6	-49 276 646	-57 538 069
Cash flow from investing activities		**-49 276 646**	**-57 538 069**
Financing activities			
New share issue	11	77 008 311	61 280 818
Issue expenses	11	-15 693 775	-2 489 995
Warrants issued		-	398 666
New loan		45 000 000	-
Amortisation of loans		-	-5 000 000
Paid interest costs			-625 000
Cash flow from financing activities		**106 314 536**	**53 564 489**
Cash flow for the period		**20 122 856**	**-22 589 078**
Cash and cash equivalents at start of period		**67 045 679**	**89 634 757**
Cash and cash equivalents at end of period		**87 168 535**	**67 045 679**

Parent Company - Condensed income statement

(SEK)	Note	1 Jan 2023 31 Dec 2023 12 months.	1 Jan 2022 31 Dec 2022 12 months.
Net sales		-	-
Capitalised work for own account	1,6	49 276 646	57 538 069
		49 276 646	**57 538 069**
Operating expenses			
Other external costs	2	-71 227 587	-76 718 563
Personnel costs	3	-18 748 415	-7 499 785
Depreciation of tangible fixed assets		-14 308	-14 308
Other operating cost	4	-4 011 817	-903 424
Operating loss		**-44 725 481**	**-27 598 011**
Loss from financial items			
Interest income and similar income		1 840 942	309 778
Interest expenses and similar expenses	10	-5 297 093	-459 068
Loss after financial items		**-48 181 632**	**-27 747 301**
Loss before tax		**-48 181 632**	**-27 747 301**
Loss for the period		**-48 181 632**	**-27 747 301**

Parent Company - Condensed balance sheet

(SEK)	Note	31 Dec 2023	31 Dec 2022
ASSETS			
Fixed assets			
Intangible assets			
Capitalised expenditures for development activities	6	182 483 295	135 709 679
Patents, trademarks, licenses and similar rights	7	13 780 255	11 277 224
		196 263 550	**146 986 903**
Tangible assets			
Fixtures, tools and installations	8	14 315	28 623
		14 315	**28 623**
Financial assets			
Shares in Group Company	9	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
		1 537 423	**1 577 935**
Cash and bank balance		**87 102 526**	**67 012 503**
Total current assets		**88 629 949**	**68 590 439**
TOTAL ASSETS		**284 918 755**	**215 606 906**

(SEK)	Note	31 Dec 2023	31 Dec 2022
EQUITY AND LIABILITIES			
Equity	11		
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
Profit/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	10		
Other liabilities to credit institutions		400 000	400 000
		45 000 000	
Current liabilities		**45 400 000**	**400 000**
Accounts payable			
Tax liabilities		6 930 366	6 112 278
Bridge loan		0	207 073
Payables to Group companies		0	**3 265 996**
Other liabilities		1 192 765	406 636
Accrued expenses and deferred income	12	15 089 077	3 711 967
		23 212 208	**13 703 950**
TOTAL EQUITY AND LIABILITIES		**284 918 755**	**215 606 906**

Parent Company - Condensed cash flow statement

(SEK)	Note	1 Jan 2023 31 Dec 2023 12 months.	1 Jan 2022 31 Dec 2022 12 months.
OPERATING ACTIVITIES			
Loss after financial items		-48 181 632	-27 747 301
Adjustments for items not included in the cash flow			
Depreciations	8	14 308	14 308
Accrued expenses for borrowings		0	200 000
Accrued interest cost	10	777 040	250 000
Qualified stock warrants		1 670 687	-
		-45 719 597	**-27 282 993**
Cash flow from operating activities before changes in working capital		**-45 719 597**	**-27 282 993**
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in operating receivables		40 512	64 566
Increase (+)/Decrease (-) in operating liabilities		8 731 217	8 609 991
Cash flow from operating activities		**-36 947 867**	**-18 608 436**
Investing activities			
Acquisition of intangible assets	6,7	-49 276 646	-57 538 069
Cash flow from investing activities		**-49 276 646**	**-57 538 069**

(SEK)	Note	1 Jan 2022 31 Dec 2022 12 months.	1 Jan 2021 31 Dec 2021 12 months.
Financing activities			
New share issue	11	77 008 311	61 280 818
Issue expenses	11	-15 693 775	-2 489 995
Warrants issued		0	398 666
Amortisation of loans		0	-5 000 000
Proceeds from borrowings	10	45 000 000	
Paid interest costs		0	-625 000
Cash flow from financing activities		**106 314 536**	**53 564 490**
Cash flow for the period		**20 090 022**	**-22 582 015**
Cash and cash equivalents at start of period		**67 012 503**	**89 594 519**
Cash and cash equivalents at end of period		**87 102 526**	**67 012 503**

Accounting policies and notes

Note 1. Accounting policies

Amounts in SEK unless otherwise indicated.

