# Interim Report

# 2019

## January-March

IMMUNICUM
INNOVATION IN IMMUNO-ONCOLOGY

# Q1 Report 2019

## Preparations for Upcoming Clinical Data in the MERECA and GIST Studies and First Patient Treated in the ILIAD Study

### Significant events during January – March

- Net sales for the period amounted to KSEK - (-).
- Earnings and diluted earnings per share totaled SEK -0,3 (-0,6)
- Immunicum announced publication of Phase I/II clinical trial results of Ilixadencel in advanced Hepatocellular Carcinoma in *Frontiers in Oncology*.
- The first patient was treated in the Phase Ib/II ILIAD clinical trial. The trial will evaluate the safety and efficacy of Immunicum's lead product in development, ilixadencel, in combination with checkpoint inhibitors (CPIs) in three cancer indications: head and neck cancer, non-small cell lung cancer and gastric cancer. The initial Phase Ib portion of the trial will be conducted at clinical centers in the United States.

### Significant events after end of period

- No significant events to be reported after the end of the period.

### Financial summary

| | Q1 | | Full year |
|---|---|---|---|
| **KSEK unless otherwise stated** | **2019** | **2018** | **2018** |
| Operating profit/loss | –29 139 | –28 770 | –97 846 |
| Net profit/loss | –29 140 | –28 770 | –97 860 |
| Earnings per share, before and after dilution (SEK) | –0,3 | –0,6 | –1,8 |
| Cash | 393 359 | 168 064 | 443 798 |
| Shareholders equity | 376 901 | 160 792 | 406 041 |
| Number of employees | 11 | 14 | 12 |

# CEO comment

## First quarter

» **Immunicum has completed** a productive first quarter of 2019 with the inclusion of the first patient in the Phase Ib/II multi-indication checkpoint inhibitor combination study, ILIAD, and the publication of the final data analysis from the Phase I/II clinical trial in hepatocellular carcinoma in *Frontiers in Oncology*. Backed by the recent financing round, the Company is preparing for important near-term milestones aimed at providing additional validation of the potential of our lead candidate, ilixadencel.

Throughout the rest of the year, our central focus will remain on the upcoming data announcements from our clinical trials which include the global Phase II MERECA study in metastatic renal cell carcinoma and the Phase I/II study in gastrointestinal stromal tumors (GIST). We also aim to provide an update from the recently initiated Phase Ib/II ILIAD study in head and neck cancer, non-small cell lung cancer and gastric and gastroesophageal junction adenocarcinoma.

MERECA will for the first time provide data on ilixadencel in combination with Sutent® (sunitinib) versus Sutent® (sunitinib) alone. The study was designed to provide information on patient survival, safety, tumor-specific immune activation and potential clinical efficacy in kidney cancer patients. These results will be important to guide the further development of ilixadencel regardless of indication.

The Phase Ib/II ILIAD trial complements MERECA as it will test ilixadencel in a variety of indications as well as in combination with checkpoint inhibitors. It is important to note that the two trials are not dependent on each other; they represent our strategy to build a broad database supportive of ilixadencel becoming a backbone component of a range of cancer therapy regimens.

Apart from our focus on the upcoming results, our corporate goals for the remainder of the year include continuing to share Immunicum's story, scientific approach and progress with the international pharmaceutical industry as well as the scientific and financial communities. We will continue to pursue opportunities to present at scientific conferences in addition to publishing in medical journals where our data have been reviewed by leading, independent experts in the field.

Immunicum is off to a great start this year and has many exciting developments to come. With each data readout, we will gain more insights that will help steer the Company and enable us to effectively reach our corporate and clinical goals with the overarching vision of contributing to the fight against cancer.

**CARLOS DE SOUSA**
CEO

# Introduction to Immunicum

» **Immunicum is a** biopharmaceutical company that develops immune therapies against a range of solid tumors. Immunicum's approach allows for an off-the-shelf product based on a type of immune cells called dendritic cells that are designed to induce a personalized anti-tumor immune response in each patient.

The Company's lead product, ilixadencel, has been developed to be able to take advantage of each patient's own tumor-specific antigens, and thereby eliminate the need to create a personalized treatment for each patient. Ilixadencel is currently being evaluated in kidney cancer, liver cancer, gastrointestinal stromal tumors, head and neck cancer, non-small cell lung cancer and gastric cancer; with kidney cancer being the furthest advanced indication with an ongoing Phase II study. Ilixadencel offers a number of benefits such as covering all major aspects of immune priming and being applicable to injectable solid tumors.

## Ilixadencel

Immunicum's main product ilixadencel is an immune primer that strengthens the patient's immune system to fight the cancer cells.

Ilixadencel is made up of allogeneic, inflammatory dendritic cells and is administered *in situ*, (directly into the tumor.) The intratumorally injected allogeneic dendritic cells will be able to survive for 48 to 72 hours after administration and are activated to release immunostimulating factors, including chemokines and cytokines, during that time period. The local production of these factors within the tumor will induce a local recruitment and activation of endogenous immune cells (immune cells from the patient), including natural killer (NK) cells, immature dendritic cells and T cells. The recruitment of the patient's own dendritic cells will take place inside the tumor, where there are already high levels of tumor specific antigens (the concomitant recruitment and activation of NK cells leads to NK cell-mediated cell death of tumor cells at the injection site), and these can be taken up by the recruited dendritic cells which in this manner will become loaded with antigens. Once the dendritic cells are loaded and activated by the inflammatory environment created by ilixadencel they will migrate to nearby lymph nodes where they will prime/activate tumor-specific T cells, including CD8+ T cells that will migrate from the lymph node, through the blood circulation and then search for and kill tumor cells within both the primary tumor and metastases elsewhere in the body.

