

Q1

Interim report January–March 2021

AlzeCure Pharma develops new drug therapies for the treatment of severe diseases and conditions that affect the central nervous system, such as Alzheimer's disease and pain, for which currently available treatment is very limited. AlzeCure® is focused on the development of projects through research and early clinical development after which the goal is to find partners for co-development or out-licensing.

AlzeCure® is a Swedish pharmaceutical company that develops new innovative drug therapies for the treatment of severe diseases and conditions that affect the central nervous system, such as Alzheimer's disease and pain – indications for which currently available treatment is very limited. The company is listed on Nasdaq First North Premier Growth Market and is developing several parallel drug candidates based on three research platforms: NeuroRestore®, Alzstatin® and Painless.

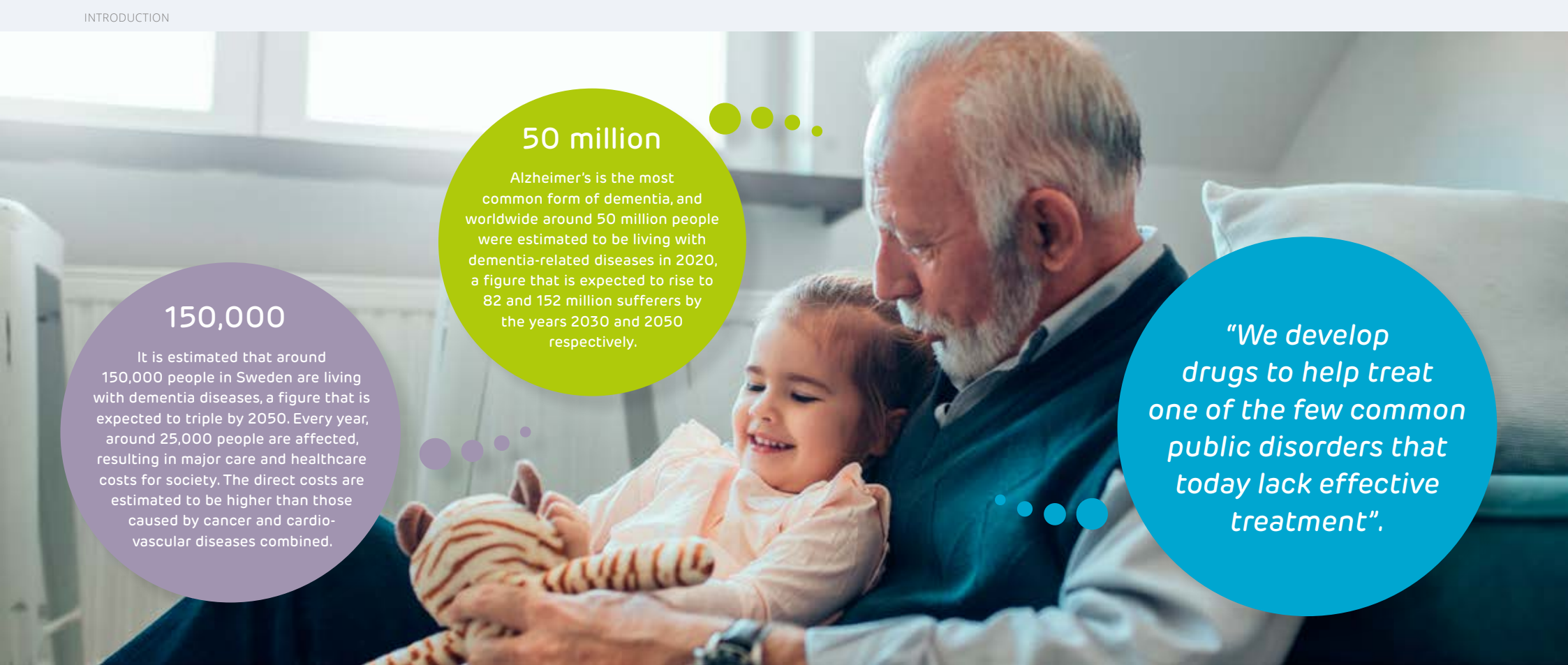
NeuroRestore consists of two symptomatic drug candidates where the unique mechanism of action allows multiple indications, including Alzheimer's disease, as well as cognitive disorders associated with traumatic brain injury, sleep apnea and Parkinson's disease. The Alzstatin platform focuses on developing disease-modifying

and preventive drug candidates for early treatment of Alzheimer's disease and comprises two candidates. Painless is the company's research platform in the field of pain and contains two projects: ACD440, which is a drug candidate in the clinical development phase for the treatment of neuropathic pain, and TrkA-NAM, which targets severe pain in conditions such as osteoarthritis. AlzeCure aims to pursue its own projects through preclinical research and development to an early clinical phase and is continually working on business development to find suitable outlicensing solutions with other pharmaceutical companies.