This Annual Report has been prepared in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board BFNAR 2012:1 Annual Report and Consolidated Accounts (K3).

The accounting policies are unchanged from the previous year.

Assets, provisions and liabilities have been measured at cost unless otherwise indicated below.

Consolidated financial statement

Subsidiaries

Subsidiaries are companies in which the Parent Company directly or indirectly holds more than 50 per cent of the voting rights or otherwise exercises a controlling interest. A controlling interest entails the right to design a company's financial and operational strategies for the purpose of obtaining financial benefit. The recognition of business acquisitions is based on the economic entity approach, which means that an acquisition analysis is prepared as of the point in time when the acquirer obtains a controlling interest. As of that point in time, the acquirer and the entity acquired are regarded as a single economic entity. Furthermore, the application of the economic entity approach means that all assets (including goodwill) and liabilities, as well as revenue and costs, are taken into account in their entirety, even for partially owned subsidiaries.

The cost of subsidiaries is calculated as the sum of fair value on the acquisition date for assets paid for plus liabilities that have arisen or were taken over, as well as equity instruments issued, expenditures directly attributable to the business acquisition and any purchase considerations. The acquisition analysis establishes the fair value on the acquisition date, with a few exceptions, of identifiable assets acquired and liabilities taken over as well as minority interests. Minority interests are measured at fair value on the acquisition date. As of the acquisition date, the consolidated financial statement includes the Company's revenue and costs, identifiable assets and liabilities, and any goodwill or negative goodwill that has arisen.

Elimination of intra-Group transactions

Intra-Group receivables and liabilities, revenue and costs, and unrealised gains or losses that arise in conjunction with intra-Group transactions are eliminated in their entirety. Unrealised losses are eliminated in the same manner as unrealised gains, but only to the extent that there is no indication of a need for impairment.

Intangible fixed assets

Intangible fixed assets are recognised at cost less accumulated amortisations and impairments. In addition to the purchase price, the costs includes expenditures directly attributable to the acquisition.

Research and development expenditures

When recognising expenditures for development, the capitalisation model is applied. This means that expenses that arose during the development phase are recognised as assets when all the conditions below have been met:

- Completion of the intangible fixed asset is possible so that it can be used or sold.
- The intent is to complete the intangible fixed asset, either to use it or to sell it.
- The conditions exists to use or sell the intangible fixed asset.
- It is probably that the intangible fixed asset will generate future financial benefit.
- The necessary technological, financial and other resources are adequate for completing development and for using or selling the intangible fixed asset.
- The expenditures attributable to the intangible fixed asset can reliably be calculated.

Amortisations

The asset is amortised on a straight-line basis over its estimated useful life. The amortisation is recognised as a cost in profit or loss. No intangible assets were amortised during the year. Amortisations will take place when the products are commercialised.

Impairments

At every balance sheet date, the asset is assessed to determine whether there is any indication that its value is less than its carrying amount. If there is such an indication, the recoverable amount of the asset is calculated.

The recoverable amount is the higher of fair value less selling costs and value in use. Calculation of value in use estimates the present value of future cash flows that the asset is expected to give rise to in operating activities, and when it is sold or disposed of. The discount rate used is before tax, and reflects the market assessments of the time value of the money and the risks pertaining to the asset. A prior impairment is cancelled only if the reasons that formed the basis for calculating the recoverable amount at the most recent impairment have changed.

Tangible fixed assets

Tangible fixed assets are recognised at cost less accumulated depreciation and impairments. In addition to the purchase price, the costs includes expenditures directly attributable to the acquisition.

Depreciation

The asset is depreciated on a straight-line basis over its estimated useful life, since this reflects the expected use of the asset's future financial benefit. The depreciation is recognised as a cost in profit or loss.

The estimated residual value, established at the time of purchase at the price level then prevailing, is taken into account.

Equipment, tools, fixtures and fittings

Useful life.....5 years

Leases (lessees)

All leases have been classified as finance or operating leases. A finance lease is a lease under which the risks and benefits associated with owning an asset are essentially transferred from the lessor to the lessee. An operating lease is a lease that is not a finance lease.

