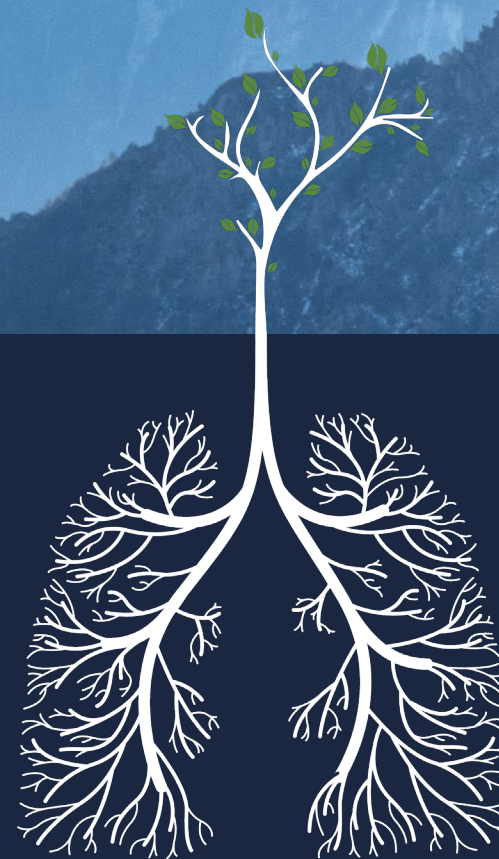




# Interim report Apr 1-Jun 30, 2023

Vicore Pharma Holding AB (publ)



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# Summary of the Period

## Important events during the second quarter

- In May, Vicore reported new interim 36-week data from the phase 2a trial (AIR) in idiopathic pulmonary fibrosis (IPF) demonstrating sustained disease stabilization and increase in lung function in IPF patients.
- In May, Vicore announced the first patient dosed with C21 in an exploratory trial of endothelial dysfunction using EndoPAT® technology.
- In May, Vicore strengthened the Board of Directors with the election of Dr. Elisabeth Björk and Dr. Michael Buschle.
- In May and June, Vicore announced patent protection for enteric coated formulations of C21 in the US and EU.
- In June, Vicore carried out share issuances of in total 29,875,000 shares at a subscription price of SEK 16.75 per share, raising SEK 500 million (USD 46 million) before transaction costs. Pro forma financial position, including net proceeds from the share issuances, as of June 30, 2023, amounts to approximately SEK 586 million (USD 54 million).

## Important events after the period

- In July, Vicore announced that Ahmed Mousa has been appointed as the new CEO starting in September.
- In July, Vicore established a wholly-owned US subsidiary, Vicore Pharma US Inc.
- In August, Vicore announced the results of the exploratory trial using EndoPAT®, as a tool to assess the effect of C21 on endothelial function. Results were inconclusive due to high intra-individual variability.

## Financial overview for the period\*

### April 1 - June 30, 2023

- Net sales amounted to SEK 0.0 million and SEK 0.0 million for the three months ended June 30, 2023 and 2022, respectively.
- Operating loss amounted to SEK 69.8 million and SEK 64.9 million for the three months ended June 30, 2023 and 2022, respectively.
- Loss amounted to SEK 69.2 million and SEK 65.9 million for the three months ended June 30, 2023 and 2022, respectively.
- Loss per share, before and after dilution, amounted to SEK 0.85 and SEK 0.92 for the three months ended June 30, 2023 and 2022, respectively.
- On June 30, 2023, cash, cash equivalents, and short-term investments amounted to SEK 259.6 million (SEK 261.7 million as of December 31, 2022).

### January 1 - June 30, 2023

- Net sales amounted to SEK 0.0 million and SEK 0.0 million for the six months ended June 30, 2023 and 2022, respectively.
- Operating loss amounted to SEK 135.9 million and SEK 158.0 million for the six months ended June 30, 2023 and 2022, respectively.
- Loss amounted to SEK 135.5 million and SEK 159.2 million for the six months ended June 30, 2023 and 2022, respectively.
- Loss per share, before and after dilution, amounted to SEK 1.64 and SEK 1.75 for the six months ended June 30, 2023 and 2022, respectively.

## Financial summary of the group

Amounts in SEK million	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
Net sales	0.0	0.0	0.0	0.0	0.0
Operating loss	(69.8)	(64.9)	(135.9)	(158.0)	(290.7)
Loss for the period	(69.2)	(65.9)	(135.5)	(159.2)	(288.4)
Loss per share, before/after dilution (SEK) <sup>1</sup>	(0.85)	(0.92)	(1.64)	(1.75)	(3.99)
Research and development costs/ operating costs (%) <sup>2</sup>	85.9	84.1	85.7	85.3	85.5
Equity at the end of the period	302.1	228.1	302.1	228.1	289.1
Cash flow from operating activities	(69.1)	(61.3)	(146.8)	(132.9)	(299.9)
Cash and cash equivalents and short-term investments at the end of the period	259.6	236.6	259.6	236.6	261.7

<sup>1</sup> There is no dilution effect for potential ordinary shares for periods where earnings have been negative.

<sup>2</sup> Alternative performance measure (APM). Defined on page 17.

\* Financial information is provided in SEK million (previously MSEK) and negative values in tables are within parenthesis (previously minus sign).

The group ("Vicore") consists of Vicore Pharma Holding AB (publ) and its subsidiaries Vicore Pharma AB, Vicore Pharma US Inc, and INIM Pharma AB.



# CEO Comments

The second quarter was important for Vicore, as the enrolment into the idiopathic pulmonary fibrosis (IPF) AIR<sup>1</sup> trial concluded after reporting of unprecedented data that confirmed previous data further supporting C21's role as a potentially transformative therapy for the disease.

Following the release of this strong interim data, Vicore successfully raised SEK 500 million (USD 46 million) attracting new high-quality US investors such as Orbimed as well as European specialist investors. The funds will be used to initiate the phase 2b "ASPIRE" dose confirmatory trial with C21 in IPF (previously named ANDAS). The ASPIRE trial aims to provide "substantial evidence of effectiveness" and will be a 52-week, randomized, double-blind, placebo-controlled, multicenter study.

