



Annual Report 2024

Letter to Shareholders

The year 2024 has underlined the significant value of InnoMedica's¹ projects in an impressive way. In neurology, TLN-1 for Parkinson's disease has not only shown an alleviating effect on Parkinson's but provides the first indications of a positive long-term influence on the course of the disease. A "disease-modifying" effect could revolutionize the treatment options for Parkinson's and make InnoMedica a global pioneer in the treatment of this widespread disease. In oncology, the broad support of leading oncologists highlights the significant need for an effective yet mild chemotherapy as promised by TLD-1. The clinical data collected to date suggest that TLD-1 may represent an important advancement in chemotherapy.

Neurology

Over the past three years, 22 Parkinson's patients were treated in the NEON study, providing valuable long-term data. The results show that the symptoms of Parkinson's are considerably reduced during treatment with TLN-1 and that four months after discontinuation of therapy, the course of the disease does not worsen. This suggests that TLN-1 may not only alleviate the symptoms but also has a long-term positive effect on the course of the disease. TLN-1 is also well tolerated by patients with weekly infusions, and only minor side effects such as fatigue and dizziness occur. The scientific article with preliminary safety, tolerability and efficacy data from the Phase I/IIa study with TLN-1 is being revised for publication following the review by the journal.

The Phase I/IIa study with TLN-1 was conducted without a control group. As it is known from clinical studies that Parkinson's patients are susceptible to the placebo effect, InnoMedica is starting a placebo-controlled study (LIBRA) in spring 2025. This study will compare the efficacy of TLN-1 with a placebo group over a treatment period of four months. Neither the doctor nor the patients will know whether they receive TLN-1 or a placebo saline solution. Therefore, direct conclusions about the drug's effect can be drawn. These results will be very valuable for the further clinical development of the drug, putting InnoMedica in a stronger position for negotiations with potential licensing partners. The Phase II study has

been approved by Swissmedic without any further conditions and start of the study is planned for the first quarter of 2025.

Oncology

The application for temporary approval of InnoMedica's chemotherapy TLD-1 was declined by Swissmedic at the end of October 2024 despite an initiative taken by 12 oncologists showing their support in the matter. The regulatory agency justified their decision by stating that the available data did not provide sufficient evidence of therapeutic benefit. A comprehensive Phase III trial in the indication breast cancer would be required, which cannot be financed with the current funds. This is why InnoMedica will be focusing on the niche strategy of soft tissue sarcoma, a rare cancer indication, which was developed in parallel. A preclinical study was conducted this fall 2024 that showed that TLD-1 compared to free doxorubicin slows tumor growth in soft tissue sarcomas, even reducing tumor size. In the animal studies, those animals treated with TLD-1 also survived longer. These positive results are the foundation for further clinical development in the indication of soft tissue sarcoma. A Phase III approval study in this indication is much less challenging and costly than in the breast cancer indication. A trial application is expected to be submitted in 2025. As part of a scientific advice meeting with Swissmedic, key questions regarding the design of the trial have already been resolved, increasing the reliability of the planning process. Currently, an in-depth exchange with sarcoma specialists is taking place to clarify the medical questions.

Based on the results of the preclinical study mentioned above and the planned efficacy study in the soft tissue sarcoma indication, InnoMedica applied for orphan drug designation at the European Medicines Agency (EMA) in late November 2024. Holding an Orphan Drug Designation at the time of approval means benefitting from ten years of market exclusivity following approval in Europe, among other things. The decision on the application is expected by mid-April 2025. At the same time a submission to the US FDA is planned, which would result in seven years of exclusivity in the US market after US market approval.

¹In the following, InnoMedica refers to the InnoMedica Group, consisting of the companies InnoMedica Holding AG, InnoMedica Schweiz AG, InnoMedica Deutschland GmbH and YAMAZAKI-DDS Co., Ltd



Change in the course of the disease

TLN-1 not only alleviates the symptoms of Parkinson's disease, but also changes the course of the disease in the long term.

To expand its patent portfolio, an agreement was reached on October 16, 2024, between InnoMedica and Alberto Gabizon and Yechezkel Barenholz, two world-renowned experts in liposomal chemotherapy, to acquire another oncology patent.

Three scientific papers on TLD-1 were published in 2024 with the contribution of InnoMedica researchers. The articles appeared in the "European Journal of Cancer", "Cancer Chemotherapy and Pharmacology", and the "International Journal of Pharmaceutics" and highlight the innovative power of TLD-1 in the research environment.

Continued Development of Product Formulation

In oncology and neurology, InnoMedica is continuously working on improving the shelf life of its products and optimizing its production processes. More process steps were optimized in the production of TLD-1, which positively affects the shelf life of the end-product. In neurology, the product formulation was adapted so that the end-product remains stable for several years. This refined formulation is currently being produced and is first expected to be produced in larger quantities towards the end of 2025. If the new formulation meets all quality criteria thereafter, the neurology product will be more efficiently manufactured and with higher production volumes ready for the market.

Capital Increase and Personnel

In 2024, InnoMedica raised CHF 9 million in new equity through two capital increases. These funds testify to the remarkable loyalty and support of the broad shareholder base. With an average headcount of 56.5 employees comparable to the previous year and an equivalent total of 47 full-time positions, the funds raised are sufficient to advance the planning of the Phase III study for TLD-1 and to start treatments with TLN-1 as part of the placebo-controlled study (LIBRA) in the first quarter of 2025. However, the available funds are not sufficient to take the projects to market approval or to conclude successful licensing agreements.

To make InnoMedica attractive to larger institutional investors, the Board of Directors has taken measures to modernize governance at the level of the Board of Directors and the Executive Board. The reform includes the succession of Dr. Peter Halbherr by an independent Board of Directors and an Executive Board under Dr. Stéfan Halbherr as CEO and Dr. Jonas Zeller as CFO. Prof. Dr. Urs Wälchli has taken over

as Chairman of the Board of Directors on an interim basis and, together with Vice Chairman Dr. med. Denis Bron, is ensuring the vital continuity during this transition phase. At the next Annual General Meeting, additional members with expertise in science, regulatory affairs, international commercialization and financing of pharmaceutical companies will be proposed to strengthen the Board of Directors.

Risk Assessment

With capital of around CHF 70 million invested to date, InnoMedica has developed a platform technology over the past twelve years, based on which two products have been successfully taken through clinical phase I/IIa testing. A manageable translation risk and considerable market potential characterize the two products. This track record is a credit to the entire InnoMedica team and the investors involved.

