



# Interim Report

## January-March 2020

### Key indicators

SEK thousand unless otherwise stated	2020 Jan-Mar	2019 Jan-Mar	Full year 2019	Full year 2018
Net sales	14	66	356	333
Operating earnings	-32,114	-27,197	-114,248	-87,708
Earnings before tax	-27,751	-26,381	-114,517	-86,531
Net earnings	-27,751	-26,384	-114,521	-86,538
Earnings per share before dilution (SEK)	-1.41	-1.35	-5.85	-4.67
Earnings per share before after dilution (SEK)	-1.41	-1.35	-5.85	-4.67
Equity ratio (%)	83	89	85	97
Number of shares at the end of the period	19,654,853	19,531,353	19,654,853	19,531,353

### Significant events January - March

**Work on the verification study proceeded** and the blood samples from our KOL network were delivered as planned. During the quarter, the commercial organization prepared detailed plans prior to the launch.

**Immunovia strengthened its management** team with a new Senior Vice President of Sales NA (North America), Michael Pettigrew. Michael brings with him extensive experience in successful life science product launches and sales growth, coupled with strong management skills.

**Crown Princess Victoria and Prince Daniel** visited Immunovia in late January. The delegation also included the Skåne Governor Anneli Hultén and others.

### Significant events after the period's end

#### Response to COVID-19 pandemic were reported in a press release April 1:

- *Protecting employees and others.* Immunovia has taken the necessary steps to minimize exposure to COVID-19 based on recommendations/orders from governments and health authorities in all geographic regions where Immunovia has employees, including suspending field-based face-to-face interactions.

- *Travel restrictions to/from the US* and most of the EU have been mitigated, as previously announced, and have no to minimal effect on the commercial launch of IMMray™ PanCan-d during the third quarter.

- *Effective March 16, employees* who can work from home have been asked to do so, minimizing the staff in Company offices only to those who are essentially needed for activities that need to be done on site, for example to perform laboratory-critical work. At this time, Immunovia reports no confirmed COVID-19 cases amongst employees.

- *Materials and deliveries prior to launch.* The company has obtained and stocked all reagents, chemicals and other consumables as well as technology required for the preparation of the launch of IMMray™ PanCan-d.
- *Maintaining our business.* R&D, laboratory and production work in Lund remains in full operation for the time being. Contingency plans are in place for continuing operations to the fullest extent for all sites during this unprecedented time.
- *Our laboratory in Marlborough, Massachusetts* is fully prepared for the commercial phase of IMMray™ PanCan-d, with detailed plans for activities leading up to accreditation and sales start. However, the state of Massachusetts initially announced a state-wide quarantine from March 25 until April 7, as was announced in a press release on April 1. As of today, Massachusetts has extended this state-wide mandated closure of "non-essential to COVID-19 businesses" and stay at home guidelines until May 4th. This could potentially impact the target date for sales start, and we remain on constant vigilance and are prepared to do whatever is necessary/possible to balance the well-being of our staff, the government-imposed regulations, and the target of a Q3 2020 sales start.

#### Update on lung cancer project

Immunovia and the global pharmaceutical company have agreed on the early termination of the lung cancer project. Immunovia's own program for the early detection of lung cancer continues as planned and the company has received the fresh blood samples required from its pharma partner for testing and analysis. Immunovia's study is continuing and will be completed during Q2 2020 as planned.

## CEO'S STATEMENT

# Focused on the commercialization of IMMray™ PanCan-d

**During Q1 2020, Immunovia worked hard and continued to make great strides towards IMMray™ PanCan-d's launch and the sales start of the first test for early diagnosis of pancreatic cancer, in spite of the COVID-19 global pandemic.**

Work on the verification study proceeded as planned and we received all the blood samples from our KOL network. In January, our commercial team prepared detailed plans for the launch and in March and April these plans were adapted significantly to accommodate the COVID-19 situation. This included making in-person activities, such as conferences and the patient organization meetings that were canceled, into digital activities, etc.

In January, Immunovia welcomed a new Senior VP Sales NA (North America), Michael Pettigrew, to the team. Michael brings with him a very successful track record in product launches and sales growth in life science, along with unique leadership qualities. He is an important addition to Immunovia.

Following the end of Q1 2020, we provided an update on the measures the company has taken and continues to take in order to support patients, employees and public health initiatives in response to the COVID-19 pandemic. We also announced other crucial preparations that Immunovia has made in response to COVID-19, such as securing inventories of critical consumables, the successful collection of samples for the verification study including the reallocation of extra blood samples to the efforts of securing all samples for the verification study. All this done to facilitate the uninterrupted continuation towards commercialization start.

**We reiterate that Immunovia's R&D laboratories and clinical laboratory, in Lund, along with the production facilities are so far fully operational.**

We reiterate that Immunovia's R&D laboratories and clinical laboratory in Lund, along with the production facilities, are fully operational. They all have plans in place to help sustain operations in these unusual times.

Our laboratory in Marlborough, Massachusetts is fully prepared for the commercial phase of IMMray™ PanCan-d, with detailed plans for activities leading up to accreditation and start of sales. However, the state of Massachusetts initially announced a state-wide quarantine from March 25 until April 7, as was announced in our press release on April 1. As of today, Massachusetts has extended this state-wide mandated closure of "non-essential to COVID-19 businesses" and stay at home guidelines until May 4th. This could potentially impact the target date for sales start and we remain on constant vigilance and are prepared to do whatever is necessary/possible to balance the well-being of our staff, the government imposed regulations, and the target of a Q3 2020 sales start.

