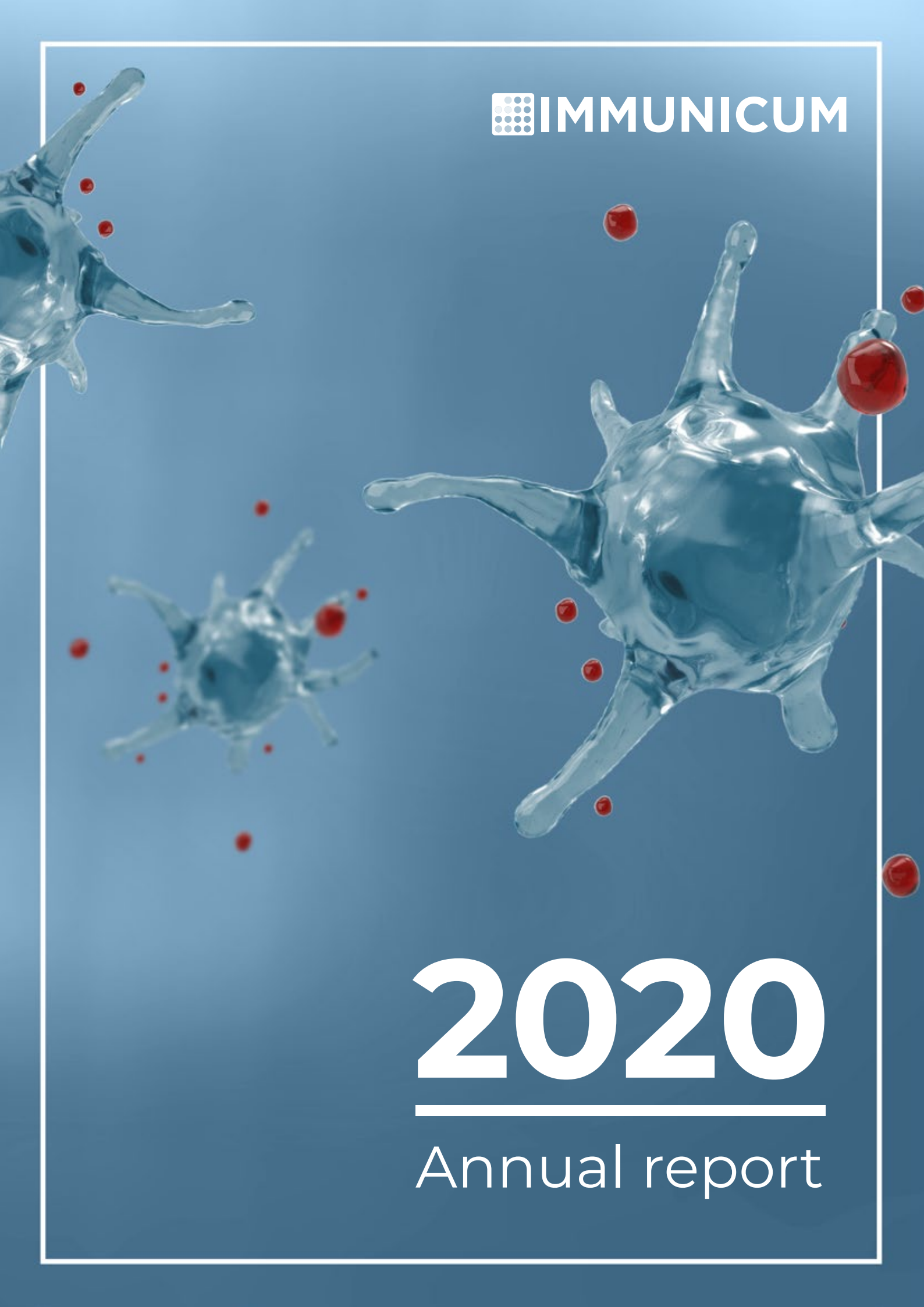


An abstract graphic featuring three dynamic water splashes in a light blue hue against a darker blue background. Several small, bright red spheres are scattered throughout the scene, some appearing to be part of the splashes and others floating independently. The overall composition is clean and modern, with a white border framing the entire image.

2020

Annual report

Content

Description of operations

The year in brief.....	4
Introduction to Immunicum	6
Presentation of DCprime.....	8
Immunicum and DCprime join forces	10
Comments from the CEO	12
Strengths and competitive advantages	14
History and important milestones	16
Ilixadencel.....	18
DCP-001	19
Clinical pipeline	20
Scientificbackground	28
Market overview.....	30
The share and shareholders.....	36
Organization - The Board of Directors	40
Organization – The Executive Management Team.....	42
Board of Directors' Report	44

Financial information

Financial information The Group.....	51
Notes.....	55
Financial information Parent Company	68
Notes.....	71
Assurance of the Board of Directors and CEO	77
Auditor's report	78

Corporate Governance

Corporate Governance Report.....	82
----------------------------------	----

Other information

Welcome to the 2021 Annual General Meeting	92
--	----

The Annual Report according to the Swedish Annual Accounts Act is included on pages 44-77 in this document.

This report has been prepared in a Swedish original version and translated into English. In the event of any inconsistency between the two versions, the Swedish language version should have precedence.

The year in brief

» **2020** was the year in which Immunicum's efforts to secure advantageous regulatory conditions for the further clinical development of ilixadencel were rewarded and the Company joined forces with DCprime to establish a leader in cell-based cancer immunotherapies.

