



Immudex ApS

Bredevej 2 A
2830 Virum
CVR No. 31348854

Annual report 01.07.2022 - 30.06.2023

The Annual General Meeting adopted the annual
report on 27.11.2023

Søren Elmann Ingerslev
Chairman of the General Meeting

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Entity details

Entity

Immudex ApS
Bredevej 2 A
2830 Virum

Business Registration No.: 31348854
Registered office: Lyngby-taarbæk
Financial year: 01.07.2022 - 30.06.2023

Board of Directors

Søren Elmann Ingerslev
Douglas Frank Sweet
Helene Kähler Hjenner

Executive Board

Patrik Olof Dahlén

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Immudex ApS for the financial year 01.07.2022 - 30.06.2023.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.06.2023 and of the results of its operations for the financial year 01.07.2022 - 30.06.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Virum, 17.11.2023

Executive Board

Patrik Olof Dahlén

Board of Directors

Søren Elmann Ingerslev

Douglas Frank Sweet

Helene Kähler Hjenner

Independent auditor's extended review report

To the shareholders of Immudex ApS

Conclusion

We have performed an extended review of the financial statements of Immudex ApS for the financial year 01.07.2022 - 30.06.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.06.2023 and of the results of its operations for the financial year 01.07.2022 - 30.06.2023 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of Management and, if appropriate, of other entity

personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

Statement on the management commentary

Management is responsible for the management commentary.

Our conclusion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 17.11.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Søren Strandby

State Authorised Public Accountant
Identification No (MNE) mne24684

Management commentary

Primary activities

The main activities of Immudex is to provide MHC Dextramer® reagents for improved cellular immune monitoring to be used in research, clinical development and patient monitoring.

Development in activities and finances

The Company has during the fiscal year had the following focus areas:

- i. Increase sales of RUO (research-use-only) Dextramer® reagents
- ii. Increase sales of clinical-grade Dextramer (GMP) reagents to biopharma companies engaged in T-cell therapy development
- iii. Increase output of new products and services by investing in more R&D activities
- iv. Expand commercial activities

The total sales revenue at group level of RUO/GMP/IVD reagents increased by 18% relative to the previous fiscal year with approximately 54% of the sales in North America and 46% in the rest of the world.

Immudex continued to invest significant resources in 1) the development of new Dextramer® reagents, 2) in expanding commercial activities and 3) maintaining and protecting existing patent portfolio.

The Company has realized a loss of DKK 1.1 million. A loss was planned related to higher staff costs due to the increase in the number of employees and related activities. The loss is affected by the capitalization of the development costs in 2022/23. The company has changed accounting policies for 2022/23 so that the development costs is now recognized in the balance sheet. The change of the accounting policies has resulted in a reduction of the loss with 2.2 million cf. also mentioned under accounting policies.

Uncertainty relating to recognition and measurement

The value of the capitalized development projects depends on the companys ability to finalize the development projects in progress and the companys ability to attract enough customers to achieve a return of the invested capital. The assessment of the management is that this will happen within a manageable timeline.

Outlook

In the next financial year, a continued expansion of Immudex' product portfolio and commercial operation will take place, in addition to the continued progress of the research and development pipeline. Immudex will enter new clinical application areas, such as CAR-T, Autoimmunity, to expand the available markets for the company

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2022/23

	Notes	2022/23 DKK	2021/22 DKK
Gross profit/loss		29,872,202	18,937,904
Staff costs	2	(29,836,123)	(27,971,482)
Depreciation, amortisation and impairment losses	3	(1,524,963)	(1,475,857)
Operating profit/loss		(1,488,884)	(10,509,435)
Other financial income	4	739,790	2,191,588
Impairment losses on financial assets		414,848	(608,491)
Other financial expenses	5	(1,033,404)	(260,317)
Profit/loss before tax		(1,367,650)	(9,186,655)
Tax on profit/loss for the year	6	275,571	2,418,061
Profit/loss for the year		(1,092,079)	(6,768,594)
Proposed distribution of profit and loss			
Retained earnings		(1,092,079)	(6,768,594)
Proposed distribution of profit and loss		(1,092,079)	(6,768,594)