The year 2024 also revealed the challenges of the projects. Accelerated market approval or financing via licensing models and strategic partnerships failed to materialize. Although there is a great interest from the industry in licensing TLN-1, additional clinical studies are required to prove efficacy and safety in a placebo-controlled setting. This evidence is essential to obtain marketing authorization or licensing. InnoMedica must provide this evidence on its own, which may take up to two more years and requires around CHF 33 million capital.

The company's continuation is dependent on successful future financing so that the planned research projects can be continued and the products brought to market. As of December 31, 2024, liquidity will be sufficient to cover expenses until February 2026. This assessment is based on past funding requirements. Further capital increases and the tapping of additional sources of financing are unavoidable.

The Board of Directors and the Executive Board have therefore initiated measures to revise the existing financing model. A transfer of the assets of InnoMedica Holding AG to InnoMedica Schweiz AG is being considered. This could allow for more flexible financing, with direct participation of major investors in InnoMedica Schweiz AG and public capital increases at the level of InnoMedica Holding AG. Should such scenarios prove viable and practicable, they would be submitted to the Annual General Meeting for approval.

Political, regulatory, and financial market conditions will continue to influence the company's refinancing. Uncertainty in the financial markets will continue to affect the company's financing options in the 2025 fi-

nancial year. Staff turnover represents a further risk, as the loss of valuable expertise can impact continuity of business processes.

Outlook

The 2024 financial year has shown that the two products, TLD-1 and TLN-1, are proving themselves in the clinic. In oncology, InnoMedica has a solid basis for the planned, large-scale Phase III study, which is expected to yield promising results in soft tissue sarcoma. Groundbreaking results are also expected from the placebo-controlled study in neurology. In this study, Parkinson's patients will receive a total of 18 weekly infusions. To prevent falsification of the study data, the patients and the treating physicians will not know whether TLN-1 is administered or the placebo without the active substance. The study is being conducted in collaboration with the Neurological Institute Konolfingen, the Cantonal Hospital St. Gallen and the Bellevue Medical Center in Zurich.

Thus, two large studies are being planned for the coming financial year - the efficacy study in oncology and the placebo-controlled study in neurology - which are of key importance on the way to market approval of the products. At the same time, the product formulations and production processes are continuously developed and optimized. InnoMedica currently expects market approvals in 2029 and 2030. The investments required until then can be broken down into the products in oncology and neurology and financed step by step, whereby various investor groups and licensing partners will be approached.

To bring the oncology product TLD-1 into the profit zone (break-even), management anticipates an additional capital requirement totaling CHF 42.5 million, primarily for restructuring:

- to conduct and complete the pivotal registration study in the indication soft tissue sarcoma
- obtain marketing authorization in the most important pharmaceutical markets worldwide
- Scale up production to meet global demand

Additional investments of CHF 114 million are budgeted for the further development of the neurology product TLN-1. These include:

- the implementation of the LIBRA study (Phase IIb)
- the implementation of the pivotal registration study
- obtain marketing authorization in the most important pharmaceutical markets worldwide

With such investments and the operational progress achieved, InnoMedica could finance itself to break even independently. However, such a solo effort is not InnoMedica's priority scenario. Rather, the pro-

ducts are to be developed to maturity within the next two years, and licensing agreements can be concluded with international partners. Such licensing agreements could foresee that the partner companies bear further development and market launch costs and that the future sales revenue is shared in return.

According to estimates by external experts, InnoMedica is tapping into a market volume of up to CHF 350 million per year in oncology in soft tissue sarcoma alone. The neurology product also opens the possibility of tapping into a market that is ten times larger, as no drug is currently available that has a positive effect on the course of Parkinson's disease. We regard this as a promising basis for concluding license agreements.

Up to that point, InnoMedica expects an additional liquidity demand of CHF 30 to 50 million. As mentioned, InnoMedica is examining various approaches and financing scenarios for raising these funds both at the level of InnoMedica Holding AG and at the level of InnoMedica Schweiz AG.

In summary, it can be said that InnoMedica has an immense potential - both for society and for the shareholders. It is now up to all those involved to fully exploit this potential. While the operational projects are continuing to make good progress and are being well received from both doctors and patients, a key challenge in 2025 will be successful refinancing. The team is committed to creating the necessary framework conditions and making InnoMedica attractive also to larger investors.



Prof. Dr. Urs Wälchli
Chairman of the Board a.i.



Dr. Stéfan Halbherr
CEO



Niche Indication Soft Tissue Sarcoma

Based on promising preclinical study results, a Phase III marketing authorization study with TLD-1 is in preparation.

Financial Overview

InnoMedica ended the 2024 financial year with cash and cash equivalents of CHF 11,320,781. Based on the funds required for operating activities and investments for the full year of CHF 10,166,271, InnoMedica is thus financed for another year at the end of the 2024 financial year, assuming unchanged liquidity demand for the 2025 financial year. Accordingly, management plans to continue to pursue product development and data collection activities in clinical trials with the two products, TLN-1 and TLD-1.

InnoMedica carried out two public capital increases in 2024 raising new funds totaling CHF 9,096,109. Given the challenging economic and financial environment for biotech companies in the reporting year, these re-financing successes primarily reflect the valuable support of the existing shareholder base. Overall, however, financial resources fell by CHF 1,070,162 and there is a further need for refinancing in 2025 to maintain a solid financial basis.

The focus of development activities in 2024 was on the clinical development of TLN-1 in Parkinson's disease and TLD-1 in soft tissue sarcomas. The development expenses of CHF 2,567,422 were higher than the previous year's figure of CHF 2,174,956. This includes the costs of the NEON study, i.e., the costs of treating Parkinson's patients, managing the study, and producing TLN-1, as well as costs for further formulation development of TLN-1 and TLD-1.

Personnel expenses (CHF 5,763,400) account for slightly more than half of total expenses (55% of the loss for the financial year of CHF 10,386,570). They are slightly higher than the previous year's figure of CHF 5,553,552, but lower than the expenses of CHF 6,132,751 in 2022. The average number of employees for the year increased to 56.5 compared to previous years (51 in 2023 and 51.5 in 2022), mainly due to the growth of the clinical trials team.

InnoMedica only carried out moderate additional investments at the Marly site in 2024, as the prerequisites for the next scaling steps for production batch volumes had already been met in previous years. A total of CHF 208,811 was invested compared to 528,600 in 2023. This also includes investments in IT and software, particularly the acquisition of software licenses for InnoMedica's filling technology, which are reported under intangible assets in the balance sheet.