In the fourth quarter, we announced that Immunicum had joined forces with DCprime, a Dutch clinical stage company developing cancer relapse vaccines based on allogeneic dendritic cell biology. DCprime's technology is complementary and synergistic to Immunicum's approach. The combination of the two companies expands our pipeline, creates a broader range of therapeutic options and enhances the platform biology

with which to establish Immunicum as a leading cell therapy company.

This year's successes have strengthened the Company's basis to develop novel therapeutic approaches from its groundbreaking research bringing new treatments to patients.

Financial overview - the Group*

The Group

KSEK	2020	2019
Net sales	-	-
Operating profit/loss	-86,027	-44,856
Profit/loss before tax	-89,248	-47,771
Profit/loss for the period	-89,248	-47,771
Earnings per share before and after dilution (SEK)	-1.17	-0.65
Cash flow from operating activities	-56,626	-57,569
Shareholders' equity	661,094	-5,677
Cash and cash equivalents end of period	167,643	14,032

*On December 21, 2020, Immunicum AB acquired DCprime BV. The transaction resulted in the owners of the acquired company (DCprime) having deemed control of the acquiring company (Immunicum). The acquisition is therefore accounted for as a reverse acquisition. The consolidated financial statements thus only consist of DCprime BV until the time of acquisition, December 21, 2020. This consolidated financial statement is Immunicum's first consolidated financial statement which has been prepared in accordance with IFRS.

Quarter 1

- » Immunicum presented updated data from Phase II MERECA trial of ilixadencel in kidney cancer at ASCO-SITC Clinical Immuno-Oncology Symposium. Data from the December 2019 cutoff showed a separation in survival curves in favor of the ilixadencel group.
- » Immunicum announced resignation of Michaela Gertz as Chief Financial Officer and that Peter Suenart resumed the role as Chief Medical Officer.
- » Immunicum received Regenerative Medicine Advanced Therapy (RMAT) Designation from the U.S. FDA for ilixadencel in kidney cancer (RCC).

Quarter 3

- » Immunicum announced updated data from Phase II MERECA trial of ilixadencel in kidney cancer, in which the median survival for the control group was reached, indicating a survival benefit of the ilixadencel treatment group.
- » Immunicum announced, on August 28, the appointment of Sven Rohmann as Chief Executive Officer effective immediately.
- » Immunicum presented preclinical data supporting the combination of ilixadencel with cancer therapies and immunotherapies including anti-VEGF, anti-PD1 and anti-CTLA4 at the 2020 ESMO Virtual Congress.
- » Immunicum presented an updated corporate and clinical development strategy.

Quarter 2

- » Immunicum appointed Peter Hein as interim Chief Financial Officer.
- » Immunicum announced publication of Phase I/II clinical trial results of ilixadencel in Gastrointestinal Stromal Tumors (GIST) in the journal *Cancer Immunology, Immunotherapy*.
- » Immunicum announced the advancement from staggered to a non-staggered inclusion phase in the Phase Ib/II ILIAD combination trial with ilixadencel.

Quarter 4

- » Immunicum announced a safety and enrollment update for the ongoing Phase Ib/II ILIAD combination trial. As of October 6, 15 patients were enrolled in the study and ilixadencel maintained a favorable safety profile. The Dose Escalation Committee confirmed there were no dose limiting toxicities.
- » Board member Magnus Persson resigned from the Board in October.
- » On November 18, Immunicum announced that the Company had entered into a binding agreement with Van Herk Investments BV to acquire all shares in DCprime BV to establish a leader in cell-based cancer immunotherapies. At the Extraordinary General Meeting on December 18, the Board's resolution on a directed new issue of shares to Van Herk Investments BV was approved. The transaction was completed on December 21.
- » Immunicum received FDA Fast Track Designation for ilixadencel for the treatment of the orphan indication Gastrointestinal Stromal Tumors (GIST).
- » Immunicum announced the completion of patient recruitment for Phase Ib portion of ILIAD combination clinical trial.
- » Immunicum received FDA Orphan Drug Designation for ilixadencel as a treatment for liver cancer, specifically Hepatocellular Carcinoma (HCC).

Introduction to Immunicum

» **Immunicum and DCprime** joined forces in late 2020 to establish a leader in the field of allogeneic dendritic cell biology built on decades of combined immuno-oncology and cell therapy expertise and with an advanced clinical pipeline. In addition to the strategic and operational synergies, the transaction strengthened Immunicum's shareholder base with the addition of Van Herk Investments, a highly reputable European life science investor.

Immunicum has set the objective of becoming a leader in cell therapy by broadening its platform of off-the-shelf, cell-based immune primers with the complementary approach of relapse vaccination, strengthening the Company's position in the field of cancer immunotherapy for both solid and blood-borne tumors.

To date, Immunicum has established clinical Proof of Concept for its program ilixadencel. The product candidate ilixadencel has been tested in a range of solid tumors, most recently in the Company's Phase II MERECA study in kidney cancer. Data from the ongoing study with ilixadencel in combination with immune checkpoint inhibitor in multiple solid tumor indications is expected in the third quarter of 2021. DCprime has produced encouraging clinical results for blood-borne tumors with its program DCP-001 in advanced-stage Acute Myeloid Leukemia patients. Furthermore, DCP-001 has shown an excellent safety profile in its clinical studies. Additional data from the ongoing Phase II study are expected during the fourth quarter of 2021. In addition, Immunicum is initiating a Phase I study evaluating DCP-001 in ovarian cancer, which will be its first evaluation in a solid tumor indication.

Immunicum was founded in Sweden with corporate headquarters in Stockholm. Research and process development efforts will be expanded at the Company's facility in Leiden, the Netherlands. Immunicum is publicly traded under ticker symbol IMMU, on the Nasdaq Stockholm Main Market.