**Despite these extreme circumstances, Immunovia remains focused on the start of sales of the first test on the market for early detection of pancreatic cancer IMMray™ PanCan-d.**

Despite these extreme circumstances, Immunovia remains focused on the start of sales towards the end of Q3 2020 for the very first test on the market for the early detection of pancreatic cancer, IMMray™ PanCan-d. The company continues to monitor global developments of the COVID-19 pandemic and has introduced measures that comply with governmental guidelines in each of the countries in which we conduct business. We will protect the health of our employees and, in society as a whole, help slow down and minimize the spread of the virus. In line with this important work, Immunovia is taking preventative measures to protect its personnel and limit their exposure to the virus.

Nevertheless, Immunovia has two remaining milestones before the commercialization of IMMray™ PanCan-d in Q3 2020: a Verification study and a final Validation study. The company has intensified its final preparations for the launch. These preparations included continued and active collaboration with our network of globally respected Key Opinion Leaders (KOL) and healthcare specialists who have been working with Immunovia on how the test should be used in practice.

Additionally, final preparations have been made in our production facility, which is ready with ample capacity as well as fully preparing the company's well established infrastructure for the final accreditations.

I remain extremely confident that all of us, who make up the fantastic team at Immunovia, will do our utmost to adapt to further unforeseen circumstances and move forward with the commercialization work and ensure the successful launch of IMMray™ PanCan-d. With this first product, Immunovia is targeting an initial USD 4.4 billion market in the US and Europe. We look forward to working with healthcare operators around the world to improve the situation of the affected patient groups at risk of pancreatic cancer.

At Immunovia, we remain fully committed and focused on the commercialization of IMMray™ PanCan-d and continue to do everything possible to maximize efficiency while maintaining our high quality. We are still on schedule, every day mitigating the evolving COVID-19 situation as far as possible and remain focused on the next step and all preparations for our planned sales start of the first test for early diagnosis of pancreatic cancer.

**Thank you for continuing to support Immunovia.**

April 28, 2020

Mats Grahn, CEO Immunovia AB



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### About the report

This information was submitted for publication April 28, 2020, at 16.00 pm.

- This financial statement has been produced in accordance with IFRS for the Immunovia Group, which comprises Immunovia AB and the wholly-owned subsidiaries Immunovia Incentive AB, Immunovia Dx Laboratories AB, Immunovia Inc. and Immunovia GmbH.

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JANUARY-MARCH 2020

## The Group's performance over the period

### Net sales

Net sales for Q1 2020 were SEK 14,000 (66,000). Sales consist mainly of royalties.

During Q1 2020, capitalized costs totaled SEK 11.3 million (5.9). As the capitalized costs are financed with approved and paid contributions, they are written down directly by the corresponding amount. The increase in the balanced development costs is due to the increased efforts in completing product development of the IMMray™ PanCan-d test.

### Earnings

The net loss for 2020 was SEK 27.8 million (-26.3).

Other external and personnel costs rose by a total of SEK 9.63 million compared to the corresponding period last year and amounted to SEK 40.7 million (31.0) during Q1 2020. The rise in external and personnel costs is due to increased efforts in product development and commercialization activities, including an expanded organization.

### Research & Development

Total R&D costs for Q1 2020 amounted to SEK 12.6 million (7.6), corresponding to 29% (23%) of the Group's total operating expenses.

### Financing and cash flow

The cash flow from operating activities for Q1 2020 was SEK -27.3 million (-14.3).

Cash and cash equivalents as of March 31, 2020 amounted to SEK 222.9 million (359.8).

Equity at the end of the period amounted to SEK 325.9 million (434.3) and the equity/assets ratio was 83% (89%).

The management believes that there is sufficient working capital to cover working capital needs, given the current business and development plan, for just over one year ahead.

### Investments

In Q1 2020, intangible assets were acquired for a total of SEK 11.7 million (7.1), consisting of capitalized development expenditure of SEK 11.3 million (5.9) and SEK 471,000 (1.1 m) on patents.

Investments in tangible assets in the form of inventory of SEK 237,000 (3.4 m) were made during Q1 2020.

No investments in financial assets were made during Q1 2020.

### Employees

The average number of employees in the Group during Q1 was 54 (45) and at the end of the period the number of employees was 58 (45).

## Share information

The number of registered shares amounted to 19,654,853 at the end of the reporting period. The share's nominal value is SEK 0.05.

