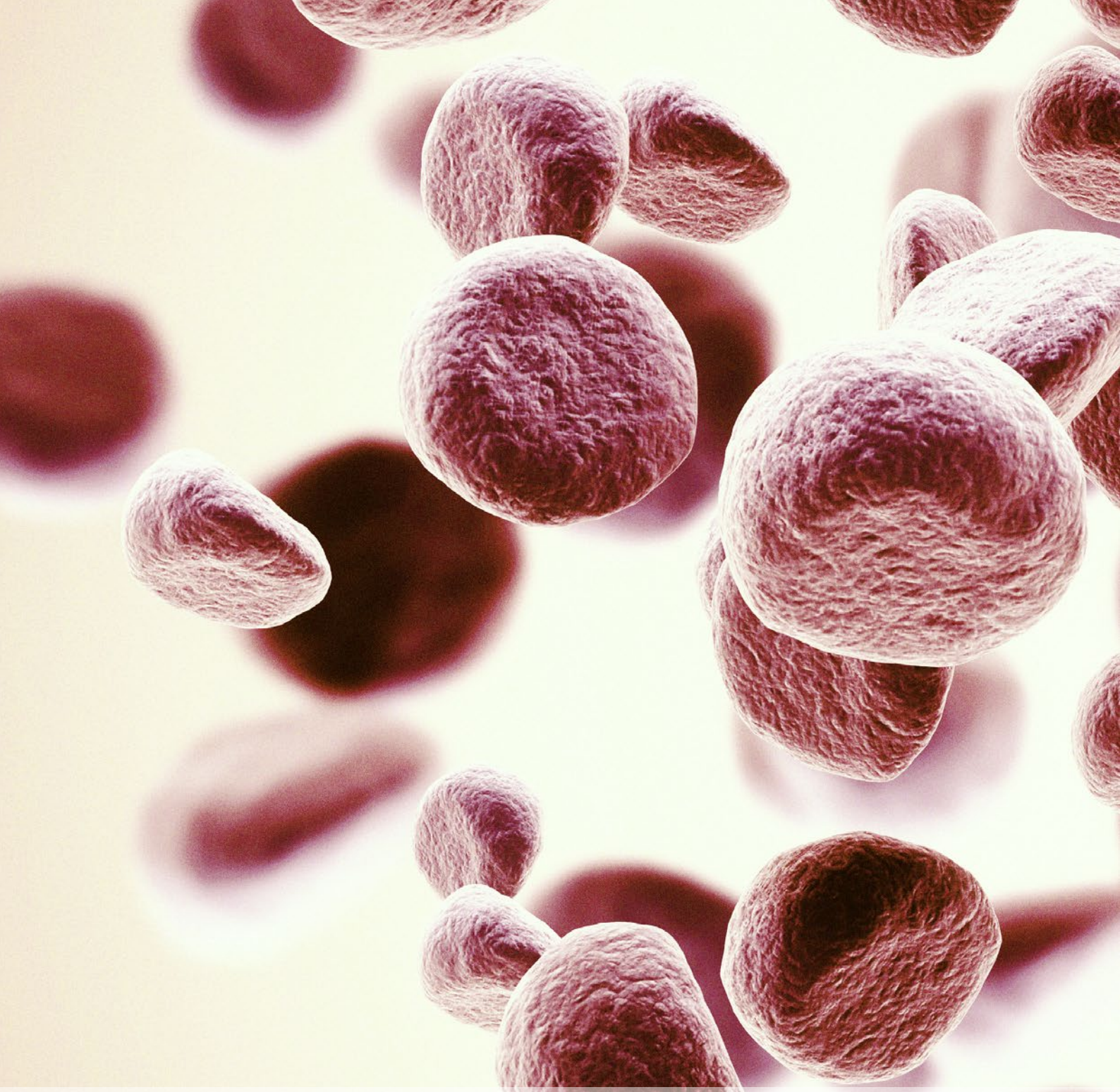


# YEAR-END REPORT

## 2014/2015

Immunicum AB (publ), corporate identity number: 556629-1786

IMMUNICUM
ALLOGENEIC DC-BASED IMMUNOTHERAPIES

# *In brief*

YEAR-END REPORT 2014/2015

## 4TH QUARTER (APRIL – JUNE) 2015 COMPARED TO THE SAME PERIOD 2014.

- Profit/loss after financial items was -7.8 MSEK (-5.6)
- Profit/loss per share before and after dilution was -0.39 SEK (-0.28).

