

Q3

INTERIM REPORT JANUARY 1ST 2022 – MARCH 31ST 2022

The "Company" or "SelectImmune Pharma" refers to SelectImmune Pharma AB,
corp. reg. no. 559104-6874

SelectImmune
PHARMA

SELECTIMMUNE PHARMA IN SHORT

- SelectImmune Pharma is an innovative biotech company, developing novel immunotherapies.
- Excessive innate immune responses to infection cause symptoms and pathology in acute pyelonephritis and acute cystitis. Immunomodulation is therefore a realistic option for treating these conditions as alternatives or complements to antibiotics.
- Several of the company's drug candidates have shown protective effects against bacterial infection in animal models, including acute cystitis, severe kidney infection and urosepsis.
- One drug candidate, Interleukin-1 receptor antagonist (IL1-RA) has successfully been used in the clinic to treat bladder pain syndrome and is currently being investigated in controlled Phase II trials.
- Furthermore, IL1-RA treatment will be investigated in a Phase II trial in patients with recurrent cystitis.
- SelectImmune Pharma is research-based and the company has an agreement with Lund University.
- The discoveries are protected by four patent families. Patents have been approved in the US, Europe and Australia. Group I includes known immunomodulatory substances and pain inhibitors. Group II includes molecules from "good" bacteria that rebalance the immune system and Group III small RNA inhibitors that target excessive inflammation and reduce the risk of sepsis or kidney damage.
- The drug candidates address important medical needs in large patient groups. The markets for the treatment of infections are very large, nationally and internationally.
- Antibiotic resistance is a global, rapidly growing health issue. The World Health Organization (WHO) has declared antibiotic resistance a major threat to global health.

SIGNIFICANT PROGRESS IN Q3

SelectImmune Pharma has made significant progress during the third quarter of the 2021–2022 fiscal year. The company is focusing on driving key clinical trials through Phase II, to define the cystitis disease process in patients with recurrent disease and the potential of the Interleukin-1 receptor antagonist (IL-1RA) for immunotherapy in this patient group. We have further focused on setting the frame work for a placebo-controlled study of bladder pain; a patient group where IL-1RA treatment has shown promising results. After the end of the period, the Swedish regulatory authorities have approved an application to conduct a placebo-controlled study of IL-1RA in this patient group. This study will be essential to understand the clinical benefits and market potential of this treatment approach.

The IL-1RA substance anakinra has been developed by SOBI (Swedish Orphan Biovitrum) and is registered under the name of Kineret. It is widely used for hyperinflammatory disorders such as rheumatoid arthritis, and more recently for the treatment of COVID pneumonia. SelectImmune Pharma has an ongoing dialogue with SOBI for the development of the new IL-1RA indications cystitis and bladder pain that have been patented by SelectImmune. SOBI also produces placebo material that is essential to conduct controlled clinical trials. The agreement between SelectImmune and SOBI as of March 29 makes this possible.

The immunomodulators in SelectImmune Pharma's portfolio also affect pain. Extensive studies into the molecular basis of pain have shown that bacteria directly activate the pain response in nerve cells. The molecular basis of pain and the effects of our different drug candidates is a current focus. The direct links between infection and pain is an essential aspect for characterizing our drug candidates and identifying relevant molecular targets.

Following extensive research at Lund University into new treatment options for acute pyelonephritis, efficient new approaches have now been identified and the therapeutic effects confirmed in animal models, strengthening the commitment to develop these substances for future clinical use.

We look forward to continuing clinical trials and developing our potent new drug candidates to treat bacterial infections and their sequelae. We thank our previous CEO Ann Gidner for her efforts and wish her success in her new position. We also thank our colleagues, consultants and partners for their contributions and our shareholders for their confidence and continued support.

Catharina Svanborg

Chairman

Gabriela Godaly

CEO (acting)

SIGNIFICANT EVENTS

2022-02-01

SelectImmune Pharma files important patent application for acute pyelonephritis

SelectImmune Pharma AB has filed for patent protection over a range of new agents that show surprising levels of activity in the treatment of acute pyelonephritis. This new patent application adds to SelectImmune Pharma's expanding range of intellectual property rights in the pharmaceutical sector, specifically for treating bacterial infections.

