



PRESS RELEASE

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ZICCUM AB First Quarter Report, Q1 2020

Summary of Interim First Quarter Report 2020: Further industrial and NGO collaborations.

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Ziccum announced a further, third collaboration with an industrial partner that is developing a new, more effective method of producing measles and rubella vaccines. The goal is to both significantly reduce the cost, and increase the availability, of these childhood vaccines. We have also signed a confidentiality agreement with an important non-governmental organization (NGO) for further and more detailed discussions about how technology can help the most vulnerable.

January-March 2020

Net sales SEK 0 thousand (0)

Operating profit SEK -3 980 thousand (-1 689)

Earnings per share before and after dilution SEK -0.55 SEK (-0.28)

CEO Statement

Vaccination is, and has always been, one of the best ways to prevent pandemics and epidemics. The need for vaccination has never been greater than it is today. New global travelling habits, population growth, climate change, rapid urbanization—they all increase the potential risk of epidemics and pandemics. And children are the most vulnerable: one in five children still do not receive adequate vaccine protection. Approx. 1.5 million children die every year from vaccine-preventable diseases.

Our most recently announced collaboration (March 26) is with an industrial partner who is developing a new production process for measles and rubella vaccine. The number of measles cases more than doubled in 2018, with children under five having the highest mortality. According to UNICEF, measles vaccination has to increase significantly. In order to prevent more measles outbreaks, the WHO recommends a vaccination rate of 95% for all newborn babies, especially the two doses needed for full protection. The current vaccination rate is 85% for the first dose, but only 67% for the second.

UNICEF points out that globally 450 million doses of measles vaccines are needed, yet presently only 270 million doses a year are produced. This is explained by a lack of production capacity, and the destruction and waste of vaccines during transport and handling. At present, vaccines require extensive, costly and extensive refrigerated

transport to reach the poor, usually hot and often extremely inaccessible places where they are needed most.

UNICEF estimated the total measles vaccine market to be worth 450 million USD in 2018.

Ziccum has a globally unique, patented technology - LaminarPace™ - that allows us to produce vaccines in *dry powder form*, which is not practically possible or economically feasible using conventional vaccine formulation technologies. The benefits of dry powder vaccines are many. Dry powder formulation increases the stability and shelflife of the vaccine, so facilitating the entire supply chain from factory to field patient and enabling vaccines to reach new sites where, for example, refrigeration and freezer storage is a major challenge. The overall result is more people vaccinated, at a lower cost.

Despite Covid-19, our own work in the lab continues, as we develop new formulations and carry out stability analyses that can form the basis for new patent applications and partnerships. The further development of our production system, focusing on preparing for future production of vaccines on a commercial scale, is also proceeding according to plan, without being impacted by Covid-19. We continue to develop our commercial work by collaborating with a range of policy groups that are working to improve vaccination coverage worldwide. We have, for example, signed a confidentiality agreement with a vaccine NGO in order to deepen discussions. European vaccine manufacturers now know us, and we are starting to make contact with American vaccine developers. The dialogue with our current partners, including our two previous evaluation agreements, also continues but we can state that the current coronavirus pandemic will lead to delays as these organizations are currently suffering from limited access to their labs.

In summary, we are well on our way to delivering this year's goals on target, whilst positioning Ziccum well for an exciting future in an industry that will have a strong focus for a long time to come - we have entered into three evaluation agreements with industrial players to develop stable, dry powder vaccine formulations, we have a world-leading academic partner who will continue to strengthen our technology and patent portfolio, and we have processes and projects in place to develop a commercial version of our product. We now look forward to maintaining a continued high rate of development for our competitive technology, enabling us to generate new, significant patents and create exceptional value for our shareholders.

Lund, April 17, 2020

Göran Conradson

CEO, Ziccum AB

READ THE WHOLE REPORT, IN SWEDISH, [HERE](#)

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About Ziccum

Ziccum AB (publ) develops new patented formulations of biological drugs where sensitivity to temperature differences, especially during transportation, currently limits medical and so commercial potential. The company's patented technology, LaminarPace, develops dry powder formulations of drugs and vaccines that currently only exist in liquid form. By doing so Ziccum can increase the availability of drugs and vaccines in existing markets—and open up new ones.

This press release has been submitted for publication by the company's CEO at 08.00 (CET) on April 17, 2020.