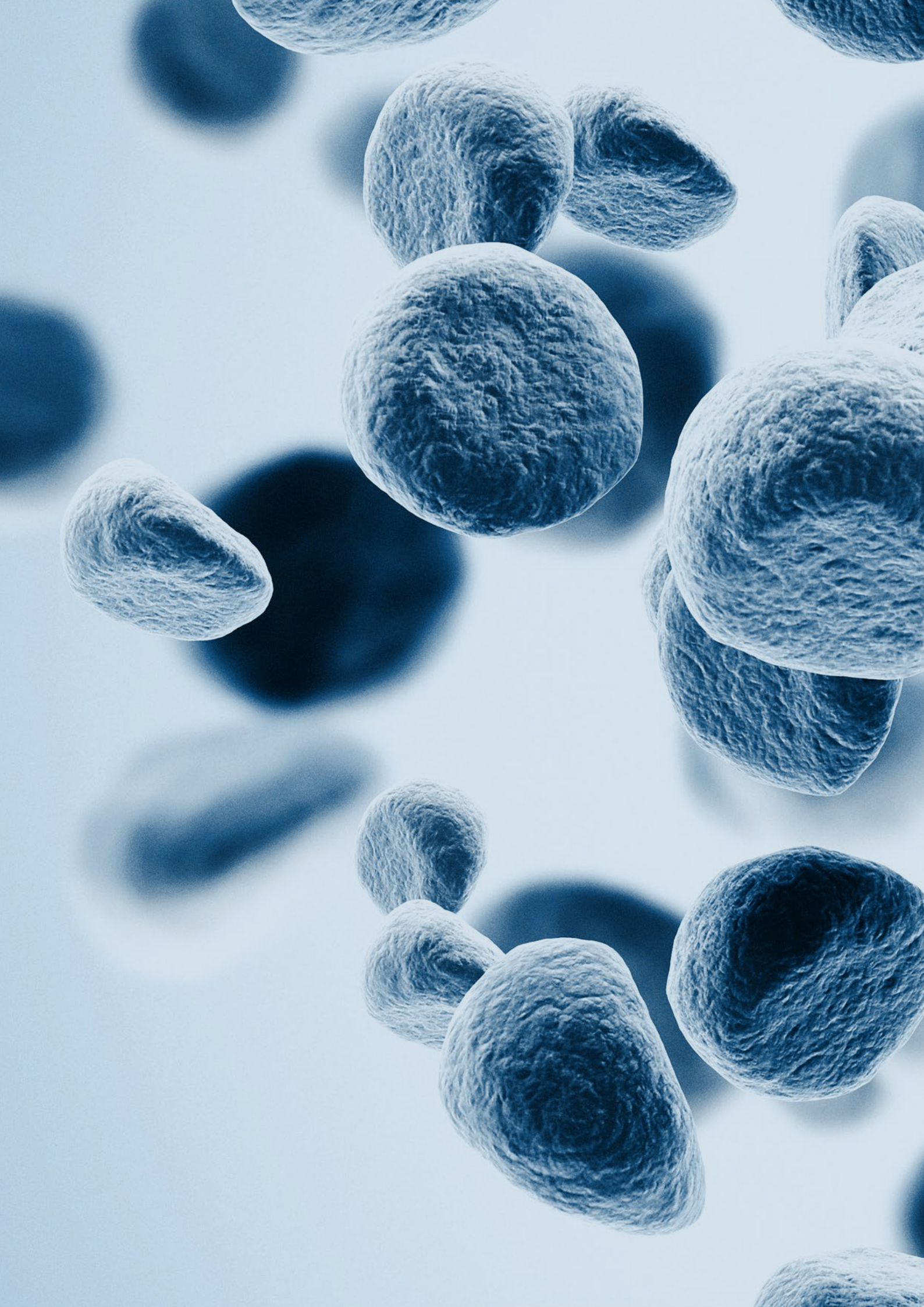
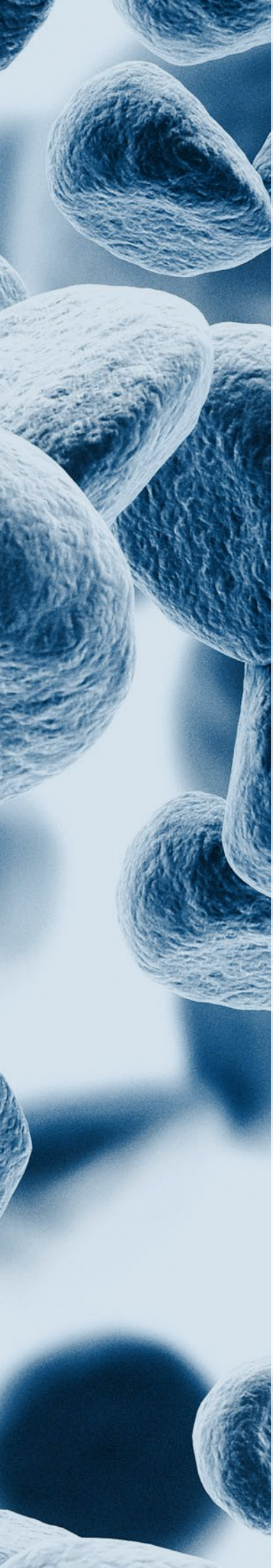
IMMUNICUM
INNOVATION IN IMMUNO-ONCOLOGY

July-December 2016 Annual Report





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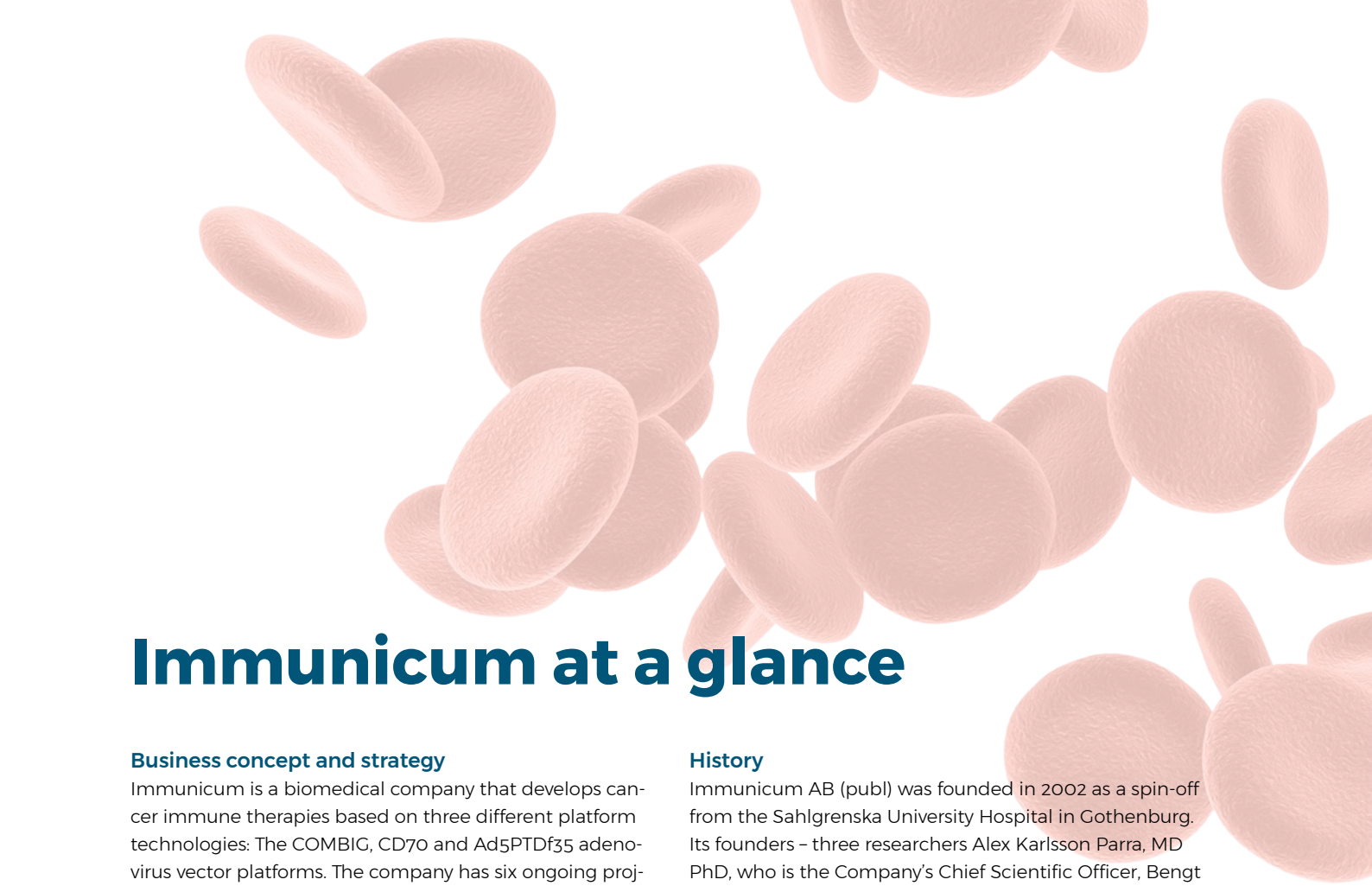


Immunicum at a glance

Business concept and strategy

Immunicum is a biomedical company that develops cancer immune therapies based on three different platform technologies: The COMBIG, CD70 and Ad5PTDf35 adenovirus vector platforms. The company has six ongoing projects with a strong focus on the three based on the prioritised COMBIG platform, which is used to develop the cancer immune activators INTUVAX® and SUBCUVAX®.

Immunicum's business concept is to develop immune-based cancer treatments based on the company's proprietary and intellectual property protected technology.

The company develops these immune-based cancer treatments primarily by conducting a number of clinical trials to establish the product candidates' therapeutic potential and safety. The strategy to realize the value as these programs advance and gain clinical validation, is to pursue corporate development options to partner and/or license the product candidates with major pharmaceutical and/or biotech companies that develop and commercialize immunotherapies to treat cancer, in order to relieve development cost and to generate revenue before the therapies reach the market.

As Immunicum's future products are based on platform technologies, treatments can be developed for many different types of cancer.

The company focus is on generating attractive clinical and pre-clinical data on its programs to build value and to provide the broadest range of corporate development opportunities.

History

Immunicum AB (publ) was founded in 2002 as a spin-off from the Sahlgrenska University Hospital in Gothenburg. Its founders – three researchers Alex Karlsson Parra, MD PhD, who is the Company's Chief Scientific Officer, Bengt Andersson, MD PhD Sahlgrenska University Hospital, and Anna Carin Dag Wallgren, MD PhD, Karolinska University Hospital Stockholm – had been active in the field of immunology for many years and has studied the process of how the body to reject a transplanted organ. The basic idea was the first to try to inhibit this rejection process, when it was realised that it could instead be used to teach the body to also repel its own tumor transformed cells. As it was shown that the main reason for the rejection of transplanted organs is the accompanying white blood cells from the donor, allogeneic dendritic cells, researchers wanted to use these cells as immune enhancers and in order to create cancer immune primers.

The company founders formed a limited liability company and applied for the company's first patent. Over the following five years, a number of in vitro and animal studies were conducted which confirmed the mechanism of action, and several articles were published in scientific journals. During 2007 and 2008, the Company was restructured with a new management, new members of the Board of Directors and a Scientific Advisory Board was established. Since then a number of important milestones have been reached. Immunicum's project portfolio currently consists of six different projects, three of which are in clinical stage, protected by a number of approved patents and several patent pending applications in seven patent families.

Milestones

2008

- Immunicum issues new shares — Approx. MSEK 5
- Research grant awarded
- Scientific Advisory Board established
- Winning the Venture Cup
- The plan for the clinical trial of SUBCUVAX® is discontinued as the production facility did not meet the standard required

2009

- CD70 cancer is developed and a patent application is filed
- The COMBIG platform is developed and successful in vitro studies are completed.

2010

- Immunicum issues new shares — MSEK 6
- Major grant from VINNOVA is awarded — Approx. MSEK 3.5
- Patent application for COMBIG is filed
- A proof-of-concept study with INTUVAX® is successfully conducted in rats
- Professor Rolf Kiessling becomes a member of the Scientific Advisory Board and Agneta Edberg is appointed Chairman of the Board

2011

- Successful toxicity study and biodistribution study of INTUVAX® is conducted
- The Swedish Medical Products Agency approves clinical trials for the treatment of renal cell carcinoma (RCC)
- The EPO (European Patent Office) grants patent protection for the COMBIG platform
- CD70 Viral and AntiCD3 are developed and patent applications are filed

2012

- Immunicum issues new shares — Approx. MSEK 6.3
- Phase I/II clinical trial for treatment of RCC commences

2013

- Immunicum issues new shares — Approx. MSEK 30.2
- Immunicum is listed on Nasdaq First North.
- Immunicum receives approval to start a phase I/II clinical trial for the treatment of HCC
- The last patient in the ongoing phase I/II clinical trial for the treatment of RCC receives their final dose
- Immunicum®, SUBCUVAX® and INTUVAX® obtain trademark protection in Europe
- Immunicum receives a grant from VINNOVA to optimise the production process — Approx. MSEK 0.47
- Phase I/II clinical trial for the treatment of HCC commences
- U.S.A. The Patent and Trademark Office (USPTO) grants a patent for the COMBIG platform
- Immunicum presents promising survival data from the RCC phase I/II trial at Informa's Immunotherapy Conference in Brussels

2014

- Immunicum publishes promising data for CD70
- Immunicum reports positive phase I/II data on RCC
- Immunicum presents data from the phase I/II trial on RCC at the ASCO conference in Chicago.
- Immunicum carries out a targeted new share issue — Approx. MSEK 56
- Immunicum carries out a preferential new share issue which is oversubscribed — Approx. MSEK 44
- Immunicum's Chief Scientific Officer, Alex Karlsson-Parra, is awarded the Athena Prize, healthcare's most prestigious award for clinical research
- The USPTO announces its intention to grant Immunicum's patent applications for the genetically modified adenovirus vector and methods for activating vaccine cells
- The EPO announces its intention to grant Immunicum's patent application relating to the production method for the Company's therapeutic cancer immune primers

2015

- The first patient receives treatment in the phase II trial of INTUVAX® in patients with metastatic renal cell carcinoma (the MERECA trial)
- Immunicum presents continued improvement in phase I/II survival data for renal cancer patients treated with INTUVAX®
- Immunicum presents updated safety and survival data in phase I/II trial for liver cancer (HCC) patients treated with INTUVAX®
- Immunicum delivers a genetically modified adenovirus vector to the Frederick National Laboratory for Cancer Research (FNLCR) in the USA.
- The technology behind INTUVAX® is presented at a conference at Karolinska Institutet in conjunction with world-leading researchers in immunology
- Immunicum delivers Ad5PTDf35 adenovirus technology to Rutgers Cancer Institute in the USA.
- Immunicum and Karolinska Institutet submit a joint application to the Swedish Medical Products Agency to initiate a phase I/II clinical trial of INTUVAX® for patients with GIST
- The EPO announces its intention to grant Immunicum's patent application for INTUVAX®
- Immunicum presents continued improvements in phase I/II survival data for renal cancer patients treated with INTUVAX®
- The Japanese patent authority (JPO) announces its intention to grant Immunicum's patent application for INTUVAX®
- Immunicum reports updated data from a phase I/II trial for liver cancer patients treated with INTUVAX®

» The Swedish Medical Products Agency and the Ethical Review Board approve an extension of the phase I/II trial, for the treatment of six new liver cancer patients with INTUVAX®

2016

» Immunicum completes an important adjustment of the manufacturing process for INTUVAX® which enables the product to be used directly in hospitals without preparation at local pharmacies.

» Immunicum provides status updates from the ongoing phase II MERECA trial

» Production transfer takes place to the GMP certified production unit, Eufets GmbH in Germany

» Immunicum presents updated immunological data from the first part of the HCC trial, showing that the increase in the tumor-specific T cells in the blood appears to correlate with improved survival

» Immunicum's share is listed on the segment First North Premier.

» Immunicum carries out a preferential new share issue which is fully subscribed

Approx. MSEK 128

» Immunicum hires Peter Suenaert, M.D., Ph.D., as Chief Medical Officer

» Immunicum receives notification of patent grants from the Chinese Patent Office and the United States Patent and Trademark Office

» Immunicum announces continued data improvement from a phase I/II trial in mRCC patients including median overall survival compared to historical data.

» Immunicum appoints Carlos de Sousa, M.D., M.B.A., as Chief Executive Officer.

» The AGM resolved to authorize the Board of Directors to resolve on a directed new share issue or a rights issue of a maximum of 5,040,000 shares.

