IMMUNICUM
INNOVATION IN IMMUNO-ONCOLOGY

January-March 2017 Interim report

Interim Report Q1

January - March 2017

THE FIRST QUARTER (JANUARY TO MARCH) 2017 COMPARED WITH THE SAME PERIOD IN 2016

- The operating loss amounted to TSEK -20,533 (TSEK -9,528)
- Net loss amounted to TSEK -20,639 (TSEK -9,611)
- Earnings per share before and after dilution amounted to SEK -0.80 (SEK -0.48)
- Cash and cash equivalents plus funds invested in mutual fund amounted to TSEK 93,853 at 31 March 2017 (TSEK 42,938)
- Shareholders' equity per share amounted to SEK 3.15 (SEK 1.93)
- Number of employees at the end of the period was 11 (7)

SIGNIFICANT EVENTS DURING THE FIRST QUARTER

- In February, the Company announced the appointment of Karin Hoogendoorn as Head of Chemistry Manufacturing and Controls (CMC) at Immunicum. Dr. Hoogendoorn is a seasoned expert in the development of biotechnological products and has lead successful CMC efforts for a variety of products within positions at Novartis AG, Janssen Biologics BV and Crucell Holland and will be critical for the high quality production of Immunicum's products.
- Also in February the Company announced that the Agence Nationale de Sécurité du Médicament et des Produits de Santé (ANSM) in France has approved the Company's Clinical Trial Application (CTA) for INTUVAX®. The CTA approval enables Immunicum to include patients in France in its ongoing Phase II study – MERECA (MEtastatic REnal Cell CArcinoma) – for the treatment of metastatic renal cell cancer.
- In March the Company announced the appointment of Sijme Zeilemaker as Senior Director Business Development. Mr. Zeilemaker has a broad experience in science-based business transactions and a knowledge and understanding of oncology-based biotech companies.
- The Company also announced in March that a new patient has been enrolled in the Phase I/II Gastrointestinal Stromal Tumor (GIST) study following the study protocol amendment. With the revised trial design to facilitate recruitment the trial is planned to enroll a total of 12 patients.
- It was announced in March that Nasdaq Stockholm's listing committee has postponed the decision on Immunicum's application for admission to trading. The Company will announce the final decision from the listing committee following the communication of the decision, which is not expected before the third quarter of 2017.

SIGNIFICANT EVENTS AFTER THE CLOSE OF THE REPORTING PERIOD

- At the AGM of Immunicum on 26 April 2017 it was resolved to authorize the Board of Directors to resolve, for the period until the end of the next annual general meeting, at one or more occasions and with or without deviation from the shareholders' preferential rights, to issue a maximum of 2,595,000 new shares and warrants or convertible debentures giving a right to subscribe for a maximum of 2,595,000 shares. If fully exercised, the authorization corresponds to approximately 10 percent of the current share capital and votes in the Company.

CEO Statement - first quarter

» **The first quarter** of 2017 was an intense period of activity for Immunicum and the Company's management team has achieved key steps on the path toward reaching our overall goals. Our primary focus is on the continued development of our cell-based therapy for the treatment of solid tumors, INTUVAX®, for which we completed important manufacturing advances among other regulatory milestones; we have expanded our leadership team to build a solid foundation to achieve success and we have been active in positioning Immunicum to compete on a global basis in our industry.

Most important has been our progress in the clinical trials with INTUVAX®, Immunicum's unique cancer immune primer for the treatment of kidney and liver cancer as well as GastroIntestinal Stromal Tumors (GIST).

Renal Cell Carcinoma (RCC) – As of today, the enrollment process for the ongoing MERECA phase II study, where patients with newly diagnosed metastatic renal cell carcinoma are treated with INTUVAX® in combination with sunitinib, is that we have a total of 58 patients enrolled at 26 centers in eight European countries. We are excited to include in this total the treatment of the first patient in France, resulting from the approval by the French regulatory authorities for the trial, as we announced in the first quarter. It is important to emphasize the achievement this regulatory approval represents: France is a large market and one that is highly regulated in particular for cell-based therapies. Gaining access to the clinics and patients in France supports further patient enrollment. It also provides further recognition of our approach and its potential for treating cancer.