There are four major expected advantages with ilixadencel:

**I.** Intratumorally injected ilixadencel uniquely covers all major aspects of tumor specific immune priming:

- » recruitment of immune cells including NK cells and dendritic cells into the tumor,
- » induction of local tumor cell death leading to increased release of tumor-specific antigens and
- » maturation of antigen-loaded dendritic cells for subsequent migration to tumor-draining lymph nodes where the dendritic cells activate/prime tumor-specific T cells;

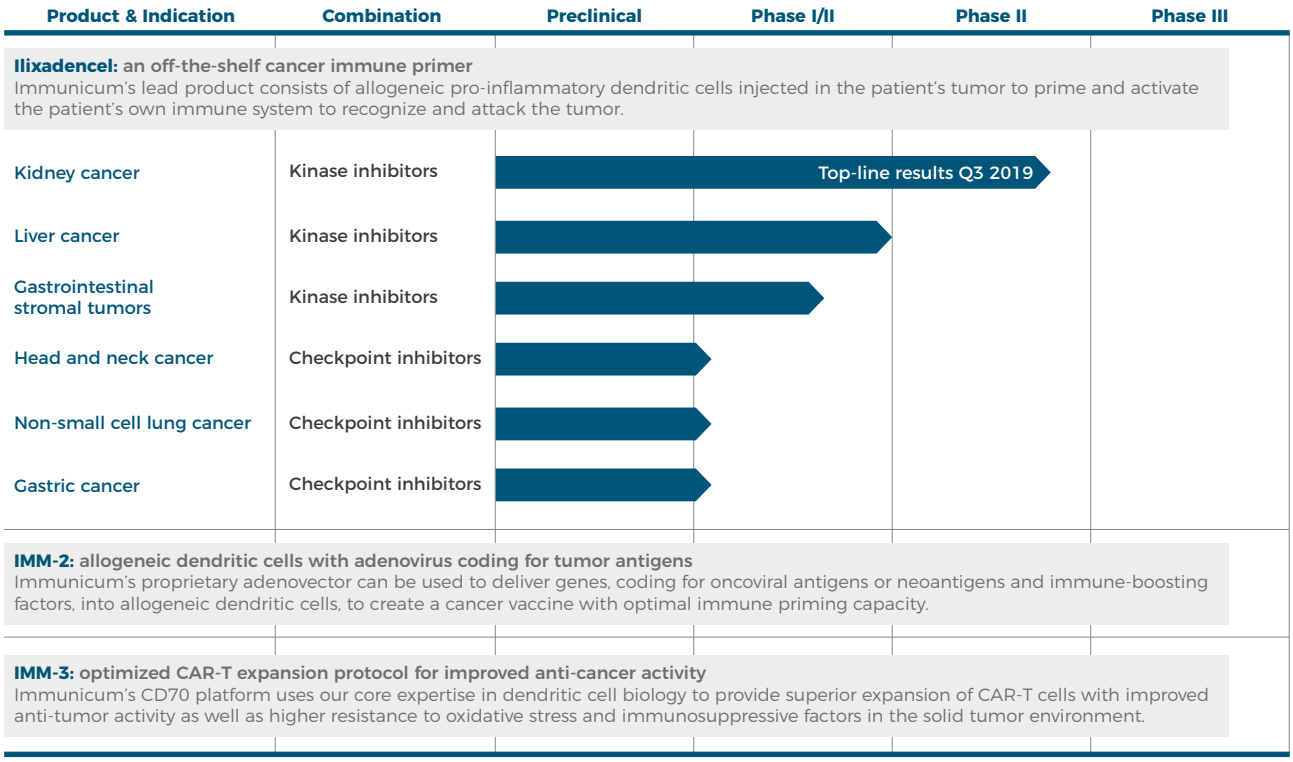
**II.** ilixadencel is applicable for injectable solid tumors;

**III.** off-the-shelf cell-based therapies are applicable to all patients and batches can be stockpiled and thereby be available for immediate use; and

**IV.** the concept uses the patient's own tumor as the antigen source *in vivo*, which aims to ensure that the full set of immunogenic neoantigens are used for activation of a tumor-specific immune response.

# Product portfolio

» **Immunicum's pipeline includes** three ongoing clinical studies and preclinical studies for the Company's lead product ilixadencel as well as two preclinical programs.




## Studies in Head and neck cancer (HNSCC), non-small cell lung cancer (NSCLC) and gastric cancer (GA)

**Phase Ib/II ILIAD**

The first patient was enrolled in the study in January 2019. During Phase Ib in the multi-indication Phase Ib/II study (ILIAD) ilixadencel will be combined with Keytruda® (pembrolizumab) in patients with head and neck cancer (head and neck squamous cell carcinoma; HNSCC), non-small cell lung cancer (NSCLC) and gastric cancer (gastric and gastroesophageal adenocarcinoma; GA). The Phase Ib part of the study will be conducted in the US.