### Share capital's development

Year	Event	Total share capital (SEK)	Change (SEK)	Total no. of shares	Change in shares	Nominal value (SEK)
May 24, 2007	Formation	100,000.00	100,000.00	1,000,000	1,000,000	0.10
Oct 19, 2011	New share issue	105,263.00	5,263.00	1,052,630	52,630	0.10
Oct 27, 2011	Share split 5:1	105,263.00	-	5,263,150	4,210,520	0.02
July 5, 2012	New share issue	108,869.92	3,606.92	5,443,496	180,346	0.02
May 21, 2013	New share issue	122,483.76	13,613.84	6,124,188	680,692	0.02
Sep 10, 2013	New share issue	124,899.76	2,416.00	6,244,988	120,800	0.02
Jun 5, 2014	New share issue	220,924.32	96,024.56	11,046,216	4,801,228	0.02
Aug 13, 2015	Bonus issue	552,310.80	331,386.48	11,046,216	-	0.05
Dec 17, 2015	New share issue	714,560.80	162,250.00	14,291,216	3,245,000	0.05
Sep 15, 2016	New share issue	823,728.40	109,167.60	16,474,568	2,183,352	0.05
Oct 17, 2016	New share issue	840,202.95	1,474.55	16,804,059	329,491	0.05
Oct 4, 2017	New share issue via warrants	865,902.95	25,700.00	17,318,059	514,000	0.05
Jun 8, 2018	New share issue	974,042.65	108,139.70	19,480,853	2,162,794	0.05
Sep 19, 2018	New share issue via warrants	976,567.65	2,525.00	19,531,353	50,500	0.05
Sep 9, 2019	New share issue via warrants	982,742.65	6,175.00	19,654,853	123,500	0.05
<b>At end of period</b>		<b>982,742.65</b>		<b>19,654,853</b>		<b>0.05</b>

### The 10 largest shareholders on March 31, 2020

Shareholders	No. of shares	Share (capital and votes)
Ålandsbanken i ägares ställe	1,830,536	9.31%
Carl Borrebaeck	1,709,900	8.70%
Handelsbanken Svenska Småbolag	1,100,000	5.60%
Sara Andersson Ek	888,950	4.52%
Mats Ohlin	888,950	4.52%
Christer Wingren	803,690	4.09%
Vincent Saldell	684,356	3.48%
Försäkringsbolaget Avanza Pension	572,181	2.91%
Swedbank Robur Folksam LO Sverige	555,000	2.82%
Mats Grahn	365,039	1.86%
Ten largest owners	9,398,602	47.82%
Others	10,256,251	52.18%
<b>Total</b>	<b>19,654,853</b>	<b>100.00%</b>

## Incentive schemes

Immunovia has four outstanding warrant schemes that comprise 408,150 warrants with the right to subscribe for 408,150 shares. There is no dilution effect as long as the Group's earnings are negative.

The Annual General Meeting on April 26, 2019 resolved on a warrant scheme (series 2019/2023) for employees and key persons in the company. The warrants (191,000, whereof 47 500 already have been subscribed) can be used to subscribe for newly issued shares in the company during the utilization period from June 1, 2023 until June 30, 2023. Each warrant gives the right to subscribe for one share at a subscription price of SEK 342.06. Full utilization would increase the company's share capital by SEK 9,550.00.

The Annual General Meeting held on May 3, 2018 resolved to offer a warrants scheme (series 2018/2021) to employees and key persons in the company. The warrants (156,150) can be used to subscribe for newly issued shares in the company during the utilization period from September 7, 2021 to October 7, 2021. Each warrant entitles the holder to subscribe for one share at a subscription price of SEK 271.05 per share. Full utilization would increase the company's share capital by SEK 7,525.00.

The Annual General Meeting held on April 25, 2017 resolved to offer a warrants scheme (series 2017/2020) to employees and key persons in the company. The warrants (61,000) can be used to subscribe for newly issued shares in the company during the utilization period from September 15, 2020 until October 15, 2020. Each warrant entitles the holder to subscribe for one share at a subscription price of SEK 205.00 per share. Full utilization would increase the company's share capital by SEK 3,050.00.

The Annual General Meeting held on April 26, 2019 resolved to introduce an alternative cash-based incentive scheme for key individuals in countries where allocation of warrants in accordance with the 2019/2023 scheme was not applicable for various reasons. Such an incentive scheme has been introduced for employees and key individuals and is designed so that the economic effects correspond to the terms of the 2019/2023 warrants scheme. The total cost to the company can be at most USD 520,000.

The Annual General Meeting held on May 3, 2018 resolved to introduce an alternative cash-based incentive scheme for key individuals in countries where allocation of warrants in accordance with the 2018/2021 scheme was not applicable for various reasons. Such an incentive scheme has been introduced for employees and key individuals and is designed so that the economic effects correspond to the terms of the 2018/2021 warrants scheme. The total cost to the company can be at most USD 250,000.

The Annual General Meeting held on April 25, 2017 resolved to introduce an alternative cash-based incentive scheme for key individuals in countries where allocation of warrants in accordance with the 2017/2020 scheme was not applicable for various reasons. Such an incentive scheme has been introduced for employees and key individuals and is designed so that the economic effects correspond to the terms of the 2017/2020 options scheme. The total cost for the company can be at most USD 920,000.

The warrants are subject to customary recalculation terms in connection with share issues, etc.