The aim is to commence this study in H1 2024.

C21 and other angiotensin II type 2 receptor agonists (ATRAgs) have a mode of action distinct from any other IPF approach, designed to activate physiological repair systems, restoring alveolar integrity and improving lung function. These effects were most prominent in patients with early IPF, with the potential for functional recovery most likely due to breakdown of newly formed fibrosis and increased lung elasticity. Notably, all subgroups, including early/established disease, male/female, and patients from Asia versus rest of the world, experienced stabilization above baseline.

During the second quarter, Vicore secured and strengthened its product protection by receiving patent approval which covers enteric coated (EC)

formulations of C21 in the US and EU. The protection is valid until 2041 and is not limited to any specific disease.

The restoration of cellular function with ATRAgs extends beyond alveolar epithelial cells and is likely to also be applicable to vascular endothelial cells. C21 has demonstrated an increase in human forearm blood flow through stimulation of nitric oxide release, a mechanism that is highly relevant for pulmonary hypertension and other vascular diseases. To find a simple technique for measuring changes in endothelial function, an exploratory study<sup>2</sup> has been completed in T2DM patients using a diagnostic device entitled EndoPAT<sup>®</sup>. However, due to a low intra-individual reproducibility and thus a high variability, the conclusion was that the EndoPAT<sup>®</sup> technology does not fulfil Vicore's needs.

1. NCT04533022 2. NCT05831644



In addition, the first in-human clinical trial with Vicore's next ATRAG C106<sup>3</sup> has now been completed and data is due to be presented during the second half of this year. The third ATRAG in the pipeline, C103, has completed IND enabling toxicology studies, and formulation development is ongoing.

We are concluding patient recruitment to the COMPANION<sup>4</sup> study for the digital therapeutic, Almee™ in patients with pulmonary fibrosis after confirming a robust data set is in place to convincingly evaluate the effect of Almee™. The total number of patients in the study will be approximately 110.

As Vicore is evolving into a late-stage clinical development company, with established visibility in the US market, the timing was right for me to announce that I will be stepping down from my role as CEO of Vicore. I am very pleased that Ahmed Mousa, the current Chief Business Officer of Pieris Pharmaceuticals, has accepted the role as the new CEO. Ahmed has a highly relevant background with a successful business development track record and an extensive US network making him the ideal candidate for the position. As part of this US expansion, Vicore has established a subsidiary, Vicore Pharma

US Inc, to accomodate activities in the US. Furthermore, the company's board of directors has been strengthened with expertise in late-stage clinical development and pharmaceutical development in general, thanks to the additions of Dr. Elisabeth Björk and Dr. Michael Buschle. With these strong additions to the team, I would like to thank everyone for the very exciting time as CEO and look forward to Vicore embarking on its next steps, continuing its journey in the development of treatments for severe disease.

**Carl-Johan Dalsgaard, CEO**

3. NCT05427253 4. NCT05330312

## Vicore pipeline

Indication	Program	Preclinical	Phase 1	Phase 2	Phase 3	Comments
IPF	C21					Final phase 2a data H1 2024. Phase 2b trial start H1 2024
PAH	C21					Preparations for clinical study during 2023
PF anxiety	Almee™ DTx					Read-out pivotal study in Q4 2023
IPF cough	Inhaled IMiD					Preclinical formulation
Cardiorenal	C106					Phase 1 data H2 2023
Multiple indications	C103, C111, C112					Preclinical studies

For more information about Vicore's development projects, see [www.vicorepharma.com](http://www.vicorepharma.com)

# Financial Information

## Operating income

Net sales amounted to SEK 0.0 million and SEK 0.0 million for the three months ended June 30, 2023 and 2022, respectively. For the six months ended June 30, 2023 and 2022, net sales amounted to SEK 0.0 million and SEK 0.0 million, respectively.

## Operating expenses

Operating expenses amounted to SEK 70.2 million and SEK 64.9 million for the three months ended June 30, 2023 and 2022, respectively. For the six months ended June 30, 2023 and 2022, operating expenses amounted to SEK 136.5 million and SEK 158.4 million, respectively.

## Administrative expenses

Administrative expenses amounted to SEK 6.9 million and SEK 7.1 million for the three months ended June 30, 2023 and 2022, respectively. For the six months ended June 30, 2023 and 2022, administrative expenses amounted to SEK 14.0 million and SEK 14.4 million, respectively. Costs for share-based incentive programs related to administrative staff amounted to SEK 0.5 million and SEK 0.4 million for the three months ended June 30, 2023 and 2022, respectively. For the six months ended June 30, 2023 and 2022, costs

for share-based incentive programs related to administrative staff amounted to SEK 1.1 million and SEK 1.5 million, respectively. For further information, see "Costs for share-based incentive programs".

## Marketing and distribution expenses

Marketing and distribution expenses amounted to SEK 1.9 million and SEK 2.7 million for the three months ended June 30, 2023 and 2022, respectively. For the six months ended June 30, 2023 and 2022, marketing and distribution expenses amounted to SEK 3.7 million and SEK 5.9 million, respectively. Costs for share-based incentive programs related to administrative staff amounted to SEK 0.1 million and SEK 0.1 million for the three months ended June 30, 2023 and 2022, respectively. For the six months ended June 30, 2023 and 2022, costs for share-based incentive programs related to staff within marketing and distribution amounted to SEK 0.2 million and SEK 0.2 million, respectively.