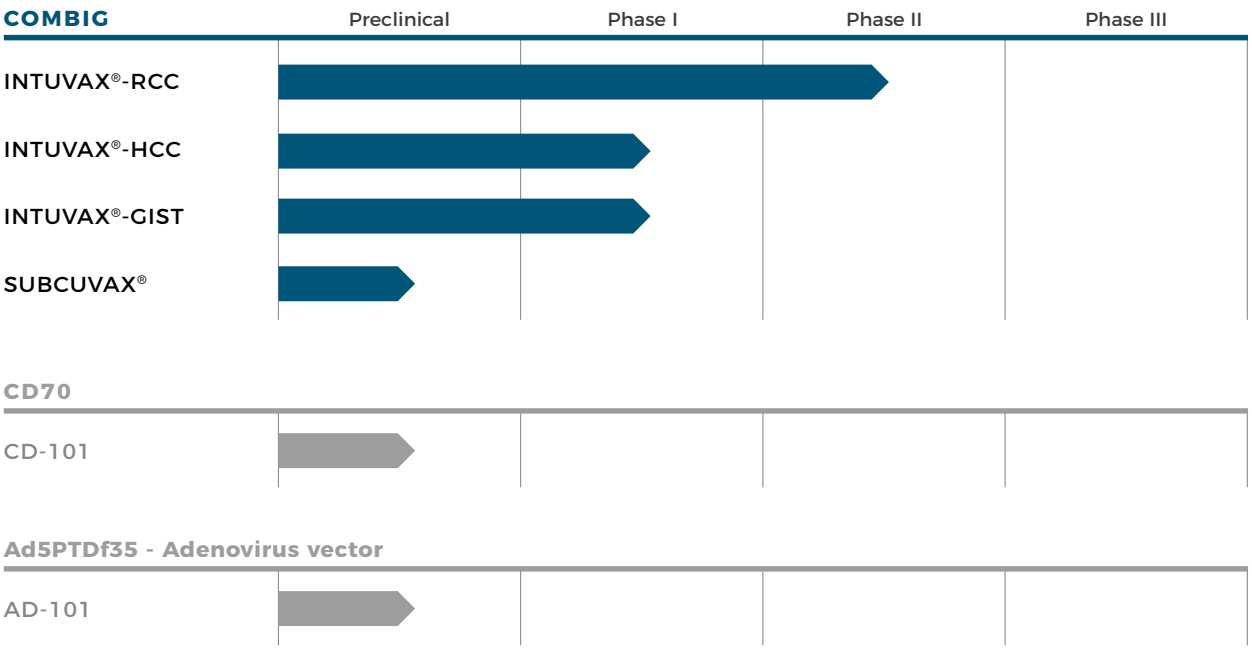
» Immunicum announces the presentation of updated data from the HCC phase I/II clinical trial at the Society for Immunotherapy of Cancer conference. The data show increases in circulating tumor-specific CD8+ T cells that appear to correlate with prolonged survival rates. In addition, the Company announced all six remaining patients in the trial have been treated.

» Immunicum announced that the U.S. Food and Drug Administration cleared the Company's Investigational New Drug application for INTUVAX in the expansion of the MERECA study.

» Immunicum announced that the Agence Nationale de Sécurité du Médicament et des Produits de Santé (ANSM) in France approved the Company's Clinical Trial Application (CTA) for INTUVAX. The approval enables Immunicum to include patients in France in its ongoing Phase II study - MERECA.

Project portfolio

» **Immunicum has six ongoing projects** with a strong focus on the three based on the prioritised COMBIG platform, which is used to develop cancer immune activators INTUVAX® and SUBCUVAX®.



In the project INTUVAX – RCC an open Phase II clinical trial (MERECA study) is conducted with newly diagnosed renal cancer patients.

In the project INTUVAX - HCC a Phase I/II clinical trial concerning the treatment of patients with primary cancer of the liver is conducted.

In the project INTUVAX – GIST a Phase I/II clinical trial with INTUVAX® concerning the treatment of patients with incurable gastrointestinal stromal tumors (GIST) is conducted.

Immunicum is also conducting pre-clinical studies with the Ad5PTDf35 vector for the development of SUBCUVAX®, in cooperation with the University of Uppsala and Professor Magnus Essand.

Professor Essand's group group has also initiated a Phase I/II clinical trial with the oncolytic variant of the Ad5PTDf35 vector for the treatment of neuro endocrine tumors. Immunicum does not own the rights to this indication, however it owns the rights to all subsequent indications.

Immunicum's CD70 platform works for adaptive immunotherapy, which is a treatment strategy where the patient's T cells are isolated and in some cases genetically manipulated to specifically recognise cancer cells.

Below a more detailed description of Immunicum's project portfolio is provided.

INTUVAX® – RCC

On 31 March 2014, the concluding report for a Phase I/II Study with the treatment of twelve patients with metastatic Renal Cell Carcinoma (RCC) was released. The clinical trial began in February 2012 and the last patient was treated in August 2013. No vaccine-related serious adverse events have been noted and the report presented a hitherto achieved median survival time for patients with poor prognosis in excess of the expected median survival time that prevails for established pharmaceuticals, which are also often associated with difficult undesirable side effects.

The data also show clear signs of tumor-specific immune activation. A presentation entitled "Intratumoral vaccination with activated allogeneic dendritic cells in patients with newly diagnosed metastatic renal cell carcinoma (mRCC)," consisting of the data from the Phase I/II Study, was presented at one of the world's most important conferences for cancer research, ASCO (American Society of Clinical Oncology), which took place between 30 May - 3 June 2014. Updated survival time data, as per September 2016, from the Phase I/II Study, which was presented in a concluding report on 31 March 2014, showed that five of eleven evaluable patients were alive at that point in time. The median overall survival time for the patient group as a whole was, at that time, 40 months - compared to the expected median survival time of 15.2 months based on historical data of newly diagnosed patients being treated with the tyrosine kinase inhibitor Sutent (sunitinib). For the group patients with the prognosis high risk (six patients), the median overall survival time was 32 months, compared to the expected nine months, and for patients with a prognosis intermediate risk (five patients), the median survival time was 45 months, compared to the expected 26 months.

Immunicum is presently conducting an international, investigational, randomized, controlled and open Phase II study (MERECA Study) where a total of 90 newly diagnosed renal cancer patients are to be included. Sixty patients will receive treatment with INTUVAX® in combination with subsequent contralateral nephrectomy (the removal of the tumor affected kidney) as well as the standard treatment with tyrosine kinase inhibitor Sutent (sunitinib). Thirty patients in the control group will undergo only contralateral nephrectomy and standard treatment with Sutent.

The primary objective of the MERECA Study is to examine median survival and median survival rate after eighteen 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 objective tumor response after reintroduction of Sutent and the intra-tumor infiltration of CD8+ T-cells in primary tumors and accessible metastases, compared with normal tissue. Currently about half of the total number of patients have been included.

Immunicum has in December 2016 received approval from the U.S. Food and Drug Administration (FDA) on its Investigational New Drug application ("IND Application") and plans to expand its ongoing Phase II study MERECA, for the treatment of metastatic renal cell cancer patients, into the United States in the second quarter of 2017. The company estimates the cost for the MERECA Study to be around SEK 32 million over the coming twelve months.

The MERECA study's final report is expected early 2019, but as this is an open-label trial, a continuous collection, analysis and reporting of data will be possible.

INTUVAX® – HCC

In July 2013, Immunicum received approval to start a Phase I/II study for the treatment of patients with primary cancer of the liver, Hepatocellular Carcinoma (HCC), and the first patient was treated in October 2013. The study includes twelve patients and is being conducted at Sahlgrenska University Hospital at Gothenburg University. The primary objective is to investigate whether INTUVAX® is safe, however immunological response and possible extended overall survival will also be evaluated. The study includes patients who are no longer responding to their treatment. After an adjustment of the study protocol, one patient with extrahepatic bile duct cancer, which initially was believed to have cancer of the liver, was also included. The company received approval in December 2015 from the Swedish Medical Products Agency and the Ethical committee to expand the trial with six patients, who now have received INTUVAX® in combination with first-line treatment. In November 2016, the last patient was included in this extended part of the study. The company also provided a status update on 14 November 2016 (in connection with the presentation of the results in a scientific poster at the Society for Immunotherapy of Cancer (SITC) 31st Annual Meeting, in National Harbor, Maryland), reporting that:

- Of the eleven evaluated liver cancer patients treated with INTUVAX®, nine had received full treatment with three doses of INTUVAX®.
- Five of the nine fully-treated patients surpassed their expected median survival time.
- Analyses were performed that compared the frequency of CD8+ T cells in the blood which produce interferon-gamma, which is a sign that the T cells have a killing function, with the stimulation with two different tumor-associated antigens (antigen that can be expressed in primary liver tumors) before the first INTUVAX® dose and one week after the third and final dose.

- Six of the nine fully treated patients showed an increased frequency of these interferon-producing CD 8+ T cells in the blood, reactive to at least one of two tumor-associated antigens of liver cancer, one week after completing treatment with INTUVAX®.

- Four of six patients who had shown an increased incidence of these tumor-specific CD8+ T cells had surpassed their expected median survival time and the other two patients were still alive but had not yet surpassed their expected median survival.

- Two of three patients who did not show an increased rate of tumor-specific CD8+ T cells died before they could exceed their expected median survival.

- Median survival for the six fully treated patients who received INTUVAX® as second-line systemic therapy (after progression on sorafenib) is 9.4 months, compared to an expected median survival of 7.6 months (after progression on sorafenib). In the three fully treated patients who received INTUVAX® as first line systemic therapy (without concomitant treatment with sorafenib), median overall survival is 11.9 months, compared to an expected median survival of 10.7 months when treated with Sorafenib.

One patient with extrahepatic bile duct cancer who was also treated with three doses of INTUVAX® exhibited an increased frequency CD8+ T cells in the blood, reactive against the two different tumor-associated antigens (which may also be expressed in extrahepatic bile duct cancer) after the INTUVAX® therapy. Over the course of events, the patient received standard treatment with gemcitabine (G), which is known for inhibiting immunosuppressive cells in tumors in combination with cisplatin (C). This patient was still alive 33 months after receiving the first dose of the vaccine, compared with an expected average median survival time of 11.7 months in patients with extrahepatic bile duct cancer who are treated with G/C.

INTUVAX® – GIST

Immunicum is presently carrying out a Phase I/II clinical trial with INTUVAX® concerning the treatment of patients with incurable gastrointestinal stromal tumors (GIST).

One patient was included in the trial in 2016. The study protocol was revised late December 2016 in order to increase the number of patients recruited and to include also GIST-patients who progress on second or higher line of treatment with a tyrosine kinase inhibitor (TKI).

Both The Swedish Medical Products Agency and the Ethical committee have approved the revisions and the first new patient under the new protocol has been included in the trial. Twelve patients will be treated with INTUVAX® in combination with Sutent (sunitinib), Stivarga (regorafenib) or similar TKI.

The primary objective of the clinical trial is to examine whether INTUVAX® in combination with a TKI is safe and tolerable for these patients. Additional clinical endpoints, such as objective response and progression-free survival (PFS), will also be evaluated.

The recruited patients will be divided in two groups (cohorts) and will receive either two or three doses of INTUVAX. The clinical trial is conducted at the Karolinska University Hospital in Stockholm. The company's assessment is that the cost for the trial will amount to around SEK 1.5 million over the coming twelve months.

Future clinical trials

The important information that Immunicum will gain from the trials described above will complement our ongoing analysis of the cancer treatment landscape to determine the most successful development path for INTUVAX®. The company's clinical strategy is evaluated on an ongoing basis, and the most critical decisions here involve considering which indications that should be selected for the later stage clinical development of the program. There are several aspects to consider, such as patient need, clinical endpoints and overall success potential for regulatory approval. Immunicum has considered the possibility of expanding the development plan with additional phase I/ II studies in different indications, such as melanoma, and in different combinations, e.g. with immune checkpoint inhibitors, but no decision to initiate any additional trial has been taken.

SUBCUVAX® and Ad5PTDf35-adenovirus vector

Preclinical studies with the Ad5PTDf35 vector for the development of SUBCUVAX® 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 SUBCUVAX® immune-activating cells. Professor Essand's group has also initiated a Phase I/II clinical trial with the vector for oncolytic treatment of neuro endocrine tumors. Immunicum does not own the rights to this indication, however it owns the rights to all subsequent indications. The company follows the development with great interest since it can confirm the vector as being useful also for oncolytic treatment.

CD70

Immunicum's CD70 platform works for adaptive immunotherapy, which is a treatment strategy where the patient's T cells are isolated and in some cases genetically manipulated to specifically recognise cancer cells. In order to obtain a sufficient number of tumor-specific T cells, an expansion period in the test tube is required before the cells are injected back to the patient. There are currently two established expansion methods, "rapid expansion protocol" and "bead expansion protocol".

Today, the development with the CD70-concept continues in joint collaboration with Professor Magnus Essand's research group. 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 patent-pending expansion protocol, referred to as "CD70-CD3" with established expansion protocols. In the article, it emerges 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 evaluate the development and establishment of the CD70-concept as an expansion protocol for CAR T cells (adaptive immune therapy) for the treatment of solid tumors.

Objectives

Immunicum's objective is to develop treatment options with the potential to improve both prolonged survival as well as quality of life for cancer patients. Immunicum develops immune-primers that increase the patient's immune defence and thereby improve the possibility to fight cancer. Since Immunicum's immune activators for the treatment of cancer are based on several platform technologies, the company is able to develop immune therapies against many different types of cancer.

The objective for the ongoing clinical trials is to validate the therapeutic potential for the treatments, and the results will be crucial for the company's clinical development plan, business development and agreements with potential partners.

Immunicum has established the following nine main objectives for 2017:

1. Report the follow-up of the survival data from the Phase I/II clinical in patients with metastatic renal cancer.
2. Effective recruiting of patients for the Phase II study (MERECA) in patients with metastatic renal cancer.
3. Initiate the treatment of renal cancer patients in the United States within framework of the MERECA study.
4. Continued recruiting of patients for the Phase I/II clinical trials concerning the treatment of patients with GIST.
5. Evaluate the pre-conditions for conducting a Phase I/II clinical trial concerning the treatment of a specific cancer indication, in combination with immune checkpoint inhibitors.
6. Continue the advancement of the CD70 platform, or alternatively, assess the potential and possibility of licensing the technology platform.
7. Complete the final analysis of the HCC Phase I/II clinical trial in hepatic cancer patients who have received INTUVAX® either alone or in combination with standard treatment.
8. Conclude the preclinical studies of SUBCUVAX® in combination with the Ad5PTDf35 adenoviral vector in order to determine whether SUBCUVAX® can be taken to clinical trials.
9. Advance the discussions with potential commercial partners on joint cooperation concerning INTUVAX.

CEO Statement

» **It is an exciting moment for Immunicum** as we prepare for a transformative year in 2017. In addition to advancing our ongoing clinical trials for INTUVAX® and strengthening our leadership team at Immunicum, we continue to refine our near-term objectives for the overall development of our programs and to review all the company's activities to ensure that we have the right team, right resources and right focus in place to build the most value for our investors.

Since the company's inception, Immunicum has achieved the clinical stage development of a promising immuno-oncology therapeutic approach for treating a range of solid tumors. It is a major achievement for a small organization like Immunicum to bring a discovery into multiple clinical trials. It goes without saying that immuno-oncology is one of the most exciting areas of pharmaceutical discovery and development, with the first approved drugs proving the value of the concept that a key way to fight cancer is to re-activate the patient's own immune system to destroy cancerous cells. Immunicum has a unique approach to immuno-oncology and we believe that it has the potential to become an important part of treating solid tumors in the future. Our strategy remains to advance our programs successfully into the clinic and ensure the success of these trials.

The following is an overview of the most up-to-date information from the INTUVAX® trials in kidney and liver cancer as well as GIST (gastrointestinal stromal tumor).

Renal Cell Carcinoma (RCC): The enrolment process for the ongoing MERECA Phase II study, where patients with newly diagnosed metastatic renal cell carcinoma are treated with INTUVAX® in combination with sunitinib, has been implemented across Europe. In February 2017, a total of 43 patients have been enrolled at 18 centers in seven European countries. The primary purpose of the MERECA trial is to examine safety as well as clinical benefit in terms of survival rate at 18 months and median overall survival for all patients. The company will also study the objective tumor response after initiating treatment with sunitinib, as well as study intratumoral infiltration of CD8+ T cells.

In the context of this open-label trial, we can report that safety remains positive and that levels of infiltration are in line with what we have seen previously, however, it is still too early to make any further interpretation of data. We will present all these data as well as those from the continued follow-up of the patients from the phase I/II trial in RCC in due course at scientific conferences and in peer-reviewed scientific journals.

We announced in December 2016 that our Investigational New Drug (IND) application to the Food and Drug Administration (FDA) has been cleared to start enrolling kidney cancer patients in the U.S. as part of the MERECA trial. We anticipate to start this process in the second quarter of 2017.

To support this goal, we have optimized the production of the product at a large manufacturing facility in Germany. This has been a positive development for the ongoing trial in EU as well as our preparation for the start of the enrolment in the US.

Hepatocellular Carcinoma (HCC): In November 2016 we provided updated immunological and survival data from our clinical Phase I/II study in patients with advanced hepatocellular carcinoma which were presented at the Society for Immunotherapy of Cancer's (SITC) annual meeting. The data showed that 67% of fully treated patients with advanced HCC experienced increases in circulating tumor-specific CD8+ T cells. These increases appear to correlate with the prolonged survival rates seen in the study as compared to historical median overall survival rates. In the extension of the study we have now enrolled the last of the six additional liver cancer patients that received INTUVAX® concomitantly with first line standard of care medication.