## Consolidated income statement in summary

SEK 000	2020 Jan-Mar	2019 Jan-Mar	2019 Full year
<b>Operating income etc</b>			
Net sales	14	66	356
Other operating income	24	51	458
<b>Total</b>	<b>38</b>	<b>117</b>	<b>814</b>
<b>Operating expenses</b>			
Other external expenses	-26,497	-18,985	-78,320
Personnel expenses	-14,175	-12,057	-54,576
Capitalized work for own account	11,269	5,942	26,716
Depreciation/amortization of tangible/intangible fixed assets	-2,419	-2,048	-8,447
Other operating expenses	-330	-166	-435
<b>Total operating expenses</b>	<b>-32,152</b>	<b>-27,314</b>	<b>-115,062</b>
<b>Operating earnings/loss</b>	<b>-32,114</b>	<b>-27,197</b>	<b>-114,248</b>
<b>Profit/loss from financial items</b>			
Financial income	4,735	1,159	3,820
Financial expenses	-372	-343	-4,089
<b>Total financial items</b>	<b>4,363</b>	<b>816</b>	<b>-269</b>
<b>Earnings/loss after financial items</b>	<b>-27,751</b>	<b>-26,381</b>	<b>-114,517</b>
Tax on earnings for the year	0	-3	-4
<b>Earnings/loss for the year</b>	<b>-27,751</b>	<b>-26,384</b>	<b>-114,521</b>
Earnings per share before dilu- tion (SEK)	-1.41	-1.35	-5.85
Earnings per share after dilution (SEK)	-1.41	-1.35	-5.85
Average number of shares	19,654,853	19,531,353	19,569,089
Number of shares at year's end	19,654,853	19,531,353	19,654,853

## Consolidated comprehensive income in summary

SEK 000	2020 Jan-Mar	2019 Jan-Mar	2019 Full year
<b>Earnings/loss for the period</b>	<b>-27,751</b>	<b>-26,384</b>	<b>-114,521</b>
<i>Items that may be reclassified later in the income statement</i>			
Exchange rate differences for foreign net investment	-3,903	-740	-409
<b>Other earnings/loss for the year</b>	<b>-3,903</b>	<b>-740</b>	<b>-409</b>
<b>Comprehensive income for the year</b>	<b>-31,654</b>	<b>-27,124</b>	<b>-114,930</b>

## Consolidated financial position in summary

SEK thousands	2020 Mar 31	2019 Mar 31	2019 Dec 31
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible fixed assets	103,618	68,827	91,859
Tangible fixed assets	53,442	51,383	55,224
Financial fixed assets	3,379	3,112	3,125
<b>Total fixed assets</b>	<b>160,439</b>	<b>123,322</b>	<b>150,208</b>
<b>Current assets</b>			
Accounts receivable	0	0	0
Current receivables	8,934	7,587	5,813
Cash and cash equivalents	222,915	359,849	263,345
<b>Total current assets</b>	<b>231,848</b>	<b>367,436</b>	<b>269,158</b>
<b>TOTAL ASSETS</b>	<b>392,287</b>	<b>490,758</b>	<b>419,366</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	983	977	983
Other contributed capital	636,924	626,348	636,924
Translation reserve	-4,905	-1,333	-1,002
Retained earnings incl. total comprehensive income	-307,051	-191,163	-279,300
<b>Total equity</b>	<b>325 950</b>	<b>434,829</b>	<b>357,604</b>
<b>Long-term liabilities</b>			
Interest-bearing liabilities	31,854	30,154	33,121
<b>Total long-term liabilities</b>	<b>31,854</b>	<b>30,154</b>	<b>33,121</b>
<b>Current liabilities</b>			
Interest-bearing liabilities	4,993	4,057	4,945
Other liabilities	29,490	21,718	23,696
<b>Total current liabilities</b>	<b>34,483</b>	<b>25,775</b>	<b>28,641</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>392,287</b>	<b>490,758</b>	<b>419,366</b>



## Change in consolidated equity in summary

SEK thousands	Share capital	Other paid-up equity	Reserves	Accumulated earnings/ loss inc. earnings/ loss for the period	Total equity
<b>Opening balance January 1, 2019</b>	<b>977</b>	<b>626,348</b>	<b>-593</b>	<b>-164,780</b>	<b>461,953</b>
Comprehensive income for the period			-740	-26,384	-27,124
<b>Closing balance Mar 31, 2019</b>	<b>977</b>	<b>626,348</b>	<b>-1,333</b>	<b>-191,164</b>	<b>434,829</b>
Comprehensive income for the period			331	-88,137	-87,806
<i>Transactions with owners in their capacity as owners</i>					
Deposited share warrant premiums		344			344
New share issue	6	10,232			10,238
<b>Closing balance Dec 31, 2019</b>	<b>983</b>	<b>636,924</b>	<b>-1,002</b>	<b>-279,301</b>	<b>357,604</b>
Comprehensive income for the period			-3,903	-27,751	-31,654
<b>Closing balance Mar 31, 2020</b>	<b>983</b>	<b>636,924</b>	<b>-4,905</b>	<b>-307,052</b>	<b>325,950</b>