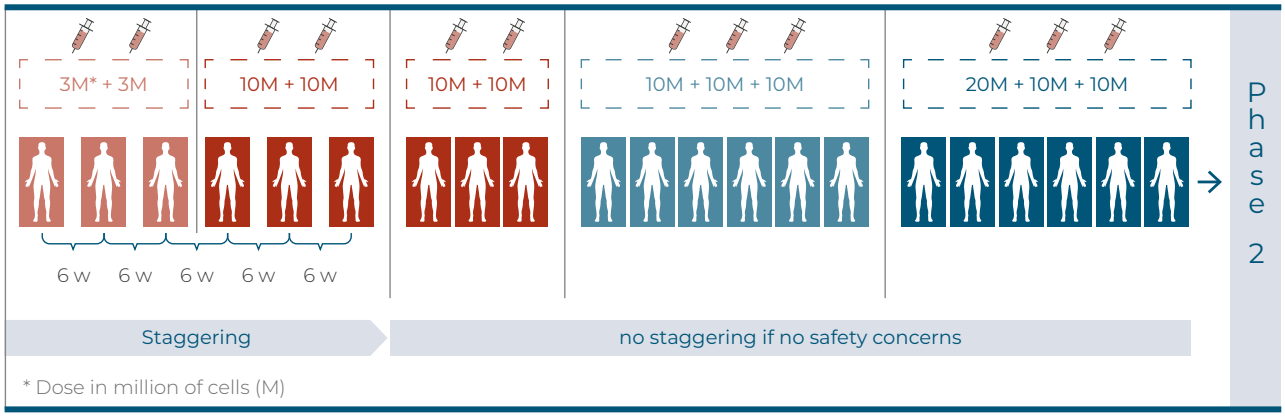
The ILIAD study is a multi-indication, open-label, randomized multicenter, Phase Ib/II trial that evaluates the safety and efficacy of intratumorally administered ilixadencel in combination with a checkpoint inhibitor at standard doses in the selected indications.

The purpose of the multi-indication trial is three-fold:

- to demonstrate clinical safety of the combination: by showing that ilixadencel can be safely combined with a checkpoint inhibitor.
- to demonstrate the proof of mechanism: by showing that ilixadencel generates a systemic tumor-specific immune response.
- to demonstrate improved clinical efficacy: by showing improved benefit of the combo in terms of clinical activity compared to checkpoint inhibitor alone in solid tumor patients.

The Phase Ib component of the trial consists of enrolling 21 patients and aims to assess safety and define the optimal dose and schedule of ilixadencel administration in combination with Keytruda® (pembrolizumab) in patients who are candidates to receive Keytruda at standard doses in the included indications. In addition, it has the potential to capture initial signs of efficacy. The design of the Phase Ib component is shown below.

**ILIAD- study design Phase Ib**




The Phase II component of the trial will group patients by indication into three studies advancing in parallel. The aim of the Phase II study is to demonstrate a favorable impact of ilixadencel used in combination with checkpoint inhibitor therapy. Each indication group will include enough patients to observe statistically significant clinical activity for the combination group.

**Collaboration and supply agreement with Merck KGaA and Pfizer for ILIAD**

In November 2018, Immunicum announced a collaboration with Merck KGAa and Pfizer for the evaluation of ilixadencel in combination with the checkpoint inhibitor avelumab (Bavencio®) in the Phase II portion of ILIAD. During the Phase II part of the study, the safety and efficacy of ilixadencel in combination with avelumab will be evaluated in patients with head and neck cancer and gastric cancer. Immunicum will be responsible for the implementation of the study and will retain all commercial rights to ilixadencel.

## Studies in renal cancer

**Phase II – MERECA**

Immunicum is presently conducting an international, investigational, randomized, controlled and open Phase II study (MERECA) where a total of 88 newly diagnosed metastatic renal cancer patients have been included. Fifty-eight patients received treatment with ilixadencel followed by nephrectomy (the removal of the tumor affected kidney) and standard treatment with the tyrosine kinase inhibitor Sutent® (sunitinib). Thirty patients included in the control group underwent only nephrectomy and standard treatment with Sutent®.

The primary purpose of the MERECA study is to investigate the clinical efficacy of treatment with ilixadencel in combination with sunitinib in newly diagnosed metastatic renal cell cancer patients. The primary endpoints for the MERECA study are median overall survival (OS) and overall survival rate at 18 months for all patients and for the patient-groups with poor and intermediate prognosis.

In addition to these primary parameters, the Company will also study the frequency and proportion of adverse events (AEs), progression-free survival (PFS), objective tumor response after introduction of Sutent® (sunitinib), time to progression (TTP) and intratumoral infiltration of CD8+ T cells in primary tumors and accessible metastases, compared with normal tissue. This Phase II study is primarily a proof of concept study and will be successful if it can show clinically meaningful benefits on different endpoints and it will provide crucial input for planning of future pivotal/confirmatory (i.e. Phase III) trials. In December 2016, Immunicum received clearance from FDA on its Investigational New Drug (IND) application and expanded the MERECA study into the US in the second quarter of 2017, which led to the first patient enrolled in August 2017.

The last patient was recruited to the study in early 2018 and the MERECA study top-line results are expected in the third quarter of 2019.

**Phase I/II**

Immunicum's Phase I/II study was initiated in 2012 and included twelve patients with newly diagnosed metastatic renal cell carcinoma (mRCC). The last patient was treated in August 2013 and in March 2014 the concluding report was presented.

No treatment-related serious adverse events have been noted. The immunology data show clear signs of tumor-specific immune activation and strong infiltration of CD8+ T cells in the treated tumor, but also in a distant metastasis, which indicates that the activated immune system is also able to identify and target cancer cells in other parts of the body after injection of ilixadencel.