Business concept, strategy and complementary approaches

Moving forward after the business combination, the cell-based immunotherapy approach that strengthens the patient's tumor-specific immune system is broadened to include both therapeutic treatment of established cancers (ilixadencel) and treatment aimed at reducing recurrence of cancer (DCP-001).

Build value based on clinical validation

The focus is to generate attractive preclinical and clinical data on its program, to provide better cancer therapy and build long term shareholder value. We are pursuing this by providing the broadest range of corporate development opportunities to further develop or partner with major pharmaceutical and biotech companies to ultimately deliver the product candidates to the market as efficiently as possible.

Position ilixadencel as the first choice of cancer immune primers

Immunicum aims to position ilixadencel as the first choice of cancer immune primers to combine with treatments that fight tumor-derived immune suppression, e.g. checkpoint inhibitors and certain tyrosine kinase inhibitors, potentially enabling a more potent anti-tumor immune response and enhanced patient benefit.



The Company develops these immunotherapies primarily by conducting clinical trials to establish the product candidate's synergistic anti-tumor potential when combined with other drugs without adding toxicity.

Established Proof of Concept for ilixadencel

Immunicum has achieved clinical Proof of Concept by demonstrating that ilixadencel facilitates more durable and stronger anti-tumor responses when combined with standard of care treatment. Furthermore, the mechanism of action is complementary to other available cancer treatments. With a consistent and excellent safety and tolerability profile, ilixadencel has the potential to improve treatment outcomes for patients with cancer.

Validation of approach – solid tumors

To date, ilixadencel has gained regulatory acknowledgement through a Regenerative Medicine Advanced Therapy (RMAT) Designation by the FDA and the Advanced Therapy Medicinal Product (ATMP) certification by the EMA, supporting its pathway toward the market. In addition, the collaboration with Merck KGaA and Pfizer, two renowned pharmaceutical companies, represents an additional level of industry validation for Immunicum's immune primer approach.

Strong leadership and competence

From a management perspective, through the expansion of the Board of Directors and the updated Executive Management Team, Immunicum has the right in-house experience and relevant competencies to bring the Company to the next phase of development and move toward commercialization.

Solid foundation of cell therapy expertise

Immunicum has assembled a team of highly specialized experts in the field of cell therapy and immuno-oncology, with strong business backgrounds, not only to maximize the potential of the product candidates, but also to build a leading and independent cell therapy player.

Presentation of DCprime

» **DCprime** is a clinical-stage cancer immunotherapy company shaping the field of relapse vaccines, aimed at the prevention or delay of cancer recurrence following initial treatment. DCprime's lead program DCP-001 was shown to have an excellent safety profile and has delivered promising progression-free and overall survival results in a Phase I study in Acute Myeloid Leukemia providing the basis for the ongoing clinical Phase II study.

The recurrence of cancer following initial treatment has become one of the largest unmet medical needs in cancer therapy. Relapse vaccination addresses this challenge and aims to boost the immune system so that it regains control over residual disease. This principle applies to both blood-borne and solid tumors.

DCOne® – a platform for development of relapse vaccines

DCprime's lead program, DCP-001, is the DCOne® platform comprising a proprietary cell line and manufacturing process.

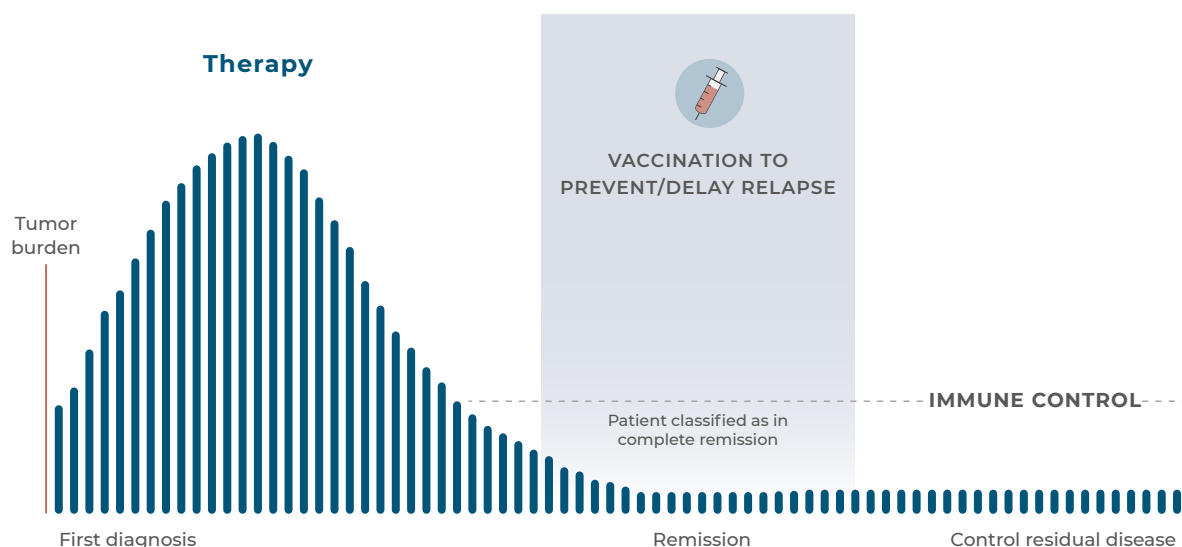
DCprime recently presented extensive preclinical results that showed that this transformation leads to an immunogenic change. The original cells displayed low immunogenicity while DCP-001 was found to be highly immunogenic and addressed a multitude of tumor antigens, which has made it an attractive cancer vaccine candidate for a number of blood-borne and solid tumor indications. DCOne® allows for the development of relapse vaccines that have a benign safety profile and are available off-the-

shelf to patients. In addition, candidates from the DCOne®-based platform can be combined with T cell therapies or other immuno-oncological treatments.

