

# INTERIM REPORT

JANUARY-SEPTEMBER 2022

Abbreviated version of the original Swedish report

## ICOone development supported by Bill & Melinda Gates Foundation

### Significant events 1 July – 30 September

- Iconovo has received a grant of approximately SEK 9 million from the Bill & Melinda Gates Foundation to develop inhaled therapies based on ICOone Nasal for the next pandemic. The grant will be used to develop a low-cost product that enables the administration of medicinal substances to both the upper and lower respiratory tract. The project will run from August 2022 to June 2023. The aim is to establish a fast track for inhaled treatments that

can improve global healthcare, particularly in low- and middle-income countries, in the event of a new viral pandemic.

### Significant events after the end of the third quarter

- Iconovo has conducted a study to assess the user friendliness of its ICOone Nasal inhaler. The aim is to make the ICOone Nasal so easy to use that anyone can operate it properly without detailed instructions.

Key figures for the Group, in TSEK unless otherwise indicated	Jul-Sep 2022	Jul-Sep 2021*	Jan-Sep 2022	Jan-Sep 2021*	Jan-Dec 2021*
Net turnover	7,205	6,169	17,082	11,809	15,409
Operating profit/loss	-10,077	-3,895	-31,772	-17,807	-26,513
Cash flow for the period	-15,453	60,741	-52,893	45,308	33,348
Earnings per share (SEK) before and after full dilution	-1.14	-0.43	-3.56	-2.15	-3.15
Cash and cash equivalents	42,144	106,997	42,144	106,997	95,037
Equity	105,828	145,667	105,828	145,667	137,034
Number of shares at period-end	8,847,500	8,847,500	8,847,500	8,847,500	8,847,500
No. of licensing agreements (royalty)**	6	6	6	6	6
No. of feasibility agreements**	1	1	1	1	2

\*Refers to the figures of the parent company, as there were none for the Group at the this time point.

\*\*Number of agreements at the end of the period.



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*We have taken significant steps towards realising the vision of ICOone – to replace drug injections with dry powder inhalation*

This past quarter, Iconovo took a significant step toward its goal of establishing a fast track for inhalation therapies that can improve the ability of global healthcare to respond to a new viral pandemic. In July, the company received approximately SEK 9 million from the Bill & Melinda Gates Foundation for the development of a low-cost product that enables the administration of medicinal substances to both the upper and lower respiratory tract. The goal is to work together to develop products that can help people around the world, particularly in low-income countries, gain access to essential vaccines and drug therapies. The project is now in full swing and is expected to be completed by June 2023.

In the project, we will develop experimental models, perform characterisation work and invest in laboratory equipment to optimise our ICOone Nasal inhaler for inhalation therapy of viral respiratory infections. The project is a first step towards Iconovo's vision of establishing a commercial-scale production platform that can be used to manufacture up to 100 million inhalers in a short period of time. We have already come a long way, but further investment from major international players with the same goal as Iconovo – to dramatically improve vaccine distribution in the next pandemic outbreak – is needed to take the technology to its full potential. Here it is important to seek strong partnerships with organisations willing to make major investments to drive technological change. The Bill & Melinda Gates Foundation is a perfect partner for us in this work.

## ICOone-based COVID-19 vaccine

Most of the pieces are now in place for the next step in the development of our business partner ISR's ICOone-based COVID-19 vaccine. The application to start a Phase I/II clinical trial in Bangladesh has been approved and an agreement has been signed for large-scale production of ICOone with the reputable German contract manufacturer Gerresheimer. In addition, an agreement securing the production of dry powder for a Phase III clinical trial and commercial launch has been signed with Catalent.

## ICOpre moving forward in the sales process

During the summer and autumn, we attended several international congresses and met with companies that have shown great interest in our products being developed in the ICOpre inhaler. These discussions are continuing, and the aim is to identify a strong partner and to make an agreement for the further development and commercialisation of a portfolio of products based on ICOpre.

## Handover of the CFO position

As previously announced, Anna Gallon, who has contributed greatly to the company's development during her tenure as

Chief Financial Officer, will be leaving her position shortly. The process of recruiting a successor is nearing its final stages, and we therefore see good prospects for a quick and smooth handover.

## Pre-study with TOA Pharmaceuticals completed

During the quarter, we completed a pre-study in collaboration with the Japanese pharmaceutical company TOA Pharmaceuticals for the development of an inhaler for a generic version of a drug with significant sales in the Japanese market. During the year, the project generated revenues for Iconovo totalling approximately SEK 2 million. TOA Pharmaceuticals, in consultation with Iconovo, has decided not to proceed with the project evaluated during the pre-study. The companies will continue the established dialogue on potential new business opportunities.

## New opportunities in new laboratories

The expansion of Iconovo's laboratories is now complete, providing our formulation lab with even greater capacity and the ability to fully control humidity during powder development. This allows us to simulate the conditions that prevail in different geographical areas and ensure that our inhalers work well in the environments in which they will be used.

## We are continuing to build for the future

Iconovo's cash position at the end of the quarter was approximately SEK 42 million, giving us a good foundation on which to stand as we continue our efforts to attract more business and seize strategic opportunities. Right now, we are primarily doing this by investing in the value chain for ICOone and ICOcap. The establishment of our subsidiary Iconovo Pharma is also a key focus area. We are continuing to build an organisation that can take responsibility for the Nordic marketing of future products developed in collaboration with our partners. We are also evaluating opportunities to in-licence other commercially interesting drugs.



Johan Wäborg CEO