Immunicum published follow-up data from the Phase I/II study in the *Journal for ImmunoTherapy of Cancer* in June 2017, which contained data of patients up to December 20161. Updated survival time data, as per January 2018, from the Phase I/II study, showed that three out of

eleven evaluable patients were alive. Three out of eleven evaluable patients surpassed the 5-year survival and the median overall survival time for the patient group as a whole was 48 months compared to the expected median survival time of 14 – 16 months based on historical data of newly diagnosed metastatic patients being treated with tyrosine kinase inhibitors, including Sutent® (sunitinib) and Votrient® (pazopanib). For the six patients with a poor prognosis (MSKCC high risk), the median overall survival time was 36 months, compared to the expected 9 months based on historical control.

## Studies in Gastrointestinal cancer (GIST)

**Phase I/II**

Immunicum is presently carrying out a Phase I/II clinical trial with ilixadencel concerning the treatment of patients with GIST. The clinical trial is conducted at the Karolinska University Hospital in Stockholm. Six patients have been enrolled and treated with ilixadencel in combination with Sutent® (sunitinib), Stivarga® (regorafenib) or similar tyrosine kinase inhibitor (targeted therapy).

In May 2018 the sixth and last patient was enrolled in the first cohort. Due to the rarity of this disease, Immunicum decided to stop enrollment after 6 patients. The primary objective of the clinical trial is to examine whether ilixadencel in combination with a tyrosine kinase inhibitor is safe and tolerable for these patients. Additional clinical endpoints, such as objective response and progression-free survival (PFS), will also be evaluated.

Immunicum expects the top-line results (final results) from the study to be ready mid-2019.

## Studies in liver cancer

**Phase I/II**

In September 2017, Immunicum announced the topline results from the completed Phase I/II clinical trial of ilixadencel in 18 advanced liver cancer patients (Hepatocellular carcinoma; HCC). The study was conducted at Sahlgrenska University hospital in Gothenburg, Sweden.

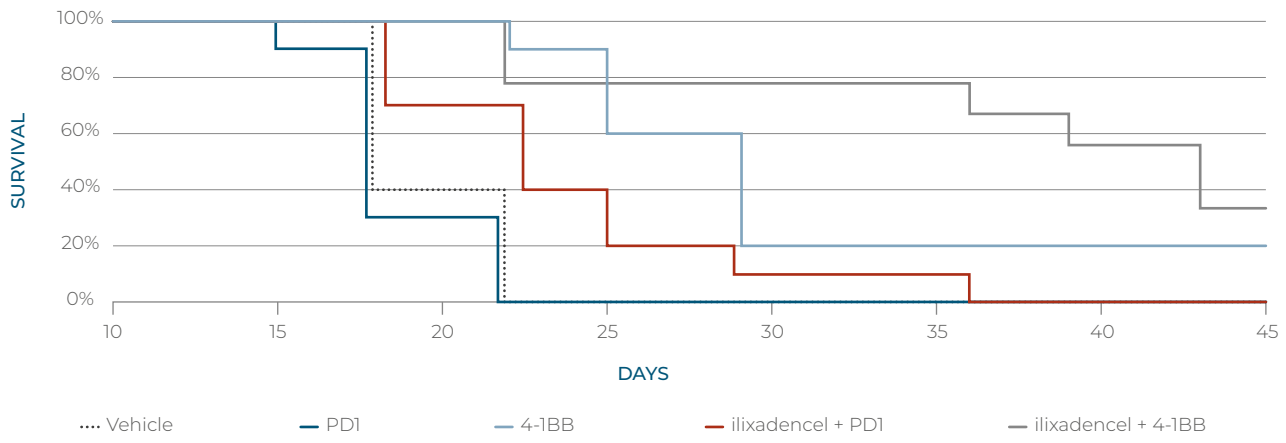
The final results of the completed Phase I/II clinical trial of ilixadencel in liver cancer were published in the *Frontiers Oncology Journal* in January 2019. The data confirm previously communicated positive safety and tolerability of ilixadencel when administered both alone and in combination with current first-line standard of care, sorafenib: the most common toxicity was grade 1 and 2 fever and chills. Thirty (30) percent of all adverse events were considered as treatment-related, with one single treatment-related grade 3 event. In addition, the data demonstrate an increased frequency of tumor-specific CD8+ T cells in circulating blood for a majority of evaluable patients (11/15), indicating a systemic immune response. Overall, one patient had a partial response (with ilixadencel as monotherapy) and five had stable disease as overall best response per mRECIST. The median time to progression was 5.5 months and overall survival ranged from 1.6 to 21.4 months. The complete results provide further insight on ilixadencel's mode of action, signs of clinical activity and important information that will guide the next stage of clinical development.

## Preclinical studies

**Ilixadencel**

Immunicum has performed preclinical studies in a mouse tumor model where cancer cells (CT26 colon carcinoma) are injected subcutaneously followed by treatment with checkpoint inhibitors (anti-PD1) and immune enhancers (anti-4-1BB/CD137). These two classes in the immuno-oncology field block the tumor's defenses against the activated immune system, or expand and further potentiate the activated immune system and are therefore highly complementary to ilixadencel's mechanism of action in activating the immune system. As shown below, ilixadencel showed synergy in reducing tumor growth and increasing survival in combination with both classes, further positioning our strategy for ilixadencel as a key component in future combination therapies for solid tumors.