FNCA Sweden AB, +46(0)8-528 00 399 info@fnca.se, is the company's Certified Adviser.

For more information, please visit www.alzecurepharma.se.





150,000

It is estimated that around 150,000 people in Sweden are living with dementia diseases, a figure that is expected to triple by 2050. Every year, around 25,000 people are affected, resulting in major care and healthcare costs for society. The direct costs are estimated to be higher than those caused by cancer and cardiovascular diseases combined.

50 million

Alzheimer's is the most common form of dementia, and worldwide around 50 million people were estimated to be living with dementia-related diseases in 2020, a figure that is expected to rise to 82 and 152 million sufferers by the years 2030 and 2050 respectively.

“We develop drugs to help treat one of the few common public disorders that today lack effective treatment”.

Financial information

January–March 2021

Figures in parentheses refer to the corresponding period of the previous year.

- Net sales during the period totaled SEK 0 thousand (0).
- Earnings for the period totaled SEK -22,962 thousand (-13,784).
- Earnings per share, basic, totaled SEK -0.61 (-0.36).
- Total assets at the end of the period amounted to SEK 99,065 thousand (176,406).
- Cash and cash equivalents at the end of the period totaled SEK 94,163 thousand (172,230).

Significant events

- The company appointed Märta Segerdahl Storck, MD/PhD, to serve as Chief Medical Officer (CMO). Märta took up the position on April 1 and is responsible for our clinical development activities. She is also part of AlzeCure's management group.

Significant events after the end of the period

- On April 19 the company received, slightly ahead of plan, positive and significant efficacy data from the phase Ib clinical trial with the drug candidate ACD440 for neuropathic pain. It was also well tolerated as a local treatment.

A word from the CEO

AlzeCure continues to progress our portfolio according to our 2021 plan. During the first quarter we focused on advancing our ongoing clinical trials with ACD856 and ACD440 with the goal to announce data from them during the summer. In addition, we continued to focus on our preclinical pain project, TrkA-NAM, so that we will be able to choose a drug candidate for the project during the second half of 2021. We also strengthened our development organization by employing a Chief Medical Officer with expertise and experience from our core areas, Alzheimer's disease and pain. Thus AlzeCure has once again closed the books on yet another positive and very active quarter.

ACD856 is part of the innovative NeuroRestore platform with a primary focus on symptomatic treatment of Alzheimer's – in other words, improving the memory and cognitive problems that are so characteristic for the disease. There is currently a high unmet medical need for new symptomatic drugs for the treatment of Alzheimer's disease. Over the next 30 years, the number of patients with dementia is expected to triple to 150 million. In the ongoing clinical trial for ACD856 we are studying its safety and tolerability, where we expect to obtain the initial results during the summer of 2021. Our other drug candidate in the NeuroRestore platform, ACD857, is in the preclinical development phase. We plan to use this compound for an indication within the field of cognitive dysfunction, such as Alzheimer's disease.

Our innovative Alzstatin project platform, which includes ACD679, aims to develop preventive "disease-modifying" treatments for Alzheimer's by reducing production of harmful amyloid-beta (A β) and thereby preventing the accumulation of pathological amyloid in the brain. Dementia diseases are estimated to cost society SEK 10,000 billion worldwide every year – a cost that is expected to triple over the next 30 years, as life expectancy increases. This demonstrates the tremendous and growing need for effective new medications, as well as the potential for the new Alzstatin program, which has compounds in preclinical studies that have shown that they can reduce the quantity of harmful amyloid-beta by 50 percent.

ACD679 is in preclinical toxicological studies and research continues in the ACD680 follow-up project. This parallel development will

ensure that we can choose the best possible Alzstatin compound for future clinical trials. During the quarter additional data were published that strengthen the evidence for the amyloid hypothesis on which Alzstatin is based. Among other things, new data were presented with antibody treatment at the AD/PD 2021 conference in March, which increases the interest in projects like Alzstatin.

We also see continued promising progress in our pain platform Painless, which consists of two projects, ACD440 and TrkA-NAM. ACD440 is a VR1 antagonist for local topical use to treat neuropathic pain, and in December 2020 we initiated a phase 1b clinical trial, which will provide us with safety and tolerability data, as well as with early effect signal data. We expect to receive the results from this study during the summer of 2021. Global sales for medications with the indication of neuropathic pain are currently worth over SEK 70 billion each year. It is assessed that half of the estimated 25–30 million patients with neuropathic pain do not achieve adequate pain relief. This indicates the great unmet medical need, as well as the potential in this field and for our ACD440 project.