The net loss for 2024 totaled CHF 10,332,528, slightly higher than the previous year's figure of CHF 9,938,001. The moderate increase in expenses was reflected in all operating areas. On the other hand, depreciation and amortization decreased slightly as there were no major additional investments in property, plant, and equipment. Depreciation and amortization were higher in 2023 due to a correction of the investment value of the subsidiary YAMAZAKIDDS Co., Ltd. (YDDS).

Key Items of the Financial Statements in CHF

Position	2023	2024	Change
Cash and cash equivalents (as of 31.12.)	12,390,943	11,320,781	-9%
Equity (as of 31.12.)	14,269,918	13,033,618	-9%
Total assets (as of 31.12.)	15,072,895	13,746,224	-9%
Annual loss	-9,938,001	-10,332,528	4%
Operating cash flow	-8,906,998	-9,957,460	12%
Free cash flow	-9,435,598	-10,166,271	8%

In 2024, InnoMedica successfully issued 1,552,092 new shares in two capital increases, increasing the share capital to 15,998,808 shares at the end of the year. The capital increases were carried out at CHF 5.60 and CHF 7.00. InnoMedica's existing shareholder base has largely covered its financial demand for 2024 under these offers. With the available funds, InnoMedica has continued the NEON study, laid the foundations for the start of a placebo-controlled study with TLN-1 (LIBRA) and financed a strategy adjustment with TLD-1 towards the treatment of soft tissue sarcomas.

The available financial resources at the end of 2024 cover the expected funding requirements in 2025, based on the assumption of continued spending activity. InnoMedica will use the available funds to reach further milestones on the way to market approval and commercialization of the oncology and neurology product, especially in the clinical activities with TLN-1. For further financing, InnoMedica plans to increase capital in the first half of 2025, to continue to ensure a stable financing situation. The Board of Directors will intensify its efforts to approach alternative investor

Listing of Previous Financing Rounds

Financing round	Number of shares	Share price (CHF)	Total capital (CHF)	Total share capital (CHF)	Equity valuation (CHF million)
Capital increase 2013-2023 ²	4,451,531	1.15-48.80	70,814,445	1,444,771.60	699
Capital increase May 2024	1,258,239	5.60	7,046,138	125,823.90	80
Capital increase December 2024	292,853	7.00	2,049,971	29,285.30	109

² Historical share prices are shown split-adjusted with adjustment to the current nominal value of CHF 0.10.

groups that can provide the equity capital needed to match the stage of development and maturity of the products and the scope of the necessary clinical trials. Complementary to this, negotiations on collaborations or license agreements with potential partners from the pharmaceutical industry will create additional financing options. An IPO of InnoMedica remains a strategic option as soon as the market environment makes this financing channel available to biotech companies at InnoMedica's stage of development.

The financial statements of InnoMedica Holding AG and InnoMedica Schweiz AG as well as the consolidated financial statements are issued in accordance with the Swiss Code of Obligations (OR). The presentations and methods of the 2023 financial statements are maintained in 2024. The notes provide further information and explanations on the figures in the consolidated financial statements. This annual report contains the audited consolidated financial statements and the audited separate financial statements of InnoMedica Holding AG. The audited separate financial statements of InnoMedica Schweiz AG can be made provided on request.

Balance Sheet

Cash and cash equivalents as of December 31, 2024, totaled CHF 11,320,781. InnoMedica carried out two capital increases in 2024, through which the company acquired CHF 7,046,138 in the first half of the year and CHF 2,049,971 in the second half of the year. This largely covered both the operating liquidity demands of CHF 9,957,460 and the cash flows for investments (CHF 208,811). Overall, cash and cash equivalents fell by CHF 1,070,162 year-on-year. As part of the capital increases, 1,258,239 new shares were created in the first half of the year and 292,853 shares in the second half of the year. The nominal share capital increased from CHF 1,444,772 at the end of 2023 to CHF 1,599,881 at the end of 2024. The year-end balance of **treasury shares** remains unchanged at 16,217 shares at a book

value of CHF 0.25. The securities portfolio remains unchanged at the end of 2024 at a market value of CHF 170,798 (previous year: CHF 152,073).

Property, plant and equipment after depreciation totaled CHF 1,927,895 at the end of 2024 compared to CHF 2,244,663 in the previous year. A depreciation of CHF 470,579 is offset by new investments of CHF 208,811. The additional investments primarily relate to equipment for the production areas and IT. A larger single investment in intangible assets was made by InnoMedica last year by acquiring the plans and software for filling technology. In collaboration with external partners, InnoMedica developed a solution to automate the filling of medicines. InnoMedica shares all intellectual property relating to these developments with the partners through a transfer fee of CHF 55,000.

Development expenses incurred as part of clinical and preclinical activities, as well as the associated production activities, are still not capitalized, but reported in the income statement. InnoMedica creates the prerequisites for market approvals of the two drugs and corresponding intangible assets for the shareholders, mainly through personnel expenses in connection with development activities. However, these will only meet the requirements for assets that can be recognized in the balance sheet when they are marketed in the foreseeable future.

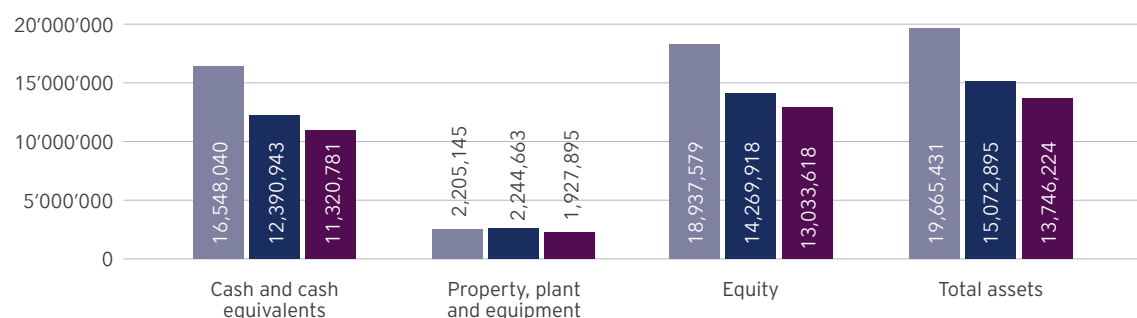
As of the balance sheet date of the 2024 financial year, InnoMedica has no **current interest-bearing liabilities** and provisions. The **other current receivables and liabilities** relate to VAT receivables and liabilities of the InnoMedica Group companies for the fourth quarter of 2024. **Accrued income and prepaid expenses** mainly result from accrued interest income from fixed-term deposits and personnel-related compensation from compensation funds and insurance companies.