Survival in preclinical cancer model

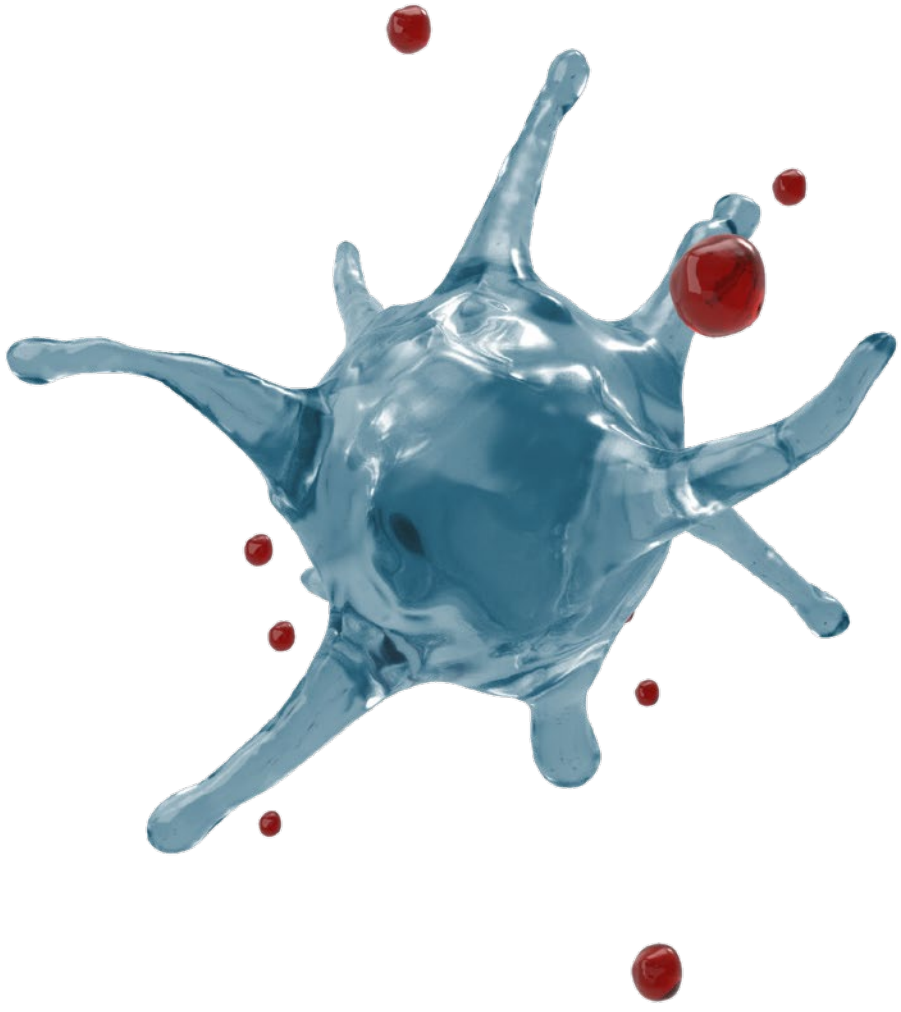


**IMM-2 platform**
IMM-2 shares the same technology basis as used for production of ilixadencel to benefit from the unique priming and activating technology. The major difference between IMM-2 and ilixadencel is that IMM-2 is transfected with an adenoviral vector to deliver tumor antigens directly to the cells. These cells are then injected subcutaneously (under the skin) as opposed to ilixadencel's intratumoral injection.

The adenovirus vector was acquired in 2014 with the purpose of being included in the IMM-2 concept. Nonclinical studies with the adenovirus vector for the development of IMM-2 are in progress in cooperation with the University of Uppsala and Professor Magnus Essand.

The objective is to examine the possibilities of using the vector for the production of relevant tumor antigens to be used in the IMM-2 immune priming and activating cells.

**IMM-3 platform**
Immunicum's IMM-3 platform is positioned as a strategy that can be used to improve existing and new adoptive immunotherapeutics. Adoptive immunotherapy utilizes the patient's own T cells, which are isolated and usually genetically manipulated to specifically recognize cancer cells; such cells are termed CAR-T cells. The primary goal is to establish the IMMU-3 concept as an optimal method for the *ex-vivo* expansion of CAR-T cells for the treatment of solid tumors. In a publication entitled "Allogeneic lymphocyte-licensed DCs expand T cells with improved anti-tumor activity and resistance to oxidative stress and immunosuppressive factors", which was published on March 6, 2014 in the American journal, Molecular Therapy - Methods & Clinical Development (published by Nature Publishing Group in cooperation with the American Society of Gene & Cell Therapy), Professor Essand's research group compared Immunicum's patented expansion protocol, referred to as "CD70-CD3," with established expansion protocols. In the article, it emerged that T cells, including the CAR-transfected T cells which were expanded with Immunicum's CD70 protocols, compared to the established protocols, show a better survivability capacity, better ability to kill tumor cells in the test tube, and better capability to begin to expand once again upon contact with tumor cells when the cells are subjected to immunosuppressive factors that reflect the "hostile" tumor environment. Immunicum's goal is to explore development opportunities for the IMM-3 concept and collaboration opportunities with CAR-T or similar technologies, upon which the platform would be dependent for further development.



# Financial information

## Income

The net sales amounted to KSEK 0 (KSEK 0). During the quarter, other operating income amounted to KSEK 143 (KSEK 85) and consisted of exchange gains.

