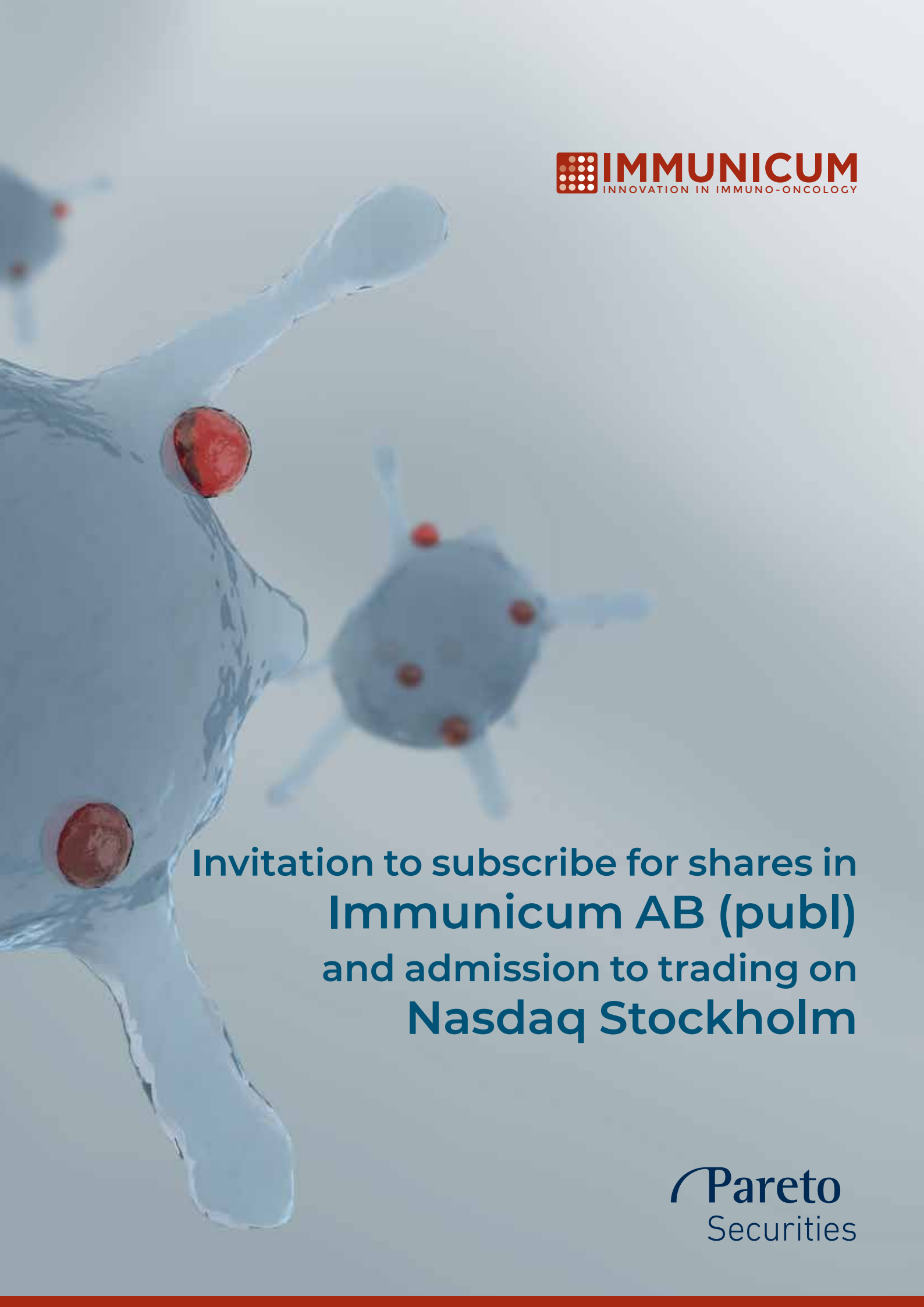


IMMUNICUM
INNOVATION IN IMMUNO-ONCOLOGY

Invitation to subscribe for shares in Immunicum AB (publ) and admission to trading on Nasdaq Stockholm

Pareto Securities

IMPORTANT INFORMATION TO INVESTORS

This prospectus (the "Prospectus") has been prepared in connection with the offer to the public in Sweden, and to institutional investors in Sweden and abroad, to subscribe for shares in Immunicum AB (publ) ("Immunicum" or the "Company") and the admission to trading on Nasdaq Stockholm. For definitions of certain terms used in the Prospectus, refer to the section *Certain definitions and terms*.

PREPARATION AND REGISTRATION OF THE PROSPECTUS

The Prospectus has been approved and registered by the Swedish Financial Supervisory Authority in accordance with the provisions of Chapter 2, Sections 25 and 26 of the Swedish Financial Instruments Trading Act (1991:980). Approval and registration does not entail that the Swedish Financial Supervisory Authority guarantees that the factual information in the Prospectus is accurate or complete. The Prospectus is available from Immunicum's website at www.immunicum.com, Pareto's website at www.paretosec.com and the Swedish Financial Supervisory Authority's website at www.fi.se. The Prospectus has been prepared in Swedish and English language versions. In the event of any discrepancies between the two versions, the Swedish version shall prevail.

In certain jurisdictions, distribution of the Prospectus and participation in the offer (the "Offer") are subject to restrictions under the law and other regulations. The Offer is not directed to the public in any country other than Sweden. The Offer is not directed to persons resident in the US (including its territories and provinces, each state in the US and the District of Columbia (the "US")), Canada, Australia, Hong Kong, Japan, New Zealand, Singapore or South Africa, or in any other jurisdiction where participation would require an additional prospectus, registration or measures other than those required by Swedish law. No measures have been or will be taken in any jurisdiction other than Sweden that would permit the shares to be offered to the public or admitted to trading, or permit this Prospectus or any other documents pertaining to the Company or the shares in the Company to be held or distributed in such a jurisdiction. Accordingly, the Prospectus and other documents pertaining to the Offer may not be distributed in or to the aforementioned countries or to any other jurisdiction where distribution or the Offer requires such action or is otherwise in violation of the applicable regulations. Applications to subscribe for shares that are in violation of the restrictions described above may be considered invalid, and persons who receive or gain access to this Prospectus are instructed by the Company and Pareto to inform themselves of, and comply with, all such restrictions. Neither the Company nor Pareto accepts legal responsibility for any violation of any such restrictions, regardless of who has committed the violation. The shares, subscription rights and paid subscription shares in the Offer ("Securities") have not been, and will not be, registered under the US Securities Act of 1933, as amended, (the "Securities Act") or by any US state securities authority, and will not be offered in the US unless the shares are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is applicable. The Securities are being offered outside the US by virtue of Regulation S under the Securities Act. A public offer will not be made in the US. An offer of Securities in the US will be made to a limited number of existing investors who are considered to be Qualified Institutional Buyers (as defined in Rule 144A of the Securities Act) in accordance with an exemption from the registration requirements of the Securities Act, provided that these investors have subscribed and submitted an investor letter to Immunicum. Investors in the US who are not Qualified Institutional Buyers are, therefore, not permitted to participate in the Offer, exercise subscription rights or subscribe for new shares in Immunicum. The shares may not be sold, pledged or otherwise transferred within the US except in accordance with an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable state securities legislation. Reproduction and distribution of all or any part of this Prospectus in the US and any disclosure of its contents is forbidden. The shares in the Offer have not been approved by any US federal or state securities authority or any other US authority. Nor have the aforementioned authorities confirmed the accuracy or reliability of this Prospectus. Any claim to the contrary is a criminal offence in the US. No public offering of Securities is made to any countries within the European Economic Area ("EEA") other than Sweden. An offering of Securities can only be made in other member states of the EEA that have implemented Directive 2003/71/EC of the European Parliament and of the Council (the "Prospectus Directive"), in accordance with an exemption from the Prospectus Directive and every relevant implementing measure (including implementing measures of Directive 2010/73/EU of the European Parliament and of the Council).

FORWARD-LOOKING STATEMENTS AND RISK FACTORS

An investment in securities is associated with certain risks. Refer to the section *Risk factors*. Investors who make an investment decision must rely on their own assessment of Immunicum, including the merits and risks involved. Prior to making an investment decision, potential investors should engage their own professional advisor and carefully evaluate and give due consideration to the investment decision. Investors may only rely on information contained in this Prospectus and any addendums to the Prospectus. No person has been authorised to give any information or make any statements other than those contained in the Prospectus and, if nevertheless given or made, such information or statements must not be relied upon as having been authorised by Immunicum and Immunicum is not responsible for any such information or statements. Neither the delivery of the Prospectus nor any transactions that are made hereunder shall, under any circumstances, create any implication that the information contained in the Prospectus is correct as of any time subsequent to the date of publication of the Prospectus or that there has been no change in Immunicum's business since the same date. Should any material change occur in the information contained in the Prospectus, such material change will be published in accordance with the provisions on supplements to prospectuses as stipulated in the Swedish Financial Instruments Trading Act.

The Prospectus contains certain forward-looking statements that reflect Immunicum's views with respect to future events and financial and operational performance. Such words as "believes", "estimates", "expects", "anticipates", "assumes", "foresees", "intends", "is intended to", "assesses", "might", "will", "shall", "should", "is of the opinion", "may", "plans", "potential", "possible", "expects", "forecasts" and other expressions that relate to indications or predictions that concern future developments or trends and are not based on historical facts are intended to identify forward-looking statements. The applies, in particular, to statements and opinions in the Prospectus pertaining to future operational or financial results, plans and expectations for the Company's operations and products, and general financial and regulatory environment, and other circumstances impacting the Company.

Forward-looking statements are based on the Company's current estimates and assumptions, which have been made in accordance with information known to the Company. Forward-looking statements are, by nature, associated with known, as well as unknown, risks and uncertainties, given their dependence on future events and circumstances. Forward-looking statements are no guarantee of future results or trends, and the actual results could differ materially from those contained in the forward-looking statements.

Factors that could result in Immunicum's actual earnings and performance deviating from the content of the forward-looking statements include, but are not limited to, the descriptions in the section *Risk factors*. Forward-looking statements in the Prospectus apply only on the date of publication of the Prospectus. Immunicum gives no undertaking that it will disclose updates or revisions of forward-looking statements due to new information, future events or other such matters above and beyond what is required according to applicable laws. Accordingly, potential investors should not attach undue importance to the forward-looking statements contained herein, and potential investors are encouraged to read the Prospectus in its entirety, including the sections *Summary, Risk factors, Business overview and Market overview*, all of which contain descriptions of some of the circumstances and factors that may impact the Company's operations and the market in which the Company operates. Neither the Company nor Pareto gives any assurance as to the future accuracy of the opinions set forth in this Prospectus or as to the occurrence of any future events referred to in this Prospectus. Neither the Company nor Pareto assumes responsibility for updating any of the forward-looking statements or conforming these statements to actual events or actual developments, with the exception of what is required according to applicable laws regulations in the marketplace where the Company's shares are, or will be, admitted to trading.

INDUSTRY AND MARKET INFORMATION

The Prospectus contains market and industry information relating to Immunicum's operations and the market in which the Company is active. Such information is based on the Company's analysis of several different sources.

Industry publications or reports generally state that the information reproduced therein has been obtained from sources adjudged to be reliable, but the accuracy and completeness of such information is not guaranteed. The Company has not verified the information itself, it cannot guarantee the correctness of the industry or market information contained in the Prospectus and that has been collected or derived from industry publications or reports. By their nature, industry and market information is forward looking, subject to uncertainty, and do not necessarily reflect actual market conditions. Such information is based on market surveys, which in turn are based on selection and subjective assessments, including assessments about the type of products and transactions that should be included in the relevant market, in respect to both those who perform the surveys and the particular respondents.

Information from third parties has been accurately reproduced and, as far as the Company is aware and can ascertain by comparisons with other information published by the relevant third parties, no information has otherwise been omitted that could render the reproduced information inaccurate or misleading.

PRESENTATION OF FINANCIAL INFORMATION

Some financial information in the Prospectus has been rounded off, which means some of the totals in tables do not sum correctly. Except as expressly indicated herein, no financial information in this Prospectus has been audited or reviewed by the Company's auditor.

CERTAIN DEFINITIONS AND TERMS

"Immunicum" or the "Company" refers to Immunicum AB (publ), Corporate Registration Number 556629-1786. "Pareto" refers to Pareto Securities AB, Corporate Registration Number 556206-8956. "Euroclear" refers to Euroclear Sweden AB, Corporate Registration Number 556112-8074. "Nasdaq Stockholm" refers to the regulated market Nasdaq Stockholm or Nasdaq Stockholm AB, depending on the context. "Nasdaq First North Premier" refers to the First North Premier segment on the multilateral trading facility ("MTF") Nasdaq First North, operated by Nasdaq Stockholm.

"SEK" refers to the Swedish krona, "EUR" refers to the euro and "USD" refers to the US dollar. "Thousand" refers to thousands of SEK, EUR or USD and "million" refers to millions of SEK, EUR or USD. The "Offer" refers to the offer to subscribe for shares in the Company, as detailed in this Prospectus, and the "Rights Issue" refers to the issue of shares in the Company in accordance with the Offer. The "Prospectus" refers to this prospectus, including all documents incorporated through reference.

DISPUTES

The Offer and the Prospectus are governed by Swedish law. Disputes arising in connection with the Prospectus or any subsequent legal relationships are to be settled exclusively by Swedish courts, with the Stockholm City Court as the court of first instance.

Table of contents

The Rights Issue in brief

Preferential rights
A person registered as a shareholder on the record date 6 December 2017 will receive one subscription right for each share held in Immunicum. The subscription rights entitle the holder to subscribe for new shares with preferential rights, whereupon 14 subscription rights entitle the holder to subscribe for 15 new shares.

Subscription price
SEK 8 per share

Record date for receiving subscription rights in the Rights Issue
6 December 2017

Subscription period
8 December 2017 – 22 December 2017

Trading in subscription rights
8 December 2017 – 20 December 2017

Trading in paid subscribed shares (BTA 1)
8 December 2017 – 9 January 2018

ISIN codes
Subscription rights: SE0010600544
BTA 1: SE0010600551
Shares: SE0005003654

Ticker
IMMU

Important dates

Last day for trading on Nasdaq First North Premier
12 January 2018

First day for trading on Nasdaq Stockholm
15 January 2018

Financial calendar

Year-end report
16 February 2018

Annual general meeting
25 April 2018

Summary

Prospectus summaries consist of information requirements listed point by point. The points are numbered in sections A – E (A.1 – E.7). The summary in this Prospectus contains all the points required in a summary for the relevant type of securities and issuer. However, as certain points are not applicable to all types of prospectus, there may be gaps in the numbering of the points. Even if the inclusion of a point in the summary is required for the relevant type of prospectus, it is possible that no relevant information is available for the point. In such case, the information has been replaced with a brief description of the point and the words "not applicable".

Section A – Introduction and warnings

A.1	*Introduction and warnings*	This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have prepared the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	*Consent to use of the Prospectus*	Not applicable. Financial intermediaries are not entitled to use the Prospectus for subsequent resale or final placement of securities.

Section B – Issuer

B.1	*Name and trade name*	The registered name of the Company is Immunicum Aktiebolag and the Company's corporate registration number is 556629-1786. The Company uses the trade name Immunicum.
B.2	*Registered office and legal form*	Immunicum is a Swedish public limited liability company. The board of directors has its registered office in the municipality of Gothenburg, Västra Götalands county. The Company was founded in Sweden and is regulated by the Swedish Companies Act (2005:551).
B.3	*Principal activities*	Immunicum is establishing a unique immuno-oncology approach through the development of allogeneic, off-the-shelf cell-based therapies. The Company's goal is to improve survival outcomes and quality of life by priming the patient's own immune system to fight cancer. The Company's lead product ilixadencel has completed Phase I/II clinical studies in kidney and liver cancer and will continue its clinical development program to become a backbone component of modern cancer combination treatments in a variety of solid tumor indications.

B.4a	*Trends*	• Cancer has been traditionally treated with chemotherapy and, more recently, with targeted therapies that block specific cancer pathways. These therapies can be effective in reducing tumor growth and killing tumor cells, yet tumor often develop resistance against these therapies, causing the tumor to grow again and continued burden to the patient. • Immuno-oncology is a rapidly growing area of cancer research and treatment where therapies are designed to help the body's own immune system to fight cancer, being able to overcome treatment resistance and, more importantly, provide a chance for long-term survival for patients. In 2013, immunotherapy against cancer was named the scientific breakthrough of the year by the prestigious journal, Science. • According to Radiant Insights, the market for immune therapies is expected to grow at an annual growth rate of 23.9 percent, and amount to USD 75.8 billion by 2022, to capture approximately half of the total market for cancer therapies. • Checkpoint inhibitors, such as Bristol Myers Squibb's Opdivo® (nivolumab) and Merck's Keytruda® (pembrolizumab), are leading in the competitive immune-oncology area. These therapeutics are designed to block the tumor's ability to suppress the immune system. However, these therapies are only effective if the patient's immune system recognizes the tumor and is sufficiently activated, which is in the minority of patients with cancer. Combination therapies of such therapeutics with immune activators, or immune primers, will provide more patients with cancer improved outcomes on survival and quality of life. • Immunicum's lead product ilixadencel is exploiting the unique and critical role of pro-inflammatory dendritic cells as observed in transplant rejection and response to viral infections, to induce a highly personalized anti-tumor immune response. The immuno-oncology field is now moving towards therapeutics that stimulate the innate immune system and ilixadencel has a number of key immunological benefits over the limitations of local inflammatory molecules and traditional cancer vaccines. • The Company has completed Phase I/II studies in kidney and liver cancer in 2013 and 2017, in which it has established an excellent safety profile and encouraging survival data. The Company has initiated a Phase II study in 2015 in kidney cancer in combination with the standard of care, Sutent® (sunitinib), and plans to initiate a Phase Ib/II study in 2018 in combination with checkpoint inhibitors, to fully explore the potential of ilixadencel to become a backbone component of modern cancer combination treatments in a variety of solid tumor indications.
B.5	*Group*	Not applicable. Immunicum is not part of a group.

B.6 *Major shareholders*

In Sweden, the lowest limit for a duty to disclose holdings is five percent of all shares or of the number of votes for all shares. The table below includes Immunicum's ten largest shareholders, including shareholders with a holding corresponding to at least 5 percent of the shares or votes as per 30 September 2017 and any known subsequent changes.

Shareholder	Shares	% of shares and votes
Holger Blomstrand Byggnads AB	2,975,386	11.46
Loggen Invest AB*	2,750,000	10.59
Försäkringsaktiebolaget, Avanza Pension	2,094,195	8.07
Nordnet Pensionsförsäkring AB	1,007,770	3.88
Swedbank Robur Medica	725,000	2.79
Alex Karlsson-Parra (including related parties)**	612,726	2.36
Bengt Andersson	557,939	2.15
Mats Dahlgren	400,000	1.54
UBS Switzerland AG (client account)	367,644	1.42
Swedbank Robur Folksams LO Västfonden	366,142	1.41
Total major shareholders	**11,856,802**	**45.68**
Others	**14,101,739**	**54.32**
Total	**25,958,541**	**100**

* Loggen Invest AB is owned to 27.5 percent by Martin Lindström, board member in the Company.
** Alex Karlsson-Parra is the Company's Chief Scientific Officer.

B.7 *Selected historical financial information*

The selected financial information presented in this section covering full year, and measures of financial performance defined in IFRS, is extracted from Immunicum's audited annual reports for the financial years 2014/2015, 2015/2016 and for the shortened financial year 1 July 2016 to 31 December 2016. The annual reports are prepared in accordance with the Annual Accounts Act and with application of the recommendation from the Swedish Financial Reporting Board, RFR 2 Accounting for legal entities. RFR 2 states that the Company in its annual report shall apply IFRS, as adopted by the EU, to the extent it is possible within the framework of the Annual Accounts Act and Act on Safeguarding of Pension Commitments, and taking into account the relationship between accounting and taxation. The recommendation stipulates which exceptions and additions that are required in relation to IFRS.

The information regarding the period 1 July 2015 to 31 December 2015 is extracted from the unaudited interim report for the same period. The information regarding the first nine months of 2016 and 2017 is extracted from the unaudited but reviewed interim report for the period 1 January 2017 to 30 September 2017. The interim report is unaudited but has been reviewed by the Company's auditor in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. The comparable period from 1 January to 30 September 2016 has been prepared on the basis of the interim report for 1 July 2015 to 31 March 2016, the year-end report for 2015/2016 and the interim report for 1 July 2016 to 30 September 2016.

B.7 *Selected historical financial information, cont.*

The Prospectus contains certain alternative performance measures that are not defined in IFRS. These alternative performance measures have not been reviewed or audited by the Company's auditor, but are calculated on the basis of figures in the audited annual reports for the financial years 2014/2015, 2015/2016 and 1 July 2016 to 31 December 2016 and from the interim financial reports from the periods 1 July 2015 to 31 December 2015 and 1 January 2017 to 30 September 2017. The Company's opinion is that these performance measures are used to a large extent by certain investors and other stakeholders as complementary measurements of earning trends and financial position. Immunicum's performance measures that are not defined in IFRS are not necessarily comparable with similar measurements presented by other companies and have some limitations as analysis tools. They should therefore not be evaluated separately from, or as a substitute for, Immunicum's financial information that is prepared in accordance with the accounting principles that the Company applies.

Summary of statement of comprehensive income

Amount (SEK thousand)	Unaudited (ISRE 2410) Jan 2017 – Sep 2017	Unaudited Jan 2016 – Sep 2016	Audited Jul 2016 – Dec 2016	Unaudited Jul 2015 – Dec 2015	Audited Jul 2015 – Jun 2016	Audited Jul 2014 – Jun 2015
Net sales	–	–	–	–	–	–
Other operating income	135	–	–	–	–	160
OPERATING EXPENSES						
Other external costs	–49,043	–27,029	–26,303	–15,069	–33,378	–30,638
Personnel costs	–12,141	–9,238	–10,205	–3,917	–9,965	–5,776
Depreciation of tangible assets	–53	–62	–40	–41	–83	–84
Other operating expenses	–143	–286	–189	–19	–217	–66
Operating profit/loss	**–61,245**	**–36,614**	**–36,737**	**–19,047**	**–43,643**	**–36,404**
Interest income and similar items	0	42	33	11	20	813
Interest expense and similar items	–267	–42	–90	–258	–300	–24
Profit/loss after financial items	**–61,512**	**–36,614**	**–36,794**	**–19,294**	**–43,923**	**–35,615**
TOTAL PROFIT/ LOSS BEFORE TAXES	**–61,512**	**–36,614**	**–36,794**	**–19,294**	**–43,923**	**–35,615**
INCOME TAX EXPENSE	–	–	–	–	–	–
PROFIT/LOSS FOR THE PERIOD	**–61,512**	**–36,614**	**–36,794**	**–19,294**	**–43,923**	**–35,615**

B.7 *Selected historical financial information, cont.*

Summary of balance sheet

Amount (SEK thousand)	Unaudited (ISRE 2410) 30 Sep 2017	Unaudited 30 Sep 2016	Audited 31 Dec 2016	Unaudited 31 Dec 2015	Audited 30 Jun 2016	Audited 30 Jun 2015
ASSETS						
Subscribed capital unpaid	–	–	–	–	16,688	–
FIXED ASSETS						
Tangible assets						
Equipment	87	160	140	222	181	264
Financial assets						
Other securities held as fixed assets	1	1	1	1	1	1
Total fixed assets	**88**	**161**	**141**	**223**	**182**	**265**
CURRENT ASSETS						
Current receivables						
Tax credits and related receivables	283	243	263	-	101	-
Other receivables	2,019	2,814	1,884	1,218	3,641	1,232
Prepaid expenses and accrued income	4,119	3,409	6,856	397	4,185	1,372
Total current receivables	**6,421**	**6,466**	**9,003**	**1,615**	**7,928**	**2,604**
Investments[1]	9,527	9,527	9,527	9,527	9,493	35,427
Cash and bank balances	43,586	119,505	102,899	43,579	119,949	32,738
Total current assets	**59,533**	**135,498**	**121,429**	**54,721**	**137,370**	**70,769**
TOTAL ASSETS	**59,621**	**135,659**	**121,570**	**54,944**	**154,240**	**71,034**

1 Refers to short-term investments in equity and fixed income funds.

B.7 *Selected historical financial information, cont.*

Summary of balance sheet *cont.*

Amount (SEK thousand)	Unaudited (ISRE 2410) 30 Sep 2017	Unaudited 30 Sep 2016	Audited 31 Dec 2016	Unaudited 31 Dec 2015	Audited 30 Jun 2016	Audited 30 Jun 2015
SHAREHOLDERS' EQUITY AND LIABILITIES						
SHAREHOLDERS' EQUITY						
Restricted equity						
Share capital	1,298	1,298	1,298	1,002	1,214	1,002
New share issue in progress	–	–	–	–	84	–
Total restricted equity	**1,298**	**1,298**	**1,298**	**1,002**	**1,298**	**1,002**
Unrestricted equity						
Share premium reserve	252,535	252,535	252,535	134,355	252,535	134,355
Retained earings	–151,447	–90,024	–114,653	–70,730	–70,730	–35,116
Profit/loss for the period	–61,512	–36,614	–36,794	–19,294	–43,923	–35,615
Total unrestricted equity	**39,576**	**125,897**	**101,088**	**44,332**	**137,882**	**63,625**
Total shareholders' equity	**40,874**	**127,195**	**102,386**	**45,333**	**139,180**	**64,627**
NON-CURRENT LIABILITIES						
Other non-current liabilities	850	850	850	850	850	850
CURRENT LIABILITIES						
Accounts payable	2,623	2,140	5,041	3,047	5,044	2,453
Other liabilities	331	216	1,044	155	200	104
Accrued expenses and deferred income	14,944	5,258	12,249	5,559	8,966	3,000
Total liabilities	**18,747**	**8,464**	**19,184**	**9,611**	**15,060**	**6,407**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**59,621**	**135,659**	**121,570**	**54,944**	**154,240**	**71,034**

B.7 *Selected historical financial information, cont.*

Summary of cash flow statement

Operating activites (SEK thousand)	Unaudited (ISRE 2410) Jan 2017 – Sep 2017	Unaudited Jan 2016 – Sep 2016	Audited Jul 2016 – Dec 2016	Unaudited Jul 2015 – Dec 2015	Audited Jul 2015 – Jun 2016	Audited Jul 2014 – Jun 2015
Operating profit/loss before financial items	–61,245	–36,614	–36,737	–19,047	–43,643	–36,404
Depreciation and other non-cash items	53	62	40	41	83	84
Interest income received	0	42	0	11	20	386
Interest expense paid	–267	–42	–90	–9	–17	–24
Cash flow from operating activities before changes in working capital	**–61,459**	**–36,552**	**–36,787**	**–19,003**	**–43,558**	**–35,957**
Increase/decrease in other current receivables	2,583	–4,851	–1,076	989	–5,323	–1,258
Increase/decrease in accounts payable	–2,418	–907	–3	594	2,590	1,430
Increase/decrease in other current liabilities	1,981	–240	4,127	2,610	6,062	–4,317
Changes in working capital	**2,146**	**–5,998**	**3,049**	**4,193**	**3,329**	**–4,145**
Cash flow from operating activities	**–59,313**	**–42,550**	**–33,738**	**–14,810**	**–40,229**	**–40,102**

Investment activities (SEK thousand)	Jan 2017 – Sep 2017	Jan 2016 – Sep 2016	Jul 2016 – Dec 2016	Jul 2015 – Dec 2015	Jul 2015 – Jun 2016	Jul 2014 – Jun 2015
Acquisition of short term investments	–	–	–	–	–	–35,000
Sale of investments	–	–	–	25,651	25,651	–
Cash flow from investment activities[1]	**–**	**–**	**–**	**25,651**	**25,651**	**–35,000**

1 Avser kortsiktiga investeringar i aktie- och räntefonder.

B.7 *Selected historical financial information, cont.*

Financing activities (SEK thousand)	Jan 2017 – Sep 2017	Jan 2016 – Sep 2016	Jul 2016 – Dec 2016	Jul 2015 – Dec 2015	Jul 2015 – Jun 2016	Jul 2014 – Jun 2015
New share issues	–	130,688	16,688	–	114,000	–
Costs attributable to the new share issues	–	–12,212	–	–	–12,212	–
Cash flow from financing activities	**–**	**118,476**	**16,688**	**–**	**101,788**	**–**
Cash flow for the period	–59,313	75,926	–17,050	10,841	87,210	–75,102
Cash and cash equivalents at the beginning of the period	102,899	43,579	119,949	32,738	32,738	107,841
Cash and cash equivalents at the end of the period	**43,586**	**119,505**	**102,899**	**43,579**	**119,949**	**32,738**

IFRS Key performance indicators

IFRS key performance indicators	Jan 2017 – Sep 2017	Jan 2016 – Sep 2016	Jul 2016 – Dec 2016	Jul 2015 – Dec 2015	Jul 2015 – Jun 2016	Jul 2014 – Jun 2015
Earnings per share before dilution (SEK)	–2.37	–1.65	–1.42	–0.96	–2.18	–1.78
Earnings per share after dilution (SEK)	–2.37	–1.65	–1.42	–0.96	–2.18	–1.78

Definitions of key performance indicators

Earnings per share before dilution
Earnings for the period divided by a weighted average number of outstanding shares.

Earnings per share after dilution
Earnings for the period divided by a weighted average number of outstanding shares with addition for the dilution effect of potential shares.

Number of employees
Number of employees calculated at the end of the period.

B.7 *Selected historical financial information, cont.*

Alternative performance measures (not defined in IFRS)

The table below contains some alternative financial performance measures which are not calculated in accordance with the accounting principles IFRS. These financial performance measures have not been reviewed or audited by the Company's auditor but have been calculated from figures in the audited annual reports for the financial years 2014/2015, 2015/2016 and 1 July 2016 to 31 December 2016, and from figures in the unaudited interim report for the period 1 July 2015 to 31 December 2015 and the unaudited but reviewed interim report for the period 1 January 2017 to 30 September 2017. The Company's opinion is that these performance measures are used to a large extent by certain investors and other stakeholders as complementary measurements of earning trends and financial position. Immunicum's performance measures that are not defined according to the Company's applied accounting principles are not necessarily comparable with similar measurements presented by other companies and have some limitations as analysis tools. They should therefore not be evaluated separately from, or as a substitute for, Immunicum's financial information that is prepared in accordance with the accounting principles that the Company applies.

Alternative performance measure	Jan 2017 – Sep 2017	Jan 2016 – Sep 2016	Jul 2016 – Dec 2016	Jul 2015 – Dec 2015	Jul 2015 – Jun 2016	Jul 2014 – Jun 2015
Cash ratio	333%	1,780%	662%	625%	967%	1,273%
Equity ratio	69%	94%	84%	83%	90%	91%
EBITDA (SEK thousand)	–61,192	–36,552	–36,697	–19,005	–43,560	–36,320
Net interest income / expense (SEK thousand)	–267	0	–57	–247	–280	789
Number of employees[1]	10	9	11	7	8	5

Reconciliation of alternative performance measures

	Jan 2017 – Sep 2017	Jan 2016 – Sep 2016	Jul 2016 – Dec 2016	Jul 2015 – Dec 2015	Jul 2015 – Jun 2016	Jul 2014 – Jun 2015
Current assets (SEK thousand)	59,533	135,498	121,429	54,721	137,370	70,769
Current liabilities (SEK thousand)	17,897	7,614	18,334	8,761	14,210	5,557
Cash ratio	**333%**	**1,780%**	**662%**	**625%**	**967%**	**1,273%**
Shareholders' equity (SEK thousand)	40,874	127,195	102,386	45,333	139,180	64,627
Balance sheet total (SEK thousand)	59,621	135,659	121,570	54,944	154,240	71,034
Equity ratio	**69%**	**94%**	**84%**	**83%**	**90%**	**91%**
Operating profit/loss (SEK thousand)	–61,245	–36,614	–36,737	–19,047	–43,643	–36,404
Depreciation of tangible assets (SEK thousand)	53	62	40	41	83	84
EBITDA (SEK thousand)	**–61,192**	**–36,552**	**–36,697**	**–19,005**	**–43,560**	**–36,320**
Interest income and similar items (SEK thousand)	0	42	33	11	20	813
Interest expense and similar items (SEK thousand)	–267	–42	–90	–258	–300	–24
Net interest income/expense (SEK thousand)	**–267**	**0**	**–57**	**–247**	**–280**	**789**

1 Not alternative performance measure, other key figure that is not defined in IFRS.

<table>
<tr>
<td>B.7</td>
<td>Selected historical financial information, cont.</td>
<td>
<h3>Definitions of alternative performance measures (not defined in IFRS)</h3>
<table>
<tr><th>Alternative performance measure</th><th>Definition</th><th>Motivation</th></tr>
<tr><td>Cash ratio</td><td>Current assets at the end of the period divided by current liabilites at the end of the period.</td><td>The Company believes that this performance measure provides investors with useful information of the Company's ability to repay its short-term debt.</td></tr>
<tr><td>Equity ratio</td><td>Shareholders' equity at the end of the period divided by balance sheet total at the end of the period.</td><td>The Company believes that this performance measure provides investors with useful information of the Company's capital structure.</td></tr>
<tr><td>EBITDA</td><td>Operating results before interest, depreciation and amortization.</td><td>The Company believes that this performance measure provides investors with useful information of how much of the results that are generated from operating activities.</td></tr>
<tr><td>Net interest expense</td><td>Net interest income and interest expenses.</td><td>The Company believes that this performance measure provides investors with useful information of the Company's total net cost for its interest bearing liabilities and assets.</td></tr>
</table>
<h3>Significant changes since 30 september 2017</h3>
At a board of directors meeting in Immunicum on 1 November 2017 it was resolved, subject to subsequent approval by the general meeting, to increase the Company's share capital by a rights issue of shares. At the extraordinary general meeting in Immunicum of 4 December 2017 it was resolved to approve the board of directors' resolution.
On 24 November 2017, Nasdaq Stockholm AB's listing committee decided to approve the Company's application for admission to trading on Nasdaq Stockholm, conditional upon the Company completing the Rights Issue and securing sufficient working capital for the twelve month period following the admission to trading and other customary conditions.
No other significant changes in the Company's financial position or position on the market have occured after 30 September 2017.
</td>
</tr>
<tr><td>B.8</td><td>Selected pro forma financial information</td><td>Not applicable. The Prospectus does not contain pro forma financial information.</td></tr>
<tr><td>B.9</td><td>Profit forecast</td><td>Not applicable. The Prospectus contains no profit forecast or calculation of expected profit.</td></tr>
<tr><td>B.10</td><td>Audit remarks</td><td>Not applicable. There are no audit remarks in the annual reports included in the historical financial information.</td></tr>
</table>

B.11	*Insufficient working capital*	Immunicum assesses that the Company's working capital is not sufficient to cover the Company's needs during the coming twelve-month period. The Company is a development company that does not yet generate any income. The Company's operating expenses are mainly linked to operational costs, cost for performing clinical and preclinical studies, costs for manufacturing of drug candidates and regulatory costs. The shortage of working capital will arise by the Company incurring such costs without generating any income. The Company estimates that the shortage of working capital will arise around March 2018 and that the deficit in relation to the need for working capital during the coming twelve-month period amounts to approximately SEK 76 million, assuming the current business plan as outlined in the Prospects. Immunicum plans to remedy the estimated deficit in the working capital by way of the Right Issue, which is expected to give proceeds to the Company of approximately SEK 190 million, after issue expenses and guarantee costs, provided that the Rights Issue is fully subscribed for. The Company assesses that this amount is sufficient to cover the need of working capital during the coming twelve-month period. Should the Right Issue not be completed, or should the guarantee commitments not be honored wholly or in part, the Company will need to consider other measures, such as carrying out a new issue of shares at other terms, taking up other external financing or reduced investments in research and development. If all other measures should fail, the Company could ultimately be forced to apply for reorganization or bankruptcy.

Section C – Securities

C.1	*Securities*	Shares in Immunicum (ISIN code SE0005003654).
C.2	*Denomination*	The shares are denominated in SEK.
C.3	*Number of shares*	At the date of this Prospectus, the Company's registered share capital amounts to SEK 1,297,927.05, divided into 25,958,541 fully paid up shares with a quotient value of SEK 0.05 per share. There is one class of shares in the Company.
C.4	*Rights associated with the securities*	Each share in the Company entitles the holder to one vote at general meetings. All shares carry equal rights to the Company's assets and profits. At general meetings, shareholders may vote for the total number of shares they own and represent, with no limitations on the voting rights. Shareholders' rights may only be changed by the general meeting in accordance with the procedures set out in the Companies Act.
C.5	*Transfer restrictions*	Not applicable. The shares are freely transferable.
C.6	*Admission for trading*	Immunicums shares are traded on Nasdaq First North since 22 April 2013 (since 4 May 2016 in the First North Premier segment). On 24 November 2017, Nasdaq Stockholm's listing committee decided to approve the Company's admission to trading on Nasdaq Stockholm, conditional upon the completion of the Rights Issue and that the Company secures sufficient working capital for the twelve month period following the admission to trading on Nasdaq Stockholm and other customary conditions. The Company's shares are, provided that the aforementioned conditions are fulfilled, planned to be admitted to trading on Nasdaq Stockholm on 15 January 2018, which means that the planned last day of trading on Nasdaq First North Premier is on 12 January 2018. The new shares are, provided that the Company fulfils the conditions for admission to trading on Nasdaq Stockholm, planned to be traded on Nasdaq Stockholm.
C.7	*Dividend policy*	Immunicum has not paid any dividends to the shareholders since it was founded and the Company's board of directors does not intend to propose that dividends are paid during the next few years. Any future profits are intended to be re-invested in the operations and be used for the continued development of the Company's technology platforms. In considering future dividends, the board of directors will take several factors into account, including the Company's operations, operating results, financial position, consolidation requirements, current and anticipated liquidity requirements, expansion plans, contractual limits and other relevant factors. There are no guarantees that payments of dividends will be proposed or approved for a certain year.