TrkA-NAM is a highly interesting pain project that focuses on discovering drugs to treat severe pain in conditions such as osteoarthritis, which currently affects an estimated 250 million patients, for whom healthcare providers would like new treatment options as an alternative to existing treatment (e.g. opioids, which are addictive narcotic drugs). The project is based on a biological mechanism with strong preclinical and clinical validation. As a result of these efforts and in combination with our advanced



Martin Jönsson, CEO

progress related to the development of potent and selective compounds, interest among potential partners is strong. After having received positive efficacy data from the first preclinical pain studies, we are now actively working to select a drug candidate for the project, which we expect to do during the second half of 2021.

During the quarter we continued to have a strong focus on marketing and communication and participated in several different meetings, including Business Sweden, Redeye and Aktiespararna. We are constantly working on reaching out to both private and institutional investors, as well as other pharmaceutical and research companies that may be interested in investing in or in-licensing our development projects, or alternatively in entering into a partnership. During the quarter we participated in the partner meetings at SwissNordicBio in February and at BioEurope in March. We were also recognized as one of the Stockholm region's most promising companies in the field of Alzheimer's in a report by InvestStockholm.

Regarding the ongoing COVID-19 situation, we have retained the previously implemented measures to protect our employees, and we are working with our suppliers and partners to minimize the impact of the situation on AlzeCure's operations.

As a natural consequence of having more projects in the clinical development phase, we continued to strengthen our development department during the quarter by hiring more key people, thereby strengthening internal competencies and enabling us to conduct development work faster and more cost-effectively. The most recent addition is Märta Segerdahl Storck, MD/PhD, as Chief Medical Officer with responsibility for our clinical development activities. Märta has extensive experience from several senior positions in the pharmaceutical industry, including from AstraZeneca, Lundbeck and Grünenthal. Her past experience with development projects within AlzeCure's core areas, Alzheimer's and pain, was crucial during the recruitment process. We are very pleased that Märta

has now joined the AlzeCure team and she will be a key player for our continued development of the project portfolio.

I am pleased to report that AlzeCure continues to make good progress. This progress would not be possible without our motivated, talented and ambitious employees. We have several promising projects under development, all within fields with great unmet medical need, which is incredibly motivating. The performance we achieved to date strengthens our conviction that we should be able to deliver as stated in our communicated objectives during the year.

Stockholm, May 2021

Martin Jönsson

Five important milestones for 2021

1

Results from the SAD study, phase Ia clinical trial for NeuroRestore® ACD856 – summer 2021

2

Results from the phase Ib clinical trial for Painless ACD440 – summer 2021

3

Start the MAD study, phase Ia clinical trial for NeuroRestore® ACD856 – H2 2021

4

Choose the first drug candidate for the TrkA-NAM pain project – H2 2021

5

Apply for phase IIa clinical trial for Painless ACD440 in neuropathic pain – H2 2021

”AlzeCure continues to develop according to plan and has once again had a positive and very active quarter.

CEO, Martin Jönsson

Project portfolio

AlzeCure works with several research platforms:

NeuroRestore® and Alzstatin® – with a focus on Alzheimer’s disease, where the leading candidate ACD856 is in clinical development phase.

Painless – focuses on pain treatment and contains two projects: ACD440 in clinical development phase and TrkA-NAM in research phase.

There are several drug candidates in the various platforms: two candidates in NeuroRestore and two candidates in Alzstatin. There are also two projects in the Painless platform. A diversified portfolio of drug candidates paves the way for other indications, such as cognitive disorders associated with Alzheimer’s, traumatic brain injury, sleep apnea and Parkinson’s disease, as well as for severe pain in conditions such as neuropathy and osteoarthritis.

- The NeuroRestore platform is developing a new generation of symptomatic drugs for the treatment of cognitive disorders, such as Alzheimer’s disease. The target mechanism also has other potential indications, including depression and cognitive dysfunction in Parkinson’s disease, traumatic brain injury and sleep disorders.
- Innovative disease-modifying and preventive drugs for Alzheimer’s disease are under development within the Alzstatin platform.
- The Painless platform includes two non-opioid projects: TrkA-NAM and ACD440, which both focus on severe pain conditions.
 - The clinical drug candidate ACD440 was in-licensed in January 2020 and is being developed for the treatment of neuropathic pain, a field with great unmet medical need. The project is currently in the clinical development phase.
 - The TrkA-NAM project is aimed at treating severe pain caused by disorders such as osteoarthritis, which today lacks sufficiently effective treatment. The project is currently in the research phase.