Accrued expenses and deferred income result from obligations to creditors rendered but not yet invoiced

Balance Sheet Items

in CHF, as of Dec. 31

■ 2022 ■ 2023 ■ 2024



at the end of the financial year, in particular, obligations to the contractual partners of the clinical studies, social insurance institutions and energy. **Trade payables** relate to invoice amounts that have already been invoiced to InnoMedica.

As in previous years, the loss for the financial year is carried forward in the balance sheet. **Equity** amounts to CHF 13,033,618 compared to 14,269,918 at the end of the 2023 financial year. As InnoMedica continues to have no interest-bearing and non-current liabilities, the balance sheet only shows operating current liabilities, which have fallen from CHF 802,977 in 2023 to 712,606 in 2024. Overall, the balance sheet will fall from CHF 15,072,895 to CHF 13,746,224 between the 2023 and 2024 financial years.

Income Statement

InnoMedica's **annual loss** for the 2024 financial year amounts to CHF 10,332,528 slightly above the 2023 figure of CHF 9,938,001 and below the 2022 figure of CHF 10,501,695. This result reflects InnoMedica's efforts to drive forward the drug's market approvals but to invest cost and risk consciously.

Development costs increased slightly from CHF 2,174,956 in 2023 to CHF 2,567,422 in 2024. These include the costs of clinical and preclinical studies to generate the data for aspired market approvals and the costs of the necessary production activities and product developments.

InnoMedica continues to pursue a cautious and sustainable personnel policy, as **personnel costs** are the most significant cost driver. In 2024, personnel costs increased slightly to CHF 5,763,400 compared to 2023 with CHF 5,553,552 but were below those in 2022 with CHF 6,132,751. Accordingly, there was an increase to 4,669 percent by position compared to 2023 with 4,225 percent by position while the 2022 figure of 4,739 percent by position was lower.

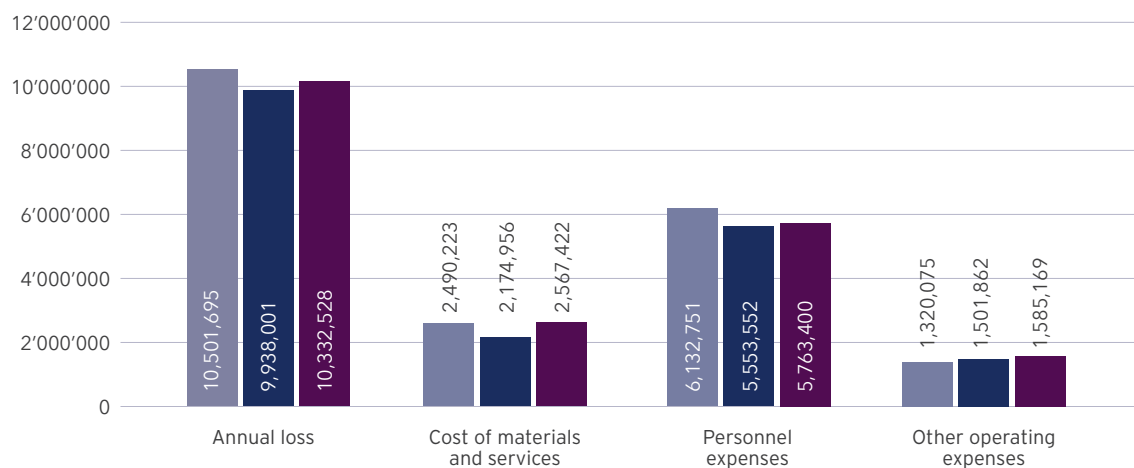
Other operating expenses of CHF 1,585,169, mainly for infrastructure, administration, and the capital increases, increased slightly compared to CHF 1,501,862 in 2023. Especially the expenses related to the two capital increases led to higher capital increase costs than in previous years.

Administrative expenses increased from CHF 284,624 in 2023 to CHF 335,812 in 2024. This item includes patent fees, auditing and consulting costs, accounting costs of the subsidiaries InnoMedica Deutschland GmbH and YDDS, and costs of the annual general meetings. At CHF 53,701, **IT expenses** are roughly in line with the average for 2022 (CHF 69,972) and 2023 (CHF 45,714). Dr. Peter Halbherr also provided a free license for the sqlFinance operational ERP software. With the departure of Dr. Peter Halbherr from the Board of Directors and his withdrawal from operational positions, Dr. Peter Halbherr is giving InnoMedica a permanent license to use the software. That will ensure that IT remains cost-effective. **Advertising expenses** increased moderately from CHF 53,138 in 2023 to CHF 59,132 in 2024. These expenses mainly included costs for participation in events and congresses as well as contributions for memberships in industry associations.

Income Statement Items

in CHF

■ 2022 ■ 2023 ■ 2024



Statement of Shareholders' Equity in CHF

Year	2023	2024
Shareholders' equity as of Jan. 01	18,937,579	14,269,918
Capital increases (Share capital)	10,817	155,109
Change in legal reserves	5,267,684	8,941,000
Shareholders' equity as of Dec. 31 excluding net income	24,216,079	23,366,027
Net income	-9,938,001	-10,332,528
Currency translation differences in CHF	-8,160	118
Shareholders' equity as of Dec. 31	14,269,918	13,033,618

Consolidated Financial Statements InnoMedica Holding

Consolidated Balance Sheet

Year	December 31, 2023	December 31, 2024
Assets	CHF	CHF
Cash and cash equivalents	12,390,943	11,320,781
Securities	152,073	170,798
Current receivables	234,326	217,310
Prepaid expenses and accrued income	50,891	54,440
Total current assets	12,828,232	11,763,329
Property, plant and equipment	2,244,663	1,927,895
Intangible assets	-	55,000
Total fixed assets	2,244,663	1,982,895
Total assets	15,072,895	13,746,224
Liabilities and shareholders' equity	CHF	CHF
Accounts payable	306,859	246,405
Other current liabilities	174,056	134,171
Accrued expenses and deferred income	322,062	332,031
Total current liabilities	802,977	712,606
Total long-term liabilities	-	-
Share capital	1,444,772	1,599,881
Total legal reserves	71,179,162	80,120,162
Reserves from capital contributions	68,883,290	77,731,236
Other legal reserves	2,295,872	2,388,926
Loss carried forward	-48,405,274	-58,343,276
Currency translation differences in CHF	-6,685	-6,567
Annual loss	-9,938,001	-10,332,528
Treasury shares	-4,054	-4,054
Total shareholders' equity	14,269,918	13,033,618
Total liabilities and shareholders' equity	15,072,895	13,746,224