Section D – Risks

D.1	*Principal risks related to the issuer or the industry*	Immunicum has in the Prospectus identified a number of risk factors that could have a negative impact on the Company's operations, earnings and financial position and/or lead to a decrease in the value of the shares in the Company. The risk factors are not stated in order of priority and there may be other risk factors not currently known or considered to be significant that could adversely affect the Company. The principal risk factors related to the Company or the industry include: **Immunicum is a development company without historical earnings capacity.** The Company has, save for government grants that have been accounted for as other operating income, not generated any revenue historically and does not expect to do so in the short term. There is a risk that launch of the Company's product candidates is delayed, becomes more costly or does not materialize, which could have a material negative impact on the Company's operations, earnings and financial position. **Need of additional financing.** The Company will in the future need to raise additional financing to carry on its business. There is a risk that additional financing cannot be raised when the need arises, that it cannot be raised on favorable terms or cannot be raised at all, which could have a material negative impact on the Company's operations, financial position and earnings. **Dependence on key individuals and qualified personnel.** The Company is to a high degree dependent on a number of key individuals. Should one or several of said individuals leave the Company, it could delay or impair the Company's research, development and/or general operations. The Company is also dependent on attracting and keeping qualified personnel, for which the competition is intense. If the Company cannot recruit and retain key individuals and other qualified personnel to the extent and at the terms necessary, it could have a material negative impact on the Company's operations, financial position and earnings. **Risks related to potential future revenue.** The Company's future earnings will, inter alia, be dependent on the Company being able to enter into agreements for the licensing of the Company's product candidates and/or technology platforms. There is a risk that such agreements are delayed, become more costly or do not materialize, which could have a material negative impact on the Company's operations, financial position and earnings. **Research and development.** The Company's product candidates and technology platforms are dependent on research and development and evaluation in preclinical and clinical trials. There is a risk that the Company's clinical trials are delayed, become more costly or entail that the concepts or studies need to be reassessed, revised or cancelled. There is also a risk that the Company cannot demonstrate that product candidates are safe and effective and therefore possible to commercialize. The aforementioned risks could have a material negative impact on the Company's operations, financial position and earnings.

D.1	*Principal risks related to the issuer or the industry, cont.*	**Intellectual property, know-how and confidentiality.** The Company is dependent on its ability to obtain and uphold intellectual property rights, mainly patent protection, for the intellectual property relating to the Company's product candidates. There is a risk that the Company's intellectual property rights cannot be upheld or do not offer adequate commercial protection, which could have a material negative impact on the Company's operations, financial position and earnings. **Competition.** The Company operates in a highly competitive sector. There is a risk that the Company fails to effectively compete on the market, which could have a material negative impact on the Company's operations, financial position and earnings. **Changes within the pharmaceutical industry could make the Company's products obsolete.** The pharmaceutical industry is characterized by rapid changes in legislation, authorization requirements, technology, new technological advances and an ongoing improvement of industrial know-how. There is a risk that such circumstances could increase the Company's costs, impede the development of the Company's product candidates or entail that the Company's planned products lose their commercial value, which could have a material negative impact on the Company's operations, financial position and earnings.
D.3	*Principal risks related to the securities*	The principal risk factors related to the shares and the Rights Issue include inter alia: **General share-related risks.** An investment in shares entails a high degree of risk and the share price could have an unfavorable development. The fluctuations may depend on variations in terms of results, the general economic situation, changes in the stock markets interest in the Company and a number of known and unknown factors. There is a risk that the aforementioned factors could have a material negative impact on the price of the Company's shares. **Risks related to limited trading in subscription rights.** It is uncertain whether an active trading in subscription rights will develop, which entails a risk that the subscription rights received may only be disposed of on unfavorable terms or not at all. Subscription rights that are not sold or used for subscription will lapse without remaining value. **Risks related to the marketplace.** There is a risk that the Company's admission to trading on Nasdaq Stockholm is delayed or or that the Company fails to fulfill the conditions for admission to trading on Nasdaq Stockholm, which, could have a negative impact on the value of the Company's shares. **Future divestment of shares.** There is a risk that significant divestments of shares, particularly divestments by major shareholders, board members and senior executives, lead to a material negative impact on the price of the Company's shares. **New issues of shares may dilute the holdings of existing shareholders.** If the Company in the future resolves to issue new shares, there is a risk that existing shareholders' proportional holdings in the Company is diluted. **Unsecured subscription commitments and underwriting guarantees in the Rights Issue are not secured.** Certain existing shareholders in Immunicum have committed to subscribe for their respective pro-rata share in the Rights Issue. In addition, external investors have by way of underwriting guarantees committed to subscribe for any shares in the Rights Issue not subscribed for by other investors with or without subscription rights. Neither the subscription commitments nor the underwriting guarantees have been secured. Should the subscription commitments or underwriting guarantees not be honored, it could have a material negative impact on the Company's ability to carry out the Rights Issue.

Section E – Offer

E.1	*Issue amount and issue expenses*	The proceeds of the Rights Issue is, on full subscription, expected to amount to SEK 223 million before transaction costs. Immunicum's costs are expected to amount to circa SEK 33 million, of which SEK 19.6 million are attributable to costs for underwriting guarantees. The remaining costs are attributable to remuneration to financial advisors, auditors, legal advice, distribution of the Prospectus etc.
E.2a	*Reasons and use of proceeds*	Immunicum has established an updated clinical development plan which outlines the next steps in the development of ilixadencel. As part of the updated development plan the Company will conduct a multi-indication Phase Ib/II study in head and neck cancer, gastric adenocarcinoma and non-small cell lung cancer in combination with checkpoint inhibitors, continue the ongoing Phase II study in kidney cancer (RCC) (the MERECA study) and the Phase I/II study in gastrointestinal stromal cell tumors (GIST) as well as further develop its develop its Chemistry, Manufacturing and Control (CMC) process. The Company's working capital is currently not sufficient for the coming twelve month period. To remedy the estimated deficit in working capital and to finance aforementioned activities, the board of directors has resolved to conduct the Rights Issue. It is the board of directors' assessment that the existing cash and the secured proceeds of SEK 200 million from the Rights Issue will be enough to, according to the current business plan, finance the Company's operations until the end of 2019. Should the Rights Issue not be completed, the Company will need to consider other measures to fulfil its working capital need for the coming twelve months, such as carrying out a new issue of shares at other terms, taking up other external financing or reduced investments in research and development. The net proceeds from the Rights Issue, together with the Company's existing cash[1] as of 30 September 2017, which amounted to SEK 53.1 million, will be used to finance the updated clinical development plan as well as ongoing operations. These costs will be divided as follows: circa SEK 90 million will be used for the multi-indication trial, which is enough to complete the Phase Ib safety run-in by the end of 2018 and reach the futility analysis stage of the Phase II study by the end of 2019 (i.e. decision on whether or not to proceed with a specific indication); circa SEK 50 million will be used to complete the ongoing Phase II trial in RCC (MERECA) and the Phase I/II trial in GIST; circa SEK 5–10 million will be spent on CMC for continued work on development-grade manufacturing batches to be used in the clinical development program; and circa SEK 67 million will be used to cover other operating expenses. The remaining and unsecured proceeds of up to SEK 23 million will be used to undertake CMC process development activities to lay the foundation for a commercially-ready manufacturing process, with the intention of using this process to supply product for late phase development.
E.3	*Terms and conditions of the Offer*	At a board of directors meeting in Immunicum on 1 November 2017 it was resolved, subject to subsequent approval by the general meeting, to increase the Company's share capital by a rights issue of shares. At the extraordinary general meeting in Immunicum of 4 December 2017 it was resolved to approve the board of directors' resolution. The Rights Issue will, on full subscription, entail that the Company's share capital is increased with a maximum of SEK 1,390,635.75, from SEK 1,297,927.05 to at most SEK 2,688,562.80 by a new issue of at most 27,812,715 shares. Immunicum's shareholders have preferential rights to subscribe for shares in the Rights Issue in proportion to the shares held on the record date of 6 December 2017. For each share held on the record date, one subscription right is received. The subscription rights entitle the holder to subscribe for new shares, whereupon 14 subscription rights entitle the holder to subscribe for 15 new shares.
E.4	*Interests of importance to the Offer*	Pareto is acting as financial advisor to Immunicum and issuing agent in connection with the Rights Issue. Pareto has provided, and may in the future provide, various financial, investment, commercial or other services for Immunicum, for which Pareto has received and may receive remuneration.

1 Includes cash and bank balances as well as short term investments in equity and fixed income funds.

E.5	*Lock up arrangements*	Shareholding board members, shareholding senior executives and the major shareholders Holger Blomstrand Byggnads AB and Loggen Invest AB have undertaken to not sell shares in Immunicum or take actions with similar effects without Pareto's permission during a period of six calendar months from the termination of the subscription period in the Rights Issue. In addition to the foregoing, the Company's CEO, Carlos de Sousa, has committed to not sell shares he has acquired in the context of a share saving program during a period of two years from the date of the acquisition.
E.6	*Dilution*	The Rights Issue will, on full subscription, entail that the number of shares in the Company increases from 25,958,541 to 53,771,256, which corresponds to an increase of circa 107 percent. Shareholders who choose not to subscribe for shares in the Rights Issue will be diluted with a maximum of circa 51.7 percent. The dilution has been calculated as the maximum number of shares that can be issued divided by the total number of shares in the Company after the Rights Issue.
E.7	*Expenses charged to investors*	Not applicable. The Company will not charge investors any fees.

Risk factors

The following are some of the risk factors that could affect Immunicum's operations and future development and risk factors that could, directly or indirectly, affect Immunicum's shares. The risk factors are not ranked according to probability, significance or potential impact on the Company's operations, earnings, financial position or the Company's shares. The description of risk factors does not claim to be complete and only contains examples of the risk factors that investors should take into consideration together with the other information in this Prospectus. Consequently, other risk factors not currently known or considered to be significant may also affect the Company's operations, earnings or financial position. If any of the below risk factors are realised, the value of an investment in Immunicum could be significantly affected. Investors are therefore encouraged to make their own assessment of the significance of the following and other potential risk factors for Immunicum's operations and future development and shares.

Risks related to the Company and the industry

Immunicum is a development company without historical earnings capacity

Immunicum has not yet, either independently or via partners, launched any cancer immune primers or any other drug on the market. The Company has not, therefore, conducted sales of any drug nor generated any revenue, with the exception of government funding for research, which has been recognised as other revenue. The Company expects to deliver a loss over the next few years. Immunicum's product candidates are currently in the clinical and preclinical phase, respectively, which means that continued research and development, the granting of licences and positive outcomes in preclinical studies and clinical trials will be required before the product candidates are ready for marketing approval. Should the market launch of the current product candidates be delayed, become more costly or fail to materialise, this could have a material negative impact on the Company's operations, earnings and financial position.

Risks related to potential future revenue

Immunicum's future earnings will depend on Immunicum's ability to enter into agreements for licensing of the Company's product candidates and/or technology platforms. The ability to conclude such agreements is partly dependent on Immunicum's credibility as a potential partner, the quality of the Company's product candidates and the robustness of the Company's intellectual property rights. There is a risk that it may not be possible to enter into such agreements, or that they can only be entered into on unfavourable terms for the Company. Potential business partners may, in order to conclude agreements, demand that further trials be performed with Immunicum's products, which may lead to delays and increased costs for the Company. Furthermore, a considerable share of Immunicum's potential revenue comprises milestone payments, meaning non-recurring payments from business partners that are received if and when certain set goals are achieved. Should Immunicum fail to conclude agreements for the licensing of products, sales of intellectual property rights or similar transactions on terms that are favourable to the Company, should such agreements result in delays and increased costs, or should agreed payments be delayed or fail to materialise, this could have a material negative impact on the Company's operations, earnings and financial position.

Need of additional financing

Immunicum has reported operating losses since the Company was founded, and cash flow is expected to remain negative until Immunicum is able to generate recurring revenue. Immunicum will, following the Rights Issue, have sufficient working capital to cover its needs over the next twelve-month period, but will thereafter require, and continue to require, capital injections in order to continue its research and development. The size and timing of Immunicum's future capital requirements depend on a number of factors, including the costs for the business operations and the conditions for entering into agreements that enable revenue generation. Access to, and the conditions for, capital injections are influenced by several factors, such as market conditions, general access to capital and external financing. Disruptions and uncertainty in the credit and capital markets may also limit access to additional capital. Access to capital may also depend on the outcome of clinical trials

and preclinical studies conducted by the Company, and other factors related to the Company's operations. Should Immunicum decide to raise additional financing by issuing shares or equity instruments, shareholders who do not participate in such issues may be affected by dilution. In the event of debt financing, if such financing is available to the Company, conditions may be imposed that limit the Company's discretion in various ways. There is a risk that it may be impossible to obtain new capital when the need arises, to obtain new capital on favourable terms or to obtain new capital at all. Should Immunicum be unable to obtain financing, the Company may be forced to substantially reduce or, ultimately, to discontinue its research and development activities, which could have a material negative impact on the Company's operations, earnings and financial position.

Dependence on business partners

Immunicum is a research and development company with a limited organisation of its own and, therefore, highly dependent on collaboration with external partners in order to conduct its business. Furthermore, the Company is dependent on the ability to initiate or deepen partnerships in the future, including those related to the development of product candidates, clinical trials, input deliveries and production. The Company's partnerships with external companies may develop negatively and Immunicum may be unable to enter into new agreements, or only able to enter into agreements on terms that are unfavourable to the Company. The companies conducting preclinical studies or clinical trials may not achieve the clinical and regulatory quality required for future regulatory approval, or fail to fulfil their obligations, posing a risk that the Company, due to contracted liability limits or the counterparty's inability to pay, may not receive compensation equal to the size of the damage. Agreements with business partners may also presume regulatory approval, which in turn involves a risk of delay for trials and any subsequent market launches of product candidates. Should any of these risks materialise, they could have a material negative impact on the Company's operations, earnings and financial position.

Dependence on third-party manufacturing capacity

The Company has no internal manufacturing capacity, nor does it intend to develop such capacity. The Company is therefore dependent on third parties for the manufacture of cancer immune primers used in the Company's clinical trials and will continue to be dependent on third-party manufacturing in the later phases of clinical development. Should the Company be unable to secure production capacity in time, on satisfactory terms or at all, this could have a negative effect on the Company's operations, earnings and financial position. Should the Company's current or future contract manufacturers not maintain high-quality production or otherwise meet regulatory requirements, there is a risk of personal injury, product deficits, faulty product recalls, increased production costs or delays in the Company's clinical trials, all of which could have a negative effect on the Company's operations, earnings and financial position.

Dependence on key individuals and qualified personnel

Immunicum's activities are highly dependent on a number of key individuals, some of whom hold senior positions and are shareholders in the Company. Should any of these key individuals leave the Company, this could delay or impede the Company's ongoing research, development and operations. Furthermore, the Company is dependent on being able to attract and retain qualified personnel with the relevant training and experience. The competition for experienced personnel in the Company's area of operation is intense and many of Immunicum's competitors have considerably stronger financial resources than the Company, which could mean that the necessary personnel are impossible to recruit, or can only be recruited on unfavourable terms. Should Immunicum be unable to recruit and retain key individuals and other qualified personnel to the extent and on the terms required, this could have a material negative impact on the Company's operations, earnings and financial position.

Dependence on reimbursement systems

Opportunities for the Company and its potential business partners to successfully commercialise products, and opportunities for potential future sales will partially depend on the existence and level of reimbursement for the products from insurance companies, government agencies and other healthcare payers. Changes to existing regulations, political decisions or changed practices among government agencies, insurance companies and other decision-makers could mean that the reimbursement amount for Immunicum's future products will be lower than expected or zero, which could have a material negative impact on the Company's operations, earnings and financial position.

Research and development

The preclinical studies and clinical trials conducted by the Company are based on the COMBIG®, CD70 and adenovirus vector platform technologies. No product based on these platform technologies has yet been granted market approval. Before a drug can be granted market approval, the safety and efficacy in the treatment of human subjects must be established for each individual indication, which is tested in preclinical animal studies and human clinical trials. The results of these studies may be unforeseen and undesirable, which means the Company's forecast costs in relation to such studies are a major source of uncertainty. Unforeseen trial results may also require a re-evaluation of the concepts and studies, which means that new and further trials may be required at considerable cost or that the trials may need to be discontinued. There is also a risk that the Company may be unable to recruit the required number of patients to conduct the trials, or that such recruitment may be delayed or may only be carried out at a higher cost. There is also a risk that the Company will be forced to limit the number of patients participating in the trials, which requires regulatory approval, is associated with costs, risks casting doubt on the integrity of the data generated by the trials, or is impossible to implement. Unforeseen trial results, or the late or non-recruitment of patients, may eventually delay or prevent the market launch of product candidates, should government agencies or other decision-makers decide that the Company's product candidates do not meet the established criteria. Should a launch of the Company's product candidates be delayed or not occur, this could have a material negative impact on the Company's operations, earnings and financial position.

Furthermore, successful early trials are no guarantee that any subsequent trials will achieve the desired results. Preclinical trials are based on a limited number of studies and may be revised or revoked after further review due to regulatory decisions or additional preclinical studies or clinical trials at a later stage. The outcomes of preclinical studies are not always consistent with clinical trial results, nor do the results of early clinical trials always match the results of more comprehensive and late-phase trials.

Immunicum is currently conducting four preclinical studies and three clinical trials. The limited number of ongoing and planned studies poses a risk that undesirable results in individual studies could have a material negative impact on the Company's operations, earnings and financial position.

Should Immunicum be unable to adequately demonstrate the safety and efficacy of a product candidate via clinical trials and therefore be unable to commercialise the product, this could have a material negative impact on the Company's operations, earnings and financial position.

Liability for side effects etc.

Patients who participate in clinical trials with Immunicum's product candidates may experience side effects. The consequences of such potential side effects may delay or stop the ongoing product development and limit or prevent commercial use of the products, or result in damages or other types of claims, including product liability claims, against the Company. Possible claims could exceed the Company's insurance policy limits. Should claims be lodged or allegations of liability be made, this could have a material negative impact on the Company's operations, earnings and financial position. Side effects may also result in damage to the Company's reputation which, in turn, could affect the Company's position in relation to government agencies, suppliers and business partners, and risk undermining confidence in the Company's technologies and product candidates. Such circumstances could have a material negative impact on the Company's operations, earnings and financial position.

Competition

Immunicum operates in a highly competitive sector, in which many companies, universities and research institutions conduct pharmaceutical research and development, including pharmaceuticals that may, or could in the future, compete with the Company's product candidates. The Company's future competitive opportunities are partially dependent on the Company's product candidates obtaining and maintaining effective intellectual property protection. Furthermore, Immunicum operates in a market where many of the Company's competitors have stronger financial resources than the Company. In addition, the Company may be subject to competition from copies of its drugs and generics that are launched as patents expire. Should the Company be unable to compete effectively with other companies in the market, this could have a material negative impact on the Company's operations, earnings and financial position.

Complex and changing regulations

The marketing of any future pharmaceutical products requires that the Company, its business partners and/or sub-contractors obtain the relevant licences from government agencies, such as the Swedish

Medical Products Agency and Ethical Review Board, the European Medicines Agency (EMA) and the U.S. Food and Drug Administration (FDA). Such regulations, including those related to preclinical and clinical testing, and marketing of the drug candidates in Immunicum's project portfolio, may gradually change. Changes in legislation, regulations or regulatory practice in relation to cancer immune primers and other drugs could increase Immunicum's costs, or otherwise impede the development of Immunicum's product candidates, which could have a material negative impact on the Company's operations, earnings and financial position.

Intellectual property rights, know-how and confidentiality

Immunicum's future success will largely depend on its ability to obtain and maintain intellectual property protection, mainly patent protection, in the US, the EU, Asia and other countries, for the intellectual property rights attributable to the Company's product candidates. The conditions for patenting discoveries in the field of biotechnology, cancer immune primers and other drugs are generally difficult to assess and involves complex legal and scientific judgements. There is a risk that Immunicum may be unable to obtain patents for its products or technologies. Patents also have a limited duration.

There is a risk that the existing and any future patent portfolios and other intellectual property rights held by the Company may not provide adequate commercial protection. There is also a risk that it may not be possible to maintain the Company's existing and any future patent portfolios in the event of a dispute or a third-party claim, or that the Company will be required to pay licencing fees or similar to a third party. The technologies that Immunicum uses in its research, or in the product candidates that Immunicum develops and plans to commercialise, may infringe the patents owned or controlled by another party. Third parties may also infringe the patents owned or controlled by Immunicum. Furthermore, third parties may already have lodged a patent application for the same product or technology as the Company's. Should Immunicum be forced to take legal action to establish entitlement to a particular patent, the cost and time of such proceedings may be considerable, and there is a risk that the Company may lose the dispute, which could lead to a loss of protection for some or all of the Company's products or result in Immunicum being required to pay considerable damages.

Immunicum is also dependent on know-how and trade secrets. It is impossible to be completely protected against all unauthorised disclosure of information, which means there is a risk that competitors may access and benefit from the know-how developed or held by Immunicum. Furthermore, the disclosure of trade secrets may affect the Company's opportunities to secure patents for its discoveries.

Should any of the above risks materialise, this could have a material negative impact on the Company's operations, earnings and financial position.

Claims and disputes

Immunicum may be involved in disputes, regulatory investigations and processes, and may be subject to civil law claims in proceedings arising from agreements, for example. Disputes, claims, investigations and proceedings may be time-consuming, disrupt normal business operations, involve considerable monetary amounts or important matters of principle, have a negative impact on the Company's business relationships, result in administrative and/or legal sanctions, and involve considerable costs. Should a dispute arise from a contractual relationship under foreign law or where the seat of arbitration is abroad, the costs may be exceedingly high. Should the above disputes, claims, investigations or proceedings occur and the Company be held liable, there is a risk that the claim amounts could exceed the Company's insurance policy limits. Disputes, claims, investigations and proceedings could therefore have a material negative impact on the Company's operations, earnings and financial position. Furthermore, exposure to disputes or administrative proceedings, even when the financial risks are insignificant, may affect the Company's reputation.

Processing of personal data

The Company processes personal data within the context of its operations, including data concerning the health of individuals, which is sensitive personal data and subject to additional protection under existing and forthcoming personal data protection regulations. There is a risk that the Company does not currently, or will not in the future, meet all requirements for the processing of personal data, and that it could fail to fulfil its obligations to the data subjects or to otherwise comply with the personal data protection regulations. There is a risk that the incorrect processing of personal data will result in administrative sanctions and/or damage to the Company's reputation, which could have a negative impact on the Company's operations. A new EU regulation will apply from May 2018, whereby the

incorrect processing of personal data may lead to sanctions, including fines amounting to the higher of either EUR 20 million, or 4 percent of the Company's annual global sales. Should such sanctions be imposed on the Company, this could have a material negative impact on the Company's operations and financial position. There is also a risk that the Company will need to change its working methods, renegotiate agreements or take other measures to ensure compliance with existing and future personal data protection regulations, which could interfere with day-to-day operations and result in costs for the Company.

Changes in the pharmaceutical industry could make the Company's products obsolete

The pharmaceutical industry is characterised by rapid technological changes, new technological advances and continuous improvements in industrial know-how. Immunicum's potential success will, therefore, be largely dependent on the Company's ability to adapt to such external factors, to diversify the project portfolio and to develop new and competitively priced products that can meet the demands of an ever-changing market. There is also a risk that future technological advances will entail that the Company's existing products, or those planned for the future, lose their commercial value. Should the Company be unable to adapt to the technological developments, this could have a material negative impact on the Company's operations, earnings and financial position.

Tax-related risks

Immunicum has a remaining tax deficit from preceding years. A change in the ownership of the Company could entail changes in the right to use this deficit, in part or in full. Any such change in ownership and the subsequently applicable rules of taxation must be observed by the Company. The observance of these rules is also important when declaring income, to avoid improper handling of the deficit. There is also a risk of future changes to tax legislation that could affect possibilities for using the Company's tax deficit. Should Immunicum fail to use the accumulated tax deficit to the extent intended, this could have a negative impact on the Company's earnings and financial position.

International operations and exchange-rate fluctuations

Immunicum is a Swedish limited liability company and presents its earnings and financial position in SEK. The Company's purchasing is mainly conducted in SEK, EUR and USD and is therefore exposed to fluctuations in these currencies. A major share of the future market lies abroad, and most of the potential sales transactions will involve other currencies. Such sales could expose the Company to exchange-rate fluctuations. Exchange-rate fluctuations could therefore have a material negative impact on the Company's operations, earnings and financial position.

Risks related to the Rights Issue and the shares

Share ownership

A potential investor should be aware that an investment in the Company's shares represents a high degree of risk and that the share price could move in an unfavourable direction. The Company's share price is affected by the Company's operations, operating results, outlook, analyst and investor expectations, and the perceptions of the stock market.

Furthermore, the share price depends on several factors that are beyond Immunicum's control. Such factors may include the general economic climate, market interest rates, capital flows, political uncertainty or market behaviour, and other risk factors described in this Prospectus. The securities market may also, from time to time, be subject to considerable fluctuations in prices and volumes that are not necessarily related to the Company's operations or outlook. Despite a positive trend for the Company's operations, investors could make a capital loss on the disposal of shares.

Furthermore, there is a risk of insufficient liquidity when trading in the Company's shares. Limited liquidity could result in share price fluctuations, to the detriment of investors. Limited liquidity could also affect opportunities to dispose of larger share units without a significantly negative share price impact.

The Company's share dividends may be partially or fully suspended

Immunicum has not, to date, paid any dividends to the shareholders and the Company's board does not intend to propose that a dividend be paid within the next few years. Any possible future dividends are dependent on the existence of distributable funds in Immunicum, and that a decision to distribute profit appears justifiable in light of the demands that the nature, scope and risks of the operations pose with respect to the amount of equity in the Company, and the Company's need for consolidation, liquidity and financial position. Furthermore, the shareholders cannot generally decide to pay higher dividends than those recommended or approved by the board. With the exception of minority shareholders' right to request a dividend under the Swedish Companies Act, should the general meeting resolve not to pay dividends in accordance with the above, shareholders cannot force the Company to pay dividends and the Company is under no obligation to pay any dividends. Since future dividends are dependent on the existence of distributable funds in the Company, there is a risk that during the coming years, dividend payments will not be proposed or approved.

Trading in subscription rights

There is a risk that active trading in subscription rights does not develop actively during the trading period for the subscription rights in the Rights Issue, which entails a risk that the subscription rights received may only be disposed of on unsatisfactory terms or not at all, and instead lapse and lose their value.

Dilution of shareholding due to the Rights Issue

The Rights Issue will result in a dilution of the holdings in Immunicum for those shareholders who choose not to subscribe for shares under the Rights Issue or who, for some other reason, are unable to participate. There is a risk that the compensation received by a shareholder who does not participate in the Rights Issue from the disposal of the subscription rights allotted may not correspond to the financial dilution of the shareholder's ownership in Immunicum.

Risks related to the marketplace

Companies which shares are traded on Nasdaq First North Premier are not obligated to follow the same rules as companies which shares are admitted to trading on a regulated market, but are instead subject to a less extensive set of rules. If the Company's shares are admitted to trading on Nasdaq Stockholm, the Company will become subject to more extensive regulation, which could lead to increased costs for the Company. There is also a risk that the Company's admission to trading on Nasdaq Stockholm is delayed or that the Company fails to fulfill the conditions for admission to trading on Nasdaq Stockholm. There is also a risk that the Company cannot continue to fulfil the requirements imposed on companies which shares are traded on Nasdaq First North Premier or, if the application for admission to trading is granted, Nasdaq Stockholm, which could lead to fines or other sanctions and ultimately a delisting of the Company's shares. If any of the aforementioned risks is realised, it could have a significant adverse effect on the value of the Company's shares.

Future divestments may have a negative impact on share price and new issues may dilute the holdings of existing shareholders

The share price could fall if investors start selling their shares, particularly the Company's board members, senior executives and major shareholders. A sale of large quantities of the Company's shares by these individuals, or the perception that such a sale will take place, may also reduce the share price.

The Company may also, in the future, decide on a new issue of additional shares or other equity securities in order to raise capital, or within the framework of incentive programmes for the board, management and/or employees. All such additional offers could reduce the proportional ownership and voting rights of the Company's shareholders as well as the Company's possible earnings per share. Furthermore, new share issues could have a negative impact on the market price of shares. Since the timing and terms of any future new share issues will depend on Immunicum's circumstances and market conditions at the actual time, the Company cannot predict or estimate amounts, dates or any other terms for these new share issues. There is therefore a risk that such new share issues will be implemented on unsatisfactory terms for existing shareholders, which could have a negative impact on the share price and dilute the holdings of existing shareholders.

Dilution due to private placements

Immunicum's annual general meeting on 26 April 2017 resolved to authorise the Company's board of directors to decide on a new issue of not more than 2,595,000 shares with or without deviation from the preferential rights of shareholders, and of warrants or convertible debentures with the right to subscribe for the equivalent number of shares. Deviation from the preferential rights of shareholders may be applied in order to strengthen the Company's financial position, broaden the shareholder base and/or increase the Company's institutional ownership. Decisions on private placements may therefore entail that the proportional holdings of the Company's existing shareholders are diluted.

Preferential rights for shareholders in certain jurisdictions

Should Immunicum issue new shares through a cash issue, existing shareholders usually have a preferential right to subscribe for new shares, unless the general meeting, with the requisite majority, approves a deviation from the shareholders' preferential rights. However, shareholders in some countries may be subject to limitations that prevent them from participating in such rights issues or that impede or limit their participation. To the extent that shareholders in jurisdictions outside Sweden are unable to exercise their rights to subscribe for new shares in any future rights issues, their proportional ownership in the Company will be diluted.

Unsecured subscription commitments and underwriting guarantees

Immunicum's existing shareholders have committed to subscribe for about 0.4 percent of the shares issued under the Rights Issue. In addition, external investors have guaranteed to subscribe for any unsubscribed shares in the Rights Issue, with or without subscription rights, up to an approximate amount of 90 percent of the shares in the Rights Issue. The subscription commitments and underwriting guarantees are binding, but neither subscription commitments nor underwriting guarantees have been secured. Should the parties providing subscription commitments or underwriting guarantees not fulfil their obligations to subscribe for shares in the Rights Issue, this could have a material negative impact on the Company's ability to implement the Rights Issue which, in turn, could have a material negative impact on the Company's operations, earnings and financial position.

Invitation to subscribe for shares in Immunicum

Immunicum's management team, together with the board of directors, completed a strategic review on 17 August 2017 to define the next phase of the development plan of its clinical program ilixadencel. Accordingly, Immunicum's board of directors resolved on 1 November 2017, subject to subsequent approval by the general meeting, to increase the Company's share capital by a rights issue of shares. The extraordinary general meeting held on 4 December 2017 approved the board of directors' resolution. Investors are hereby invited to, in accordance with the terms of the Prospectus, subscribe for shares in Immunicum.

As a result of the Rights Issue, the Company's share capital will increase by a maximum of SEK 1,390,635.75, from the current SEK 1,297,927.05 to a maximum of SEK 2,688,562.80, through the new issue of a maximum of 27,812,715 new shares. Immunicum's shareholders have preferential rights to subscribe for shares in the Rights Issue in proportion to the number of shares held on the record date 6 December 2017.

Each share held on the record date carries entitlement to one subscription right. The subscription rights entitle the holder to subscribe for new shares with preferential rights, whereupon 14 subscription rights carry entitlement to subscribe for 15 new shares.

New shares may also be subscribed for without subscription rights. In the event that not all of the shares in the Rights Issue are subscribed for with subscription rights, the board of directors will decide, within the limits of the Rights Issue's maximum amount, on the allocation of new shares subscribed for without subscription rights in accordance with the allocation principles stated in the section *Terms and conditions*.

Subscription for new shares is to take place during the period starting 8 December 2017 up to and including 22 December 2017 or a later date decided by the board of directors. Subscription shall be carried out in accordance with the instructions stated in the section *Terms and conditions*. Subscription rights will be traded during the period starting 8 December 2017 up to and including 20 December 2017.

Provided that the Rights Issue is fully subscribed, the number of shares in Immunicum will increase from 25,958,541 shares to a maximum of 53,771,256 shares. For shareholders who refrain from subscribing for shares in the Rights Issue, a dilution effect corresponding to a maximum of approximately 51.7 percent will occur.

The subscription price in the Rights Issue is SEK 8 per share, which means that the Rights Issue, on full subscription, will provide Immunicum with approximately SEK 223 million before transaction costs, which are expected to amount to approximately SEK 33 million.

Members of the board of directors and management have undertaken to subscribe for a total of 110,230 shares, corresponding to SEK 0.9 million, using subscription rights, which corresponds to circa 0.4 percent of the new shares offered in the Rights Issue. In addition, a number of external investors and an existing shareholder have undertaken, through underwriting commitments, to subscribe for shares in the Rights Issue that are not subscribed for, with or without subscription rights, for SEK 200 million, an amount corresponding to a total of approximately 90 percent of the shares in the Rights Issue. Please refer to the section *Legal considerations and other information*.

Existing shareholders whose ownership corresponds to approximately 23.7 percent of the share capital have undertaken to, without any compensation, transfer all subscription rights which they are assigned in connection with the Rights Issue, but which they do not intend to use, to Pareto Securities.

Shareholders in Immunicum are hereby invited, in accordance with the terms and conditions stipulated in this Prospectus, to subscribe for new shares in Immunicum with preferential rights.

Gothenburg, 5 December 2017

Immunicum AB (publ)

The board of directors

Background and reasons

Immunicum is establishing a unique immuno-oncology approach through the development of off-the-shelf cell-based therapies that prime the patient's own immune system to fight cancer. The Company has been at the forefront of these next-generation therapies since its inception in 2002 and was able to lay the groundwork for success through early clinical studies that were completed in kidney and liver cancer in 2013 and 2017. Following the recent expansion of its management team and the completion of an internal strategic review, Immunicum is now positioned to reach a crucial value-inflection point to establish its lead clinical program ilixadencel as a leading therapy in the competitive field of immuno-oncology.

Immunicum expects that ilixadencel can be used to treat all injectable immunogenic solid tumors, meaning that the potential market spans across several different cancer indications. Ilixadencel may have the potential to significantly improve the outlook for a large number of patients within those indications as early efficacy data have shown a threefold increase in overall median survival for patients treated with ilixadencel and checkpoint inhibitors compared to checkpoint inhibitors alone.

During the strategic review in August 2017 Immunicum established an updated clinical development plan which outlines the next steps in the development of ilixadencel. As part of the updated development plan the Company will conduct a multi-indication Phase Ib/II study in head and neck cancer, gastric adenocarcinoma and non-small cell lung cancer in combination with checkpoint inhibitors, continue the ongoing Phase II study in kidney cancer (RCC) (the MERECA study) and the Phase I/II study in gastrointestinal stromal cell tumors (GIST) as well as further develop its Chemistry, Manufacturing and Control ("CMC") process. For further information regarding the multi-indication study and the development of the CMC process, see section *Business description – Updated clinical development plan* and for further information regarding the ongoing studies in RCC and GIST, see section *Business description – Clinical strategy for ilixadencel*.

The Company's working capital is currently not sufficient for the coming twelve month period. To remedy the estimated deficit in working capital and to finance aforementioned activities, the board of directors has resolved to conduct the Rights Issue. On full subscription, the total proceeds from the Rights Issue will amount to approximately SEK 223 million before transaction costs. Immunicum's expenses related to the transaction, which include remuneration for underwriting undertakings of approximately SEK 19.6 million, remuneration to advisors and other transaction costs, are expected to amount to approximately SEK 33 million.

The net proceeds from the Rights Issue, together with the Company's existing cash[1] as of 30 September 2017, which amounted to SEK 53.1 million, will be used to finance the updated clinical development plan as well as ongoing operations. These costs will be divided as follows: circa SEK 90 million will be used for the multi-indication trial, which is enough to complete the Phase Ib safety run-in by the end of 2018 and reach the futility analysis stage of the Phase II by the end of 2019 (i.e. a decision on whether or not to proceed with a specific indication); circa SEK 50 million will be used to complete the ongoing Phase II trial in RCC (MERECA) and the Phase I/II trial in GIST; circa SEK 5–10 million will be spent on CMC for continued work on development-grade manufacturing batches to be used in the clinical development program; and circa SEK 67 million will be used to cover other operating expenses. The remaining and unsecured proceeds of up to SEK 23 million will be used to undertake CMC process development activities to lay the foundation for a commercially-ready manufacturing process, with the intention of using this process to supply product for late phase development.

1 Includes cash and bank balances as well as short term investments in equity and fixed income funds.

With the proceeds from the Rights Issue the Company will be able to carry out the updated development plan until the end of 2019 and thereby reach a key value inflection period in which the following read-outs will take place:

- Establish safety and dosing in the multi-indication Phase Ib/II study in combination with checkpoint inhibitors by the end of 2018.
- Complete futility analysis in a small group of patients for at least one of the indications included in the multi-indication study by the end of 2019.
- Complete last patient, last visit for MERECA, perform initial analysis and release top-line results during Q3 2019.
- Complete analysis of primary outcome measures of safety and tolerability, as well as initial secondary outcomes on efficacy, tumor response and progression-free survival from the Phase I/II study in GIST by the end of 2019.