## Consolidated cash flow statement in summary

SEK thousands	2020 Jan-Mar	2019 Jan-Mar	2019 Full year
<b>Operating activities</b>			
Operating earnings/loss	-32,113	-27,197	-114,249
Adjustment for items not included in cash flow	2,418	2,057	8,444
Interest received	47	94	284
Interest paid	-372	-343	-1,315
Tax paid	0	-3	-4
<b>Cash flow from operating activities before changes in working capital</b>	<b>-30,020</b>	<b>-25,392</b>	<b>-106,840</b>
<b>Cash flow from changes in working capital</b>			
Change in operating receivables	-2,992	4,850	6,620
Change in operating liabilities	5,674	6,280	8,266
<b>Cash flow from operating activities</b>	<b>-27,338</b>	<b>-14,262</b>	<b>-91,954</b>
<b>Investment activities</b>			
Investment in intangible fixed assets	-11,740	-7,069	-30,568
Investment in tangible fixed assets	-237	-3,374	-6,034
Investment in financial fixed assets	0	0	0
<b>Cash flow from investment activities</b>	<b>-11,977</b>	<b>-10,443</b>	<b>-36,602</b>
<b>Financing activities</b>			
Amortization of leasing liability	-1,218	-1,605	-5,115
National and European grants for development costs	0	0	291
New share issue	0	0	10,238
Received warrants premiums	0	0	344
<b>Cash flow from financing activities</b>	<b>-1,218</b>	<b>-1,605</b>	<b>5,758</b>
<b>Cash flow for the period</b>	<b>-40,532</b>	<b>-26,310</b>	<b>-122,797</b>
Cash and cash equivalents at start of period	263,345	386,136	386,156
Exchange rate difference in cash and cash equivalents	103	23	6
<b>Cash and cash equivalents at end of period</b>	<b>222,915</b>	<b>359,849</b>	<b>263,345</b>

## Consolidated key indicators

	2020 Jan-Mar	2019 Jan-Mar	2019 Full year	2018 Full year	2017 Full year
Operating earnings/loss (SEK 000)	-32,114	-27,197	-114,248	-87,709	-45,520
Earnings/loss for the year (SEK 000)	-27,751	-26,384	-114,521	-86,539	-45,232
Earnings per share before dilution (SEK)	-1.41	-1.35	-5.85	-4.67	-2.67
Earnings per share after dilution (SEK)	-1.41	-1.35	-5.85	-4.67	-2.67
R&D expenses (SEK 000)	-12,628	-7,644	-34,273	-26,048	-24,041
R&D expenses as percentage of operating expenses (%)	29	23	24	23	34
Cash and cash equivalents at end of period (SEK 000)	222,915	359,849	263,345	386,136	192,425
Cash flow from operating activities (SEK 000)	-27,338	-14,262	-91,952	-84,111	-46,318
Cash flow for the period (SEK 000)	-40,532	-26,310	-122,797	193,680	-66,661
Equity (SEK 000)	325,950	434,829	357,604	461,953	236,795
Equity per share (SEK)	16.58	22.26	18.19	23.65	13.67
Equity per share (%)	83	89	85	97	94
Average number of employees	54	45	48	39	30
Average number of employees in R&D	21	17	19	17	16

## Definitions

Key indicator	Definition	Motivation for using financial key indicator without defined pursuant to IFRS
Net sales	Revenues from goods and services sold, and royalties received relating to the main activity during the relevant period.	
Operating earnings/loss	Earnings/loss before financial items and tax.	Operating earnings/loss provides a view of the earnings that the company's ordinary activities have generated.
Basic and diluted earnings per share	Earnings/loss divided by the weighted number of shares in the period before and after dilution respectively.	
Average number of shares before and after dilution	The average number of outstanding shares in the period before and after dilution respectively. Because the group is generating a loss, there is no dilution, despite the subscription price being lower than the share price.	
R&D expenses	The company's direct expenses for research and development. Expenses for staff, materials and external services.	The company's main activity is research and development. Management considers that R&D expenses are an important parameter to monitor as an indicator of activity levels within the company.
R&D expenses as a percentage of operating expenses	R&D expenses divided by operating expenses, which include other external expenses, personnel expenses, depreciation and amortization.	Management considers that the company's R&D expenses in relation to total expenses are an important indication of the proportion of total expenses that are used for the company's main activity.
Cash and cash equivalents	Cash and bank balances.	
Cash flow from operating activities	Cash flow before cash flow from investing activities and financing activities.	
Cash flow for the period (SEK 000)	The change in cash and cash equivalents for the period excluding effective unrealized exchange rate gains and exchange rate losses.	
Equity per share (SEK)	Equity divided by the number of shares at the end of the period.	Management follows this indicator to monitor the value of equity per share.
Equity/assets ratio	Equity as a percentage of total assets	Management follows this indicator of the company's financial stability.
Average number of employees	The average number of employees is the total of working-hours in the period divided by scheduled working hours for the period.	
Average number of employees in R&D	The average of the number of employees in the company's research and development functions.	

## Parent company's income statement in summary

SEK thousands	2020 Jan-Mar	2019 Jan-Mar	2019 Full year
<b>Operating income etc.</b>			
Net sales	14	66	356
Capitalized work for own account	11,269	5,942	26,716
Other operating income	18	51	557
<b>Total operating income</b>	<b>11,301</b>	<b>6,059</b>	<b>27,629</b>
<b>Operating expenses</b>			
Other external expenses	-24,859	-18,368	-79,046
Personnel costs	-10,009	-8,811	-38,326
Amortization of intangible and tangible fixed assets	-816	-681	-2,950
Other operating expenses	-330	-166	-435
<b>Total operating expenses</b>	<b>-36,014</b>	<b>-28,026</b>	<b>-120,757</b>
<b>Operating earnings/loss</b>	<b>-24,713</b>	<b>-21,967</b>	<b>-93,128</b>
<b>Profit/loss from financial items</b>			
Financial income	5,198	1,412	4,981
Financial expenses	0	-2	-2,721
<b>Total financial items</b>	<b>5,198</b>	<b>1,410</b>	<b>2,260</b>
<b>Allocations</b>			
Group contributions	0	0	337
<b>Total allocations</b>	<b>0</b>	<b>0</b>	<b>337</b>
<b>Earnings/loss before tax</b>	<b>-19,515</b>	<b>-20,557</b>	<b>-90,531</b>
Income tax	0	0	0
<b>Earnings/loss for the period</b>	<b>-19,515</b>	<b>-20,557</b>	<b>-90,531</b>