## Operating expenses

Administrative costs for the quarter amounted to KSEK 6.105 (KSEK 5.951) and was somewhat higher than previous period. The costs consisted mainly of personnel costs, consultancy costs, marketing activities and legal fees.

R&D costs for the quarter amounted to KSEK 23.174 (KSEK 22.231) and includes costs for work in the ongoing clinical trials, mainly the ILIAD study. A large part of the development costs refers to the start of the process development to strengthen the production process of ilixdencel.

## Financial Results

The operating result for the quarter amounted to KSEK -29 139 (KSEK -28 770). The result for the quarter amounted to KSEK -29 140 (KSEK -28 770). Earnings per share before and after dilution amounted to SEK -0.3 (SEK -0.6).

## Cash flow

Cash flow relating to operating activities amounted to KSEK -50.439 (KSEK -66.058). The cash flow from operating activities for the period is mainly affected by paid share issue costs and payments linked to the clinical development.

Cash flow from investment activities amounted to KSEK 0 (KSEK 0)

Cash flow relating to finance activities amounted to KSEK 0 (KSEK 105.239) which for the comparison period was a partially payment of the 2017/2018 rights issue.

The company's cash and cash equivalents on March 31, 2019 amounted to KSEK 393.359 (KSEK 168 064).

## Shareholders' Equity

Total shareholders' equity on March 31, 2019 amounted to KSEK 376.901 (KSEK 160.786). Equity per share amounted to SEK 4,09 (SEK 3,16).

The company's equity ratio at the end of the period was 95% (91%).

The equity ratio has been calculated as shareholders' equity for the period divided by balance sheet total for the period. The Company believes that this key ratio provides investors with useful information of the Company's capital structure.

## Other

All operations are conducted in one company and there is therefore no group.

# Other information

## The Immunicum Share

The shares have been traded on NASDAQ First North under the ticker symbol IMMU, with the ISIN code SE0005003654 since 22 April 2013, and with a listing on the First North Premier segment as of 4 May 2016. As of 15 January 2018, the shares are traded on Nasdaq Stockholm's main market.

## Number of Shares

The number of shares in the Company as of 31 March 2019 amounted to 92,257,531 (50 958 531) and the share capital in the company amounted to SEK 4,612,876.55. All shares have equal voting right and share of Immunicum's assets and profit.

## Employees and Organization

Immunicum has chosen to conduct its business operations with a minimal number of employees on staff supplemented by consultants, in order to maintain flexibility and cost effectiveness. As of 31 March 2019, the Company had 11 (14) direct employees, of whom 6 (9) were women and 5 (5) men.

## Incentive Program

There are currently no outstanding warrants or other equity-related incentive programs in the Company. A proposal has been submitted to the Annual General Meeting on April 25, 2019 to issue 2 306 439 warrants to management and key employees in the Company.

## Financial Calendar

| | |
|---|---|
| Annual General Meeting | 25 April 2019 |
| Interim report Q2 2019 | 23 August 2019 |
| Interim report Q3 2019 | 6 November 2019 |
| Year-End report 2019 | 18 February 2020 |

## Shareholders 2019-03-31

| Owners | Shares | Votes/captial |
|---|---|---|
| Avanza Pension | 8,450,905 | 9,2% |
| Nordnet Pensionsförsäkring | 4,911,912 | 5,3% |
| Fjärde AP-fonden | 4,500,000 | 4,9% |
| Gladiator | 3,750,000 | 4,1% |
| Martin Lindström | 3,335,331 | 3,6% |
| Holger Blomstrand Byggnads AB | 2,975,386 | 3,2% |
| Andra AP-fonden | 2,500,000 | 2,7% |
| Skandinaviska Enskilda Banken S.A | 2,387,842 | 2,59% |
| Nordic Cross Asset Management | 2,359,200 | 2,6% |
| BNP Paribas Asset Management | 1,800,657 | 2,0% |
| BNP Paribas Sec Serv Luxembourg | 1,800,000 | 1,95% |
| Theodor Jeansson | 1,600,000 | 1,7% |
| Gerald Engström | 1,173,306 | 1,3% |
| Christian Hansen | 1,100,000 | 1,2% |
| Other | 49,612,992 | 53,8% |
| **Total** | **92,257,531** | **100,0%** |

## Income statement

| Amounts in KSEK | 2019-01-01 - 2019-03-31 | 2018-01-01 - 2018-03-31 | 2018-01-01 - 2018-12-31 |
|---|---|---|---|
| Net sales | - | - | - |
| Other operating income | 143 | 85 | 184 |
| | **143** | **85** | **184** |
| **OPERATING EXPENSES** | | | |
| Sales, general and administration expenses | -6,105 | -5,951 | -25,614 |
| Research and development expenses | -23,174 | -22,231 | -70,930 |
| Other operating expenses | -3 | -673 | -1,485 |
| **Operating profit/loss** | **-29,139** | **-28,770** | **-97,846** |
| **RESULT FROM FINANCIAL ITEMS** | | | |
| Interest income and similar items | - | - | - |
| Interest expense and similar items | -1 | - | -14 |
| **Profit/loss after financial items** | **-29,140** | **-28,770** | **-97,860** |
| **TOTAL PROFIT/LOSS BEFORE TAXES** | **-29,140** | **-28,770** | **-97,860** |
| Income tax expense | - | - | - |
| **PROFIT/LOSS FOR THE PERIOD** | **-29,140** | **-28,770** | **-97,860** |
| Earnings/loss per share before and after dilution (SEK) | -0.3 | -0.6 | -1.8 |