It is the board of directors' assessment that the existing cash and the secured proceeds of SEK 200 million from the Rights Issue will be enough to, according to the current business plan, finance the Company's operations until the end of 2019. Should the Rights Issue not be completed, the Company will need to consider other measures to fulfil its working capital need for the coming twelve months, such as carrying out a new issue of shares at other terms, taking up other external financing or reduced investments in research and development.

Immunicum is since 22 April 2013 listed on Nasdaq First North and since 4 May 2016 in the segment First North Premier. Immunicum's board of directors considers the listing of the Company's shares on Nasdaq Stockholm to be a natural step in the Company's development and assess that a listing on the main market can attract a broader investor base and give better access to the Swedish and international capital markets, which is considered to facilitate the Company's continued growth and long term development through increased institutional and international ownership. The board of directors and the Company's management are also of the opinion that a listing on a regulated market of the Company's shares is a stamp of quality for Immunicum, which could have a positive effect on the relationship with customers, suppliers and potential partners.

Immunicum's board of directors is responsible for the content of the Prospectus. The board of directors hereby declares that it has taken all reasonable care to ensure that, to the best of its knowledge, the information contained in the Prospectus is in accordance with the facts and contains no omission likely to affect its import.

Gothenburg, 5 December 2017

Immunicum AB (publ)

The board of directors

CEO comment

As an executive in the pharmaceutical industry for more than 20 years, I have always been driven by the desire to make a positive impact on the lives of patients through the development of new and better medicines. In 2016, I had the opportunity to join Immunicum as the CEO and it is a privilege to work together with the whole team as we pioneer ilixadencel, a new treatment for cancer patients. Ilixadencel is a novel immunotherapy that is designed to prime a patient's own immune system to better fight cancer. Over the course of my first year at the Company, I have become more and more convinced that ilixadencel has significant potential to treat many kinds of solid tumors and therefore shape the future of immuno-oncology.

Developments in the last five years have proven the therapeutic value of re-engaging a cancer patient's immune system to fight the disease and overcome cancer's ability to escape immune system detection. Through years of dedicated hard work, Immunicum has secured an exciting position at the intersection of immuno-oncology and advanced cell-based therapies. Ilixadencel consists of pro-inflammatory allogeneic dendritic cells designed to enable the body's immune systems to specifically fight cancer cells and allow other cancer therapies to be more effective. Tested in a total of 89 patients to date, ilixadencel has demonstrated the ability to create a specific immune response while maintaining a positive safety and tolerability profile. The first data from our initial clinical investigations in patients are very encouraging and support ilixadencel's potential to favorably impact overall survival. Ilixadencel also has the benefit that it is produced from healthy donors and is an off-the-shelf cell-based treatment, avoiding the complex process of manipulating a patient's own cells to become the treatment.

In 2016 and 2017 we added a greater level of biopharmaceutical drug development experience to our management team as well as additional expertise in Chemistry, Manufacturing and Controls and business development. The team's objective is to build on the Company's achievements and deliver on ilixadencel's potential by implementing a successful advanced clinical development program. This program must meet requirements from regulatory bodies and be forward-looking to place ilixadencel in the right indications, patient populations and treatment modalities to effectively and efficiently reach patients and the market.

As of today, we have reached mid-stage clinical development, meaning that we have reduced the risk and are now on the cusp of further validation for the approach. For the next stage of clinical development, we have defined the most advantageous indications and trial designs for ilixadencel to both continue the current trial program and add clinical studies that 1) incorporate the combination with additional immuno-oncology drugs, such as checkpoint inhibitors 2) explore indications with high unmet medical need that could enable accelerated regulatory review and 3) seek to continue to establish ilixadencel's potential in the indications the we are testing now. Developing a truly novel drug is a long and complicated process, but the rewards for making positive impact on medicine and for patients are significant.

We have the opportunity to establish a leadership position in cell-based immuno-oncology by developing ilixadencel to treat a broad range of solid tumors and to be a backbone component of modern cancer combination treatments. We believe the ongoing and planned activities will put Immunicum and ilixadencel on the center stage to attract interest from investigators, pharmaceutical companies and investors globally within immuno-oncology, the fastest growing market of oncology. This will ultimately enable the Company to truly build value for both patients and shareholders.

Carlos de Sousa

CEO of Immunicum AB (publ)

Terms and conditions

Preferential rights and subscription rights

Those parties who, as of the record date of 6 December 2017, are registered as shareholders in the shareholders' register maintained by Euroclear Sweden on behalf of Immunicum have preferential rights to subscribe for new shares in the Rights Issue in relation to the number of shares held on the record date.

Such shareholders in Immunicum will receive 1 (one) subscription right for each share owned at the record date. 14 (fourteen) subscription rights entitles to subscription of 15 (fifteen) new shares. Only a whole number of shares can be subscribed for.

The Rights Issue will, on full subscription, entail that the number of shares in the Company will increase from 25,958,541 to 53,771,256, corresponding to an increase of 107 percent. The shareholdings of shareholders who choose not to subscribe for shares under the Rights Issue will be diluted by a maximum of approximately 51.7 percent, but such shareholders can receive financial compensation for the dilutive effect by selling their subscription rights.

Subscription price

The new shares in Immuncim will be issued at a subscription price of SEK 8 per share. No commission will be charged.

Record date

The record date at Euroclear for determining who are entitled to receive subscription rights in the Rights Issue is 6 December 2017. The last day of trading in the shares including a right to participate in the Rights Issue was 4 December 2017. The shares were traded excluding the right to participate in the Rights Issue from and including 5 December 2017.

Subscription period

Subscription for new shares under the Rights Issue is to take place during the period starting 8 December 2017 up to and including 22 December 2017. Immunicum's board of directors is entitled to extend the subscription period. Such an extension will be announced through a press release not later than 22 December 2017.

Directly registered shareholders

A pre-printed issue statement with an attached payment slip (Sw. *bankgiroavi*) will be sent to shareholders, or representatives of shareholders, in Immunicum who, on the record date of 6 December 2017 are registered in the shareholders' register maintained by Euroclear. The pre-printed issue statement sets forth, inter alia, the number of subscription rights received and the full number of shares that may be subscribed for. No separate securities notification (Sw. *VP-avi*) will be issued regarding the registration of subscription rights in shareholders' securities accounts (Sw. *VP-konto*). Those parties included in the separate list of pledge holders and trustees maintained in connection with the shareholders' register will not receive any issue statement and will be informed separately.

Nominee-registered shareholders

Shareholders whose holdings of shares in Immunicum are nominee-registered at a bank or other nominee will not receive any issue statement from Euroclear. Instead, application for subscription and payment should be carried out in accordance with the instructions from the respective nominee.

Shareholders resident in certain unauthorised jurisdictions

The allotment of subscription rights and the allotment of new shares through exercise of subscription rights to persons who are residents outside of Sweden may be affected by the securities legislations in such countries. As a result, subject to certain possible exceptions, shareholders whose existing shares are directly registered in securities accounts with addresses registered in Australia, Hong Kong, Japan, Canada, New Zealand, Singapore, South Africa, the US or any other jurisdiction in which it would not be allowed to offer subscription rights or new shares will not receive any subscription rights, nor be allowed to subscribe for new shares. In other countries than Sweden, which also are members of EEA and have implemented the Prospectus Directive, an offering of securities can only be made in accordance with exemptions in the Prospectus Directive as well as each relevant implementation measure (including measures for implementation of the Prospectus

Directive). The subscription rights which would otherwise have been delivered to such shareholders will be sold and the sales proceeds, with deductions for costs, will be paid out to the relevant shareholders, to the income account which is connected to the securities account. Amounts below SEK 100 will not be paid out.

Trading in subscription rights

Subscription rights will be traded on Nasdaq First North Premier during the period starting 8 December 2017 up to and including 20 December 2017 under the ticker IMMU TR. The ISIN code for the subscription rights is SE0010600544. Upon the sale of subscription rights, both the primary and subsidiary preferential right will be transferred to the new holder.

Subscription for new shares with subscription rights

Subscription for shares with subscription rights will be carried out through payment during the period starting 8 December 2017 up to and including 22 December 2017. Upon expiry of the subscription period, unexercised subscription rights will lapse and become worthless. Unexercised subscription rights will thereafter, without special notice from Euroclear, be deregistered from each shareholder's securities account.

To ensure that the value of the subscription rights is not lost, the holder must either:

- exercise the subscription rights to subscribe for new shares not later than 22 December 2017, or according to instructions received from the subscriber's nominee; or
- sell the subscription rights that have not been exercised not later than 20 December 2017.

Directly registered shareholders resident in Sweden

For directly registered shareholders, subscription for new shares with subscription rights is done through simultaneous cash payment which shall be received by Pareto no later than 5:00 p.m. (CET) on 22 December 2017, through one of the following alternatives:

A. Issue statement – pre-printed payment form

The pre-printed payment slip shall be used if all subscription rights which have been received are to be exercised. No additions or amendments may be made to the form or in the amount to be paid.

B. Application form (I) – subscription with subscription rights

If subscription rights have been acquired or divested or if, for any other reason, the number of subscription rights exercised for subscription differs from the number of subscription rights specified in the issue statement from Euroclear, the application form (I) for subscription of shares with subscription rights is to be used to subscribe for new shares. Note that payment is to be made for the subscribed shares according to the instructions on the application form at the same time as the application form is submitted to Pareto. In this case, the pre-printed payment form from Euroclear is not to be used.

Application form (I) can be ordered from Pareto by phone +46 8 402 51 49, or from its website www.paretosec.com/corp/immunicum, or from Immunicum's website www.immunicum.se.

Completed application form shall be received by Pareto Securities, on the address, fax or e-mail below, no later than 5:00 p.m. (CET) on 22 December 2017.

Pareto Securities AB
Issuer Service/Immunicum
Box 7415
SE-103 91 Stockholm, Sweden
Street address: Berzelii Park 9, Stockholm
Telephone: +46 8 402 51 40
Telefax: +46 8 402 51 41
E-mail: issueservice.se@paretosec.com (scanned application forms)

Application forms sent by post should be sent in due time before the last day to subscribe. Note that the application is binding and no changes or amendments may be done in pre-printed text on the application form. Incomplete or incorrectly completed application forms, as well as application forms which are not accompanied by the required identity and authority documents, may be disregarded. Only one application form per subscriber will be considered. Should several application forms be submitted by the same subscriber, only the last received application form will be considered.

If the subscription payment is made late, is insufficient or is paid incorrectly, the application to subscribe may be disregarded. Any payments that have been made will be repaid in such cases. No interest will be paid on such payments.

Directly registered shareholders not resident in Sweden who are eligible to subscribe for new shares with subscription rights

Directly registered shareholders who are eligible to subscribe for new shares with subscription rights, who are not resident in Sweden, are not subject to the restrictions described above under *Shareholders resident in certain unauthorised jurisdictions* and cannot use the pre-printed payment slip, can instead pay the subscription payment in SEK through a foreign bank in accordance with the instructions below:

Account Holder: Pareto Securities AB
IBAN: SE49 9190 0000 0919 5263 1434
BIC: DNBASESXXXX
Bank: DNB Bank ASA, Sweden

Upon payment, the subscriber's name, securities account number and the OCR reference number on the issue statement must be stated. Payment must be received by Pareto not later than 22 December 2017.

If the number of shares subscribed for differs from the number of shares specified in the issue statement, an application form (I) is to be used instead. Application forms can be ordered by contacting Pareto during office hours at telephone number +46 8 402 51 40 or from Pareto Securities' website, www.paretosec.com/corp/immunicum. Application form and payment must be received by Pareto not later than 5:00 p.m. on 22 December 2017.

Nominee-registered shareholders

Nominee-registered shareholders who wish to subscribe for shares with subscription rights must apply to subscribe for shares in accordance with the instructions from their nominees.

Paid subscribed shares

After payment and subscription, Euroclear will distribute a securities notification confirming the registration of the paid subscribed shares (Sw. *betalda tecknade aktier*; "BTA") in the securities account. New shares will be registered as BTA (BTA 1) in the securities account until such time as the Rights Issue has been registered with the Swedish Companies Registration Office (or if sub-registrations are utilised, following sub-registration for BTA 1). Following the first sub-registration at the Swedish Companies Registration Office, BTA 1 will be converted to ordinary shares, which will be registered in the subscriber's securities accounts on or around 15 January 2018, without any separate notification from Euroclear. A second series of BTA (BTA 2) will be issued for subscriptions made at a point in time that entailed that the new shares subscribed for could not be included in the first sub-registration. BTA 2 will be re-registered by Euroclear as ordinary shares following the second sub-registration of the Rights Issue at the Swedish Companies Registration Office, without any separate notification from Euroclear. In the event that any further sub-registrations are carried out, additional series of BTA may be issued. In such case, these will be designated in numerical order as BTA 3, etc., and re-registration as ordinary shares will be carried out in the same order as for earlier series of BTA, without any separate notification from Euroclear. Holders of nominee-registered depository accounts will receive BTA in accordance with the procedures of the respective nominee. BTA 1 will be admitted to trading on Nasdaq First North Premier starting 8 December 2017 up to and including 9 January 2018. The ISIN code for the BTA 1 is SE0010600551. BTA 2 and any subsequent series of BTA under the Rights Issue will not be admitted to trading.

Subscription for new shares without subscription rights and allotment

Subscription for new shares may also be made without subscription rights, i.e. subscription without preferential rights. Subscription without preferential rights may be done during the same time period as for subscription with preferential rights, i.e. from 8 December until 5:00 p.m. (CET) on 22 December 2017.

Directly registered shareholders and others

Applications for subscription of new shares without preferential rights must be made on application form (II). Such application form can be obtained from Pareto Securities per phone +46 8 402 51 40 or through its website www.paretosec.com/corp/immunicum, or from Immunicum's website, www.immunicum.se. Completed applications forms shall be received by Pareto Securities at the address, fax or e-mail below, no later than 5:00 p.m. (CET) on 22 December 2017.

Pareto Securities AB
Issuer Service/Immunicum
Box 7415
SE-103 91 Stockholm, Sweden
Street address: Berzelii Park 9, Stockholm
Telephone: +46 8 402 51 40
Telefax: +46 8 402 51 41
E-mail: issueservice.se@paretosec.com (scanned application forms)

Note that the application is binding and no changes or amendments may be done in pre-printed text on the application form. Incomplete or incorrectly completed application forms, as well as application forms which are not accompanied by the required identity and authority documents, may be disregarded or subscription may be deemed to have been made for a lower amount. Payments which have not been claimed will in such cases be repaid. No interest will be paid out for such payments. In the case of subscription without subscription rights for an amount corresponding to more than EUR 15,000, certified ID documents shall be enclosed. Only one application form per subscriber will be considered. Should several application forms be submitted by the same subscriber, only the last received application form will be considered.

Nominee-registered shareholders

Holders of depository accounts and nominees who wish to subscribe for shares without subscription rights must apply to subscribe in accordance with the instructions from their nominee or nominees, who will also process allotment notifications and other questions.

Allotment

In the event that not all subscription rights are exercised to subscribe for new shares, the board of directors will decide, within the limits of the maximum amount set in the Rights Issue, on the allotment of the new shares subscribed for without preferential rights. In the event of oversubscription, allotment will take place according to the following allotment principles:

- Shares subscribed for without subscription rights will ***firstly*** be allotted to those who have also subscribed for shares by exercise of subscription rights, regardless of whether or not the subscriber was a shareholder on the record date. Allotment shall in these cases be made pro rata in relation to the number of subscription rights exercised for subscription and, insofar as this is not possible, by drawing of lots.
- Shares will ***secondly*** be allotted to other parties who have only given notice of subscription without the exercise of subscription rights. In the event all such parties do not receive full allotment, the shares will be allotted pro rata in relation to the number of shares for which each party has given notice of subscription and, insofar as this is not possible, by drawing of lots.
- Shares will ***thirdly and lastly*** be allotted to the parties who have undertaken underwriting guarantees in the Rights Issue in their capacity as guarantors. In the event all such parties do not receive full allotment, the shares will be allotted pro rata in relation to the number of shares for which each guarantor has underwritten and, insofar as this is not possible, by drawing of lots.

Confirmation of allotment of new shares subscribed for without subscription rights

On or around 29 December 2017, as confirmation of allotment of new shares subscribed for without subscription rights, a contract note will be dispatched to directly registered shareholders and others with a securities account. No confirmation will be sent to those who have not been allotted new common shares. Payment for the subscribed and allotted new shares is to be made in cash and the payment must be received by Pareto not later than on the settlement day, in accordance with the instructions on the contract note. Should payment not be made in due time, the shares may be transferred to another. If the price at the time of such transfer is below the issue price, the one who originally received allotment may be responsible for the whole, or parts of, the difference. Nominee-registered shareholders will receive notification of allotment in accordance with the procedures of each nominee.

Trading in new shares

Immunicum's shares are traded on Nasdaq First North Premier. On 24 November 2017, Nasdaq Stockholm's listing committee decided to approve the Company's admission to trading on Nasdaq Stockholm, conditional upon the completion of the Rights Issue and that the Company secures sufficient working capital for the twelve month period following the admission to trading on Nasdaq Stockholm and other customary conditions. The Company's shares are, provided that the aforementioned conditions are fulfilled, planned to be admitted to trading on Nasdaq Stockholm on 15 January 2018, which means that the planned last day of trading on Nasdaq First North Premier is on 12 January 2018. The new shares are, provided that the Company fulfills the conditions for admission to trading, planned to become traded on Nasdaq Stockholm following the Swedish Companies Registration Office's registration of the Rights Issue. Such trading with shares converted from BTA 1 are expected to commence on or about 15 January 2018. Trading with

shares that are converted from BTA 2 or potential subsequent series of BTA will commence after the Swedish Companies Registration Office's registration of each sub-registration.

Right to dividends on shares

Dividends are to be paid following a resolution by the general meeting. Payment of dividends will be administered by Euroclear or, for nominee-registered shareholdings, in accordance with the procedures of the respective nominee. Entitlement to receive dividends is limited to shareholders registered in the shareholders' register maintained by Euroclear on the record date. The new shares carry the right to participate in the distribution of dividends for the first time on the record date for dividends that occurs immediately following the registration of the new shares with the Swedish Companies Registration Office.

Irrevocable subscription

The Company is not entitled to revoke the Rights Issue. Subscription of new shares, with or without subscription rights, is irrevocable and the subscriber may not withdraw or change a subscription for new shares, unless otherwise stated in this Prospectus or applicable law.

Announcement of the outcome of the Rights Issue

The outcome of the Rights Issue will be disclosed in a press release as soon as it becomes known to the Company, which is expected to take place on or around 29 December 2017.

Information about handling personal data

Parties who subscribe for, or apply to subscribe for, shares under the Rights Issue will submit personal data to Pareto. Personal data submitted to Pareto will be processed in computer systems to the extent required to administer the Rights Issue. Personal data obtained from sources other than the party in question may also be processed. Personal data may also be submitted to and processed by Pareto. Information pertaining to the processing of personal data can be obtained from Pareto, which is responsible for the processing of personal data. Pareto will accept requests for the correction or deletion of personal data at the address listed in the section *Addresses*.

Other information

Pareto is the financial advisor and issuing agent in connection with the Rights Issue. The fact that Pareto is the issuing agent does not imply that Pareto views any party that applies to subscribe for shares under the Rights Issue as a customer. As a result, Pareto will neither conduct a client classification nor a suitability assessment of the subscriber in accordance with the Securities Market Act (2007:528) with regards to this subscription. In the event that a larger amount than necessary has been paid by a subscriber for new shares, Immunicum will arrange for the excess amount to be refunded. If the subscription payment is made late, is insufficient or is paid incorrectly, the subscription application may be disregarded entirely or subscription may be for a lower amount. Any payments that have not been claimed will be repaid in such cases. No interest will be charged on such payments.

Instructions for subscription of shares

1. Allotment of subscription rights

On the record date as per 6 December 2017

1 share = 1 subscription right

Shareholders in Immunicum on 6 December 2017... ... will receive 1 (one) subscription right for each share held.

2. Subscription and payment with preferential rights

During the subscription period 8 December 2017 – 22 December 2017

14 subscription rights + Subscription proceeds SEK 120 = 15 new shares

14 (fourteen) subscription rights... ... together with payment of SEK 120... ... gives the subscriber 15 (fifteen) new shares.

3. How to exercise the subscription rights

Directly registered shareholders

Shareholders who hold shares on a securities account at Euroclear receives an issue statement from Euroclear where the number of allotted subscription rights is stated

→ In cases where all obtained subscription rights are exercised for subscription, use the payment slip from Euroclear for subscription through payment.

→ In cases where the number of subscription rights used for subscription is different than what is stated in the issue statement from Euroclear, application form (I) – Subscription with subscription rights shall be used for subscription through payment.

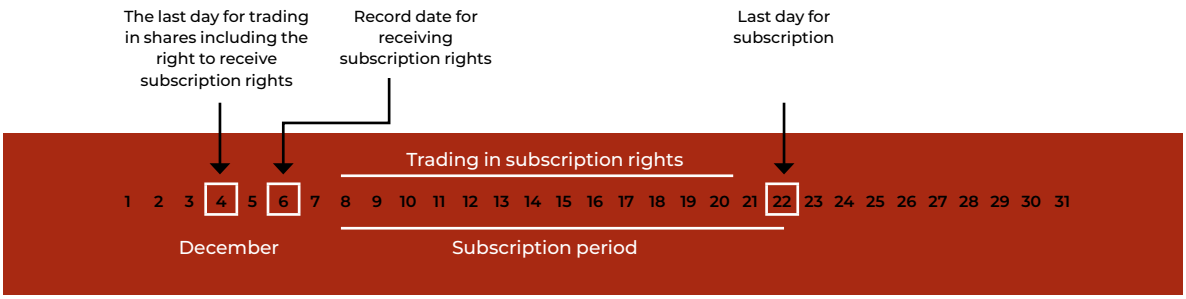
→ Payment shall be provided to Pareto Securities no later than 22 December 2017

Nominee-registered holders

Shareholders who hold their rights through nominees will not receive an issue statement from Euroclear and subscription shall instead be done in accordance with instructions from the nominee

→ Payment in accordance with instructions from the nominee

Timeline



Introduction to cancer, immuno-oncology and drug development

Cancer treatment

Traditional regimens

Traditional cancer treatment regimens generally include both local treatments such as radiotherapy or surgery and general treatments with chemotherapy (cytotoxic drugs) and hormone therapy. Surgery and radiotherapy are typically used for the treatment of individual solid tumor diseases. In order for a patient with solid tumor disease to be successfully treated through surgery, it is crucial that the tumor is detected at an early stage, is accessible to surgery and that the patient's condition is good enough to be able to undergo an operation. As general methods are able to detect a cancer mass above a minimum size throughout the body, they can be used both for treatment of metastatic cancer and post operation to reduce the risk of relapse, in contrast to local treatments.

The main concern with general treatments is that they affect the entire body instead of only targeting the tumor. Chemotherapy works by attacking all fast-growing cells, and thus also affects normal rapidly dividing cells (such as hair or gastrointestinal lining cells), which typically leads to severe side effects. Hormone therapy also affects the entire body, but does so by inhibiting the hormone system which prevents stimulating growth in cancer cells. Targeted therapies partly overcome these issues by blocking a specific pathway that is more active in tumor cells, often by injecting antibodies targeting a specific receptor. It is the Company's assessment that these therapies can be very effective in reducing tumor growth and killing tumor cells, yet tumors often develop resistance against these therapies by using other pathways for growth, causing the tumor to grow again.[1]

Immuno-oncology

Unlike traditional cancer therapies, immuno-oncology is designed to help 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. Furthermore, tumor cells have different strategies in order to avoid being discovered and attacked by the immune system, by so-called immunosuppression. Immuno-oncology can therefore fight cancer in two ways; either by activating the immune system to identify the cancer as something to be destroyed, or by fighting the cancer's immunosuppressive activity. Immunicum's lead product, ilixadencel, is part of the first category; it is an immune activator or immune primer as it helps to activate the patient's own immune cells to kill cancer cells.

1 Ahronian LG, Corcoran RB, *Strategies for monitoring and combating resistance to combination kinase inhibitors for cancer therapy*, Genome Med 2017.

The cancer immunity cycle

First published in 2013, the cancer immunity cycle has been used as a framework to explain and conduct research about immune-oncology.[1] The cycle describes how a tumor interacts with the immune system and can be divided into seven steps:

1. **Release of tumor cell antigens, including neoantigens:** Cancer cells have mutations that cause specific substances to be produced, called tumor neoantigens, which can be identified by the immune system to be different from healthy cells. The death of cancer cells leads to the release of tumor neoantigens. Some immune cells are able to capture the neoantigens if recruited to the cancer tissue. One type of immune cell that is recruited and able to capture neoantigens is dendritic cells (DCs).

2. **Transportation to lymph nodes:** The purpose of the dendritic cells that are recruited in step 1 is to pick up and transport the cancer cell's neoantigens to the lymph nodes where they present the neoantigens to neoantigen-specific T cells.

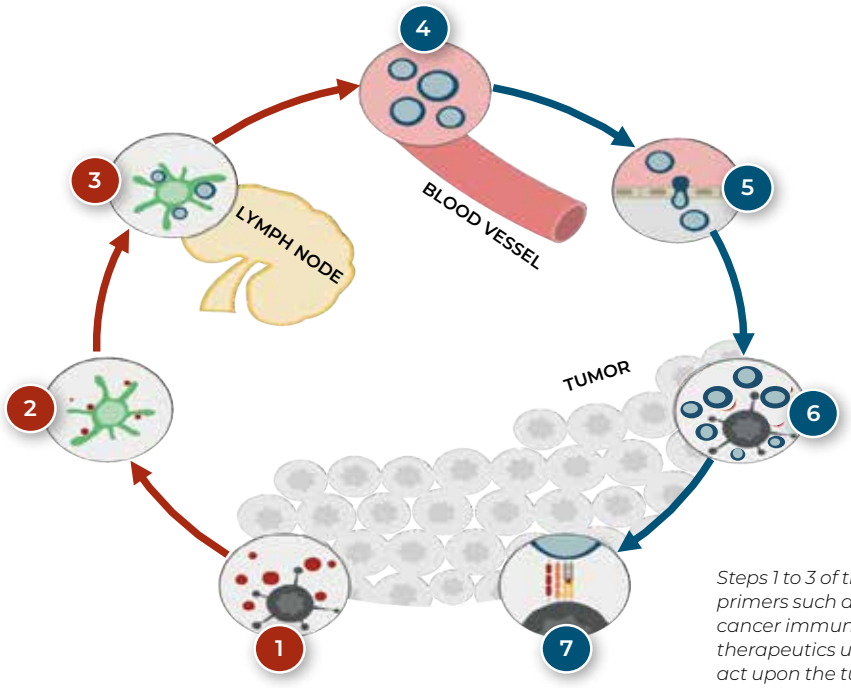
3. **Priming and activation:** By bringing the neoantigens to the lymph nodes and presenting them to the T cells, the T cells become primed[2] towards the cancer specific neoantigens. The T cells begin replicating and preparing for an attack of the tumor. This results in large amounts of T cells, particularly CD8+ T cells ("killer" T cells). These cells are specifically trained to find and kill cancer cells in the entire body.

4. **Trafficking of T cells to cancer tissue:** After activation the CD8+ T cells enter the blood vessels and travel around the body looking for cancer cells.

5. **Infiltration into cancer tissue:** Once the CD8+ T cells have travelled to a location where tumor cells are present, either in the primary tumor or in a metastasis in another part of the body, their task is to infiltrate the cancer tissue to be able to attack the tumor or metastasis.

6. **Recognition of cancer cells:** Following the infiltration of the cancer environment the CD8+ T cells identify tumor cells carrying the tumor neoantigens they have been primed to identify and attach themselves to these cells in order to destroy them.

7. **Killing of cancer cells:** After recognition and attachment, the CD8+ T cells can kill the tumor cells in a similar way that virus-specific CD8+ T cells are fighting virus-infected normal cells. However, cancer cells can develop mechanisms to locally suppress cancer specific CD8+ T cells, which inhibits their ability to kill the cancer.



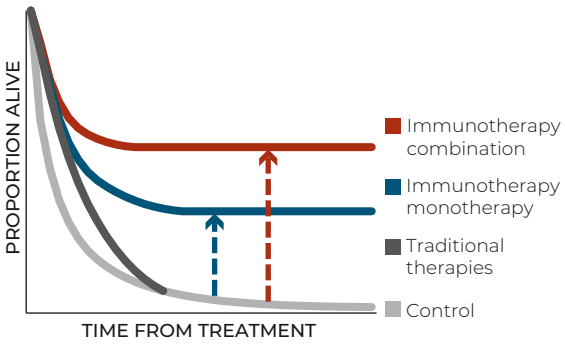
Steps 1 to 3 of the cycle are where immune primers such as ilixadencel can stimulate the cancer immunity cycle, and step 7 is where therapeutics used to fight immunosuppression act upon the tumor and T cells.

1 Chen DS, Mellman I, *Oncology meets immunology: the cancer-immunity cycle*, Immunity 2013.
2 "*Primed*" means that T cells become activated against the tumor.

Combination therapy

Combination therapy, a treatment regimen which combines two or more therapeutics, is becoming a cornerstone of cancer treatment. This treatment regimen attacks multiple aspects of the tumor, thereby preventing the tumor from escaping.[1] The combinations can include both traditional treatments such as chemotherapy or radiology and newer treatments such as immunotherapy.

As research within the immuno-oncology field advances, more rational combinations with an immunotherapy backbone emerge. One such combination is the use of synergistic immunotherapeutics. By combining immune enhancing drugs, affecting stage 1–3 in the cancer immunity cycle, with drugs that block the tumor's immunosuppression in stage 7 of the cycle, the survival rate and quality of life of patients can be significantly increased[2], as visualized in the graph below.



Drug development

All development of pharmaceutical drugs begins with nonclinical research that spans everything from the detection of an active compound or therapy, to the development and improvement of the concept, including tests with human cells in test tubes (in vitro tests) and in appropriate animal models. The experiments with animals are important to ensure that the drug does not give rise to any serious adverse effects and that it has the desired biological effects. The experiments with animals are also subject to regulatory approval and control. Based on the results of this nonclinical work, an application is submitted to the regulatory authorities for authorization to test the pharmaceutical in humans. When an application is filed with the relevant regulatory authorities – in Sweden this would be the Swedish Medical Products Agency (Sw. *Läkemedelsverket*) – 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 development program generally follows 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.[3]

Phase I/II study

The Phase I study is the first time a new compound is administered to humans. Usually, the study subjects are a group of healthy individuals but may in some cases be patients, who are kept under constant medical surveillance. The purpose of the clinical trials is to determine whether the study 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. Clinical trials in oncology usually start with the lowest biologically active dosage considered sufficient to determine the safety profile of therapy, and if everything goes according to plan, it may be increased as the clinical trial progresses. In cancer drug development, the study subjects are most often cancer patients whose disease is in an advanced stage and for whom not many other therapeutic options exist. The product is administered under strict medical conditions and the patients are followed up more intensely. Since Immunicum's cancer immune primer, ilixadencel, is tested in cancer patients and not in healthy volunteers, the Company has the opportunity to not only study safety and tolerability (the primary objective), but also study potential clinical activity of the treatment (the secondary objectives). That is why Immunicum's first cancer immunotherapy clinical trials have been referred to under the designation Phase I/II studies.

Phase II study

The Phase II study aims at establishing a dose and schedule that is safe and efficacious. Often Phase II studies are also referred to as proof of concept studies and are conducted in a small patient group with the cancer type of interest. The Phase II study is set up to show signs of clinical activity in tumor response

1 Mokhtari R. B., et al., Oncotarget, *Combination therapy in combating cancer*, June 2017.
2 Harris S. J., et al., Cancer Biology & Medicine, *Immuno-oncology combinations: raising the tail of the survival curve*, June 2016.
3 Pharmaceutical Specialists in Sweden, FASS, Pharmaceutical Development, 2014.

(e.g. decrease in the diameter of a tumor). The effects of the drug on the disease and its symptoms are studied. The number of patients in a Phase II study is still relatively limited. Immunicum's Phase II study in RCC (MERECA) is designed to test the safety and efficacy of ilixadencel in combination with sunitinib and to collect data for the design of a Phase III study. The study is exploratory and not designed to be powered to show statistically significant difference between the groups. The study will hence be successful and obtain clinical proof of concept if it can show indicative clinically meaningful benefits from multiple endpoints and it will provide valuable estimates for planning of future confirmatory (i.e. Phase III) trials.

Phase III study

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 already approved drug for the same indication and that is considered the standard of care. Depending on the clinical study design a placebo, i.e. ineffective copy of the drug, is used as the comparison treatment when no effective standard of care exists in that line of treatment of the specific cancer indication.

Drug combination studies can also be performed where the established therapy and the newly developed drug are compared to the established treatment alone. 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 randomized" 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 very high statistical probability whether the new drug has a better efficacy, or minimizes side effects to a greater extent than existing treatment alternatives. If the new drug reaches the most important clinical endpoints of efficacy in the Phase III study and is well tolerated by patients a request for approval can be submitted to a relevant regulatory authority – most commonly the European Medicines Agency (EMA) and/or the U.S Food and Drug Administration (FDA) in the US.

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 may as well cause severe adverse side effects. Cancer immune primers (such as ilixadencel), which trigger 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 recognizes and attacks what is foreign to the body, but the problem with cancer is that tumor cells are usually not recognized as unknown invaders. This makes it extremely difficult for the immune system to effectively neutralize tumor cells, which is why several methods have been developed – including cell-based vaccines – to enhance the immune response against cancer.

It is now well established that the immune system has cells, particularly CD8+ T cells, that can recognize and potentially kill tumor cells. Nevertheless, there is a major obstacle that needs to be resolved, as these T cells are not activated at all or are only weakly activated. One explanation for this may be that tumor antigens captured by dendritic cells are not sufficiently presented in order to elicit a T cell dependent immunity. Another reason may be the immunosuppressant environment of the tumor.

The role of dendritic cells

The dendritic cells play a very central role in specific immune responses and activate the systems which, among other things, help 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 process protein antigens in order to subsequently present these antigens to antigen-specific T cells. This leads to an activation and proliferation (increase in the amount) of T cells whose function is then to attack cells that express this antigen. In the same manner, the immune system could similarly be trained to attack cancer transformed cells.

Shortcomings of previously tested immune primers

Despite the fact that several clinical studies have been conducted where cancer patients have been treated with various types of therapeutic cancer immune primers, there is still no cancer immune primer that has shown a convincing and prolonged clinical effect.[1] The Company's assessment is that this can be explained by at least three different weaknesses in previously evaluated cancer immune primers:

1. Cancer-associated tumor antigens that have been used 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 normal tissues, the immune system makes sure that these cells are weakened or killed via what is referred to as "development of central tolerance".

2. Inadequate selection of adjuvants, which are an important component of the priming mechanism of a vaccine.

3. The tentative cancer immune primers have not been combined with any pharmaceuticals that inhibit tumor-related immunosuppression.

Mutation-derived tumor antigens (neoantigens)

There is growing consensus that use of tumor neoantigens, consisting of peptides (small protein pieces) which are formed by the individual patient's tumor-specific mutations (specific changes in tumor cells' genetic code) will be the paradigm shift that is needed in order to provide cancer immune primers 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.[2]

1 Dillman, *Is there a role for therapeutic cancer vaccines in the age of checkpoint inhibitors?*, 2017.
2 Schuhmacher et al., Science, *Neoantigen in cancer immunotherapy*, 2015.

Neoantigen-based immune primers

Neoantigen-based immune primers 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 immune primers. Immunotherapy with immune primers based on neoantigens, in which the patient's neoantigens are first characterized and then synthesized in vitro (in a test tube) is presently undergoing several clinical trials. On a purely practical level however, this manufacturing 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 neoantigens for each individual patient have been characterized by a tissue sample from patient's own tumor which constitutes quite a logistical challenge.[1]

Intratumoral (in situ) administration of immune primers

A rational way to get around the practical problems that the production of tumor neoantigens in a test tube entails, is to use the patient's existing tumor (or metastasis of) as a direct neoantigen source by injecting an immune primer directly into the patient's tumor. This leads to the patient's own immune cells, including dendritic cells, being recruited to the neoantigens for direct interaction, instead of the complex process (described above) of having to identify the patient's specific tumor mutations, produce the corresponding tumor neoantigens and then inject these neoantigens together with an immune primer.

Activated allogeneic dendritic cells as optimal immune primers

Natural viral infection and vaccination with live viruses (as in smallpox vaccinations) leads to the development of specific cytotoxic CD8+ T cells that effectively attack and kill the virus-infected cells. More and more pre-clinical data suggest that those 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 primer by secreting numerous inflammatory substances leading to the recruitment and maturation of non-infected dendritic cells from the surrounding tissue/blood stream.[2] 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 antigens. Due to the inflammatory environment, the newly recruited dendritic cells will be protected from infection and will instead mature and subsequently migrate to the draining lymph nodes where they will activate CD8+ T cells. Finally, the activated T cells migrate into the body where they specifically attack the virus-infected tissue cells.[3]

By using allogeneic dendritic cells as immune enhancers, such cells will further be regarded as foreign allogeneic invaders that most likely will potentiate an inflammatory reaction, further promoting recruitment and activation of the patients own dendritic cells at the administration site, i.e. the tumor.

Immunicum's approach

Preclinical studies using a similar approach as Immunicum's ilixadencel have shown that monocyte derived human dendritic cells can be activated to produce long-lasting inflammatory substances that mimic the production that characterizes the virus-infected dendritic cells, i.e. an inflammation that leads to the recruitment and activation of "bystander" immune cells, including natural killer (NK) cells and 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 additional recruitment and activation of "bystander dendritic cells".[5] These discoveries have led to the development of Immunicum's lead product ilixadencel, which uses dendritic cells harvested from healthy humans that are specifically activated to produce significant amounts of immune stimulatory factors that create an optimal priming environment.