## Parent company's comprehensive income in summary

SEK thousands	2020 Jan-Mar	2019 Jan-Mar	2019 Full year
<b>Earnings/loss for the period</b>	<b>-19,515</b>	<b>-20,557</b>	<b>-90,531</b>
Other earnings/loss for the period	0	0	0
<b>Comprehensive income for the period</b>	<b>-19,515</b>	<b>-20,557</b>	<b>-90,531</b>

## Parent company's balance sheet in summary

SEK thousands	2020 Mar 31	2019 Mar 31	2019 Dec 31
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible fixed assets	102,587	67,878	90,907
Tangible fixed assets	11,738	11,741	12,257
Financial fixed assets	328	303	303
<b>Total fixed assets</b>	<b>114,653</b>	<b>79,922</b>	<b>103,467</b>
<b>Current assets</b>			
Receivables from Group companies	66,760	36,754	53,579
Current receivables	2,990	4,356	3,254
Prepaid expenses and accrued income	4,103	3,627	3,416
Cash and cash equivalents	221,690	358,779	261,647
<b>Total current assets</b>	<b>295,543</b>	<b>403,516</b>	<b>321,896</b>
<b>TOTAL ASSETS</b>	<b>410,196</b>	<b>483,438</b>	<b>425,363</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital	983	977	983
Fund for development expenses	72,212	45,086	65,569
<b>Total restricted equity</b>	<b>73,195</b>	<b>46,063</b>	<b>66,552</b>
<b>Non-restricted equity</b>			
Premium fund	10,576	312,178	10,232
Retained earnings including comprehensive income	299,171	103,953	325,673
<b>Total non-restricted equity</b>	<b>309,747</b>	<b>416,131</b>	<b>335,905</b>
<b>Total equity</b>	<b>382,942</b>	<b>462,194</b>	<b>402,457</b>
<b>Current liabilities</b>			
Other liabilities	27,254	21,244	22,906
<b>Total current liabilities</b>	<b>27,254</b>	<b>21,244</b>	<b>22,906</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>410,196</b>	<b>483,438</b>	<b>425,363</b>

## Parent company's cash flow statement in summary

	2020	2019	2019
SEK thousands	Jan-Mar	Jan-Mar	Full year
<b>Operating activities</b>			
Operating earnings/loss	-24,714	-21,967	-93,128
Adjustment for items not included in cash flow	816	681	2,950
Interest received	47	89	270
Interest paid	0	-2	-2
Tax paid	0	0	0
<b>Cash flow from operating activities before changes in working capital</b>	<b>-23,851</b>	<b>-21,199</b>	<b>-89,910</b>
<b>Cash flow from changes in working capital</b>			
Change in operating receivables	-8,451	203	-15,933
Change in operating liabilities	4,347	4,751	8,042
<b>Cash flow from operating activities</b>	<b>-27,955</b>	<b>-16,245</b>	<b>-97,801</b>
<b>Investment activities</b>			
Investment in intangible fixed assets	-11,740	-7,069	-30,568
Investment in tangible fixed assets	-237	-3,374	-5,980
Investment in financial fixed assets	-25	-50	-50
<b>Cash flow from investment activities</b>	<b>-12,002</b>	<b>-10,493</b>	<b>-36,598</b>
<b>Financing activities</b>			
National and European grants for development expenses	0	0	291
New share issue	0	0	10,238
<b>Cash flow from financing activities</b>	<b>0</b>	<b>0</b>	<b>10,529</b>
<b>Cash flow for the period</b>	<b>-39,957</b>	<b>-26,737</b>	<b>-123,870</b>
Cash and cash equivalents at start of period	261,647	385,517	385,517
<b>Cash and cash equivalents at end of period</b>	<b>221,690</b>	<b>358,779</b>	<b>261,647</b>

## Accounting principles

### **Accounting principles**

The Group applies the Swedish Annual Accounts Act and International Financial Reporting Standards (IFRS) as adopted by the EU, and RFR 1 complementary accounting rules for Groups when preparing financial reports. The parent company applies the Swedish annual accounts act and RFR 2 Accounting for legal entities when preparing financial reports. The applied accounting principles are consistent with those applied in the 2019 annual report.

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting.

New and amended standards adopted with effect from 2020 are not expected to have any significant impact on the Group's financial position.

### **OTHER INFORMATION**

#### **Financial instruments**

The Group currently has no financial instruments valued at fair value. Instead, all financial assets and liabilities are valued at accrued acquisition cost. It is estimated that there are no significant differences between fair value and book value relating to financial assets and liabilities

#### **Transactions with related parties**

In addition to salaries and other remuneration to the executive management and board fees, according to a resolution by the AGM, the company has also entered into a consultancy agreement with CB Ocean Capital AB for services to be performed by Immunovia's chairman and its largest owner Carl Borrebaeck. The services provided do not include tasks that belong to board assignments, but the services are aimed at providing the company with scientific and strategic support for scientific presentations and conferences, for example. This agreement runs until further notice with three months' notice for both parties and remuneration per quarter amounts to SEK 41,000.