Gastrointestinal Stromal Tumors (GIST): As previously reported, the first patient has been included in our clinical Phase I/II study with INTUVAX® in patients with GIST. Because the disease is both rare and complex, we have revised the study protocol in collaboration with the investigators at the Karolinska Institute, and this protocol has been reviewed and approved by the National Authorities and Ethical committee.

Clinical Development Plan Analysis: The important information that we will gain from these ongoing trials will complement our ongoing analysis of the cancer treatment landscape to determine the most successful path for INTUVAX®. The most critical decisions here involve considering which indications we should select for the later stage clinical development of the program. There are several aspects to consider: patient need, clinical endpoints for the trial and overall success potential for regulatory approval. Over the last several months, we have considered the possibility of expanding the development plan with additional phase I/ II studies in different indications, such as melanoma, and in different combinations, e.g. with immune checkpoint inhibitors. These considerations are still underway and we look forward to providing an update on them in the near future.

Development Programs and Academic Collaborations: Immunicum's major focus is to advance the ongoing clinical studies with INTUVAX®, however, we will continue to invest into deeper investigation of two of our earlier stage applications: CD70 and the adenovirus vector program, where the development is conducted in collaboration with professor Magnus Essand at Uppsala University. For CD70, we are currently evaluating the possibilities for clinical production and for the vector, we are currently conducting preclinical studies within the concept of SUBCUVAX. These efforts will allow us to build additional value from the research conducted to date.

Corporate and Organizational Updates: We had the pleasure of announcing the addition of Karin Hoogendoorn as Head of CMC. We will continue to strengthen our leadership team with expertise in product development and production, regulatory strategy and business development to reinforce the strength of the current leadership and build a company well-positioned to succeed.

Ongoing Communications Activities: We will continue to place a focus on providing regular updates to our shareholders as well as raising the profile of the company both through industry and financial events as well as scientific and medical conferences. We will be announcing our participation in conferences in Sweden, Europe and in the US on a more frequent basis.

Our vision for the company is to increase our interaction within the larger biopharmaceutical industry while maintaining our operational focus on the further development of our programs.

Carlos De Sousa
CEO

The various stages in pharmaceutical drug development

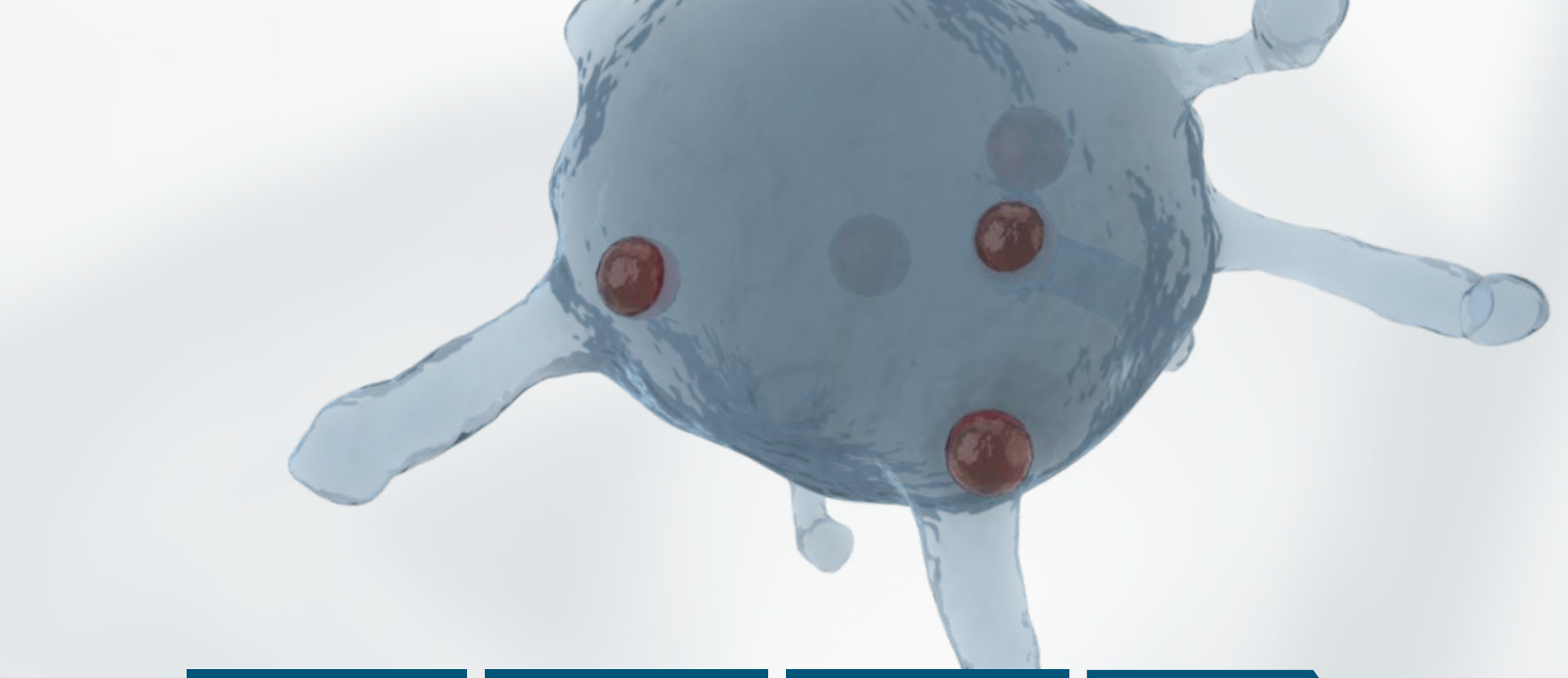
» **All development of pharmaceutical drugs** begins with pre-clinical research that spans everything from the detection of an active compound or therapy, to the development and improvement of the concept, including tests in appropriate animal models.

The experiments with animals are also subject to regulatory approval and control. Based on the results of this pre-clinical work, an application can be submitted to seek approval from the regulatory authorities for tests of the pharmaceutical in humans. When an application is filed with the relevant regulatory authorities - in Sweden this would be Läkemedelsverket, the Swedish Medical Products Agency - an evaluation of the entire scientific documentation provided by the applicant is conducted by independent medical experts who make an assessment and determine whether or not a clinical trial with humans may be initiated to test the drug. If an approval to initiate a clinical trial is granted, the clinical trial must be conducted in three distinct phases, where each phase has its own well-defined purpose. With each successfully completed phase, the probability of eventual market approval increases, which also increases the intrinsic value of the project. A short description of the various phases of a clinical trial is presented below.[1]

The Phase I Study is the first time a new compound is administered to humans. Ordinarily, the test subjects are a group of healthy volunteers, kept under constant medical surveillance. The purpose of the clinical trials is to determine whether the test subjects tolerate the drug and whether it behaves in the body in the way as indicated with the animal studies and other research. Phase I studies are also used preliminarily to try out what dosage is reasonable to be given to future patients: The clinical trial begins with the lowest dosage considered sufficient in order to determine the safety profile of therapy, and if everything goes according to plan, it may be increased as the clinical trial progresses. Since Immunicum's cancer immune primer, INTUVAX®, is tested in cancer patients and not in healthy volunteers, the company has the opportunity to not only study any side effects (the primary purpose), but also study potential efficacy of the treatment (the secondary purpose). That is why Immunicum's first cancer immunotherapy clinical trials are referred to under the designation Phase I/II Studies.

The Phase II Study is normally the first time the drug is administered to patients with the disease. During the study, the dosage and other details are fine-tuned, and the effects of the drug on the disease and its symptoms are studied. The number of patients in a Phase II Study is still limited. If the patient group is of the appropriate size, a Phase II trial may give a clear indication of the efficacy of the new drug.

1 Pharmaceutical Specialists in Sweden, FASS, Pharmaceutical Development, 2014.



PHASE I/II

A drug candidate is usually tested in healthy volonteers, but in Immunicum's case, the vaccine is tested on cancer patients, with the primary objective to study safety.

PHASE II

The drug candidate is tested in various patient groups and the goal is to determine the optimal dose, the dosage schedule and to study efficacy.

PHASE III

The drug candidate is tested in large patient groups and the goal is to ensure statistically significant efficacy prior to market approval.

PHASE IV

Even after approval, the drug is subject to further scrutiny in follow-up studies in treated patients.

The Phase III Study is only initiated if the results of Phase II Study are promising enough to motivate further studies. In a Phase III Study, the new therapy is evaluated relative to an ineffective copy of the drug, most commonly referred to as a "placebo." The newly developed drug can also be evaluated relative to an already approved drug for the same indication.

Drug combination studies, where the established therapy and the newly developed drug are combined, are also possible as a comparison to treatment using only the new therapy. The distribution of patients between the selected therapies must be random, and neither the physicians nor the patients can know which of the treatments any particular patient is receiving. If both of these criteria are fulfilled, the study is called a "double blind randomised" clinical trial, which is considered the method that provides the best and most objective results. Since the trial constitutes a comparison between various therapy groups, the number of patients in this phase is considerably larger than in previous phases.

The objective of a completed Phase III study is to be able to ascertain with statistical certainty whether the new drug has a better efficacy, or minimises side effects to a greater extent than existing treatment alternatives. If the new drug appears to be promising and is well tolerated by patients, further tests are carried out in order to verify the results. Only after this can a request for approval be submitted to a relevant regulatory authority – most commonly the European Medicines Agency (EMA) and/or the Food and Drug Administration (USFDA) in the U.S.

The duration of the clinical trials depends upon the indication to be treated. In a clinical trial where existing treatment alternatives have shown low efficacy, the duration of the trial may be reduced significantly.

Following market approval, further studies – sometimes referred to as Phase IV clinical trials – are conducted in order to ensure that no unexpected side effects arise, for instance in unusual patient groups.

Immunicum's technologies

Background

Traditional therapies for the treatment of cancer, such as surgery, radiation and chemotherapy, are often found to be insufficient for the treatment of patients, and as well, they may cause severe adverse side effects. Cancer immune primers, which triggers an activation of the patient's own immune system by specifically attacking the cancerous cells, provide hope for new, effective treatments, and with fewer side effects. The immune system recognises and attacks what is foreign to the body, but the problem with cancer is that tumor cells are usually not treated as unknown invaders. This makes it extremely difficult for the immune system to effectively neutralise tumor cells, which is why several methods have been developed, mainly cell-based vaccines, to enhance the immune response against cancer.

It is now well established that the immune system has cells, particularly CD8+ cytotoxic T-lymphocytes (CTLs) that can recognise and can potentially kill tumor cells. Nevertheless, there is a major obstacle that needs to be resolved, as these T cells are not induced at all or are only weakly induced. One explanation for this may be that tumor antigens from dendritic cells (DCs), "natural immunopotentiators/adjuvants" are not sufficiently presented in order to elicit the T-cell immunity. Another reason may be that tumor-reactive T cells become tolerant of the tumors.

The dendritic cells play a very central role in specific immune responses and activate the systems which, among other things, helps the body to eliminate the virus infected or bacteria infected cells (the Nobel Prize in Medicine was awarded to the discoverer of the dendritic cell in 2011). The dendritic cells acquire and processes protein antigens in order to subsequently present these antigens to antigen-specific T cells. This leads to an activation and proliferation of the T cells whose function is then to attack cells that express this antigen. In the same manner, the immune system could similarity be trained to attack cancer transformed malignant cells.

Despite the fact that several clinical studies have been conducted where cancer patients have been treated with various types of therapeutic cancer immune primer, there is still no cancer immune primer that has shown a convincing and prolonged clinical effect. The company's assessment is that this can be explained by at least three different weaknesses in previously evaluated cancer vaccines:

1. The use of cancer-associated tumor antigens that are also present in normal healthy tissue. In order to protect the body against T cells that react against these antigens that are naturally present in the human body, the immune system makes sure that these cells are weakened or killed via what is referred to as "development of central tolerance."

2. Inadequate immune enhancer, known as adjuvant, which is an important component of a vaccine.

3. The tentative cancer vaccines have not been combined with anything that can slow down the immunosuppressive environment found in the tumor.

Endogenous tumor antigen versus foreign body tumor antigens (neoantigen)

There are many indications that foreign body tumor antigens, consisting of peptides (small protein pieces) which are formed by the individual patient's tumor-specific mutations (specific changes in tumor cells' genetic code), known as neoantigen, will be the paradigm shift that is needed in order to provide cancer vaccines with patient-specific tumor antigens that are perceived as a "foreign body" and against which there is an opportunity to push forward an effective immune response.[1]

Neoantigen-based vaccines

Neoantigen-based vaccines that are designed to target the immune response vis-à-vis the individual patient's tumor-specific neoantigen have breathed new life into the field of cancer vaccines. Immunotherapy with vaccines based on neoantigen, in which the patient's first neoantigen is characterised and then synthesised in vitro (in a test tube) is presently undergoing several clinical trials. On a purely practical level however, this production process includes many obstacles that will need to be overcome. In addition, this production is entirely patient dependent, i.e. can only be performed after the neoantigen for each

1 Katsnelson, 2016.

individual patient has been characterised by a tissue sample from patient's own tumor[2] which constitutes quite a logistical challenge.

Intratumoral administration of the immunological adjuvant (immune enhancer)

One obvious way to get around the practical problems that the production of neoantigen in the test tube entails, is to use the patient's existing tumor (or metastasis of) as a direct neoantigen source by injecting an adjuvant directly into the patient's tumor, that means without first having to identify the patient's specific tumor mutations and then produce the corresponding neoantigen.

Activated allogeneic dendritic cells as optimal immunopotentiators

Natural viral infection and vaccination with live viruses (as in smallpox vaccinations) leads to the development of specific cytotoxic CD8+ T cells that effectively kill the virus-infected cells. More and more pre-clinical data suggest that dendritic cells that are first infected by a virus lose their ability to present viral antigens to T cells, but instead begin to function as an immune enhancer by secreting numerous inflammatory substances leading to the recruitment and maturation of non-infected dendritic cells from the surrounding tissue/blood stream.[3] These newly recruited dendritic cells eat up the virus-infected, dying, dendritic cells and tissue cells, in other words, they are thus "recharged" with viral antigen. Thanks to the inflammatory environment, the newly recruited dendritic cells will be protected from infection and will instead mature out so that they can begin to migrate to draining lymph nodes where they can activate the CD8+ T cells. Finally, the activated T cells migrate into the body where they specifically attack the virus-infected tissue cells.

Immunicum-related studies have shown that human dendritic cells can be activated to produce long-lasting inflammatory substances that mimic the production that characterises the virus-infected dendritic cells, i.e. an inflammation that leads to the recruitment and activation of other dendritic cells, known as "bystander DCs."[4] Since Immunicum's dendritic cells also are allogeneic (from another individual) in relation to the patient, this difference in tissue type will lead to a rejection process which stimulates the recruitment and activation of "bystander DCs."[5]

2 Fritsch et al, 2014.
3 Smed-Sörensen et al, 2011; Pang et al, 2013.
4 Gustavsson et al, 2008.
5 Wallgren et al, 2005

Platforms

» **Immunicum has three different platform technologies** for the development of immunotherapies: COMBIG, CD70, and Ad5PTDf35 adenovirus vector. The primary significant difference between the technologies is that COMBIG aims at activating the patient's tumor-specific T-cells intratumoral administration, while the CD70 platform aims at a powerful expansion/replication and the activation of the patient's tumor-specific T-cells in test tubes and then injecting them back into the patient.

The COMBIG Platform

With the improvement of the basic technology which was developed by Immunicum in 2002, a new platform was developed in 2010 which was named COMBIG ("COMBined toll-like receptor agonists and Interferon-Gamma"), which describes some of the factors used in the activation of Immunicum's allogeneic vaccine cells (important parts of the processing process are kept as trade secrets). Immunicum develops two main categories of therapeutic cancer immune primers based on this platform, SUBCUVAX® and INTUVAX®.

The major difference between the cancer immune primers is that SUBCUVAX® is combined with tumor antigens in test tubes and injected subcutaneously (under the skin), while INTUVAX® is injected intratumorally (within a tumor), without prior loading with tumor antigens, allowing this cancer immune primer to instead utilise the patient's own tumor as an antigen source. A great advantage of INTUVAX® is that the entire set-up and structure of the individual patient's unique tumor antigens, including mutated tumor antigens, is utilised for a personalised individually-adapted treatment.

INTUVAX®

INTUVAX® has been developed in order to be able to take advantage of each patient's unique tumor antigens and to circumvent the need to combine the cells with tumor antigens in test tubes in order to create an effective cancer immune primer. Since INTUVAX® is administered directly into the tumors, the recruitment of the patient's own dendritic cells will be done inside the tumor, where there are already high levels of tumor specific antigens (these antigens are available to be taken up by the patient's dendritic cells, because INTUVAX® induces NK cell recruitment and activation which leads to NK cell-mediated cell death in the tumor at the injection site), and these can be swallowed by the recruited dendritic cells thus is this manner will become loaded with antigens.