## Statement of comprehensive income

| Amounts in KSEK | 2019-01-01 - 2019-03-31 | 2018-01-01 - 2018-03-31 | 2018-01-01 - 2018-12-31 |
|---|---|---|---|
| Result for the period | -29 140 | -28 770 | -97 860 |
| Other comprehensive income | - | - | - |
| **Total comprehensive result for the period** | **-29 140** | **-28 770** | **-97 860** |

## Balance sheet

| Amounts in KSEK | 2019-03-31 | 2018-03-31 | 2018-12-31 |
|---|---|---|---|
| **ASSETS** | | | |
| **Fixed assets** | | | |
| *Tangible assets* | | | |
| Equipment | - | 53 | 9 |
| *Total tangible assets* | **-** | **53** | **9** |
| *Financial assets* | | | |
| Other securities held as fixed assets | 1 | 1 | 1 |
| *Total financial assets* | **1** | **1** | **1** |
| **Total fixed assets** | **1** | **54** | **10** |
| **Current assets** | | | |
| *Inventories* | - | - | *1 469* |
| *Current receivables* | | | |
| Tax credits and related receivables | 322 | 283 | 465 |
| Other receivables | 3 336 | 2 517 | 2 842 |
| Prepaid expenses and accrued income | 1 531 | 5 441 | 1 788 |
| *Total current receivables* | **5 189** | **8 242** | **5 095** |
| *Investments* | - | - | - |
| *Cash and bank balances* | 393 359 | 168 064 | 443 798 |
| **Total current assets** | **393 359** | **176 306** | **450 363** |
| **TOTAL ASSETS** | **398 549** | **176 360** | **450 373** |
| **SHAREHOLDERS' EQUITY AND LIABILITIES** | | | |
| **SHAREHOLDERS' EQUITY** | | | |
| *Restricted equity* | | | |
| Share capital | 4 613 | 2 548 | 3 594 |
| New share issue in progress | - | - | 1 019 |
| *Total restricted equity* | **4 613** | ***2 548*** | ***4 613*** |
| *Unrestricted equity* | | | |
| Share premium reserve | 731 073 | 418 793 | 731 073 |
| Retained earnings | -329 645 | -231 785 | -231 785 |
| Profit/loss for the period | -29 140 | -28 770 | -97 860 |
| *Total unrestricted equity* | **372 288** | **158 239** | **401 428** |
| **Total shareholders' equity** | **376 901** | **160 786** | **406 041** |
| **LIABILITIES** | | | |
| *LONG-TERM LIABILITIES* | | | |
| Other long-term liabilities | 850 | 850 | 850 |
| *Total long-term liabilities* | **850** | **850** | **850** |
| *CURRENT LIABILITIES* | | | |
| Accounts payable | 10 369 | 2 677 | 31 266 |
| Other liabilities | 3 594 | 1 837 | 838 |
| Accrued expenses and deferred income | 6 836 | 10 209 | 11 378 |
| *Total current liabilities* | **20 799** | **14 723** | **43 482** |
| **Total liabilities** | **21 649** | **15 573** | **44 332** |
| **TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES** | **398 549** | **176 360** | **450 373** |

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## Report on changes in shareholders' equity

| Amounts in KSEK | Share capital | Share premium reserve | Retained earnings incl. profit/loss for the period | Total |
|---|---|---|---|---|
| **Opening shareholders' equity 01/01/2018** | 2 548 | 418 793 | -231 785 | 189 556 |
| Profit/loss for the period | | | -28 765 | -28 765 |
| **Shareholders' equity 31/03/2018** | **2 548** | **418 793** | **-260 549** | **160 792** |
| | | | | |
| **Opening shareholders' equity 01/01/2019** | 4 613 | 731 073 | -329 645 | 406 041 |
| Profit/loss for the period | | | -29 140 | -29 140 |
| **Shareholders' equity 31/03/2019** | **4 613** | **731 073** | **-358 785** | **376 901** |
| | | | | |
| **Opening shareholders' equity 01/01/2018** | 2 548 | 418 793 | -231 785 | 189 556 |
| Share issue | 1 046 | 176 737 | | 177 782 |
| Ongoing new share issue | 1 019 | 172 240 | | 173 259 |
| Expenses for new share issue | | -36 697 | | -36 697 |
| Profit/loss for the period | | | -97 860 | -97 860 |
| **Shareholders' equity 31/12/2018** | **4 613** | **731 073** | **-329 645** | **406 041** |

## Cash flow Statement

| Amounts in KSEK | 2019-01-01-2019-03-31 | 2018-01-01-2018-03-31 | 2018-01-01 - 2018-12-31 |
|---|---|---|---|
| **Operating activities** | | | |
| Operating profit/loss before financial items | -29 139 | -28 770 | -97 846 |
| Adjustment for items not included in cash flow | 9 | 16 | 58 |
| Interest expense paid | -1 | - | -14 |
| Increase/decrease in other current receivables | 1 375 | 3 712 | 5 389 |
| Increase/decrease in accounts payable | -20 898 | -9 037 | 19 552 |
| Increase/decrease in other current liabilities | -1 785 | -31 979 | -31 807 |
| **Cash flow from operating activities** | **-50 439** | **-66 058** | **-104 670** |
| | | | |
| **Financing activities** | | | |
| New share issues | - | 105 239 | 456 281 |
| Costs attributable to the new share issues | - | - | -36 697 |
| **Cash flow from financing activities** | **-** | **105 239** | **419 583** |
| | | | |
| Cash and cash equivalents at the beginning of the period | 443 798 | 128 883 | 128 883 |
| Cash flow for the period | -50 439 | 39 181 | 314 914 |
| **Cash and cash equivalents at the end of the period** | **393 359** | **168 064** | **443 798** |