Acute pyelonephritis (kidney infection) is the most severe form of urinary tract infection, caused by bacteria that directly infect the kidneys. In about 30% of adults with acute pyelonephritis, bacteria invade the blood stream, causing urosepsis and without appropriate treatment, mortality is high. Acute pyelonephritis is also common in childhood, and may cause long-term problems by damaging renal tissue.

2022-02-03

Successful technology transfer for production of drug candidate NlpD

The protein drug candidate NlpD, which is being developed by SelectImmune Pharma, needs adequate, large-scale production technology for continued development towards clinical trials. To achieve this goal, SelectImmune Pharma collaborates with the leading international manufacturer Lonza. The production technology has now successfully been transferred as a first step towards larger scale production.

The collaboration agreement has allowed the successful transfer of our laboratory scale vector design and expression technology to Lonza and the production method has been reproduced in their facilities. The collaboration with an established producer is essential for developing the drug candidate further towards clinical trials. The produced quantity will be tested for biological activity and structural characteristics.

2022-02-16

SelectImmune Pharma's CMO and Board member Gabriela Godaly promoted to Professor at Lund University

Dr. Godaly received her PhD in 2000 and has since developed a successful, well-funded research group, focusing on the area of tuberculosis and the development of new alternatives to antibiotics for treating these infections. The group studies the immune response, effects of vaccines and new treatment approaches. Dr. Godaly's group has successfully developed a peptide-based therapy, characterized its effects in cellular models and performed effect studies in animal models, in collaboration with leading international experts. Dr. Godaly has also played an important role for the development of teaching programs for medical students and as member of different networks and policy committees in the medical faculty.

Gabriela Godaly is a clinical trials expert, from work at Gambro AB as well as Lund University. This expertise is extremely valuable for SelectImmune Pharma's clinical trial program and Dr. Godaly was appointed Chief Medical Officer of SelectImmune Pharma in 2020. Dr. Gabriela Godaly has served on the Board of Directors of SelectImmune Pharma since 2019.

2022-03-27

SelectImmune Pharma AB (publ): SelectImmune Pharma's CEO recruited to new position

SelectImmune Pharma's CEO Ann Gidner will leave SelectImmune Pharma, having accepted an offer from a non-competing life science company. Ann Gidner will remain in the CEO role during the notice period of one month. The board has initiated the recruitment of a new CEO for the company.

2022-03-29

SelectImmune Pharma AB to conduct clinical trials in cystitis and bladder pain syndrome

On March 29th it was reported that SelectImmune Pharma was signing an agreement with Swedish Orphan Biovitrum (Sobi®) to buy Kineret® (anakinra) and placebo to investigate anakinra as a potential treatment of patients with cystitis and bladder pain syndrome.

Kineret (anakinra) is a trademark of Sobi, who markets the drug for various inflammatory conditions. SelectImmune Pharma's patents cover the use of anakinra for the treatment of cystitis and bladder pain syndrome. The agreement defines that SelectImmune Pharma will conduct clinical trials in these areas with Sobi as a provider of drug and placebo. The parties have the intention to discuss a potential commercialization agreement for the indications protected by SelectImmune Pharma's patent rights.

Significant events after the period

2022-04-21

SelectImmune Pharma releases new film about immunotherapy

Today we are proud to present a new film entitled "*Immunotherapy – a complement to antibiotics*". The film tells the story about SelectImmune Pharma's drug development program and the scientific discoveries that have defined new and exciting tools for treating infections.

2022-04-25

SelectImmune Pharma receives approval to conduct a placebo-controlled clinical study of Bladder Pain

SelectImmune Pharma is pleased to announce that the Swedish Medical Products Agency (Läkemedelsverket) has approved the application to conduct a placebo-controlled clinical study using IL1-RA for the treatment of Bladder Pain Syndrome.

Bladder pain syndrome is a highly painful chronic condition that severely impairs the quality of life of affected patients. Numerous therapeutic approaches have been tested, but currently, no specific therapies are available. Regular painkillers, or even morphine fails to provide adequate symptom relief and even after surgical removal of damaged parts of the bladder, the pain often returns.