There are four major expected advantages with INTUVAX®

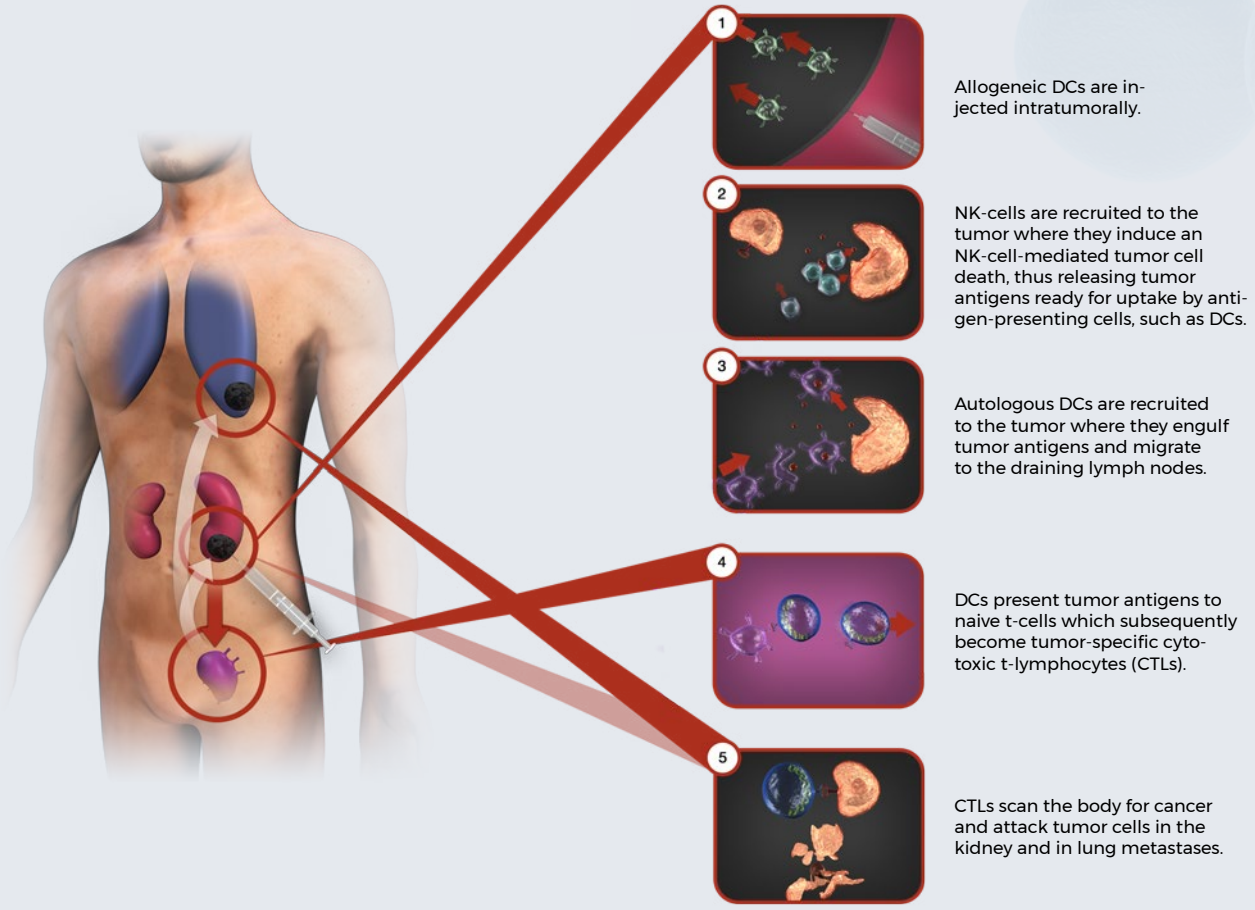
1. INTUVAX® is targeting all solid tumors.
2. Cancer immune activators can be produced on a large scale.
3. The concept uses the patient's own antigens, including mutating tumor antigens, which aims to ensure that an optimal set of antigens is used for each of the patients in the activation of a tumor-specific immune response.
4. Immunicum is independent of antigens from third parties.

Clinical Strategy

Immunicum's strategy is to position INTUVAX® as the first choice of cancer immune primers that are to be combined with standard treatments that can dampen immune suppression for the effective and safe treatment of various types of cancer. The company's clinical strategy aims at designing clinical trials in various indications where INTUVAX® is combined with different types of standard treatments. The ongoing and planned clinical studies aim to determine whether INTUVAX®:

- is an effective cancer immune primer, in particular via measuring intratumoral infiltration of CD8+ T cells and the frequency of tumor specific CD8+ T cells in peripheral blood
- has a clinical efficacy, primarily via measuring any extended overall survival and objective tumor response
- will become the first choice of cancer immune primers that are to be combined with standard treatments that can dampen immune suppression, especially with various tyrosine kinase inhibitors.

Description of INTUVAX®'s mechanism of action and effect



The figure above shows that INTUVAX® creates an inflammation in the tumor, which then attracts NK cells (for release of autologous tumor antigens) and autologous DCs for uptake of autologous antigens. Thus, what Immunicum expects to accomplish by means of a standardised vaccine is to load the patients' own DCs with their own tumor antigens in vivo, and in this way also offer patients an individually-adapted treatment. This is something that makes INTUVAX® a unique cancer immune primer.

The company believes that it is important to concentrate its clinical trials to Europe and the United States, in order to prepare the way for a future licensee of INTUVAX®. In addition, clinical trials in Europe and the United States also constitute an important step in the facilitating of a future application for market approval in two of the world's largest and most important pharmaceutical markets.

Scaleable production process

Since INTUVAX®'s proposed mechanism of action is partly based on an allogeneic concept, this provide the basis and possibilities for scalable production. The raw materials are provided by healthy volunteers, similar to an ordinary blood donation, and will give up to 100 vials per production batch.

The production method has a short turnover time from start to finish, is personnel intensive and is established in routine instrument, which facilitates the transfer of the process to multiple production units. Previously, the production took place only at the Cancer Centrum Karolinska, but production has also been established at Eufets GmbH in Germany, which offers the opportunity to produce scaled-up quantities. The establishment of the new manufacturing site has also involved further examination of the manufacturing process of the regional government as required by German law. The thorough examination and subsequent approval of clinical manufacturing from these authorities has further confirmed that the process complies with the international requirements of Good Manufacturing Practice (GMP).

Immunicum works with collaborative partners in order to develop production and logistics processes with a focus on scaling up and cost efficiency, while maintaining quality. Today's concept has been developed to accommodate standard treatment procedures, and therefore the number of handling and care steps in hospitals is continuously reduced. Simplifying the procedures will also increase the number of hospitals that can handle INTUVAX®. That INTUVAX® can be stored "off-the-shelf", makes it possible for storage at a central warehouse or directly at hospitals, which also provides freedom and latitude in the design of future supply chains. Ongoing process development also includes patent-pending methods for further scaling-up and increasing the cost-efficiency of the manufacturing process for INTUVAX®.


600
ml

Market overview

» **The market for cancer treatments is global**. Immuno-oncology, Immunicum's focus, constitutes a relatively new and rapidly growing part of the market. The market for cancer treatments is divided by the different forms of cancer, known as cancer indications. The market situation varies in the different cancer indications as described below.

The global market

In a 2014 report from the World Health Organization (WHO), cancer is described as one of the gravest threats to public health. The number of new cancer cases is expected to increase by over 40 percent by 2025, equivalent to about 20 million new cases annually worldwide. The total economic burden of cancer in 2010 was estimated at USD 1.6 trillion, more than 2 percent of global GDP.[1]

The research makes constant progress, whilst at the same time it is clear that more and more people will suffer from cancer as the average life expectancy increases. Cancer remains a disease and state of ill health associated with high mortality, and five-year survival is low for most indications. It is hoped that future anti-cancer therapies, particularly immunotherapies, will change the therapeutic landscape and make cancer a chronic, treatable state of ill health.

According to IMS Health, the total market for cancer therapies in 2015 amounted to around USD 107 billion, representing a growth of about 7 percent from 2013. The future growth of the total market is estimated to be 7.5-10.5 percent per year until 2020 when it is expected to amount to USD 150 billion.

The expected growth is based on a growing demand from patients in combination with the launch of new medicines. In 2014, ten new medicines were launched, five of which were immuno-oncological.[2]

According to a new forecast from the Swedish National Public Health Agency and the Swedish Cancer Society, 100,000 Swedish people a year will suffer from cancer in 2040, which is nearly double the number of cases today.[3]

Immuno-oncology

Immuno-oncology is a rapidly growing area of cancer research and treatment. In 2013, immunotherapy against cancer was named the scientific breakthrough of the year by the prestigious journal, Science and since then significant strides have occurred with the research. According to MarketsandMarkets, the market for immune therapies is expected to grow at an annual growth rate of 13.5 percent, and by 2021 amount to USD 119 billion.[4] The growth is expected to be driven by an increased incidence of various types of cancer, a focus on targeted therapies with fewer side effects, and expedited processes for drug approval. Among the factors that hinder growth, mainly the high cost of new cancer therapies is seen.[5]

Unlike more traditional cancer therapies, immuno-oncology is designed to activate the body's own immune system to fight cancer. The immune system is very effective in attacking foreign invaders such as bacteria and viruses, and can combat all types of diseases, including cancer. However, since cancer tumors are composed of the body's own cells, the immune system has a more difficult time to identify them as harmful. Also, tumor cells have different strategies in order to avoid that the immune system perceives them as harmful, so-called immunosuppression.

Positioning and competition

Immunotherapies are designed to attack cancer in one of two different ways: either by activating the immune system (therapeutic cancer vaccines, CAR T-cells, etc.), or by combating immunosuppression (immune checkpoint inhibitors, tyrosine kinase inhibitors, chemotherapy, etc.). Immunicum's objective is to position INTUVAX® as the drug that will be chosen for activating the immune system (category 1). The company and many key opinion leaders believes that a therapeutic activation of the im-

1 World Cancer Report 2014, International Agency for Research on Cancer, 2014.
2 Developments in Cancer Treatments, Market Dynamics, Patient Access and Value, Global Oncology Trend Report 2015, IMS Institute for Healthcare Informatics, 2015.
3 Ny prognos visar: Dramatisk ökning av cancerdrabbade till 2040, Folkhälsoinstitutet och Cancerfonden, 2016.
4 Cancer Immunotherapy Market by Type (Monoclonal Antibodies, Cancer Vaccines, Check Point Inhibitors & Immunomodulators), Application (Lung, Breast, Colorectal, Melanoma, Prostate, Head & Neck), End User (Hospital and Clinics) – Global Forecast to 2021, 2017.
5 Cancer Immunotherapy Market by Type (Monoclonal Antibodies, Cancer Vaccines, Check Point Inhibitors & Immunomodulators), Application (Lung, Breast, Colorectal, Melanoma, Prostate, Head & Neck), End User (Hospital and Clinics) – Global Forecast to 2021, 2017.

mune system should be accompanied by different types of drugs that combat immunosuppression (category 2). In this way, many of today's standard treatments (such as tyrosine kinase inhibitors and various types of chemotherapy), as well as many potential future standard treatments for cancer (such as various immune checkpoint inhibitors), will form potential combination therapies rather than competing treatments.

The company views adaptive therapy with CAR T cells as a competing treatment method for cancer immune activation, which has been found in a number of clinical trials to be able to lead to complete regression of previously incurable patients. However, this type of treatment is generally successful only against various types of blood cancer, and not for solid tumors, since solid tumors have an inherent immunosuppression, which the "fatigued" CAR T cells are presently not able to survive. Therefore, adaptive therapy with CAR T cells is not considered a major competitor to INTUVAX® in the current situation.

Therapeutic cancer vaccines, which also aim to activate the immune system to fight against cancer and therefore constitute a clearer competitor than category 2 drugs that combat immunosuppression, have so far failed to show sufficient clinical efficacy in order to obtain approval for release to the market (with the exception of Provenge, which received marketing approval in 2010 but whose owners Dendreon then went bankrupt and the company was then acquired by Valeant in 2015). Immunicum's assessment is that competing cancer immune activators have failed so far to show adequate clinical efficacy, primarily because they have not had the right set of adjuvants (immune enhancers) in combination with the right set of tumor antigens (the patient's own mutagenised/neo-antigens). It is also the company's assessment that the unique profile of INTUVAX®, based on allogeneic dendritic cells, can serve as an optimal adjuvant, and that intratumoral injection of INTUVAX® cells utilising the patient's own tumor as an antigen source (with access to each patient's unique mutated tumor antigens) may create good conditions for optimal cancer immune activation.

Cancer indications

With Immunicum's cancer immune activator INTUVAX® it is possible to treat all solid tumors which are accessible via intratumoral injection. Immunicum has chosen to initially invest in metastatic renal cancer treatment and has initiated a Phase II Study (MERECA) that is expected to be concluded and reported early 2019. A further two clinical Phase I/ II studies are ongoing, including one relating to liver cancer and one focusing on gastrointestinal stromal cell tumors (GIST). The important information that Immunicum receives from these studies, together with an ongoing analysis of the cancer treatment landscape, will form the basis for a decision on the future development plan for INTUVAX®. The company's clinical strategy is continually evaluated but the current strategy does not include an increased number of clinical trials. The most critical decision concerns which indications that should be selected for the next clinical development phase. There are several factors to consider, such as medical need, clinical endpoints and the potential for getting market approval from the authorities. The company has considered the possibility of expanding the development plan with additional Phase I / II clinical trials for various indications, such as melanoma, and in various combinations, such as immune checkpoint inhibitors, but have not taken decision to carry out any additional trial.

The renal cell cancer market

According to GLOBOCAN, in 2012 an estimated 338,000 new cases of renal cell cancer treatment are diagnosed each year globally, which represents about 2 percent of all cancer cases.[6] Transparency Market Research estimates that the global market for renal cancer treatment was worth USD 2.6 billion in 2013 and predicts that it will grow at an average annual growth rate of 6.6 percent to reach USD 4.5 billion by 2020.[7] The growth rate is attribut-

6 Ferlay J, Soerjomataram I, Ervik M, et. al. GLOBOCAN 2012 v 1.0.
7 Kidney Cancer Drugs Market – Global Industry Analysis, Size, Share, Growth, Trends and Forecast 2014-2020, 2015.

ed primarily factors such as obesity and smoking, which leads to an unhealthy lifestyle and thereby increase the risk of kidney cancer. In pace with the patent rights expiring, commercialisation of new therapies and drugs is considered to constitute the majority of the expected market growth.

The global renal cancer treatment market in 2014 consisted primarily of eight products, so-called targeted therapies: (tyrosine kinase inhibitors) - Avastin (bevacizumab), Sutent (sunitinib), Nexavar (sorafenib), Afinitor (everolimus), Votrient (pazopanib), Torisel (temsirolimus), Inlyta (axitinib) and Proleukin (Aldesleukin).[8]

Despite the fact that new drugs have taken large market shares (Sutent had sales in 2015 in the amount of USD 1.1 billion for three different indications, with RCC as the main indication, according to Pfizer's annual report for 2015) they often constitute costly forms of therapies and as old patent rights are expiring and new promising therapies reaches the market, major changes are expected until 2023.

The products cause significant side effects, but many patients are left with no other alternative than these therapies that can provide some degree of relief from the disease. The company believes, therefore, that the market has a relatively large unmet need due to the limited efficacy and safety profiles of the products currently on the market. There is considerable scope for new entrants to capture market share and considerable potential for products such as INTUVAX®, which is based on new technology with potentially less or no side effects. The annual cost of current treatments is in the range of USD 38,000 to USD 124,000, however a new participant in the market who can offer a treatment with superior advantage, can charge more according to Global Data.

Nor should cancer immune primers be regarded as only a substitute for conventional therapies, but rather should be viewed as a potential complement. Generally, targeted therapies are considered to have reached their potential as "stand-alone" products, where Sutent has shown median survival of 26.4 months.

Prior to when targeted therapies were approved, Interlukin 2 (IL-2) was used as treatment with various results. However, due to the severe side effects, the treatment has only been used for a limited number of patients, and today IL-2 has been removed as recommended treatment in the current guidelines. The two principal competing products in Phase III that have been identified are immunotherapy with Nivolumab + Ipilimumab (Bristol-Myers Squibb), and a targeted therapy (Cabozantinib by Exelixis). In addition, in 2015 the U.S. Food and Drug Administration (FDA) gave approval to immunobased cancer treatments in the form of Bristol-Myers Squibb's Opdivo antibody for the treatment of patients previously receiving anothe treatment, referred to as a second-line treatment. In 2016, Opdivo has also received the corresponding approval by the European Medicines Agency (EMA).

Immunicum primarily wants to compete on better efficacy, but INTUVAX® also has potential advantages because of its ability to reduce the patient's side effects as well to improve the patient's overall wellbeing during treatment and thereby increase the possibility of returning to normal life. Thus, the treatment can also as with regard to the company's evaluation, add value and produce savings when looked at other perspectives: for the society as a whole, for public health and medical care services, for insurance companies and for the patient's social environment. The absence of serious side effects is one of the points that was the main focus of the evaluation in the Phase I/II study that ended 31 March 2014. In the Phase II study, which began in May 2015, the primary objective is to study the median survival in high risk patients, and the survival rate at 18 months for patients with intermediate risk prognosis who have been treated with INTUVAX® in combination with sunitinib.