## FINANCIAL YEAR 2014/2015 COMPARED TO 2013/2014

- Profit/loss after financial items was -35.6 MSEK (-16.2)
- The number of shares at the end of the period was 20,030,000 (20,030,000)
- Profit/loss per share before and after dilution was -1.78 SEK (-0.81).
- Equity per share was 3.23 SEK (5.00)
- Cash and cash equivalents at the end of the period amounted to 68.2 MSEK (107.8)
- The number of employees at the end of the period was 5 (5)
- The equity/assets ratio was 91% (92)

Operating expenses during the financial year were 36.6 MSEK (17.2). The increase in expenses compared to last year is to a very large extent due to start-up costs related to the large Phase II trial in metastatic renal cell cancer and expansion of the Company's other clinical programs.

In connection with the clinical program, the Company has had to make relatively large investments in the transfer of the manufacturing process of Immunicum's vaccines to a major producer in Germany for use at European centers outside of Sweden. These techtransfer costs have primarily affected the second and third quarters.

Expenses for clinical trials (including techtransfer) for the entire financial year were 19.6 MSEK (5.0)

Milestone payments for the acquisition of the adenovirus patent and accompanying rights have affected the result of the full financial year.

Personel costs increased to 5.8 MSEK compared to 4.1 MSEK the previous year.

The Company's total expenses for the financial year are somewhat lower than what was originally planned, which is due to a slight delay of the start of the Phase II trial outside of Sweden.

## IMPORTANT EVENTS DURING THE FINANCIAL YEAR 2014/2015

- As part of building the Company's organization, Alex Karlsson-Parra (CSO/Chief Scientific Officer, and one of the company's founders) became a full-time employee on July 1, 2014.
- In early September 2014, Alex Karlsson-Parra presented positive follow-up data from the phase I/II study in renal cancer at SMI's cancer vaccine conference in London.
- In October 2014, Immunicum acquired the patent rights to an adenovirus vector for oncolytic therapy and for further development of SUBCUVAX®.
- In December, Immunicum's CSO received the Athena award, which is the most prestigious award in medicine for clinical research in Sweden.
- At the annual general meeting in December, Magnus Nilsson was elected board member of Immunicum. Alex Karlsson-Parra and Per-Olof Gunnesson had declined to be re-elected in order to focus on operative work in their respective positions in the Company.
- On December 15, the US patent office (USPTO) gave a so called "notice of allowance" to Immunicum regarding patent application 13/522,741 to protect the method to activate vaccine cells. The patent was granted on May 19, 2015.
- Later in December, the US patent office also gave a "notice of allowance" regarding patent application us 61645666 for a genetically modified adenovirus vector. The patent was granted on April 28, 2015.
- Towards the end of January 2015, the European patent office (EPO) reported that it intends to approve an application regarding the production method for the Company's therapeutic cancer vaccines.
- In Februari 2015 the Medical Products Agency in Sweden gave approval to begin the Company's Phase II study in patients with metastatic renal cell cancer. The study (MERECA study), which is a non-blind, randomized, international multi-center study, measures the efficacy and safety of INTUVAX®, and INTUVAX® in combination with the tyrosin inhibitor *sunitinib*, as compared to treatment with only *sunitinib*. A total of 90 patients are expected to be included in the study at approximately twenty clinics in Europe.
- The first patient was included in the study in May 2015.
- In March 2015, Immunicum's research director presented the technology of the cancer vaccine INTUVAX® at a conference at Karolinska Institutet, together with world-leading immunology researchers.
- During the spring, the Company delivered a genetically modified adenovirus vector to the Frederick National Laboratory for Cancer Research in the US, which carries out contract research on new treatments against cancer and aids on behalf of the National Cancer Institute.
- In April, an updated report on safety and survival data from the ongoing phase I/II study on INTUVAX® in patients with primary liver cancer (HCC I) was presented. No serious vaccine related side effects have been reported. The Company received several questions regarding the report, and therefore published a clarification regarding the number of surviving patients. Management has a positive view on the overall outcome of the HCC-study for those patients who have received a full vaccination.

## SIGNIFICANT EVENTS AFTER THE END OF THE FINANCIAL YEAR

- Immunicum's nomination committee proposes that **Magnus Persson** be elected as a new board member at the annual general meeting, which will be held on December 3, 2015. Magnus Persson studied medicine at Karolinska Institutet and Harvard Medical School. He is M.D., Ph. D in Physiology at Karolinska Institutet. Magnus Persson is engaged in several companies' board of directors, in Sweden as well as at an international level.