AlzeCure’s project portfolio¹

Platform	Candidate	Indication	Research phase	Preclinical phase	Phase I	Phase II	Phase III
NeuroRestore	ACD856	Alzheimer’s disease Sleep disorders/ Traumatic brain injury	In progress	In progress			
	ACD857	Alzheimer’s disease	In progress	In progress			
Alzstatin	ACD679	Alzheimer’s disease	In progress	In progress			
	ACD680	Alzheimer’s disease	In progress				
Painless	ACD440	Neuropathic pain	In progress	In progress			
	TrkA-NAM	Osteoarthritis pain	In progress				

 In progress  Completed

1) For definitions of the phases, please see the AlzeCure Pharma website, www.alzecurepharma.se

Project development

AlzeCure is focused on research and development of innovative and effective new small molecule drugs for diseases that affect the nervous system and the brain, with a focus on Alzheimer's disease and pain. The need for new treatments for these severe illnesses is great; for example, disease-modifying therapy for Alzheimer's is expected to be able to generate more than USD 10 billion in annual sales.

The company is simultaneously developing four drug candidates based on the two research platforms NeuroRestore and Alzstatin, along with two projects within the Painless platform – TrkA-NAM and ACD440.

A diversified portfolio of drug candidates paves the way for other indications, such as cognitive dysfunction associated with traumatic brain injury, Parkinson's disease and sleep disorders. With its broad portfolio of assets, the company maximizes shareholder value by working in multiple indication areas where there is scientific support for the biological target mechanisms.

Neurology

Within NeuroRestore, a new generation of symptomatic drugs is being developed for the treatment of cognitive dysfunction (memory disorders) in Alzheimer's disease. The company initiated the first clinical trial with the primary drug candidate in NeuroRestore, ACD856, in late 2019. The study was completed on schedule in the second quarter of 2020, with results supporting the continued clinical development of ACD856. Continued clinical trials were initiated in late 2020, also according to plan. These studies, which are part of the phase I program for the drug candidate, have the primary purpose of assessing safety and tolerability in humans.

ACD857 is in the research phase and also has the primary indication of cognitive dysfunction/Alzheimer's disease. At the end of last year the drug candidate entered into the next phase of development, which aims to assess the preclinical safety profile before clinical trials can begin.

AlzeCure's disease-modifying research platform for Alzheimer's disease, Alzstatin, focuses on reducing the production of toxic amyloid beta (A β) in the brain. A β plays a key pathological role in Alzheimer's disease and begins to accumulate in the brain years before clear symptoms develop.

The target mechanism in Alzstatin is confirmed by previously reported study results, which we believe validate the amyloid hypothesis and thus Alzstatin's focus.

The leading drug candidate in the Alzstatin platform, ACD679, is currently undergoing the important safety pharmacological and toxicological studies necessary before clinical trials may begin. Alongside this work, the development of an additional drug candidate is in progress (ACD680) to ensure that the company has the best compound for clinical studies.

” The socioeconomic costs of Alzheimer's disease are currently very high. At the individual level, the problems the disease causes for patients and their families are of course the most important. Currently there is no effective medication for the disease, and subsequently there is a high unmet medical need for both new symptomatic and disease-modifying drugs within this important area.

Professor Bengt Winblad, Karolinska Institutet

AlzeCure's three platforms

1

NeuroRestore® – the platform is developing a new generation of symptomatic drugs for the treatment of cognitive disorders, such as Alzheimer's disease.

2

Alzstatin® – the platform is developing innovative disease-modifying and preventive drugs for Alzheimer's disease.

3

Painless – contains two projects: TrkA-NAM and ACD440, which both focus on severe pain conditions.

Pain

AlzeCure's Painless platform contains two projects aimed at new treatments for pain. Both projects involve non-opiates, which is important to emphasize, because of the inherent risk associated with opiates for abuse, overdose and secondary injuries – which has led to avoidance of opiates as first-line treatment for pain. Despite this treatment problem they are still frequently used, for which reason the need for new non-opiate treatments is great.

TrkA-NAM builds on the knowledge amassed and assets developed in the NeuroRestore platform. The project, which is aimed at severe pain in conditions such as osteoarthritis, is currently in the research phase and the company received the first preclinical efficacy data in 2020, according to plan.

In January 2020, a drug candidate in the clinical development phase aimed at treating neuropathic pain, ACD440, was in-licensed. This project is an important strategic in-licensing that strengthens the company's current clinical portfolio. The ACD440 project has its origins in Big Pharma and is based on strong scientific grounds. The compound that is being developed as a gel for local treatment has previously undergone clinical trials, but at that time as an oral treatment. AlzeCure was able to initiate a phase Ib clinical trial with the drug candidate at the end of 2020, as planned, with the aim of exploring tolerability and early signals of efficacy.

10 billion

The global market for neuropathic pain was valued at about USD 6 billion in 2019 and is expected to grow to USD 10 billion by 2027.