The market for liver cancer treatments

Liver cancer is the fifth most commonly diagnosed cancer in the world, with about 0.8 million new cases each year. Mordor Intelligence estimates that the global market for renal cancer treatment amounted to USD 707 million in 2016, and predicts that the market will grow by 7-15 per cent each year up until 2021.[9] The disease is especially common in Asia and globally it is the third most deadly form of cancer. The limited spread of liver cancer in the West presents the opportunity for novel treatment alternatives to obtain Orphan Drug Designation (ODD) status in strategic markets (such as the U.S., Europe and Japan), while great potential also exists in other markets. More than half of the world's liver cancer patients are found in China, where approximately 400,000 patients are diagnosed every year. The incidence in the world's largest drug markets (the U.S., France, Germany, Italy, Spain, UK and Japan) is 105,000 new cases of individuals falling ill per year.[10]

Of all the forms of liver cancer, 85 percent is of type HCC (Hepatocellular carcinoma) and this is the indication in which Immunicum is conducting a Phase I/II Study. The disease is often asymptomatic and few appropriate biomarkers are available. That is why a large proportion

8 PharmaPoint: Renal Cell Carcinoma – Global Drug Forecast and Market Analysis to 2023, 2016.
9 Mordor Intelligence: Global Liver Cancer Market – Segmented by Type, Technology, End User and Georgaphy (2016-2021), 2016.
10 Ferlay J, Soerjomataram I, Ervik M, et al. GLOBOCAN 2012 v1.0.

of patients (approx. 50 percent in Europe and the U.S., and 73 percent in Japan) progress so far that only a few realistic treatment alternatives remain. Globally, only 20-30 percent of patients are diagnosed early enough to be treated surgically. Surgery and preferably transplantation of a new liver is usually the first treatment alternative when chemotherapy and other standard treatments prove ineffective for HCC, response rates to treatment lie in the range 0-36 percent. Even after surgical treatment the recurrence rate is quite high, surpassing 70 percent after 5 years.[11]

Limiting factors for the market potential include better diagnostics, which would allow more patients to be treated with surgery at an early stage. Even an expanded vaccination program for hepatitis is mentioned as a competing treatment alternative, since viral infections of the hepatitis A and B type are the primary reason for the significant prevalence in Asia. Still, neither of these factors is expected to significantly influence the patient population in the immediate future.

The competitive landscape for liver cancer resembles that for renal cell carcinoma. Since 2006, one new medicine with proven clinical effect has entered the market, Nexavar (sorafenib, Bayer Healtchcare). Nexavar (sorafenib) is active against receptors and enzymes that are important for tumor cell growth, and is used in cases where surgical treatment is not possible. Even though Nexavar has a limited impact on survival (approx. 12 weeks), the lack of alternatives makes it useful. Nexavar sales in 2014 were approx. USD 1.025 billion for two approved indications (including renal cell carcinoma).

In addition to being treatments for growing patient populations, new therapies are expected to make a contribution by having higher efficacy and less severe side effects. One target for new therapies is to reduce the number of recurrences post-surgery, or to delay recurrence. Nexavar is being evaluated for administration to patients directly, post-surgery. The new therapies that have reached late clinical phase for liver cancer are mostly drugs that are aimed at specific molecular targets, similar to the function of Nexavar. However, a significant need for more effective alternatives still remains.[12]

GIST - gastrointestinal stromal tumors

A gastrointestinal stromal tumor (GIST) is a tumor arising from mesenchymal cells in the gastrointestinal tract. GISTs do occur in the gastrointestinal tract, but are most common in the stomach, followed by the small intestine. GlobalData estimated the global market for this cancer indication to USD 920 million with an expected annual growth rate of 2 percent to reach USD 1.1 billion 2017. The reason for the low growth is mainly explained by the expiry of the patent rights for Glivec (imatinib) in 2014 which, in conjunction with Sutent (sunitinib) have been the treatments available when the first choice of surgery has not worked.[13] GIST is a rare disease, which means that only a few experts have deeper knowledge of how the disease should be evaluated and treated. Surgery is the primary treatment for localised GIST through which more than half of the patients are cured. For non-operable patients, there are effective drugs where Glivec is the first choice. More than 60 percent exhibit a response to treatment within a few months, but 10-15 percent do not benefit from the treatment. Treatment with Glivec continues as long as a significant deterioration is not observed, i.e. usually for very long treatment periods. Treatment with Glivec is probably not curative, but the objective is that the tumor will stop growing and subsequently slowly shrivel. If treatment is discontinued, the tumor receives vitality again. For those patients who do not respond to Glivec or falter during treatment, despite an escalation of dosage, it is possible to receive treatment with Sutent (sunitinib), a tyrosine kinase inhibitor. Stivarga (regarofenib) is now registered for those patients who do not respond to sunitinib and is thus is considered to be third-line therapy. Other tyrosine kinase inhibitors, such as Nexavar (sorafenib), Votrient (pazopanib) and Sprycel (dasatinib) have not been registered as an approved medication for GIST, but have been tested in clinical trials. Conventional cancer treatment with cytotoxic therapy, chemotherapy, or radiation treatment has very little effect with GIST.[14]

11 Stakeholder Opinions: Hepatocellular Cancer, Datamonitor 2010.
12 Stakeholder Opinions: Hepatocellular Cancer, Datamonitor 2010.
13 Gastrointestinal Stromal Tumors (GIST) Therapeutics – Pipeline Assessment and Market Forecasts to 2019, 2012.
14 Hagberg. H, Internetmedicin, Gastrointestinal stromacellstumör (GIST), 2017.

Organisation

The company's board of directors

AGNETA EDBERG

Chair of the board (COB), member of the audit committee
Holds 36,250 shares
Alumna of the Stockholm School of Economics, Biomedical Analyst,
Born in 1956

Agneta Edberg has served as Chair of the Board of Directors (COB) of Immunicum AB since 2010.
Chair of the Board of Directors: Ambulanssjukvården i Storstockholm Aktiebolag, Likvor AB, Idogen AB
Member of the Board: Temperature Sensitive Solutions Systems Sweden AB, Valvet Förvaltning AB, Probac AB, A Edberg Consulting AB, TSS Holding AB, Svenska Läkemedelsförsäkringen AB.

Has held a number of different managerial positions and responsibilities within Pfizer AB, Pharmacia AB, Orion AB, Cederroth International AB and Johnson & Johnson.

STEVEN GLAZER

Member of the board, chair of the scientific committee
No shareholdings
M.D.
Born in 1948

Steven Glazer has been a member of Immunicum AB's Board of Directors since 2016.

Is Chief Medical Officer of Hansa Medical AB and has earlier held a number of senior positions in BioInvent, Zealand Pharma and Novo Nordisk.

CHARLOTTE EDENIUS

Member of the board, member of the scientific committee
No shareholdings
M.D., Ph.D
Born in 1958

Charlotte Edenius has been a member of Immunicum AB's Board of Directors since 2016.
Member of the Board: Kancera AB, Aptahem AB, SynAct Pharma AB
Member of the Board of Directors, and the CEO: Allmora Life Science AB

Has held a number of senior positions in Medivir AB, Orexo AB, Biolipox AB and AstraZeneca AB.

MARTIN LINDSTRÖM

Member of the board, chairman of the audit committee
Holds 2,760,000 shares, of which 2,750,000 are held via closely-related parties
Master of Civil Engineering, Roads and Water, B.Sc.
Born in 1980

Martin Lindström has been a member of Immunicum AB's Board of Directors since 2008.
Member of the Board: SHH Invest nr 16 AB, SHH Invest nr 21 AB, SHH Projekt nr 21 AB
Alternate member of the Board of Directors, and the CEO: Loggen Invest AB, Loggen Fastighetsutveckling AB.
Alternate member of the Board of Directors: Lars Lindström Förvaltning i Kalmar AB.

Represents the shareholder Loggen Invest AB.

MAGNUS NILSSON

Member of the board, member of the audit committee
No shareholdings
Doctorate of Medical Sciences from Uppsala University.
Born in 1956

Magnus Nilsson has been a member of Immunicum AB's Board of Directors since 2014.
Chairman of the Board of Directors: Vivoline Medical AB.
Member of the Board: Dignitana AB, Magnus HL Nilsson management consulting AB
External CEO: Xvivo Perfusion Aktiebolag

Has previously been CEO of Vitrolife AB for approx. 9 years. Has been the project manager of preclinical and clinical development at Karo Bio AB and Pharmacia & Upjohn AB.

MAGNUS PERSSON

Member of the board
No shareholdings
Medical Physician, Professor and Associate Professor of Physiology at the Karolinska Institute in Stockholm.
Born in 1960

Magnus Persson has been a member of Immunicum AB's Board of Directors since 2015.
Chairman of the Board of Directors: Karolinska Institutet Innovations AB, Karolinska Institutet University Press AB, Karolinska Institutet Information AB, Cantargia AB, SLS Invest AB, Galecto Biotech AB, HIP Health Innovation Platform AB
Member of the Board: Cerecor Inc., Karolinska Institutet Support AB, Karolinska Institutet Housing AB, Karolinska Institutet Science Park AB, KCIF Fund Management AB, Själbådan AB, Gyros Protein Technologies Holding AB, Perma Ventures AB
External CEO: Karolinska Institutet Holding AB

Has 15 years experience as a partner within Venture Capital. Has led development teams in Phase II and III programmes in the pharmaceutical industry.

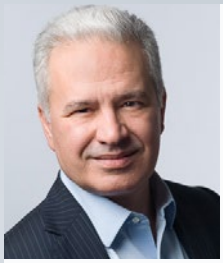
KERSTIN VALINDER STRINNHOLM

Member of the board
No shareholdings
Degree in Journalism
Born in 1960

Kerstin Valinder Strinnholm has been a member of Immunicum AB's Board of Directors since 2016.
Member of the Board: Corline Biomedical AB, Camurus AB, KVS Invest AB, Cavastor AB
Alternate member of the Board of Directors: Pollux Pharma AB

Has international experience from senior positions in Astra/AstraZeneca and Nycomed Takeda.

Management



CARLOS DE SOUSA

Chief executive officer (CEO)
Holds 46,670 shares
MD, Executive MBA
Born in 1958

Carlos de Sousa has been the CEO of Immunicum AB since October 2016.

Has over 25 years of experience from leading positions in the global pharmaceutical and biotechnology market in Nycomed/Takeda, Pfizer, Novartis, BBB Therapeutics, Newron Pharmaceuticals and Zealand Pharma.

ALEX KARLSSON-PARRA

Chief scientific officer (CSO)
Holds 612,726 shares, of which 281,363 are held via closely-related parties
Adjunct Professor, Chief of Clinical Immunology, University Hospital, Uppsala.
Born in 1950

Alex Karlsson-Parra is one of Immunicum AB's founders.

Has over 30 years experience in transplantation immunology and former chairman of a Swedish group of experts of Clinical Immunology, and was awarded the Athena Prize in 2014, Swedish healthcare's largest prize.

LISE-LOTTE HALLBÄCK

Chief financial officer (CFO)
Holds 5,000 shares, of which 1,250 are held via closely-related parties
Bachelor of Science in Business Administration and Economics
Born in 1966

Lise-Lotte Hallbäck has been the CFO of Immunicum AB since 2015.

Previously, has been an authorised public accountant, a management consultant, and a financial manager. Has extensive experience in accounting, tax and legal issues primarily relating to companies active internationally.

PETER SUENAERT

Chief medical officer (CMO)
Holds 4,000 shares
MD, Ph.D.
Born in 1968

Peter Suenaert has been the CMO of Immunicum AB since July 2016.

Has 14 years of experience in preclinical and clinical development of a variety of anti-cancer and immune oncological drugs. Has held senior positions at Glenmark Pharmaceuticals R&D, Danone Research, Vaccines, GlaxoSmithKline and Amgen.

Scientific advisory board

BENGT FURBERG

Chair of the scientific advisory board

Holds 3,000 shares

Associate Professor of Clinical Physiology

Born in 1941

Bengt Furberg is an expert in the field of clinical trials and has written numerous books and scientific articles on the subject. Has been the Medical Director, a member of the management team as well as the Medical Committee and Security Committee in GlaxoWellcome.

ROLF KIESSLING

Member

No shareholdings

Professor of Experimental Oncology, Karolinska Institutet

Born in 1948

Rolf Kiessling has been a Professor of Experimental Oncology at the Karolinska Institute since 1995. and has a part-time position as Chief Physician at the Radiumhemmet, a non-surgical cancer treatment and radiotherapy research institution at Karolinska Hospital. Professor Kiessling has published more than 200 publications in peer reviewed journals, and has extensive and broad scientific expertise in the field of experimental and clinical immunology. An early milestone in his career was when he discovered and named the NK cell in the middle of the 1970s, a discovery that earned him the "Anders Jahre Medical Award for Young Researchers" in 1985 and the "Erik Fehrnströms Prize" in 1989. More recently, his research group has focused on the field of immunotherapy against cancer and the group conducts Investigator Initiated studies in cancer patients as well as conducting basic research in preclinical animal models.

ROGER HENRIKSSON

Member

No shareholdings

Professor of Experimental Oncology

Born in 1953

Roger Henriksson has been a Professor of Experimental Oncology and senior physician in the field of medical oncology and radiotherapy since 1994. He has also served as medical adviser to AstraZeneca (globally) part-time since 2000. Professor Henriksson has published over 270 articles in peer-reviewed journals relating to all phases and stages of drug development. Among his current scientific assignments, the following can be mentioned: Director of the Department of Radiation Sciences, Umeå University, Chairman of the National Planning Group CNS-tumors, Member of the Cancer Society's Scientific Advisory Board, Member of the Swedish Lung Cancer Study Group.

CURT FURBERG

Member

No shareholdings

Professor of Public Health

Born in 1936

Furberg is an internationally renowned cardiovascular researcher and epidemiologist with specialist expertise in clinical trials and public health. He is one of the authors of the book about methodology with clinical trial, "Fundamentals of Clinical Trials". He has also co-authored a recently published book, "Data Monitoring in Clinical Trials: A Case Studies Approach, "and has published extensively, with over 400 papers and articles to his name. His strong commitment to evidence-based medicine and his lengthy background in public health provides a solid foundation for his views in issues surrounding the evaluation of medicines and patient safety. He has been a member of the USFDA's Drug Safety and Risk Management Advisory Committee, and has appeared as a witness before U.S. congressional committee hearings.

ANDERS ÖHLÉN

Member

No shareholdings

MD, Ph.D.

Born in 1953

Anders Öhlén has extensive experience in the senior management in pharmaceutical research and development and medical issues from Kabi Pharmacia (now a part of Pfizer), Astra, Aventis and Bristol-Myers Squibb. He has worked in various therapeutic areas and has been involved in all aspects of a product's lifecycle management during his 30 years of work in the healthcare and pharmaceutical industries. During 2010-2016, he was the Managing Director of Svenska Läkemedelsförsäkringen/Swedish Pharmaceutical Insurance.

The Immunicum share, share capital and ownership structure

The Immunicum share

The shares have been trading on NASDAQ First North under the ticker symbol IMMU, with the ISIN code SE0005003654 since 22 April 2013. As of 4 May 2016, the Company's shares have been listed on the First North Premier segment.

Number of shares

The number of shares in the Company as of 31 December 2016 amounts to 25,958,541 (24,270,869).

Major shareholders (ten largest as per 31/12/2106)

Shareholder	Number of shares	Share of capital/votes
Holger Blomstrand Byggnads AB	2,975,386	11.5%
Loggen Invest AB	2,750,000	10.6%
Försäkringsaktiebolaget, Avanza Pension	1,841,556	7.1%
Swedbank Robur Fonder AB	1,562,500	6.0%
Nordnet Pensionsförsäkring AB	706,012	2.7%
Alex Karlsson-Parra incl. related parties	612,726	2.4%
Bengt Andersson	557,939	2.1%
Jamal El-Mosleh	393,000	1.5%
Mats Dahlgren	380,000	1.5%
UBS Switzerland AG	362,644	1.4%
Total, for the ten largest shareholders	**12,141,763**	**46.8%**
Other shareholders	13,816,778	53.2%
Total	**25,958,541**	**100.0%**

Changes in capital (from 2010)

Year	Event	Change in the number of shares	Total number of shares	Change in share capital (SEK)	Total share capital (SEK)	Quota value (SEK)
2010	New share issue	1,326	6,629	33,150	165,725	25.00
2012	New share issue	600	7,229	15,000	180,725	25.00
2012	Share split 1000:1	7,221,771	7,229,000	-	180,725	0.025
2012	Bonus issue	12,771,000	20,000,000	319,275	500,000	0.025
2013	Reverse share split (consolidation) 2:1	-10,000,000	10,000,000	-	500,000	0.05
2013	New share issue	2,675,000	12,675,000	133,75	633,750	0.05
2013	New share issue	1,100,000	13,775,000	55,000	688,750	0.05
2014	New share issue	3,500,000	17,275,000	175,000	863,750	0.05
2014	New share issue	2,755,000	20,030,000	137,750	1,001,500	0.05
2016	Subscription warrants	130,000	20,160,000	6,500	1,008,000	0.05
2016	New share issue	5,040,000	25,200,000	252,000	1,260,000	0.05
2016	New share issue	758,541	25,958,541	37,927.05	1,297,927.05	0.05

Administration Report

» **The Board of Directors** and the Chief Executive Officer of Immunicum AB (556629-1786) hereby submit the Annual Report for the 01/07/2016 – 31/12/2016 financial year.