- During fall of 2015, Immunicum will strengthen the internal organization by filling several important positions:

- **Linda Barkemo**, who has a long experience from leading positions on the clinical side of pharmaceutical development, will take the position as Director Clinical Operations.

- On October 1, **Lise-Lotte Hallbäck** will take up the position as Chief Financial Officer, CFO. Lise-Lotte has a long experience from leading positions in financial control and accounting at companies with an international exposure, and has also served as an authorized public accountant.

- In early August 2015, Immunicum reported continually improved data from the follow-up phase of the phase I/II study in patients with metastatic renal cell cancer. Seven out of a total of eleven patients that could be evaluated were still alive.

- At the end of August, Immunicum presented an updated report regarding safety and survival data from the ongoing phase I/II study with Intuvax® in patients with primary liver cancer. Out of a total of seven fully treated patients, four have shown improved survival, compared to what was expected based on historical data. Two of the three patients who are still alive have not yet passed their expected median survival.

- In September, Immunicum signed an agreement with Rutgers Cancer Institute of New Jersey about providing the institute with the Company's adenovirus technology (Ad5PTDf35).

- In September, Immunicum submitted an application to begin a new clinical phase I/II study in patients with GIST (gastrointestinal stromal tumour). The study will be conducted in collaboration with Karolinska Institutet.

# *Words from the CEO*

*At Immunicum, we are experiencing very exciting times, to say the least. Our phase II study of* Intuvax® *in metastatic renal cell carcinoma is now in progress and we expect a first status report to be ready around the turn of the year. Data is maturing when it comes to the already concluded phase I/II study in the same indication and now shows quite promising survival data, which is something that we hope will be confirmed in phase II.*

We have also reported continuously promising survival data from our ongoing phase I/II study in patients with primary liver cancer. Three patients remain to be included in the study, but by the end of the year we expect to present a status report and at the same time provide information regarding future development of the project.

Finally, together with Karolinska Institutet we have submitted an application for the start of a new phase I/II study on Intuvax® in patients with gastrointestinal stromal tumor (GIST). This study will allow us to investigate the efficacy of Intuvax® in yet another indication when combined with standard treatment, sutent. The study, which is Immunicum's fourth, is interesting to us because it gives us the chance to fairly quickly and cost effectively evaluate the efficacy of Intuvax® in patients who have already gone into progress. In addition to this, it will allow us to study the efficacy of two doses of Intuvax® compared to three doses. Moreover, we are looking forward to working with the Karolinska Institute, which is a world-renowned research institute.

Interest is also growing within the industry, not only for Intuvax®, but also for our Ad5PTDf35 adenovirus vector, for which we have initiated interesting collaborations with two well-known cancer institutes in the US. At the same time, preclinical studies are underway regarding the development of Subcuvax®, in collaboration with Uppsala University and professor Magnus Essand, whose group also plans to, sometime this year, initiate a clinical phase I/II study with the vector for oncolytic treatment of neuroendocrine tumors. Immunicum does not own rights to that particular indication, but for all other indications. Therefore, we will follow the progress of the study with great interest as it can confirm the usefulness of the vector for oncolytic treatment. The vector has several interesting applications.

We have also strengthened the organization by recruiting a new CFO and a Director of Clinical Operations. Our new CFO, Lise-Lotte Hallbäck, will begin on October 1, and most recently served as head of the Gothenburg division of Visma Services AB. She has long experience from leading positions in accounting and financial control at companies with an international exposure, and has also worked as a certified public accountant. Our new Director of Clinical Operations, Linda Barkemo, has more than 10 years of experience from leading positions in clinical project development in the pharmaceutical industry and joins us from a previous position as Regional Director Northern Europe at ClinTec International, which is a global Contract Research Organization. Her previous work includes positions with responsibility for clinical studies at AstraZeneca and Pfizer.

In addition to this, the nomination committee has proposed Magnus Persson to be elected as new member of the Board of Directors at the annual general meeting on December 3. Magnus has fifteen years of experience of venture capital at partner level within life science, and has founded and served as chairman of the board and board member in several private and public biotech and pharmaceutical companies in Europe and in the US. His experience as a partner at HealthCap and The Column Group is a good match for Immmunicum's current development stage and we look forward to collaborating with Magnus.

We are very optimistic regarding Immunicum's future and I can promise a very exciting and eventful year ahead.