By intratumoral injection, these cells induce a local inflammatory reaction, leading to a local destruction/killing of tumor cells (via local recruitment and activation of NK cells) and recruitment of the patient's own dendritic cells into the tumor. The recruited dendritic cells will encounter and engulf dying tumor cells and/or tumor cell debris, including tumor specific proteins, neoantigens, that will act as an antigen source to activate the tumor specific T cells, including CD8+ killer T cells, resulting in a highly personalized anti-tumor response.

1 Fritsch et al., *Personal neoantigen cancer vaccines: The momentum builds*, 2014.
2 Smed-Sörensen et al., *Dendritic Cells at the Interface of Innate and Adaptive Immunity to HIV-1*, 2011; Pang et al., *IL-1R signaling in dendritic cells replaces pattern-recognition receptors in promoting CD8+ T cell responses to influenza A virus*, 2013.
3 Pang et al., *IL-1R signaling in dendritic cells replaces pattern-recognition receptors in promoting CD8+ T cell responses to influenza A virus*, 2013.
4 Gustafsson et al., *Recruitment and activation of natural killer cells in vitro by a human dendritic cell vaccine*, 2008.
5 Wallgren et al., *Direct allorecognition promotes activation of bystander dendritic cells and licenses them for Th1 priming: a functional link between direct and indirect allosensitization*, 2005.

Market overview

The information in this Prospectus concerning the market's size, growth, other characteristics and Immunicum's market position in relation to its competitors is the Company's general assessment based on both internal and external sources. Unless otherwise specified, the information and assessments provided in this section are the Company's own assessments and judgements. Immunicum has strived to use the latest available information from relevant sources. This information includes certain information obtained from third parties. The information concerned has been reproduced correctly and – as far as the Company is aware and can verify by comparison with other information published by these third parties – no information has been omitted in a way which would render the information reproduced incorrect or misleading. Although the Company believes these sources to be reliable, no independent verification of the information has been carried out. Readers of this Prospectus should also take into account that any forecasts and/or forward looking statements given in this section are no guarantee of future results, and that actual events and circumstances may differ materially from current expectations.

Global oncology 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 two 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 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 seven 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 Swedes 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[4], and since then significant strides have been made with the research. According to Radiant Insights, the market for immune therapies is expected to grow at an annual growth rate of 23.9 percent, and amount to USD 75.8 billion by 2022.[5] 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 has been identified. [6]

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 New forecast shows: *Dramatisk ökning av cancerdrabbade till 2040, Folkhälsoinstitutet och Cancerfonden*, 2016.
4 Breakthrough of the year 2013. Cancer Immunotherapy, Vol 342, Issue 6165, 20 December 2013.
5 Radiant Insights, *Global Cancer Immuno Therapies Market to 2022 – Immune Checkpoint Inhibitors and Therapeutic Cancer Vaccines to Characterize Increasingly Competitive Market*, 2016.
6 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.

Positioning and competition

Within immuno-oncology there are two categories of drugs that are designed to attack the cancer in two different ways:

- **Immune stimulation (priming):** Step 1–3 in the cancer immunity cycle.
- **Anti-immunosuppression:** Step 7 in the cancer immunity cycle.

Immunicum's objective is to position ilixadencel as the backbone drug in combination treatments for activating the immune system (immune primers).

Anti-immunosuppression

Anti-immunosuppression is the more developed field within immuno-oncology where the majority of all large pharmaceutical companies currently operate. In recent years great progress has been made with several new drug approvals including an FDA approval of Bristol-Myers Squibb's Opdivo® and Merck's Keytruda®, which were initially approved for malignant melanoma but have now become applicable to several other indications including head and neck-, kidney-, and lung cancer. Some of the more recent approvals include Tecentriq® (Roche) in 2016 for treatment of bladder cancer and Bavencio® (Merck, Pfizer and Eli Lily) for metastatic Merkel cell carcinoma in March 2017. Remarkably, in May 2017, FDA approved for the first time an anti-cancer drug, in this case Merck's Keytruda® in the indication of a specific mutational status of the tumor independent of cancer type. It is the first so called tissue- or site-agnostic approval, underlining the transformative developments in the field of immuno-oncology.

The Company and many key opinion leaders believe that anti-immunosuppressants such as the aforementioned drugs should be accompanied by immune primers to achieve best possible results. In this way, several of today's standard treatments that are known to inhibit tumor-derived immunosuppression (including certain tyrosine kinase inhibitors and chemotherapies), as well as many potential future standard treatments for cancer (e.g. immune checkpoint inhibitors), will form potential combination therapies rather than competing treatments.

Immune stimulation (primers)

Initially, research on immune primers was mostly based on different primers in combination with tumor-associated antigens.[1] As limited efficacy was shown due to the immune system's tolerance to such tumor-associated antigens and the natural variability of each patient's tumor, the field has made an important paradigm shift to use of neoantigens. Though the field of immune primers has lagged behind the success of checkpoint inhibitors due to earlier setbacks using tumor-associated antigens, such as the cancer vaccine Provenge® (Dendreon), it has pushed the field into the right direction. Now, the category of neoantigen-based immune primers can be divided into two subgroups – a) immune primers that are used in combination with tumor-derived antigens (neoantigens) from the tumor of each specific patient that have been synthesized in the test tube and b) off-the-shelf immune primers for intratumoral injection *in situ*[2]. The former, immune primer when combined with tumor-derived neoantigens, is an individualized cancer vaccine (immune primer plus antigen) prepared in a laboratory using a unique biopsy cell sample from the patient's own tumor. The fact that the therapy is completely individualized results in a very expensive and time consuming treatment inappropriate for large scale use. So far, these therapies have still not shown sufficient clinical efficacy in order to obtain approval for a market release.

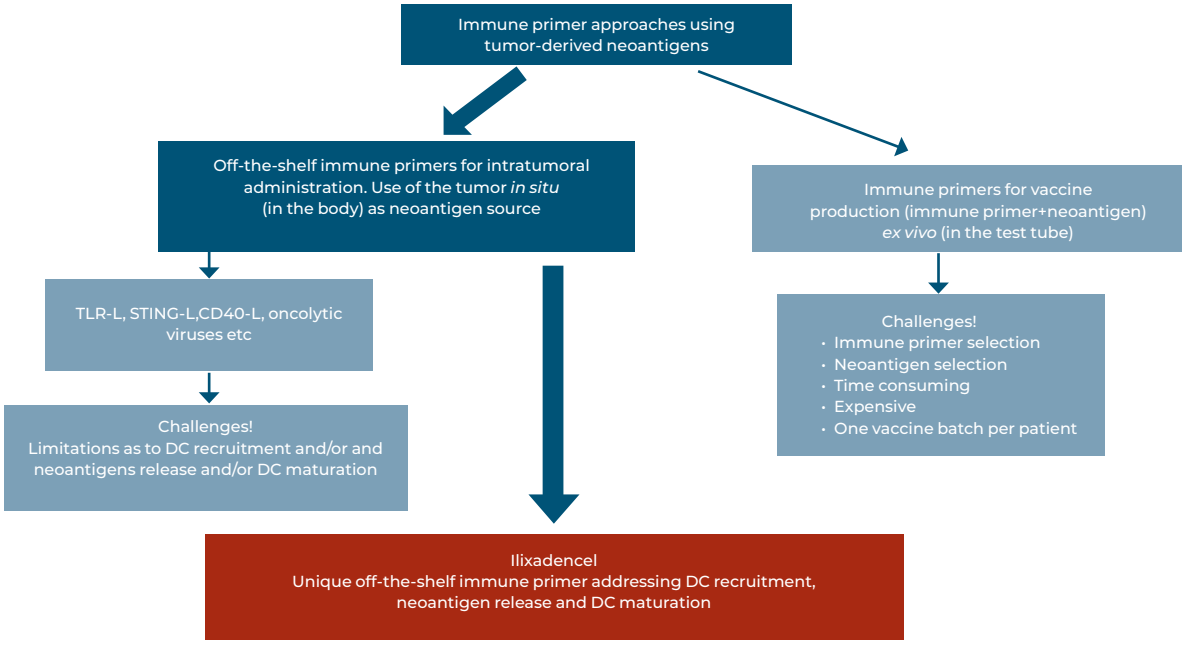
The latter subgroup – immune primers for intratumoral administration – utilizes the patient's own tumor as the neoantigen source in situ ("on site", i.e without need for extracting tumor material, characterizing the genes coding for neoantigens and subsequently synthesizing these neoantigens) in order to induce a neoantigen-specific immune priming. This approach enables the use of a "universal" off-the-shelf product that can be used on all patients with an injectable solid tumor, without need for customization. This part of the immune primer landscape is where both Immunicum's ilixadencel and immune enhancers such as Toll Like Receptors (TLR)- and CD40-ligands as well as oncolytic viruses operate. Although other immune primers are considered competitors of ilixadencel, it is Immunicum's assess-

1 Tumor-associated antigens are antigens which may be present on both tumor cells and normal cells, as opposed to tumor-specific antigens which are only present on tumor cells.
2 *In situ* is latin for "on site", meaning that ilixadencel is injected into the tumor to initiate an immune response at the tumor site.

ment that they fall short of a key aspect; they are, unlike ilixadencel, only capable of addressing parts of the crucial immune priming process.[1]

The strength with Immunicum's immune primer ilixadencel is that it engages the entire immune system activation process needed, being i) recruitment of natural killer (NK) cells as well as dendritic cells into the tumor, ii) induction of NK-cell mediated tumor neoantigen release and iii) activation of recruited and neoantigen-loaded dendritic cells, subsequently leading to systemic activation of tumor specific killer T cells (CD8+ T cells). All this is achieved while having only few and mild side effects compared to other established cancer immunotherapies. The Company's assessment is therefore that the unique profile of ilixadencel, a cell-based off-the-shelf immune primer, can serve as, and is positioned to be, an optimal immune primer to be used in combination with anti-immunosuppression candidates.

Overview of the immune primer/vaccine landscape (immune primers)



1 Salmon et al., *Expansion and Activation of CD103+ Dendritic Cell Progenitors at the Tumor Site Enhances Tumor Responses to Therapeutic PD-L1 and BRAF Inhibition*, 2016.

Trends in the market for oncology and specifically immuno-oncology

Immunicum expects the demand for immunotherapies to increase going forward. Below are the most evident trends in the market.

Increasing number of application areas for immunotherapies

The Company believes immunotherapeutic drugs have the potential to change the therapeutic landscape in the treatment of cancer. Immuno-oncology, the Company's focus area, is a relatively new and rapidly growing part of the market. According to the Company's assessment, there is considerable room for new players to take market shares and high potential for products that are based on new technology and potentially offer minor or no side effects.

Increasing collaborations

It is common for large pharmaceutical companies to cooperate with smaller, research-based, pharmaceutical companies in the development of pharmaceuticals. The costs of developing drugs are high, which is one of the reasons why smaller pharmaceutical companies can choose to license their products to major pharmaceutical companies before carrying out comprehensive Phase III clinical trials. The major pharmaceutical companies then carry out the necessary clinical studies and commercialize the drug on the global market. In this way, product development is streamlined from idea to commercialization and the risks are shared between the parties.

Demographic development

Immunicum believes that an increasing proportion of elderly people, where the number of new cancer cases typically are higher, coupled with higher incomes and better access to, as well as increased use of drugs in developing countries is expected to drive growth of the total pharmaceutical market.

Immunicum's focus areas

The market for cancer treatments is divided by the different forms of cancer, or cancer indications. The market situation in Immunicum's focus indications varies as outlined in the following sections.

Current indications

With Immunicum's cancer immune primer ilixadencel it is possible to treat all immunogenic[1] solid tumors which are accessible via intratumoral injection. Immunicum has chosen to initially invest in metastatic renal cancer (mRCC) treatment and has initiated a Phase II Study called the MERECA (metastatic renal cell carcinoma) study that is expected to be concluded and reported in 2019. One clinical Phase I/II study is also ongoing in gastrointestinal stromal cell tumors (GIST) and in October 2017 Immunicum published the final results from a Phase I/II study in liver cancer (hepatocellular carcinoma; HCC). The important information that Immunicum receives from these studies, together with continuously ongoing analysis of the cancer treatment landscape, has formed the basis for the future development plan for ilixadencel.

The market for kidney cancer (RCC)

Renal cell carcinoma (RCC) is the most common type of kidney cancer in adults and it is a fast-growing cancer which is prone to spread to lungs and surrounding organs.[2] Immunicum is currently conducting a Phase II study, the MERECA study, in RCC.

Market size and key drivers

According to GLOBOCAN, in 2012 an estimated 338,000 new cases of renal cell cancer are diagnosed each year globally, which represents about two percent of all cancer cases.[3] 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.[4] The growth rate is attributed primarily to 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, commercialization of new therapies and drugs is considered to constitute the majority of the expected market growth.

Competitive landscape

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).[5]

Despite the fact that new drugs have taken large market shares (Sutent® had sales in 2016 in the amount of USD 1.1 billion for three different indications, with RCC as the main indication, according to

1 Immunogenic means that it is capable of producing an immune response.
2 Healthline, *Renal cell carcinoma*.
3 Ferlay J, Soerjomataram I, Ervik M, et. al. GLOBOCAN 2012 v 1.0.
4 Kidney Cancer Drugs Market – Global Industry Analysis, Size, Share, Growth, Trends and Forecast 2014-2020, 2015.
5 GlobalData: PharmaPoint: Renal Cell Carcinoma – Global Drug Forecast and Market Analysis to 2023, 2016.

Pfizer's annual report for 2016) they often constitute costly therapy forms with repeated dosing schemes and as old patent rights expire and new promising therapies reach 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 delay of the disease. Therefore, the Company believes 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 ilixadencel, which are based on a cell-based 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 likely charge more according to GlobalData.

Furthermore, cancer immune primers should not be regarded as a substitute for conventional therapies, but rather as a potential complement to current and especially future therapies. Generally, targeted therapies are considered to have reached their potential as "stand-alone" products, with most recent advances of Cabometyx® (cabozantinib by Exelixis) and Stivarga® (regorafenib by Bayer). These could be further increased by immunotherapies or outperformed by combination immunotherapies. Checkpoint inhibitors are leading in the immunotherapy field and Opdivo® (nivolumab by Bristol Myers-Squibb) was approved for advanced RCC by the FDA in 2015. Several other immunotherapies are, alone or in combination with targeted therapies, being tested in RCC.

The market for liver cancer (HCC)

Of all the forms of liver cancer, 85 percent is of the type HCC and it is the third leading cause of cancer deaths worldwide.[1] Immunicum is currently conducting a Phase I/II trial within the indication.

Market size and key drivers

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 liver cancer treatment amounted to USD 707 million in 2016, and predicts that the market will grow by 7–15 percent each year up until 2021.[2] 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[3] (ODD) status in strategic markets (such as the US, 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 US, France, Germany, Italy, Spain, UK and Japan) is 105,000 new cases of individuals falling ill per year.[4]

The disease is often asymptomatic and few appropriate biomarkers are available. That is why a large proportion of patients (approximately 50 percent in Europe and the US, 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 are usually the first choice of treatment at an early stage of the disease since chemotherapy and other standard treatments prove ineffective for HCC; with response rates to treatment in the range 0–36 percent. Even after surgical treatment the recurrence rate is quite high, surpassing 70 percent after five years.[5]

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. Immunicum's assessment is that neither of these factors is expected to significantly influence the patient population in the immediate future.

Competitive landscape

The competitive landscape for HCC resembles that of RCC. Since 2006, one new medicine with proven clinical effect in first line unresectable HCC has entered the market, Nexavar® (sorafenib, Bayer Healthcare). 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

1 Medscape, *Hepatocellular carcinoma.*
2 Mordor Intelligence: Global Liver Cancer Market – Segmented by Type, Technology, End User and Geography (2016–2021), 2016.
3 Orphan drug designation is a special status granted to a drug to treat a rare disease, which qualifies the sponsor of the drug for a number of development incentives such as tax credits on clinical testing.
4 Ferlay J, Soerjomataram I, Ervik M, et al. GLOBOCAN 2012 v 1.0.
5 Stakeholder Opinions: Hepatocellular Cancer, Datamonitor 2010.

possible. Even though Nexavar® has a limited impact on survival (approximately twelve weeks), the lack of alternatives makes it useful. Nexavar® sales in 2012 were circa USD 1 billion for two approved indications (including RCC).[1]

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 therapies that are aimed at specific molecular targets, similar to the function of Nexavar®. In April 2017 FDA approved another tyrosine kinase inhibitor in unresectable HCC: Stivarga® (regorafenib) proved to increase median overall survival from 7.8 months to 10.6 months of patients in second line treatment i.e. after failure of Nexavar® in first line treatment.[2] A significant need for more effective alternatives still remains.[3]

The market for gastrointestinal stromal cancer (GIST)

GIST is a tumor arising from mesenchymal cells in the gastrointestinal tract. GIST is a rare disease, which means that only a few experts have deeper knowledge of how the disease should be evaluated and treated. Immunicum is currently conducting a Phase I/II trial for the use of ilixadencel in the treatment of GIST.

Market size and key drivers

GlobalData estimated the global market for this cancer indication to USD 920 million in 2010 with an expected annual growth rate of two 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.[4]

Competitive landscape

Surgery is the primary treatment for localized 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 patients who do not respond to sunitinib and is thus 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.[5]

New indications

As part of the updated clinical development plan Immunicum has decided to initiate clinical studies in three new indications, head and neck cancer (head and neck squamous cell carcinoma; "HNSCC"), gastric cancer (gastric adenocarcinoma; "GC") and non-small cell lung cancer ("NSCLC"). These indications have been chosen based on the belief that they are well-suited for treatment with ilixadencel and that they represent patient populations with large unmet medical needs; less than 50 percent of patients respond to checkpoint inhibitors. The Company believes ilixadencel to be uniquely positioned to have a therapeutic benefit in these patients, meaning that these indications host the potential to significantly expand ilixadencel's target market. For further information regarding the rationale behind choosing the specific indications, see section *Updated development plan – New combinations and indications*.

The market for head and neck cancer (HNSCC)

Head and neck cancer is a group of cancer originating in the epithelial surfaces in the head and neck, such as the mouth and throat. Approximately 90 percent of these cancer types are considered HNSCC.[6]

1 FiercePharma Special Report: Nexavar.
2 Bruix J et al. *Regorafenib for patients with hepatocellular carcinoma who progressed on sorafenib treatment (RESORCE): a randomised, double-blind, placebo-controlled, phase 3 trial*, Lancet 2017
3 Stakeholder Opinions: Hepatocellular Cancer, Datamonitor 2010.
4 Gastrointestinal Stromal Tumors (GIST) Therapeutics – Pipeline Assessment and Market Forecasts to 2019, 2012, GlobalData.
5 Hagberg. H, Internetmedicin, *Gastrointestinal stromacellstumör (GIST)*, 2017.
6 R J Sanderson, *Squamous cell carcinomas of the head and neck*, BMJ, 2002.

Market size and key drivers

More than 600,000 patients worldwide are diagnosed with head and neck cancer every year, making this group one of the most common cancer types according to GLOBOCAN. Alcohol and smoking are the most common risk factors for HNSCC, while infection with human papillomavirus (HPV) is a specific risk factor for several types of head and neck cancer. These risk factors result in a geographical distribution with a significant portion of patients in the Western world (around 50,000 patients in the US) and a large patient population in Asian geographies.[1]

Head and neck cancer represents a modest market size of USD 386 million in sales in 2014, due to limited availability of novel therapies and low costs related to generic chemotherapies. Due to recent and expected breakthroughs with immunotherapies, the HNSCC market is forecasted to grow to USD 1.5 billion in sales in 2024, according to GlobalData.[2]

Competitive landscape

The prognosis of HNSCC is poor, especially if the cancer recurs or if metastases develop. The disease is currently managed with surgery, radiotherapy and chemotherapy. Targeted therapies, in specific epidermal growth factor receptor (EGFR) inhibitors such as cetuximab (Erbitux®), have shown efficacy in these cancer types, yet are subject to treatment resistance and often result in recurrence of the tumor after initial effects. More recently, immunotherapies in the form of checkpoint inhibitors have shown initial efficacy in HNSCC. Nivolumab (Opdivo®) improved the objective response rate from 6 to 13 percent when compared to chemotherapies and targeted therapies (methotrexate, docetaxel, cetuximab). Despite a limited proportion of patients responding to the therapy, most of the responding patients did show a long-lasting response. Together with pembrolizumab (Keytruda®), another checkpoint inhibitor targeting PD1 which showed similar results, these two immunotherapies were approved for HNSCC by the FDA.

Immunicum anticipates the recently approved checkpoint inhibitors to have an increased market penetration due to the chance of durable response for patients over the limited added quality of life with conventional therapies such as chemotherapy. An established market for checkpoint inhibitors in HNSCC will allow for combination therapies to be reliably and cost-effectively studied in clinical development on top of the marketed therapies. Given the positioning of ilixadencel as backbone to immunotherapies in the cancer immunity cycle and the limited response to the currently approved checkpoint inhibitors, Immunicum expects its therapy can target a significant market penetration provided it continues to show safety – especially emphasized in combination therapies vs. other approaches – and efficacy.

The market for gastric cancer (GC)

Gastric cancer develops in the lining of the stomach and is the third-leading cause of cancer-related deaths due to the high mortality rate. Gastric adenocarcinoma accounts for approximately 90 percent of cases of gastric cancer.[3]

Market size and key drivers

Globally, around 950,000 patients are diagnosed with gastric cancer each year. One of the most important risk factors is infection with the bacteria Helicobacter pylori, which is a highly prevalent bacteria that is able to survive in the acidic stomach environment and negatively impacts the health of the stomach. Similarly, infection with the Epstein-Barr virus has also been associated with gastric cancer. Circa 21,000 patients in the US are diagnosed with gastric adenocarcinoma each year. The infections causing the disease occur at an even higher rate in developing countries and the incidence in Asian geographies is thus proportionally higher compared to the US. Next to infections, smoking and alcohol have been shown to result in an increased risk of gastric cancer. Approximately 723,000 patients worldwide die each year of gastric cancer, according to GLOBOCAN.[4]

The market size of gastric cancer was valued at USD 1.7 billion in 2015, according to BCC Research.[5] It is mostly impacted by high costs associated to surgery and introduction of targeted therapies with a relatively high cost per month. It is estimated to grow with a compounded annual growth rate (CAGR) of 14 percent to USD 3.2 billion in 2020. The growth is driven by further penetration and introduction of targeted therapies and their associated monthly costs, and the general market growth of developing countries in which gastric cancer is highly prevalent. Immunotherapies are yet to be incorporated in these forecasts.

1 Jemal A et al., *Global cancer statistics.* CA Cancer 1, J Clin 2011.
2 GlobalData, Opportunity Analyzer: Head and Neck Squamous Cell Carcinoma – Opportunity Analysis and Forecast to 2024, 2016.
3 National Cancer Institute, Cancer.gov, Gastric Cancer Treatment – Health Professional Version, 2017.
4 GLOBOCAN (IARC), 2012, http://globocan.iarc.fr/old/FactSheets/cancers/stomach-new.asp.
5 BCC Research, Global Market for Gastric Cancer Therapies to Reach $3.2 Billion by 2020, 2015.

Competitive landscape

In the US, patients with gastric (stomach) cancer have an estimated overall five-year survival rate of 29 percent.[1] Dependent on tumor staging, surgery of the stomach (including total resection) is combined with radiation and chemotherapy as standard treatment. Beyond these standard treatment options, there are very limited therapies for gastric cancer. Targeted therapies such as trastuzumab (Herceptin®) targeting HER2[2] and ramucirumab (Cyramza®) targeting VEGFR[3] have shown benefits in response and added a few months of overall survival for a subset of patients with gastric cancer overexpressing these targets. Checkpoint inhibitors are being explored in gastric cancer, with recently announced Phase III results of nivolumab (Opdivo®) in advanced unresectable gastric cancer showing an overall survival of 5.3 months vs. 4.1 months on placebo and a twelve-month overall survival rate of 27 percent vs. eleven percent on placebo. Given the overexpression of PDL1 (biomarker for these therapies) in about 40 percent of patients with gastric cancer, the Company expects checkpoint inhibitors to be approved for gastric cancer and play an important role in future therapy.

Given recent breakthroughs in Phase III studies, Immunicum anticipates approval of checkpoint inhibitors in specific subsets of the gastric cancer population. This will smoothen the regulatory path for combination therapies in gastric cancer and allow for market entry in these subsets, while the limited efficacy of current immunotherapies leave a significant proportion of the patient population open for combination therapies to capture. The high incidence and mortality of the disease and limited immunotherapy penetration provides Immunicum with the opportunity to achieve a breakthrough in this disease if it can enable a larger proportion of patients to respond to immunotherapy.

The market for non-small cell lung cancer (NSCLC)

Lung cancer is the third most common type of cancer and has the highest mortality of all types of cancer. Non-small cell lung cancer is the most common form of lung cancer and accounts for approximately 85 percent of all cases.

Market size and key drivers

Around 1.8 million patients worldwide are diagnosed with lung cancer every year, and more than 1.5 million patients die each year from lung cancer. The most important risk factor for NSCLC is smoking. The geographical distribution of the incidence is impacted by smoking and pollution and as a result a significant patient population resides in the Western world (with about 214,000 patients in the US) and in Asia.[4]

Non-small cell lung cancer had a market size of USD 6.2 billion in 2015, and is forecasted to grow to USD 12 billion in 2025, according to estimates from Research and Markets in 2017.[5] Targeted therapies continue to be an important part of NSCLC treatment, especially for specific subsets of the patient population that are overexpressing a certain tumor pathway. Immunotherapies are projected to become a cornerstone in NSCLC based on either monotherapy in advanced patients or combination therapies on top of targeted therapies.

Competitive landscape

The prognosis for NSCLC is poor. In Europe, the five-year survival rate for NSCLC is eleven percent and varies widely dependent on the stage of disease, with five-year survival rates as low as four percent once the disease has metastasized. Surgery is the first treatment option if the disease is diagnosed at a localized stage, ranging from removal of a lobe up to the entire lung. Radiation and chemotherapy is often combined at this stage. There have been a number of targeted therapies in NSCLC that have shown efficacy, mostly due to a number of tumor types overexpressing specific tumor pathways. These include EGFR (erlotinib, Tarceva®; afatinib, Gilotrif®; gefinitib, Iressa®), VEGF (bevacizumab, Avastin®) and ALK (crizotinib, Xalkori®; ceritinib, Zykadia®), among others. Despite these therapies' ability to inhibit tumor growth and extend survival with several months, there is a high rate of tumor resistance and subsequent tumor recurrence in these patients. Checkpoint inhibitors have shown durable responses in a proportion of patients with advanced NSCLC after chemotherapy.[6] Both nivolumab (Opdivo®) and pembrolizumab (Keytruda®) were approved in this setting, yet

1 American Cancer Society, Survival Rates for Stomach Cancer, by Stage, 2014.
2 HER2 is an abbreviation of human epidermal growth factor receptor 2 and is a gene that can play a role in the development of breast cancer.
3 VEGFR is an abbreviation of vascular endothelial grow factor receptor and is an important signaling protein.
4 GLOBOCAN (IARC), 2012.
5 Research and Markets, Non-small Cell Lung Cancer (NSCLC) Therapeutics Market Analysis By Drug (Alimta, Iressa, Avastin, Tarceva, Zykadia, Tagrisso, Xalkori, Cyramza, Opdivo, Alecensa), By Region And Segment Forecasts 2014 – 2025, 2017.
6 Opdivo® (nivolumab) Shows Durable Response in Longest Follow-up for a PD-1 Inhibitor in Previously Treated Advanced Non-Small Cell Lung Cancer, Bristol-Myers Squibb Press Release, 2016.

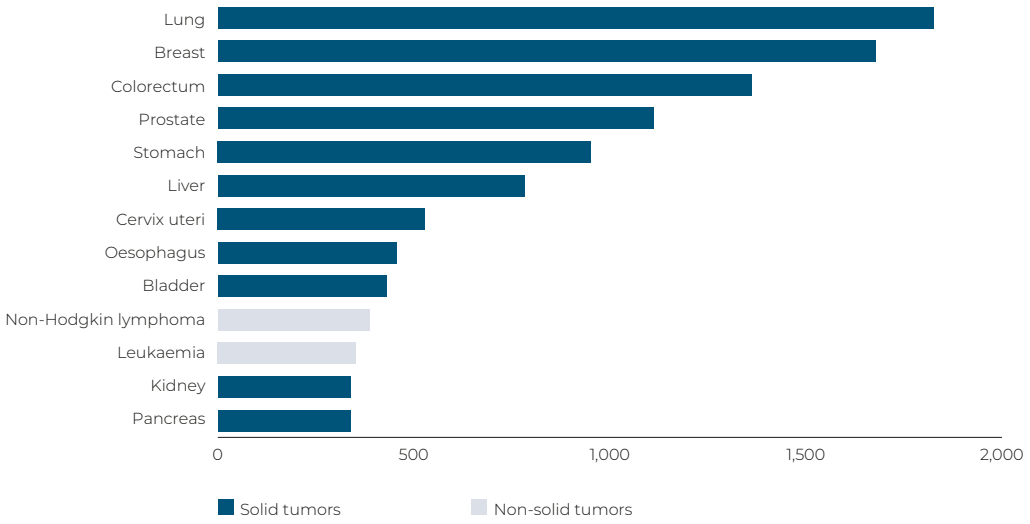
AstraZeneca's checkpoint inhibitor durvalumab (Imfinzi®) targeting the same pathway had mixed results in Phase III studies in NSCLC.[1]

Immunicum anticipates continued introduction of checkpoint inhibitors into combination therapies in the more mature and fractionated treatment paradigm of NSCLC. This will allow Immunicum to develop and further position ilixadencel in combination with checkpoint inhibitors and other targeted therapies in different treatment settings, which will be favorable from both regulatory and market perspectives. Given the limited efficacy of checkpoint inhibitors as monotherapy, and the incremental efficacy targeted therapies are assumed to add based on its growth inhibiting mechanism, Immunicum anticipates immunotherapy combinations to capture a significant part of the large NSCLC market. Ilixadencel may act as an optimal treatment combination to a number of targeted therapies and immunotherapies based on its safety and priming positioning in the cancer immunity cycle complementary to these therapies. Assuming a successful development path in NSCLC incorporating these combination regimens in different studies, ilixadencel is anticipated to penetrate the huge market of NSCLC.

Total market potential

In addition to the current and new indications outlined above, ilixadencel could potentially be used to treat all injectable, immunogenic solid tumors or even injectable metastases of solid tumors. Hence, it is the Company's assessment that a large number of additional indications constitute future potential target markets for Immunicum. Such indications include among others breast cancer, colorectal cancer, cervical cancer, pancreatic cancer and melanoma. Below is an overview of the 13 most common cancer indications globally.

Most common cancer indications globally (new cases p.a. '000)



Source: GLOBOCAN 2012 v. 1.1, Cancer Incidence and Mortality Worldwide: IARC CancerBase No. 11.

1 AstraZeneca reports initial results from the ongoing MYSTIC trial in Stage IV lung cancer, AstraZeneca Press Release, 2017; Atezolizumab: Rittmeyer A, Barlesi F, Waterkamp D, et al., *Atezolizumab versus docetaxel in patients with previously treated non-small-cell lung cancer (OAK): a phase 3, open-label, multicentre randomised controlled trial*; Lancet, 2017;389:255–265 *Durvalumab Antonia et al., New England J Medicine: Durvalumab after Chemoradiotherapy in Stage III Non-Small-Cell Lung Cancer*, 2017.

Business description

Introduction to Immunicum

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

The Company's lead product, ilixadencel, has been developed in order to be able to take advantage of each patient's own tumor antigen, and thereby eliminate the need to create a personalized treatment for each patient. Ilixadencel is currently being evaluated in clinical trials for the treatment of kidney cancer, liver cancer and gastrointestinal stromal tumors; with kidney cancer being the furthest progressed indication with an ongoing Phase II study. Ilixadencel offers a number of benefits such as covering all aspects of immune priming and being applicable to all injectable solid tumors. As ilixadencel gets closer to market approval, the Company's strategy will be to partner with, or sell to, a major pharmaceutical company.

Immunicum has an experienced management team and a robust development grade manufacturing process in place.

Business concept and strategy

Immunicum's strategy is to position ilixadencel as the first choice of cancer immune primers that are to be combined with standard treatments that fight 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 ilixadencel is combined with different types of standard treatments with the purpose to show clinical safety, confirm the mode of action in human and display the synergy in the clinical efficacy of the combination treatment.

The Company develops these immune-based therapies primarily by conducting a number of clinical trials to establish the product candidates' therapeutic potential and safety. The strategy is to build the value as these programs advance and gain clinical validation, and allow the Company to pursue a broad range of corporate development options to further develop, co-develop or partner with major pharmaceutical and/or biotech companies, to ultimately deliver the product candidates to the market as efficiently as possible while building shareholder value.

Currently, the Company's focus is to generate attractive clinical and pre-clinical data on its programs to build value and to provide the broadest range of corporate development opportunities.

History

Immunicum was founded in 2002 as a spin-off from the Sahlgrenska University Hospital in Gothenburg, Sweden. Its founders – three researchers Alex Karlsson-Parra, M.D., Ph.D., who is the Company's Chief Scientific Officer, Bengt Andersson, M.D. Ph.D. Sahlgrenska University Hospital, and AnnaCarin Wallgren, M.D. Ph.D., Karolinska University Hospital Stockholm – had been active in the field of immunology for many years and had studied the process of how the body rejects a transplanted organ. The basic idea was at first to try to inhibit this rejection process, when it however, was realized that it could instead be used to teach the body to also repel its own tumor transformed cells, and thereby cure cancer.

It was discovered that the main reason the body rejects transplanted organs is the immune response triggered by the allogeneic[1] dendritic cells which came from the organ donor. Upon this realization the founders of Immunicum came to the conclusion that these cells could potentially be used 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*[2] 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 expanded its manage-

1 Allogeneic means that the cells are derived from another individual, and therefore genetically dissimilar.
2 In vitro means "*in the glass*" and refers to studies performed on cells outside their normal biological context.

ment and board of directors and established a Scientific Advisory Board. Since then, a number of important milestones have been achieved.

The Company was able to attract additional funding and complete the preclinical activities to initiate clinical studies, which was initiated in 2012 in Sweden with the first patient with metastatic kidney cancer injected with ilixadencel. Upon this important achievement, Immunicum gained recognition and completed an Initial Public Offering in 2013 to be listed on Nasdaq First North in Stockholm.

The Company raised a total of SEK 273 million from private and public investors and was able to complete the Phase I/II study in RCC and initiate a Phase II study in RCC and Phase I/II studies in HCC and GIST. Building upon these successful achievements, a new CEO was appointed in October 2016 that could lead the transition of biopharmaceutical start-up to a growth company. A Chief Medical Officer was appointed and the team was further expanded to build Immunicum with late stage drug development, CMC and business development experience.

The management team performed extensive strategic prioritization analyses to reflect key insights in both product positioning and market developments, which culminated in the updated development plan released in August 2017. This incorporates new studies in indications of high unmet need and combination with checkpoint inhibitors, while the earlier communicated plans for melanoma have been shelved due to lower priority. The Prospectus describes the financing needed to execute the updated development plan and will optimally position the Company to achieve substantial clinical and corporate success in the years to come.

Milestones

2008

- Immunicum issues new shares and raises circa SEK 5 million.
- Research grant awarded.
- Scientific Advisory Board established.

2009

- CD70, an expansion protocol for tumor-specific T cells, 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 and raises SEK 6 million.
- Major grant of circa SEK 3.5 million from VINNOVA is awarded.
- A proof-of-concept study with ilixadencel is successfully conducted in rats.
- Agneta Edberg is appointed chairman of the board of directors.

2011

- Successful toxicity study and biodistribution study of ilixadencel is conducted.
- The Swedish Medical Products Agency approves clinical trials for the treatment of renal cell carcinoma (RCC).
- The European Patent Office (EPO) grants patent protection for the COMBIG platform.
- CD70/Viral (expansion protocol for virus-specific T cells) and CD70/CD3 (expansion protocol for CAR-T cells) are developed and patent applications are filed.

2012

- Immunicum issues new shares and raises circa SEK 6.3 million.
- Phase I/II clinical trial for treatment of RCC commences.

2013

- Immunicum issues new shares and raises circa SEK 30.2 million.
- Immunicum lists its shares on Nasdaq First North.
- The last patient in the ongoing Phase I/II clinical trial for the treatment of RCC receives their final dose.
- Phase I/II clinical trial for the treatment of HCC commences.
- The U.S. Patent and Trademark Office (USPTO) grants a patent for the COMBIG platform.

2014

- Immunicum carries out a directed new share issue and raises circa SEK 56 million.
- Immunicum carries out a preferential new share issue and raises circa SEK 44 million. The share issue is oversubscribed.
- 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 ilixadencel in patients with metastatic renal cell carcinoma (the MERECA trial).
- Immunicum and Karolinska Institutet submit a joint application to the Swedish Medical Products Agency to initiate a Phase I/II clinical trial of ilixadencel for patients with GIST.
- The EPO announces its intention to grant Immunicum's patent application for ilixadencel.
- The Japanese patent authority (JPO) announces its intention to grant Immunicum's patent application for ilixadencel.
- 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 ilixadencel.