” One in five people in the population suffers from chronic pain that requires treatment. Living with pain is incredibly stressful for the patient, both physically and mentally. One of three patients seek medical care because of pain. The available treatments are not sufficiently effective and are often associated with addiction problems. There is great potential for a new drug here, especially with a favorable side effect profile and without risk of addiction.

Dr. Märta Segerdahl Storck, CMO

Market trends affecting AlzeCure®

Increased social costs for Alzheimer’s and other neurodegenerative diseases.

Costs associated with Alzheimer’s and other neurodegenerative diseases are sharply rising and account for a substantial burden on the public healthcare system. The global cost to society for dementia is estimated at more than USD 1 trillion and is expected to triple over the next 30 years. These burgeoning costs increase the need for disease-modifying and/or preventive treatments appreciably.

Increased need for treatment due to an aging population.

Old age is the greatest risk factor in dementia-related illnesses such as Alzheimer’s, but also for pain problems. Life expectancy is anticipated to rise globally as a result of improving living standards and improved health care.

Major pharmaceutical companies are allocating investments in CNS-related illnesses to specialized research projects.

An increasing number of major pharmaceutical companies are starting investment funds aimed at smaller research companies and drug companies, as this is where a great deal of innovation takes place. The trend favors smaller R&D companies as opportunities for licensing agreements concerning the research, development and commercialization of drug candidates are increasing.

Development related to diagnostics & biomarkers

Alzheimer’s disease is currently diagnosed mainly through clinical examination, including a lumbar puncture combined with tests of cognitive ability and brain imaging (PET). A spinal fluid test is an invasive procedure in which spinal fluid is drawn for analysis. PET diagnostics is a nuclear medicine imaging method used to identify differences between healthy brains and brains in people with Alzheimer’s. There is a great need to be able to correctly diagnose Alzheimer’s in order to include a correct population in clinical trials to develop drugs for the disease.

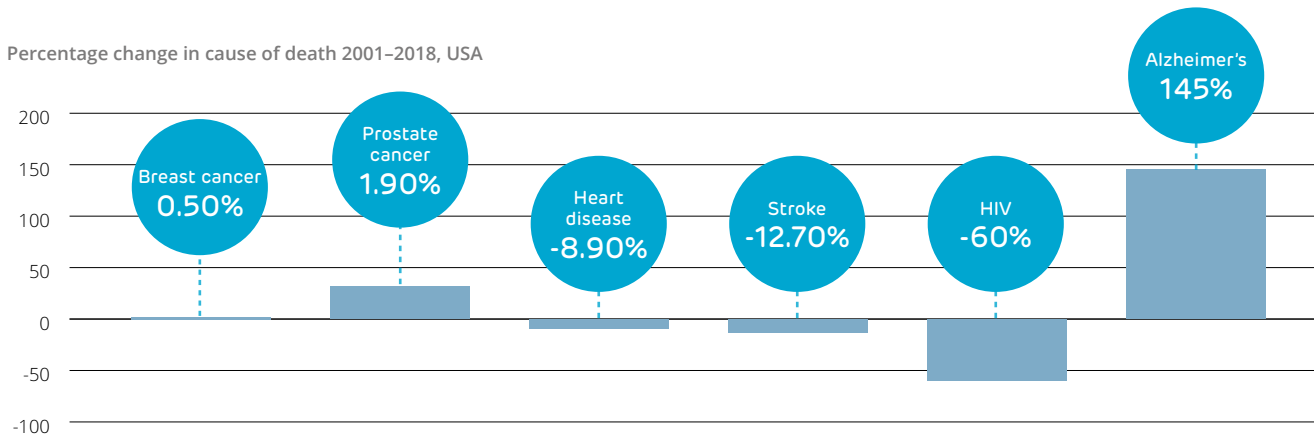
Great need for new pain treatments

In the US alone, an estimated 50 million adults live with chronic or severe pain, and more people suffer from pain than diabetes, heart disease and cancer combined. Data from Europe show similar results and the health and socioeconomic costs are estimated at 3-10 percent of gross domestic product in Europe. Regarding the efficacy of currently available drugs in the field, for example, only half of patients with neuropathic pain respond satisfactorily to current treatment. Because of the risk of abuse, overdose and secondary injuries, there is also an effort to avoid opiates for treatment of pain. Consequently, there is currently a high unmet medical need for new, non-opiate treatments in this field.