*Jamal El-Mosleh*
CHIEF EXECUTIVE OFFICER

# About Immunicum AB

***Immunincum develops therapeutic cancer immune primers based on white blood cells taken from healthy donors, so called allogeneic dendritic cells. The role of the dendritic cell has been found so vital to all immune responses that its discoverer was awarded the Nobel Prize for Medicine in 2011.***

**Immunicum plans to continuously conduct clinical trials in order to validate the efficacy of the immune primers in humans in several cancer indications. The Company has successfully concluded a clinical phase I/II study in patients with metastatic renal cell cancer and is now conducting a phase II study in the same indication. Immunicum also has an ongoing clinical study in patients with primary liver cancer which is expected to be concluded during the first half of 2016, and the Company has submitted an application to begin a clinical phase I/II study in patients with GIST. In addition to this, the Company is planning for further preclinical studies on its CD70-platform for adoptive immunotherapy, as well as potentially other possible clinical studies on therapeutic cancer vaccination in new indications.**

## THE SHARE

Since April 2013, the Immunicum share is listed on NASDAQ OMX First North under the ticker name IMMU.

The total number of shares in the Company on June 30, 2015 was 20,030,000.

## EMPLOYEES

Immunicum has chosen to run the Company with a limited number of employees, supplemented by sub contractors to allow the company to maintain flexibility and work cost effectively. On September 1, 2015 the Company had six employees.

## DIVIDENDS

The Board of Directors propose that no dividend be paid to the shareholders for the financial year 2014/2015.

## INCENTIVE PROGRAM

The 2012 Annual General Meeting decided to issue stock options to be distributed to the CEO and other key persons linked to the Company. 1,200,000 of the stock options have been sold at market rates. Two options entitle the holder to subscribe for one new share at a subscription price of SEK 24 per share.

A more detailed description of the program is available in the latest annual report in note 8.

## THE TEN MAJOR SHAREHOLDERS AS OF JUNE 30, 2015

| OWNER | SHARES | SHARE CAPITAL/ VOTES |
|---|---|---|
| Loggen Invest AB | 2,712,685 | 13,5 % |
| Holger Blomstrand Byggnads AB | 2,380,309 | 11,9 % |
| Försäkringsaktiebolaget, Avanza Pension | 1,332,451 | 6,7 % |
| Swedbank Robur Fonder | 1,250,000 | 6,2 % |
| Alex Karlsson-Parra inklusive närstående | 602,726 | 3,0 % |
| Bengt Andersson | 541,939 | 2,7 % |
| Nordnet Pensionsförsäkringar | 498,042 | 2,5 % |
| Jamal El-Mosleh | 383,000 | 1,9 % |
| Mats Dahlgren | 369,000 | 1,8 % |
| LMK stiftelsen | 294,284 | 1,5 % |
| **Total, ten major shareholders** | **10,364,436** | **51,7 %** |
| Remaining shareholders | 9,665,564 | 48,3 % |
| TOTAL | 20,030,000 | 100,0 % |

# *Income statement*

| AMOUNTS IN SEK | Apr 1, 2015 - Jun 30, 2015 | Apr 1, 2014 - Jun 30, 2014 | Jul 1, 2014 - Jun 30, 2015 | Jul 1, 2013 - Jun 30, 2014 |
|---|---|---|---|---|
| Other operating income | - | - | 160,000 | 560 000 |
| | **-** | **-** | **160,000** | **560 000** |
| **OPERATING EXPENSES** | | | | |
| Other external expenses | -6,847,195 | -4,628,684 | -30,638,046 | -13,033,603 |
| Personnel costs | -1,406,870 | -1,175,402 | -5,776,020 | -4,111,316 |
| Depreciation of tangible fixed assets | 27,592 | -21,190 | -83,806 | -45,936 |
| Other operating expenses | -3,778 | -16,013 | -65,967 | -21,102 |
| **Operating profit/loss** | **-8,230,251** | **-5,841,289** | **-36,403,839** | **-16,651,957** |
| **PROFIT/LOSS FROM FINANCIAL ITEMS** | | | | |
| Interest income and similar profit/loss items | 435,807 | 278,487 | 813,037 | 504,157 |
| Interest expenses and similar profit/loss items | -9,351 | -13,132 | -23,821 | -27,236 |
| **Profit/loss after financial items** | **-7,803,795** | **-5,575,934** | **-35,614,623** | **-16,175,036** |
| **PROFIT/LOSS BEFORE TAX** | **-7,803,795** | **-5,575,934** | **-35,614,623** | **-16,175,036** |
| Taxes for the period | - | - | - | - |
| **PROFIT/LOSS FOR THE PERIOD** | **-7,803,795** | **-5,575,934** | **-35,614,623** | **-16,175,036** |

The total profit/loss is consistent with the reported profit/loss.