Balance sheet at 30.06.2023

Assets

	Notes	2022/23 DKK	2021/22 DKK
Acquired intangible assets		602,397	1,078,661
Development projects in progress	8	2,831,675	0
Intangible assets	7	3,434,072	1,078,661
Other fixtures and fittings, tools and equipment		1,422,523	2,022,212
Leasehold improvements		2,750,272	2,955,556
Property, plant and equipment	9	4,172,795	4,977,768
Investments in group enterprises		0	0
Deposits		522,060	473,270
Financial assets	10	522,060	473,270
Fixed assets		8,128,927	6,529,699
Work in progress		8,761,326	7,735,422
Inventories		8,761,326	7,735,422
Trade receivables		3,752,621	4,751,921
Receivables from group enterprises		8,693,913	10,031,961
Deferred tax	11	3,959,022	4,351,410
Other receivables		1,505,615	1,743,359
Joint taxation contribution receivable		667,959	0
Prepayments		1,339,627	41,936
Receivables		19,918,757	20,920,587
Cash	12	5,640,366	5,874,564
Current assets		34,320,449	34,530,573
Assets		42,449,376	41,060,272

Equity and liabilities

	Notes	2022/23 DKK	2021/22 DKK
Contributed capital		711,505	700,136
Reserve for development expenditure		2,208,707	0
Retained earnings		27,003,924	28,675,517
Equity		29,924,136	29,375,653
Other payables		4,359,870	4,433,304
Non-current liabilities other than provisions	13	4,359,870	4,433,304
Current portion of non-current liabilities other than provisions	13	195,826	187,256
Bank loans		131,386	149,773
Prepayments received from customers		198,502	165,921
Trade payables		2,840,899	3,052,296
Other payables		4,798,757	3,696,069
Current liabilities other than provisions		8,165,370	7,251,315
Liabilities other than provisions		12,525,240	11,684,619
Equity and liabilities		42,449,376	41,060,272
Uncertainty relating to recognition and measurement	1		
Unrecognised rental and lease commitments	14		
Contingent liabilities	15		

Statement of changes in equity for 2022/23

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	700,136	0	28,675,517	29,375,653
Increase of capital	11,369	0	1,666,693	1,678,062
Costs related to equity transactions	0	0	(37,500)	(37,500)
Transfer to reserves	0	2,208,707	(2,208,707)	0
Profit/loss for the year	0	0	(1,092,079)	(1,092,079)
Equity end of year	711,505	2,208,707	27,003,924	29,924,136

Notes

1 Uncertainty relating to recognition and measurement

The value of the capitalized development projects depends on the company's ability to finalize the development projects in progress and the company's ability to attract enough customers to achieve a return of the invested capital. The assessment of the management is that this will happen within a manageable timeline.

2 Staff costs

	2022/23	2021/22
	DKK	DKK
Wages and salaries	27,357,673	25,637,253
Pension costs	2,081,512	2,049,624
Other social security costs	396,938	284,605
	29,836,123	27,971,482
Average number of full-time employees	39	39

3 Depreciation, amortisation and impairment losses

	2022/23	2021/22
	DKK	DKK
Amortisation of intangible assets	476,264	305,632
Depreciation of property, plant and equipment	1,048,699	1,170,225
	1,524,963	1,475,857

4 Other financial income

	2022/23	2021/22
	DKK	DKK
Financial income from group enterprises	679,860	562,556
Other interest income	59,930	0
Exchange rate adjustments	0	1,629,032
	739,790	2,191,588

5 Other financial expenses

	2022/23	2021/22
	DKK	DKK
Other interest expenses	136,034	205,577
Exchange rate adjustments	721,719	0
Other financial expenses	175,651	54,740
	1,033,404	260,317

6 Tax on profit/loss for the year

	2022/23	2021/22
	DKK	DKK
Change in deferred tax	392,388	514,735
Refund in joint taxation arrangement	(667,959)	(2,932,796)
	(275,571)	(2,418,061)

7 Intangible assets

	Acquired intangible assets DKK	Development projects in progress DKK
Cost beginning of year	1,428,791	0
Additions	0	2,831,675
Cost end of year	1,428,791	2,831,675
Amortisation and impairment losses beginning of year	(350,130)	0
Amortisation for the year	(476,264)	0
Amortisation and impairment losses end of year	(826,394)	0
Carrying amount end of year	602,397	2,831,675

8 Development projects

The development projects comprise development of 3 projects as listed below:

1. Brilliant Dye Dextramer which is a new product with a unique new fluorophore on the Dextramer.
2. TCR which is product that enable our customers to study Antigen Presenting Cells in a new and novel way.
3. MR1 which is a new product that enables customers to study a MAIT cells.