Biomarkers

AlzeCure is working closely with leading researchers in the field of biomarkers, such as Professor Henrik Zetterberg, who is considered to be a world authority in the field. Using measurable markers, often biological molecules such as proteins, changes can be detected in the disease scenario, but the effects of treatment can also be assessed. Hlin Kvartsberg, who earned her PhD in a joint doctoral program at AlzeCure and Sahlgrenska Academy at the University of Gothenburg, was awarded a prize in 2020 for her thesis on new biomarkers in the disease. The company intends to use these advances in diagnostics and thereby ensure that the right patients in the right phase of disease are included in the clinical phases. Targeting the appropriate patient population based on relevant biomarkers will increase the likelihood of success.

Percentage change in cause of death 2001–2018, USA



The mortality rate for Alzheimer’s disease has risen sharply, while several other causes of death have fallen.

x3 The number of people worldwide with dementia is expected to triple from the current 50 million to 150 million in 2050.

Comments on the report

Financial overview

SEK thousand	January- March 2021	January- March 2020	January- December 2020
Net sales	0	0	0
Operating profit/loss	-23,004	-13,851	-71,579
Earnings for the period and comprehensive income	-22,962	-13,784	-71,366
Earnings per share, basic (SEK)	-0.61	-0.36	-1.89
Research expenses as a percentage of operating expenses (%)	84.4	81.5	86.3
Total assets	99,065	176,406	117,827
Cash and cash equivalents	94,163	172,230	112,434
Debt/equity ratio (%)	88.6	95.4	94.0
Average number of shares, basic	37,765,715	37,765,715	37,765,715
Average number of employees	10	8	8

See the definitions below.

Revenue and profit/loss

The company had no net sales during the period. Other operating income largely relates to currency gains this quarter as well. No government aid for increased sick pay was received during the quarter.

The operating loss during the first quarter of 2021 was SEK -23,004 thousand (-13,851). The company continued to conduct its research activities at an intensive pace during the first quarter, with steady development. As a result, costs for research activities also increased, all according to plan. Costs increased by 72% compared with the first quarter of the previous year. More information about research at AlzeCure can be found in the Project Portfolio section of this report.

Administrative costs were also somewhat higher this quarter compared with the same period the previous year. The company focused on communications and business development in 2020 and also expanded internationally during the first quarter of 2021.

The company had ten employees on the closing date. The COVID-19 pandemic is still underway and the company takes ongo-

ing necessary measures to protect its employees and limit any negative impact on the company's operations. The company's business has not been affected to any great extent by the pandemic, but like the rest of society, the company recognizes that the risks increase the longer the pandemic continues.

Earnings per share (basic) amounted to SEK -0.61 (-0.36) for the first quarter of 2021, and SEK -1.89 (-1.35) for full-year 2020.

Financial position

At the end of the period, equity was SEK 87,793 thousand (168,223) and the debt/equity ratio was 88.6 percent (95.4).

Cash and cash equivalents at the end of the period totaled SEK 94,163 thousand (172,230).

In 2019 the company launched an incentive program with warrants aimed at the Board of Directors. A total of 110,000 warrants were issued. For more details, please see "Share-related compensation programs" in the report.

During the second quarter of 2020 the company launched an incentive program, this time with warrants aimed at the company's

Chief Executive Officer. A total of 300,000 warrants were issued. For more details, please see "Share-related compensation programs" in the report.

As of the closing date a total of 410,000 warrants were issued, resulting in a dilution effect of 1%.

Cash flow and investments

Cash flow from operating activities including changes in working capital for the first quarter of 2021 totaled SEK -18,271 thousand (-10,242). For full-year 2020, the corresponding cash flow totaled SEK -69,508 thousand (-50,285).

Cash flow from investing activities totaled SEK 0 thousand (-350) during the first quarter. The company mainly invests in laboratory equipment.

Cash flow from financing activities totaled SEK 0 thousand (0) for the first quarter of 2021.

Accounting policies and valuation principles

General information and compliance with IAS 34

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. AlzeCure Pharma AB (publ) is domiciled in Stockholm. Because the company is not a group, it applies IFRS with the adjustments required under RFR2 Accounting for legal entities.

Significant accounting policies and valuation principles

This interim report has been prepared in compliance with the accounting policies and valuation principles applied in the company's most recent annual report.

Significant estimates and assumptions

When preparing interim reports, the Board and the CEO must, in accordance with the applicable accounting policies and valuation policies, make certain estimates, assessments and assumptions

that affect the recognition and valuation of assets, provisions, liabilities, income and expenses. The outcome may deviate from these estimates and assessments and will very rarely amount to the same sum as the estimated outcome.

The estimates and assessments made in the interim report, including the assessment of the main causes of uncertainty, are the same as those applied in the most recent Annual Report.

Key ratios and definitions

Earnings per share: net sales for the period divided by the average number of shares during the period.

Debt/equity ratio: equity, and where applicable untaxed reserves (less deferred tax), in relation to total assets.