## Research and development expenses

Research and development expenses amounted to SEK 60.3 million and SEK 54.6 million for the three months

ended June 30, 2023 and 2022, respectively. For the six months ended June 30, 2023 and 2022, research and development expenses amounted to SEK 117.0 million and SEK 135.0 million, respectively. Research and development expenses are mainly related to ongoing clinical studies and phase 2b study preparations. Costs for share-based incentive programs related to research and development staff amounted to SEK 1.0 million and SEK 1.2 million for the three months ended June 30, 2023 and 2022, respectively. For the six months ended June 30, 2023 and 2022, costs for share-based incentive programs related to research and development staff amounted to SEK 2.2 million and SEK 2.6 million, respectively. Research and development expenses relative to operating expenses, one of the company's alternative performance measures, was 85.9 percent and 84.1 percent for the three months ended June 30, 2023 and 2022, respectively.

## Other operating income and expenses

Other operating income/(expenses), net amounted to (SEK 0.7 million) and (SEK 0.4 million) for the three months ended June 30, 2023 and 2022, respectively. For the six months ended June 30, 2023 and 2022, other operating income/(expenses), net amounted to (SEK

## Financial calendar

November 2, 2023 Interim report Q3 2023

February 28, 2024 Year-end report 2023

Financial reports are available on the company's website [www.vicorepharma.com](http://www.vicorepharma.com) from the day of publication.



1.2 million) and (SEK 2.7 million), respectively. Other operating income and expenses mainly consist of exchange rate differences on supplier invoices.

## Costs for share-based incentive programs

Cost for social contributions for share-based incentive programs varies from quarter to quarter due to the change in the underlying share price. Associated provisions are reported as other provisions under non-current and current liabilities. The total costs for the share-based incentive programs, including IFRS 2 classified salary costs and provisions for social security contributions, amounted to SEK 1.5 million and to SEK 2.5 million for the three months ended June 30, 2023 and 2022, respectively. For the six months ended June 30, 2023 and 2022, the total costs for the share-based incentive programs amounted to SEK 3.5 million and SEK 4.3 million, respectively. These costs have had no cash flow impact.

## Net financial income and expenses

Net financial income/(expenses) amounted to SEK 0.5 million and (SEK 1.1 million) for the three months ended June 30, 2023 and 2022, respectively. For the six months ended June 30, 2023 and 2022, the net financial income/(expenses) amounted to SEK 0.2 million and (SEK 1.4 million), respectively.

## Tax

Tax amounted to SEK 0.1 million and SEK 0.1 million for the three months ended June 30, 2023 and 2022 respectively. For the six months ended June 30, 2023 and 2022, tax amounted to SEK 0.2 million and SEK 0.2 million, respectively. Tax is mainly related to a change in deferred tax liability attributable to acquired intangible assets. The group's accumulated tax loss carryforwards as of December 31, 2022, amounted to SEK 1,023.7 million. The group's tax loss carryforwards have not been valued and are not recognized as a deferred tax asset. These tax loss carryforwards will be accounted for only when the group has established a level of earnings which management with confidence estimates will lead to taxable profits.

## Result for the period

For the three months ended June 30, 2023 and 2022, loss for the period amounted to SEK 69.2 million and SEK 65.9 million, and the corresponding loss per share before and after dilution amounted to SEK 0.85 and SEK 0.92, respectively. For the six months ended June 30, 2023 and 2022, loss for the period amounted to SEK 135.5 million and SEK 159.2 million, and the corresponding loss per share before and after dilution amounted to SEK 1.64 and SEK 1.75, respectively.

## Cash flow, investments, and financial position

Cash flow from/(used in) operating activities amounted to (SEK 69.1 million) and (SEK 61.3 million) for the three months ended June 30, 2023 and 2022, respectively. For the six months ended June 30, 2023 and 2022, cash flow from/(used in) operating activities amounted to (SEK 146.8 million) and (SEK 132.9 million), respectively. The continued negative cash flow from the operating activities is according to plan and is explained by the company's increasing investment in the clinical development programs.

Cash flow from/(used in) investing activities amounted to SEK 0.0 million (SEK 3.0 million) for the three months ended June 30, 2023 and 2022, respectively. For the six months ended June 30, 2023 and 2022, cash flow from/(used in) investing activities amounted to SEK 0.0 million and SEK 74.0 million, respectively.

Cash flow from/(used in) financing activities amounted to SEK 145.0 million and (SEK 0.1 million) for the three months ended June 30, 2023 and 2022, respectively. For the six months ended June 30, 2023 and 2022, cash flow from/(used in) financing activities amounted to SEK 145.0 million and (SEK 0.1 million), respectively. On June 9, 2023, Vicore carried out share issuances of in total 29,875,000 shares at a subscription price of SEK 16.75 per share, raising SEK 500 million (USD 46 million) before transaction costs. The share issuances were subscribed for by both new and existing

Swedish and international institutional investors. 9,200,000 shares (Tranche 1) were issued and registered with the Swedish Companies Registration Office in June 2023. The remaining 20,675,000 shares (Tranche 2) were issued subject to the subsequent approval of an Extraordinary General Meeting on July 5, 2023.

As of June 30, 2023, cash and cash equivalents amounted to SEK 259.6 million (SEK 256.8 million as of December 31, 2022) and short-term investments amounted to SEK 0.0 million (SEK 4.9 million as of December 31, 2022). Accordingly, cash, cash equivalents, and short-term investments amounted in total to SEK 259.6 million (SEK 261.7 million as of December 31, 2022). Pro forma financial position, including net proceeds from Tranche 2, as of June 30, 2023, amounts to approximately SEK 586 million.

## Equity

Equity as of June 30, 2023 and 2022, amounted to SEK 302.1 million and SEK 228.1 million, and the corresponding equity per share amounted to SEK 3.32 and SEK 3.17, respectively. The company's equity ratio as of June 30, 2023 and 2022, which is one of the company's alternative performance measures, was 88.8 percent and 70.9 percent, respectively. The company believes that this key ratio provides investors with useful information of the company's capital structure.