Consolidated Income Statement

Year	2023	2024
Net sales	CHF	CHF
Total net sales	-	-
Cost of materials and services		
Development expenses	-2,174,956	-2,567,422
Total cost of materials and services	-2,174,956	2,567,422
Personnel expenses		
Wages and salaries	-4,336,910	-4,558,912
Social security expenses	-617,709	-646,765
Other personnel expenses	-598,933	-557,723
Total personnel expenses	-5,553,552	-5,763,400
Other operating expenses		
Infrastructure expenses	-607,735	-639,107
Vehicle and transport expenses	-18,806	-4,573
Property insurance and fees	-11,247	-12,570
Administrative expenses	-284,624	-335,812
Capital increase expenses	-480,598	-480,274
IT expenses	-45,714	-53,701
Advertising expenses	-53,138	-59,132
Total other operating expenses	-1,501,862	-1,585,169
EBITDA	-9,230,370	-9,915,991
Depreciation of property, plant and equipment	-489,082	-470,579
Amortisation of intangible assets	-200,000	-
EBIT	-9,919,452	-10,386,570
Financial expenses	-3,746	-4,649
Financial income	40,869	48,305
Value adjustment on securities	12,315	15,236
Currency differences	-46,505	12,047
EBT	-9,916,520	-10,315,631
Direct taxes	-21,482	-16,897
Net income	-9,938,001	-10,332,528

Consolidated Cash Flow Statement in CHF

Year	2023	2024
Net income	-9,938,001	-10,332,528
Depreciation	689,082	470,579
Change in current assets	274,956	-36,783
Change in current liabilities	253,353	-100,339
Change in accrued expenses and deferred income	-178,229	41,493
Currency translation differences in CHF	-8,160	118
Cash flow from operating activities	-8,906,998	-9,957,460
Investments in property, plant and equipment	-528,600	-208,811
Cash flow from investing activities	-528,600	-208,811
Equity Contributions	5,278,501	9,096,109
Cash flow from financing activities	5,278,501	9,096,109
Change in cash and cash equivalents	-4,157,097	-1,070,162
Cash and cash equivalents as of Jan. 01.	16,548,040	12,390,943
Cash and cash equivalents as of Dec. 31.	12,390,943	11,320,781
Change in cash and cash equivalents	-4,157,097	-1,070,162

Notes to the Consolidated Financial Statements InnoMedica Holding AG 2024

The consolidated financial statements for 2024 include the companies of the InnoMedica Group. The scope of consolidation include the individual companies InnoMedica Holding AG (based in Zug), InnoMedica Schweiz AG (based in Bern), InnoMedica Deutschland GmbH (based in Freiburg i. Br., Germany) and YAMAZAKI-DDS Co., Ltd. (based in Ibaraki, Japan). InnoMedica Schweiz AG, InnoMedica Deutschland GmbH and YAMAZAKI-DDS Co., Ltd. are wholly owned directly by InnoMedica Holding AG. InnoMedica Schweiz AG bundles the operational business of the InnoMedica Group and is linked to InnoMedica Holding AG via a research and development contract. InnoMedica Holding AG is responsible for strategic management and holds the company's intellectual property rights and the financial resources. The purpose of YAMAZAKI-DDS Co., Ltd. is to have patents in liposomal drug delivery systems. The share capital of YAMAZAKI-DDS Co., Ltd. amounts to 10,000,000 Japanese yen. InnoMedica Deutschland GmbH was founded on May 10, 2022, and has the purpose of trading, producing and distributing medical products in German-speaking countries and other European countries.

The consolidated financial statements were prepared using the provisions of the Swiss Code of Obligations (OR) on commercial accounting and financial reporting. The income statement was prepared using the nature of expense method and the cash flow from operating activities was prepared using the indirect method.

Material Uncertainty Regarding Going Concern

The consolidated financial statements have been prepared assuming that the company will continue as a going concern. The Group's ability to continue as a going concern depends on the successful completion of research activities for which additional funds are required. Looking at the funding requirements in the near past, we believe that the funds available as of December 31, 2024, are sufficient to cover the Group's expenses until February 2026. Alternatively, research activities will have to be slowed down or stopped. In the past, the Group has successfully raised funds via public capital increases, and the Board of Directors is looking into other options for raising funds in addition to this source of financing. Nevertheless, there is a risk

that the Group will be unable to obtain sufficient funding in time. This material uncertainty may cast significant doubt on the company's ability to continue as a going concern. In the case that the Group is unable to continue as a going concern, the consolidated financial statements must be prepared on the basis of liquidation values, and the Group may then not be able to realize its assets and settle its liabilities in the ordinary course of business.

Valuation Principles

Securities: Securities are valued at market value on the balance sheet date. Price gains or losses and currency differences are recognized as such in the income statement. These are shares and securities available for sale in various currencies. The items and valuation principles remained unchanged compared to the previous year.

Property, plant and equipment: Property, plant and equipment are recognized at acquisition cost in accordance with the Swiss Code of Obligations (at cost) less any necessary depreciation. Since 2021, property, plant, and equipment have been valued using straight-line depreciation based on the useful life of the individual assets. Property, plant and equipment include laboratory, production, analytical machinery and equipment, two vehicles and various office equipment items.

Intangible assets: In 2022, intangible assets amounted to CHF 200,000 and related to intellectual property (patents) held by YAMAZAKI-DDS Co., Ltd. These patents expired in 2023 and were fully amortized.

Classifications and Explanations

Cash and cash equivalents: Bank balances at the end of the year amounting to CHF 11,320,781 relate to current account, savings, and time deposit balances. Existing fixed-term deposits of December 31, 2024, have a term of three months.

Accruals and deferrals: Accruals and deferred income include accrued interest income from fixed-term deposits and personnel-related compensation from compensation funds and insurance companies on the

assets side. Costs already incurred and accruals for services received but not yet invoiced are recognized on the liabilities side.

Reserves from capital contributions: The Swiss Federal Tax Administration (FTA) recognized the reserves from capital contributions as of December 31, 2023, in the amount of CHF 68,971,963 according to InnoMedica Holding AG's individual financial statements. The 2024 capital contributions will be declared after the audit of the 2024 annual financial statements.

Treasury shares: On the balance sheet date 2024, 15,998,808 shares were placed compared to 14,447,716 shares in the previous year. InnoMedica continues to hold 16,217 shares. The treasury shares are valued at the effective purchase price of CHF 0.25 as of the balance sheet date. Gains from the sale of treasury shares are recognized as other legal reserves.