General description of the business activities

Immunicum is a biomedical company that develops cancer immunotherapies based on three different proprietary platform technologies: COMBIG, CD70 and Ad5PTDf35-adenovirus vector. The Company was founded in 2002 as a spin-off from the Sahlgrenska University Hospital in Gothenburg. Since Immunicum's products are based on platform technologies, the Company can develop treatments against many different cancer indications. Immunicum's project portfolio currently consists of six different projects, three of which are in clinical trials.

The Company is a public limited liability company registered in Sweden, with its registered offices in Gothenburg. Its address is Grafiska vägen 2, SE-412 63 Gothenburg.

On 16 March 2016, the Board of Directors approved this Annual Report for release and publication.

Financial overview

Financial results

The operating loss amounted to MSEK -36.7 (MSEK -43.6). The net loss amounted to MSEK -36.8 (MSEK -43.9).

Operating profit during the abbreviated fiscal year from July to December 2016 was negatively affected by increased costs for clinical trials and increased personnel costs due to more number of employees.

Cash flow

Cash flow used in operating activities amounted to SEK -33.7 million (-40.2 million). The Company's cash and cash equivalents, including short-term investments, amounted to SEK 112.4 million (129.4 million) at the close of the financial year.

In light of that the ongoing and future new clinical studies will entail in significant costs, the Company is expected to continue to show a negative cash flow. This need for capital may be addressed by a number of different options. However, existing funds are assessed to be able to adequately cover the Company's capital requirements over the next 12 months.

Shareholders' equity

Shareholders' equity at close of the financial year amounted to SEK 102.4 million (139.2 million) and the equity ratio was 84% (90%). Shareholders' equity per share amounted to SEK 3.94 (5.36).

Significant events during the financial year

- Two patent applications in key future markets were given a green light during the financial year. In July, the Chinese Patent Office (SIPO) announced its intention to grant Immunicum's patent application, and in September we received similar notification from the U.S. Patent Office and Trademark Office (USPTO). Both applications relate to Immunicum's CD70 technology.

- Peter Suenaert, MD, Ph.D. was recruited in July to become Immunicum's first Chief Medical Officer (CMO).

- In September, Immunicum announced continued improved data from the follow-up phase of the Phase I/II clinical trials with INTUVAX in eleven patients with metastatic renal cell carcinoma that began in February 2012. Five patients were still alive, and the results showed an ongoing and more than doubled extended median survival rate for the entire patient group and an ongoing more than tripled extended median survival rate of patients with poor prognosis compared with published historical data for newly diagnosed patients who received standard treatment.

- In late September, Immunicum was able to announce that Carlos de Sousa was recruited as the new CEO to lead the Company through its next phase of development. Carlos commenced his responsibilities as CEO on 1 October 2016.

- On October 26 2016, the Annual General Meeting ("AGM") of Immunicum AB elected Steven Glazer, Charlotte Edenius and Kerstin Valinder Strinnholm as new Board members. Agneta Edberg, Martin Lindström, Magnus Nilsson and Magnus Persson were all re-elected as Board members. Bengt Furberg declined re-election. Agneta Edberg was re-elected as Chairman of the Board.

- The AGM also resolved to authorize the Board of Directors to, on one or several occasions during the period until the next Annual General Meeting, with or without deviation from the shareholder's preferential rights, resolve on new share issues of a maximum of 5,040,000 shares.

- AGM also resolved to change the fiscal year of the company to calendar year as well as to shorten the current fiscal year to cover the period July 1, 2016 – December 31, 2016.

- On November 14 2016, at the Society for Immunotherapy of Cancer (SITC) 31st Annual Meeting, Immunicum presented updated immunological and survival phase I/II data on hepatocellular carcinoma (HCC) patients treated with INTUVAX. Data showed that 67% of fully treated patients with advanced HCC experienced increases in circulating tumor-specific CD8+ T cells and that these increases appear to correlate with prolonged survival rates seen in the study as compared to historical median overall survival rates. It was furthermore announced that all six additional patients in an extension of the study had been included. These patients received INTUVAX® as first line systemic treatment in combination with standard treatments.

- On December 13 2016, Immunicum announced that the United States Food and Drug Administration (FDA) had cleared the Company's Investigational New Drug application (IND) for INTUVAX. The IND clearance enables Immunicum to expand its ongoing Phase II study - MERECA (MEtastatic REnal Cell CArcinoma) - for the treatment of metastatic renal cell cancer patients, into the United States.

Significant events after the closing of the financial year

- In February 2017, the Company announced the appointment of Karin Hoogendoorn as Head of Chemistry Manufacturing and Controls (CMC). Karin Hoogendoorn, PharmD, is a seasoned expert in the development of biotechnological products. She has lead successful CMC efforts for a variety of products within positions at Novartis AG, Janssen Biologics BV and Crucell Holland and will be critical for the high quality production of Immunicum's products.

Research and development

Immunicum develops cancer immune therapies based on three different platform technologies: The COMBIG, CD70 and Ad5PTDf35 adenovirus vector platforms. The company has six ongoing projects with a strong focus on the three based on the prioritised COMBIG platform, which is used to develop the cancer immune activators INTUVAX® and SUBCUVAX®.

In the project INTUVAX – RCC an open Phase II clinical trial (MERECA study) is conducted with newly diagnosed renal cancer patients.

In the project INTUVAX - HCC a Phase I/II clinical trial concerning the treatment of patients with primary cancer of the liver is conducted.

In the project INTUVAX – GIST a Phase I/II clinical trial with INTUVAX® concerning the treatment of patients with incurable gastrointestinal stromal tumors (GIST) is conducted.

The company is also conducting pre-clinical studies with the Ad5PTDf35 vector for the development of SUBCUVAX®, in cooperation with the University of Uppsala and Professor Magnus Essand.

Professor Essand's group group has also initiated a Phase I/II clinical trial with the oncolytic variant of the Ad5PTDf35 vector for the treatment of neuro endocrine tumors. Immunicum does not own the rights to this indication, however it owns the rights to all subsequent indications.

Immunicum's CD70 platform works for adaptive immunotherapy, which is a treatment strategy where the patient's T cells are isolated and in some cases genetically manipulated to specifically recognise cancer cells.

Immunicum also carries out work to optimise the production process.

Significant risks and uncertainty factors

Immunicum is a development company without historical revenue

Immunicum has not yet, either on its own or via partners, introduced any cancer immune primers or any other medicinal product to the market. Therefore the Company has not engaged in the sale of any pharmaceutical products, nor does it generate any sales revenue. The Company's assessment is that it will continue to be reporting a loss for the next few years. Immunicum's product candidates are presently in either a clinical or preclinical phase, which means that continued research and development, as well as granted authorisations from public agencies and positive outcomes in preclinical and clinical studies, is required before product candidates will be able to reach the market. If the present product candidates' introduction on the market is delayed, are made more expensive, or never occur, it could have a significant negative impact on the Company's business operations, financial results and financial position.

Risks related to possible future income

Immunicum's future earnings will be dependent upon that Immunicum is able to enter into agreements for the licensing of the Company's product candidates and/or technology platforms. The possibility of entering into such contracts is dependent upon, inter alia, the credibility of Immunicum as a potential business partner, the quality of the Company's product candidates, and the robustness of the Company's intellectual property rights. There is a risk that such contracts may not be entered into, or can be entered into only on terms and conditions that are unprofitable or unfavourable to the Company. Potential cooperative partners can, as a precondition to entering into contracts, impose a requirement that additional supplemental clinical trials be conducted on Immunicum's products, which may involve delays and increase costs for the Company. Furthermore, a significant share of Immu-

nicum's potential earnings is expected to consist of what is referred to as milestone payments, in other words, one-time payments from partners which will be paid if and when certain specified objectives or targets have been attained. If Immunicum fails to enter into agreements for the licensing of products on terms and conditions that are favourable to the Company, if such agreements lead to delays and/or increase costs, or if payments to be made pursuant to such agreements are delayed or are not received at all, this could have a significant negative impact on the Company's business operations, financial results and financial position.

Needs for additional financing
Immunicum has reported operating losses since the Company was started and the cash flow is expected to remain negative until the time when Immunicum can generate ongoing revenues. Immunicum will continue in the future to have a need of additional capital in order to carry out further research and development. The amount and timing of Immunicum's future capital needs depends upon a number of factors, such as the cost of its business operations and the preconditions for the entering into agreements which make the potential receipt of revenues possible. The availability of and the preconditions for raising additional capital is affected by a number of factors such as general market conditions and the overall access to capital or external financing. Even disruptions and uncertainty in the credit and capital markets may restrict access to additional capital. Access to capital may also be dependent upon on the outcome of the clinical trials and preclinical development including nonclinical studies that the Company implements, along with other factors related to the operations of the Company. If Immunicum chooses to acquire additional financing via the issuance of new shares or equity instruments, the shareholders who do not participate in such new share emissions may be negatively affected by dilution of their holdings. In the event debt financing, if this is available for the Company, terms and conditions may be established which limits the Company's freedom of action in various respects. There is a risk that new capital cannot be obtained when the need arises, that it cannot be acquired on preferential terms, or that it cannot be acquired at all. If Immunicum cannot obtain financing, the Company may be forced to seriously restrict its research and development activities or in the worst case, suspend its operations.

Dependence on collaborative partners
Immunicum is a research and development Company with a limited organisation of its own, and is therefore highly dependent upon cooperation with external partners to conduct its business operations. Furthermore, the Company is dependent on being able to initiate or intensify the cooperation in the future, in particular with regard to the development of product candidates, clinical trials, the supply needed material, and production. The Company's collaborations with external companies may develop in a negative direction, and Immunicum might not be able to enter into new agreements or may only be able to enter into agreements on terms and conditions that are unprofitable or unfavourable to the Company. The companies that perform preclinical or clinical studies may not be able to maintain the clinical and regulatory quality that is required for a future regulatory approval or may not be able to fulfil their commitments. Agreements with partners may also require the approval from governmental agencies, which in and of itself entails a risk for delays in clinical trials and potential consequential market launches of product candidates. Should any of these risks occur it could have a significant negative impact on the Company's business operations, financial results and financial position.

Depending on key persons and qualified personnel
Immunicum's business operations are highly dependent upon a number of key individuals, some of whom hold senior management positions and/or are shareholders of the Company. If any of these key people would leave the Company, this could delay or complicate the Company's continued research and development, and cause an obstacle to the continuation of the business operations. Furthermore, the Company is dependent on its ability to attract and retain qualified personnel with relevant training and experience. There is fierce competition for experienced staff within the field of activities the Company is involved in, and many of the Immunicum's competitors have significantly greater financial resources than the Company, which can lead to a situation where the requisite staff cannot be recruited, or can only be recruited on terms and conditions that are unprofitable or unfavourable to the Company. If Immunicum cannot recruit and retain key persons and other qualified personnel to the extent and under the terms and conditions that are required, it could have a significant negative impact on the Company's operations, financial results and financial position.

Dependence on compensation system
The Company and its potential partners' possibilities to successfully commercialise products and the potential for possible future sales, will depend on the existence and the level of compensation for the products from insurance companies, governmental authorities and other payers of medical products and services. Changes in the existing body of legislation and regulations, political decisions or changed practices and rules among public authorities or agencies, insurance companies and other decision-makers can lead to the situation where the compensation for Immunicum's future products becomes be lower than expected or fails to materialise at all, which could have a

significant negative impact on the Company's business operations, financial results and financial position.

Research and Development
The preclinical development and clinical studies that the Company pursues are based on the platform technologies COMBIG®, CD70 and Ad5PTDf35-adenovirus vector. No product based on these platform technologies has yet to be approved for release on the market. Before a medicinal product can be put on the market, the safety and efficacy concerning the treatment of humans must be assured for each individual indication, which is proven by preclinical investigations carried out with animals and with clinical trials in humans. The results of such investigations and clinical trials can be unforeseen and even undesired, and thus considerable uncertainty is associated with the Company's projected costs related to such studies. Unforeseen outcomes from the investigations and clinical trials may also lead to that the concepts and studies must be reconsidered and revised, which means that new additional studies may need to be performed at a significant cost, or that the studies are discontinued and completely shut down. This can in turn can lead to that the planned launches of product candidates to the market may be delayed or withdrawn altogether, due to, for instance, if the governmental agencies or other decision makers make the product candidates do not satisfy established standards. A delayed or failure to launch the Company's product candidates could have a significant negative impact on the Company's business operations, financial results and financial position.

Furthermore, successful previous studies do not necessarily mean that subsequent studies will obtain the desired results. Pre-clinical experiments are based on a limited number of studies and can, after further examination, be revised or discredited or in invalidated, due to regulatory decisions or further preclinical investigations or clinical trials at later stages. The outcomes from preclinical investigations may not be consistent with the results obtained in clinical trials, and the results from preliminary clinical trials do not always correspond with the results found in more extensive and subsequent clinical trials.

If Immunicum can not prove to a sufficient extent via clinical studies that a product candidate is safe and effective, and thus enabling it to be to commercialised, that could have a significant negative impact on the Company's business operations, financial results and financial position.

Liability for side-effects etc.
Patients participating in the clinical studies with Immunicum's product candidates may be affected by adverse reactions. The consequences of such potential adverse side effects may delay or stop the continued product development and/or restrict or prevent the commercial use of the product, or lead to liability for compensation for damages or other claims, including claims based on product liability, directed against the Company. The possibility exists that future claims may exceed the amount of insurance coverage the Company has taken out. If such claims were to be made or liability be asserted, it could have a significant negative impact on the Company's business operations, financial results and financial position. Side effects can also have the effect that the Company's reputation is damaged, which in turn may affect the Company's position in relation to the public authorities, its suppliers and cooperative partners, as well as the risk of undermining confidence in the Company's technologies and product candidates. Such circumstances could have a significant negative impact on the Company's business operations, financial results and financial position.

Competition
Immunicum operates in a competitive industry, and many companies, universities and research institutions are engaged in research and development of pharmaceutical products, including those who can, or may in the future, compete with the Company's product candidates. The Company's future competitive potential is partly dependent upon that the Company's product candidates obtain effective intellectual property protection and via such protection they can be maintained. Furthermore, Immunicum operates in a market where many of the Company's competitors have greater financial resources than the Company has access to. In addition, the Company may be exposed to competition from copies of medicines or from generics that are launched in pace with the patent expiring. If the Company is not able to effectively compete in the market, it could have a significant negative impact on the Company's business operations, financial results and financial position.

Complex and evolving regulatory requirements
In order to be allowed to market any future pharmaceutical products, it is required that the Company, its cooperative partners and/or subcontractors will obtain the relevant permits and authorisations from the public authorities, such as the Swedish Medical Products Agency and Ethical Vetting Board, as well as the European Medicines Agency (EMA), and in the U.S. the Food and Drug Administration (FDA). Such rules, which relate among other issues to preclinical investigations and clinical trials as well as the commercialisation and the marketing of the drug candidates in Immunicum's project portfolio, can change over time. Changes in legislation, regulations, rules or administrative practices relating to cancer immune primers and other medicines may increase Immunicum's expenses, or hinder the development of Immunicum's product candidates, which could then have

a significant negative impact on the Company's business operations, financial results and financial position.

Immunicum's intellectual property rights, know-how, trade secrets and confidentiality
Immunicum's future success will largely depend on its ability to obtain and maintain the protection of intellectual property rights, mainly patent protection, in the USA, EU, Asia and other countries, for the intellectual property rights relating to the Company's product candidates. The preconditions for patenting and patent protection of inventions in the field of biotechnology, cancer immune primers and other medicinal products is generally difficult to assess and includes complex legal and scientific assessments. There is a risk that the Immunicum cannot obtain patents for its products or its technology. In addition, patents have a limited lifetime.

There is a risk that the existing and potential future portfolio of patents and other intellectual property rights held by the Company will not constitute sufficiently adequate commercial protection. There is also a risk that the Company's existing and possible future patent portfolio will not be able to be maintained or be burdened by the obligation for the Company to pay license fees or similar fees to third parties. The technologies Immunicum uses in its research, or that which is included in the product candidates Immunicum develops and intends to commercialise, may infringe on patents owned or controlled by another party. Third parties may also infringe a patent that is owned or controlled by Immunicum. Furthermore, a third party may have applied for a patent covering the same product or technology as the Company's. If Immunicum is forced to conduct legal proceedings in order to have established who has the rights to particular patent, this can result in significant expenses and expenditures of time that will be needed for such legal proceedings, and it cannot be ruled out that the Company may not prevail in such legal proceedings, which could lead to that the protection of any or all of the Company's products ceases, or even that Immunicum will be forced to pay significant amounts in compensation for damages.