## Alternative Performance Measures, APMs

Immunicum applies the guidelines issued by Esma for alternative performance measures. Alternative performance measures are financial measurements of historical or future earnings, financial position, financial results or cash flows that are not defined or specified in the applicable financial reporting rules and which are central to the understanding and evaluation of Immunicum's operations. Immunicum uses the alternative performance measure equity/asset ratio. The Company believes that this key ratio provides investors with useful information of the Company's capital structure.

**Definitions of IFRS key rations and APM**

**Equity/assets ratio** - Equity as a percentage of the sum of shareholders' equity and liabilities.

## Derivation of alternative performance measurements

| ALTERNATIVE PERFORMANCE MEASUREMENTS | |
|---|---|
| **Equity ratio at the end of the period %** | |
| Total shareholders' equity at the end of the period (KSEK) | 376 901 |
| Total equity and liabilities at the end of the period (KSEK) | 398 549 |
| **Equity ratio at the end of the period %** | **95 %** |

## Note 1 - Accounting Policies

The Company prepares its interim reports in accordance with IAS 34 with regard to the exceptions from and additions to IFRS which are listed in RFR2 and the Swedish Annual Accounts Act. The Company is not a part of any group of companies, which is why a full IFRS reporting will not be applicable. Immunicum's business currently consists of research and development for production of pharmaceuticals. The company is of the opinion that this business, in its entirety, constitutes a single operating segment. The accounting principles and calculation methods remain unchanged from those applied in the Annual Report for financial year 1 Jan-31 December 2018. Disclosures in accordance with IAS 34.16A are provided both in Notes as well as elsewhere in the interim report.

**IFRS 16 Leases**

From January 2019 the new standard IFRS 16 applies. The standard causes changes to the lessee but does not entail any material change for the lessor. The amendment compared with the current IAS 17 Leases is that all contracts in which the company is the lessee are to be handled in the same way as Financial leases have been handled in accordance with IAS 17.

The accounting is based on the view that the lessee has a right to use an asset over a specific period of time and at the same time an obligation to pay for this right, so the lessee must report a right-of-use asset and a lease liability in its balance sheet. Exceptions exist for contracts with shorter maturities than 12 months and agreements relating to assets amounting to smaller amounts. IFRS 16 clarifies that a lessee may differentiate between leasing components and service components in an agreement.

IFRS 16 Leases comes into effect for the fiscal year beginning on January 1, 2019. The company applies the simplification rule in RFR 2 and will therefore continue to report leasing costs according to existing rules for operational leasing.

None of the IFRS or IFRIC interpretations that have yet to come into legal effect are expected to have any significant impact on Immunicum.

## Note 2 - Pledged assets

Pledged assets total KSEK 251 (566)

## Note 3 - Prospects, Significant Risks and Uncertainty Factors

Immunicum is a research and development Company that still is in its early stages. The Company has not generated any revenues historically and is not expected to do so in the short term. The Company's candidates for cancer immune primers and technology platforms are dependent on research and development and may be delayed and/or incur greater costs. The Company is dependent upon its ability to enter into licensing agreements and joint collaboration agreements, as well as dependent on a large number of approvals and remuneration systems and the related laws, regulations, decisions and practices (which may change). In addition, the Company is also dependent upon intellectual property rights. The risk that is determined to have particular importance for future development of Immunicum is access to financial funds.

For a more detailed description of the material risk factors, please refer to Annual Report 2018 which can be downloaded from the Company's website: www.immunicum.com.

## Note 4 - Information on Transactions With Closely Related Parties

Margareth Jorvid, Head of Regulatory Affairs and Quality System, and member of Immunicum's management team has during the quarter invoiced Immunicum KSEK 343 in consultancy fees through the company Methra in Uppsala AB. Pricing has been made on commercial terms.

## Note 5 - Financial instruments

Immunicums financial assets and liabilities comprise of cash and cash equivalents, other current assets, accrued expenses and accounts payable.

The fair value of all financial instruments is materially equal to their carrying amounts.

## Note 6 - Significant events after end of period

No significant events to be reported after the end of the period.

## Governing text

The report has been translated from Swedish. The Swedish text shall govern for all purposes and prevail in the event of any discrepancy between the versions.

## Review by the auditors

This report has not been reviewed by the company's auditors.

**Stockholm 25 April 2019**

*Michael Oredsson,*
**CHAIRMAN OF THE BOARD**

*Charlotte Edenius*
**BOARD MEMBER**

*Steven Glazer*
**BOARD MEMBER**

*Magnus Nilsson*
**BOARD MEMBER**

*Magnus Persson*
**BOARD MEMBER**

*Kerstin Valinder Strinnholm*
**BOARD MEMBER**

*Carlos de Sousa*
**CHIEF EXECUTIVE OFFICER**

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The information contained in this report is that which Immunicum (publ), is obliged to publish in accordance with the Swedish Securities Market Act (SFS 2007:528). The information was submitted for publication, through the agency of the contact persons set out above, on April 25, 2019, at 8:00 CET.


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