Financial expenses and income: Financial expenses for the 2023 and 2024 financial years include bank interest, bank charges and dividends, and interest income from fixed-term deposits in 2024. Costs for the capital increase are reported separately.

Capital increase expenses: This item is reported including issue tax. In the first half of 2024, an issue levy of CHF 69,748.65 was incurred for the capital increase. In the year's second half, an amount of CHF 20,281.90 was accrued for the capital increase, whereby the definitive issue levy still depends on the definitive transaction costs. In 2023, the issue tax amounted to CHF 52,249.

Additional Information

Full-time positions on an annual average: A yearly average of 56.5 people were employed by InnoMedica in 2024. The annual average work volume was 46.69 full-time equivalents (comparison 2023: 51 employees with an annual average of 4.25 full-time equivalents). Except for four members of the Executive Board of InnoMedica Holding AG (3.80 full-time equivalents) and one employee of InnoMedica Deutschland GmbH (0.40 full-time equivalents), the employees are employed by InnoMedica Schweiz AG.

Trust shares: In addition to treasury shares, InnoMedica holds 3,690,394 shares of InnoMedica Holding AG on a fiduciary basis as at the end of 2024. At the end of 2023, there were 3,480,782 shares.

Remuneration of the governing bodies: The fee for members of the Board of Directors is CHF 10,000 per year, as determined by the resolution of the Board of Directors for the period between the Annual Gene-

ral Meetings. For the period 2024/2025, fees of CHF 5,000 per person and CHF 20,000 in total were accrued in favor of the Board of Directors. This corresponds to the previous year's practice.

Significant shareholders: Dr. Peter Halbherr held 2,626,858 shares (16.4% of 15,998,808) as of the 2024 balance sheet date. No other shareholder held more than 5% of the shares on December 31, 2024. In the previous financial year, Dr. Peter Halbherr held 2,606,876 shares (18% of 14,447,716). No other shareholder held more than 5% of the shares on December 31, 2023.

Business transactions with related parties: The Group uses the sqlFinance software to execute and manage various operational processes. Dr. Peter Halbherr developed the software and holds all private property rights. The Group has concluded a license agreement for the software with Dr. Peter Halbherr. Under the terms of the license agreement, the Group received a free license to use the software until December 31, 2024, and an option to acquire an unlimited source code license. This option was exercised in 2024 in exchange for the exclusive marketing rights to the filling automation technologies developed by InnoMedica.

Events after the balance sheet date: No events after the balance sheet date that would have a material impact on the annual reports.

Obligations from long-term contracts: InnoMedica Holding AG has entered into a long-term rental agreement with the Marly Innovation Center (MIC). This agreement can be terminated unilaterally by InnoMedica with a notice period of 2 years and at the end of the quarter. This results in a maximum rental obligation of 27 monthly rents of CHF 20,943 each as of December 31, 2024 (total CHF 565,461). As of December 31, 2023, the maximum rental obligation of 27 monthly rents still amounted to CHF 20,085 each (total CHF 542,295).

Assets/liabilities from social insurance: At the end of 2024, liabilities to social insurance institutions amounted to CHF 56,392, compared to assets of CHF 44,132 in 2023.

Auditor's fee: The auditor's fee for the audit of the annual reporting of the Group and of the individual companies InnoMedica Holding AG and InnoMedica Schweiz AG in accordance with the Swiss Code of Obligations and International Financial Reporting Standards (IFRS) remains unchanged from the previous year at CHF 68,000 plus VAT.

Placebo-Controlled Study with TLN-1

The LIBRA study is being conducted in collaboration with three clinics in Switzerland.



PD Dr. med. Michael Schüpbach, Neurology Institute Konolfingen

Report of the statutory auditor

to the General Meeting of InnoMedica Holding AG, Zug

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of InnoMedica Holding AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated income statement and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements (pages 11 to 15) comply with Swiss law and the consolidation and valuation principles described in the notes.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty regarding going concern

We refer to the paragraph 'Material uncertainty regarding going concern' on page 14 of the notes to the consolidated financial statements, which states that the Group needs additional external financing. This circumstance, along with other matters outlined in the paragraph 'Material uncertainty regarding going concern' indicates the existence of material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. If it is not possible for the Group to continue as a going concern, the consolidated financial statements will need to be prepared on the basis of liquidation values. Our opinion is not modified with respect to this matter.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of consolidated financial statements in accordance with the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group'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 the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the consolidated financial statements.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG



Oliver Kuntze
Licensed audit expert
Auditor in charge



Andreas Scheibli
Licensed audit expert

Zürich, 31 January 2025

Enclosure:

- Consolidated financial statements (consolidated balance sheet, consolidated income statement, consolidated cash flow statement and notes)



Financial Statements

InnoMedica Holding AG

Balance Sheet

Year	December 31, 2023	December 31, 2024
Assets	CHF	CHF
Cash and cash equivalents	9,743,376	6,828,651
Securities	152,073	170,798
Other current receivables	229,470	212,484
Prepaid expenses and accrued income	20,355	14,187
Total current assets	10,145,273	7,226,121
Loans to Group companies	-	-
Subsidiaries ³	2,205,933	2,182,090
Total fixed assets	2,205,933	2,182,090
Total assets	12,351,205	9,408,210
Liabilities and shareholders' equity	CHF	CHF
Accounts payable	17,981	0
Liabilities to Group companies	3,474,078	3,028,433
Accrued expenses and deferred income	92,679	113,589
Total current liabilities	3,584,737	3,142,022
Total non-current liabilities	-	-
Share capital	1,444,772	1,599,881
Total legal reserves	71,267,835	80,208,835
Reserves from capital contributions	68,971,963	77,819,910
Other legal reserves	2,295,872	2,388,926
Loss carried forward	-52,814,224	-63,942,084
Annual loss	-11,127,860	-11,596,389
Treasury shares	-4,054	-4,054
Total shareholders' equity	8,766,468	6,266,188
Total liabilities and shareholders' equity	12,351,205	9,408,211