2016

- Immunicum completes an important adjustment of the manufacturing process for ilixadencel which enables the product to be used directly in hospitals without preparation at local pharmacies.
- Production transfer takes place to the Good Manufacturing Practices (GMP) certified production unit, BionTech IMFS GmbH (previously EUFETS GmbH) in Germany.
- Immunicum's share is listed on the segment Nasdaq First North Premier.
- Immunicum carries out a preferential new share issue that is fully subscribed and thereby raises circa SEK 128 million.
- 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 USPTO.
- Immunicum appoints Carlos de Sousa, M.D., M.B.A., as Chief Executive Officer.
- Immunicum announces the presentation of updated data from the HCC Phase I/II clinical trial at the Society for Immunotherapy of Cancer (SITC) conference. The clinical data show increases in the number of circulating tumor-specific CD8+ T cells that appear to correlate with prolonged survival rates. In addition, the Company announced that all six remaining patients in the HCC Phase I/II trial have been treated.
- Immunicum announced that the U.S. Food and Drug Administration (FDA) cleared the Company's Investigational New Drug application for ilixadencel in the expansion of the MERECA study in the US.

2017

- Immunicum announced that the Agence Nationale de Sécurite du Médicament et des Produits de Santé (ANSM) in France approved the Company's Clinical Trial Application (CTA) for ilixadencel. The approval enables Immunicum to include patients in France in its ongoing Phase II study – MERECA.
- Immunicum enrolls first patient in Phase I/II study in gastrointestinal tumors (GIST), following a protocol amendment to broaden the recruitment basis.
- Nasdaq Stockholm's listing committee postponed Immunicum's application for admission to trading on Nasdaq Stockholm.
- World Health Organization (WHO) approves International Nonproprietary Name (INN) ilixadencel for Immunicum's lead product, formerly known as INTUVAX®.
- Immunicum publishes data from Phase I/II study in RCC in article in Journal for ImmunoTherapy of Cancer titled 'Intratumorally injected pro-inflammatory allogeneic dendritic cells as immune enhancers: A first-in-human study in unfavourable risk patients with metastatic renal cell carcinoma', and updates patient survival and follow-up data as of May 2017.
- Immunicum enrolls first patient in US in ongoing Phase II MERECA study in RCC, following FDA and IND (Investigational New Drug) clearance late 2016.
- Immunicum announces updated development plan (including combination study in head and neck cancer, gastric cancer, and non-small cell lung cancer; no longer pursuing melanoma for next studies) and intent to explore funding options to enable implementation.
- Immunicum completes Phase I/II study in HCC and announces positive top-line data supporting continued development in HCC.
- At a board of directors meeting in Immunicum on 1 November 2017 it was resolved, subject to subsequent approval by the general meeting, to increase the Company's share capital by the Rights Issue.
- Nasdaq Stockholm's listing committee decided to approve the Company's application for admission to trading on Nasdaq Stockholm, conditional upon the Company completing the Rights Issue and securing sufficient working capital for the twelve month period following the admission to trading and other customary conditions.
- Immunicum announced preliminary proof-of-concept results from preclinical studies evaluating the potential improvement of anti-tumor effect when combining lead candidate ilixadencel with an anti-PD-1 checkpoint inhibitor (CPI). In an *in vivo* mouse model of a solid tumor cancer, the survival at Day 24 was 50% in mice treated with the combination of ilixadencel and a CPI, 30% for those mice treated with ilixadencel only and 0% for those receiving CPI only. In *in vitro* (cell culture) experiments with human immune cells and ilixadencel, addition of a CPI led to increased production of interleukin-2 and interleukin-1-beta, both important factors for immune cell activation and tumor cell killing.
- At the extraordinary general meeting in Immunicum on 4 December 2017 it was resolved to approve the board of directors' resolution on the Rights Issue.

Strengths and competitive advantages

Unique approach to immune system activation through an off-the-shelf product offering personalized treatment

Immunicum's lead product ilixadencel is an immune primer produced using allogeneic cells (cells from a donor) specially treated to become pro-inflammatory. The use of allogeneic cells makes the need for patient specific tumor material obsolete which allows for a scalable off-the-shelf product that can be used on all injectable, immunogenic solid tumors. Ilixadencel is then administered directly into the tumor which activates the patient's immune system.

Favorable positioning as backbone therapy in the future oncology toolkit of combination therapies

The future of cancer treatment is expected to lie within combination therapies, meaning that different treatment regimens will be used in combination to improve the efficacy of cancer treatments. Immunicum is aimed to be part of those combinations. Since Immunicum's lead product ilixadencel functions by activating the immune system to kill the cancer, rather than eliminating the tumor's immunosuppression (as most of the big pharmaceutical companies within immune therapies do), Immunicum believes ilixadencel to be ideally positioned to become a backbone therapy in future combination therapies.

Advanced clinical stage projects in sizeable indications with large unmet need

Immunicum is currently conducting clinical trials within three indications: kidney cancer (RCC), liver cancer (HCC) and gastrointestinal cancer (GIST). The trial in RCC, the MERECA study, is a Phase II trial whereas the trials in the other two indications are Phase I/II trials. The three indications have a joint market potential of USD 6.3 billion. Moreover, Immunicum has recently announced a new clinical development plan including a multi-indication Phase 1b/II study for three new indications, adding an additional USD 18.3 billion in market potential.

Promising data as to tumor-specific immune response and clinical efficacy

Trials conducted this far have shown promising early efficacy data. Within the Company's furthest progressed indication, newly diagnosed metastatic kidney cancer (mRCC), the results from the Phase I/II study indicated the desired immune response with a tumor-specific strong/massive infiltration of CD8+ T cells in the primary kidney tumor in the majority of patients. The study further showed that the eleven patients treated with ilixadencel (including a number of patients subsequently treated with the tyrosine kinase inhibitors (TKIs) sunitinib or pazopanib) had an overall median survival of 48 months, compared to historical data of 14.7-15.8 months for patients treated with TKIs, including sunitinib and pazopanib, only.[1]

Excellent safety profile with low rate of treatment-related serious adverse events

The number of serious adverse events (SAE) in the Company's studies has been low this far. The SAE observed has mainly been fever. Fever is a natural reaction to a stimulation of the immune system and is thus an expected outcome when patients are treated with a pro-inflammatory and immune activating substance such as ilixadencel. This is expected to compare favorably to the tolerability of currently used targeted therapies, certain combination immunotherapies, and is distant from the tolerability concerns with more severe immunotherapies such as CAR-T therapies used in certain types of blood cancer.

Robust development grade manufacturing in place

Immunicum has a robust development grade manufacturing process in place with a GMP certified production facility owned by BionTech IMFS GmbH in Germany. BionTech IMFS' facility offers the opportunity to quickly implement a development-grade manufacturing process that can be adjusted to production needs during clinical trials, without the need for the Company to significantly invest in own facilities or fixed manufacturing quantities. As the robust development grade manufacturing process is already established, the Company expects the development into a commercial grade manufacturing to advance smoothly.

1 Heng et al., *Prognostic Factors for Overall Survival in Patients With Metastatic Renal Cell Carcinoma Treated With Vascular Endothelial Growth Factor–Targeted Agents: Results From a Large, Multicenter Study, 2009; Ko et al., First-, second-, third-line therapy for mRCC: benchmarks for trial design from the IMDC*, 2014.

Management team with extensive experience of late stage drug and business development

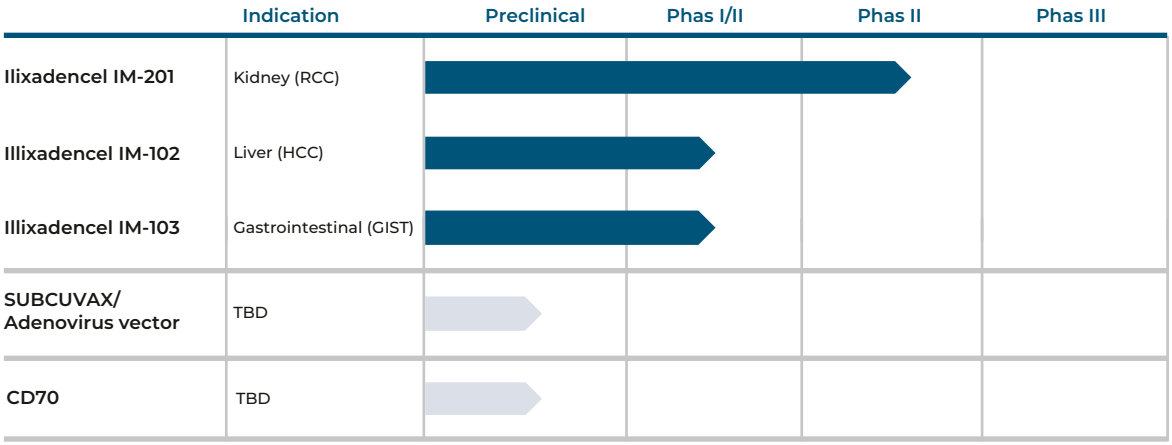
The Company has formed a strong management team consisting of individuals with relevant experiences within late stage drug development, CMC, regulatory, QA and business development. Previous experiences include senior positions at Nycomed/Takeda, Novartis, Pfizer, GlaxoSmithKline, Amgen and Sahlgrenska University Hospital.

Operating within the fastest growing area for cancer treatment

Immuno-oncology, Immunicum's focus area, is currently the fastest growing pharmaceutical segment. Between 2015 and 2022 the market for immune therapies is expected to grow with a CAGR of 24 percent, from USD 17 billion in 2015 to USD 76 billion in 2022.[1]

Product portfolio, platforms and trials

Immunicum's pipeline includes three ongoing clinical trials for the Company's lead program ilixadencel and two preclinical programs.



1 Radiant Insights, *Global Cancer Immunotherapies Market to 2022*, 2016.

Ilixadencel

Ilixadencel 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 ilixadencel with tumor antigens in test tubes in order to create an effective tumor specific immune primer. Ilixadencel is made up of allogeneic[1], pro-inflammatory dendritic cells and is administered *in situ*, directly into the tumor. The intratumorally injected allogeneic dendritic cells will be able to survive for 48 to 72 hours after administration and are activated to release immunostimulating factors, including chemokines and cytokines, during that time period. The local production of these factors within the tumor will induce a local recruitment and activation of endogenous immune cells (immune cells from the patient), including natural killer (NK) cells, immature dendritic cells and T cells. The recruitment of the patient's own dendritic cells will take place inside the tumor, where there are already high levels of tumor specific antigens (the concomitant recruitment and activation of NK cells leads to NK cell-mediated cell death of tumor cells at the injection site), and these can be taken up by the recruited dendritic cells which in this manner will become loaded with antigens. Once the dendritic cells are loaded and activated by the pro-inflammatory environment created by ilixadencel they will migrate to nearby lymph nodes where they will prime/activate tumor-specific T cells, including CD8+ T cells that will migrate from the lymph node, through the blood circulation, and then search for and kill tumor cells within both the primary tumor and metastases elsewhere in the body.

There are four major expected advantages with ilixadencel:

1. Intratumorally injected ilixadencel uniquely covers all aspects of tumor specific immune priming: recruitment of immune cells including NK cells and dendritic cells into the tumor, induction of local tumor cell death, leading to increased release of tumor-specific antigens, and maturation of antigen-loaded dendritic cells for subsequent migration to tumor-draining lymph nodes where the dendritic cells activate/prime tumor-specific T cells;

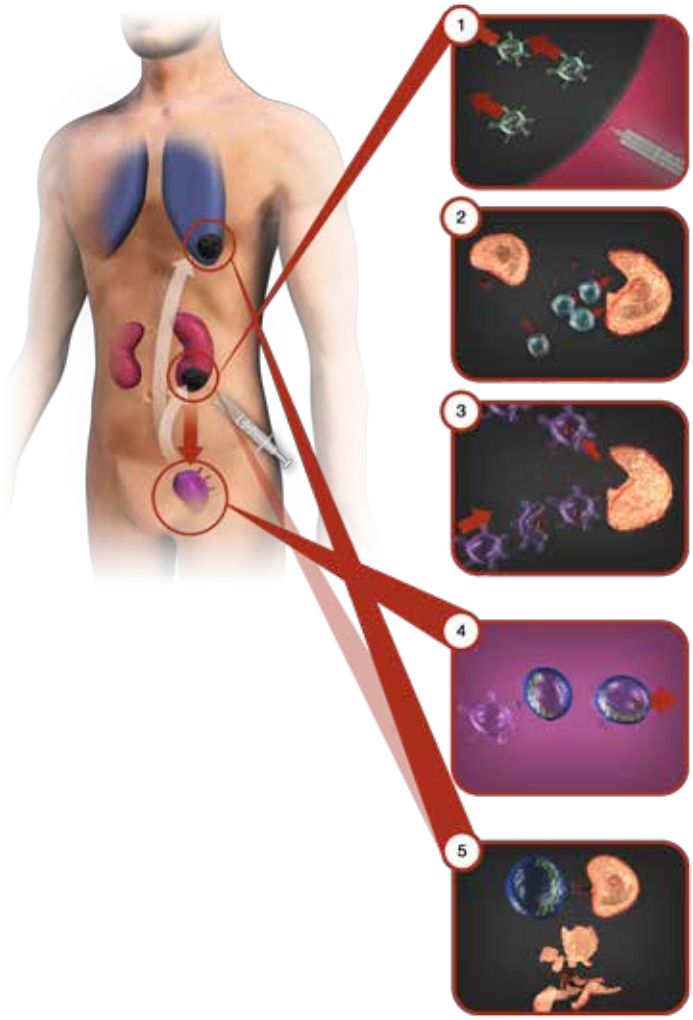
2. Ilixadencel is applicable for all injectable solid tumors;

3. Off-the-shelf cell-based therapies are applicable to all patients and can be produced on a large scale; and

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

1 *Allogeneic* means that the cells are derived from a another individual, and therefore genetically dissimilar.

Mechanism of action



Allogeneic DCs are injected intratumorally.

NK-cells are recruited to the tumor where they induce an NK-cell-mediated tumor cell death, thus releasing tumor antigens ready for uptake by antigen-presenting cells, such as DCs.

Autologous DCs are recruited to the tumor where they engulf tumor antigens and migrate to the draining lymph nodes.

DCs present tumor antigens to naive T cells which subsequently become tumor-specific cytotoxic T-lymphocytes (CTLs).

CTLs scan the body for cancer and attack tumor cells in the kidney and in lung metastases.

The figure above shows that ilixadencel creates an inflammation in the tumor, which then attracts natural killer (NK) cells (for release of tumor antigens) and the patient's own dendritic cells (DCs) for uptake of these neoantigens. Thus, what Immunicum expects to accomplish by means of a standardized primer is to load the patients' own dendritic cells with their own tumor neoantigens in vivo, and in this way also offer patients an individualized treatment. This is something that makes ilixadencel a unique cancer immune primer.

Clinical strategy for ilixadencel

Immunicum's strategy is to position ilixadencel as the first choice of cancer immune primers that are to be combined with standard treatments that fight 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 ilixadencel is combined with different types of standard treatments with the purpose to show clinical safety, confirm the mode of action in human and display the synergy in the clinical efficacy of the combination treatment.

The ongoing and planned clinical studies aim to determine whether ilixadencel:

- is an effective cancer immune primer, in particular via measuring the intratumoral infiltration of CD8+ T cells and/or the generation of anti-tumor specific CD8+ T cells in peripheral blood in relevant tumor setting;
- can be included in combination therapies without increasing risk of side effects; and
- has a clinical efficacy, primarily via measuring of survival related endpoints, best objective tumor response and duration of response.

As per the date of the Prospectus Immunicum has completed a Phase I/II trial in kidney cancer (RCC), and is currently conducting a Phase II study (MERECA) in RCC, and Phase I/II studies in liver cancer (HCC) and gastrointestinal stromal tumors (GIST).

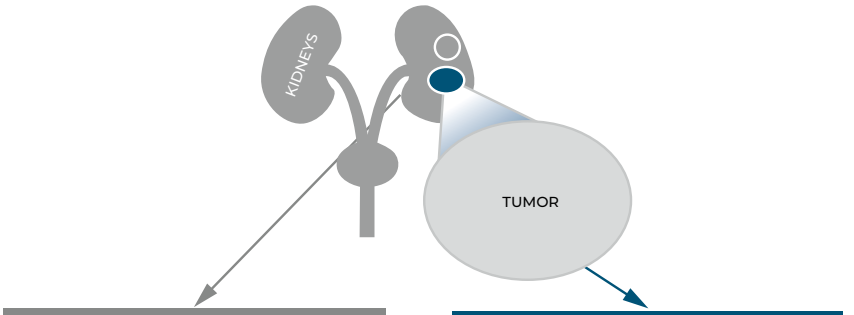
Kidney cancer (RCC)

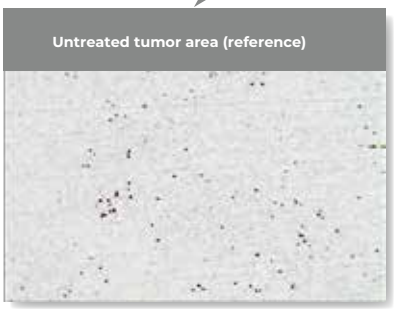
Phase I/II

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

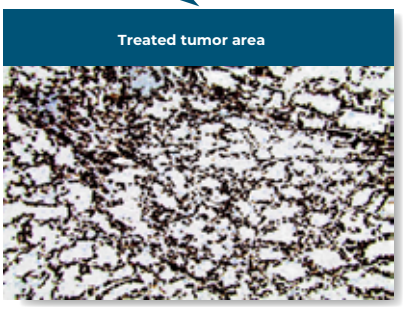
No treatment-related serious adverse events have been noted and the report presented a hitherto achieved median survival time for patients with poor prognosis in excess of the expected median survival time that prevails for established pharmaceuticals, which are also often associated with undesirable side effects.

The data also show clear signs of tumor-specific immune activation. The picture below shows the identified immune activation in the treated tumor area, but also in a distant metastasis, which demonstrates that the activated immune system is also able to identify and target cancer cells in other parts of the body after injection of ilixadencel.



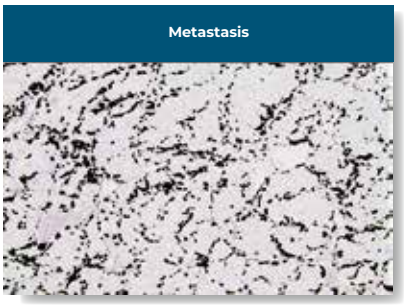


A reference slide demonstrating the amount of T cells (black dots) in a non-treated tumor.



A massive infiltration of cancer specific CD8+ T cells in the tumor after injection of ilixadencel.

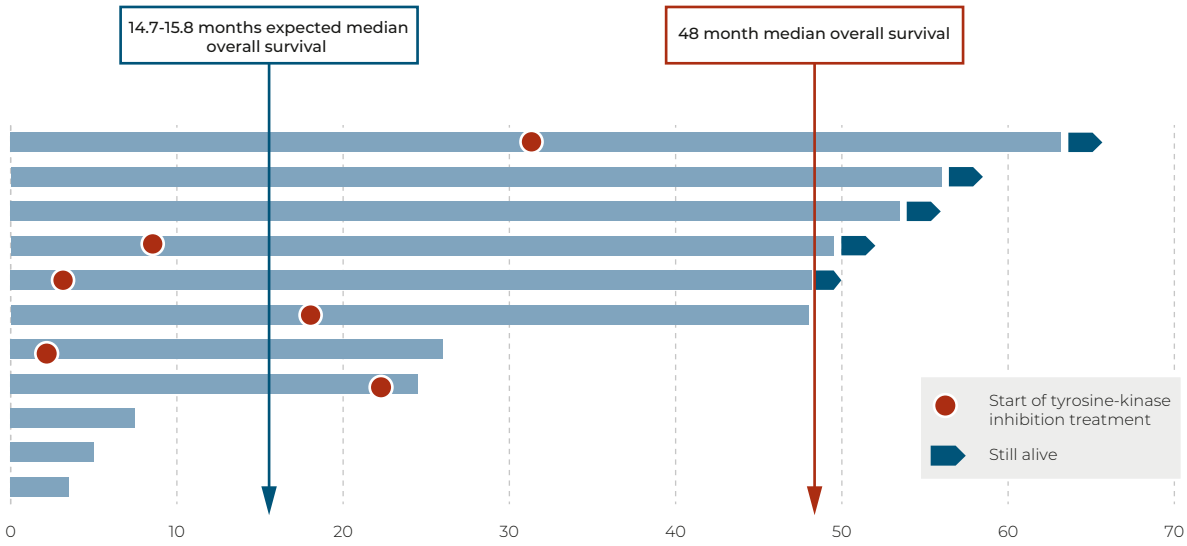
A clear absence of T cells outside of the tumor site (similar to healthy tissue) supporting that the massive infiltration is tumor-specific.



A clear increase presence of CD8+ T cells at a distant metastasis (tumor that has spread to other parts of the body).

Source: J Immunotherapy Cancer, 2017; 5:52. *"Intratumorally injected pro-inflammatory allogeneic dendritic cells as immune enhancers: a first-in-human study in unfavorable risk patients with metastatic renal cell carcinoma".*

Immunicum published the data from the Phase I/II Study in the Journal for ImmunoTherapy of Cancer in June 2017, which contained follow-up data of patients up to December 2016.[1] Updated survival time data, as per May 2017, from the Phase I/II Study, 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 48 months - compared to the expected median survival time of 14.7 – 15.8 months based on historical data of newly diagnosed metastatic patients being treated with tyrosine kinase inhibitors, including Sutent® (sunitinib) and Votrient® (pazopanib). For the six patients with a poor prognosis (MSKCC high risk), the median overall survival time was 36 months, compared to the expected nine months based on historical control. The picture below shows the expected median overall survival and median overall survival of the group as a whole.



Sources for historical control.[2]

Phase II (MERECA)

Immunicum is presently conducting an international, investigational, randomized, controlled and open Phase II study (MERECA) where a total of around 90 newly diagnosed metastatic renal cancer patients are to be included. 60 patients will receive treatment with ilixadencel in combination with subsequent nephrectomy (the removal of the tumor affected kidney) as well as the standard treatment with tyrosine kinase inhibitor Sutent® (sunitinib). 30 patients in the control group will undergo only nephrectomy and standard treatment with Sutent®.

The primary purpose of the MERECA study is to investigate the clinical efficacy of treatment with ilixadencel in combination with sunitinib in newly diagnosed metastatic renal cell cancer patients. The primary endpoints for the MERECA study are median overall survival (OS) and median survival rate after 18 months for all patients and for the patient-groups with poor and intermediate prognosis. In addition to these primary parameters, the Company will also study the frequency and proportion of adverse events (AEs), progression-free survival (PFS), objective tumor response after introduction of Sutent® (sunitinib), time to progression (TTP) and intratumoral infiltration of CD8+ T cells in primary tumors and accessible metastases, compared with normal tissue. This Phase II study is primarily a proof of concept study. However, as the trial is not of a sufficient size (and not statistically powered) to show statistically significant difference between the

1 Laurell et al., *Intratumorally injected pro-inflammatory allogeneic dendritic cells as immune enhancers: a first-in-human study in unfavourable risk patients with metastatic renal cell carcinoma*, 2017.
2 Heng et al., *Prognostic Factors for Overall Survival in Patients With Metastatic Renal Cell Carcinoma Treated With Vascular Endothelial Growth Factor–Targeted Agents: Results From a Large, Multicenter Study, 2009; Ko et al., First-, second-, third-line therapy for mRCC: benchmarks for trial design from the IMDC*, 2014.

groups, clinically meaningful benefits will be indicative. The study will hence be successful if it can show indicative positive results for these variables and it will provide valuable estimates for planning of future confirmatory (i.e. Phase III) trials.

In December 2016, Immunicum received clearance from FDA on its Investigational New Drug (IND) application and expanded its ongoing Phase II study MERECA, for the treatment of metastatic renal cell cancer (mRCC) patients, into the US in the second quarter of 2017, which led to the first patient enrolled in August 2017. The Company estimates the cost for the MERECA study to be around SEK 35 million over the coming twelve months.

Patient recruitment for the MERECA study is expected to be completed in the fourth quarter of 2017. Currently, 83 patients at 28 centers have been recruited. The MERECA study's final report is expected in 2019.

Overview of Immunicum's studies on kidney cancer

Indication	Kidney cancer/Renal cell carcinoma	
Phase	I/II	II
Number of patients	12	90 (whereof 30 in the control group)
Location	Uppsala Universitetssjukhus	Europa (23 anläggningar) USA (5 anläggningar)
Number of ilixadencel doses	2 (5, 10 and 20 million immune cells per dose)	2 (10 million immune cells per dose)
Combination treatment	None, but half of the patients received add-on treatment with either sunitinib or pazopanib afterwards	In sequence: first ilixadencel before nephrectomy, then sunitinib after nephrectomy
Final results	H1 2014 (finished)	2019
Summarized data	• Strong intra-tumor infiltration of CD8+T cells in 7 of 12 patients • Median survival for the whole patient group of 48 months (as of May 2017) compared to the expected median of 14.7-15.8 months for standard treatment sunitinib	• 83 patients at 28 centers recruited so far • Completion of enrolment expected in Q4 2017

Liver cancer (HCC)

Phase I/II

In July 2013, Immunicum received approval from the MPA (Sw. *Läkemedelsverket*) and the Hospital Ethics Committee to begin a Phase I/II study for the treatment of patients with primary cancer of the liver, and the first patient was treated in October 2013.

The single arm, open-label, Phase I/II trial enrolled 18 patients with advanced liver cancer, consisting of 17 patients with metastatic HCC and one patient with advanced cholangiocarcinoma (CCA). Patients were treated with three separate injections of ilixadencel directly into their primary tumor (at approximately Day 1, 14 and 42) and patients were followed for six months after last injection. The primary objective was to investigate safety and tolerability for ilixadencel in HCC as second line therapy for patients not responding to previous treatments, or first line therapy administered with or without sorafenib. The secondary objectives included several exploratory endpoints including immunological response as measured by systemic levels of tumor specific T cells in the blood, as well as initial signs of clinical activity like objective tumor response, time to progression and overall survival. The study was conducted in Sweden at the Sahlgrenska University Hospital, Gothenburg. (Clinicaltrials.gov ID: NCT01974661)

The final patient disposition was as follows: seven patients were treated with ilixadencel as second line treatment after failing sorafenib, ten patients were treated as first line treatment of which six patients were treated in combination with sorafenib.
14 patients received all three injections.

There were no life-threatening or fatal treatment-related adverse events (AEs). Overall, with only one exception, all treatment-related AEs were mild-to-moderate in Common Terminology Criteria for Adverse Events grading (grade 1–2). The most common treatment-related AEs were described as fever and/or chills and could be easily managed. The exception was one patient receiving ilixadencel and sorafenib as combination therapy, who presented with a suspected sepsis event (grade 3) that subsequently recovered. As a reference, current standard of care, such as sorafenib or regorafenib, report in the literature and in prescribing information severe (grade 3) drug-related AEs in at least one in three HCC patients treated.

Evidence of systemic immunological response to the treatment, as measured by an increase in tumor-specific, interferon-gamma producing CD8+ T cells in the blood, was demonstrated in 9 out of 13 evaluable patients (69 procent).

Overall survival ranged between 1.6–21.4 months in the total group of 17 HCC patients at closure of study with three patients still alive. More in-depth group and patient analyses are ongoing and will be included in a future scientific journal publication.

Taken together, ilixadencel was shown to be safe and well tolerated in these patients when given both as a single treatment and in combination with the current first line standard of care treatment, sorafenib. In addition, the results provide evidence of tumor-specific immune activation in the majority of patients. Based on these positive data, Immunicum continues preparation for the next stage of clinical development. For more information, see section *Business description – Phase II study in liver cancer (HCC).*

Overview of Immunicum's study on liver cancer

Indication	Liver cancer/Hepatocellular carcinoma
Phase	I/II
Number of patients	18 (10 first-line, 7 second-line; 1 bile duct cancer)
Location	Sahlgrenska University Hospital, Gothenburg
Number of ilixadencel doses	3 (10 million immune cells dose and 20 million immune cells per dose)
Combination treatment	First 12 patients: no combination. Last 6 patients: sorafenib concomitantly
Final results	Q3 2017 (finished)
Summarized data	• Only 1 out of 18 patients experienced grade 3 treatment-related adverse event, as compared to approx. 1 in 3 patients described in literature for standard of care sorafenib or regorafenib • 9 out of 13 evaluable patients exhibit a systemic, tumor-specific CD8+ T cells response • Overall survival ranged from 1.6–21.4 months in the total group of 17 HCC patients

Gastrointestinal cancer (GIST)

Phase I/II

Immunicum is presently carrying out a Phase I/II clinical trial with ilixadencel concerning the treatment of patients with GIST. The clinical trial is conducted at the Karolinska University Hospital in Stockholm. Twelve patients are planned to be enrolled and treated with ilixadencel in combination with Sutent® (sunitinib), Stivarga® (regorafenib) or similar tyrosine kinase inhibitor (targeted therapy). The recruited patients will be divided in two groups (cohorts) and will receive either two or three doses of ilixadencel.

After inclusion of the first patient the protocol was amended end of 2016 to allow a broader patient population for recruitment. A total of four patients have now been enrolled.

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

The Company's assessment is that the cost for the trial will amount to around SEK 1 million over the coming twelve months. Immunicum expects the top-line results (final results) from the study to be ready in 2019.

Overview of Immunicum's study on gastrointestinal cancer

Indication	Gastrointestinal stromal tumors
Phase	I/II
Number of patients	12
Location	Karolinska University Hospital, Stockholm
Number of ilixadencel doses	2 or 3 doses (10 million immune cells per dose)
Combination treatment	Sunitinib, regorafenib or similar TKI
Final results	2019
Summarized data	• 4 patients enrolled so far • No major safety issues observed until now

Update on the melanoma indication

Previously, the Company communicated its intent to explore melanoma as a clinical indication for ilixadencel. Its susceptibility to immunotherapy has been proven by high response rates to checkpoint inhibitors alone and in combination. In combination with the accessibility of the tumor lesions, melanoma has generated an overwhelming competition of early phase clinical trials with immuno-oncology drugs. Upon analysis of the competitive development landscape, Immunicum therefore has concluded that the field of clinical development in melanoma is highly competitive for both patient recruitment and market perspectives and requires a high bar of clinical efficacy to overcome for combination therapies, which is likely to result in larger trials. The Company has therefore favored indications that will enable it to achieve its development and corporate goals and deprioritized melanoma for the near future.

Future clinical trials

The important information that Immunicum will gain from the trials described above will complement the Company's ongoing analysis of the cancer treatment landscape to determine the most successful development path forward for ilixadencel. The Company's clinical strategy is evaluated on an ongoing basis, and the most critical decisions here involve considering which indications should be selected for later stage clinical development of the program. There are several aspects to consider, such as patient need, clinical endpoints, overall success potential for regulatory approval and access to patients willing to participate in trials.

Clinical trials as part of the updated development plan

As part of the updated clinical development plan, the Company prepares for a multi-indication Phase Ib/II trial within head and neck cancer (head and neck squamous cell carcinoma; HNSCC), non-small cell lung cancer (NSCLC) and gastric cancer (gastric adenocarcinoma; GC). In addition to the planned multi-indication study, Immunicum may also conduct a Phase II study in HCC at a later stage. For more information regarding these studies, see section *Business description – Updated clinical development plan*.

Clinical trials beyond the updated development plan

Following a successful outcome of the MERECA study, a pivotal[1] study can be initiated with the aim of getting market approval for ilixadencel. This will be a randomized, controlled trial designed to be powered between treatment groups of patients with advanced renal cell carcinoma (RCC) and aiming at showing clinical efficacy of ilixadencel as a backbone therapy. Based upon the safety profile in the overall ilixadencel program, the clinical efficacy results and the competitive outlook at the time point of final analysis of the respective trial(s) and indication(s), a corporate decision will be taken about potentially going forward with the pivotal (Phase IIb/III) clinical development in the indication of metastatic renal cell carcinoma (after the MERECA trial) or in one or more indications (head and neck cancer, gastric adenocarcinoma, non-small cell lung cancer) after the Phase Ib/II multi-indication trial, with the aim to pursue one or more labels in the EU and the US.

Future trials will be designed with the possibility of an official interim read of the clinical data to allow (1) quicker decision making for the continuation and/or de-risking of the program, and allow (2) informed interactions with investors and the public in compliance with GCP, ICH E9 and FDA guidelines.

1 A pivotal study is usually a Phase III study (final) aimed at market registration (approval from regulatory authorities) of the drug.

Subcuvax®/adenovirus vector

SUBCUVAX® shares the same technology basis as used for production of ilixadencel to benefit from the unique priming and activating technology. The major difference between SUBCUVAX® and ilixadencel is that SUBCUVAX® is combined with tumor antigens, including tumor neoantigens in a test tube and is injected subcutaneously (under the skin), as opposed to ilixadencel's intratumoral injection.

The adenovirus vector was acquired in 2014 with the purpose of being included in the SUBCUVAX® concept. Preclinical studies with the adenovirus 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 priming and 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, without the benefit of the SUBCUVAX® cells. 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 recognize 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/CD3-concept (expansion protocol for CAR-T cells) 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 patented expansion protocol, referred to as "CD70-CD3" with established expansion protocols. In the article, it emerged that T cells, including the CAR-transfected T cells which were expanded with Immunicum's CD70 protocols, compared to the established protocols, show a better survivability capacity, better ability to kill tumor cells in the test tube, and better capability to begin to expand once again upon contact with tumor cells when the cells are subjected to immunosuppressive factors that reflect the "hostile" tumor environment. Immunicum's goal is to 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.

Updated clinical development plan

Following the recent strengthening of Immunicum's leadership team the Company has established an updated clinical development plan with the primary goal of demonstrating the therapeutic potential of ilixadencel as an innovative immuno-oncology treatment for a range of solid tumors.

The updated clinical development plan is made up of three parts:

1. Advancement of the current indications through new trials and continuation of ongoing trials.
2. Initiation of additional clinical studies in new indications and/or with new drug combinations.
3. Increased efforts in development of Chemistry, Manufacturing and Control (CMC) to establish a commercial grade manufacturing.

Advancement of current indications

The advancement of the current indications will be done by initiating new trials and/or continuing the current ones. In HCC Immunicum may potentially advance to a Phase II trial. The Phase II trial within RCC, the MERECA study, and the Phase I/II trial in GIST will be continued according to the updated clinical plan. For more information regarding the MERECA study and the Phase I/II trial in GIST, see section *Business Description – Clinical strategy for ilixadencel*.

The continuation of the MERECA study and the Phase I/II trial in GIST will both be financed with the proceeds from the Rights Issue, whereas the Phase II trial in HCC is subjected to additional financing being obtained at a later stage.

Phase II study in liver cancer (HCC)

Based on the positive data from the Phase I/II study in HCC Immunicum may conduct a Phase II study within this indication. Based on these positive data, Immunicum will continue to explore the next stage of clinical development in this indication. HCC is a severe and rapidly progressing cancer with limited treatment options. Other Important factors to consider here, are the potential for orphan drug designation[1] (ODD) status of HCC in the Western world.

New combinations and indications

Immunicum is currently preparing for a multi-indication clinical trial within head and neck cancer, non-small cell lung cancer and gastric cancer. The purpose of the study is to evaluate ilixadencel in combination with checkpoint inhibitors and establish the safety and therapeutic impact for combination therapy in three types of solid tumors. The study will be initiated in 2018. The proceeds from the Rights Issue will be used to finance the multi-indication study until the futility analysis (analysis of possible ineffectiveness and resolution on whether to proceed with a specific indication or not). For continuation beyond the futility analysis additional funds will have to be raised. The three indications have been chosen because they are believed to be well-suited for treatment with ilixadencel and they represent patient populations with large unmet clinical needs: less than 50 percent of patients respond to checkpoint inhibitors in these indications, and Immunicum is uniquely positioned to have a therapeutic benefit in these patients when combined with checkpoint inhibitors. Checkpoint inhibitors further constitute the current standard of care, which significantly lowers the cost of running such trials. Moreover, the large number of ongoing trials within the immuno-oncology space limits the number available patients in certain indications. To mitigate the risk of not finding suitable patients, Immunicum has carefully selected indications where patient availability is expected to be good.

Multi-indication trial overview

The multi-indication trial is an open-label, randomized multicenter, Phase Ib/II trial that evaluates the safety and efficacy of intratumorally administered ilixadencel in combination with a checkpoint inhibitor treatment in patients (1) with advanced head and neck cancer, non-small cell lung cancer and esophageal and gastric adenocarcinoma and (2) who are candidates for checkpoint inhibitor therapy at standard doses in these indications.

The multi-indication trial combines Phases Ib and II, i.e. spanning safety and clinical activity readings while containing interim decision points from safety run-in up to expansion of each patient population in the trial, providing investigators, management and shareholders maximum insight and control.

1 Orphan drug designation is a special status granted to a drug to treat a rare disease, which qualifies the sponsor of the drug for a number of development incentives such as tax credits on clinical testing.

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

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

Trial design: more specifications

This is a randomized, open-label, multicenter, controlled, Phase Ib/II trial in subjects with advanced (unresectable or metastatic) head and neck squamous-cell carcinoma , non-small-cell lung cancer, and gastric or esophageal adenocarcinoma. These three histological[1] subsets will be enrolled in separate sub-groups.