We have recently reported positive treatment effects in this patient group, using the IL1- α and β receptor antagonist (IL1-RA) anakinra, reducing patient symptoms and increasing quality of life. The study also reported positive long-term effects in patients with bladder pain, who continued treatment.

SelectImmune Pharma is now proceeding with a randomized, placebo-controlled study of IL1-RA in patients with bladder pain syndrome. The company has received clinical trial authorization from the Swedish Medical Products Agency (Läkemedelsverket). The study is planned to involve several clinical sites.

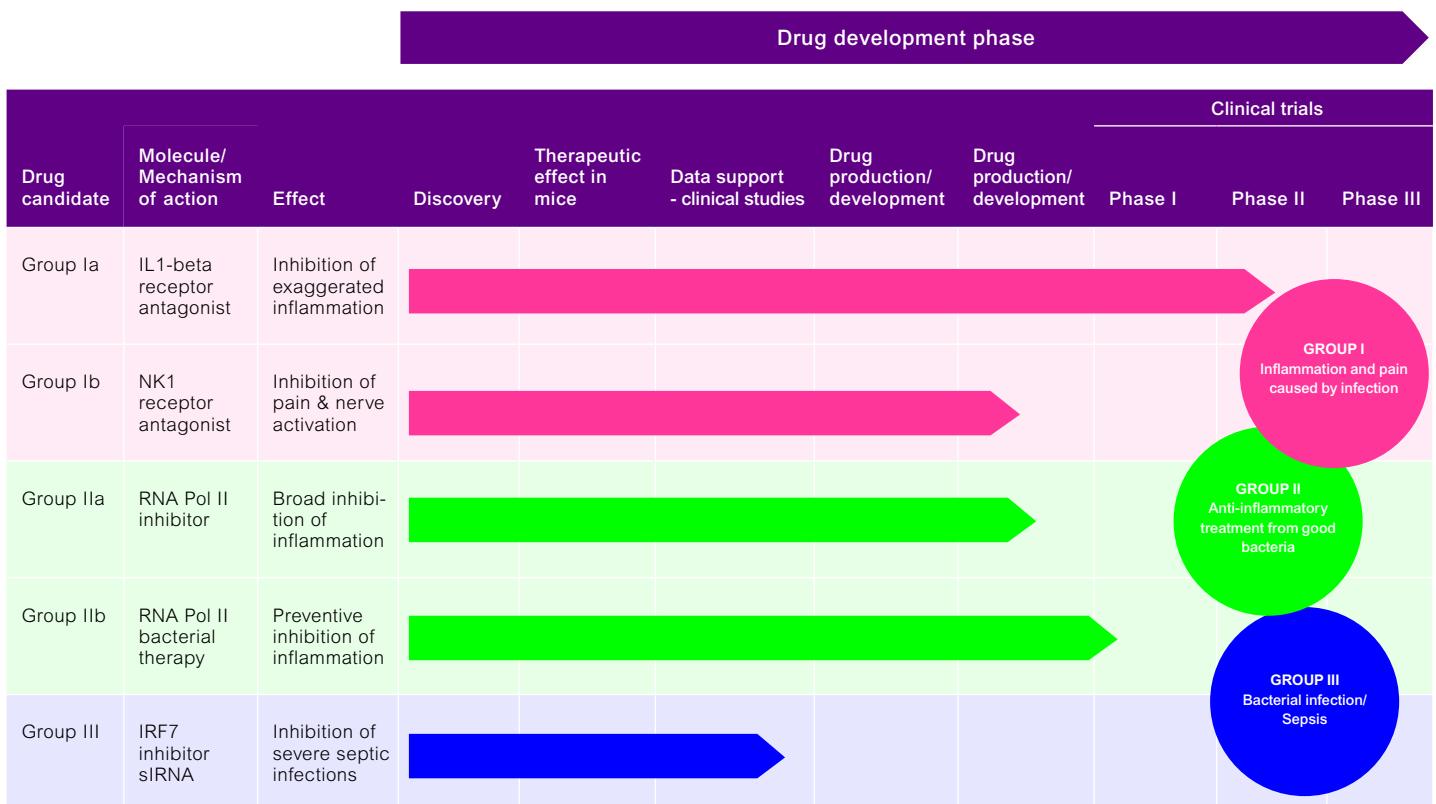
2022-04-26

SelectImmune Pharma appoints acting CEO

Professor Godaly is familiar with all aspects of the company and has been actively involved in its development for several years. She was appointed Chief Medical Officer of SelectImmune Pharma in 2020 and has served on the Board of Directors since 2019.