DCP-001 – lead vaccine program

DCprime has collected encouraging clinical results for blood-borne tumors including interim data from its ongoing Phase II study in Acute Myeloid Leukemia (AML), which were presented in an oral presentation at the ASH (American Society of Hematology) Annual Meeting and Exposition on December 5, 2020. The data presented highlighted the potential of the DCprime's lead vaccine candidate, DCP-001, to improve the treatment options for patients with Acute Myeloid Leukemia (AML) in the post-remission setting. Interim data on the primary endpoint from the ongoing study indicates that vaccination with DCP-001 is well-tolerated and is able to generate a tumor-specific immune response potentially leading to long-lasting tumor control.

DCprime's relapse vaccination approach represents a new therapeutic paradigm



- Tumor recurrence has become the largest medical challenge in cancer treatment
- Relapse vaccination boosts the immune system to control residual disease following initial treatment and to prevent or delay tumor recurrence
- Applicable to both blood-borne and solid tumors

The study continues to enroll patients at the higher of the two vaccine doses tested. Top-line results are expected to be available end of 2021.

Furthermore, DCprime has expanded into solid tumors and is currently initiating the Phase I ALISON study with DCP-001 in ovarian cancer. Both AML and ovarian cancer are diseases with a high relapse rate.

DCP-001 has received Orphan Drug Designation in the US and Europe.

and Radboud University Medical Center in Nijmegen in the Netherlands.

Organization

DCprime was founded in 2005 and the Van Herk-Group was the majority shareholder ahead of merger with Immunicum. At the end of the year DCprime had 21 employees with offices and R&D facilities in Leiden, the Netherlands.

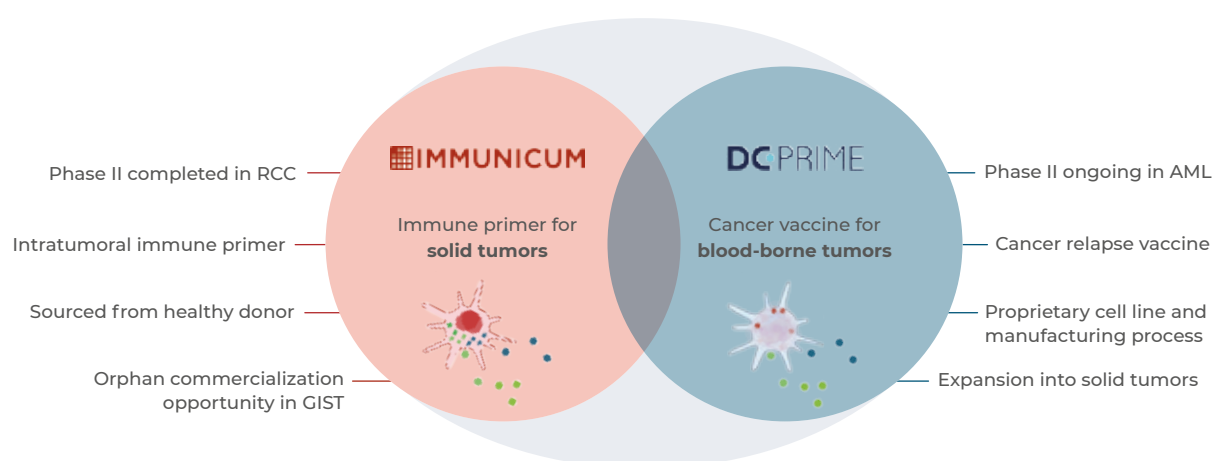
Preclinical development and collaborations

DCprime has several preclinical programs addressing additional indications, including multiple myeloma. DCprime is also investigating new immunotherapy concepts for both solid and blood-borne tumors.

Several of the preclinical activities take place in collaboration with other biotech companies for example Glycotope and PCI Biotech. Examples of academic partners are Amsterdam University Medical Center, UMC Groningen

Immunicum and DCprime join forces

» At the end of the year, Immunicum and DCprime joined forces to establish a leader in cell-based cancer immunotherapies.



Complementary approaches to expand therapeutic reach and market potential

The main objective of the combination is to establish a unified company built on decades of combined immuno-oncology and cell therapy expertise in the field of allogeneic dendritic cell biology. Moving forward this means that the immune-based approach that strengthens the patient's tumor-specific immune system is broadened to include both therapeutic treatment of established cancer (ilixadencel) and treatment aimed at reducing recurrence of cancer (DCP-001). The companies' teams and technologies are complementary and significantly increase the potential of the combined Company's pipeline and deliver more value-inflection points and potential partnering opportunities.

The combined company will advance a synergistic pipeline spanning both large and orphan indications in solid and blood-borne tumors. The pipeline consists of two programs in Phase II clinical development and multiple

near-term value inflection points, as well as a portfolio of preclinical programs and research capabilities to fuel future pipeline expansion. Importantly, the combined process development and manufacturing expertise and specialized in-house research and development facilities support the goal of becoming a leader in the development of cell-based immunotherapies.

In addition to the operational synergies, the transaction strengthened Immunicum's shareholder base with the addition of Van Herk Investments, a highly reputable European life science investor.

Immunicum was founded in Sweden with corporate headquarters in Stockholm. Research, process development and future manufacturing efforts will be consolidated at the Company's facility in Leiden, the Netherlands. Immunicum is publicly traded, under ticker symbol IMMU, on the Nasdaq Stockholm Main Market.