Along the lines of providing detail on the additional steps required for the clinical development of a cell-based therapy like INTUVAX®, I am pleased to give an update on the extension of the MERECA trial in the United States. As announced in December 2016, Immunicum received clearance on its Investigational New Drug (IND) application to the Food and Drug Administration (FDA) with INTUVAX®. Since that time, we have focused our efforts on achieving all the steps needed to enable the recruitment of patients in the clinical centers in the US. With the FDA clearance as the necessary start of the process, Immunicum has since obtained authorization for the German INTUVAX® manufacturing facility to produce the product as defined by the FDA, which required additional approvals in Germany for the production of the INTUVAX® cells. Only after the successful production and shipping of INTUVAX® to the centers in the US could the clinicians at those centers start the pre-screening of patients for the trial. At this stage, the pre-screening process has been underway since mid-April, and we anticipate the first patients to be ready for treatment during the second quarter of 2017.

Hepatocellular Carcinoma (HCC) – As previously reported, we have now enrolled the last of the six additional liver cancer patients that receive INTUVAX® concomitantly with first line standard of care medication in the extension of the study. Top line results from this trial are expected in the third quarter of 2017.

GastroIntestinal Stromal Tumors (GIST) – Following the protocol amendment, our collaborators at the Karolinska UniversitetsSjukhuset have now enrolled 3 patients in our clinical phase I/II study with INTUVAX® in patients with GIST.

Operations – Over the course of the first quarter we invested time and effort in meeting all the requirements for the Nasdaq Stockholm uplisting process, which the committee acknowledged we had achieved in their review of our application. As we announced earlier this quarter, the committee delayed their approval based on the desire to

see that we can maintain all corporate governance and communications standards in an ongoing manner and establish a longer track record. We are committed to meeting these requirements to achieve our listing on the Nasdaq Stockholm.

As another focus for the long-term achievement of our corporate goals, we remain active in raising the awareness of the Company and our products in development. In addition to adding a key member to the team to support overall business development, during the first quarter, I have been active at several events and conferences in the US and Europe. The goal is to introduce the Company to key audiences in the international biotechnology industry, including other biotech and pharmaceutical companies, international investors and industry thought-leaders.

We as a leadership team, together with the Board of Directors, are focused on building value for our shareholders through the rigorous development of our clinical programs and the vision to increase the opportunities for success. We are grateful for your continued support and confidence.

Carlos De Sousa
President and CEO

Financial information

Financial results

Operating loss and net loss respectively for the period amounted to TSEK -20,533 (TSEK -9,528), and TSEK -20,639 (TSEK -9,611). Earnings per share before and after dilution amounted to SEK -0.80 (SEK -0.48).

The Company's operating expenses have increased as compared to the previous year, due to increased costs for clinical trials, continued expansion of the organisation and costs related to the company's planned listing on Nasdaq Stockholm main market. Non-recurring costs amounted to MSEK 1.5 during the period.

Cash flow

Cash flow relating to operating activities amounted to TSEK -18,572 (TSEK -10,076).

The Company's cash and cash equivalents at 31 March 2017 amounted to TSEK 84,326 (TSEK 33,503). In addition, TSEK 9,527 (TSEK 9,435) was invested in a unit trust at a major Swedish bank. Total thus cash and cash equivalents plus the mutual fund amounted to TSEK 93,853 (TSEK 42,938) at the end of the period.

Shareholders' equity

Total shareholders' equity at 31 March 2017 amounted to TSEK 81,747 (TSEK 38,842), which corresponds to SEK 3.15 (SEK 1.93) per share. The Company's equity ratio at the end of the period was 80.1% (79.9%).

Other information

The Immunicum share

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

Number of shares

The number of shares in the company as of 31 March 2017 amounts to 25,958,541 (20,030,000).

Shareholders on 31/3/2017

Shareholder	Number of shares	Share of capital/votes
Holger Blomstrand Byggnads AB	2,975,386	11.5%
Loggen Invest AB	2,750,000	10.6%
Försäkringsaktiebolaget, Avanza Pension	1,903,708	7.3%
Swedbank Robur Fonder AB	1,562,500	6.0%
Nordnet Pensionsförsäkring AB	1,126,027	4.3%
Alex Karlsson-Parra incl. related parties	612,726	2.4%
Bengt Andersson	557,939	2.1%
Mats Dahlgren	380,000	1.5%
UBS Switzerland AG	362,644	1.4%
Mats Andersson	300,000	1.2%
Total, ten largest shareholders	12,530,930	48.3%
Other shareholders	13,427,611	51.7%
Total	**25,958,541**	**100.0%**

Incentive programme

There are currently no outstanding warrants or other equity-related incentive programmes in the company.