Gabriela Godaly is a clinical trials expert and her contributions are extremely valuable for the rapidly evolving clinical trials program of SelectImmune Pharma.

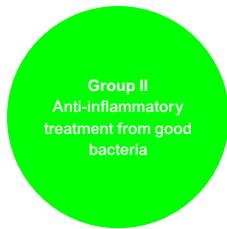
Project portfolio overview



Group I

Group I
Inflammation and pain caused by infection

- Based on the initial successful off-label study of IL1-RA treatment of patients with bladder pain syndrome, we are proceeding towards a placebo-controlled clinical trial and partners in Sweden and abroad have been identified.
- The IL1-RA Phase II clinical trial in recurrent, acute cystitis is being performed in Giessen, Germany, and the patient enrolment continues as foreseen.
- SelectImmune Pharma has been seeking patent protection for modulators of the IL-1 pathway for treatment of chronic inflammatory conditions in the lower urinary tract and /chronic pelvic/ bladder pain syndrome. The company has recently extended the geographical scope by filing for patent protection in Europe, the US, Australia, China and Japan.
- While the IL1-RA compound is effective against pain, the company is also pursuing the pain inhibitor NK1-RA, neurokinin receptor antagonist, which is efficient in animal models.
- Dialogues for potential project partnering are pursued internationally.



Grupp II

- The polymerase inhibitor NIpD is a potent drug candidate. The protective properties of this molecule have been confirmed and extended in cellular assays and animal models.
- Technology transfer and small-scale production of the NIpD protein have been successfully completed at the pharmaceutical manufacturing partner Lonza corporation at its UK site. SelectImmune Pharma is testing small-scale quantities for further development work.
- SelectImmune Pharma has filed patent applications for further indications of this interesting protein active.



Grupp III

- Continued studies in animal models are performed for the IRF7 inhibitor to support and develop the obtained results. Additional molecules are being explored for this indication.
- SelectImmune Pharma was recently granted patent protection in Australia for IRF-7 Inhibitors for treatment of antibiotic resistant *Enterobacteriaceae*. This adds to patents already granted in Europe and the US for this invention

Patent portfolio overview

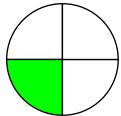
An updated overview of the SelectImmune Pharma patent portfolio is shown below.

It includes the recent patent application for the treatment of acute pyelonephritis, where efficient new approaches have been identified and the therapeutic effects confirmed in animal models as a basis for the patent application. Patent protection has also been granted in Australia for IRF-7 Inhibitors for treatment of *Enterobacteriaceae* infections. This patent was previously granted in Europe and the US. In addition, SelectImmune has been seeking protection for modulators of the IL-1 pathway for treatment of chronic inflammatory conditions in the lower urinary tract and chronic pelvic pain syndrome and has recently extended the geographical scope for this invention by filing for patent protection in Europe, the US, Australia, China and Japan.