Immunicum is also dependent on know-how and business secrets/trade secrets, and the Company strives to protect such information, including via confidentiality agreements with its employees, consultants and cooperative partners. However it is not possible to fully protect oneself against unauthorised dissemination of information, which creates the risk that competitors may receive copies of/information about such information and can take advantage of the know-how that has been developed or is held by Immunicum. Furthermore, the dissemination of trade secrets or commercial secrets affects the Company's prospects of having the patent(s) for inventions being granted.

If events related to of the above risks would occur, it would be able to have a significant negative impact on the Company's business operations, its profits, and its financial position.

Claims and legal disputes
As a consequence of normal business operations, Immunicum can become involved in legal disputes and litigation. Legal disputes and litigation can be time-consuming, disrupt the on-going business operations, relate to significant amounts or fundamentally important issues, and result in significant costs which can lead to a substantial negative impact on the Company's business operations, its profits, and its financial position.

Changes in the pharmaceutical industry can result in that the Company's products become obsolete
The pharmaceutical industry is characterised by rapid changes in technology, new technological achievements, and continual improvement of industrial know-how. Immunicum's possible successes will thus largely depend on the Company's ability to adapt to such external factors, diversify its project portfolio and develop new and competitively-priced products that meet the requirements of the ever-changing market. Nor can it be excluded that future technological achievements may cause the Company's currently planned products (or products planned for the future) to lose their commercial value. If the Company is not able to adapt to technical developments, this could have a significant negative impact on the Company's business operations, its profits, and its financial position.

The recommendation of the board of directors for the appropriation of the company's profits/losses

Amounts in SEK	
The following funsd are available to the Annual General Meeting for its disposition	
Share premium reserve	252,535,222
Retained earnings	-114,653,179
Net profit/loss for the year	-36,793,917
Total	**101,088,126**
The Board of Directors proposes that the funds are appropriated as follows:	
To be carried forward	101,088,126
Summa	**101,088,126**

For information on the Company's result and financial position, please refer to the following Statement of Comprehensive Income and Balance Sheet with accompanying notes.

Financial Summary

Statement of Comprehensive Income

Amounts in SEK	July-December 2016	2015/2016	2014/2015	2013/2014	2012/2013
Other operating income	-	-	160,000	560,000	1,473
Operating expenses	-36,737,130	-43,642,748	-36,563,839	-17,211,957	-6,974,772
Operating profit/loss	**-36,737,130**	**-43,642,748**	**-36,403,839**	**-16,651,957**	**-6,973,299**
Net financial income/ expense	-56,787	-280,137	789,216	476,921	85,325
Total profit/loss before taxes	**-36,793,917**	**-43,922,885**	**-35,614,623**	**-16,175,036**	**-6,887,974**
Income taxes	-	-	-	-	-
Profit/loss for the period	**-36,793,917**	**-43,922,885**	**-35,614,623**	**-16,175,036**	**-6,887,974**

Balance sheet

Amounts in SEK	31/12/2016	30/06/2016	30/06/2015	30/06/2014	30/06/2013
Subscribed capital unpaid	-	16,687,902	-	-	-
Tangible assets	140,396	180,793	263,507	347,313	95 184
Financial assets	1,000	1,000	1,000	1,000	1,000
Current receivables	9,003,355	7,927,590	2,604,317	1,346,131	992,214
Investments	9,526,626	9,493,383	35,426,626	-	-
Cash and cash equivalents	102,898,565	119,948,858	32,738,441	107,840,568	25,607,241
Assets	**121,569,942**	**154,239,526**	**71,033,891**	**109,535,012**	**26,695,640**
Shareholders' Equity	102,386,053	139,179,970	64,626,697	100,241,320	24,604,113
Long-term liabilities	850,000	850,000	850,000	850,000	850,000
Current liabilities	18,333,889	14,209,556	5,557,194	8,443,692	1,241,527
Total shareholders' equity and liabilities	**121,569,942**	**154,239,526**	**71,033,891**	**109,535,012**	**26,695,640**

Cash flow statement

Amounts in SEK	July-December 2016	2015/2016	2014/2015	2013/2014	2012/2013
Cash flow from operating activities	-33,738,195	-40,228,602	-40,102,127	-9,280,851	-7,146,028
Cash flow from investment activities	-	25,650,763	-35,000,000	-298,065	-57,886
Cash flow from financing activities	16,687,902	101,788,256	-	91,812,243	27,060,597
Cash flow for the year	-17,050,293	87,210,417	-75,102,127	82,233,327	19,856,683
Cash and cash equivalents at the beginning of the period	119,948,858	32,738,441	107,840,568	25,607,241	5,750,558
Cash and cash equivalents at the end of the period	**102,898,565**	**119,948,858**	**32,738,441**	**107,840,568**	**25,607,241**

Key ratios

	31/12/2016	30/06/2016	30/06/2015	30/06/2014	30/06/2013
Liquidity ratio (%)	662%	967%	1 273%	1 293%	2 142%
Equity ratio (%)	84%	90%	91%	92%	92%
Dividends	-	-	-	-	-

Definition of Financial Terms

Liquidity ratio: Current assets divided by current liabilities

Equity ratio: Shareholders' equity as a percentage of total assets

Statement of Comprehensive Income

Amounts in SEK	Note	01/07/2016-31/12/2016	01/07/2015-30/06/2016
Other operating income		-	-
		-	-
Operating expenses			
Other external costs	3, 4, 5	-26,302,897	-33,377,951
Personnel costs	5	-10,204,531	-9,965,352
Depreciaton of tangible assets	6	-40,397	-82,714
Other operating expenses		-189,305	-216,731
Operating profit/loss		**-36,737,130**	**-43,642,748**
Income from financial items			
Interest income and similar items	7	33,468	19,677
Interest expense and similar items	8	-90,255	-299,814
Profit/loss after financial items		**-36,793,917**	**-43,922,885**
Total profit/loss before taxes		**-36,793,917**	**-43,922,885**
Income tax expense	9	-	-
Profit/los for the period		**-36,793,917**	**-43,922,885**
The statement of total comprehensive income is consistent with the financial results for the period.			
Earnings per share, before and after dilution	10	-1,42	-2,18

Balance Sheet

Amounts in SEK	Note	31/12/2016	30/06/2016
ASSETS			
Subscribed capital unpaid		-	**16,687,902**
Fixed assets			
Tangible assets			
Equipment	11	140,396	180,793
Total tangible assets		**140,396**	**180,793**
Financial assets			
Other securities held as fixed assets	12	1,000	1,000
Total financial assets		**1 000**	**1 000**
Total fixed assets		**141,396**	**181,793**
Current assets			
Current receivables			
Tax credits and related receivables		263,218	101,285
Other receivables		1,883,976	3,640,900
Prepaid expenses and accrued income	13	6,856,161	4,185,405
Total current receivables		**9,003,355**	**7,927,590**
Investments	14	**9,526,626**	**9,493,383**
Cash and bank balances	15	**102,898,565**	**119,948,858**
Total current assets		**121,428,546**	**137,369,831**
Total assets		**121,569,942**	**154,239,526**

Balance Sheet continued

Amounts in SEK	Note	31/12/2016	30/06/2016
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Restricted equity			
Share capital	16	1,297,927	1,213,543
New share issues in progress		-	84,384
Total restricted equity		**1,297,927**	**1,297,927**
Unrestricted equity			
Share premium reserve		252,535,222	252,535,222
Retained earnings		-114,653,179	-70,730,294
Profit/loss for the period		-36,793,917	-43,922,885
Total unrestricted equity		**101,088,126**	**137,882,043**
Total shareholders' equity		**102,386,053**	**139,179,970**
Liabilities			
Long-term liabilities			
Other long-term liabilities	17	850,000	850,000
Total long-term liabilitites		**850,000**	**850,000**
Current liabilities			
Accounts payable		5,040,848	5,043,606
Other liabilitities		1,043,987	199,826
Accrued expenses and deferred income	18	12,249,054	8,966,124
Total current liabilities		**18,333,889**	**14,209,556**
Total liabilities		**19,183,889**	**15,059,556**
Total shareholders' equity and liabilities		**121,569,942**	**154,239,526**

Report on Changes in Shareholders' Equity

Amounts in SEK	Share capital	Share premium reserve	Retained earnings	Net profit/loss for the year	Total
Opening shareholders' equity 01/07/2015	**1,001,500**	**134,355,491**	**-35,115,671**	**-35,614,623**	**64,626,697**
The issuance of new shares	212,043	93,347,075			93,559,118
Costs attributable to the new share issues		-12,211,744			-12,211,744
New share issues in progess	84,384	37,044,400			37,128,784
Transfer of prior year's profit/loss			-35,614,623	35,614,623	
Profit/loss for the period				-43,922,885	-43,922,885
Shareholders' equity 30/06/2016	**1,297,927**	**252,535,222**	**-70,730,294**	**-43,922,885**	**139,179,970**
Opening shareholders' equity 01/07/2016	**1,297,927**	**252,535,222**	**-70,730,294**	**-43,922,885**	**139,179,970**
Transfer of prior year's profit/loss			-43,922,885	43,922,885	
Profit/loss for the period				-36,793,917	-36,793,917
Shareholders' equity 31/12/2016	**1,297,927**	**252,535,222**	**-114,653,179**	**-36,793,917**	**102,386,053**

Cash Flow Statement

Amounts in SEK	01/07/2016-31/12/2016	01/07/2015-30/06/2016
Operating activities		
Operating profit/loss before financial items	-36,737,130	-43,642,748
Depreciation and other non-cash items	40,397	82,714
Interest income received	225	20
Interest expense paid	-90,255	-17,334
Cash flow from operating activities before changes in working capital	**-36,786,763**	**-43,557,691**
Increase/decrease in other current receivables	-1,075,765	-5,323,273
Increase/decrease in accounts payable	-2,758	2,590,254
Increase/decrease in other short-term liabilities	4,127,091	6,062,108
Changes in working capital	**3,048,568**	**3,329,089**
Cash flow from operating activities	**-33,738,195**	**-40,228,602**
Investment activities		
Sale of investments	-	25,650,763
Cash flow from investment activities	**-**	**25,650,763**
Financing activities		
The issuance of new shares	16,687,902	114,000,000
Share issue costs	-	-12,211,744
Cash flow from financing activities	**16,687,902**	**101,788,256**
Cash flow for the year	-17,050,293	87,210,417
Cash and cash equivalent at the beginning of the period	119,948,858	32,738,441
Cash and cash equivalents at the end of the period	**102,898,565**	**119,948,858**

Notes

All amounts are in SEK, unless specified otherwise. Figures in parentheses refer to the previous year.

Note 1 – Essential accounting policies and valuation principles

The annual report and accompanying financial statements have been prepared in accordance with the Swedish Annual Accounts Act and pursuant to the Recommendation of Swedish Financial Reporting Board, RFR 2 Accounting for Legal Entities. RFR 2 states that in its annual accounts the parent company must apply International Financial Reporting Standards (IFRS) as adopted by the EU, to the extent possible within the framework of the Swedish Annual Accounts Act and the Act on Safeguarding of Pension Commitments, and taking the relationship between accounting and taxation into regard. The Recommendation stipulates which exceptions and additions can be applied in relation to IFRS.

The changes implemented and that will be implemented linked to RFR 2 Accounting for Legal Entities are not expected to have any impact on Immunicums financial statements.

Translation of foreign currency

Transactions in foreign currency are translated at the exchange rates applicable on the transaction date.

Receivables and liabilities in foreign currencies have been translated at the closing day rate. Exchange gains and losses on operating receivables and liabilities are included in operating profit/loss. Gains and losses on financial receivables and liabilities are reported as financial items.

Recognition of revenue

Grants received are recognised in the balance sheet as deferred income and are recognised as income in the period when the cost to be supported is reported. Government grants are recognised as other operating income when it is clear that the conditions associated with the grants are met.

Expenditures for research and development

Research costs refer to expenditures for research aimed at obtaining new scientific or technical knowledge. Development expenditure means expenditure which research findings or other knowledge is applied to achieve new or improved products or processes in accordance with IAS 38 Intangible assets.

Research costs are expensed in the period incurred. Development expenditure is recognised as an intangible asset in the event that the asset is expected to generate future economic benefits and then only on condition that it is technically and financially possible to complete the asset, the intention and the conditions exist to use the asset in operations or sold and the value can be measured reliably.

An assessment of the possibility to recognise development costs as an intangible asset will occur no earlier than when a development project is in Phase III.

Leasing

All leasing agreements are reported as operational leasing agreements, which means that the leasing fees are distributed on a linear basis over the term of the lease.

Remunerations to employees

Short-term remunerations

Short-term employee remunerations are calculated without discounting and recognised as an expense when the related services are performed. A provision for the expected cost of bonus payments is made when the company has a current obligation to make such payments as a result of services received from employees and the obligation can be reliably estimated.

Termination remunerations

An expense for remuneration in connection with the termination of staff is reported when the company is obligated, without realistic possibility of withdrawal, by a formal plan to terminate employment before the normal time.

Post-employment remunerations

For defined contribution plans, the company pays contributions to pension insurance. The company has no further payment obligations once the contributions are paid. The contributions are recognised as personnel expenses when they fall due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments may benefit the company.

Taxes

Deferred tax assets relating to unutilised losses carried forward and deductible temporary differences are recognised only to the extent that it is probable that these will be able to be utilised against future taxable profits. As there is some uncertainty concerning when the Company's deductible deficiencies (tax loss carryforwards) may be able to be used for offsetting against taxable profits, deferred tax assets relating to deductible deficiencies are not recognised at any value.

Tangible assets

Tangible fixed assets are valued at their acquisition value with a deduction for accumulated depreciation. Tangi-

ble fixed assets are amortised on a linear basis over their expected useful life.

Depreciation according to plan:
-Equipment 5 years

Financial instruments
A financial instrument is any form of contract that gives rise to a financial asset, a financial liability, or an equity instrument in another company. For Immunicum, this includes the cash and cash equivalents, short-term investments, other receivables, accounts payables, other outstanding debts and loans payable. Cash and cash equivalents consist of bank deposits. Short-term investments consist of investments in mutual funds.

Accounting for financial instruments
A financial asset or a financial liability is recognised in the balance sheet when the Company becomes a party in accordance with the contractual provisions of the instrument. Liabilities are recognised once the counterparty has presented them and there is a contractual obligation to pay, even if an invoice has not yet been received. Accounts payable are recognised when the invoice has been received. A financial asset is removed from the balance sheet when the contractual rights have been settled, have expired/lapsed, or the Company has lost control over them. The same applies for a part of a financial asset. A financial liability is removed from the balance sheet when the obligation in the contract is fulfilled or it becomes extinguished in another way. The same applies for a part of a financial liability. Acquisitions and sales of financial assets are recognised on the "trade date", i.e. the date the Company entered into the transaction, committing to purchase or sell the asset.

Classification and valutation of financial instruments
The classification depends on the purpose(s) behind the acquisition of the financial instrument.

Other receivables
Receivables are reported as current assets except for items with a due date of more than 12 months after the close of the reporting period, which are classified as fixed assets. Accounts receivable are recognised at the amount expected to be paid to the Company after deduction for any doubtful receivables as individually assessed.

Investments
Securities acquired with intention of being held short term are initially recognised at acquisition cost and in subsequent valuations in accordance with the lowest cost principle at the lower of acquisition cost or market value. With valuation at the lowest cost principle, short-term investments are deemed to be a part of portfolio of securities and the valuation principle is applied to the portfolio as a whole.

Loan liabilities and amounts payable to suppliers
Loan liabilities and amounts payable to suppliers are initially recognised at acquisition value after deduction of transaction costs. If the carrying amount differs from the amount to be repaid at maturity, the difference is amortised as an interest expense over the term of the loan using the instrument's effective interest rate. In this way, the carrying amount and the amount to be repaid on the maturity date corresponds.

Offsetting of a financial assets and a financial liability
A financial asset and a financial liability are offset and recognised with a net amount in the balance sheet only when a legally enforceable right exists and when a settlement with a net amount is regarded to occur or when a contemporaneous sale of the asset and settlement of the liability it relates to occurs.

Note 2 – Financial risks

Foreign exchange exposure
Immunicum's foreign exchange exposure increases in pace with as the development projects progress in the value chain and the costs for services in connection with clinical trials increases. These services are partially carried out outside of Sweden and paid for in foreign currency. The Company has not made use of currency hedging so far, but will evaluate the need of such as its business develops further and expands.

Interest rate exposure
Immunicum's exposure to market risk for changes in interest rates relates to bank deposits and investments in interest-bearing securities.

Liquidity risk
Liquidity risk are limited via liquidity planning and placement of funds in financial instruments with high liquidity.