Finance leases

Rights and obligations under finance leases are recognised as assets and liabilities in the balance sheet. At initial recognition, the asset and liability are measured at the lesser of the asset's fair value and the present value of the minimum lease payments. Expenditures directly attributable to signing and arranging the lease are added to the amount recognised as an asset.

Income taxes

Income taxes includes tax payable och receivable in the current year. adjustments regarding prior year and changes in deferred tax. As the Company is showing loss, no current or deferred tax is booked.

Renumeration to employees

Current renumerations are salary, social security fees, paid vacation, paid sickleave. and bonus. Short term renumerations are accounted for as a cost and a liability when there is a legal or informal renumeration. Renumerations to employees are accounted for in the same pace as the work is performed. There are no Bonus programs in the Company.

Pensions

The Company pays pensions according to plan for all employees. The pensionplans are feedetermined and are calculated with a percentage of the salary. The pension fee is paid to and handled by a seperate company, and have no legal obligation to pay anything, should the other company fail to do so. The Companys result includes costs for pensions at the same pace as the employees performs theirwork.

Operating leases

Lease payments under operating leases, including increased initial rent but excluding expenditures for services such as insurance and maintenance, are recognised as a cost on a straight-line bases over the term of the lease.

Foreign currency

Monetary items in foreign currency are restated at the exchange rate on the balance sheet date. Non-monetary items are not restated, but are recognised at the exchange rate on the date of purchase.

Exchange rate differences arising from the settlement or restatement of monetary items are recognised in profit or loss for the financial year in which they occur.

Financial assets and liabilities

Financial assets and liabilities are recognised in accordance with Chapter 11 (Financial instruments measured on the basis of cost) of BFNAR 2012:1.

On initial recognition, financial assets are measured at cost including any transaction expenditures directly attributable to the acquisition of the asset.

Non-current financial liabilities are recognised at amortised cost. Expenditures directly attributable to raising loans have adjusted the cost of the loan.

Note 2. Operating leases (leases)

	Group		Parent Company	
	2023	2022	2023	2022
Rent for premises	217 395	182 397	154 100	126 500
Total	**217 395**	**182 397**	**154 100**	**126 500**

Future rent for premises totals for the Group 592 KSEK 2024 and thereafter 1,2 Mkr per year. For the Parent, the numbers are 529 KSEK for next year and thereafter 1,1 Mkr. per year.

Note 3. Employees

	Group		Parent Company	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Average no. employees	5	4	5	4
Total	**5**	**4**	**5**	**4**

Salaries and other renumerations, social costs, including pension costs (KSEK)

Salaries and other renumerations, KSEK

	2023	2022
Board of Directors, CEO, 11x (10x)	3 748	2 471
Tantiem to Board		
Other employees, 5x (4x)	5 946	2 224
Total Salaries and renumerations	**9 694**	**4 695**
Pension costs and other benefits to Board of Directors, CEO and similar,* 11x (10x)	9 689	483
Pension costs and benefits for other employees* 5x (4x)	4 063	342
Other social security costs	5 141	1 100

Salaries and other renumerations per person, KSEK

	Salary		Pension, benefits*	
	2023	2022	2023	2022
Sten R. Sörensen, CEO	2 793	1 665	4 554	483
Joakim Söderström, Chairman of the Board of Directors	236		2 370	
Lena Mårtensson Wernrud	127	48	395	
Anders Svensson	127	96	790	
Jonas Faijersson Säljö	103	72	790	
Sverker Jern	127	96	790	
Jeppe Øvlesen	18			
Board Members until 2023-06				
Catharina Bäärenhielm	97	192		
Klementina Österberg	48	96		
Rein Piir	48	96		
Niklas Bergh	24	24		
Björn Dahlöf		96		
Total	**3 748**	**2 471**	**9 689**	**483**

*Includes stockoptions received free of charge as benefit.