Title	Filing Date	Country	Patent	Granting Date	Comments
IL-1 receptor antagonists	January 2016	Australia	2016205864	May 2021	IL-1 receptor antagonists for the treatment of cystitis.
		Europe	3242680	Oct 2021	
		USA	11,013,786	May 2021	
Bladder pain	June 2019	Australia	2020288361		IL-1 receptor antagonists for the treatment of bladder pain.
		China	202080049659.X		
		Europe	20734114.0	All Pending	
		Japan	2021-572575		
MMP7 inhibitors	January 2016	USA	17/617,204		MMP-7 inhibitors for the treatment of cystitis.
		Europe	3586840	Aug 2021	
		Australia	2021202603	Pending	
ASC/NLRP-3	January 2016	Europe	19186921.3	Pending	ASC or NLRP-3 proteins for use in treatment of cystitis
		USA	17/313,463	Pending	
NK1 receptor antagonists	June 2017	Europe	17740488.6	Pending	NK1 receptor antagonists or natural substrate (Substance P) for treating bacterial infection and/or pain from bacterial infection.
		Hong Kong	19132137.1	Pending	
		USA	16/316,324	Pending	
Pol II inhibitors	October 2017	Australia	2017344453	Pending	Inhibitors of polymerase II, which can be used for immunosuppression, anti-inflammation, and/or anti-infection.
		Europe	3525807	Dec 2021	
		Hong Kong	19132176.9	Pending	
		India	20194718316	Pending	
		Singapore	11201903336U	Pending	
		USA	17/032,308	Pending	
IRF7 inhibitors	March 2016	Australia	2016241555	Dec 2021	IRF-7 inhibitors for the treatment of <i>Enterobacteriaceae</i> infections.
		Europe	16715897.1	Sep 2020	
		USA	10,287,585	May 2019	

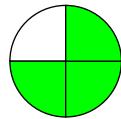
THE PERIOD IN SUMMARY

Amounts in parentheses indicate the corresponding value in the preceding year.



THIRD QUARTER 2022-01-01–2022-03-31

- Net sales for the quarter totaled kSEK 0 (0)
- Loss before tax amounted to kSEK -3 488 (-2 361)
- Loss after tax amounted to kSEK -3 488 (-2 361)
- Loss per share* was SEK -0,1998 (-0,1353)



NINE MONTHS 2021-07-01–2022-03-31

- Net sales totaled to kSEK 0 (0)
- Loss before tax amounted to kSEK -11 118 (-7 579)
- Loss after tax amounted to kSEK -11 118 (-7 579)
- Loss per share* was SEK -0,6368 (-0,4341)
- On March 31, 2022, the equity/assets ratio** was 88 (95)%

* Profit/loss after tax for the period divided by 17,459,225 (17,459,225) shares, where 17,459,225 is the number of shares outstanding on March 31, 2022.

The comparative figure in parentheses was the number of shares on March 31, 2021.

** Equity divided by total capital.

SelectImmune

PHARMA

SelectImmune Pharma AB

SelectImmune Pharma AB is a company that performs drug development. The company's development aims to offer effective alternatives to antibiotics. Instead of killing the bacteria directly, the body's immune system is strengthened and balanced. The company is developing new drug candidates for the treatment of bacterial infections.

Revenue and earnings

As SelectImmune Pharma is a development company in life science, future income will primarily consist of various forms of royalty income such as advance payments, milestone-based payments and ongoing royalties. The longer the company runs its projects under its own auspices, the better bargaining power the company will have in business negotiations with potential future partners. The company has assessed that continued development under its own auspices will increase value and has therefore chosen not to enter into any cooperation agreements yet.

This means that the company had net sales of kSEK 0 (0) during the first nine months. Profit after tax for the corresponding period amounted to kSEK -11,118 (-7,579). The costs have mainly been related to continued development in collaboration with the research group at Lund University. Net sales during the third quarter amounted to kSEK 0 (0), and the profit after tax amounted to kSEK -3,488 (-2,361).

Financial position

At the end of the quarter, the equity/assets ratio was 88 (95) %, and the company's cash and cash equivalents were kSEK 15,334 (30,710). The equity at the same time amounted to kSEK 14,749 (30,931).

Cash flow and investments

During the period July 1 2021 to March 31 2022, cash flow amounted to kSEK -11,234 (7,741).

No intangible assets were capitalized during the period, since the company is in an R&D stage. R&D costs are therefore recognized as operating expenses in the income statement. No new investments in tangible assets were capitalized during the quarter.

Depreciation

During the first nine months, depreciation of equipment amounted to kSEK 299 (299), while the quarter represented kSEK 100 (99).

Employees

The company had the corresponding of 2 (2) full-time employees during the period.

The share

The number of registered shares as of March 31, 2022 amounted 17,459,225 (17,459,225), of which 2,000,000 (2,000,000) Series A shares and 15,459,225 (15,459,225) Series B shares. Each Series A share entitles to ten votes and Series B shares to one vote.