## Parent company

The group ("Vicore") consists of the parent company, Vicore Pharma Holding AB (publ) and the subsidiaries Vicore Pharma AB, Vicore Pharma US Inc and INIM Pharma AB. The parent company's operations mainly consist of providing management and administrative services for the group's operating companies. The research and development operations are conducted in the wholly owned subsidiaries Vicore Pharma AB and INIM Pharma AB.

Net sales for the parent company amounted to SEK 10.6 million and SEK 0.0 million for the three months ended June 30, 2023 and 2022, respectively. For the six months ended June 30, 2023 and 2022, net sales amounted to SEK 10.6 million and SEK 6.4 million, respectively. Net sales mainly consists of management fees from group companies. Administrative expenses amounted to SEK 6.7 million and SEK 7.0 million for the three months ended June 30, 2023 and 2022, respectively. For the six months ended June 30, 2023 and 2022, administrative expenses amounted to SEK 13.6 million and SEK 14.1 million, respectively.

For the three months ended June 30, 2023 and 2022, the profit/(loss) for the period amounted to SEK 3.8 million and (SEK 7.4 million), respectively. For the six months ended June 30, 2023 and 2022, the profit/(loss) amounted to SEK 0.5 million and (SEK 8.6 million), respectively.

# Other Information

## Personnel

As of June 30, 2023, the group had 23 employees, of whom 18 were women and 5 men. Of the employees, 18 are active in R&D. The group also engages consultants for specialist tasks and assignments on a frequent basis.

## The share

Vicore's shares are listed on Nasdaq Stockholm with the ticker VICO and ISIN SE0007577895. As of June 30, 2023, the total number of shares amounted to 91,047,979 and the market capitalization was SEK 1,559 million. The company's shares are issued in one class and each share carries one vote.

At the Annual General Meeting on May 11, 2023, it was decided, according to the Board of Directors' proposal, to authorize the Board of Directors to, at one or several times, with or without

deviation from the shareholders' preferential rights, and until the next Annual General Meeting, decide to increase the company's share capital through share issues. The number of shares that can be issued in accordance with the authorization may not result in a dilution that exceeds 20 percent of the number of shares and votes in the company at the 2022 Annual General Meeting.

On June 9, 2023, Vicore carried out share issuances of in total 29,875,000 shares at a subscription price of SEK 16.75 per share, raising SEK 500 million (USD 46 million) before transaction costs. 9,200,000 shares (Tranche 1) were issued and registered with the Swedish Companies Registration Office in June 2023 based on the issue authorization granted by the Annual General Meeting on May 11, 2023. The remaining 20,675,000 shares (Tranche 2) were issued subject to the subsequent approval of an Extraordinary General Meeting on July 5, 2023.

## Audit review

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

## Largest shareholders

Largest shareholders in Vicore as of June 30, 2023\*:

Shareholder	No. of shares	%
HealthCap VII L.P.	17,234,834	18.9%
Fourth Swedish National Pension Fund	8,032,041	8.8%
HBM Healthcare Investments (Cayman) Ltd.**	5,374,727	5.9%
Protem	4,010,340	4.4%
Unionen	3,782,539	4.2%
C WorldWide Asset Management	3,350,000	3.7%
Avanza Pension	2,861,563	3.1%
Third Swedish National Pension Fund	3,066,425	3.4%
Jesper Lyckeus	2,697,000	3.0%
The Invus Group***	2,227,200	2.4%
Swedbank Robur Funds	1,810,163	2.0%
Kjell Stenberg	1,623,303	1.8%
Karl Perlhagen	1,373,861	1.5%
Handelsbanken Funds	1,237,715	1.4%
Medical Strategy**	1,132,116	1.2%
SEB Funds	857,716	0.9%
Second Swedish National Pension Fund	528,754	0.6%
Nordnet Pension	521,672	0.6%
Max Mitteregger	500,000	0.5%
Carl-Johan Dalsgaard	477,981	0.5%
Mats K Andersson	440,000	0.5%
Other	27,908,029	30.7%
<b>Total number of shares</b>	<b>91,047,979</b>	<b>100.0%</b>

\* Only includes Tranche 1 (9,200,000 shares) of the directed share issues, which was registered in June 2023

\*\* As of March 31, 2023 \*\*\* As of May 11, 2023

Source: Monitor by Modular Finance as of June 30, 2023



The Board of Directors and the CEO provide their assurance that the interim report provides a fair and true overview of the parent company and group's operations, financial position, and results, and describes material risks and uncertainties faced by the parent company and the companies in the group.

**Stockholm, August 24, 2023**

Jacob Gunterberg  
*Chairman*

Elisabeth Björk  
*Board member*

Heidi Hunter  
*Board member*

Hans Schikan  
*Board member*

Maarten Kraan  
*Board member*

Michael Buschle  
*Board member*

Carl-Johan Dalsgaard  
*CEO*



# Financial reports

## Group

### Group statement of comprehensive income in summary

(SEK in thousands, except per share amount or as otherwise indicated)	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
Net sales	0	0	0	0	0
<b>Gross profit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Administrative expenses	(6,880)	(7,120)	(13,966)	(14,365)	(28,380)
Marketing and distribution expenses	(1,934)	(2,743)	(3,692)	(5,930)	(9,149)
Research and development expenses	(60,334)	(54,572)	(116,985)	(135,046)	(249,965)
Other operating income/(expenses), net	(650)	(420)	(1,238)	(2,685)	(3,231)
<b>Loss from operations</b>	<b>(69,798)</b>	<b>(64,855)</b>	<b>(135,881)</b>	<b>(158,026)</b>	<b>(290,725)</b>
Financial income	502	514	559	1,530	2,394
Financial expenses	(2)	(1,623)	(358)	(2,936)	(476)
<b>Net financial income/(expenses)</b>	<b>500</b>	<b>(1,109)</b>	<b>201</b>	<b>(1,406)</b>	<b>1,918</b>
<b>Loss before tax</b>	<b>(69,298)</b>	<b>(65,964)</b>	<b>(135,680)</b>	<b>(159,432)</b>	<b>(288,807)</b>
Tax	96	96	192	192	384
<b>Loss for the period attributable to the parent company's shareholders</b>	<b>(69,202)</b>	<b>(65,868)</b>	<b>(135,488)</b>	<b>(159,240)</b>	<b>(288,423)</b>
<b>Other comprehensive income</b>					
Other comprehensive income	0	0	0	0	0
<b>Other comprehensive income for the period, net of tax</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income attributable to the parent company's shareholders</b>	<b>(69,202)</b>	<b>(65,868)</b>	<b>(135,488)</b>	<b>(159,240)</b>	<b>(288,423)</b>
<b>Loss per share, before and after dilution (SEK)</b>	<b>(0.85)</b>	<b>(0.92)</b>	<b>(1.64)</b>	<b>(1.75)</b>	<b>(3.99)</b>