#### **Risks**

Immunovia is exposed to financial risks and business risks. Financial risk management and the financial risks are described below. The company's business risks are presented on page 39 of the 2019 annual report. No significant changes have occurred that affect these reported risks.

#### **Market risks**

##### ***Currency risks***

The Group operates both nationally and internationally, which involves exposure to fluctuations in various currencies, in particular USD and EUR. Currency risk arises from future commercial transactions and recognized assets and liabilities. The scope of the company's operations currently means that net exposure in foreign currencies is limited. The company therefore does not have a currency hedging policy.

##### ***Interest rate risk in cash flow***

Interest risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Group currently only has interest-bearing financial assets in the form of bank deposits.



#### **Credit risk**

Credit risk is the risk of one party in a transaction with a financial instrument failing to meet its obligations. The maximum exposure to credit risk on financial assets as of March 31, 2020 was SEK 226.4 million (365.2).

#### **Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash or agreed credit options to close market positions. Based on the existing business plan, there is enough liquidity for about 1 year.

### **OTHER INFORMATION**

#### **Financial calendar**

Annual General Meeting 2020, Thursday May 7, 2020  
Interim report Jan-June 2020, Thursday August 20, 2020  
Interim report Jan-Sep 2020, Thursday November 12, 2020  
Financial statement 2020, Wednesday February 17, 2021

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#### **Telephone conference**

April 28, 2020 16.30 (CET)

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DK: +45 3271 4573

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NE: +31 2079484266

NO: +47 21563318

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UK: +44 2030032666

US: +1 212 999 665

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

The Board and the CEO certify that the interim report gives a true and fair view of the company's and the Group's operations, position and results, and describes significant risks and uncertainties that the Group faces.

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**Lund, April 28, 2020**

Carl Borrebaeck  
*Chairman*

Hans Johansson  
*Board member*

Ann-Christine Sundell  
*Board member*

Christofer Sjögren  
*Board member*

Mimmi Ekberg  
*Board member*

Mats Grahn  
*CEO*

## Glossary

**Antigen.** Actionable information – Information that is sufficiently authoritative and specific to be used in clinical decision making.

**Antibodies** – Antibodies, or immunoglobulins, are a type of protein used by the body's immune system to detect and identify foreign substances such as viruses, bacteria or parasites.

**Antigen** – A foreign body substance that elicits a reaction of the immune system in contact with the organism. The substance may be a chemical substance, a protein or a carbohydrate.

**Autoimmunity** – Autoimmunity is the immune system's harmful attack on the body's own tissue, which can take the form of disease or rejection of organs during transplantation.

**Benign** – If a tumor is benign it means that the tumor is not dangerous and will not spread.

**Bioinformatics** – Bioinformatics is an interdisciplinary field in which algorithms are developed for the analysis of biological (especially molecular biology) data.

**Biomarker** – A biomarker can be defined as a biological response to a change caused by disease or foreign substance. Biomarkers can be used as early warning signs of biological changes in an organism.

**Companion Diagnostics** – Diagnostics tools aimed at identifying which groups of patients will respond well to a particular treatment and thus ruling out ineffective treatments.

**Discovery Trial** – Research carried out in order to verify a special hypothesis.

**Histology** – Histology is the study of biological tissue.

**Invasive** – Invasive means to penetrate or attack. Invasive medical examinations refer to examinations that include any form of penetration through a hole in the body or surgical operation.

**Malignant** – Malignant tumors tend to worsen and become mortal. They are termed cancer, and thus differ from benign tumors.

**Metastasis** – A metastasis is a tumor that has spread to other organs.

**Microarray** – A microarray is a molecular biology test format for simultaneously measuring the relative concentrations of proteins.

**Molecular Diagnosis** – A collection of technologies used to analyze biological markers at the genomic and protein levels (i.e., the genetic code of individuals and how their cells express their genes as proteins in the body), using molecular biology for medical testing. These technologies are used to diagnose and monitor disease, detect the risk of disease and to determine which treatment is likely to work best for the individual.

**NSCLC** – Non-Small Cell Lung Cancer, the most common type of lung cancer, 80-85% of all lung cancer cases.

**Palliative care** – Palliative care is administered when the patient's disease is beyond the ability to cure. The purpose of palliative care is to provide support to patients and families using both psychological and medical practices.

**PanDIA-1** – Prospective trial for the diabetes risk group of patients aged over 50 recently diagnosed with type-2 diabetes.

**PanFAM-1** – Prospective trial for familiar and hereditary risk groups.

**Pancreatologist** – Doctor specializing in diseases relating to the pancreas.

**PanSYM-1** – Prospective trial for early symptom risk groups.

**Prospective trial** – A trial in which a group of individuals is studied and followed often for a long time to see how a particular disease develops. A prospective trial is used to study the relationship between different risk factors and a certain disease. You follow individuals with and without risk factors going forwards over time. At the end of the trial, the proportion of individuals in the two groups who developed disease is compared.