SelectImmune Pharma's Series B shares have been admitted to trading on Spotlight Stock Market since June 26, 2019. Spotlight Stock Market is the secondary name of ATS Finans AB, a securities

company under supervision by the Swedish Financial Supervisory Authority (Finansinspektionen).

Transactions with related parties

During the first nine months, there were costs to Linnane Pharma AB of kSEK 1,125 (0) for the technology platform, kSEK 360 (360) for license costs for patents and kSEK 0 (374) for consulting fees. The corresponding amounts for the quarter are kSEK 375 (0) for the technology platform, kSEK 120 (120) for license costs and kSEK 0 (41) for consulting fees.

Linnane Pharma AB is the parent company of SelectImmune Pharma AB. Linnane Pharma is owned by Professor Catharina Svanborg. Furthermore, salaries and remuneration to the Board and management were paid during the period. Transactions with related parties are on market terms.

In addition to the collaboration with Lund University, SelectImmune Pharma needs access to current and innovative cutting-edge expertise. Linnane Pharma offers a collaboration to solve these needs. A technology platform provides access to a unique combination of cutting-edge expertise, large-scale analysis methods such as proteomics, RNA and DNA sequencing, methods for analysis of clinical materials and animal models for the design of clinical studies for drug development, etc.

The technology agreement between SelectImmune Pharma and Linnane Pharma ensures the company's access to advanced science and technology. The agreement runs for two years and the technology platform is available to SelectImmune Pharma on a subscription basis. This is an effective way to gain access to cutting-edge expertise and new technology at low cost. The agreement does not contain any further financial commitments to Linnane Pharma.

Significant risks and uncertainties

The Board's assessment of significant risks and uncertainties is unchanged compared with the most recent financial year and is described in the most recently published annual report (2021-06-30).

Basis of preparation for the interim report

The company prepares its accounts in accordance with the Swedish Annual Accounts Act and the K3 framework (BFNAR 2012:1) of the Swedish Accounting Standards Board (Bokföringsnämnden).

The company's accounting principles are unchanged compared with the most recent financial year and are described in the most recent published annual report (2021-06-30).

Review

This interim report has not been audited.

Financial calendar

Year-end report for 2021/2022	August 30, 2022
Annual Report for 2021/2022	November 2, 2022
Interim report for Q1, 2022/2023	November 16, 2022
Annual General Meeting for 2021/2022	November 23, 2022

INCOME STATEMENT

SEK	2022-01-01 2022-03-31	2021-01-01 2021-03-31	2021-07-01 2022-03-31	2020-07-01 2021-03-31	2020-07-01 2021-06-30
Net sales	0	0	0	0	0
Other operating income	7 472	7 768	7 472	7 991	7 768
Operating income	7 472	7 768	7 472	7 991	7 768
Other external costs	-2 592 020	-1 445 888	-8 607 459	-5 256 121	-9 203 688
Employee benefit expenses	-790 612	-819 583	-2 189 104	-2 027 656	-3 043 741
Depreciation of tangible assets	-99 834	-99 297	-298 965	-298 963	-399 333
Other operating expenses	-12 880	-4 459	-29 562	-4 459	-4 192
Operating loss	-3 487 874	-2 361 459	-11 117 618	-7 579 208	-12 643 187
Financial items	0	0	0	0	-309
Loss before tax	-3 487 874	-2 361 459	-11 117 618	-7 579 208	-12 643 496
Tax on loss for the period	0	0	0	0	0
Loss after tax	-3 487 874	-2 361 459	-11 117 618	-7 579 208	-12 643 496