### Consolidated statement of financial position in summary

(SEK in thousands)	2023 Jun 30	2022 Jun 30	2022 Dec 31
<b>ASSETS</b>			
<b>Fixed assets</b>			
Patent, licenses and similar rights	66,436	69,764	68,100
Equipment	39	69	54
Contract asset	0	190	63
Long-term investments	0	2,479	0
<b>Total fixed assets</b>	<b>66,475</b>	<b>72,502</b>	<b>68,217</b>
<b>Current Assets</b>			
Other receivables	1,601	8,922	2,180
Prepaid expenses and accrued income	12,410	3,507	5,867
Short-term investments	0	0	4,940
Cash and cash equivalents	259,590	236,561	256,803
<b>Total current assets</b>	<b>273,601</b>	<b>248,990</b>	<b>269,790</b>
<b>TOTAL ASSETS</b>	<b>340,076</b>	<b>321,492</b>	<b>338,007</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to parent company shareholders</b>	<b>302,111</b>	<b>228,078</b>	<b>289,083</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Other provisions	1,722	3,106	1,600
Deferred tax liability	754	1,056	905
<b>Total non-current liabilities</b>	<b>2,476</b>	<b>4,162</b>	<b>2,505</b>
<b>Current liabilities</b>			
Contract liability	0	193	65
Trade payables	15,974	28,963	23,495
Current tax liability	882	437	760
Other liabilities	1,471	7,497	3,751
Other provisions	41	1,020	127
Accrued expenses and deferred income	17,121	51,142	18,221
<b>Total current liabilities</b>	<b>35,489</b>	<b>89,252</b>	<b>46,419</b>
<b>TOTAL LIABILITIES</b>	<b>37,965</b>	<b>93,414</b>	<b>48,924</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>340,076</b>	<b>321,492</b>	<b>338,007</b>



## Consolidated statement of changes in shareholders' equity in summary

(SEK in thousands)	Shareholders' equity attributable to the parent company				
	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
<b>Equity at the beginning of the period</b>	<b>224,597</b>	<b>291,218</b>	<b>289,083</b>	<b>383,317</b>	<b>383,317</b>
Loss for the period	(69,202)	(65,868)	(135,488)	(159,240)	(288,423)
<b>Total comprehensive income for the period</b>	<b>(69,202)</b>	<b>(65,868)</b>	<b>(135,488)</b>	<b>(159,240)</b>	<b>(288,423)</b>
<b>Transactions with owners:</b>					
Issue of new shares	154,100	3,000	154,100	3,000	203,000
Issue costs	(9,081)	0	(9,081)	0	(12,708)
Long-term incentive program	1,697	(272)	3,497	1,002	3,897
<b>Total transactions with owners</b>	<b>146,716</b>	<b>2,728</b>	<b>148,516</b>	<b>4,002</b>	<b>194,189</b>
<b>Equity at the end of the period</b>	<b>302,111</b>	<b>228,078</b>	<b>302,111</b>	<b>228,078</b>	<b>289,083</b>

## Consolidated statement of cash flow

(SEK in thousands)	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
<b>Operating activities</b>					
Operating loss	(69,798)	(64,855)	(135,881)	(158,026)	(290,725)
Adjustment for non-cash items	2,386	2,303	5,318	8,218	10,560
Interest received	268	0	268	352	1,194
Interest paid	(2)	(3)	(2)	(5)	(8)
<b>Cash flow from/(used in) operating activities before changes in working capital</b>	<b>(67,146)</b>	<b>(62,555)</b>	<b>(130,29)</b>	<b>(149,461)</b>	<b>(278,979)</b>
<b>Cash flow from/(used in) changes in working capital</b>					
Change in operating receivables	(176)	(4,092)	(5,176)	(5,925)	(1,598)
Change in operating payables	(1,733)	5,377	(11,280)	22,469	(19,342)
<b>Cash flow from/(used in) operating activities</b>	<b>(69,055)</b>	<b>(61,270)</b>	<b>(146,753)</b>	<b>(132,917)</b>	<b>(299,919)</b>
<b>Investing activities</b>					
Acquisition of intangible assets	0	(3,000)	0	(3,000)	(3,000)
Sale of short-term investments	0	0	0	77,000	77,000
<b>Cash flow from/(used in) investing activities</b>	<b>0</b>	<b>(3,000)</b>	<b>0</b>	<b>74,000</b>	<b>74,000</b>
<b>Financing activities</b>					
Amortization contract liability	0	(63)	(63)	(126)	(252)
Issue of new shares	154,100	0	154,100	0	200,000
Issue costs	(9,081)	0	(9,081)	0	(12,708)
<b>Cash flow from/(used in) financing activities</b>	<b>145,019</b>	<b>(63)</b>	<b>144,956</b>	<b>(126)</b>	<b>187,040</b>
<b>Cash flow for the period</b>	<b>75,964</b>	<b>(64,333)</b>	<b>2,787</b>	<b>(59,043)</b>	<b>(38,879)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>183,626</b>	<b>300,616</b>	<b>256,803</b>	<b>294,199</b>	<b>294,199</b>
<b>Foreign exchange difference in cash and cash equivalents</b>	<b>0</b>	<b>278</b>	<b>0</b>	<b>1,405</b>	<b>1,483</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>259,590</b>	<b>236,561</b>	<b>259,590</b>	<b>236,561</b>	<b>256,803</b>