# *Balance sheet*

| AMOUNTS IN SEK | Jun 30, 2015 | Jun 30, 2014 |
|---|---|---|
| **ASSETS** | | |
| **FIXED ASSETS** | | |
| **Tangible fixed assets** | | |
| Equipment | 263,507 | 347,313 |
| **Total tangible fixed assets** | **263,507** | **347,313** |
| **Financial non-current assets** | | |
| Other investments held as fixed assets | 1,000 | 1,000 |
| **Total financial non-current assets** | **1,000** | **1,000** |
| **TOTAL FIXED ASSETS** | **264,507** | **348,313** |
| **CURRENT ASSETS** | | |
| Other receivables | 1,232,222 | 718,919 |
| Prepaid expenses and accrued income | 1,372,095 | 627,212 |
| **Total current receivables** | **2,604,317** | **1,346,131** |
| **Current investments*** | **35,426,626** | **-** |
| **Cash and bank balances** | **32,738,441** | **107,840,568** |
| **TOTAL CURRENT ASSETS** | **70,769,384** | **109,186,699** |
| **TOTAL ASSETS** | **71,033,891** | **109,535,012** |

** Investments in low risk interest bearing securities.*

# *Balance sheet*

| AMOUNTS IN SEK | Jun 30, 2015 | Jun 30, 2014 |
|---|---|---|
| **EQUITY AND LIABILITIES** | | |
| **EQUITY** | | |
| **Restricted equity** | | |
| Share capital | 1,001,500 | 1,001,500 |
| **Total Restricted equity** | **1,001,500** | **1,001,500** |
| | | |
| **Non-restricted equity** | | |
| Share premium reserve | 134,355,491 | 134,355,491 |
| Profit or loss brought forward | -35,115,671 | -18,940,635 |
| Profit/loss for the period | -35,614,623 | -16,175,036 |
| **Total Non-restricted equity** | **63,625,197** | **99,239,820** |
| | | |
| **TOTAL EQUITY** | **64,626,697** | **100,241,320** |
| | | |
| **LIABILITIES** | | |
| **Non-current liabilities** | | |
| Other non-current liabilities | 850,000 | 850,000 |
| **Total non-current liabilities** | **850,000** | **850,000** |
| | | |
| **Current liabilities** | | |
| Accounts payable - trade | 2,453,352 | 1,022,884 |
| Other liabilities | 103,919 | 167,709 |
| Accrued expenses and deferred income | 2,999,923 | 7,253,099 |
| **Total current liabilities** | **5,557,194** | **8,443,692** |
| | | |
| **TOTAL LIABILITIES** | **6,407,194** | **9,293,692** |
| | | |
| **TOTAL EQUITY AND LIABILITIES** | **71,033,891** | **109,535,012** |

Pledged securities amount to 314,400 SEK (restricted funds on bank account to the benefit of the lessor's bank guarantee).

# *Change in equity*

| AMOUNTS IN SEK | Share equity | Statutory reserve | Share premium reserve | Profit or loss brought forward | Profit/Loss for the year | Total |
|---|---|---|---|---|---|---|
| **OPENING EQUITY JUL 1, 2013** | **688,750** | **-** | **42,855,998** | **-12,052,661** | **-6,887,974** | **24,604,113** |
| New share issue* | 312,750 | | 91,499,493 | | | 91,812,243 |
| Transfer of profit/loss from previous year | | | | -6,887,974 | 6,887,974 | |
| Profit/loss for the year | | | | | -16,175,036 | -16,175,036 |
| **EQUITY 2014-06-30** | **1,001,500** | **-** | **134,355,491** | **-18,940,635** | **-16,175,036** | **100,241,320** |
| **OPENING EQUITY JULY 1, 2014** | **1,001,500** | **-** | **134,355,491** | **-18,940,635** | **-16,175,036** | **100,241,320** |
| Transfer of profit/loss from previous year | | | | -16,175,036 | 16,175,036 | |
| Profit/loss for the year | | | | | -35,614,623 | -35,614,623 |
| **EQUITY 2015-06-30** | **1,001,500** | **-** | **134,355,491** | **-35,115,671** | **-35,614,623** | **64,626,697** |

* During 2013/2014, transaction costs directly related to the new share issue amounted to 8,267,757 SEK. These are reported under equity as a deduction after the proceeds of the share issue.