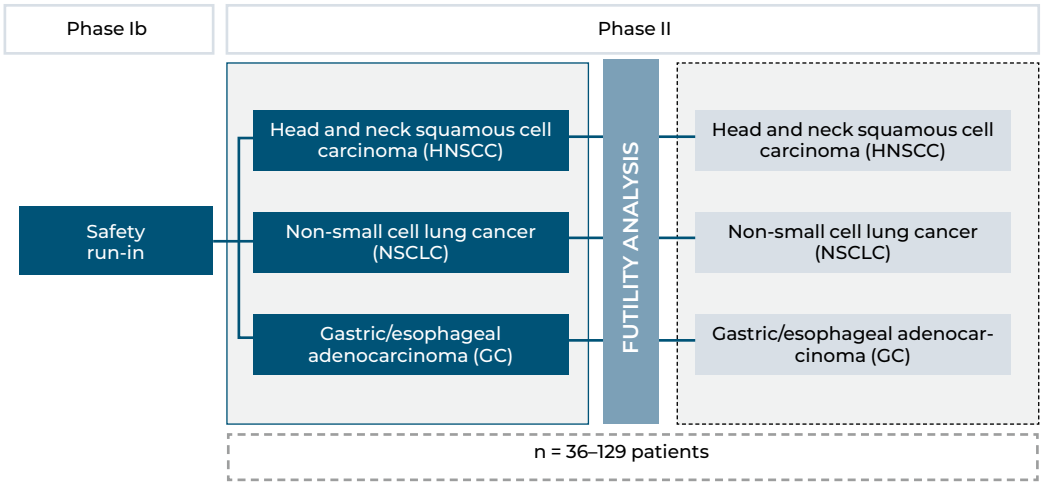
The Phase Ib component of the trial consists of a safety run-in phase with the goal of confirming the expected safety of the combination of ilixadencel and a checkpoint inhibitor of physician's choice.

The Phase II component of the trial will comprise all patients randomized in the different, separate sub-groups. Efficacy decisions will be implemented in two stages with an interim analysis for futility in each of the three strata with the decision whether to expand a stratum or not based upon pre-defined criteria.

Additionally, the presence of a control group allows to compare patients on ilixadencel plus a checkpoint inhibitor in terms of safety and clinical activity to standard of care with checkpoint inhibitor alone.

To guarantee a qualitative oversight, a trial-specific data safety monitoring board (DSMB) will be implemented to monitor study conduct, safety and analyze efficacy data.

A priori not assuming any significant safety issue, the minimum number of evaluable patients to be enrolled is 36, the maximum is 129 at this stage of the trial preparation. The numbers provided give a good estimate of the order of magnitude to be expected and can still evolve in the process to final protocol development.



1 Refers to the structure of organic tissues, especially microscopic structure.

Increased efforts in development of CMC processes

In preparation for a successful outcome of the MERECA trial and to make sure no time is lost in the development process, Immunicum believes it to be critical to further increase CMC efforts to have a commercially ready process in place as required from EU and US regulators in order to initiate pivotal studies. Initiating the preparations needed to develop the current robust development process into a commercial grade manufacturing enables the Company to meet the regulatory requirements at an early stage and thereby be strategically positioned to gain the greatest value from the clinical trials which have been conducted to date. In addition to the efforts to progress the current robust development process into a commercial grade manufacturing the Company will also develop the CMC process to make it suitable for production of the batches needed in the multi-indication trial. The secured proceeds from the Rights Issue will only be used to finance the preparations needed for the multi-indication study, and not the development into a commercial grade manufacturing, meaning that this development will be initiated at a later stage if only the secured part of the Rights Issue is subscribed for. The unsecured proceeds of up to SEK 23 million will be used to undertake CMC process development activities to lay the foundation for a commercially-ready manufacturing process.

Financing of the updated clinical development plan

The updated clinical development plan will partly be financed with the secured proceeds of SEK 200 million from the Rights Issue carried out as part of the Offer. The parts of the clinical development plan which will be financed include:

- Completion of the MERECA study
- Completion of the Phase I/II study in GIST
- The multi-indication trial in head and neck cancer, non-small cell lung cancer and gastric cancer until the analysis before resolution decision on whether or not to proceed with a specific indication (the interim futility analysis), i.e. the Phase Ib safety run-in and first part of the Phase II trial
- Development of the CMC process to a level which is sufficient for production of the batches needed in the multi-indication trial

The following parts of the clinical development plan are subject to additional financing of SEK 150–200 million being obtained at a later stage:

- Phase II trial in HCC
- Continuation of multi-indication trial past the futility analysis, i.e. the Phase II part of the trial
- Development of the current CMC process into a commercial grade manufacturing process. However, the unsecured proceeds of up to SEK 23 million will be used to initiate the work on the commercial grade process

Patents

Ilixadencel, SUBCUVAX®, the adenovirus vector and CD70 as well as the manufacturing process for lixadencel and SUBCUVAX®, are protected by granted patents and patent applications in a total of seven patent families in several countries in Europe, Asia and the US. For complete breakdown of the Company's patent portfolio, see section *Legal considerations and other information - Patents*.

Robust development grade manufacturing process in place

Immunotherapy with immune primers based on neoantigens, in which the patient's neoantigens are first characterized and then synthesized *in vitro* (in a test tube) is presently undergoing several clinical trials. On a purely practical level however, this manufacturing process includes many obstacles that will need to be overcome. In addition, this manufacturing is entirely patient dependent, i.e. can only be performed after the neoantigens for each individual patient have been characterized by a tissue sample from patient's own tumor which constitutes quite a logistical challenge.

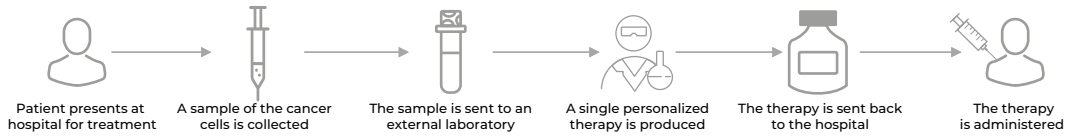
A rational way to get around the practical problems that the production of tumor neoantigens in the test tube entails, is to use the patient's existing tumor (or metastasis of) as a direct neoantigen source by injecting an immune primer directly into the patient's tumor. This will bring the immune cells to the neoantigens for direct interaction, instead of first having to identify the patient's specific tumor mutations, produce the corresponding tumor neoantigens and then combine these antigens with an immune primer before administration.

Moreover, the allogeneic concept provides the basis and possibilities for scalable production. The production method for ilixadencel has a short turnover time from start to finish and uses routine instruments, which facilitates the transfer of the process to multiple specialized production units. Previously, the production took place only at the Cancer Centrum Karolinska, but production has now been established at BionTech IMFS GmbH in Germany, which offers the opportunity to produce quantities in a flexible, scalable environment. 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 GMP.

Immunicum works with collaborative partners in order to develop manufacturing 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 ilixadencel. The fact that ilixadencel 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 ilixadencel.

The manufacturing process for SUBCUVAX® is the same as the process for ilixadencel. CD70 is currently in a pre-clinical stage, and the manufacturing process is hence under development.

Production of neoantigen-based immune primers ex vivo (in the test tube)

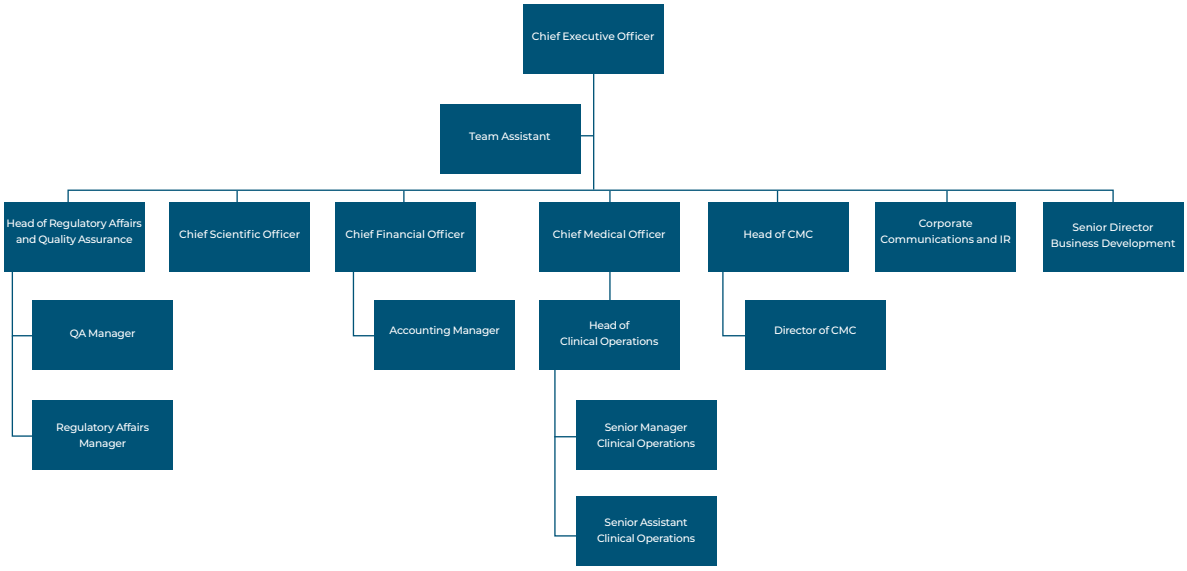


Production of ilixadencel

Policy for research and development

Immunicum's business idea is to advance immune-based cancer treatments through clinical Phase II clinical trials and pursue further development, collaboration or licensing of the product candidates to major pharmaceutical companies through pivotal or Phase III developments to bring the products to the market with pace. The Company is constantly investigating scientific discoveries that are deemed relevant and should be protected. For further information on Immunicum's patents, see section *Legal considerations and other information*. Immunicum has in conjunction with a research cooperation with Professor Magnus Essand's research group co-financed the project with approximately SEK 900,000 in the 2014/2015 fiscal year, approximately SEK 1,050,000 in the 2015/2016 fiscal year and approximately SEK 500,000 during the period year 1 July 2016–31 December 2016. During the current 2017 fiscal year the Company has co-financed the project with approximately SEK 900,000.

Organization



Employees

As per October 2017, Immunicum has 13 employees. In addition, the Company had three consultants working on a part-time basis.

Selected historical financial information

The Company's annual reports for the financial years 2014/2015 and 2015/2016 cover, respectively, the period 1 July 2014 to 30 June 2015 and 1 July 2015 to 30 June 2016. The Company's latest annual report covers the period from 1 July 2016 to 31 December 2016. Following a resolution by the annual general meeting on 26 October 2016, the financial year of the Company has been changed and since 1 January 2017 comprises calendar year, 1 January to 31 December.

The selected financial information presented in this section covering full year, and measures of financial performance defined in IFRS, is extracted from Immunicum's audited annual reports for the financial years 2014/2015, 2015/2016 and for the shortened financial year 1 July 2016 to 31 December 2016. The annual reports are prepared in accordance with the Annual Accounts Act and with application of the recommendation from the Swedish Financial Reporting Board, RFR 2 Accounting for legal entities. RFR 2 states that the Company in its annual report shall apply IFRS, as adopted by the EU, to the extent it is possible within the framework of the Annual Accounts Act and Act on Safeguarding of Pension Commitments, and taking into account the relationship between accounting and taxation. The recommendation stipulates which exceptions and additions that are required in relation to IFRS.

The information regarding the period 1 July 2015 to 31 December 2015 is extracted from the unaudited interim report for the same period. The information regarding the first nine months of 2016 and 2017 is extracted from the unaudited but reviewed interim report for the period 1 January 2017 to 30 September 2017. The interim report is unaudited but has been reviewed by the Company's auditor in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. The comparable period 1 January to 30 September 2016 has been prepared on the basis of the interim report for 1 July 2015 to 31 March 2016, the year-end report 2015/2016 and the interim report for 1 July 2016 to 30 September 2016.

The information below shall be read together with the section Comments on the financial development, Capital Structure and other financial information and the Company's complete financial information for the financial years 2014/2015, 2015/2016 and 1 July 2016 to 31 December 2016 and from the complete interim financial information from the periods 1 July 2015 to 31 December 2015 and 1 January 2017 to 30 September 2017, and related notes and auditor's reports, which have been incorporated in the Prospectus by reference. Except as expressly stated, no information in the Prospectus has been reviewed or audited by the Company's auditor.

The amounts specified in the section Selected historical financial information have been rounded to SEK thousands while the calculations have been carried out with a larger number of decimal places. Rounding may mean that certain statements do not add up.

Summary of statement of comprehensive income

Amount (SEK thousand)	Unaudited (ISRE 2410) Jan 2017–Sep 2017	Unaudited Jan 2016–Sep 2016	Audited Jul 2016–Dec 2016	Unaudited Jul 2015–Dec 2015	Audited Jul 2015–Jun 2016	Audited Jul 2014–Jun 2015
Net sales	–	–	–	–	–	–
Other operating income	135	–	–	–	–	160
OPERATING EXPENSES						
Other external costs	–49,043	–27,029	–26,303	–15,069	–33,378	–30,638
Personnel costs	–12,141	–9,238	–10,205	–3,917	–9,965	–5,776
Depreciation of tangible assets	–53	–62	–40	–41	–83	–84
Other operating expenses	–143	–286	–189	–19	–217	–66
Operating profit/loss	**–61,245**	**–36,614**	**–36,737**	**–19,047**	**–43,643**	**–36,404**
Interest income and similar items	0	42	33	11	20	813
Interest expense and similar items	–267	–42	–90	–258	–300	–24
Profit/loss after financial items	**–61,512**	**–36,614**	**–36,794**	**–19,294**	**–43,923**	**–35,615**
TOTAL PROFIT/LOSS BEFORE TAXES	–61,512	–36,614	–36,794	–19,294	–43,923	–35,615
INCOME TAX EXPENSE	–	–	–	–	–	–
PROFIT/LOSS FOR THE PERIOD	–61,512	–36,614	–36,794	–19,294	–43,923	–35,615

Summary of balance sheet

Amount (SEK thousand)	Unaudited (ISRE 2410) 30 Sep 2017	Unaudited 30 Sep 2016	Audited 31 Dec 2016	Unaudited 31 Dec 2015	Audited 30 Jun 2016	Audited 30 Jun 2015
ASSETS						
Subscribed capital unpaid	–	–	–	–	16,688	–
FIXED ASSETS						
Tangible assets						
Equipment	87	160	140	222	181	264
Financial assets						
Other securities held as fixed assets	1	1	1	1	1	1
Total fixed assets	**88**	**161**	**141**	**223**	**182**	**265**
CURRENT ASSETS						
Current receivables						
Tax credits and related receivables	283	243	263	-	101	-
Other receivables	2,019	2,814	1,884	1,218	3,641	1,232
Prepaid expenses and accrued income	4,119	3,409	6,856	397	4,185	1,372
Total current receivables	**6,421**	**6,466**	**9,003**	**1,615**	**7,928**	**2,604**
Investments[1]	9,527	9,527	9,527	9,527	9,493	35,427
Cash and bank balances	43,586	119,505	102,899	43,579	119,949	32,738
Total current assets	**59,533**	**135,498**	**121,429**	**54,721**	**137,370**	**70,769**
TOTAL ASSETS	**59,621**	**135,659**	**121,570**	**54,944**	**154,240**	**71,034**
SHAREHOLDERS' EQUITY AND LIABILITIES						
SHAREHOLDERS' EQUITY						
Restricted equity						
Share capital	1,298	1,298	1,298	1,002	1,214	1,002
New share issue in progress	–	–	–	–	84	–
Total restricted equity	**1,298**	**1,298**	**1,298**	**1,002**	**1,298**	**1,002**
Unrestricted equity						
Share premium reserve	252,535	252,535	252,535	134,355	252,535	134,355
Retained earings	–151,447	–90,024	–114,653	–70,730	–70,730	–35,116
Profit/loss for the period	–61,512	–36,614	–36,794	–19,294	–43,923	–35,615
Total unrestricted equity	**39,576**	**125,897**	**101,088**	**44,332**	**137,882**	**63,625**
Total shareholders' equity	**40,874**	**127,195**	**102,386**	**45,333**	**139,180**	**64,627**
NON-CURRENT LIABILITIES						
Other non-current liabilities	850	850	850	850	850	850
CURRENT LIABILITIES						
Accounts payable	2,623	2,140	5,041	3,047	5,044	2,453
Other liabilities	331	216	1,044	155	200	104
Accrued expenses and deferred income	14,944	5,258	12,249	5,559	8,966	3,000
Total liabilities	**18,747**	**8,464**	**19,184**	**9,611**	**15,060**	**6,407**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**59,621**	**135,659**	**121,570**	**54,944**	**154,240**	**71,034**

1 Refers to short-term investments in equity and fixed income funds.

Summary of cash flow statement

Operating activites (SEK thousand)	Unaudited (ISRE 2410) Jan 2017–Sep 2017	Unaudited Jan 2016–Sep 2016	Audited Jul 2016–Dec 2016	Unaudited Jul 2015–Dec 2015	Audited Jul 2015–Jun 2016	Audited Jul 2014–Jun 2015
Operating profit/loss before financial items	–61,245	–36,614	–36,737	–19,047	–43,643	–36,404
Depreciation and other non-cash items	53	62	40	41	83	84
Interest income received	0	42	0	11	20	386
Interest expense paid	–267	–42	–90	–9	–17	–24
Cash flow from operating activities before changes in working capital	**–61,459**	**–36,552**	**–36,787**	**–19,003**	**–43,558**	**–35,957**
Increase/decrease in other current receivables	2,583	–4,851	–1,076	989	–5,323	–1,258
Increase/decrease in accounts payable	–2,418	–907	–3	594	2,590	1,430
Increase/decrease in other current liabilities	1,981	–240	4,127	2,610	6,062	–4,317
Changes in working capital	**2,146**	**–5,998**	**3,049**	**4,193**	**3,329**	**–4,145**
Cash flow from operating activities	**–59,313**	**–42,550**	**–33,738**	**–14,810**	**–40,229**	**–40,102**

Investment activities (SEK thousand)	Jan 2017–Sep 2017	Jan 2016–Sep 2016	Jul 2016–Dec 2016	Jul 2015–Dec 2015	Jul 2015–Jun 2016	Jul 2014–Jun 2015
Acquisition of short term investments	–	–	–	–	–	–35,000
Sale of investments	–	–	–	25,651	25,651	–
Cash flow from investment activities[1]	**–**	**–**	**–**	**25,651**	**25,651**	**–35,000**

Financing activities (SEK thousand)	Jan 2017–Sep 2017	Jan 2016–Sep 2016	Jul 2016–Dec 2016	Jul 2015–Dec 2015	Jul 2015–Jun 2016	Jul 2014–Jun 2015
New share issues	–	130,688	16,688	–	114,000	–
Costs attributable to the new share issues	–	–12,212	–	–	–12,212	–
Cash flow from financing activities	**–**	**118,476**	**16,688**	**–**	**101,788**	**–**
Cash flow for the period	**–59,313**	**75,926**	**–17,050**	**10,841**	**87,210**	**–75,102**
Cash and cash equivalents at the beginning of the period	**102,899**	**43,579**	**119,949**	**32,738**	**32,738**	**107,841**
Cash and cash equivalents at the end of the period	**43,586**	**119,505**	**102,899**	**43,579**	**119,949**	**32,738**

1 Refers to short-term investments in equity and fixed income funds.

Key performance indicators

The Company's key performance indicators covered by the historical financial information are set out below. The Prospectus contains some alternative financial performance measures which are not calculated in accordance with Immunicum's applied accounting principles IFRS. These financial performance measures have not been reviewed or audited by the Company's auditor but have been calculated from figures in the audited annual reports for the financial years 2014/2015, 2015/2016 and 1 July 2016 to 31 December 2016, and from figures in the unaudited interim report for the period 1 July 2015 to 31 December 2015 and the unaudited but reviewed interim report for the period 1 January 2017 to 30 September 2017. The Company's opinion is that these performance measures are used to a large extent by certain investors and other stakeholders as complementary measurements of earning trends and financial position. Immunicum's performance measures that are not defined according to the Company's applied accounting principles are not necessarily comparable with similar measurements presented by other companies and have some limitations as analysis tools. They should therefore not be evaluated separately from, or as a substitute for, Immunicum's financial information that is prepared in accordance with the accounting principles that the Company applies.

	Jan 2017–Sep 2017	Jan 2016–Sep 2016	Jul 2016–Dec 2016	Jul 2015–Dec 2015	Jul 2015–Jun 2016	Jul 2014–Jun 2015
IFRS key performance indicators						
Earnings per share before dilution (SEK)	–2.37	–1.65	–1.42	–0.96	–2.18	–1.78
Earnings per share after dilution (SEK)	–2.37	–1.65	–1.42	–0.96	–2.18	–1.78
Alternative performance measure						
Cash ratio	333%	1,780%	662%	625%	967%	1,273%
Equity ratio	69%	94%	84%	83%	90%	91%
EBITDA (SEK thousand)	–61,192	–36,552	–36,697	–19,005	–43,560	–36,320
Net interest income/expense (SEK thousand)	–267	0	–57	–247	–280	789
Number of employees[1]	10	9	11	7	8	5

1 Not alternative performance measure, other key figure that is not defined in IFRS.

Definitions of IFRS key performance indicators

Key performance indicator	Definition
Earnings per share before dilution	Earnings for the period divided by a weighted average number of outstanding shares.
Earnings per share after dilution	Earnings for the period divided by a weighted average number of outstanding shares with addition for the dilution effect of potential shares.
Number of employees	Number of employees calculated at the end of the period.

Definitons of alternative performance measures (not defined in IFRS)

Alternative performance measure	Definition	Motivation
Cash ratio	Current assets at the end of the period divided by current liabilities at the end of the period.	The Company believes that this performance measure provides investors with useful information of the Company's ability to repay its short-term debt.
Equity ratio	Shareholders' equity at the end of the period divided by balance sheet total at the end of the period.	The Company believes that this performance measure provides investors with useful information of the Company's capital structure.
EBITDA	Operating results before interest, depreciation and amortization.	The Company believes that this performance measure provides investors with useful information of how much of the results that are generated from operating activities.
Net interest expense	Net interest income and interest expenses.	The Company believes that the performance measure provides investors with useful information of the Company's total net cost for its interest bearing liabilities and assets.

Reconciliation of alternative performance measures (not defined in IFRS)

RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURE	Jan 2017–Sep 2017	Jan 2016–Sep 2016	Jul 2016–Dec 2016	Jul 2015–Dec 2015	Jul 2015–Jun 2016	Jul 2014–Jun 2015
Current assets (SEK thousand)	59,533	135,498	121,429	54,721	137,370	70,769
Current liabilities (SEK thousand)	17,897	7,614	18,334	8,761	14,210	5,557
Cash ratio	**333%**	**1,780%**	**662%**	**625%**	**967%**	**1,273%**
Shareholders' equity (SEK thousand)	40,874	127,195	102,386	45,333	139,180	64,627
Balance sheet total (SEK thousand)	59,621	135,659	121,570	54,944	154,240	71,034
Equity ratio	**69%**	**94%**	**84%**	**83%**	**90%**	**91%**
Operating profit/loss (SEK thousand)	–61,245	–36,614	–36,737	–19,047	–43,643	–36,404
Depreciation of tangible assets (SEK thousand)	53	62	40	41	83	84
EBITDA (SEK thousand)	**–61,192**	**–36,552**	**–36,697**	**–19,005**	**–43,560**	**–36,320**
Interest income and similar items (SEK thousand)	0	42	33	11	20	813
Interest expense and similar items (SEK thousand)	–267	–42	–90	–258	–300	–24
Net interest income/expense (SEK thousand)	**–267**	**0**	**–57**	**–247**	**–280**	**789**

Comments on the financial development

The information below shall be read together with the section Selected historical financial information, Capital structure and other financial information and the Company's complete financial information for financial years 2014/2015, 2015/2016 and 1 July 2016 to 31 December 2016 and from the complete interim financial information from the periods 1 July 2015 to 31 December 2015 and 1 January 2017 to 30 September 2017, and related notes and auditor's reports, which have been incorporated in the Prospectus by reference. The interim report for the periods 1 January 2017 to 30 September 2017 has been reviewed by the Company's auditor in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. The comparable period 1 January to 30 September 2016 has been prepared on the basis of the interim report for 1 July 2015 to 31 March 2016, the year-end report 2015/2016 and the interim report for 1 July 2016 to 30 September 2016.

Basis for the preparation of the accounts

The annual reports for the financial years 2014/2015, 2015/2016 and 1 July 2016 to 31 December 2016 have been prepared in accordance with the Annual Accounts Act and with application of the recommendation from the Swedish Financial Reporting Board, RFR 2 Accounting for legal entities. RFR 2 states that the Company in its annual report shall apply IFRS, as adopted by the EU, to the extent it is possible within the framework of the Annual Accounts Act and Act on Safeguarding of Pension Commitments, and taking into account the relationship between accounting and taxation. The recommendation stipulates which exceptions and additions that are required in relation to IFRS.

The recognition of revenue is made in accordance with RFR 2. Assets, depreciations and liabilities have been valued to the acquisition value, unless otherwise is stated in the financial reports. Receivables are accounted at acquisition cost reduced by possible devaluation. Going forward, tangible assets are valued to acquisition value with deduction of accumulated depreciations and possible devaluations. Planned deprecations are made on a linear basis over their expected useful life. Equipment is depreciated over five years, i.e by 20 percent per year.

Research costs are recognized at no earlier than when a development project is in Phase III. Going forward, the aforementioned costs are expensed in the income statement until the new activation criteria are fulfilled. The government grants (revenue) the Company receives for research are recognized in the income statement as other operating income.

The cash flow statement is prepared in accordance with the indirect method. The recognized cash flow only includes transactions that entail incoming and outgoing payments.

Sales and results

Immunicum is a biomedical company that develops cancer immune primers which are studied in clinical trials within a number of indications. Therefore the Company has no income to report.

1 January 2017–30 September 2017 compared with 1 January 2016–30 September 2016

Figures outside parentheses refer to the period 1 January 2017 to 30 September 2017 and figures in parentheses refer to the period 1 January 2016 to 30 September 2016.

Similar to the corresponding previous year the Company did not recognize any net sales during the period 1 January 2017 to 30 September 2017. Other operating income amounted to SEK 135 thousand (SEK 0).

Remuneration to employees amounted to SEK 12.1 million (SEK 9.2 million). The number of employees increased from nine to ten individuals. Depreciations of tangible assets amounted to SEK 53 thousand (SEK 62 thousand). Other external costs amounted to SEK 49.0 million (SEK 27.0 million). The increase in other external costs is mainly attributable to increased costs for clinical trials.

The Company's EBITDA amounted to SEK –61.2 million (SEK –36.6 million) and the operating result amounted to SEK –61.2 million (SEK –36.6 million). The change in the Company's operating result is mainly attributable to increased costs for clinical trials and increased personnel costs due to a larger number of employees. The net interest expense amounted to SEK –267 thousand (SEK 0.2 thousand). The total result before taxes amounted to SEK –61.5 million (SEK –36.6 million). The Company's costs during the periods are mainly attributable to research and development. There are no other elements that have

significantly affected the Company's operation result during the period. The Company has no tax expenses since it has not generated profits during the compared periods.

1 July 2016–31 December 2016 compared with 1 July 2015–31 December 2015

Figures outside parentheses refer to the period 1 July 2016 to 31 December 2016 and figures in parentheses refer to the period 1 July 2015 to 31 December 2015.

Similar to the corresponding previous year the Company did not recognize any net sales during the period 1 July 2016 to 31 December 2016.

Remuneration to employees amounted to SEK 10.2 million (SEK 3.9 million). The number of employees increased from seven to eleven individuals. Depreciations of tangible assets amounted to SEK 40 thousand (SEK 41 thousand). Other external costs amounted to SEK 26.3 million (SEK 15.1 million). The increase in other external costs is mainly attributable to increased costs for clinical trials.

The Company's EBITDA amounted to SEK –36.7 million (SEK –19.0 million) and the operating result amounted to SEK –36.7 million (SEK –19.0 million). The change in the Company's operating result is mainly attributable to increased costs for clinical trials and increased personnel costs due to a larger number of employees. Net interest amounted to SEK –57 thousand (SEK –247 thousand). Total result before taxes amounted to SEK –36.8 million (SEK –19.3 million). The Company's costs during the periods are mainly attributable to research and development. There are no other elements that have significantly affected the Company's operation result during the period. The Company has no tax expenses since it has not generated profits during the compared periods.

1 July 2015–30 June 2016 compared with 1 July 2014–30 June 2015

Figures outside parentheses refer to the period 1 July 2015 to 30 June 2016 and amounts in parentheses refer to the period 1 July 2014 to 30 June 2015.

Similar to the previous financial year the Company did not recognize any net sales during the financial year 2015/2016. Other operating income amounted to SEK 0 (SEK 160 thousand).

Remuneration to employees increased to SEK 10.0 million (SEK 5.8 million), due to an increase in the number of employees. Depreciations of tangible assets amounted to SEK 83 thousand (SEK 84 thousand). Other external costs amounted to SEK 33.4 million (SEK 30.6 million). The increase in other external costs is mainly attributable to increased costs for clinical trials.

The Company's EBITDA amounted to SEK –43.6 million (SEK –36.3 million) and the operating result amounted to SEK –43.6 million (SEK –36.4 million). The change in the Company's operating result is mainly due to increased costs for clinical trials and increased personnel costs due to a larger number of employees. Net interest expenses amounted to SEK –280 thousand (SEK 789 thousand). Total result before taxes amounted to SEK –43.9 million (SEK –35.6 million). The Company's costs during the periods are mainly attributable to research and development. There are no other elements that have significantly affected the Company's operation result during the period. The Company has no tax expenses since it has not generated any profits during the compared periods.

Cash flow

1 January 2017–30 September 2017 compared with 1 January 2016–30 September 2016

Figures outside parentheses refer to the period 1 January 2017 to 30 September 2017 and figures in parentheses refer to the period 1 January 2016 to 30 September 2016.

At the end of the period the Company's cash and cash equivalents amounted to SEK 43.6 million (SEK 119.5 million). The cash flow for the period amounted to a total of SEK –59.3 million (SEK 75.9 million). The cash flow from the operating activities amounted to SEK –59.3 million (SEK –42.5 million), which is mainly attributable to the cost development. Changes in working capital affected the cash flow with SEK 2.1 million (SEK –6.0 million). The cash flow from investment activities amounted to SEK 0 (SEK 0). The cash flow from financing activities amounted to SEK 0 (SEK 118.5 million). A completed new issue of shares explains the difference between the periods.

1 July 2016–31 December 2016 compared with 1 July 2015–31 December 2015

Figures outside parentheses refer to the period 1 July 2016 to 31 December 2016 and figures in parentheses refer to the period 1 July 2015 to 31 December 2015.

At the end of the period the Company's cash and cash equivalents amounted to SEK 102.9 million (SEK 43.6 million). The cash flow for the period amounted to a total of SEK –17.1 million (SEK 10.8 million). The cash flow from the operating activities amounted to SEK –33.7 million (SEK –14.8 million), which is mainly attributable to the cost development. Changes in working capital affected the cash flow

with SEK 3.0 million (SEK 4.2 million). The cash flow from investment activities amounted to SEK 0 (SEK 25.7 million), which is mainly attributable to a divestment of a short-term fund investment in 2015. The cash flow from financing activities amounted to SEK 16.7 million (SEK 0). A completed new issue of shares explains the difference between the periods.

1 July 2015–30 June 2016 compared with 1 July 2014–30 June 2015

Figures outside parentheses refer to the period 1 July 2015 to 30 June 2016 and figures in parentheses refer to the period 1 July 2014 to 30 June 2015.

At the end of the financial year 2015/2016 the Company's cash and cash equivalents amounted to SEK 119.9 million (SEK 32.7 million). The cash flow for the period amounted to total of SEK 87.2 million (SEK –75.1 million). The cash flow from the operating activities amounted to SEK –40.2 million (SEK –40.1 million). Changes in working capital affected the cash flow with SEK 3.3 million (SEK –4.1 million). The cash flow from investment activities amounted to SEK 25.7 million (SEK –35.0 million). The change is mainly attributable to a divestment of a short-term fund investment acquired in the previous period. The cash flow from financing activities amounted to SEK 101.8 million (SEK 0). A completed new issue of shares explains the difference between the periods.

Liquidity and financial position

30 September 2017 compared with 30 September 2016

Figures outside parentheses refer to 30 September 2017 and figures in parentheses refer to 30 September 2016.

On 30 September 2017, equity amounted to SEK 40.9 million (SEK 127.2 million). The decrease of SEK 86.3 million was mainly attributable to the loss for the period. On 30 September 2017, the Company's cash and cash equivalents[1] amounted to SEK 53.1 million (SEK 129.0 million). The decrease of SEK 75.9 million was mainly in relation to the changes described in the section *Cash flow* above. As of 30 September 2017, the Company's liabilities amounted to SEK 18.7 million (SEK 8.5 million). The increase of SEK 10.2 million was mainly attributable to an increase in accrued expenses.

31 December 2016 compared with 31 December 2015

Figures outside parentheses refer to 31 December 2016 and figures in parentheses refer to 31 December 2015.

On 31 December 2016, equity amounted to SEK 102.4 million (SEK 45.3 million). The increase of SEK 57.1 million was mainly attributable to the rights issue completed in 2016. On 31 December 2016, the Company's cash and cash equivalents amounted to SEK 112.4 million (SEK 53.1 million). The increase of SEK 59.3 million was mainly in relation to the changes described in the section *Cash flow* above. As of 31 December 2016, the Company's liabilities amounted to SEK 19.2 million (SEK 9.6 million). The increase of SEK 9.6 million was mainly attributable to an increase in accounts payable, other current liabilities as well as in accrued expenses.

30 June 2016 compared with 30 June 2015

Figures outside parentheses refer to 30 June 2016 and figures in parentheses refer to 30 June 2015.

On 30 June 2016, equity amounted to SEK 139.2 million (SEK 64.6 million). The increase of SEK 74.6 million was mainly attributable to the rights issue completed in 2016. On 30 June 2016, the Company's cash and cash equivalents amounted to SEK 129.4 million (SEK 68.2 million). The increase of SEK 61.2 million was mainly in relation to the changes described in the section *Cash flow* above. As of 30 June 2016, the Company's liabilities amounted to SEK 15.1 million (SEK 6.4 million). The increase of SEK 8.7 million was mainly attributable to an increase in accrued expenses as well as in accounts payable.

Investments

1 January 2017–30 September 2017 compared with 1 January 2016–30 September 2016

Investments during the period 1 January 2017 to 30 September 2017 amounted to SEK 0 (SEK 0).

1 July 2016–31 December 2016 compared with 1 July 2015–31 December 2015

Investments during the financial year 1 July 2016 to 31 December 2016 amounted to SEK 0 (SEK 0).

1 July 2015–30 June 2016 compared with 1 July 2014–30 June 2015

Investments during the financial year 2015/2016 amounted to SEK 0 (SEK 0).

On-going and planned investments

The Company has no on-going investments or future investments for which the Company has made clear commitments.

1 Cash and bank balances and investments (short-term investments in equity and fixed income funds).

Capital structure and other financial information

The information provided in this section describes Immunicum's capitalization and indebtedness as per 30 September 2017, i.e. the latest reporting date before the Rights Issue. The tables in this section only include interest-bearing items. All information in the tables below comprises unaudited financial information. The information presented below should be read in conjunction with the section Comments to the financial development and the Company's financial statements including the related notes. See section Share capital and ownership structure for more information about the Company's share capital and shares. The amounts specified in the section Capital structure and other financial information have been rounded to SEK thousands while the calculations have been carried out with a larger number of decimal places. Rounding may mean that certain statements do not add up.

Financial position and capital structure

Equity and liabilities (SEK thousand)	30 September 2017
CURRENT LIABILITIES	
Against guarantee or surety	–
Against collateral	–
Without guarantee/surety or collateral	–
Total liabilities	**–**
NON-CURRENT LIABILITIES	
Against guarantee or surety	–
Against collateral	–
Without guarantee/surety or collateral	850
Total non-current liabilities	**850**
EQUITY	
Share capital	1,298
Share premium reserve	252,535
Other reserves	–
Profit carried forward	–212,959
Total equity	**40,874**
TOTAL EQUITY AND LIABILITIES	41,724

Net debt (SEK thousand)		30 September 2017
(A)	Cash	43,586
(B)	Cash equivalents	–
(C)	Trading securities	9,527
(D)	**Liquidity (A) + (B) + (C)**	**53,112**
(E)	Current financial receivables	–
(F)	Current bank liabilities	–
(G)	Current portion of non-current liabilities	–
(H)	Other current liabilities	–
(I)	**Total current liabilities (F) + (G) + (H)**	**–**
(J)	**Net current debt (I) – (E) – (D)**	**-53,112**
(K)	Non-current bank loans	–
(L)	Bonds issued	–
(M)	Issued convertible debt securities	–
(N)	Other non-current loans	850
(O)	**Non-current debt (K) + (L) + (M) + (N)**	**850**
(P)	**Total interest-bearing net debt (J) + (O)**	**–52,262**

Indirect indebtedness and contingent liability

The Company has no indirect indebtedness and no contingent liability.

Working capital

Immunicum assesses that the Company's working capital is not sufficient to cover the Company's needs during the coming twelve-month period. The Company is a development company that does not yet generate any income. The Company's operating expenses are mainly linked to operational costs, cost for performing clinical and preclinical studies, costs for manufacturing of drug candidates and regulatory costs. The shortage of working capital will arise by the Company incurring such costs without generating any income. The Company estimates that the shortage of working capital will arise around March 2018 and that the deficit in relation to the need for working capital during the coming twelve-month period amounts to approximately SEK 76 million, assuming the current business plan as outlined in the Prospectus.