Advanced pipeline in solid and blood-borne tumors

Product & Indication	Combination	Preclinical	Phase I	Phase II	Phase III
Ilixadencel: an off-the-shelf cell-based immune primer for solid tumors					
Kidney cancer	Kinase inhibitors	MERECa study			RMAT
Liver cancer	Kinase inhibitors			Orphan Drug Designation	
Sarcoma (including GIST)	Kinase inhibitors			Fast Track & Orphan Drug Designation	
Multiple solid tumors	Checkpoint inhibitors	ILIAD study			
DCP-001: an off-the-shelf cell-based relapse vaccine for solid and blood-borne tumors					
Acute myeloid leukemia	Monotherapy	ADVANCE-II study		Orphan Drug Designation	
Ovarian cancer	Monotherapy	ALISON study			
Preclinical pipeline: combination approaches, next-generation immune primers, novel immunotherapy concepts					
Undisclosed	Undisclosed				

- » Immunicum has established clinical Proof of Concept for ilixadencel, which has been tested in a range of solid tumors.
- » DCprime has produced encouraging clinical results for DCP-001 in blood-borne tumors including interim data from the ongoing Phase II study in Acute Myeloid Leukemia (AML).
- » A clinical development portfolio with two Phase II projects in both solid and blood-borne tumors, where important data are expected in the near future for both projects. For ilixadencel, the ILIAD study is ongoing in which the Phase Ib portion of the trial is combining ilixadencel with the checkpoint inhibitor Keytruda® (pembrolizumab) in a number of solid tumor indications. Top-line results on safety and dosing are expected in the third quarter of 2021. For DCP-001, top-line results from the Phase II ADVANCE-II study in AML are expected during the fourth quarter of 2021. Furthermore, a Phase I study evaluating DCP-001 in ovarian cancers is currently being initiated, which will be the first evaluation in a solid tumor indication.
- » A portfolio of research and preclinical programs to further broaden the possibilities in the future.

Comments from the CEO

» **2020** proved to be a transformational year for Immunicum. The organization resulting from the merger with DCprime end of last year has rapidly developed into a robust, unified and focused Company with an expanded range of strategic possibilities and multiple product candidates in development.

In 2020 Immunicum continued to build clinical validation as well as scientific and regulatory recognition for ilixadencel. It was also the year in which the Company completed a transaction leading to the combination with DCprime. Immunicum and DCprime share a strong scientific foundation in allogeneic dendritic cell biology, creating a leader in the field. Next to developing ilixadencel and potential next generation intratumoral immune primers, the combined Company is a pioneer in the development of relapse vaccines, a new class of immuno-oncology therapies administered after standard of care therapy to delay or prevent disease recurrence. By combining our forces, we have created a Company with an advanced clinical pipeline, strong in-house research and process development expertise and a unique positioning in cell-based immunotherapies.

In September 2020, Immunicum communicated to our shareholders a clear strategy to drive value from our clinical development program for ilixadencel. We provided our vision to build a leading, independent, cell-therapy innovator by identifying complementary and novel approaches. In December, Immunicum executed on this objective and completed the combination transaction with DCprime, combining our expertise in solid tumors with a complementary therapeutic approach and a clinical-stage product candidate DCP-001 for

relapse vaccination in blood-borne cancers. We added new leadership strength, organizational and research capabilities as well as Van Herk Investments as a strong and committed shareholder. The combination has enabled us to reach a new level of corporate development and position Immunicum as a fully integrated biopharmaceutical company.

Immunicum's core vision remains the same: make a difference for cancer patients. From that perspective, we made significant progress during the year to build recognition within the medical community for both ilixadencel and DCP-001. We communicated our clinical progress including further positive updates from the patient follow-up from our Phase II MERECA study in Renal Cell Carcinoma (RCC). We also had the opportunity to present our data at highly-regarded scientific conferences. These included ASCO-SITC where we announced results demonstrating that adding ilixadencel to tyrosine kinase inhibitor sunitinib resulted in improved survival and objective response rates. At ESMO 2020 we presented preclinical data on the addition of anti-CTLA4 to treatment with ilixadencel, producing promising signs of improved response. Shortly after the announcement of our transaction, DCprime presented clinical data on DCP-001 from the Phase II ADVANCE-II study at the ASH 2020 conference showing the potential to suc-

”

In 2021 we have momentum as we move toward realizing the potential of our expanded pipeline and delivering value to our shareholders.”



successfully control residual disease as the basis for prolonged remission in Acute Myeloid Leukemia (AML).

Our clinical results were also recognized by the regulatory bodies with a range of designations from both the FDA and EMA. In May, we received Regenerative Medicine Advanced Therapy (RMAT) Designation from the FDA for ilixadencel in RCC, followed by FDA Fast Track Designation for ilixadencel in Gastrointestinal Stromal Tumors (GIST) in December, as well as FDA Orphan Drug Designation for ilixadencel in Hepatocellular Carcinoma (HCC) in that same month. In February of this year, we received Orphan Drug Designation from EMA for ilixadencel in GIST. With DCprime achieving FDA Orphan Drug Designation for DCP-001 in AML at the end of 2019, we are further convinced about Immunicum’s potential to bring novel treatments to patients.