Note 3 - Operating leases

Amounts in SEK	01/07-2016-31/12/2016	01/07/2015-30/06/2016
The Company's leasing contracts relate in their entirety to the rental of office premises where its business operations are conducted		
Leasing cots for the year concerning the rental of offices amounted to	314,400	628,800

Future lease payments with respect to non-cancellable lease agreements amount to the following

Within one year	628,800	628,800
Later than one year, but within five years	733,600	1,048,000
Later than five years	-	-
Total	**1,362,400**	**1,676,800**

Note 4 - Remuneration to the auditors

Amounts in SEK	01/07-2016-31/12/2016	01/07/2015-30/06/2016
Öhrlings PricewaterhouseCoopers		
Audit assignment	-	160,000
Auditing activities over and above the audit assignment	-	90,000
Tax consulting	42,840	35,500
KPMG		
Audit assignment	120,000	-
Total	**162,840**	**285,500**

What is meant by audit assignment refers to review of the Annual Report and financial acounts plus the management by the Board of Directors and the CEO. Auditing activities over and above the audit assignment relate i.a to the review of the interim report.

Note 5 - Employees and personnel costs

Amounts in SEK	01/07-2016-31/12/2016	01/07/2015-30/06/2016
Number of employees (annualised average)		
Men	3	3
Women	5	4
Total	8	7
Gender breakdown of Members of the Board and senior management		
Board Members	7	5
of which, men	4	4
CEO, and others in senior management	4	4
of which, men	3	2
Salaries, other remuneration and social insurance expenses		
Salaries and other remuneration	7,490,364	6,436,960
Social insurance expenses	2,756,195	2,698,000
(of which, pension costs)	(806,484)	(833,510)
Total	**10,246,559**	**9,134,960**
(of which, pension costs)	**(806,484)**	**(833,510)**

Amounts in SEK	01/07-2016-31/12/2016	01/07/2015-30/06/2016
Salaries and other remuneration distrubuted between Board Members, senior management and other employees		
Board Members and senior management	5,660,992	4,416,201
Other employees	1,829,372	2,020,759
Total	**7,490,364**	**6,436,960**
Remuneration and other benefits provided to Board Members		
Agneta Edberg, COB	190,000	270,000
Charlotte Edenius (Board Member from the 2016 AGM)	37,500	-
Bengt Furberg (Board Member until the 2016 AGM)	37,500	75,000
Steven Glazer (Board Member from the 2016 AGM)	43,750	-
Martin Lindström	77,500	75,000
Magnus Nilsson	72,500	75,000
Magnus Persson	68,750	75,000
Kerstin Valinder Strinnholm (Board Member from the 2016 AGM)	31,250	-
Current CEO's remuneration and employment benefits (took office 1 October 2016)		
Salary	1,463,376	-
Bonuses	-	-
Other benefits	63,772	-
Pension costs	228,750	-
Previous CEO's remuneration and employment benefits		
Salary	872,480	1,085,300
Bonuses	142,500	100,000
Pension costs	260,775	324,825

Amounts in SEK	01/07-2016-31/12/2016	01/07/2015-30/06/2016
Remuneration and employment benefits to other senior management		
(three individuals)		
Salary	2,368,128	2,572,566
Bonuses	-	88,335
Other benefits	191,986	-
Pension costs	75,054	428,765

Remuneration to the Members of the Board of Directors
Fees to the Board are payable pursuant to a resolution adapted by the Annual General Meeting. The Annual General Meeting on 26 October 2016 decided that fees based on a financial year comprising a period of 12 months would amount to SEK 295,000 to the Chairman and SEK 125,000 to each of the other Board members, SEK 35,000 to the Chairman and SEK 15,000 to each other Board members who serve on the Audit Committee as well as SEK 50,000 to the Chairman and SEK 25,000 to the director who is part of the Scientific Committee. During the financial year, former board member Bengt Furberg received a fee of SEK 15,000 (SEK 15,000) as a member of the company's scientific advisory board. The previous financial year SEK 45,000 was also received as a consulting fee.

Remuneration to CEO
The remuneration of the current CEO includes an amount of SEK 705,000 for purchase of shares in the company that was reimbursed by the company through payroll. The net proceeds were used for the purchase of additional shares in the company. The payment is conditional upon the CEO does not sell the shares within a period of two years from the time of purchase. For the CEO 30% of salary are paid as pension insurance premiums. The remuneration paid to former CEO includes salary and pension premiums for January-March 2017 when he was released from work.

Periods of notice and severance pay
For the Company's CEO and CFO, the mutual period of notice is six months. For others in senior management, the mutual period of notice is three months. During period of notice CEO and senior management are entitled to full salary and fringe benefits. No agreements have been entered into with regards to severance pay.

Bonuses
A variable remuneration is payable to the CEO, in addition to a fixed monthly salary, if objectives are achieved. This is capped at 35% of fixed salary. In addition, the CEO is under certain conditions entitled to a bonus in the sale of all or substantially all of the company's assets or intellectual property rights, at licensing of the company's intellectual property rights or other transactions that the board deems to be of similar meaning. The bonus is paid in a sale of all or substantially all of the Company's assets by an amount equivalent to 1.5 percent of the purchase price, at a licensing by an amount equivalent to two (2) percent of any prepayment and one (1) percent of subsequent milestone payments (excluding royalties). Compensation may be payable if such a transaction occurs within twelve (12) months after the contract is terminated unless such termination is made by the CEO or caused by his breach of contract. The CEO loses all entitlement to the bonus if he voluntarily terminates his employment. Other senior executives will receive bonuses if targets are achieved. The bonus can not, depending on the individual, exceed one or two months' salary.

Preparation and decision-making process
The remuneration paid to the Chief Executive Officer is a matter decided by the Board of Directors, but the preparatory work for this decision is undertaken by the Chair of the Board. Remuneration to others in senior management is determinde by the Chief Executive Officer in consultation with the Chair of the Board, based on external labour market data.

Pensions
The company has only defined contribution pension plans. The company does not have any other pension commitments.

Note 6 - Depreciation

Amounts in SEK	01/07-2016-31/12/2016	01/07/2015-30/06/2016
Equipment	40,397	82,714
Total	**40,397**	**82,714**

Note 7 - Interest income and similar items

Amounts in SEK	01/07-2016-31/12/2016	01/07/2015-30/06/2016
Reversed write-down of short-term investment	33,243	-
Interest income	225	19,677
Total	**33,468**	**19,677**

Note 8 - Interest expense and similar items

Amounts in SEK	01/07-2016-31/12/2016	01/07/2015-30/06/2016
Losses from sale of short-term investment	-	-249,237
Write-down of short-term investment	-	-33,243
Interest expenses	-90,255	-17,334
Total	**-90,255**	**-299,814**

Note 9 - Income tax expense

Amounts in SEK	01/07-2016-31/12/2016	01/07/2015-30/06/2016
Current taxes	-	-
Deferred taxes	-	-
Recognised tax expense on the year's net income	**-**	**-**
Difference between recognised tax expense and an estimated tax expense based on the current tax rate:		
Total profit/loss befor taxes	-36,793,917	-43,922,885
Income tax according to current tax rate	8,094,662	9,663,035
Tax effect of non-deductible expenses	-4,299	-14,517
Tax effect of non-taxable income	7,331	124
Tax effect of a deductible deficiency for which no deferred tax assets have been taken into account	-8,097,694	-9,648,642
Tax expense	**-**	**-**
The current tax rate is 22% (22%)		
Unutilised deductible deficiency for which no deferred tax asset has been recognised	168,795,847	131,988,149

Note 10 - Earnings per share

Amounts in SEK	01/07-2016-31/12/2016	01/07/2015-30/06/2016
Earnings per share, before dilution		
Net profit/loss for the year	-36,793,917	-43,922,885
Average number of shares outstanding	25,913,542	20,169,695
Earnings per share, before dilution, SEK	**-1.42**	**-2.18**
Earnings per share, after dilution		
Net profit/loss for the year	-36,793,917	-43,922,885
Average number of shares outstanding	25,913,542	20,169,695
Earnings per share, after dilution, SEK	**-1.42**	**-2.18**

Earnings per share before dilution is based on the financial results for the year and the weighted average of the number of shares outstanding.

Earnings per share after dilution is based on the financial results for the year and the weighted average of the number of shares outstanding plus the dilutive effect of potential shares. At 30 June 2016 there was a dilution effect of the ongoing rights issue due to subscribed but not paid and registered shares. This dilution effect has not been taken into account as a conversion would decrease the loss per share. At closing date 31 December 2016 there were no outstanding potential shares that could cause a dilution.

Note 11 - Equipment

Amounts in SEK	31/12/2016	30/06/2016
Opening balance accumulated acquisition values	426,605	426,605
Acquisition during the year	-	-
Closing balance accumulated acquisition values	**426,605**	**426,605**
Opening balance accumulated depreciation	-245,812	-163,098
Depreciation for the year according to plan	-40,397	-82,714
Closing balance accumulated depreciation	**-286,209**	**-245,812**
Closing book value	**140,396**	**180,793**

Note 12 - Other long-term securities

Amounts in SEK	31/12/2016	30/06/2016
Holdings of shares of LFF Service AB	1,000	1,000
Total	**1,000**	**1,000**

Note 13 - Prepaid expenses

Amounts in SEK	31/12/2016	30/06/2016
Prepaid expenses relating to preclinical development/ clinical trials	6,151,563	3,521,884
Prepaid insurance premiums	419,204	333,184
Prepaid rents	178 ,596	188,423
Accrued interest income	-	8,634
Other prepaid expenses	106,798	133,280
Total	**6,856,161**	**4,185,405**

Note 14 - Investments

The Company has placed funds in the Handelsbanken Multi Asset Low (low risk) Fund. This fund invests in Swedish fixed income funds, Nordic and global equity funds, hedge funds and commodity funds. Fair value is amounting to SEK 9,821,072 (9,493,383).

Note 15 – Cash and bank balances

The Company has a contractual credit limit for Business Card amounting to SEK 300,000 (300,000). The Company has provided security for this credit and for a bank guarantee of SEK 314,400 (314,400) via a general pledge of bank deposits in the amount of SEK 565,537 (565,537).

Note 16 – Share capital

The number of shares in the Company as at 31 December 2016 amounts to 25,958,541 (24,270,869). The quota value is SEK 0.05.

Note 17 – Other long-term liabilities

The Company has previously received financing in the form of conditional credits from Region Västra Götaland amounting to SEK 850,000. The terms of repayment for these loans are 5 percent of potential future income, with the addition of interest at the reference rate set by the Swedish National Bank for the calendar half-year in question, plus an additional two percentage points.

Note 18 - Accrued expenses

Amounts in SEK	31/12/2016	30/06/2016
Dferred new share issue costs	-	5,042,730
Accrued expenses relating to preclinical development/ clinical trials	8,551,709	1,958,350
Accrued personnel-related costs	2,671,298	1,447,771
Other accrued expenses	1,026,047	517,273
Total	**12,249,054**	**8,966,124**

Note 19 – Fair value of financial instruments

The carrying amounts is assessed to be a reasonable estimate of the fair value for the financial instruments held by the Company. The Company's holdings of short-term investments are valued in acccordance with the principle of lower of cost or net realisable value.

Note 20 - Appropriation of profit/loss

Amounts in SEK	
The following unrestricted shareholders' equity are available to the Annual General Meeting for its disposition:	
Share premium reserve	252,535,222
Retained earnings	-114,653,179
Net profit/loss for the year	-36,793,917
Total	**101,088,126**
The Board of Directors proposes that the profits available for distribution and unrestricted reserves be allocated as follows	
to be carried forward	101,088,126
Total	**101,088,126**

Note 21 – Pledged assets

Amounts in SEK	31/12/2016	30/06/2016
Pledged assets for own liabilities and provisions		
Pledged bank deposit	565,537	565,537
Total	**565,537**	**565,537**

Note 22 – Events after the balance date

There were no significant events after the balance date that could have an impact of the assessment of the financial information in this report.

Signatures

Gothenburg, 16 March 2017

Agneta Edberg
Chair of the board of directors

Magnus Nilsson
Member of the board of directors

Charlotte Edenius
Member of the board of directors

Magnus Persson
Member of the board of directors

Steven Glazer
Member of the board of directors

Kerstin Valinder Strinnholm
Member of the board of directors

Martin Lindström
Member of the board of directors

Carlos de Sousa
CEO

Our Auditor's Report has been submitted on 16 March 2017
KPMG AB

Jan Malm
Auktoriserad revisor/Authorised Public Accountant
Auditor in Charge

Auditor's report

To the general meeting of the shareholders of Immunicum AB, corporate ID 556629-1786

Report on the annual accounts

Opinions

We have audited the annual accounts of Immunicum AB for the financial year 2016-07-01—2016-12-31. The annual accounts of the company are included on pages 32-50 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of Immunicum AB as of 31 December 2016 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Immunicum AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

Other Matter

The audit of the annual accounts for the financial year 2015-07-01—2016-06-30 was performed by another auditor who submitted an auditor´s report dated 29 September 2016, with unmodified opinions in the Report on the annual accounts.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden 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 annual accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, 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 opinions. 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 the company's internal control relevant to our 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 by the Board of Directors and the Managing Director.

- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any 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 annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. 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.

- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors and the Managing Director of Immunicum AB for the financial year 2016-07-01—2016-12-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Immunicum AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or

- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Göteborg on 16 March 2017
KPMG AB

Jan Malm
Authorized Public Accountant

Articles of Association

§ 1 Company
The name of the company is IMMUNICUM AB (publ). The company is a public company (publ).

§ 2 Registered office
The Board of Directors is to have its registered office in the municipality of Gothenburg, Västra Götaland County.

§ 3 Business purposes
The Company is to engage in research, development, marketing and sale of pharmaceutical drugs and other medicinal products, and to engage in related activities.

§ 4 Share capital
The Company's share capital is to be not less than SEK 500,000 and SEK maximum 2,000,000.

§ 5 Number of shares
The number of shares will be a minimum of 10,000,000 shares and a maximum of 40,000,000 shares.

§ 6 The board of directors
The Board of Directors is to consist of not less than three and not more than eight members, with zero alternate members.

§ 7 Auditors
For the purpose of examining the Company's Annual Report and accompanying financial accounts, as well as the Board of Directors' and the Chief Executive Officer's management of the Company, an Auditor is to be appointed at the Annual General Meeting for the period until the conclusion of the next Annual General Meeting.

§ 8 Notice
Notice for the General Meeting of Shareholders is to take place by placing an announcement in the Post och Inrikes Tidningar (the Swedish Official Gazette), plus via that the notice for the Meeting is posted on the Company's website. At the same time as the notice for the Meeting occurs, the Company is to inform the general public that the notice for the Meeting has occured, via placing an announcement in Dagens Industri. Notice of convening the Annual General Meeting (AGM) and Extraordinary General Meeting of Shareholders (EGM) at which issues relating to amendments to the Articles of Association are be dealt with must be issued not earlier than six weeks and not later than four weeks before the Meeting. Notice of convening an Extraordinary General Meeting of Shareholders is to be issued not earlier than six weeks and not later than three weeks prior to the Meeting.

§ 9 Notice of intention to attend the annual general meeting
Such shareholders who are listed in the share register, as prescribed in Chapter 7, §28, 3. of the Swedish Companies Act, and who have notified the Company not later than the date specified in the notice for the Meeting, shall have the right to participate in the Meeting. This day may not be on Sunday, any other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve, and may not fall earlier than the fifth weekday prior to the Meeting.

§ 10 Matters taken up at annual general meetings
At the Annual General Meeting, the following matters are to be dealt with:

1. Election of a chairperson to chair the meeting.
2. Preparation and approval of the voting list.
3. Presentation and approval of the agenda.
4. Appointment of one or two persons to verify the minutes.
5. Determination of whether the AGM has been duly convened.
6. Presentation of the Annual Report and the Auditor's Report, and where relevant the consolidated financial statements and Auditor's report for the group.
7. Decisions concerning
   a. the adoption of the Profit & Loss statement and the Balance Sheet, and were relevant the Consolidated Profit & Loss and Consolidated Balance Sheet.
   b. the appropriaton of the Company's profit or loss in accordance with the adopted Balance Sheet.
   c. discharge from liability vis-à-vis the company for the Members of the Board of Directors and the Chief Executive Officer.
8. Determination of remuneration and other fees for the Members of the Board of Directors and to the Auditor.
9. Election of members to the Board of Diretors and appointment of Auditor(s) and any alternate auditors.
10. Other mattters that aret o be dealt with at the Annual General Meeting pursuant to the Swedish Companies Act or the Company's Articles of Association.

§ 11 Financial year
The financial year of the Company is to be 1 January-31 December.

§ 12 Central securities depository clause
The Company's shares are to be registered with a CSD register in accordance with the Swedish Financial Instruments Accounts Act (SFS 1998:1479).

Annual General Meeting and Publication Dates

Immunicum AB's Annual General Meeting

26 April 2017

Interim report Q1

19 May 2017

Interim report Q2

18 August 2017

Interim report Q3

17 November 2017

Year-end report 2017

16 February 2018

The reports will be available on the www.immunicum.com website as of the date of release.

IMMUNICUM
INNOVATION IN IMMUNO-ONCOLOGY

Immunicum AB
Grafiska vägen 2
SE-412 63 Gothenburg
Tel: +46(0)31- 41 50 52