Research expenses as a percentage of total operating expenses:

Research expenses divided by operating expenses, which include research expenses, administrative expenses and other operating expenses. Research expenses include the company's direct expenses relating to research activities such as expenditures for personnel, material and external services.

Significant risks and uncertainties

The company develops drug candidates and activities will always involve regulatory, market and financial risks. No significant changes regarding those risks and uncertainty factors took place during the period compared with those presented in the most recent annual report.

The COVID-19 pandemic is still underway and the company has taken the necessary measures to protect its employees and limit any negative impact on the company's operations. The company is carefully monitoring the situation and complying with the recommendations and restrictions of the Public Health Agency of Sweden. Additional measures will be taken as needed. The duration of the pandemic increases the risk that operations will be affected, but the company hopes and believes that the vaccines that have been developed will reduce the risk.

Reconciliation of alternate performance measures

SEK thousand	January- March 2021	January- March 2020	January- December 2020
<i>Research expenses as a percentage of total operating expenses:</i>			
Research expenses	-19,533	-11,354	-62,356
Administrative expenses	-3,381	-2,388	-9,375
Other operating expenses	-217	-181	-508
Total operating expenses	-23,131	-13,923	-72,239
Research expenses as a percentage of total operating expenses:	84.4%	81.5%	86.3%
<i>Debt/equity ratio (%):</i>			
Total equity at end of period	87,793	168,223	110,755
Total assets at end of period	99,065	176,406	117,827
Debt/equity ratio (%):	88.6%	95.4%	94.0%

The share, share capital & ownership structure

The share

The share has traded on Nasdaq First North Premier Growth Market under the name ALZCUR since November 28, 2018.

On March 31, 2021, the number of shares in the company totaled 37,765,715.

Owners as of March 31, 2021

The ten largest owners as of March 31, 2021	Number of shares	Share capital and votes
BFCM P/C BFCM Sweden Retail FT	4,395,265	11.6%
FV Group AB	2,000,000	5.3%
Nordnet Pensionsförsäkring AB	1,803,238	4.8%
AlzeCure Discovery AB	1,710,000	4.5%
Sjuenda Holding AB	1,578,600	4.2%
SEB-Stiftelsen	1,400,000	3.7%
Futur Pension	1,041,700	2.8%
Pontus Forsell	873,643	2.3%
Gunnar Nordvall	852,000	2.3%
Johan Sandin	850,000	2.3%
10 largest owners	16,504,446	43.7%
Other	21,261,269	56.3%
TOTAL	37,765,715	100%

Share-related compensation programs

In 2019 the company launched an incentive program with warrants aimed at some members of the Board of Directors. A total of 110,000 warrants were issued: 35,000 warrants went to Thomas Pollare and 25,000 warrants each went to An van Es Johansson, Ragnar Linder and Pirkko Sulila Tamsen.

The warrants, which were issued at the market price as of May 22, 2019, entitle the holder to subscribe for shares during the period June 15–30, 2022. The issue price for newly subscribed shares totaled 150 percent of the volume-weighted average closing price for the company's shares on the Nasdaq First North Premier Growth Market during the 10 trading days preceding the Annual General Meeting on May 22, 2019.

In 2020 the company also launched an incentive program, this time with warrants aimed at the Chief Executive Officer. A total of 300,000 warrants were issued.

The warrants, which were issued at the market price based on an external valuation as of May 20, 2020, entitle the holder to subscribe for shares during the period June 15, 2023 – July 5, 2023. The issue price for newly subscribed shares totaled 150 percent of the volume-weighted average closing price for the company's shares on the Nasdaq First North Premier Growth Market during the 10 trading days preceding the Annual General Meeting on Wednesday, May 20, 2020.

The total dilutive effect of the two incentive programs is 1%.

Financial calendar

2021 Annual General Meeting	May 17, 2021
Interim report Q2, April–June 2021	August 25, 2021
Interim report Q3, July–September 2021	November 10, 2021
Interim report Q4, October–December 2021	February 24, 2022

Nomination Committee

AlzeCure Pharma's nomination committee for the 2021 Annual General Meeting was appointed in accordance with the principles adopted by the Annual General Meeting on May 20, 2020 and consists of: William Gunnarsson, appointed by BFCM P/C BFCM Sweden Retail FT, Bo Rydinger, appointed by FV Group AB, Liselotte Jansson, appointed by AlzeCure Discovery AB and Thomas Pollare (Chairman of the Board).

The Board's assurance

The Board of Directors and the CEO hereby certify that this interim report provides a true and fair view of the company's operations, position and results and describes significant risks and uncertainties facing the company.