³ See explanations in Appendix p22

Income Statement

Year	2023	2024
Net sales	CHF	CHF
Total net sales	-	-
Cost of materials and services		
Development expenses	-9,287,322	-9,995,733
Total cost of materials and services	-9,287,322	-9,995,733
Personnel expenses		
Wages and salaries	-774,600	-743,227
Social security expenses	-92,884	-90,343
Other personnel expenses	-48,079	-47,688
Total personnel expenses	-915,563	-881,258
Other operating expenses		
Administrative expenses	-216,562	-265,122
Capital increase expenses	-480,598	-480,274
Advertising expenses	-33,261	-500
Total other operating expenses	-730,422	-745,897
EBITDA	-10,933,307	-11,622,888
Depreciation of intangible assets	-261,375	-23,843
EBIT	-11,194,682	-11,646,731
Financial expenses	-1,687	-2,087
Financial income	74,119	29,546
Value adjustment on securities	12,315	15,236
Currency differences	-16,573	7,925
EBT	-11,126,507	-11,596,110
Capital taxes	-1,353	-279
Net income	-11,127,860	-11,596,389

Cash Flow Statement in CHF

Year	2023	2024
Net income	-11,127,860	-11,596,389
Non-cash expenses	261,375	23,843
Change in current assets	-27,019	4,428
Change in current liabilities	101,422	-463,625
Change in accrued expenses and deferred income	875	20,911
Cash flow from operating activities	-10,791,208	-12,010,834
Investments in subsidiaries	-	-
Cashflow from Investing activities	-	-
Repayments of debt	4,000,000	-
Equity contribution	5,278,501	9,096,109
Cash flow from financing activities	9,278,501	9,096,109
Change in cash and cash equivalents	-1,512,707	-2,914,724
Cash and cash equivalents as of Jan. 01	11,256,082	9,743,376
Cash and cash equivalents as of Dec. 31	9,743,376	6,828,651
Change in cash and cash equivalents	-1,512,707	2,914,724



Notes to the Financial Statements of InnoMedica Holding AG 2024

The 2024 financial statements of InnoMedica Holding AG include the separate financial statements of the parent company of InnoMedica. InnoMedica Holding AG is a 100 percent shareholder of InnoMedica Schweiz AG, YAMAZAKI-DDS Co., Ltd. and InnoMedica Deutschland GmbH. InnoMedica Schweiz AG bundles the operational business of the InnoMedica Group and is linked to InnoMedica Holding AG via a research and development contract. The purpose of YAMAZAKI-DDS Co., Ltd. is to hold patents in liposomal drug delivery systems. The share capital of YAMAZAKI-DDS Co., Ltd. amounts to 10,000,000 Japanese yen. The investment value of YAMAZAKI-DDS Co., Ltd. is fully amortized. InnoMedica Deutschland GmbH was founded on May 10, 2022, and its purpose is to trade, produce and distribute medical products in German-speaking countries and other European countries.

The annual financial statements are prepared in accordance with the Swiss Code of Obligations (OR) on commercial accounting and financial reporting. The income statement is prepared using the nature of the expense method and the cash flow from operating activities is prepared using the indirect method.

Material Uncertainty Regarding Going Concern

The financial statements have been prepared assuming that the company will continue as a going concern. The continuation of the company as a going concern depends on the successful completion of research activities for which additional funds are required. Looking at the funding requirements in the near past, we believe that the funds available as of December 31, 2024, are sufficient to cover the company's expenses until February 2026. Alternatively, research activities will have to be slowed down or stopped. In the past, the Group has successfully raised funds via public capital increases, and the Board of Directors is looking into other options for raising funds in addition to this source of financing. Nevertheless, there is a risk that the company will be unable to find sufficient funding in time. This material uncertainty may cast significant doubt on the company's ability to continue as a going concern. In the case that the company is unable to continue as a going concern, the financial statements must be prepared on the basis of liquidation values, and the company may not be able to realize its assets and discharge its liabilities in the ordinary course of business. That would justify

concerns of over-indebtedness within the meaning of Art. 725b OR and the corresponding regulation would have to be followed.

Valuation Principles

Securities: Securities are valued at market value on the balance sheet date. Price gains or losses and currency differences are recognized as such in the income statement. These are available-for-sale shares and securities in various currencies. The items and valuation principles remained unchanged compared to the previous year.

Classifications and Explanations

Cash and cash equivalents: At the end of the year, bank balances amounting to CHF 6,828,651 relate to current accounts, savings accounts, and fixed-term deposits, which have a three-months term.

Accruals and deferrals: Accruals and deferred income include accrued interest income from fixed-term deposits on the assets side. Regarding liabilities, costs already incurred and accruals for services received but not invoiced are recognized.

Shareholdings: The investments comprise YAMAZAKI-DDS Co., Ltd. (based in Ibaraki, Japan), Inno-Medica Schweiz AG (based in Bern, Switzerland) and InnoMedica Deutschland GmbH (based in Freiburg i. Br., Germany). The investment in YAMAZAKI-DDS Co., Ltd. is valued and consolidated at CHF 0 at the end of the year. Until 2022, the investment was valued at CHF 200,000 based on the company's intellectual property (patents). The relevant patents expired in 2023 and have been fully amortized. The following patents in the nanomedicine sector, including those relating to Japan, are held directly by InnoMedica Holding AG. The investment in InnoMedica Schweiz AG is valued at the amortized purchase price of CHF 188,673 plus the assets carried over in the amount of CHF 1,881,095. The investment in InnoMedica Deutschland GmbH is recognized as being at the equity value. The current value of equity, which is essentially offset by the company's cash assets, is CHF 112,322 compared to the previous year's value of CHF 136,164 and historical costs of CHF 97,920 (EUR 100,000) in the share capital and CHF 99,619 (EUR 100,000) in the capital reserve.

Reserves from capital contributions: The Swiss Federal Tax Administration (FTA) has recognized the reserves from capital contributions as of 31 December 2023 (in the amount of CHF 68,971,963) accordingly. The 2024 capital contributions will be declared after the 2024 annual financial statements have been audited.

Treasury shares: On the balance sheet date 2024, 15,998,808 shares were placed compared to 14,447,716 shares in the previous year. InnoMedica continues to hold 16,217 shares. The treasury shares are valued at the effective purchase price of CHF 0.25 at the balance sheet date. Gains from the sale of treasury shares are recognized as other legal reserves.

Financial expenses and income: Financial expenses for the 2022 and 2023 financial years include bank interest, bank charges and dividends, and interest income from fixed-term deposits in 2023. Costs for the capital increase are reported separately.

Capital increase expenses: This item is reported including the issue levy. An issue levy of CHF 69,749 was incurred for the capital increase in the first half of 2024. CHF 20,282 was accrued for the capital increase in the year's second half, whereby the definitive issue levy still depends on the definitive transaction costs.

Capital taxes: The amount of capital tax comprises an estimate of the capital tax on the company's assets for the financial year. Amounts on account paid for the financial year and previous, unassessed financial years are deferred.