# Financial reports

## Parent company

### Parent company's income statement

(SEK in thousands)	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
Net sales	10,600	0	10,600	6,402	30,402
<b>Gross profit</b>	<b>10,600</b>	<b>0</b>	<b>10,600</b>	<b>6,402</b>	<b>30,402</b>
Administrative expenses	(6,691)	(6,963)	(13,612)	(14,088)	(27,759)
Research and development expenses	(519)	(492)	(1,038)	(952)	(1,936)
Other operating income and expenses	(1)	(17)	(3)	(33)	(53)
<b>Profit/(loss) from operations</b>	<b>3,389</b>	<b>(7,472)</b>	<b>(4,053)</b>	<b>(8,671)</b>	<b>654</b>
Interest income and similar profit items	436	46	4,510	125	676
Interest expenses and similar loss items	0	(2)	0	(4)	(5)
<b>Net financial income/expense</b>	<b>436</b>	<b>44</b>	<b>4,510</b>	<b>121</b>	<b>671</b>
<b>Result after financial items</b>	<b>3,825</b>	<b>(7,428)</b>	<b>457</b>	<b>(8,550)</b>	<b>1,325</b>
Tax	0	0	0	0	0
<b>The result for the period</b>	<b>3,825</b>	<b>(7,428)</b>	<b>457</b>	<b>(8,550)</b>	<b>1,325</b>

### Parent company's statement of comprehensive income

(SEK in thousands)	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
The result for the period	3,825	(7,428)	457	(8,550)	1,325
Other comprehensive income	0	0	0	0	0
<b>Total comprehensive income for the period</b>	<b>3,825</b>	<b>(7,428)</b>	<b>457</b>	<b>(8,550)</b>	<b>1,325</b>



## Parent company's balance sheet

(SEK in thousands)	2023 Jun 30	2022 Jun 30	2022 Dec 31
<b>ASSETS</b>			
<b>Fixed assets</b>			
Participations in group companies	1,141,704	877,672	1,049,433
Long-term investments	0	565	0
<b>Total fixed assets</b>	<b>1,141,704</b>	<b>878,237</b>	<b>1,049,433</b>
<b>Current assets</b>			
<i>Receivables</i>			
Receivables from group companies	0	7,111	13,000
Other receivables	574	270	918
Prepaid expenses and accrued income	20,617	1,084	633
	<b>21,191</b>	<b>8,465</b>	<b>14,551</b>
Short-term investments	0	0	565
Cash and cash equivalents	183,474	122,699	138,592
<b>Total current assets</b>	<b>204,665</b>	<b>131,164</b>	<b>153,708</b>
<b>TOTAL ASSETS</b>	<b>1,346,369</b>	<b>1,009,401</b>	<b>1,203,141</b>

## Parent company's balance sheet

(SEK in thousands)	2023 Jun 30	2022 Jun 30	2022 Dec 31
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
<b>Restricted equity</b>			
Share capital	45,524	35,924	40,924
<b>Total restricted equity</b>	<b>45,524</b>	<b>35,924</b>	<b>40,924</b>
<b>Non-restricted equity</b>			
Share premium reserve	1,329,429	1,006,718	1,189,010
Accumulated profit or loss	(34,081)	(41,799)	(38,904)
Profit (loss) for the period	457	(8,550)	1,325
<b>Total non-restricted equity</b>	<b>1,295,805</b>	<b>956,369</b>	<b>1,151,431</b>
<b>TOTAL EQUITY</b>	<b>1,341,329</b>	<b>992,293</b>	<b>1,192,355</b>
<b>LIABILITIES</b>			
<b>Provisions</b>			
Other provisions	628	2,331	744
Deferred tax liability	305	223	264
<b>Total provisions</b>	<b>933</b>	<b>2,554</b>	<b>1,008</b>
<b>Current liabilities</b>			
Trade payables	660	5,588	5,352
Other liabilities	869	7,396	1,935
Accrued expenses and deferred income	2,578	1,570	2,491
<b>Total current liabilities</b>	<b>4,107</b>	<b>14,554</b>	<b>9,778</b>
<b>TOTAL LIABILITIES</b>	<b>5,040</b>	<b>17,108</b>	<b>10,786</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,346,369</b>	<b>1,009,401</b>	<b>1,203,141</b>

# : Notes

## Note 1. General information

This report covers the Swedish parent company Vicore Pharma Holding AB (publ), corporate registration number 556680-3804, and its subsidiaries. The parent company is a limited liability company with its registered office in Stockholm, Sweden. The address of the main office is Kornhamnstorg 53, 111 27 Stockholm, Sweden. The main operation of the group is research and development of pharmaceutical products.

The interim report for the second quarter 2023 was approved for publication on August 24, 2023, in accordance with a board decision on August 23, 2023.

## Note 2. Accounting principles

Vicore's consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as well as the interpretations from the IFRS Interpretation Committee (IFRS IC) as adopted by the European Union (EU). Furthermore, the group also applies the Annual Accounts Act (1995: 1554) and the Swedish Financial Reporting Board's recommendation RFR 1 "Supplementary Accounting Rules for Groups." Relevant accounting and valuation principles could be found on pages 36-39 of the 2022 Annual Report.

The interim report has been prepared

in accordance with IAS 34 Interim Financial Reporting. The parent company applies the Annual Accounts Act and RFR 2 Accounting for Legal Entities.

Disclosures in accordance with IAS 34.16A are provided both in the notes as well as elsewhere in the interim report.

Vicore applies ESMA:s (European Securities and Markets Authority) guidelines on alternative performance measures.

The accounting principles and calculation methods remain unchanged from those applied in the Annual Report for the financial year January 1 - December 31, 2022.