Huddinge, Wednesday, May 5, 2021

Thomas Pollare
Chairman of the Board

Pirkko Sulila Tamsen
Board member

Ragnar Linder
Board member

Ellen Donnelly
Board member

Martin Jönsson
Chief Executive Officer

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

For more information, please see www.alzecurepharma.se or contact:
Martin Jönsson, CEO, info@alzecurepharma.com

FNCA is the company's Certified Adviser.
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Income statement and other comprehensive income

SEK thousand	January- March 2021	January- March 2020	January- December 2020
Net sales	0	0	0
Operating expenses			
Research expenses	-19,533	-11,354	-62,356
Administrative expenses	-3,381	-2,388	-9,375
Other operating income	127	72	660
Other operating expenses	-217	-181	-508
Operating profit/loss	-23,004	-13,851	-71,579
Profit/loss from financial items			
Interest income and similar profit/loss items	42	68	214
Interest expenses and similar profit/loss items	0	-1	-1
Loss after financial items	-22,962	-13,784	-71,366
Earnings for the period and comprehensive income	-22,962	-13,784	-71,366
Earnings for the period per share, basic (SEK)	-0.61	-0.36	-1.89
Earnings for the period per share, diluted (SEK)	-0.61	-0.36	-1.89
Average number of shares, basic	37,765,715	37,765,715	37,765,715
Average number of shares, diluted	38,175,715	37,875,715	38,050,715

Balance sheet

SEK thousand	March 31, 2021	March 31, 2020	December 31, 2020
ASSETS			
Non-current assets			
<i>Intangible fixed assets</i>			
Project rights	17	17	17
Total intangible fixed assets	17	17	17
<i>Tangible fixed assets</i>			
Equipment, tools and installations	1,820	1,686	1,944
Total tangible fixed assets	1,820	1,686	1,944
<i>Financial fixed assets</i>	7	7	7
Total non-current assets	1,844	1,710	1,968
Current assets			
<i>Current receivables</i>			
Advance to supplier	156	0	703
Trade receivables	80	8	8
Other current receivables	1,509	1,348	2,349
Prepaid expenses and accrued income	1,313	1,110	365
Total current receivables	3,058	2,466	3,425
Cash and bank balances	94,163	172,230	112,434
Total current assets	97,221	174,696	115,859
TOTAL ASSETS	99,065	176,406	117,827

SEK thousand	March 31, 2021	March 31, 2020	December 31, 2020
EQUITY AND LIABILITIES			
Equity			
Share capital	944	944	944
Share premium reserve	278,842	278,728	278,842
Accumulated profit/loss	-169,031	-97,665	-97,665
Profit/loss for the period	-22,962	-13,784	-71,366
Total equity	87,793	168,223	110,755
Current liabilities			
Trade payables	7,232	6,391	3,966
Other current liabilities	243	192	199
Accrued expenses and deferred income	3,797	1,600	2,907
Total current liabilities	11,272	8,183	7,072
Total liabilities	11,272	8,183	7,072
TOTAL EQUITY AND LIABILITIES	99,065	176,406	117,827

Statement of change in equity

SEK thousand	Share capital	Share premi- um reserve	Accumulated profit/loss	Profit/loss for the year	Total equity
Opening balance January 1, 2020	944	278,728	-46,807	-50,858	182,007
Appropriation of earnings			-50,858	50,858	0
Warrant program		114			114
Earnings for the year and comprehensive income				-71,366	-71,366
Closing balance December 31, 2020	944	278,842	-97,665	-71,366	110,755
Opening balance January 1, 2021	944	278,842	-97,665	-71,366	110,755
Appropriation of earnings			-71,366	71,366	0
Earnings for the period and comprehensive income				-22,962	-22,962
Closing balance March 31, 2021	944	278,842	-169,031	-22,962	87,793

Cash flow statement

SEK thousand	January- March 2021	January- March 2020	January- December 2020
Operating activities			
Operating loss before financial items	-23,004	-13,851	-71,579
<i>Adjustment for items not included in cash flow, etc.</i>			
Depreciation and amortization	124	109	495
Interest received	42	68	214
Interest paid	0	-1	-1
Cash flow from operating activities before changes in working capital	-22,838	-13,675	-70,871
Statement of change in working capital			
Change in trade receivables	-72	8	8
Change in other current receivables	439	-10	-969
Change in trade payables	3,266	3,394	969
Change in other current operating liabilities	934	41	1,355
Net cash flow from operating activities	-18,271	-10,242	-69,508
Investing activities			
Acquisition of tangible fixed assets	0	-27	-671
Cash flow from investing activities	0	-27	-671
Financing activities			
Warrant program	0	0	114
Cash flow from financing activities	0	0	114
Cash flow for the year	-18,271	-10,269	-70,065
Cash and cash equivalents at beginning of period	112,434	182,499	182,499
Cash and cash equivalents at end of period	94,163	172,230	112,434



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