The total profit/loss is consistent with the reported profit/loss.

# *Cash flow analysis*

| AMOUNTS IN SEK | Apr 1, 2015 - Jun 30, 2015 | Apr 1, 2014 - Jun 30, 2014 | Jul 1, 2014 - Jun 30, 2015 | Jul 1, 2013 - Jun 30, 2014 |
|---|---|---|---|---|
| **OPERATING ACTIVITIES** | | | | |
| Operating profit/loss before financial items | -8,230,251 | -5,841,289 | -36,403,839 | -16,651,957 |
| Depreciations and other items that do not affect cash flow | 294 208 | 21,190 | 83,806 | 45,936 |
| Interest received | 9,181 | 278,487 | 386,411 | 504,157 |
| Interest paid | -9,351 | -13,132 | -23,821 | -27,236 |
| **Cash flow from operating activities before changes in working capital** | **-7 936 213** | **-5,554,744** | **-35,957,443** | **-16,129,100** |
| Increase/decrease in other current receivables | -433,211 | -106,575 | -1,258,186 | -353,916 |
| Increase/decrease in accounts payable - trade | 72,395 | -1,544,011 | 1,430,468 | 635,362 |
| Increase/decrease in other current liabilities | 264,007 | 6,291,141 | -4,316,966 | 6,566,803 |
| **Changes in working capital** | **-96,809** | **4,640,555** | **-4,144,684** | **6,848,249** |
| **Cash flows from operating activities** | **-8,033 022** | **-914,189** | **-40,102,127** | **-9,280,851** |
| **INVESTING ACTIVITIES** | | | | |
| Investments in tangible fixed assets | - | -19,589 | - | -298,065 |
| Investments in current assets | - | - | -35,000,000 | - |
| **Cash flows from investing activities** | **-** | **-19,589** | **-35,000,000** | **-298,065** |
| **FINANCING ACTIVITIES** | | | | |
| New share issue | - | 91,812,243 | - | 91,812,243 |
| **Cash flows from financing activities** | **-** | **91,812,243** | **-** | **91,812,243** |
| Cash flow for the year | -8,033,022 | 90,878,465 | -75,102,127 | 82,233,327 |
| Cash equivalents at beginning of period | 40,771,463 | 16,962,103 | 107,840,568 | 25,607,241 |
| CASH EQUIVALENTS AT END OF PERIOD | 32,738,441 | 107,840,568 | 32,738,441 | 107,840,568 |

## OUTLOOK, RISKS AND UNCERTAINTIES

Immunicum is a research and development company and still at an early stage. So far, the Company has not generated any revenue and is not expected to do so in the short term. The vaccine candidates and technology platforms of the Company depend on research and development and may be delayed, and incur greater costs (or turn out not to be commercially viable) and quickly become obsolete. The Company is dependent on its ability to enter into license and collaboration agreements in addition to a great number of approvals and remuneration systems and hereto related laws, regulations, decisions and practices (which are subject to change). Furthermore, the Company is dependent on its intellectual properties (such as patents), its know-how and company secrets.

For more information regarding any risks associated with the Company, we refer to the risk section in the latest prospectus (2014), which may be downloaded via the following link: **http://ir.immunicum.com/annuals.cfm**

## ACCOUNTING PRINCIPLES

The Company prepares the year-end report in accordance with IAS 34 while taking into account the exception from and addition to IFRS which is set forth in RFR 2. As the Company is not part of a group, a complete ifrs accounting report is not applicable.

This is the fourth company report which has been prepared according to RFR 2. Comparable periods are adjusted in accordance with IAS 8. The transition to accounting according to RFR2 has not affected the equity of the Company.

The Company only has one operating segment.

## REVIEW BY AUDITOR

This year-end report has not been reviewed by the Company's auditor.

## CERTIFIED ADVISER

Immunicum's Certified Adviser on NASDAQ OMX First North is Redeye AB.