## Note 3. Related-party transactions

During the period, remuneration to the group's senior executives and the board has been paid in accordance with current policies. The following intra-group transactions took place for the second quarter and the first six months 2023:

Vicore Pharma AB invoiced INIM Pharma AB SEK 0 million for the three months ended June 30, 2023, for management fee. For the six months ended June 30, 2023, Vicore Pharma AB invoiced the INIM Pharma AB SEK 1.1 million for management fee.

Vicore Pharma Holding AB invoiced the subsidiary Vicore Pharma AB SEK 0.0 million for the three months ended June 30, 2023, for management fee. For the six months ended June 30, 2023,

Vicore Pharma Holding AB invoiced the subsidiary Vicore Pharma AB SEK 13.0 million for management fee.

Vicore Pharma Holding AB invoiced the subsidiary INIM Pharma AB SEK 0.0 million for the three months ended June 30, 2023, for management fee. For the six months ended June 30, 2023, Vicore Pharma Holding AB invoiced the subsidiary INIM Pharma AB SEK 0.0 million for management fee.

For the three months ended June 30, 2023, shareholder contributions amounting to SEK 90 million were provided from Vicore Pharma Holding AB to the subsidiary Vicore Pharma AB. For the six months ended June 30, 2023, shareholder contributions amounting to SEK 90 million were provided from Vicore Pharma Holding AB to the subsidiary Vicore Pharma AB.

No other related party transactions have taken place during the period than previously stated.

## Note 4. Risks and uncertainties in the group and the parent company

### Operational risks

Vicore is engaged in research and development operations through its subsidiary Vicore Pharma. Research and development involve a significant inherent level of risk and is a capital-intensive process. The majority of initiated projects in the drug development indu-

stry will never reach market registration due to technological risks, including the risk for insufficient efficacy, intolerable side effects or manufacturing problems. Up until today, Vicore has not yet generated significant revenue. Vicore's expansion and development related to the development projects may be delayed and/or incur greater costs and capital need than expected. Delays can occur for a variety of reasons, including difficulties in reaching agreements with clinics about participation in clinical studies under acceptable conditions, problems in identifying patients for studies, patients not completing a trial, or not returning for follow-up.

Patents that the company has applied for may not be granted and granted patents may be challenged leading to loss of patent protection. If competing pharmaceuticals capture market share or reach the market faster, or if competing research projects achieve better product profiles, the future value of the product portfolio may be lower than expected. The operations may also be impacted negatively by decisions from public authorities, including decisions related to approvals, reimbursement and price changes.

### Financial risks

Through its operations, Vicore is exposed to various types of financial risk; credit risks, market risks (foreign exchange risk, interest rate risk and other price risks) and liquidity risks including refinancing risk. The main

refinancing risk relates to the risk of not receiving additional investments from shareholders and other investors. The group's overall risk management objective focuses on the unpredictability of financial markets and strives to minimize potentially unfavorable consequences for the group's financial position and performance.

For more information about operational and financial risks as well as other risk factors, see the 2022 Annual Report, which can be downloaded from the company's website, [www.vicorepharma.com](http://www.vicorepharma.com).

## Note 5. Financial instruments

Vicore's financial assets and liabilities comprise cash, cash equivalents, short-term investments, trade payables, contract liabilities and accrued expenses. The fair value of all financial instruments is materially equal to their carrying amounts.



## Note 6. Depreciation and amortization

### Allocation by function

(SEK in thousands)	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
Research and development expenses	(839)	(903)	(1,742)	(1,806)	(3,612)
<b>Total</b>	<b>(839)</b>	<b>(903)</b>	<b>(1,742)</b>	<b>(1,806)</b>	<b>(3,612)</b>

Amortization attributable to research and development expenses mainly relates to the amortization of acquired intangible assets. This consists of a patent portfolio related to C21, whose main patent expires in the US in September 2024. Amortization began in September 2019 and is amortized over its estimated useful life, which is the remaining patent period. Amortization has not yet begun for the group's other intangible assets.

## Note 7. Share-based incentive programs

The purpose of share-based incentive programs is to promote the company's long-term interests by motivating and rewarding the company's senior management and other co-workers in line with the interests of the shareholders. Vicore currently has five active programs that include the management team, employees and board members.

At the Extraordinary General Meeting on August 13, 2018, it was resolved to implement a new incentive program: a maximum of 2,000,000 employee stock options to senior leaders and key persons ("Co-worker LTIP 2018").

At the Annual General Meeting on May 11, 2021, it was resolved to implement two new incentive programs: a maximum of 3,000,000 employee stock options to senior leaders and key persons ("Co-worker LTIP 2021"), and a maximum of 73,000 share awards to certain board members ("Board LTIP 2021").

At the Annual General Meeting on May 11, 2023, it was resolved to implement two new incentive programs: a maximum of 5,000,000 employee stock options to senior leaders and key persons ("Co-worker LTIP 2023"), and a maximum of 120,000 share awards to the board members ("Board LTIP 2023").

All these incentive programs entitle the holder to a maximum of one common share in Vicore per option or share award.

For further information about these programs, see the 2022 Annual Report and the company's website, [www.vicorepharma.com](http://www.vicorepharma.com).

Assuming full utilization and maximum goal achievement of all granted employee stock options and share awards as of June 30, 2023, corresponding to 2,812,390 shares, would entail a dilution of 3.0 percent. Taking into account non-granted employee stock options and warrants that may be used as hedge for social security contributions, the maximum dilution as of June 30, 2023, amounts to 9.6 percent.

The table to the top right provides a summary of the changes in existing incentive programs for the first six months of 2023. The table to the bottom right provides a summary of the total number of employee stock options and share awards granted as of June 30, 2023.