With reference to section 83(2) of the Danish Financial Statement Act, deferred tax is set off against the capitalized costs for development projects in the reserve for development costs under equity.

9 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	5,439,155	3,500,000
Additions	212,560	31,166
Cost end of year	5,651,715	3,531,166
Depreciation and impairment losses beginning of year	(3,416,943)	(544,444)
Depreciation for the year	(812,249)	(236,450)
Depreciation and impairment losses end of year	(4,229,192)	(780,894)
Carrying amount end of year	1,422,523	2,750,272

10 Financial assets

	Investments in group enterprises DKK	Deposits DKK
Cost beginning of year	734,526	473,270
Additions	0	48,790
Cost end of year	734,526	522,060
Impairment losses beginning of year	(734,526)	0
Impairment losses end of year	(734,526)	0
Carrying amount end of year	0	522,060

Investments in subsidiaries	Registered in	Corporate form	Equity interest %	Equity DKK	Profit/loss DKK
Immudex USA, Llc	USA, Virginia	LLC	100	(5,067,915)	186,103

11 Deferred tax

Management has chosen not to capitalise tax assets related to tax loss due to uncertainty about utilisation of the Company's tax assets. Deferred tax asset of DKK 3,959 thousand which can be used in the joint taxation with the Parent has been capitalised in the financial statements. The Company has uncapitalised deferred tax of DKK 4,633 thousand concerning the Danish income prior to joint taxation. Moreover, Immudex USA, Llc has deferred taxes regarding tax loss carryforwards.

12 Cash

Cash includes DKK 301,460 which has been deposited in a bank guarantee cover account as security for debt recognised under current liabilities other than provisions.

13 Non-current liabilities other than provisions

	Due within 12 months 2022/23 DKK	Due within 12 months 2021/22 DKK	Due after more than 12 months 2022/23 DKK	Outstanding after 5 years 2022/23 DKK
Other payables	195,826	187,256	4,359,870	1,806,726
	195,826	187,256	4,359,870	1,806,726

14 Unrecognised rental and lease commitments

	2022/23 DKK	2021/22 DKK
Liabilities under rental or lease agreements until maturity in total	3,766,361	6,057,611

The Company's rental agreement is non-cancellable until 01.07.2024. After that the Company's rental agreement can be terminated with a six months' notice.

15 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Viggo Harboe 2006 Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore secondarily liable for income taxes etc for the jointly taxed entities, which is limited to the equity interest by which the entity participates in the Group, and also secondarily liable for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

Changes in accounting policies

The Entity has changed its accounting policies related to the development costs from ongoing recognition of the expenses in the income statement to capitalization in the balance sheet. The development projects concerns products which are clearly defined and identifiable, where adequate resources and a potential future market or a development opportunity can be demonstrated and where the intend is to produce, market or use the concerned products. This accounting policy is assessed to give a more true and fair picture of the company's financial position, result and balance sheet.

The change in accounting policies has not led to any changes in the comparative figures as it has not been possible to make a trustworthy statement of the value in the comparison period due to missing registrations of the development costs.

The change of accounting policies has entailed a reduction of the staff costs and other external expenses corresponding to 2,832 thousand. The tax of the change in the accounting policies corresponds to 623 thousand, after which the result after taxes is increased with 2,209 thousand. The balance sheet is increased with 2,832 thousand and the equity is increased with 2,209 thousand.

Apart from the areas mentioned above, the annual report has been presented applying the accounting policies consistent with last year.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts

attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Own work capitalised

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost for proprietary intangible assets.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and normal writedowns of the relevant inventories.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of property, plant and equipment.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on payables and transactions in foreign currencies etc.

Impairment losses on financial assets

Impairment losses on financial assets comprise impairment losses on financial assets which are not measured at fair value on a current basis.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on payables and transactions in foreign currencies etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Intellectual property rights etc.

Intellectual property rights etc comprise acquired intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Acquired intangible assets are measured at cost less accumulated amortisation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the estimated useful lives of the asset. The estimates lives of the assets are 3-5 years.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5-15 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.