BALANCE SHEET

SEK	2022-03-31	2021-03-31	2021-06-30
ASSETS			
Fixed assets			
Tangible assets	1 221 994	1 621 329	1 520 959
Total fixed assets	1 221 994	1 621 329	1 520 959
Current assets			
Other receivables	102 088	75 535	629 839
Prepaid expenses	115 288	277 592	165 958
Cash and bank balances/financial investments	15 334 455	30 710 460	26 568 831
Total current assets	15 551 831	31 063 587	27 364 627
Total assets	16 773 825	32 684 916	28 885 586
EQUITY & LIABILITIES			
Restricted equity			
Share capital	872 961	872 961	872 961
Total restricted equity	872 961	872 961	872 961
Non-restricted equity			
Share premium reserve	49 348 206	49 348 206	49 348 206
Retained earnings	-24 354 717	-11 711 221	-11 711 221
Loss for the period	-11 117 618	-7 579 208	-12 643 496
Total non-restricted equity	13 875 871	30 057 777	24 993 489
Total equity	14 748 832	30 930 738	25 866 450
Current liabilities			
Accounts payable	126 567	103 851	812 644
Tax liabilities	21 273	0	21 273
Other liabilities	127 680	136 005	150 321
Accrued expenses	1 749 473	1 514 322	2 034 898
Total current liabilities	2 024 993	1 754 178	3 019 136
Total Equity & Liabilities	16 773 825	32 684 916	28 885 586

CASH FLOW STATEMENT

SEK	2021-07-01 2022-03-31	2020-07-01 2021-03-31	2020-07-01 2021-06-30
Operating activities			
Loss after financial items	-11 117 618	-7 579 208	-12 643 496
Adjusted for non-cash items, etc.	298 965	298 963	399 333
Cash flow from operating activities before changes in working capital	-10 818 653	-7 280 245	-12 244 163
Cash flow from changes in working capital			
Change in current receivables	578 421	-158 891	-601 561
Change in current liabilities	-994 143	1 041 832	2 306 790
Cash flow from operating activities	-11 234 375	-6 397 304	-10 538 933
Financing activities			
New share and subscription warrant issues	0	14 340 520	14 340 520
Issuance costs	0	-202 136	-202 136
Cash flow from financing activities	0	14 138 384	14 138 384
Cash flow for the period	-11 234 375	7 741 080	3 599 451
Cash and cash equivalents at the beginning of the period	26 568 831	22 969 380	22 969 380
Cash and cash equivalents at the end of the period	15 334 455	30 710 460	26 568 831

EQUITY

SEK	Share capital	Share premium reserve	Retained earnings	Loss for the period	Total
Opening balance July 1, 2021	872 961	49 348 206	-11 711 221	-12 643 496	25 866 450
Transfer of prior year's loss			-12 643 496	12 643 496	0
Loss for the period, Q1				-3 131 871	-3 131 871
Loss for the period, Q2				-4 497 872	-4 497 872
Loss for the period, Q3				-3 487 874	-3 487 874
Equity March 31, 2022	872 961	49 348 206	-24 354 717	-11 117 618	14 748 833

KEY FIGURES AND DATA PER SHARE

	2022-01-01 2022-03-31	2021-01-01 2021-03-31	2021-07-01 2022-03-31	2020-07-01 2021-03-31	2020-07-01 2021-06-30
Net sales, kSEK	0	0	0	0	0
Earnings after financial items, kSEK	-3 488	-2 361	-11 118	-7 579	-12 643
Equity/assets ratio, %	88%	95%	88%	95%	90%
Number of shares	17 459 225	17 459 225	17 459 225	17 459 225	17 459 225
Of which Series A	2 000 000	2 000 000	2 000 000	2 000 000	2 000 000
Of which Series B	15 459 225	15 459 225	15 459 225	15 459 225	15 459 225
Loss per share, SEK	-0,1998	-0,1353	-0,6368	-0,4341	-0,7242
Cash and cash equivalents, kSEK	15 334	30 710	15 334	30 710	26 569
Equity, kSEK	14 749	30 931	14 749	30 931	25 866

Malmö, May 24th 2022

Catharina Svanborg
Chairperson of the Board

Gabriela Godaly
CEO (acting)
Board member

Helena Lomberg
Board member

Carl-Johan Wachtmeister
Board member



SelectImmune

PHARMA

SelectImmune Pharma AB
Klinikgatan 32
222 42 Lund, Sweden

For further information:

Catharina Svanborg, Chairman
Tel: +46 709 42 65 49
E-mail: catharina.svanborg@med.lu.se

Gabriela Godaly, CEO (acting)
Tel: +46 73 338 13 14
E-mail: gabriela.godaly@selectimmune.com