Immunicum plans to remedy the estimated deficit in the working capital by way of the Right Issue, which is expected to give proceeds to the Company of approximately SEK 190 million, after issue expenses and guarantee costs, provided that the Rights Issue is fully subscribed for. The Company assesses that this amount is sufficient to cover the need of working capital during the coming twelve-month period.

Should the Right Issue not be completed, or should the guarantee commitments not be honored wholly or in part, the Company will need to consider other measures, such as carrying out a new issue of shares at other terms, taking up other external financing or reduced investments in research and development. If all other measures should fail, the Company could ultimately be forced to apply for reorganization or bankruptcy.

Tangible assets

As of 30 September 2017, Immunicum's tangible assets amounted to SEK 87 thousand, and consisted of equipment.

Intangible assets

According to the account principles applied by the Company development expenses shall be recognized no earlier than when a project is in Phase III. The Company therefore does not recognize any intangible assets in the balance sheet.

Trends

Save for the tendencies and trends regarding the development of Immunicum's operations as describes in the Prospectus, Immunicum is not aware of any tendencies, uncertain factors, potential receivables or other claims, commitments or events that may have a significant impact on the Company's prospects.

The Company is not aware of any public, economic, fiscal policy, monetary policy or other political measures that, directly or indirectly, has significantly affected or may significantly affect the Company's operations.

Significant changes since 30 september 2017

At a board of directors meeting in Immunicum on 1 November 2017 it was resolved, subject to subsequent approval by the general meeting, to increase the Company's share capital by a rights issue of shares. At the extraordinary general meeting in Immunicum of 4 December 2017 it was resolved to approve the board of directors' resolution.

On 24 November 2017, Nasdaq Stockholm AB's listing committee decided to approve the Company's application for admission to trading on Nasdaq Stockholm, conditional upon the Company completing the Rights Issue and securing sufficient working capital for the twelve month period following the admission to trading and other customary conditions.

No other significant changes in the Company's financial position or position on the market have occured after 30 September 2017.

Share capital and ownership structure

The share and share capital

Immunicum is a Swedish public limited liability company and is regulated by the Swedish Companies Act (2005:551). Immunicum's shares are issued in accordance with the Swedish Companies Act and are denominated in SEK. Shareholders' rights may only be changed in accordance with the procedures set out in the Companies Act. Each share in the Company entitles the holder to one vote at general meetings. All shares carry equal rights to the Company's assets and profits. At general meetings, shareholders may vote for the total number of shares they own and represent, with no limitations on the voting rights. All of the shares in the Company are of the same class, are freely transferable and have the ISIN code SE0005003654.

If the Company decides to issue new shares, warrants or convertible debentures through a cash or offset issue, the shareholders have, as a main rule, preferential rights to subscribe for such securities in relation to the number of shares they already own. All of the shares carry equal rights to the Company's assets and profit, as well as to any surplus on liquidation. A resolution on distribution of dividends is adopted at a general meeting and payment is administered by Euroclear. The right to receive dividends are vested in shareholders who are registered as shareholders in the shareholders' register maintained by Euroclear on the record date for the resolution to approve the payment of dividends.

Immunicum's shares are not and have not been subject to offers made as a result of an offer obligation, redemption right or redemption obligation. Immunicum's shares have not been subject to a public takeover bid or similar.

According to the articles of association, the Company's share capital shall amount to a minimum of SEK 1,250,000 and a maximum of SEK 5,000,000, distributed over a minimum of 25,000,000 and a maximum of 100,000,000 shares.

Immunicum's share capital amounts to SEK 1,297,927.05, distributed over 25,958,541 issued and fully paid shares with a quotient value of SEK 0.05 per share. The Rights Issue will, on full subscription, lead to an increase in the number of shares from 25,958,541 to 53,771,256 shares and that to an increase in the Company's share capital SEK 1,297,927.05 to SEK 2,688,562.80, which corresponds to an increase of approximately 107 percent. For shareholders who refrain from subscribing for shares in the Rights Issue, a dilution effect corresponding to a maximum of approximately 51.7 percent will occur. The dilution has been calculated as the maximum number of shares that can be issued divided by the total number of shares in the Company after the Rights Issue.

Share Capital Development

The table below presents the change in share capital and the number of shares in Immunicum from 2010.

Year	Event	Change in no. of shares	Total no. of shares	Change in share capital (SEK)	Total share capital (SEK)	Quota value (approx. 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	Split 1,000:1	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 2:1	–10,000,000	10,000,000	–	500,000	0.05
2013	New share issue	2,675,000	12,675,000	133,750	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	Warrants	130,000	20,160,000	6,500	1,008,000	0.05
2016	New share issue	5,798,541	25,958,541	289,927.05	1,297,927.05	0.05
2017	Rights Issue (full subscription)	27,812,715	53,771,256	1,390,635.75	2,688,562.80	0.05

Ownership structure

Immunicum had approximately 4,048 shareholders as per 30 September 2017. In Sweden, the lowest limit for a duty to disclose holdings is five percent of all shares or of the number of votes for all shares. To the best of Immunicum's board of directors' knowledge, there are no shareholder agreements or other arrangements between any of Immunicum's shareholders for the purpose of joint influence over the Company. To the best of board of directors' knowledge, there are no agreements or equivalent that may lead to any change in control over the Company.

The table below presents Immunicum's ten largest shareholders, including shareholders with a holding corresponding to at least five percent, based on information from Euroclear as per 30 September 2017 and any subsequent changes known to the Company.

Shareholder	Shares	% of shares and votes
Holger Blomstrand Byggnads AB	2,975,386	11.46
Loggen Invest AB[1]	2,750,000	10.59
Försäkringsaktiebolaget, Avanza Pension	2,094,195	8.07
Nordnet Pensionsförsäkring AB	1,007,770	3.88
Swedbank Robur Medica	725,000	2.79
Alex Karlsson-Parra (including related parties)[2]	612,726	2.36
Bengt Andersson	557,939	2.15
Mats Dahlgren	400,00	1.54
UBS Switzerland AG (client account)	367,644	1.42
Swedbank Robur Folksams LO Västfonden	366,142	1.41
Total major shareholders	**11,856,802**	**45.68**
Others	**14,101,739**	**54.32**
Total	**25,958,541**	**100**

1 Loggen Invest AB is owned to 27.5 percent by Martin Lindström, board member in the Company.
2 Alex Karlsson-Parra is the Company's Chief Scientific Officer.

Authorisations

The annual general meeting held on 26 April 2017 resolved to authorise the board of directors, for the period until the next annual general meeting, on one or more occasions, with or without deviation from the shareholders' preferential rights, to decide on a new issue of not more than 2,595,000 shares and of warrants or convertible debentures giving a right to subscribe for an equivalent number of shares. Deviations from the shareholders' preferential rights may be made in order to strengthen the Company's financial position, broaden the shareholder base and/or increase the Company's institutional ownership. In the event of a deviation from the shareholders' preferential rights, the issue shall be made on market conditions. On full exercise, this authorisation corresponds to approximately ten percent of the number of shares before the Rights Issue and approximately 4.8 percent of the number of shares after the Rights Issue.

Incentive programmes

There are currently no outstanding warrants or share-based incentive programmes in the Company.

Dividend policy and other information

Immunicum has not paid any dividends to the shareholders since it was founded and the Company's board of directors does not intend to propose any distribution of dividends during the next few years. Any future profits are intended to be re-invested in the operations and used for the continued development of the Company's technology platforms. In considering future dividends, the board of directors will take several factors into account, including the Company's operations, operating results, financial position, consolidation requirements, current and anticipated liquidity requirements, expansion plans, contractual limits and other relevant factors. There are no guarantees that payments of dividend will be proposed or approved for a certain year.

Marketplace and share price development

Immunicums shares are traded on Nasdaq First North since 22 April 2013 (since 4 May 2016 in the First North Premier segment). On 24 November 2017, Nasdaq Stockholm's listing committee decided to approve the Company's admission to trading on Nasdaq Stockholm, conditional upon the completion of the Rights Issue and that the Company secures

sufficient working capital for the twelve month period following the admission to trading on Nasdaq Stockholm and other customary conditions. The Company's shares are, provided that the aforementioned conditions are fulfilled, planned to be admitted to trading on Nasdaq Stockholm on 15 January 2018, which means that the planned last day of trading on Nasdaq First North Premier is on 12 January 2018. The new shares are, provided that the Company fulfils the conditions for admission to trading on Nasdaq Stockholm, planned to be traded on Nasdaq Stockholm.

Euroclear affiliation

Immunicum's shares are registered in electronic form by person and are maintained by Euroclear, Box 191, SE-101 23 Stockholm, Sweden, in accordance with the record date provision in the Company's articles of association. Immunicum's shareholders do not receive physical share certificates, instead all share transactions take place electronically.

Changes to shareholders' rights

The general meeting has the right to change the Company's articles of association, which may entail changes to the shareholders' rights. The Swedish Companies Act sets out certain majority requirements in order for such resolutions by the general meeting to be valid. If a resolution on a change to the articles of association entails that the shareholders' rights to the Company's profits or other assets are reduced by a change in the objects of the Company's operations to being partly or entirely different than providing profits to the shareholders, that the right to transfer or acquire shares in the Company is restricted by a consent clause, right of first refusal clause or pre-emption clause or otherwise means that the legal relationship between shares is changed, the resolution must be supported by all shareholders in attendance and they must together represent more than nine-tenths of all shares in the Company.

If a resolution on a change to the articles of association entails that the number of shares for which a shareholder may vote at the general meeting is restricted, that the net profit less coverage of losses carried forward shall to some extent be allocated to a restricted fund or that the use of the Company's profits or its retained assets upon its dissolution is limited in a manner other than through a change in the Company's purpose to partly or entirely be different than providing profits to shareholders or by the net profits less coverage of losses carried forward to some extent shall be allocated to a restricted fund, the resolution must be supported by at least two-thirds of the votes placed and nine-tenths of the shares represented by the general meeting.

The aforementioned majority requirements do not, however, apply if a resolution is supported by shareholders with at least two-thirds of both the votes placed and the shares represented at the general meeting if the change only means that certain classes of shares' rights are degraded and consent is given by all owners of such shares present at the general meeting and these owners represent in total at least nine-tenths of all shares whose rights are degraded or if the change degrades only one whole class of shares' rights and owners of half of all shares of this class and nine-tenths of the shares represented at the general meeting of this class consent to the change.

Share price development

Board of directors, management and auditor

Board of directors

According to the articles of association, Immunicum's board of directors shall comprise at least three and at most eight board members without deputies. The Company's board of directors currently comprises seven board members, including the chairman. All board members have been elected for the period until the end of the next annual general meeting. Information regarding the board members' year of birth, education and experience, year of election to the board of directors, ongoing and previous assignments during the last five years and shareholding in the Company (including indirect shareholding and closely related parties' shareholding) is presented below.

AGNETA EDBERG

Chairman of the board of directors since 2010

Shares: 36,250

Alumna from Stockholm School of Economics and Biomedical Analyst from College of Health Sciences in Sundsvall, born 1956

Professional experience: Agneta has more than 20 years' long experience within lead positions in life science ranging from clinical development, venture capital to managing marketing and sales strategies for pharmaceuticals, biologics and medical device. She is also a board member of CAMP, working with advanced medical products development strategies in Sweden. Previously: CEO of Mylan Nordic, Chief Operating Officer (COO) at Bactiguard AB and COO, VP Senior Venture Manager at LinkMed. CEO of LFF Service AB and the Swedish Pharmaceutical Insurance Association. Previous leading positions at Pfizer and Pharmacia, CEO for NM Pharma AB, Cederroth International, Farmos (Orion) AB and Cilag (J&J) AB.

Other on-going assignments: Chairman of the board of directors of Ambulanssjukvården i Storstockholm AB, A+ Science AB, Idogen AB and Likvor AB. Board member of Svenska Läkemedelsföreningen AB, Probac AB, A Edberg Consulting AB, Temperature Sensitive Solutions Systems Sweden AB and TSS Holding AB.

Previous assignments the last five years: Chairman of the board of directors and CEO of Scandinavian Pharmaceuticals-Generics Aktiebolag, Scand Pharm Marketing AB and Mylan AB. Board member of Uppsala Bostadsföreningars Centralförening ek. för. (UBC), Profarina AB, Fastum UBC Förvaltning AB and Valvet Förvaltning AB.

Independence: Agneta Edberg is independent in relation to the Company, its senior executives and major shareholders.

MARTIN LINDSTRÖM

Board member since 2008

Shares: 2,760,000 of which 2,750,000 through Loggen Invest AB

M. Sc. Civil Engineering at Chalmers University of Technology, B. Sc. Business and Administration at Gothenburg School of Economics, born 1980

Professional experience: Project developer at SHH Bostadsproduktion AB.

Other on-going assignments: Board member of Bostadsrättsföreningen Lunden i Lindsdal. Deputy board member and CEO of Loggen Invest AB and Loggen Fastighetsutveckling AB. Deputy board member of Lars Lindström Förvaltning i Kalmar AB.

Previous assignments the last five years: Board member of SHH Projekt nr 16 AB, SHH Projekt nr 21 AB, Bostadsrättsföreningen Viggen i Riksten and Bostadsrättsföreningen Polarhunden. Deputy board member and CEO of Sista versen 23245 AB and Sista versen 23068 AB. Deputy board member of Loggen i Oskarshamn AB, Fastokraten Svalan AB and Loggen i Kalmar AB.

Independence: Martin Lindström is independent in relation to the Company, its senior executives but not in relation to major shareholders.

MAGNUS PERSSON
Board member since 2015

Shares: –

Physician and an associate Professor in Physiology at Karolinska Institutet in Stockholm, born 1960

Professional experience: Magnus Persson has 15 years of partner level experience from venture capital and has been a partner in two life sciences venture capital firms, one with its base in Sweden and with global reach and one in the Bay Area in California. Magnus has a long experience in medicine, life sciences and biotech financing. He has led development teams of Phase II and III programs in the pharmaceutical industry. He has founded and led private as well as public biotech and medtech companies as chairman of the board and director in Europe and the US. He has extensive experience of board work in the life science industry and has been involved in a dozen IPOs.

Other on-going assignments: Chairman of the board of directors of SLS Invest AB, Galecto Biotech AB, Cantargia AB, HIP Health Innovation Platform AB and Perma Ventures AB. Board member of Karolinska Development AB, Gyros Protein Technologies Holding AB, Själbådan AB, Cerecor Inc., Medical Prognosis Institute A/S and Albumedix Ltd.

Previous assignments the last five years: Chairman of the board of directors of Bio-Works Technologies AB, Karolinska Institutet Information AB, Karolinska Institutet University Press AB and Karolinska Institutet Innovations AB. Board member of Gyros Protein Technologies AB, KCIF Fund Management AB, Karolinska Institutet Support AB, Karolinska Institutet Housing AB and Karolinska Institutet Science Park AB.

Independence: Magnus Persson is independent in relation to the Company, its senior executives and major shareholders.

MAGNUS NILSSON
Board member since 2014

Shares: –

Doctor Med. Sc. at Uppsala University, born 1956

Professional experience: CEO of XVIVO Perfusion since 2011 and before that CEO in Vitrolife during 2003–2011, project leader for preclinical and clinical development, KaroBio AB and Pharmacia & Upjohn AB.

Other on-going assignments: Board member and CEO of XVIVO Perfusion Lund AB. Board member of Magnus HL Nilsson management consulting AB. CEO of XVIVO Perfusion Aktiebolag.

Previous assignments the last five years: Chairman of the board of directors of IFK Göteborg Fotboll AB. Board member of XVIVO Perfusion Aktiebolag, Dignitana AB and SwedenBIO Service AB.

Independence: Magnus Nilsson is independent in relation to the Company, its senior executives and major shareholders.

KERSTIN VALINDER STRINNHOLM
Board member since 2016

Shares: –

Degree from the School of Journalism at the University of Gothenburg, born 1960

Professional experience: Kerstin Valinder Strinnholm is a Business Development advisor in the pharma/biotech field with a degree from the School of Journalism at the University of Gothenburg. Kerstin has over 30 years of international experience in sales, marketing and business development from senior positions at Astra/AstraZeneca and Nycomed Takeda. Other board positions include Camurus AB, Corline Biomedical AB and Cavastor AB.

Other on-going assignments: Board member of Corline Biomedical AB, Camurus AB, KVS Invest AB, Klifo A/S and Cavastor AB. Deputy board member of Pollux Pharma AB.

Previous assignments the last five years: –

Independence: Kerstin Valinder Strinnholm is independent in relation to the Company, its senior executives and major shareholders.

CHARLOTTE EDENIUS
Board member since 2016

Shares: –

M.D., Ph.D., Karolinska Institutet, Stockholm, born 1958

Professional experience: Charlotte Edenius has extensive experience from leading positions in pharmaceutical and biotech companies, including drug discovery and development, regulatory affairs and marketing. She has previously served as Executive Vice President, R&D at Medivir AB, Senior Vice President R&D at Orexo AB, Vice President Research at Biolipox AB and in various positions within AstraZeneca Clinical R&D.

Other on-going assignments: Chairman of the board of directors and CEO of Allmora Life Science AB. Board member of Kancera AB, SynAct Pharma AB and Gesynta Pharma AB.

Previous assignments the last five years: Board member of Karolinska Institutet Innovations AB, Karolinska Development AB, Aptahem AB and Qlucore AB.

Independence: Charlotte Edenius is independent in relation to the Company, its senior executives and major shareholders.

STEVEN GLAZER
Board member since 2016

Shares: –

M.D, University of Copenhagen and trained in Internal Medicine, born 1948

Professional experience: Steven Glazer is an experienced healthcare and biotech executive. He has extensive and broad therapeutic area experience including haematology, oncology, haemophiia, HIV, diabetes, allergic and cardiovascular disease from pharmaceutical and biotechnology companies in Europe and the US. He has a track record of successful planning and implementation of development, regulatory and corporate strategies, project and trial plans. Dr. Glazer currently holds the position of Chief Medical Officer at Idogen AB and previously served Chief Medical Officer at Hansa Medical AB, as Senior Vice President Development at BioInvent AB, Vice President Development at Zealand Pharma and Medical Director at Novo Nordisk.

Other on-going assignments: –

Previous assignments the last five years: –

Oberoende: Steven Glazer is independent in relation to the Company, its senior executives and major shareholders.

Management team

CARLOS DE SOUSA
CEO since 2016

Shares: 48,670

M.D, School of Medicine at University of Lisbon and Executive MBA, Stern School of Business at New York University, born 1958

Professional experience: Carlos de Sousa is a medical doctor by training, having earned his degree at School of Medicine, University of Lisbon and holds an Executive MBA from the Stern School of Business, New York University. He comes to Immunicum with more than 25 years of senior level experience in the global pharmaceutical and biotech industry, including business development, mergers & acquisitions, global marketing and clinical development. Prior to joining Immunicum, he held senior positions at Nycomed/Takeda, Pfizer, Novartis, BBB Therapeutics, Newron Pharmaceuticals and, most recently, as Chief Business Officer at Zealand Pharma in Denmark.

Other on-going assignments: –

Previous assignments the last five years: –

PETER SUENAERT
Chief Medical Officer since 2016

Shares: 4,800 (including related parties)

M.D., University of Leuven and McGill University, Ph.D, University of Leuven, born 1968.

Professional experience: Prior to joining Immunicum, Dr. Suenaert served as Global Clinical Program Lead for oncology and Senior Director of Clinical Sciences at Glenmark Pharmaceuticals R&D in London, where he was heading up the clinical oncology unit (immune oncology assets) from start-up stage to being fully operational Phase I/II protocol development.

Prior to that role, he was Director and Head of Clinical Development and Human Translational Research, a position with global reach, and member of the global management team Life Science at Danone Research in Palaiseau (Paris), France. Previously, Dr. Suenaert was Clinical Research and Development Leader in global early cancer immunotherapeutics development at GlaxoSmithKline Vaccines in Rixensart, Belgium and Clinical Research Senior Medical Scientist, Global Development, Haematology / Oncology at AMGEN in the U.K.

Other on-going assignments: –

Previous assignments the last five years: –

LISE-LOTTE HALLBÄCK
Chief Financial Officer (CFO) since 2015

Shares: 5,000 (including related parties)

Bachelor of Science (BSc) in Business Administration and Economics at Växjö University, born 1966

Professional experience: CFO of Immunicum since 2015. Previously worked as chartered public accountant, management consultant and financial manager. Lise-Lotte has a long and broad experience within accounting, tax and legal matters within mainly companies with international activities.

Other on-going assignments: –

Previous assignments the last five years: –

ALEX KARLSSON-PARRA
Co-founder, Chief Scientific Officer since 2008

Shares: 612,726 (including related parties)

M.D., Ph.D. and Adjunct Professor in Clinical Immunology, Uppsala University, born 1950

Professional experience: Adjunct Professor Karlsson-Parra has over 20 years of experience working in the field of transplantation immunology and is former chairman of the Swedish Expert Group for Clinical Immunology. He was awarded the Athena Prize, the Swedish healthcare's most prestigious award for clinical research, in 2014. He was formerly Associate Professor at Fylkesjukhuset in Hauegesund, Norway, and chief physician at the Department of Clinical Immunology at Sahlgrenska University Hospital, Gothenburg.

Other on-going assignments: –

Previous assignments the last five years: Board member of Immunicum.

SHARON LONGHURST
Head of CMC since 2017

Shares: –

Ph.D. in Virology, University of Warwick, born 1969

Professional experience: Sharon Longhurst joins Immunicum from her previous position as Senior CMC Manager at Akari Therapeutics, where she was responsible for all aspects of CMC for an innovative biologic product, Coversin, including clinical supply and distribution. Prior to that, Sharon spent five years as Principal Consultant of CMC at Parexel Consulting. From 2005–2011, she was a Pharmaceutical Assessor at MHRA in London in the biologics/biotechnology unit and provided national and EU scientific advice for Advance Therapy Medicinal Products (ATMPs) for cell and gene therapy. Sharon graduated from the University of Warwick, Coventry, UK with a PhD in Virology.

Other on-going assignments: –

Previous assignments the last five years: –

MARGARETH JORVID

Head of Regulatory Affairs and Quality Assurance (QA) since 2016, member of the management team since 2017

Shares: 1,875

Master of Sciences of Pharmacy, Uppsala University, Master of Business Administration, Stockholm School of Economics, Master of Medical Technology Regulatory Affairs, Cranfield University, born 1961

Professional experience: Margareth Jorvid has over 30 years' experience in Regulatory Affairs for pharmaceuticals and has worked at the Swedish Medical Products Agency, as well as in large and small pharmaceutical companies such as Roussel Nordiska, Hoechst Marion Roussel (Stockholm and Paris, France) and Neopharma (SME company that developed Duodopa for the treatment of severe Parkinson's disease). Since 2006, consultant in Regulatory Affairs and QA for pharmaceuticals and medical devices, as CEO of Methra Uppsala AB, LSM group. She is a Fellow and Honorary Life Member of TOPRA (The Organisation for Professionals in Regulatory Affairs), after years of work with education and training in regulatory affairs, board member and TOPRA President 2005–2006.

Other on-going assignments: Board member of Methra Uppsala AB. Deputy board member of A-transport Jorvid AB.

Previous assignments the last five years: –

SIJME ZEILEMAKER

Senior Director Business Development since 2017

Shares: 5,356

Masters degree in Biomedical Sciences from Leiden University, born 1987

Professional experience: Sijme Zeilemaker joins Immunicum having most recently served as Director Business Development at InteRNA Technologies where he supported the preclinical oncology company in connecting with pharmaceutical and biotechnology companies, licensing technologies and exploring grant opportunities. Sijme also served as Head of Business for 2-BBB Medicines and Business Development Manager for to-BBB technologies where he provided partnering support and attracted over EUR 7.5 million in non-dilutive funding.

Other on-going assignments: –

Previous assignments the last five years: –

Auditor

At the annual general meeting of 26 April 2017, the registered public accounting firm KPMG AB was elected as the Company's auditor. The auditor-in-charge is Jan Malm. Jan Malm is a member of FAR (the trade association for accountants, auditors and advisors). KPMG's office address is at Norra Hamngatan 22, SE-411 06 Gothenburg. The Company's previous auditor was until the annual general meeting of 26 October 2016 Öhrlings PricewaterhouseCoopers AB, with, respectively, the authorized public accountants Gunnar Källhed and Birgitta Granquist as auditor-in-charge. The change of auditor to KPMG AB was preceded by a procurement process initiated by the Company's nomination committee since Öhrlings PricewaterhouseCoopers AB had been the Company's auditor during a long period. During the procurement process, the nomination committee reviewed the received offers and the recommendation from the audit committee. The nomination committee's proposal to elect KPMG AB as auditor followed the recommendation of the audit committee.

Other information

None of the above board members or senior executives have any family ties to another board member or senior executive in the Company. Insofar as the Company is aware, there are no conflicts of interest or potential conflicts of interest through which the private interests of board members or senior executives would conflict with the interests of the Company. Insofar as the board of directors is aware, there have been no agreements with major shareholders, customers, suppliers or other parties, according to which board members, senior executives or the auditor have been elected or appointed. No board member or senior executive has been involved in any bankruptcy, liquidation or bankruptcy administration, involuntary liquidation, bankruptcy administration or fraud related legal process in the last five years. With the exception that Carlos de Sousa has been fined for late tax statements in Switzerland and that Charlotte Edenius was subject to a fine (which was subsequently reduced to SEK 0) for late reporting of sales of redemption rights in 2015, there have been no allegations or sanctions from authorities empowered by law or ordinance (including approved professional associations) in the last five years. No board member or senior executive been prohibited by a court in the past five years to be a member of a company's administrative, management or control bodies or from holding senior or overall functions with a company. The board members and management can be reached through the Company's office address, Grafiska Vägen 2, SE-412 63 Gothenburg.

Remuneration to the board of directors and senior executives

In the table on the next page is presented the remuneration and other benefits to the chairman of the board of directors, the board members and the Company's current and former CEO, during the financial year 1 July 2016 – 31 December 2016.

The Company's CEO is entitled, in addition to a fixed monthly salary, a variable salary upon achievement of goals. In addition, the CEO has, subject to certain conditions, a right to a bonus in the event of a sale of all or most of the Company's assets or intellectual property rights, licensing of the Company's intellectual property rights or other transactions that the board deems to be of similar importance. The bonus shall, in the event of a sale of all or most of the Company's assets, be paid with an amount corresponding to 1.5 percent of the purchase price on a debt and cash free basis and upon licensing with an amount corresponding to two percent of any advance payment and one percent of any following milestone payments (however not on royalties). The bonus can be paid if such a transaction occurs within twelve months of the termination of the agreement, unless the termination is made by the CEO or is caused by his breach of the agreement. The CEO loses any right to remuneration if he voluntarily terminates his employment. During the financial year SEK 0 was paid in variable remuneration to the CEO and a total amount of SEK 142,500 in variable remuneration to the previous CEO. In addition, a one-off amount of SEK 705,000 was paid in the context of a share-saving program in in the employment agreement, under which the Company has undertaken to compensate the CEO with an amount corresponding to his acquisitions of shares in the Company on the market by way of a salary payment. The salary payment is conditional upon the CEO not selling the shares during a period of two years from the purchase. The CEO is entitled to a notice period of six months.

At the annual general meeting of 26 April 2017 it was resolved in accordance with the nomination committee's proposal that remuneration to the board of directors shall be paid with a maximum of SEK 1,185,000 to be distributed as follows: the chairman SEK 295,000, other board members SEK 125,000 each, a board member who is chairman of the audit committee SEK 35,000, a board member who is a member of the audit committee SEK 15,000, a board member who is chairman of the scientific committee SEK 50,000, a board member who is a member of the scientific committee SEK 25,000. No other remunera-

tion for committee work shall be paid. At the annual general meeting it was also resolved that, in addition to board remuneration, remuneration to the board of directors as a whole for work outside the scope of the ordinary board work can amount to a maximum of SEK 100,000.

There are no agreements between board members, senior executives or auditors whereby the Company has undertaken to pay pensions or benefits after the termination of the assignment. There are no accrued amounts or reservations made for pensions or other benefits to be paid after the termination of an assignment.

Pensions

The CEO is entitled to pension benefits at market conditions, whereupon the pension based salary shall be based on his fixed salary.

Salary and other remuneration to the board of directors and other senior executives

Board member/executive	Remuneration (SEK)	Pension (SEK)
Agneta Edberg, chairman of the board	190,000	–
Martin Lindström, board member	77,500	–
Magnus Persson, board member	68,750	–
Magnus Nilsson, board member	72,500	–
Steven Glazer, board member	43,750	–
Charlotte Edenius, board member	37,500	–
Kerstin Valinder Strinnholm, board member	31,250	–
Carlos de Sousa, CEO	1,527,148	228,750
Jamal El-Mosleh, previous CEO	1,014,980	260,775
Other senior executives	2,560,114	75,054

Remuneration to the auditor

At the annual general meeting of 26 April 2017 it was resolved that remuneration to the auditor should be paid in accordance with approved invoices. The remuneration to the auditors paid during the financial year 1 July 2016 – 31 December 2016 amounted to SEK 162,840, of which SEK 42,840 was attributable to other assignments than audit assignments. Audit assignments include review of the annual report, the records and the board of directors' and CEO's administration of the Company, other tasks imposed on the Company's auditor as well as advisory services or other assistance brought about as part of observations made during the audit. All other tasks constitute other assignments.

Corporate governance

Corporate governance refers to the set of regulations and the structure established to efficiently govern and manage the operations of a limited liability company in a controlled manner. Immunicum's corporate governance is based on the Swedish Companies Act, the articles of association, Nasdaq Stockholm's Rule Book for Issuers and the Swedish Corporate Governance Code as well as on internal rules and regulations.

Swedish Corporate Governance Code

The Swedish Corporate Governance Code (the "Code") applies to all Swedish companies with shares listed on a regulated market in Sweden and thus will be fully applicable to Immunicum from the first day of trading of the Company's shares on Nasdaq Stockholm. The Code supplements the provisions of the Companies Act by imposing stricter requirements on corporate governance, but also permits the Company to deviate from the Code's requirements if this is deemed to lead to enhanced corporate governance in the individual case, on the condition that any deviations and the alternative solution are presented and the reasons for the deviation are described in a corporate governance report following the "comply or explain" principle. The Company applies the Code and any deviations, alternative solutions and their reasons will be presented in the Company's corporate governance report. The Company will deviate from rule 9.5 of the Code in so far as the variable remuneration that may be paid in cash to the Company's CEO in connection with the sale of all or most of the Company's assets and intellectual property rights, the licensing of the Company's intellectual property rights or similar transactions is not subject to predetermined limits regarding the total outcome but is instead calculated at a fixed percentage. The reason for the deviation is that it was necessary for the purposes of recruiting a CEO with the right experience and skills for the next phase of the Company's development. The Company will also deviate from rule 2.4 of the Code in that Martin Lindström is chairman of the nomination committee while also being a board member in the Company. The reason for the deviation is that the nomination committee considered it appropriate that the representative of the largest shareholder represented in the committee should hold the position as chairman of the committee.

General shareholders meeting

In accordance with the Companies Act, shareholders exercise their influence in the Company at a general shareholder meeting, which is the Company's highest ranking decision-making body. At a general meeting, shareholders resolve on key issues, including amendments to the articles of association, the adoption of income statements and balance sheets, any dividends and appropriation of the Company's profit, election of board members and auditors and their remuneration, and discharge from liability of board members and the CEO.

According to the articles of association, notice convening a general shareholder meeting is to be given in the form of an announcement in the Official Swedish Gazette (Sw. *Post- och Inrikes Tidningar*) and by publishing the notice on the Company's website. The Company must simultaneously publish an advertisement in Dagens Industri stating that notice has been given. Notice of the annual general meeting and notice of an extraordinary general meeting at which the matter of an amendment to the articles of association is to be addressed shall be issued not earlier than six weeks and not later than four weeks prior to the meeting. Notices of other extraordinary general meetings shall be served not earlier than six weeks and not later than three weeks prior to the meeting.

Shareholders who are entered in the shareholders' register in the manner described in the Companies Act and who have notified the Company of their participation at the meeting by the date specified in the notice of the meeting will be entitled to participate in the general shareholder meeting. This may not be a Sunday, public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve, nor may it fall earlier than five working days prior to the meeting.

The following items of business shall be addressed at a general shareholder meeting (annual general meeting):

1. Election of chairman of the meeting.
2. Preparation and approval of the voting list.
3. Preparation and approval of the agenda.
4. Election of one or two persons to verify the minutes.
5. Determination of whether the meeting has been duly convened.

6. Presentation of the annual report and the audit report and, where applicable, the consolidated financial statements and the audit report on the consolidated financial statements.
7. Resolutions on:
   a) adoption of the income statement and balance sheet and, where appropriate, the consolidated income statement and consolidated balance sheet.
   b) the disposition of the company's profit or loss in accordance with the adopted balance sheet.
   c) discharge of the members of the board of directors and the CEO from personal liability.
8. Determination of fees for the board of directors and auditors.
9. Election of members of the board of directors and auditors as well as any alternate auditors.
10. Other matters to be brought before the general shareholder meeting according to the Swedish Companies Act or the articles of association.

Nomination committee

The annual general meeting of Immunicum on 26 April 2017 primarily resolved on the following principles for appointing the nomination committee ahead of the 2018 annual general meeting. The nomination committee is to comprise four members appointed by the four largest shareholders that have accepted the invitation to participate in the nomination committee. The nomination committee is to appoint a chairman from within its ranks. The members of the nomination committee are to be announced on the Company's website not later than six months prior to the 2018 annual general meeting. If at this time four shareholders have not announced their intention to participate in the nomination committee, the nomination committee is to comprise of fewer members. If a change in ownership entailing that a shareholder who appointed a member of the nomination committee is no longer one of the four largest shareholders takes places not later than two months prior to the 2018 annual general meeting, the member appointed by such a shareholder is to step down from the committee and the new shareholder that has become one of the four largest shareholders in the Company will be entitled to appoint a new member. The nomination committee's mandate period is to extend until a new nomination committee has been appointed. Shareholders who have appointed a member of the nomination committee are entitled to dismiss such members and appoint a new representative to serve on the nomination committee. Changes in the composition of the nomination committee are to be disclosed immediately. Shareholders of the Company are entitled to present proposals of board members for consideration by the nomination committee. The nomination committee is to consider, based on the Company's operations and stage of development, etc. that the board of directors should have an appropriate composition and a diverse and broad range of qualifications, experience and backgrounds. Members of the nomination committee are not entitled to any remuneration. However, the Company shall carry all reasonable costs for the work of the nomination committee. If deemed necessary, the nomination committee may engage external consultants to identify candidates with relevant experience and the Company shall carry the costs for such consultants. The Company shall also provide resources in the form of personnel if needed to support the nomination committee in its work.

The nomination committee ahead of the 2018 annual general meeting was convened by the chairman of Immunicum's board of directors, Agneta Edberg, and comprises Martin Lindström (chairman of the nomination committee, appointed by Loggen Invest AB), Evert Carlsson (appointed by Swedbank Robur Fonder), Bengt Andersson (appointed by Bengt Andersson) and Mats Dahlgren (appointed by Mats Dahlgren). All members of the nomination committee are independent of the Company and its management and the Company's largest shareholder in number of votes. No member of Immunicum's management participates in the nomination committee. The composition of the nomination committee is compliant with the requirements of the Code, except for a deviation from rule 2.4 of the Code in that the chairman of the committee is also a board member of the Company.

The nomination committee's duties include preparing the following proposals to the 2018 annual general meeting: (i) proposal of election of the chairman of the annual general meeting; (ii) proposal of election of board members; (iii) proposal of election of the chairman of the board of directors; (iv) proposal of the remuneration to the board of directors; (v) proposal of election of auditors (if so instructed pursuant to Chapter 8, Section 49 b, Paragraph 2 of the Companies Act); (vi) proposal of remuneration to the auditors; and (vii) proposal of principles of the nomination process ahead of the 2019 annual general meeting.

According to the Code, the nomination committee is, in connection with the announcement of the 2019 annual general meeting, to present an opinion on the Company's website regarding its proposal of board members, taking into account the Code's rules on the composition of the board of directors, to provide specific reasons for the proposal with respect to the

requirements for an even gender distribution and to present a brief description of the nomination committee's work. The nomination committee shall also present relevant information on the website about new board members proposed for election and members proposed for re-election, primarily their education and work experience, other significant assignments within and outside the Company, and their own and related parties' holdings in the Company.

Board of directors

Composition and independence of the board of directors

According to Immunicum's articles of association, the board of directors is to comprise not less than three and not more than eight members. The annual general meeting held on 26 April 2017 elected seven board members, all of whom will serve until the end of the next annual general meeting. The board of directors' assessment of the board members' independence in relation to the Company, its management and the Company's major shareholders is presented in the section *Board of directors, senior executives and auditors* above.

Under the Code, a majority of the board members shall be independent of the Company and its management. At least two of the board members who are independent of the Company and its management shall also be independent in relation to the Company's major shareholders. All board members are deemed to be independent of the Company and its management. Except for Martin Lindström, who is a major shareholder and the CEO of Loggen Invest AB (a major shareholder of the Company), all board members are deemed to be independent of the Company's major shareholders. When assessing whether a member is independent of the Company and its management, an overall evaluation was made of all circumstances that could give reason to question a member's independence of the Company and its management. When assessing whether a member is independent of the Company's major shareholders, the scope of the member's direct or indirect relationship with the major shareholder was taken into account. Major shareholders are shareholders who directly or indirectly control ten percent or more of the shares or votes in the Company.