Personnel on staff

Immunicum has chosen to conduct its business operations with a minimal number of employees on staff supplemented by consultants, in order to maintain flexibility and cost effectiveness. As of 31 March 2017, the Company had 11 (7) direct employees, of whom 6 (4) were women and 5 (3) men.

Information on transactions with closely related parties

No transactions have been carried out with closely related parties during the period.

Prospects, risks and uncertainties

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

For a more detailed description of the material risk factors, please refer to Immunicum's most recent prospectus (Prospectus for the Preferential Rights Share Issue 2016) which can be downloaded from the company's website: www.immunicum.com.

Financial calendar

Interim Report Q2	18 August 2017
Interim Report Q3	17 November 2017
Year-End Report 2017	16 February 2018

Certified adviser

Immunicum's Certified Adviser is Redeye AB.

Review by the auditor

This report has not been review by the company's auditor.

Statement of Comprehensive Income

Amounts in SEK	01/01/2017 - 31/03/2017	01/01/2016 - 31/03/2016	01/07/2016 - 31/12/2016
Other operating income	62,003	-	-
	62,003	**-**	**-**
Operating expenses			
Other external costs	-16,433,864	-6,584,940	-26,302,897
Personnel costs	-4,143,039	-2,919,277	-10,204,531
Depreciation of tangible assets	-17,797	-20,678	-40,397
Other operating expenses	-	-3,101	-189,305
Operating profit/loss	**-20,532,697**	**-9,527,996**	**-36,737,130**
Result from financial items			
Interest income and similar items	30	8,690	33,468
Interest expense and similar items	-106,507	-91,771	-90,255
Profit/loss after financial items	**-20,639,174**	**-9,611,077**	**-36,793,917**
Total profit/loss before taxes	**-20,639,174**	**-9,611,077**	**-36,793,917**
Income tax expense	-	-	-
Profit/loss for the period	**-20,639,174**	**-9,611,077**	**-36,793,917**
The comprehensive income is consistent with the profit/ loss for the period.			
Earnings per share, before and after dilution	-0.80	-0.48	-1.42

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Balance sheet

Amounts in SEK	31/03/2017	31/03/2016	31/12/2016
ASSETS			
Subscribed capital unpaid	-	3,120,000	-
Fixed assets			
Tangible assets			
Equipment	122,599	201,471	140,396
Total tangible assets	**122,599**	**201,471**	**140,396**
Financial assets			
Other securities held as fixed assets	1,000	1,000	1,000
Total financial assets	**1,000**	**1,000**	**1,000**
Total fixed assets	**123,599**	**202,471**	**141,396**
Current assets			
Current receivables			
Accounts receivable	27,570	-	-
Tax credits and related receivables	364,298	-	263,218
Other receivables	3,053,797	1,220,206	1,883,976
Prepaid expenses and accrued income	4,581,992	1,154,530	6,856,161
Total current receivables	**8,027,657**	**2,374,736**	**9,003,355**
Investments	**9,526,626**	**9,434,896**	**9,526,626**
Cash and bank balances	**84,326,489**	**33,503,023**	**102,898,565**
Total current assets	**101,880,772**	**45,312,655**	**121,428,546**
Total assets	**102,004,371**	**48,635,126**	**121,569,942**

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Balance sheet

Amounts in SEK	31/03/2017	31/03/2016	31/12/2016
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Restricted equity			
Share capital	1,297,927	1,001,500	1,297,927
New share issue in progress	-	6,500	-
Total restricted equity	**1,297,927**	**1,008,000**	**1,297,927**
Unrestricted equity			
Share premium reserve	252,535,222	137,468,991	252,535,222
Retained earnings	-151,447,096	-90,023,986	-114,653,179
Profit/loss for the period	-20,639,174	-9,611,077	-36,793,917
Total unrestricted equity	**80,448,952**	**37,833,928**	**101,088,126**
Total shareholders' equity	**81,746,879**	**38,841,928**	**102,386,053**
Liabilities			
Long-term liabilities			
Other long-term liabilities	850,000	850,000	850,000
Total long-term liabilities	**850,000**	**850,000**	**850,000**
Current liabilities			
Accounts payable	7,590,452	1,572,967	5,040,848
Other liabilities	415,402	255,727	1,043,987
Accrued expenses and deferred income	11,401,638	7,114,504	12,249,054
Total current liabilities	**19,407,492**	**8,943,198**	**18,333,889**
Total liabilities	**20,257,492**	**9,793,198**	**19,183,889**
Total shareholders' equity and liabilities	**102,004,371**	**48,635,126**	**121,569,942**