Note 4. Other operating costs

	Group		Parent Company	
	2023	2022	2023	2022
Foreign exchange effect	-411 817	-903 424	-411 817	-903 424
Loan Agent Fee	-3 600 000		-3 600 000	
Total	**-4 011 817**	**-903 424**	**-4 011 817**	**-903 424**

Note 5. Income tax

	Group		Parent Company	
	2023	2022	2023	2022
Current taxes	0	-5 845	0	0
Deferred taxes	-	-	-	-
Total	**0**	**-5 845**	**0**	**0**

Note 6. Capitalised expenditures for development activities

	Group		Parent Company	
	2023	2022	2023	2022
Opening cost	135 709 679	80 164 358	135 709 679	80 164 358
Capitalization for the year	46 773 615	55 545 321	46 773 615	55 545 321
Closing carrying amount	**182 483 294**	**135 709 679**	**182 483 294**	**135 709 679**

Note 7. Patent

	Group		Parent Company	
	2023	2022	2023	2022
Opening cost	11 277 224	9 284 476	11 277 224	9 284 476
New purchases	2 503 030	1 992 748	2 503 030	1 992 748
Closing carrying amount	**13 780 254**	**11 277 224**	**13 780 254**	**11 277 224**

Note 8. Equipment, tools and installations

	Group		Parent Company	
	2023	2022	2023	2022
Opening cost	71 547	71 547	71 547	71 547
New purchases	-	-	-	-
Closing accumulated costs	**71 547**	**71 547**	**71 547**	**71 547**
Opening depriciation	-42 924	-28 616	-42 924	-28 616
Depriciation for the year	-14 308	-14 308	-14 308	-14 308
Closing accumulated depriciation	-57 232	-42 924	-57 232	-42 924
Closing carrying amount	**14 315**	**28 623**	**14 315**	**28 623**

Note 9. Shares and participations in Group companies

	Parent Company	
	2023-12-31	2022-12-31
Opening cost	941	941
Purchases	-	-
Closing accumulated costs	**941**	**941**
Closing carrying amount	**941**	**941**

Information on the corporate identity numbers and domiciles of subsidiaries is indicated below.

Company, corp. ID no., domicile	Number of shares	Participation (%)	Carrying amount
Cereno Scientific Inc., Cambridge, MA, USA	**100**	**100**	**941**

Pertains to owner of share capital, which also corresponds with the share of votes for the total number of shares.

Note 10. Non-current liabilities

	Group		Parent Company	
	2023	2022	2023	2022
Swedish Agency for Economic and Regional Growth	400 000	400 000	400 000	400 000
Formule Nord	45 000 000	0	45 000 000	0
Total	**45 400 000**	**400 000**	**45 400 000**	**400 000**

The loan from the Swedish Agency for Economic and Regional Growth is a conditional loan, and no amortization plan exists. The obligation to repay the loan arises only in conjunction with the project reaching the commercial phase and generating revenue.
Cereno has been granted an loan of 90 MSEK of which we have used 45 MSEK as at year end. The remaining 45 MSEK could be used until August 2024. The loan run with an interest rate at 10% + STIBOR 3Mts, which is paid quarterly. The loan is due for repayment in May 2025.

Note 11. Equity

Group			
2023-01-01 – 2023-12-31	**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**

2022-01-01 – 2022-12-31	**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**

	Parent Company				
2023-01-01 – 2023-12-31	**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**

2022-01-01 – 2022-12-31	**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 issue	-	-	-	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**

Note 12. Accrued costs and deferred income

	Group		Parent Company	
	2023	2022	2023	2022
Accrued supplier invoices	12 730 247	2 384 953	12 730 247	2 384 953
Accrued vacation	926 270	760 275	926 270	760 275
Accrued interest	777 040	-	777 040	-
Deferred income Vinnova	566 739	566 739	566 736	566 739
Total accrued costs and deferred income	15 089 077	3 711 967	15 089 077	3 711 967

Consists mainly of late incoming 2023 invoices for the CS1 study.

Note 13. Securities pledged and contingent liabilities

	Group		Parent Company	
	2023	2022	2023	2022
Securities pledged	None	None	None	None
Contingent liabilities	None	None	None	None

Note 14. Related party transactions

	Group		Parent Company	
	2023	2022	2023	2022
Purchases	1 966 218	4 184 459	1 966 218	4 184 459

All related party transactions are obtained under normal market conditions.

Note 15. Significant events after end-of-year

See page 8.

Signatures

The date shown in the respective executive's electronic signature

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 Executive Officer

Our audit report has been submitted on the date indicated by my electronic signature

Frejs Revisorer AB

Mikael Glimstedt
Chartered Accountant

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, we are delighted that the FDA´s Expanded Access Program will enable patients with PAH, a serious life-threatening disease condition, to gain access to CS1 where no comparable alternative therapy options are available. 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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