Additional Information

Full-time positions on an annual average: Four members of the Executive Board are employed by InnoMedica Holding AG with 3.80 full-time equivalent.

Trust shares: In addition to treasury shares, InnoMedica holds 3,690,394 shares of InnoMedica Holding AG on a fiduciary basis as at the end of 2024. At the end of 2023, there were 3,480,782 shares.

Remuneration of the governing bodies: By resolution of the Board of Directors, the fee for members of the Board of Directors is CHF 10,000 per year for the period between the Annual General Meetings. For 2024/2025, fees of CHF 5,000 per person and CHF 20,000 in total were accrued in favor of the Board of Directors. That corresponds to the previous year's practice.

Significant shareholders: Dr. Peter Halbherr held 2,626,858 shares (16.4% of 15,998,808) as of the 2024 balance sheet date. No other shareholder held more than 5% of the shares on December 31, 2024. In the previous financial year, Dr. Peter Halbherr held 2,606,876 shares (18% of 14,447,716). No other shareholder held more than 5% of the shares on December 31, 2023.

Business transactions with related parties: The Group uses the sqlFinance software to execute and manage various operational processes. Dr. Peter Halbherr developed the software and holds all private property rights. The Group has concluded a license agreement for the software with Dr. Peter Halbherr. Under the terms of the license agreement, the Group received a free license to use the software until December 31, 2024, and an option to acquire an unlimited source code license. This option was exercised in 2024 in exchange for the exclusive marketing rights to the filling automation technologies developed by InnoMedica.

Events after the balance sheet date: No events after the balance sheet date would have a material impact on the annual reports.

Proposal to Carry Forward the Loss for the Year

Year	2023	2024
Loss carried forward	-52,814,224	-63,942,084
Annual loss	-11,127,860	-11,596,389
Total loss at the disposal of the General Assembly	-63,942,084	-75,538,474
Allocation to the reserves	-	-
Dividend	-	-
Balance to be carried forward	-63,942,084	-75,538,474

Report of the statutory auditor

to the General Meeting of InnoMedica Holding AG, Zug

Report on the audit of the financial statements

Opinion

We have audited the financial statements of InnoMedica Holding AG (the Company), which comprise the balance sheet as at 31 December 2024, and the income statement and the cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements (pages 19 to 23) comply with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty regarding going concern

We refer to the paragraph 'Material uncertainty regarding going concern' on page 5 of the notes to the financial statements, which states that the Company needs additional external financing. This circumstance, along with other matters outlined in the paragraph 'Material uncertainty regarding going concern' indicates the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. If it is not possible for the Company to continue as a going concern, the financial statements will need to be prepared on the basis of liquidation values. This would lead to a substantiated concern that the company's liabilities exceed its assets within the meaning of article 725b CO. Our opinion is not modified with respect to this matter.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors 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, the Board of Directors is responsible for assessing the Company'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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



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PricewaterhouseCoopers AG ist Mitglied eines globalen Netzwerks von rechtlich selbständigen und voneinander unabhängigen Gesellschaften.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

Based on our audit according to article 728a para. 1 item 2 CO, we confirm that the Board of Directors' proposal complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG



Oliver Kuntze
Licensed audit expert
Auditor in charge



Andreas Scheibli
Licensed audit expert

Zürich, 31 January 2025

Licensing Partnering

The upcoming placebo-controlled study with TLN-1 and the orphan cancer phase III study with TLD-1 create optimal conditions for negotiations with licensing partners.



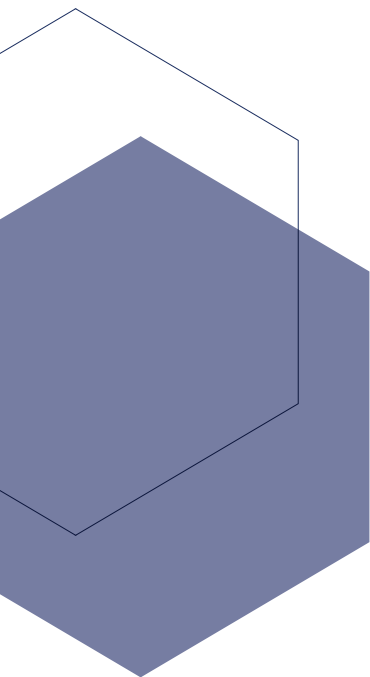
General Information

Business idea	InnoMedica is developing a new generation of drugs based on an innovative liposomal transport system that influences the distribution of active substances in the body and aims to improve the biodistribution of known active substances. In January 2013, InnoMedica Holding AG launched its first project in oncology, which is now in clinical trials. A second project in neurology uses liposomes for the treatment of neurodegenerative diseases. The patented technology platform is further intended to be used in other diseases, such as arteriosclerosis, treating bacterial toxins without antibiotics, and diagnostics and infectious disease.
Corporation	InnoMedica comprises InnoMedica Holding AG (parent company, based in Zug), InnoMedica Schweiz AG (based in Bern), InnoMedica Deutschland GmbH (based in Freiburg i. Br., Germany), and YAMAZAKI-DDS Co., Ltd. (based in Ibaraki, Japan).
Board of Directors	Prof. Dr. Urs Wälchli (Chairman, ad interim), Dr. med. Denis Bron (Vice Chairman), Dr. Noboru Yamazaki; Dr. Peter Halbherr (Chairman) until November 11, 2024

More Information on InnoMedica Holding AG:

Legal structure	Public limited company
Founded	June 05, 2000
Shares outstanding	15,998,808 registered shares at CHF 0.10 par value
Listing/Trading	OTC via Investor Relations, Mrs. Andrea Zurkirchen
Security number	55.897.390
ISIN number	CH0558973902
Investor Relations	Mrs. Andrea Zurkirchen, phone +41 (0)44 383 88 22
Headquarter	InnoMedica Holding AG, Baarerstrasse 34, CH-6300 Zug
Website	www.innomedica.com
E-mail	info@innomedica.com

This annual report contains certain forward-looking statements. These can be identified by statements using "should", "assume", "expect", "anticipate", "intend" or similar terms and formulations. Actual future results may differ materially from the forward-looking statements contained in this report due to various factors, such as legal and regulatory developments, exchange rate fluctuations, changes in market conditions and the activities of competitors, non-launch or delayed launch of new products for various reasons, risks in the development of new products, production interruptions, loss or non-granting of intellectual property rights, legal disputes and regulatory proceedings, negative publicity and media reports.



InnoMedica Holding AG

Zug - Schweiz

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The English version of InnoMedica's Annual Report
2024 was translated from the original German
version which shall be binding in case of disparities.