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Report on changes in shareholders' equity

Amounts in SEK	Share capital	Share premium reserve	Retained earnings incl. profit/loss for the period	Total
Opening shareholders' equity 01/01/2016	**1,001,500**	**134,355,491**	**-90,023,986**	**45,333,005**
New share issue in progess	6,500	3,113,500		3,120,000
Profit/loss for the period			-9,611,077	-9,611,077
Shareholders' equity 31/03/2016	**1,008,000**	**137,468,991**	**-99,635,063**	**38,841,928**
Opening shareholders' equity 01/01/2017	**1,297,927**	**252,535,222**	**-151,447,096**	**102,386,053**
Profit/loss for the period			-20,639,174	-20,639,174
Shareholders' equity 31/03/2017	**1,297,927**	**252,535,222**	**-172,086,270**	**81,746,879**

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Cash flow Statement

Amounts in SEK	01/01/2017 - 31/03/2017	01/01/2016 - 31/03/2016	01/07/2016 - 31/12/2016
Operating activities			
Operating profit/loss before financial items	-20,532,697	-9,527,996	-36,737,130
Depreciation and other non-cash items	17,797	20,678	40,397
Interest income received	30	8,690	225
Interest expense paid	-106,507	-40	-90,255
Cash flow from operating activities before changes in working capital	**-20,621,377**	**-9,498,668**	**-36,786,763**
Increase/decrease in accounts receivable	-27,570	-	-
Increase/decrease in other current receivables	1,003,268	-759,616	-1,075,765
Increase/decrease in accounts payable	2,549,604	-1,474,149	-2,758
Increase/decrease in other current liabilities	-1,476,001	1,656,458	4,127,091
Changes in working capital	**2,049,301**	**-577,307**	**3,048,568**
Cash flow from operating activities	**-18,572,076**	**-10,075,975**	**-33,738,195**
Financing activities			
The issuance of new shares	-	-	16,687,902
Cash flow from financing activities	**-**	**-**	**16,687,902**
Cash flow for the period	-18,572,076	-10,075,975	-17,050,293
Cash and cash equivalents at the beginning of the period	102,898,565	43,578,998	119,948,858
Cash and cash equivalents at the end of the period	**84,326,489**	**33,503,023**	**102,898,565**

Note 1 Accounting Policies

The company prepares its interim reports in accordance with IAS 34 with regard to the exceptions from and additions to IFRS which are listed in RFR2 and the Swedish Annual Accounts Act. The company is not a part of any group of companies, which is why a full IFRS reporting will not be applicable. The accounting principles and calculation methods remain unchanged from those applied in the Annual Report for financial year 1 July-31 December 2016. Disclosures in accordance with IAS 34.16A are provided both in Notes as well as elsewhere in the interim report.

Note 2 Fair Value of Financial Instruments

The carrying amount is assessed to be a reasonable estimate of the fair value for the financial instruments held by the company. The company's investments in securities are valued in accordance with the principle of lower of cost or net realisable value.

Note 3 Pledged assets

Pledged assets total SEK 565,537 (SEK 565,537).

Gothenburg, 19 May 2017

Agneta Edberg
Chair of the Board

Magnus Nilsson
Board Member

Charlotte Edenius
Board Member

Magnus Persson
Board Member

Steven Glazer
Board Member

Kerstin Valinder Strinnholm
Board Member

Martin Lindström
Board Member

Carlos de Sousa
Chief Executive Officer

FOR FURTHER INFORMATION, PLEASE CONTACT:

Carlos de Sousa, CEO

Address	Grafiska vägen 2 SE-412 63 Gothenburg
Telephone	+46 31-41 50 52
e-mail	info@immunicum.com
Website	www.immunicum.se
Organisation number:	556629-1786

This information is the information that the company is obligated to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication on 19 May 2017 at 08:00, via the above contact person.

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