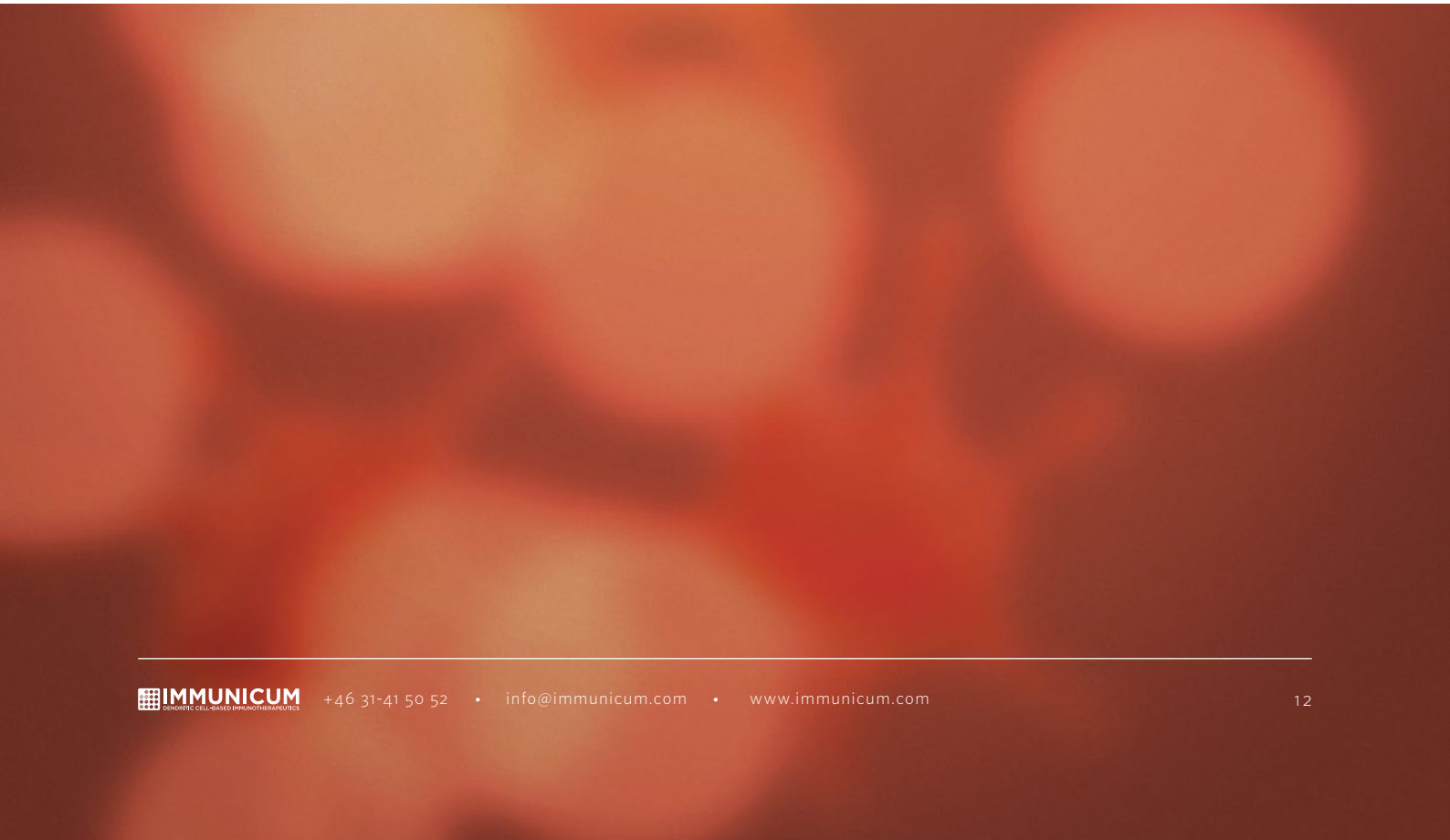
## FINANCIAL CALENDAR

- Annual report 14/15: November 6, 2015
- The AGM of Immunicum AB will be held on December 3, 2015

## NOMINATION COMMITTEE

The nomination committee for the 2015 annual general meeting consists of:

- Agneta Edberg (chairman of the board)
- Evert Carlsson (appointed by Swedbank Robur Fonder)
- Bengt Andersson (appointed by Bengt Andersson)
- Per Sahlin (appointed by Jamal El-Mosleh)
- Martin Lindström (appointed by Loggen Invest AB)



# *Submission of year-end report*

*September 18, 2015*

IMMUNICUM AB (PUBL)

