



## **PRESS RELEASE**

**Published:** 20-08-2020

### **ZICCUM AB interim report January 1-June 30, 2020**

#### **Summary of the interim report - second quarter 2020**

During the second quarter the company carried out a private placement of a total of 2,216,815 shares to a limited number of qualified private investors. The company received SEK 38.8 million before issue costs and approximately SEK 36.4 million after issue costs (of which approximately SEK 32.3 million was added during the second quarter and the remaining approximately SEK 6.5 million was added during July 2020). During the second quarter, the company received a loan from Almi Företagspartner Skåne AB amounting to SEK 2.0 million.

#### **April-June 2020**

Net sales 0 KSEK (0)

Operating profit 4 709 KSEK (-2 296)

Earnings per share before and after dilution -0.64 SEK (-0.38)

#### **January-June 2020**

Net sales 0 KSEK (0)

Operating profit -8 690 KSEK (-3 998)

Earnings per share before and after dilution -1.19 SEK (-0.67)

#### **Significant events during the second quarter 2020**

- On May 20, we announced that Ziccum is taking the next step in one of its industrial collaborations with continued development work to formulate temperature-stable vaccines after the first step was positive.
- We signed a confidentiality agreement with an important NGO (Non-Governmental Organization) for further and more detailed discussions about how technology can help the most vulnerable.
- We announced on June 24 that Ziccum, with authorization from the Annual General Meeting on June 16, carried out a directed new issue of a total of 2,216,815 shares to a limited number of qualified private investors. The company received SEK 38.8 million before issue costs and approximately SEK 36.4 million after issue costs (of which approximately SEK 32.3 million was added during the second quarter and the remaining approximately SEK 6.5 million was added during July 2020).

- In light of the COVID-19 outbreak Ziccum has been closely monitoring developments and taking measures to minimize or eliminate the impact on the company's operations. Ziccum follows guidelines from the Swedish Public Health Agency, WHO and ECDC (European Center for Disease Prevention and Control). Ziccum has been able to continue its internal operations without significant impact from COVID-19. However, there is a risk of delays in the Company's external cooperation projects with players in other European countries.

### Significant events during the reporting period (Jan-Jun) 2020

- Issue payment regarding warrants amounted to approximately SEK 13.9 million that was added to the company during the month of January 2020. The issue was registered by the Swedish Companies Registration Office on 14 January 2020.
- On March 26, 2020, we announced that Ziccum signed a letter of intent to investigate the integration of Ziccum's technology into an innovative vaccine manufacturing process with a company that has a new innovative vaccine production technology. The agreement includes an evaluation of the integration of Ziccum's formulation technology for measles and rubella vaccines. The goal is to significantly reduce the costs of childhood vaccines and to increase the availability of vaccines to all children in the world by manufacturing temperature-stable formulations.

### Significant events after the reporting period

- A directed new share issue was carried out during the second quarter amounting to approximately SEK 38.8 million, of which approximately SEK 32.3 million was added during the second quarter and the remaining approximately SEK 6.5 million was added during July 2020.
- On 10/7/2020, a new patent application was filed regarding thermostable formulations of VLP-based vaccines (VLP).

### Summary financial highlights

	2020	2019	2020	2019	2019
	Apr-jun	Apr-jun	Jan-jun	Jan-jun	Jan-dec
Net sales	-	-	-	-	-
Other income, KSEK	2	403	2	403	654
Operating profit, KSEK	-4 709	-2 296	-8 690	-3 998	-8 721
Profit after tax, KSEK	-4 709	-2 296	-8 690	-3 998	-8 723
Balance sheet total, KSEK	49 259	9 020	49 259	9 020	18 395
Cash flow during period, KSEK	28 668	-2 244	37 662	-3 579	-8 473
Cash flow per share (SEK)	3,88	-0,37	5,17	-0,60	-1,41
Cash and cash equivalents, KSEK	39 726	6 957	39 726	6 957	2 064
Result per share before and after dilution (SEK)	-0,64	0,38	-1,19	-0,67	-1,45

Equity per share (SEK)	6,08	1,33	6,08	1,33	2,86
Equity ratio, %	91%	89%	91%	89%	93%

---

## CEO Statement

Vaccination is and for centuries has been one of the best ways to prevent pandemics and epidemics. The need has never been greater than today. New travel trends, population growth, climate change and overcrowding all increase the potential risk of epidemics and pandemics. Children are the most vulnerable; one child in five still does not receive adequate vaccination protection. Approximately 1.5 million children die each year from diseases for which vaccines are already available.

Ziccum has a world-unique, patented technology - LaminarPace™ - which enables us to produce vaccines in dry powder form, not practically or economically possible using conventional techniques. The benefits are many: it increases the stability and so the lifespan of the vaccine, it facilitates the entire vaccine supply chain from factory to patient, and it enables the distribution of vaccines to new places where, for example, cold and freezer storage is a major challenge, meaning more vaccination for a lower cost.

Ziccum's work focuses on three main areas: Development of thermostable formulations of vaccines, preparations for production on a commercial scale and external collaborations with industrial actors developing vaccines as well as, crucially in this field, NGOs (non-governmental organizations).

Despite Covid-19, our internal work of developing thermostable formulations of vaccines continues. This has, among other things, resulted in another patent application for thermostable formulations of Virus Like Particles, so-called VLPs which are an important platform for the development of vaccines, and which are used, among other things, for the production of HPV vaccines. This follows the previous strategy that resulted in a patent application for Adenovirus. In collaboration with our academic partner, the Emerging Viral Diseases Unit of the University of Marseille, world leaders in virus and vaccine research, several interesting and important projects are now underway to evaluate our capacity to develop thermostable versions of the most life-saving vaccines available, thereby increasing the commercial potential of the technology. A strong IP portfolio is the basis for being able to enter into commercial collaborations and create value for our shareholders.

Another cornerstone for making our technology commercially attractive is preparing for production on a commercial scale. This includes further development of our production system and adaptation to the industry's high demands on quality and traceability. It also means that we work to ensure that our technology can deliver an end product that is adapted to the wishes and requirements of both industry and, not least, end users. Our ambition is to be one step ahead and able to offer a unique complete solution for how a dry-formulated vaccine can be produced, handled and administered. The capital we raised during the summer will largely be used for this business area, thus accelerating the commercialization of our technology.

Our external network of contacts is constantly expanding, and we are receiving increasing recognition from a number of players in the industry. We have previously announced three industrial collaboration agreements with the aim of evaluating our technology in their respective projects. The ongoing pandemic has caused delays, partly due to shutdowns in the countries where our partners operate. Despite this though, we stand by our goal of strengthening at least one of these collaborations during the year through a license agreement.

We also continue to develop our commercial work by collaborating with various companies and groups that work for a better uptake of vaccinations worldwide, in order to increase knowledge about the importance of our method. We are developing stronger and ever more valuable relationships in these organizations and we have high hopes of being able to formalize a collaboration with one of these actors in the coming year.

In summary, we are well on our way to delivering on our goals for the current year and to position Ziccum for a very exciting future in an industry that will have a very large focus for a long time to come. Finally, I would like to welcome all our new shareholders who joined us in connection with the new share issue that took place at the end of June, and to thank all of our shareholders for their confidence and trust.

Lund on 20 August 2020

**Göran Conradson, CEO**

READ THE WHOLE REPORT [HERE](#).

**For more information about Ziccum, please contact:**

Göran Conradson: CEO Ziccum AB

E-mail: [conradson@ziccum.com](mailto:conradson@ziccum.com)

Mobile: +46 709 61 55 99

### **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 20 August 2020.***