The work of the board of directors

The duties of the board of directors are regulated by the Swedish Companies Act, the articles of association and the Code. The board of directors has adopted written rules of procedure that regulate the board's work, its internal allocation of duties (including its committees), the number of scheduled board meetings and items to be addressed at each meeting, the forms for convening meetings, meeting and decision-making procedures, documentation for board meetings, the duties of the chairman of the board of directors, minutes, disqualification and conflicts of interest, compulsory items that the CEO shall submit to the board of directors, financial statements and authorised signatories. The board of directors' rules of procedure shall be adopted annually. In addition, the board of directors adopted a directive for the CEO and other special policies, such as ethical guidelines (a Code of Conduct), finance policy, authorisation instructions and an information and insider policy, and is also responsible for ensuring that the Company prepares ethical guidelines. The board held 19 meetings during 2016 and has held 21 meetings in the current financial year of 2017.

The board of directors is responsible for the Company's organisation and the administration of its affairs, the Company's overall business plan, material organisational changes, changes to the focus of the Company's operations and the income statement and balance sheet. The board of directors shall also make decisions on investments, acquisitions or divestments of material assets, shares or operations, loans and credit facilities, guarantees provided, and signing and amending material contracts or contracts between the Company and the shareholders. Furthermore, the board of directors is to address matters referred to the board of directors by the CEO. The board assumes overall responsibility for ensuring that the Company's organisation is designed so that accounting, asset management and the Company's financial circumstances are controlled in a satisfactory manner and is responsible for continuously assessing the CEO's work. The board of directors is also responsible for ensuring the quality of the financial reporting, including monitoring systems and the internal control of the Company's financial reporting and position. In addition, the board is responsible for ensuring that the information the Company discloses externally is transparent, correct, relevant and clear. The board of directors is responsible for preparing the required guidelines and other policy documents.

The chairman leads the board of directors' work and has special responsibility for ensuring that the board of directors' work is well organised and effectively implemented. The chairman, in consultation with the Company's CEO, is responsible for ensuring that board members receive an agenda for every meeting and the necessary documentation in sufficient time prior to each board meeting. The chairman is also to ensure that each board member continuously

updates and broadens their knowledge of the Company and that new board members receive the necessary introductory training and any other training that the chairman and the new member deem appropriate. The chairman is responsible for contact with shareholders in owner-related matters and forwarding shareholders' opinions to the board of directors, and also for ensuring that the board of directors' work is evaluated every year following a systematic and structured process aimed at developing the board of directors' work forms and methods. The results of the evaluation are to be presented to the nomination committee.

Audit committee

The board of directors has appointed an audit committee comprising Agneta Edberg (chairman of the board of directors), Martin Lindström and Magnus Nilsson. The audit committee has appointed Martin Lindström as chairman of the committee. According to the Companies Act, at least one member of the audit committee is to have expertise in accounting and auditing and none of the members may be employees of the Company. In light of the limited complexity of the Company's accounting and internal control, Magnus Nilsson and Agneta Edberg possess sufficient in accounting and auditing expertise in order to meet the requirements of the Companies Act. None of the committee members are employees of the Company. The board of directors is thus of the opinion that the composition of the audit committee meets the requirements of the Companies Act.

The audit committee's work is regulated in the board of directors' rules of procedure and the instructions for the audit committee that were adopted at the statutory board meeting on 26 April 2017. The audit committee is to – without influencing the work and duties of the board of directors in any other respect – monitor the Company's financial reporting, monitor the efficiency of the Company's internal control and risk management with respect to its financial reporting, remain informed about the audit of the annual report and other financial statements, and review and monitor the impartiality and independence of the auditors and, in particular, whether the auditors have provided the Company with services other than auditing services. The audit committee is also to meet with the auditors every year to remain informed about the scope and focus of the audit and the auditor's observations from such work. The audit committee is also to evaluate the audit work and assist in the preparation of proposals for resolution by the general meeting with respect to the election of auditors. In addition, the audit committee, together with the Company's auditor, is to, inter alia, examine related-party transactions and material accounting policies in connection with interim reports and annual reports. The audit committee is to hold at least three meetings per year and the chairman of the audit committee is to submit a written report on the matters discussed at the most recent audit committee meeting at least two times per year.

Scientific committee

The scientific committee's work is regulated in the rules of procedure for the board of directors as well as instructions adopted by the scientific committee and evaluated annually. The chairman and one member of the scientific committee are to be board members and neither of these may be employed by the Company. Board member Steven Glazer is chairman of the scientific committee and board member Charlotte Edenius is a member of the scientific committee and neither of the aforementioned committee members is employed by the Company. The board of directors' rules of procedure contain provisions on how often meetings of the scientific committee are to be held. The Company's Chief Scientific Officer and/or the CEO is to prepare the meetings of the scientific committee. The scientific committee may, if needed, obtain external advice or advice from the Company's scientific advisory board. The chairman of the scientific committee is to inform the board of directors about the work of the scientific committee and annually evaluate the committee's work and compliance with the instructions, and submit a written evaluation to the board of directors.

Remuneration committee

The board of directors has decided not to appoint a separate remuneration committee from within its ranks, and has found it more suitable that the functions of the remuneration committee instead be performed by the board of directors as a whole as an integrated part of the board of directors' work and that matters regarding the remuneration committee be included in the normal board minutes. Since all board members are independent of the Company and its management, no member is prevented from participating in the duties of the remuneration committee in accordance with the Code. The main duties of the remuneration committee are to prepare the board of directors' decisions on matters pertaining to remuneration principles, including preparing proposals for resolution by a general meeting on guidelines for remuneration of senior executives, remuneration and other terms of employment of the Company's CEO and senior executives, to monitor and assess variable remuneration for the Company's management, and to monitor and assess the appli-

cation of guidelines for remuneration of senior executives and applicable remuneration structures and levels in the Company. In addition, the remuneration committee is to monitor and continuously evaluate ongoing and completed variable-remuneration programmes for senior executives and prepare matters related to proposals concerning potential incentive programmes.

Guidelines for remuneration of senior executives

The following updated guidelines for remuneration of senior executives, being the CEO and other members of the Company's management, were adopted at the annual general meeting held on 26 April 2017.

The Company is to offer market-based total remuneration to recruit and retain qualified senior executives. Remuneration to senior executives is to comprise fixed salary, target-related variable salary, pension and other benefits. If the board of directors believes that new share-based incentive programs, for example, employee share options, should be introduced, a proposal shall be submitted to the general meeting for decision.

Fixed salary

Fixed salary is to be aligned with individual performance in the roles, taking into account responsibilities and experience. An evaluation and review normally takes place annually.

Variable salary

Variable salary, when offered, is to be dependent on the individual meeting quantitative and qualitative targets. The CEO's variable salary may amount to a maximum of 35 percent of annual fixed salary and for other senior executives a maximum of 20 percent of annual fixed salary.

Pension

Pension benefits are to be defined-contribution plans. The CEO's pension premium corresponds to a maximum of 30 percent, and for other senior executives a maximum of 25 percent, of fixed monthly salary.

Severance pay, etc.

The period of notice for senior executives is a maximum of twelve months. Severance pay is not paid. However, the CEO is entitled to additional remuneration of a maximum of one annual salary in the event of an ownership change such that the entire Company is acquired or taken over by another party.

Other benefits

Senior executives otherwise receive customary benefits, such as mobile telephones, personal computers and occupational health services.

Preparation and decision-making process

Remuneration of the CEO is discussed and determined by the board of directors. Remuneration of other senior executives is prepared by the CEO, who is to present a proposal to the board of directors. The board of directors is entitled to deviate from the guidelines above if the board of directors deems this justified by special circumstances in individual cases.

Every year, the board of directors shall prepare proposals for guidelines on remuneration of senior executives to apply for the period until the next annual general meeting. If the board of directors has utilised its right to deviate from the guidelines during the financial year, a statement with information about and the reason for the deviation is to be attached to the proposal. The right to deviate from the guidelines adopted at the annual general meeting held on 26 October 2016 was exercised in connection with the recruitment of the Company's CEO, in that the CEO was eligible for a higher variable remuneration than the level prescribed by the guidelines. A statement regarding the deviation was attached to the proposed guidelines on remuneration of senior executives ahead of the annual general meeting on 26 April 2017.

CEO

The CEO of Immunicum is Carlos de Sousa. A presentation of Carlos de Sousa can be found in the section *Board of directors, senior executives and auditors*. The CEO is responsible under the Swedish Companies Act for the day-to-day administration of the Company's affairs in accordance with the board of directors' guidelines and instructions. The board of directors has adopted an instruction for the CEO that clarifies the CEO's responsibilities and authorities (CEO instructions). The board of directors shall continuously evaluate the CEO's work. According to the instructions, the CEO shall provide the board of directors with the information and decision-making material required in order for the board of directors to make well-founded decisions and continuously monitor the Company's operations. Within the framework of the Swedish Companies Act and the business plan adopted by board of directors, the budget, the CEO instruction and other guidelines and instructions adopted by the board of directors, the CEO shall make the necessary decisions for the development of the operations and execute any decisions made by the board of directors.

Internal control

According to the Swedish Companies Act, the board of directors has the overall responsibility for ensuring that Immunicum's organisation is organised so that accounting, asset management and the Company's financial position are controlled in a satisfactory manner. The CEO is responsible for ensuring a high level of internal control and formalised procedures that ensure the reliability of the external financial reporting as well as for ensuring that such reporting is prepared in accordance with applicable accounting policies, applicable laws and other requirements imposed on listed companies. The Company has an uncomplicated legal and operative structure in which the board of directors regularly monitors the Company's internal control in connection with internal financial reporting. In addition, the audit committee monitors the efficiency of the internal control and the risk management of the financial reporting. In light of the foregoing, the board of directors has decided not to establish a separate internal audit function, but shall according to its rules of procedure evaluate the matter annually. Immunicum works continuously on risk analyses to manage risks that the board of directors and company management consider to be material for the internal control of the financial reporting. The CEO shall ensure that a risk-management plan is prepared and adopted by the board of directors and that it is evaluated twice each year and is presented to the board of directors. The CFO is responsible for risk analyses relating to financial reporting and performs ongoing control activities for the purposes of handling known risks and identifying and correcting any errors in the financial reporting.

Monitoring, information and communication

Prior to each board meeting, the board of directors shall receive comments from the CEO on the status of the business and its progress as well as the Company's financial position, earnings and cash flow. Furthermore, ahead of each board meeting, the board of directors shall receive a report on significant events that particularly highlights the Company's financial situation and progress as well as follow-ups of budget and forecasts. The CEO shall also monthly provide the board of directors with a report on the financial and operational progress of the business.

The CEO is also to present the board of directors with an in-depth report on the Company's business development and financial results per clinical study, including the CEO's own comments, quarterly. The board of directors shall address all quarterly accounts and the annual report before publication. The board of directors shall be updated each year on internal-control activities and their outcome. The Company's CFO shall annually analyse the outcome of internal control. Information about the Company's internal-control activities will also be provided in the corporate governance report. Improvements to be made are analysed. Governing guidelines, policies and instructions are to be made available to the Company's employees. These documents are updated as necessary. Changes are to be communicated separately by e-mail and at meetings.

Audit

The role of the auditor is to examine the Company's annual report and accounting records, and the board of directors' and CEO's administration of the Company. The Company's auditor since the annual general meeting held on 26 October 2016 is the registered public accounting firm KPMG AB, with Jan Malm as auditor in charge. Jan Malm is an authorised public accountant and a member of FAR (a professional institute for authorised public accountants). The Company's auditor until the annual general meeting on 26 October 2016 was the registered public accounting firm Öhrlings PricewaterhouseCoopers AB, with authorised public accountant Gunnar Källhed as auditor in charge until 5 July 2016 and subsequently authorised public accountant Birgitta Granquist as auditor in charge until the annual general meeting held on 26 October 2016. Gunnar Källhed and Birgitta Granquist are members of FAR.

INTERNAL AUDIT

The board of directors has decided not to establish a separate internal audit function due to the risk assessment above, the structure of control activities and considering the Company's relatively uncomplicated legal and organisational structure. According to its rules of procedure, the board of directors shall annually evaluate whether such a function is to be established. The results of this evaluation shall be described in the corporate governance report.

Articles of Association

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

§ 2 Registered office
The registered office of the board of directors shall be in the municipality of Gothenburg, Västra Götaland County.

§ 3 Objects of business
The company shall conduct research, development, marketing and sale of pharmaceuticals and activities compatible therewith.

§ 4 Share capital
The share capital shall amount to not less than SEK 1,250,000 and not more than SEK 5,000,000.

§ 5 Number of shares
The number of shares shall not be less than 25,000,000 and not more than 100,000,000.

§ 6 Board of directors
The board of directors shall consist of not less three and not more than eight members without deputies.

§ 7 Auditors
For the examination of the company's annual report, the accounting records and the administration of the board of directors and the managing director, one auditor shall be elected annually at the annual general meeting for the period until the close of the next annual general meeting.

§ 8 Notice
Notice of a general meeting shall be published in the Official Swedish Gazette and be made available on the company's website. Simultaneously with the notice, the company shall announce in Dagens Industri that notice has been made. Notice to convene an annual general meeting and notice convening an extraordinary general meeting where a matter of changing the articles of association shall be addressed shall be issued not earlier than six weeks and not later than four weeks prior to the general meeting. Notice to convene other extraordinary general meeting shall be issued not earlier than six weeks and not later than three weeks prior to the general meeting.

§ 9 Notice to attend general meetings
Shareholders who are recorded in the share register in accordance with the Swedish Companies Act, Chapter 7, Section 28, Paragraph 3 and who have notified their attendance to the company no later than the date set forth in the notice shall be entitled to participate at general meetings. The last day for giving notice of attendance may not fall on a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve, New Years Eve and shall not fall earlier than the fifth business day prior to the meeting.

§ 10 Matters at annual general meetings
The following matters shall be addressed at the annual general meeting:

1. Election of chairman of the meeting.
2. Preparation and approval of the voting list.
3. Preparation and approval of the agenda.
4. Election of one or two persons to verify the minutes.
5. Determination of whether the meeting has been duly convened.
6. Presentation of the annual report and the audit report and, where applicable, the consolidated financial statements and the audit report on the consolidated financial statements.
7. Resolutions on:
   a) adoption of the income statement and balance sheet and, where appropriate, the consolidated income statement and consolidated balance sheet.
   b) the disposition of the company's profit or loss in accordance with the adopted balance sheet.
   c) discharge of the members of the board of directors and the CEO from personal liability.
8. Determination of fees for the board of directors and auditors.
9. Election of members of the board and auditors as well as any deputy auditors.
10. Other matters to be addressed by the annual general meeting pursuant to the Companies Act or the articles of association.

§ 11 Financial year
The financial year of the company shall be 1 January – 31 December.

§ 12 CSD Clause
The company's shares shall be registered in a central security depositary register in accordance with the Swedish Central Securities Depositories and Financial Instruments (Accounts) Act (1998:1479).

Adopted at the extraordinary general meeting of 4 December 2017.

Legal considerations and other information

General

The registered name of the Company is Immunicum Aktiebolag and the Company's corporate registration number is 556629-1786. The Company is a Swedish public limited liability company with its registered office in the municipality of Gothenburg and uses the trade name Immunicum. The Company was founded in Sweden on 21 May 2002 and registered with the Swedish Patent and Registration Office on 9 July 2002. The Company is regulated by, and the rights of shareholders can only be changed in accordance with, the Swedish Companies Act. The objects of the Company's operations is stipulated in § 3 of the articles of association and is to conduct research, development, marketing and sales of pharmaceuticals and therewith associated business. Resolutions on dividends are adopted by the general meeting. The right to receive dividends are vested in shareholders who are registered as shareholders in the shareholders' register maintained by Euroclear on the record date for the resolution to approve the payment of dividends. Dividends, if decided on, are normally paid as a cash amount per share through Euroclear, but may also be made in other forms than cash dividends. If a shareholder cannot be reached through Euroclear, the shareholder's claim on the Company remains in respect of the dividend amount and is limited solely through regulations governing the statute of limitations. After the period of limitation, the dividend amount accrues to the Company.

Material agreements

Agreements regarding performance of clinical trials

Immunicum is a party to the below agreements under which the Company outsources the performance of clinical trials to contract research organisations ("CRO"). Since the performance of clinical trials is central to the Company's operations, these agreements are deemed to be material to the Company.

Immunicum is party to three agreements concerning the performance of clinical trials in liver cancer, metastatic renal cancer and gastrointestinal stromal tumours (GIST). Under these agreements, the CROs undertake to perform clinical trials and manage applications and licences for the trials, to manage similar regulatory matters and provide expertise in relation to the carrying out of the trials. The Company has ordered services under the agreements for significant amounts. Thus, the agreements include significant commitments for the Company in the form of obligations to pay the CRO to perform the studies. The agreements also contain provisions that entitle the Company to the results created by CROs.

Agreements regarding manufacturing of the Company's cancer immune primer

Immunicum is party to an agreement with BionTech IMFS GmbH (previously Eufets GmbH), which is a GMP-certified contract manufacturing organisation ("CMO") for the manufacture of the Company's cancer immune primer. The agreement grants the Company access to services of considerable value and thus is deemed to be of material significance to the Company. Under the agreement, the CMO undertakes, inter alia, to manufacture, test and develop the product process for the Company's cancer immune primer and to maintain and hold the product permits required for manufacture. Under the agreement, the Company may undertake to purchase certain predetermined quantities.

Agreements regarding intellectual property rights

In October 2014, Immunicum signed an agreement with Professor Magnus Essand's company, VirEx AB, under which Immunicum acquired the rights to and know-how regarding the US patent for the adenovirus vector. Under the agreement, VirEx AB is granted a worldwide exclusive licence, including the right to grant sub-licences, for the patent, which is limited to use in connection with oncological treatment of neuroendocrine tumours. Under the agreement, the Company has the exclusive right to negotiate for 90 days for a licence for the inventions within the framework of VirEx AB's licence and a right of first refusal (meaning that VirEx AB is prohibited from entering into licence agreements with third parties without first offering the Company the opportunity to acquire the licence on corresponding terms) for twelve months. The agreement includes obligations for the Company to pay royalties calculated at a certain percentage of future sales or licence fees, and a right to royalties for any future sales or future licencing fees that VirEx AB receives.

Immunicum's patents

Product	Title	Application year	Patent granted	Application pending	Refusal	Term
COMBIG – CORE CONCEPT	New method and composition for producing a cellular allogeneic vaccine	Sweden: 2002 Others: 2003	Sweden, Switzerland, Germany, Denmark, Spain, France, Great Britain, Hungary, Ireland, Italy, Netherlands, Slovenia, USA	–	–	Sweden: 2022 Others: 2023
COMBIG	Improved composition for inhibiting tumor cell proliferation	2011	Europe, China, Japan, Russia, USA, South Korea	Brazil, India	–	2031
COMBIG – PRODUCTION METHOD	Co-differentiation of monocytes from allogeneic donors	2013	Europe, USA	Australia, Brazil, Canada, China, Indonesia, India, Japan, South Korea, Mexico, Russia	–	2033
COMBIG – PRODUCTION METHOD	Co-differentiation and activation of monocytes from allogeneic donors to provide pro-inflammatory dendritic cells	2013	Europe	USA	–	2033
AD5PTD435-ADENOVIRUS VECTOR	Hexon TAT-PTD modified adenovirus and uses thereof	2013	USA	–	–	2033
COMBIG – VER 2	N/A	2017	–	Europe	–	2037
CD70	Method for proliferation of antigen-specific T-cells	2010	USA, Japan, Hong Kong, China	Europe	–	USA: 2031 Others: 2030
CD70-CD3	Method for proliferation of antigen-specific T-cells	2012	China, USA 1, Japan 2 (divisional), USA 2 (continuation)	Europe, South Korea	Japan 1	2032
CD70-VIRAL	Method for priming of T-cells	2012	USA 1, Europe	USA 2 (continuation)	–	–

Patents

Immunicum's patent portfolio comprises granted and pending patents in a total of nine patent families. Eight of the patent families pertain to the Company's technology platforms and manufacturing processes and are of material significance to the Company's operations. In addition, the Company has one patent and patent applications pending for one patent family, entitled CD70-VIRAL in the table above, for the application of the CD70 platform for viral infections.

Other intellectual property rights

In addition to its patents, know-how and business secrets, the Company's Swedish and international trademarks and domain names are considered to be material to the Company's operations.

Undertakings to refrain from selling shares

Shareholding board members, shareholding senior executives and the major shareholders Holger Blomstrand Byggnads AB and Loggen Invest AB have undertaken to not sell shares in Immunicum or take actions with similar effects without Pareto's permission during a period of six calendar months from the termination of the subscription period in the Rights Issue.

In addition to the above, the Company's CEO, Carlos de Sousa, has undertaken to refrain from divesting shares that he acquired under a share-saving programme for a period of two years after the acquisition.

Disputes

Immunicum has not been party to any legal proceedings or arbitration (including not yet resolved cases or such cases that the Company is aware may arise) in the past twelve months that have had or could have a significant impact on the Company's financial position or profitability.

Transactions with related parties

No transactions between the Company and related parties took place during the period between 1 July 2014 and the date of this Prospectus, except for those described below. The subscription commitments and underwriting guarantees that have been undertaken in the Rights Issue provided by shareholding board members, shareholding senior executives and major shareholders constitute related party transactions. No remuneration is to be paid to these shareholders for the commitments. The Company signed an agreement with Bengt Furberg, former board member of the Company and former member of the Company's Scientific Advisory Board, regarding his membership of the Company's scientific advisory board. The agreement is no longer in force and Bengt Furberg no longer participates in the Company's Scientific Advisory Board. Bengt Furberg was entitled to remuneration of SEK 15,000 per year for his participation in the scientific advisory board. In addition, Bengt Furberg and Per Olof Gunnesson, the former CFO of the Company, received remuneration for consultancy services amounting to a total amount of SEK 210,000 and SEK 912,300, respectively, during the period. The remuneration was determined at arms' length. Furthermore, Agneta Edberg, chairman of the Company's board of directors, Bengt Furberg, former board member of the Company, Lise-Lotte Hallbäck, CFO of the Company, and Linda Barkemo, former senior executive of the Company, provided subscription commitments for the new share issue that the Company carried out in the spring of 2016. No remuneration was paid for these subscription commitments.

Interest of the advisors

Pareto is Immunicum's financial advisor and is serving as the issuing agent in connection with the Rights Issue. Pareto has provided, and may in the future provide, various financial, investing, commercial and other services on behalf of Immunicum for which Pareto has received, or may in the future receive, remuneration.

Material interests and conflicts of interests

A number of Immunicum's shareholders have undertaken to subscribe for shares in the Rights Issue on the basis of subscription commitments. No remuneration is to be paid to these shareholders for the commitments. Apart from the above parties' interests in seeing the successful completion of the Rights Issue, they have no financial or other interests in the Rights Issue. No conflict of interest is believed to exist between the parties who, as stated above, have financial or other interests in the Rights Issue.

Subscription committments and underwriting guarantees

The Rights Issue is covered by subscription commitments from existing shareholders amounting to a total of approximately SEK 0.9 million, corresponding to approximately 0.4 percent of the Rights Issue, and underwriting guarantees amounting to a total of SEK 200 million from external investors and an existing shareholder, corresponding to approximately 90 percent of the Rights Issue. No remuneration shall be paid to the shareholders that have provided subscription commitments. All guarantors, save for Loggen Invest AB which is a shareholder in the Company, will receive remuneration of 10.0 percent of the guaranteed amount as remuneration for their underwriting guarantees. The total remuneration for underwriting guarantees provided amounts to approximately 8.8 percent of the proceeds from the Rights Issue. Neither the subscription commitments nor the underwriting guarantees are secured. The parties that have provided subscription commitments and signed agreements regarding underwriting guarantees with Immunicum are presented in the tables below. Subscription commitments were provided and agreements regarding underwriting guarantees were signed during the period from 25 October 2017 up to and including 1 November 2017. Natural persons who are shareholders of Immunicum can be contacted via the Company. Natural persons who have submitted underwriting guarantees can be contacted via Pareto. Addresses for Immunicum and Pareto can be found in the section *Addresses*.

Underwriting guarantees

Guarantor[1]	Underwriting guarantees, number of shares	Percentage of Rights Issue, approximately (%)	Total amount, SEK
Nyenburgh Holding B.V.	3,625,000	13.0	29,000,000
John Fällström	2,500,000	9.0	20,000,000
Pareto Securities AB on customers' behalf	2,500,000	9.0	20,000,000
LMK Venture Partners AB	1,250,000	4.5	10,000,000
MP Pensjon	1,250,000	4.5	10,000,000
Olle Stenfors	1,250,000	4.5	10,000,000
Peak Alternative Investments AB	1,250,000	4.5	10,000,000
Fibonacci Growth Capital AB	1,000,000	3.6	8,000,000
Formue Nord Markedsneutral A/S	875,000	3.1	7,000,000
Michael Löfman	875,000	3.1	7,000,000
APS Capital AB	750,000	2.7	6,000,000
Altitude Capital AS	625,000	2.2	5,000,000
Toluma Norden AS	625,000	2.2	5,000,000
Bertil Hållsten	500,000	1.8	4,000,000
Egonomics AB	500,000	1.8	4,000,000
Jussi Ax	500,000	1.8	4,000,000
Kai Olsen	500,000	1.8	4,000,000
Loggen Invest AB	500,000	1.8	4,000,000
Wilhelm Risberg	500,000	1.8	4,000,000
Råsunda Förvaltning AB	375,000	1.3	3,000,000
Ehsan Ashrafi	250,000	0.9	2,000,000
Fredrik Lundgren	250,000	0.9	2,000,000
Gryningskust Förvaltning AB	250,000	0.9	2,000,000
Lusam Invest AB	250,000	0.9	2,000,000
Göran Källebo	187,500	0.7	1,500,000
Michael Zhan	187,500	0.7	1,500,000
ALB Finansrådgivning AB	125,000	0.4	1,000,000
Dag Rolander	125,000	0.4	1,000,000
De Geer & Co	125,000	0.4	1,000,000
Jan Olsson i Stockholm Förvaltnings AB	125,000	0.4	1,000,000
Kasper Lindhe	125,000	0.4	1,000,000
Lars Göran Kling	125,000	0.4	1,000,000
Mats Lagerdahl	125,000	0.4	1,000,000
Mattias Svensson	125,000	0.4	1,000,000
Merkatura AB	125,000	0.4	1,000,000
Per Brillioth	125,000	0.4	1,000,000
Peter Barås	125,000	0.4	1,000,000
Rune Löderup	125,000	0.4	1,000,000
Ulf Tidholm	125,000	0.4	1,000,000
Östen Carlsson	125,000	0.4	1,000,000
Christer Hellström	125,000	0.4	1,000,000
Total	**25,000,000**	**89.7**	**200,000,000**

1 Underwriters who are not natural persons can be reached at the following addresses: Altitude Capital AS (Olav Selvaags plass 5, 0252, Oslo, Norway), APS Capital AB (Box 642, 114 11 Stockholm), ALB Finansrådgivning AB (Spättvägen 8, 181 30 Lidingö), De Geer & Co (Box 101, 178 02 Drottningholm), Egonomics AB (Karlavägen 57, 114 49 Stockholm), Fibonacci Growth Capital AB (Apelvägen 18A, 182 75 Stocksund), Formue Nord Markedsneutral A/S (Nytorv 11, 4. sal, 9000 Aalborg, Denmark), Gryningskust Förvaltning AB (Baldersuddevägen 26, 134 38 Gustavsberg), LMK Venture Partners AB (Box 2025, 220 02 Lund), Loggen Invest AB (Eklyckegatan 12, 392 47 Kalmar), Merkatura AB (Dragarstigen 3, 133 36 Saltsjöbaden), MP Pensjon (Lakkegata 23, 0187 Oslo, Norway), Nyenburgh Holding B.V. (Beursplein 5, 1012 JW Amsterdam, Netherlands), Peak Alternative Investments AB (Hamngatan 15, 111 47 Stockholm), Råsunda Förvaltning AB (Skogsbacken 20, 172 41 Sundbyberg), Toluma Norden AS (Strandveien 20, 1366 Lysaker, Norway), Lusam Invest AB (Erik Dahlbergsallén 15, 115 20 Stockholm), Jan Olsson i Stockholm Fastighets AB (Vegabacken 24, 185 41 Vaxholm).

Subscription commitments

Shareholder	Subscription commitments, number of shares	Percentage of Rights Issue, approximately (%)	Total amount, SEK
Carlos de Sousa	52,140	0.2	417,120
Agneta Edberg	31,250	0.1	250,000
Martin Lindström	10,710	0.04	85,680
Peter Suenaert	5,130	0.02	41,040
Alex Karlsson-Parra	5,000	0.02	40,000
Lise-Lotte Hallbäck	4,005	0.01	32,040
Margareth Andersson Jorvid	1,995	0.007	15,960
Total	**110,230**	**0.4**	**881,840**

Taxation

For information concerning taxation, refer to the section *Certain tax issues in Sweden*.

Market and industry information

This Prospectus contains certain market and industry information from third parties. Although the information has been presented correctly and Immunicum considers the sources to be reliable, the Company has not independently verified the information and as such cannot guarantee its accuracy or completeness. As far as Immunicum is aware and can ascertain by comparison with other information published by these sources, no facts have been omitted that would render the reproduced information inaccurate or misleading.

Documentation incorporated by reference

The following documents are incorporated by reference and constitute a part of this Prospectus. The parts that are not incorporated are not relevant or correspond with other information provided in the Prospectus. The documents incorporated through reference, the memorandum of association and the articles of association will be available during the period this Prospectus is valid in electronic format on the Company's website, www.immunicum.com. These documents will also be provided on request from the Company's head office, Grafiska vägen 2, SE-412 63 Gothenburg, Sweden, on weekdays during normal office hours.

- Historical financial information, notes and audit reports on pages 30–46 of the Company's annual report for the 2014/2015 financial year.[1]
- Historical financial information, notes and audit reports on pages 38–58 of the Company's annual report for the 2015/2016 financial year.[2]
- Historical financial information, notes and audit reports on pages 32–53 of the Company's annual report for the financial year 1 July 2016 to 31 December 2016.[3]
- Historical financial information on pages 7–11 of the Company's interim report for the period 1 July 2015 to 31 December 2015.[4]
- Historical financial information on pages 9–13 and the auditor's review report on page 15 of the Company's interim report for the period 1 January 2017 to 30 September 2017.[5]

1 http://immunicum.se/wp-content/uploads/2015/11/Annual-Report-14-15.pdf.
2 http://immunicum.se/wp-content/uploads/2015/11/Immunicum-%C3%85R-15-16.pdf.
3 http://immunicum.se/wp-content/uploads/2015/11/Immunicum-AR-2016-Eng-Final-1.pdf.
4 http://immunicum.se/wp-content/uploads/2015/09/Halv%C3%A5rsrapport-1516.pdf.
5 http://immunicum.se/wp-content/uploads/2015/11/Q3-Report-2017-ENG-Final-2.pdf.

Certain tax issues in Sweden

The following is a summary of certain tax consequences that according to current Swedish legislation may arise as a result of the current offer to subscribe for new shares to holders of shares and subscription rights in Immunicum. This summary only concerns unlimited taxpayers who are natural persons or limited companies unless otherwise stated. The summary is based on the current legislation and is only intended as general information. The summary does not comprise securities held by partnerships or held as stock items in business operations. In addition, the special rules for tax-free capital gains (including a deduction prohibition for capital losses) in the corporate sector that may be applicable when shareholders hold shares considered to be for business purposes. The special rules are also not covered that may be applicable to holdings in companies that are or were previously close companies or to shares acquired with support of qualified participations in close companies. The summary also does not cover shares or other securities that are acquired in an investment savings account that are covered by special rules on standard taxation. Special tax rules apply for certain kinds of taxpayers, such as investment funds, investment firms and insurance companies. Taxation of every individual shareholder depends on the shareholder's special situation. Every holder of shares and subscription rights should therefore consult with a tax advisor to get information on the special consequences that may arise in their individual case, including the applicability and effect of foreign rules and tax treaties.

Natural persons

Capital gains taxation

When listed shares or other securities, such as subscription rights, are sold or otherwise divested, a taxable capital gain or deductible capital loss may arise that is taxed in the income class of capital at a tax rate of 30 percent. The capital gain or loss is normally calculated as the difference between the sales compensation, less selling costs, and the cost amount (for special information on the cost amount for subscription rights, see *Utilisation and divestment of subscription rights below*). The cost amount for all securities of the same class and type is calculated jointly using the average method. It should be noted that paid-up subscribed shares are thereby not considered to be of the same class and type as the shares that entitled the holder to preferential rights in the Rights Issue until the resolution on the Rights Issue has been registered with the Swedish Companies Registration Office.

In a sale of listed shares, the cost amount may alternatively be set according to the standardised method at 20 percent of the sales compensation less selling expenses. Deductible capital losses on shares are fully deductible against taxable capital gains on shares and other listed securities, except units in mutual funds or special funds, which only contain Swedish receivable claims, so-called fixed income funds. Capital losses on shares and other securities that cannot be offset this way may be deducted by up to 70 percent against other income in the income class of capital. If a deficit arises in the income class of capital, a tax reduction is allowed against municipal and state income tax, as well as property tax and municipal property charges. A tax reduction is allowed by 30 percent of the part of the deficit that does not exceed SEK 100,000 and 21 percent of the remainder. Such a deficit cannot be saved for later tax years.

Tax on dividends

For private individuals, dividends are taxed in the income class of capital with a tax rate of 30 percent. For natural persons resident in Sweden, preliminary tax on dividends is normally withheld at a rate of 30 percent. The preliminary tax is withheld by Euroclear, or when it concerns nominee-registered shares, by the Swedish nominee.

Utilisation and divestment of subscription rights

Utilisation of subscription rights triggers no taxation. The acquisition charge for a share is comprised of the issue price. If subscription rights that are used for subscription for shares were acquired through purchase or a similar manner (i.e. not obtained based on holdings of existing shares), the subscription rights' cost amount is taken into account in the calculation of the cost amount for acquired shares.

For shareholders who do not want to utilise their preferential right to participate in the Rights Issue and divest their subscription rights, a capital gain or loss is calculated. Subscription rights based on holdings of existing shares are considered to be acquired for SEK 0. The entire sales compensation less charges

for divestment shall accordingly be taken up for taxation. The standardised method may not be applied in this case. The cost amount for the original shares are not affected.

For subscription rights acquired through purchase or a similar manner, the consideration constitutes the acquisition charge. The standardised method may be used in the divestment of listed subscription rights in this case.

A subscription right that is neither utilised nor sold and therefore expires is considered to be divested for SEK 0.

Limited companies

Tax on capital gains and dividends

For a limited company, all incomes are taxed, including taxable capital gains and dividends, in the income class of business activity at a rate of 22 percent. Capital gains and losses are calculated in the same way as described above with regard to natural persons. For gains/losses on participations for business use, special rules apply. Deductible capital losses on shares or other securities may only be deducted against taxable capital gains on such securities. Capital losses that have not been able to be used in a certain year may be saved at the limited company that had the loss and deducted against taxable capital gains on shares and other securities during subsequent tax years without limit in time. If a capital loss cannot be deducted at the company that made the loss, it may be deducted against taxable capital gains on shares and other securities at another company in the same corporate group if there is a group contribution right between companies and both companies request it for a tax year that has the same filing date (or that would have had the same filing date if either of the companies' accounting obligation had not ended).

Utilisation and divestment of subscription rights

Utilisation of subscription rights triggers no taxation. The acquisition charge for a share is comprised of the issue price. If subscription rights that are used for subscription for shares were acquired through purchase or a similar manner (i.e. not obtained based on holdings of existing shares), the subscription rights' cost amount is taken into account in the calculation of the cost amount for acquired shares.

For shareholders who do not want to utilise their preferential right to participate in the Rights Issue and divest their subscription rights, a capital gain or loss is calculated. Subscription rights based on holdings of existing shares are considered to be acquired for SEK 0. The entire sales compensation less charges

for divestment shall accordingly be taken up for taxation. The standardised method may not be applied in this case. The cost amount for the original shares are not affected.

For subscription rights acquired through purchase or a similar manner, the consideration constitutes the acquisition charge. The standardised method may be used in the divestment of listed subscription rights in this case. A subscription right that is neither utilised nor sold and therefore expires is considered to be divested for SEK 0.

Special tax issues for holders of shares and subscription rights who are limited taxpayers in Sweden

Coupon tax

For shareholders who are limited taxpayers in Sweden and receive dividends on shares in a Swedish limited company, Swedish coupon tax is normally taken out. The tax rate is 30 percent. However, the tax rate is generally reduced through tax treaties that Sweden has entered into with other countries to avoid double taxation. Most of Sweden's tax treaties enable a reduction of the Swedish tax to the treaty's tax rate directly at the time of dividend if requisite information exists on the party entitled to dividends. In Sweden, the withholding for coupon tax is normally done by Euroclear, or for nominee-registered shares, by the nominee. Receipt of subscription rights does not trigger any obligation to pay coupon tax. If 30 percent coupon tax has been withheld upon disbursement to a person who has a right to be taxed according to a lower tax rate or too much coupon tax has otherwise been withheld, repayment can be requested with the Swedish Tax Agency before the end of the fifth calendar year after the dividend.

Capital gains taxationg

Holders of shares and subscription rights who are limited taxpayers in Sweden and do not conduct operations from a permanent place of operations in Sweden are not normally taxed on capital gains in Sweden upon the divestment of such securities. The holders may, however, be subject to taxation in their country of domicile. However, according to a special tax rule, natural persons who are limited taxpayers in Sweden may become subject to Swedish taxation upon the sale of certain securities (such as shares, paid-up subscribed shares and subscription rights) if they at any time during the year of divestment or any of the ten prior calendar years were resident or lastingly spend time in Sweden. The applicability of this rule may be limited by tax treaties between Sweden and other countries.

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