In 2021 we have momentum as we move toward realizing the potential of our expanded pipeline and delivering value to our shareholders. We will provide further details on our strategic decisions as we continue to operationalize the Company’s corporate and clinical development strategy. This we will do on the basis of a wealth of information from the Company’s completed and ongoing clinical studies. The cancer immunotherapy field is quickly evolving and therefore we will make decisions based on clinical efficacy signals in combination with an optimal positioning in

the broader therapeutic landscape. Another corporate goal is to finalize the integration of the “new” Immunicum and to build out our in-house Research and Process Development activities, including the preparations for our new facilities currently under development in Leiden, the Netherlands.

Looking forward for our programs in 2021, we announced the enrollment of the last patient in the Phase Ib part of the ILIAD study at the end of last year and expect to announce 6 months of safety, dosing and efficacy data in the third quarter of this year. We will also announce the enrollment of the first patient in the Phase I ALISON study, evaluating DCP-001 in patients with ovarian cancer. We anticipate presenting topline efficacy results for the Phase II ADVANCE-II study by the end of 2021.

To close, the past year has been one in which Immunicum laid the groundwork for the longer-term corporate and clinical development strategy. In 2021, we will initiate the execution of the strategy by further advancing our Clinical and Research pipeline through the various upcoming milestones and with a focus on creating value for our shareholders. As we advance into the next stage of our development, I would like to thank the Immunicum’s shareholders for their continued support throughout our journey.

ERIK MANTING, Ph.D.
Chief Executive Officer

Strengths and competitive advantages

Off-the-shelf therapies that can potentially transform a patient's cancer treatment

Immunicum's therapeutic platforms are advancing the progress made in immuno-oncology: leveraging the patient's own immune system to attack cancer and thereby opening the possibility for completely eradicating cancer. Numerous breakthroughs in the last decade have shown this promise, and Immunicum is developing the next generation of these therapies that are readily available to patients as an off-the-shelf therapy. Its in-house off-the-shelf therapies are based on allogeneic dendritic cells used as intratumoral immune primer and relapse vaccine, eliminating the need to characterize, select and produce each patient's tumor-specific antigens before treatment.

In addition, ilixadencel manufacturing does not involve using patient tumor material as a source of antigens, nor does it require selection of patients by HLA (human leukocyte antigen) matching to the donor material. After production of both ilixadencel and DCP-001 they are stored frozen, and when needed, can be simply thawed and administered directly to the patient.

Favorable positioning

The future of cancer treatment is expected to place immunotherapies front-and-center, either as monotherapy or as combination therapies to fully target the complex and challenging biology of cancer. Since other immunotherapies eliminate cancer immunosuppression, Immunicum's platforms are well positioned in the landscape of future cancer therapies by aiming to activate an anti-tumor immune response. Last, but not least, as both combinations and therapeutic modalities grow more complex, safety and cost of manufacturing will be crucial to provide a sustainable solution to cancer, and our off-the-shelf platforms have benefits in these areas.

Advanced clinical stage projects in large and orphan indications with large unmet medical need

Immunicum has conducted and is currently conducting clinical trials in several indications: kidney cancer (RCC), liver cancer (HCC), gastrointestinal stromal tumors (GIST), head and neck cancer (HNSCC), acute myeloid leukemia (AML) and ovarian cancer (currently in initiation phase), among others. In RCC a Phase II study (MERECA) provided top-line results in August 2019, and in AML a Phase II

study (ADVANCE-II) presented interim results at ASH in December 2020. The different indications that have been explored to date have an addressable market of USD 25.3 billion in total, see pages 34-35, and represent indications with large unmet medical needs and high potential for combination immunotherapeutic strategies.

Promising data indicating tumor-specific immune response and clinical efficacy

Trials conducted thus far have shown promising early efficacy data. Within the Company's furthest progressed indication metastatic Renal Cell Carcinoma (RCC) topline data from the exploratory Phase II MERECA clinical trial showed more patients having complete responses, more durable responses, prolonged median overall survival and increased long-term survival as indicated by the tail of the survival curve, as typical observations of the impact an immunotherapy can have in cancer. In addition, and important in the era of combination therapies in oncology, ilixadencel demonstrated an excellent safety profile on top of sunitinib.

Next to the encouraging signs of safety and efficacy observed in the Phase II MERECA study, different clinical studies performed to date with both ilixadencel and DCP-001 have shown proof-of-mechanism with tumor-specific immune activation and initial signs of survival benefit, further de-risking these approaches in several indications.

Excellent safety profile with low rate of treatment-related serious adverse events

Over 100 patients have been treated with ilixadencel in clinical studies to date. The number of serious adverse event (SAEs) in the Company's studies has been low thus far. The main SAE observed was fever. Fever is a natural reaction to a stimulation of the immune system and is an expected outcome when patients are treated with an inflammatory and immune activating substance such as ilixadencel. DCP-001 has shown a similar safety profile and demonstrates that these platforms due to their overlapping biology can truly position themselves with a benefit on safety within the cancer landscape.

Clinical manufacture and commercial process development

Clinical manufacture for ilixadencel is currently performed at a GMP (Good Manufacturing Practice) certified production facility at BioNTech IMFS GmbH in Germany, and for DCP-001 at apceth Biopharma GmbH in Germany (now part of Minaris Regenerative Medicine). The Company is further working together with Minaris Regenerative Medicine for the development and optimization of the manufacturing process, called process development.

Thanks to the combination with DCprime, Immunicum now has access to in-house R&D facilities including the process development team and expertise. This further secures control over process development and manufacturing infrastructure, which is crucial to advancing cell therapies with speed and quality, while providing immediate cost synergies by reducing outsourced activities.