**Proteomics** – Proteomics is a branch of biology and includes surveys of large amounts of data about proteins.

**RA** – Rheumatoid arthritis, one of the most common autoimmune diseases.

**RA double negative** – Patients who have RA, but test negative for it using the current two single-marker standard tests, RF factor and anti-CCP.

**Reproducibility** – Within the field of statistics, reproducibility is described as the correlation between results from repeated measurements performed by different observers with different instruments of the same type, which measurements are performed in order to reject any measurement error due to materials and personnel.

**Retrospective study** – A study in which the focus is on something that has happened in the past, i.e. using historic data. This form of study starts with the answer, i.e. it is known which individuals became ill and which did not.

**Screening** – Screening refers to medical examinations to identify a disease. It is normally carried out before the patient has exhibited obvious symptoms.

**Self-pay customers** – Patients or organizations that pay without reimbursement from insurance companies or authorities.

**Sensitivity** – Sensitivity is a statistical measure of the reliability of a binary diagnostic test and the probability that a generated positive result is correct.

**Serum** – A serum is a transparent yellowish liquid obtained by allowing the blood to clot, and then removing the blood cells and the coagulation proteins. Serum contains proteins, including antibodies.

**SLE (Systemic Lupus Erythematosus)** – SLE is an autoimmune inflammatory disease which means that the immune system attacks the body. The symptoms come and go in cycles, sometimes the patient is sick and sometimes has no sickness at all. Usually it is the joints, skin, blood and kidneys which become inflamed, but also the nervous system, lungs and heart can be affected. The disease is currently difficult to diagnose and is often confused with other autoimmune diseases.

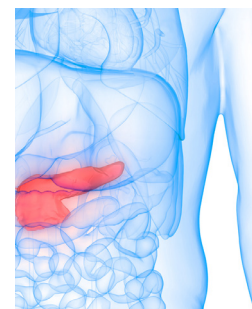
**Specificity** – Specificity is a statistical measure of the reliability of a binary diagnostic test and the probability that the generated negative result is de facto negative.

**Vinnova** – Vinnova is a Swedish government agency under the Ministry of Industry which aims to promote sustainable growth by improving conditions for innovation and by funding needs-driven research.

## Immunovia in brief

**Immunovia is a Swedish molecular diagnostic company with a strong financial position in a commercial phase. The company develops and commercializes diagnostic tools for complex forms of cancer and autoimmune diseases.**

Immunovia AB was founded in 2007 by researchers from the Department of Immunotechnology at Lund University and CREATE Health, the Center for Translational Cancer Research in Lund, Sweden. The purpose was to establish a base from which to make scientific discoveries and gain patents within the fields of human antibodies, biomarkers and antibody arrays, covering the stages from research to clinical application. Immunovia's core technology platform, IMMray™, is based on microarray analysis of biomarker antibodies. IMMray™ PanCan-d is the company's primary diagnostic tool, capable of diagnosing with a high level of sensitivity and specificity. This enables diagnosis of patients with pancreatic cancer before symptoms are noted (stages I and II), which is not currently possible with existing methods. Immunovia is now performing clinical validation studies to prepare for the commercialization of IMMray™ PanCan-d, which could become the first blood-based test for early diagnosis of pancreatic cancer. The antibody-based technology platform, IMMray™, is the result of 15 years of research at CREATE Health, Lund University. It is used to decode mechanisms behind the body's immune system, the first system in the body that reacts to disease. The platform can also be used for the development of diagnostic tests for autoimmune diseases.



**IMMray™ PanCan-d, could become the first blood-based test for early diagnosis of pancreatic cancer.**

### Pancreatic cancer

Each year about 338,000 patients fall ill with pancreatic cancer. This form of cancer has one of the worst survival forecasts and only about 5% of diagnosed patients live more than five years, making it one of the deadliest cancers in the world. It is estimated that early detection would increase the five-year survival rate by around 50%. The initial addressable market for Immunovia consists of two high-risk pancreatic cancer groups. The total market in the US and Europe for diagnosis of these groups is estimated to be worth over 4,4 billion USD annually.

### Goal

Immunovia's goal is to provide diagnostic tests that will enable earlier, more efficient and more accurate diagnosis of patients who run the risk of developing cancer or autoimmune disease. The aim is to make Immunovia's tests the first choice of specialist doctors and general practitioners across the world in the screening of especially high-risk groups or when there is a suspicion of the aforementioned diseases.

**Early detection would increase the five-year survival rate by around 50%**

### Strategy

Immunovia's strategy is as the first company, to decipher the wealth of information in blood and translate it into clinically useful tools to diagnose complex diseases earlier and more accurately than previously possible. The focus is on unsolved problems in early diagnosis, monitoring of the course of a disease and the patient's response to treatment. These are areas where there are extensive clinical benefits for patients and the healthcare system, current solutions are lacking or insufficient, and where IMMray™ has significant competitive advantages.

Initially, the key focus for Immunovia is to bring IMMray™ PanCan-d to the market. Because early detection of pancreatic cancer constitutes a major clinical problem, Immunovia considers there to be good prospects for being the first to establish a strong position on the market.

Organization. no. 556730-4299

Immunovia has its head office in Lund, Sweden. Immunovia's shares (IMMNOV) are listed on Nasdaq Stockholm's main list (Mid Cap). For more information, please go to: [www.immunovia.com](http://www.immunovia.com)



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