### Changes in existing incentive programs for the first six months 2023

<b>Opening balance as of January 1, 2023</b>	<b>2,988,489</b>
<b>Granted instruments</b>	
Board LTIP 2023	79,931
<b>Forfeited/lapsed instruments</b>	
Co-worker LTIP 2018:3	(3,333)
Co-worker LTIP 2021:1a	(4,400)
Co-worker LTIP 2021:2	(8,100)
Board LTIP 2020	(233,333)
Board LTIP 2021	(6,864)
<b>Total change</b>	<b>(176,099)</b>
<b>Closing balance as of June 30, 2023</b>	<b>2,812,390</b>

### Total number of employee stock options and share awards granted as of June 30, 2023

<b>Employee stock options</b>	
Co-worker LTIP 2018:2	396,267
Co-worker LTIP 2018:3	540,000
Co-worker LTIP 2021:1a	761,533
Co-worker LTIP 2021:1b	18,750
Co-worker LTIP 2021:2	961,000
<b>Total number of employee stock options granted</b>	<b>2,677,550</b>
<b>Share awards</b>	
Board LTIP 2021	54,909
Board LTIP 2023	79,931
<b>Total number of share awards granted</b>	<b>134,840</b>
<b>Total number of employee stock options and share awards granted</b>	<b>2,812,390</b>

# Key Performance Measures

Vicare applies the guidelines issued by ESMA (European Securities and Markets Authority) for alternative performance measures. Alternative performance measures are financial measurements of historical or future earnings, financial position, financial results or cash flows that are not defined or specified in the applicable financial reporting rules and which are central to the understanding and evaluation of Vicore's operations. In this report, Vicore presents certain

key performance measures, including two alternative performance measures that are not defined under IFRS, namely equity ratio and research and development expenses/operating expenses. The company believes that these key performance measures are useful for readers of the financial reports as a complement to other key performance measures, as it enables a better evaluation of the company's financial trends. These alternative performance measures should not be viewed in

isolation or be considered to replace the performance indicators that have been prepared in accordance with IFRS. In addition, such performance measures, as the company has defined them, should not be compared with other performance measures with similar names used by other companies. This is because the above-mentioned performance measures are not always defined in the same manner, and other companies may calculate them differently.

## Key performance measures

	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
Share capital at the end of period (SEK in thousands)	45,524	35,924	45,524	35,924	40,924
Total registered shares at the beginning of period	81,847,979	71,760,293	81,847,979	71,760,293	71,760,293
Total registered shares at the end of period	91,047,979	71,847,979	91,047,979	71,847,979	81,847,979
Average number of ordinary shares	81,847,979	71,762,242	82,665,757	71,761,267	72,214,440
Loss attributable to shareholders of the parent company (SEK in thousands)	(69,202)	(65,868)	(135,488)	(159,240)	(288,423)
Loss per share before and after dilution (SEK) <sup>1</sup>	(0.85)	(0.92)	(1.64)	(2.22)	(3.99)
Equity ratio at the end of the period (%) <sup>2</sup>	88.8	70.9	88.8	70.9	85.5
Research and development expenses/operating expenses (%) <sup>3</sup>	85.9	84.1	85.7	85.3	85.5

<sup>1</sup> Loss per share before (after) dilution is calculated by dividing loss attributable to shareholders of the parent company by a weighted average number of outstanding shares before (after) dilution during the period. The average number of outstanding shares has been adjusted for bonus shares in new stock issued targeted towards existing shareholders. There is no dilution effect for potential ordinary shares for periods where earnings have been negative.

<sup>2</sup> Equity ratio is the company's alternative performance measure (APM) and is defined on the next page.

<sup>3</sup> Research and development expenses/operating expenses (%) is the company's alternative performance measure (APM).



## Definitions and reconciliation of alternative performance measures

Alternative performance measures	Definition	Justification
Equity ratio	Total shareholders' equity divided by total assets	The company believes that this key ratio provides investors with useful information of the company's capital structure
Research and development expenses/operating expenses (%)	Research and development expenses divided by operating expenses. Operating expenses consist of the items administrative expenses, marketing and distribution expenses, research and development expenses and other operating expenses	The company believes that the research and development expenses/operating expenses ratio is an important complement because it allows for a better evaluation of the company's economic trends and the proportion of its expenses that are attributable to the company's core business

## Derivation

	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
<b>Equity ratio at the end of the period (%)</b>					
Total shareholders' equity at the end of the period (SEK in thousands)	302,111	228,078	302,111	228,078	289,083
Total assets at the end of the period (SEK in thousands)	340,076	321,492	340,076	321,492	338,007
Equity ratio at the end of the period (%)	88.8	70.9	88.8	70.9	85.5
<b>Research and development expenses/operating expenses (%)</b>					
Research and development expenses (SEK in thousands)	(60,334)	(54,572)	(116,985)	(135,046)	(249,965)
Administrative expenses (SEK in thousands)	(6,880)	(7,120)	(13,966)	(14,365)	(28,380)
Marketing and distribution expenses (SEK in thousands)	(1,934)	(2,743)	(3,692)	(5,930)	(9,149)
Other operating expenses (SEK in thousands)	(1,059)	(432)	(1,869)	(3,061)	(4,784)
Operating expenses (SEK in thousands)	(70,207)	(64,867)	(136,512)	(158,402)	(292,278)
Research and development expenses/operating expenses (%)	85.9	84.1	85.7	85.3	85.5



# : Contact : Information

## Address

### **Vicore Pharma Holding AB**

Kornhamnstorg 53  
SE-111 27 Stockholm, Sweden

**Tel:** + 46 31 788 05 60

**Org.no.:** 556680-3804

**[www.vicorepharma.com](http://www.vicorepharma.com)**

## Contact

### **Carl-Johan Dalsgaard, CEO**

**Tel:** +46 70 975 98 63  
[carl-johan.dalsgaard@vicorepharma.com](mailto:carl-johan.dalsgaard@vicorepharma.com)

### **Hans Jeppsson, CFO**

**Tel:** +46 70 553 14 65  
[hans.jeppsson@vicorepharma.com](mailto:hans.jeppsson@vicorepharma.com)

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