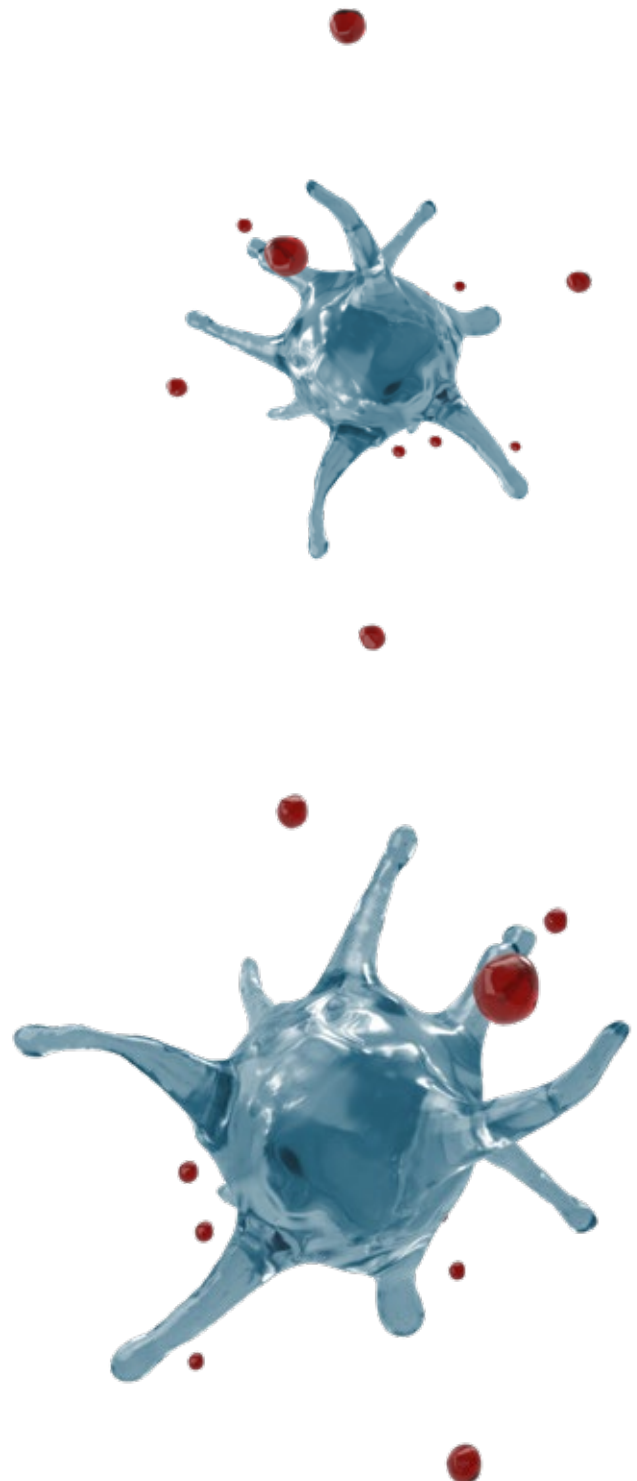
Executive Management Team with extensive experience of building a fully integrated biopharmaceutical company

The combined Company has formed a strong executive management and operational team consisting of individuals with relevant experiences within immunology, drug development, CMC, regulatory, QA, commercial operations, finance, and business development.

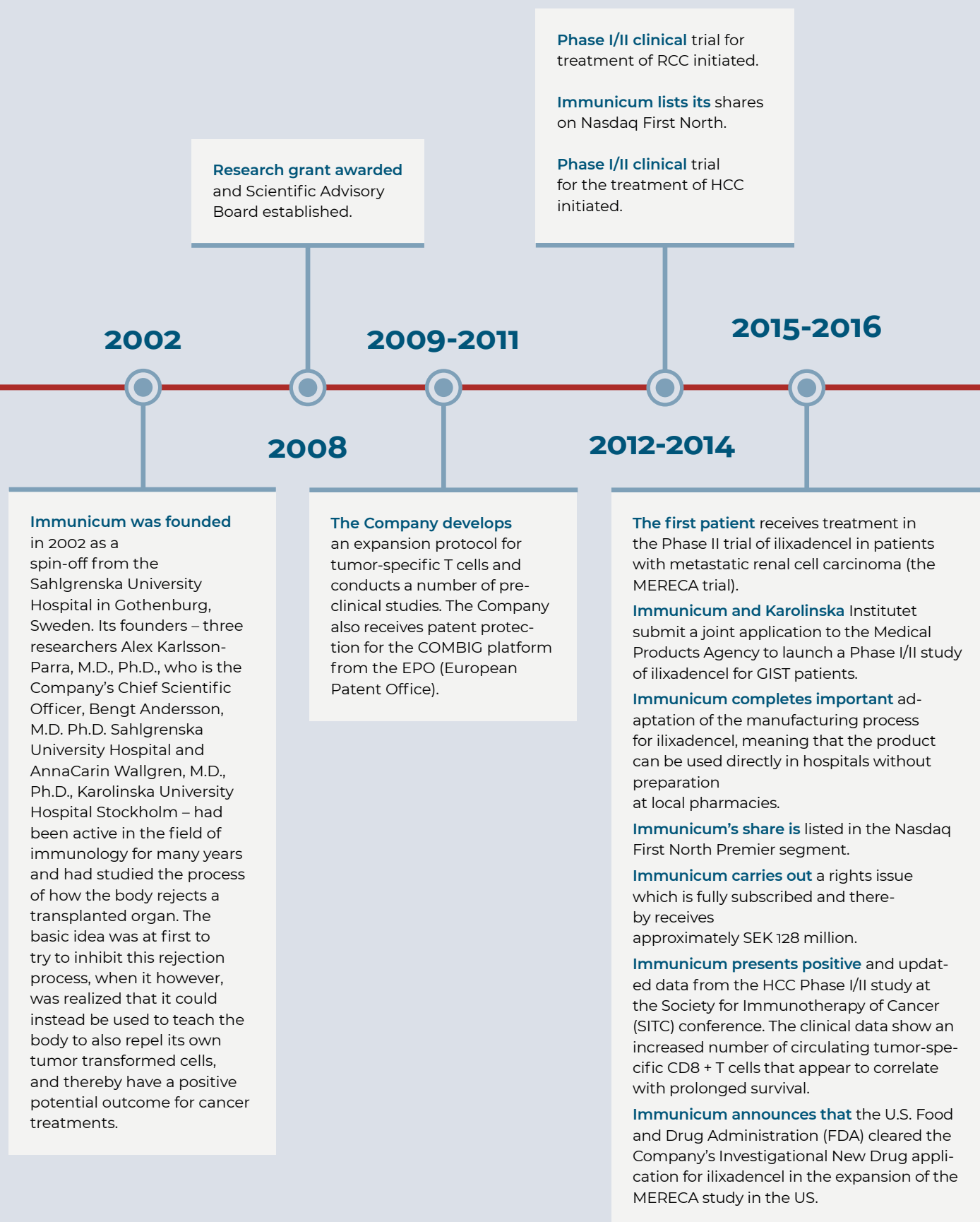
Operating within the fastest growing pharmaceutical area