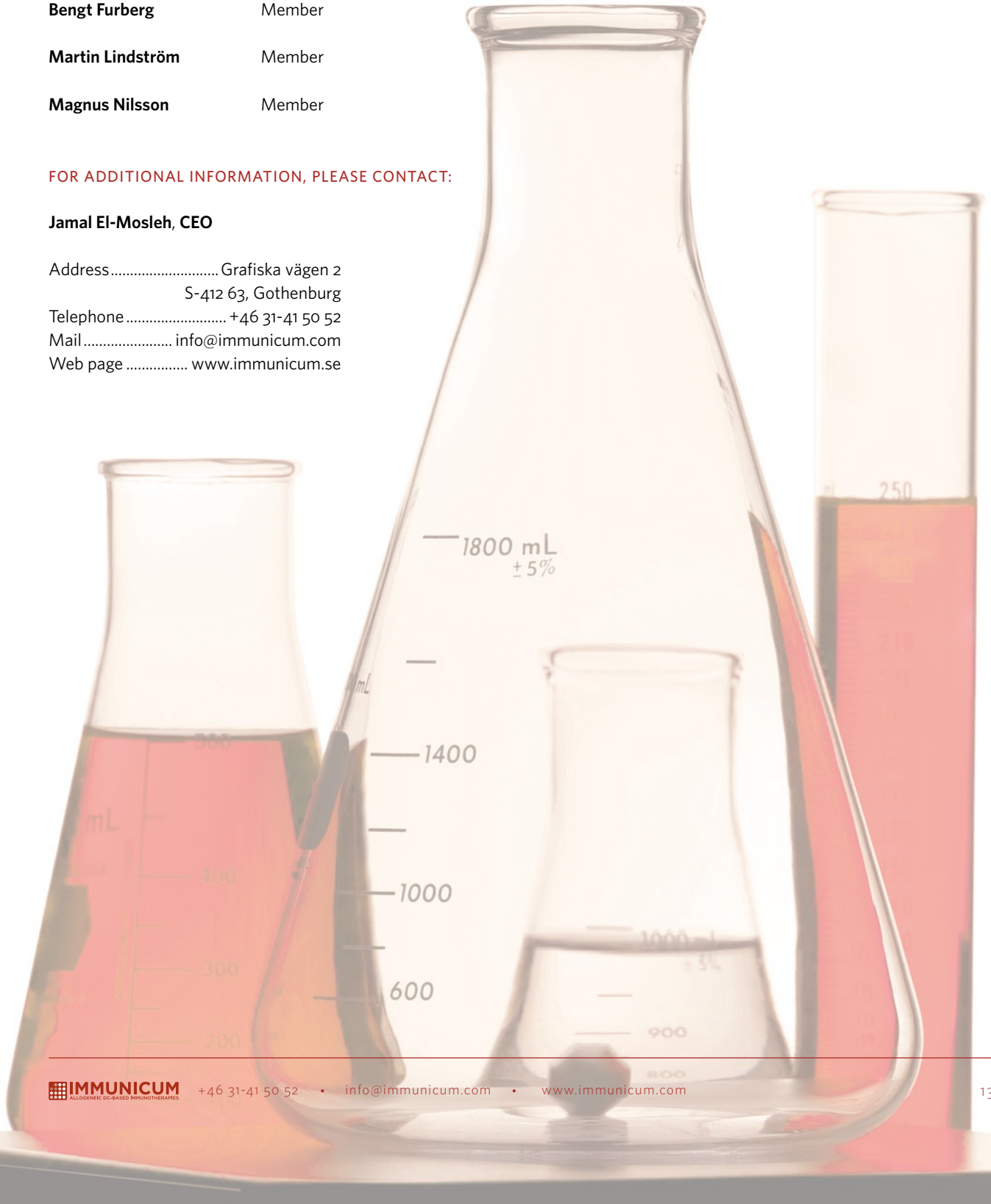
*Board of Directors*

| | |
|---|---|
| **Agneta Edberg** | Chairman |
| **Sven Andréasson** | Member |
| **Bengt Furberg** | Member |
| **Martin Lindström** | Member |
| **Magnus Nilsson** | Member |

FOR ADDITIONAL INFORMATION, PLEASE CONTACT:

**Jamal El-Mosleh, CEO**

Address ..... Grafiska vägen 2
S-412 63, Gothenburg
Telephone ..... +46 31-41 50 52
Mail ..... info@immunicum.com
Web page ..... www.immunicum.se



IMMUNICUM
ALLOGENEIC DC-BASED IMMUNOTHERAPIES

CONTACT
+46 31-41 50 52
info@immunicum.com
www.immunicum.com

OFFICE
Grafiska vägen 2
S-412 63, Gothenburg

DESIGN: CATINO