Immuno-oncology, Immunicum's focus area, is currently the fastest growing pharmaceutical segment. According to Market Insight Report, the market for immune therapies is expected to grow at an annual growth rate of 13 percent, and amount to USD 150 billion by 2025.¹ Immunicum is pursuing its competitive positioning within this area to optimally benefit from the market and investment growth, while advancing potential medicines that can truly transform the lives of patients with cancer.

1. Market Insight Reports, Global Immuno-Oncology Market Research Report, 2019



History and important milestones



Immunicum enrolls first patient in Phase I/II study in gastrointestinal tumors (GIST), following a protocol amendment to broaden the recruitment basis.

Immunicum publishes data from Phase I/II study in RCC in *Journal for ImmunoTherapy of Cancer* and updates patient survival and follow-up data as of May 2017.

Immunicum completes Phase I/II study in HCC and announces

positive top-line data supporting continued development in HCC.

Immunicum announces preliminary results from preclinical concept studies evaluating the effect of combining the drug candidate ilixadencel with an anti-PD-1 checkpoint inhibitor (CPI). In a mouse model with a solid tumor, the preliminary results show a higher proportion of survival among mice treated with a combination of ilixadencel and CPI.

Immunicum announces positive topline data from completed Phase II MERECA in RCC.

Positive topline results from Phase I/II GIST examining safety and tolerability of ilixadencel in combination with tyrosine kinase inhibitors.

First patient is treated in multi-indication Phase Ib/II ILIAD evaluating safety and efficacy of ilixadencel, in combination with checkpoint inhibitors, and advancement to next dosage group level.

Positive preclinical data on ilixadencel in combination with CTLA-4 immune checkpoint inhibitor.

Phase I/II results of ilixadencel in advanced Hepatocellular Carcinoma are published in *Frontiers in Oncology*.

New patent "Improved allogeneic dendritic cells for use in cancer treatment" is granted by EPO.

2018

2017

2020

2019

Patient enrollment complete in Phase II study in RCC (MERECA).

Immunicum initiates trading of shares on Nasdaq Stockholm Main Market, in the segment Small Cap.

EMA grants ATMP (Advanced Therapy Medicinal Product) certificate for ilixadencel.

FDA approves protocol enabling initiation of Phase Ib/II combination study with checkpoint inhibitors (ILIAD study) in US.

Immunicum announces collaboration and supply agreement on checkpoint inhibitor Merck KGaA and Pfizer for evaluation of ilixadencel in combination with the checkpoint inhibitor avelumab (Bavencio®) in the planned Phase Ib / II multi-indication study, ILIAD.

Immunicum raised SEK 351 million before issue costs for continued clinical development of ilixadencel through a directed issue and a rights issue.

FDA granted ilixadencel; RMAT Designation for kidney cancer (RCC), Fast Track Designation for Gastrointestinal Stromal Tumors (GIST) and Orphan Drug Designation for liver cancer, specifically Hepatocellular Carcinoma (HCC).

Phase II MERECA clinical trial in kidney cancer (RCC), updated data showed difference in confirmed tumor response and a separation in survival curves in favor of the ilixadencel group.

Clinical trial results of Phase I/II GIST are published in *Cancer Immunology, Immunotherapy*.

Completed patient recruitment in the Ib-portion of the Phase Ib/II ILIAD multi-indication trial.

Immunicum and DCprime join forces to establish a leader in cell-based cancer immunotherapies.

Phase II ADVANCE-II in AML (Acute Myeloid Leukemia) interim results with DCP-001 are presented at ASH 2020, showing the ability to convert patients with measurable residual disease (MRD) into MRD-negative status.

Ilixadencel

» **Immunicum's program ilixadencel** is an immune primer that strengthens the patient's immune system to fight the cancer cells.

Ilixadencel is made up of allogeneic, inflammatory dendritic cells and is administered *in situ*, directly into the tumor, see figure next page. The intratumorally injected allogeneic dendritic cells will be able to survive for 48 to 72 hours after administration and are activated to release immunostimulating factors, including chemokines and cytokines, during that time period. The local production of these factors within the tumor will induce a local recruitment and activation of endogenous immune cells (immune cells from the patient), including natural killer (NK) cells, immature dendritic cells and T cells.

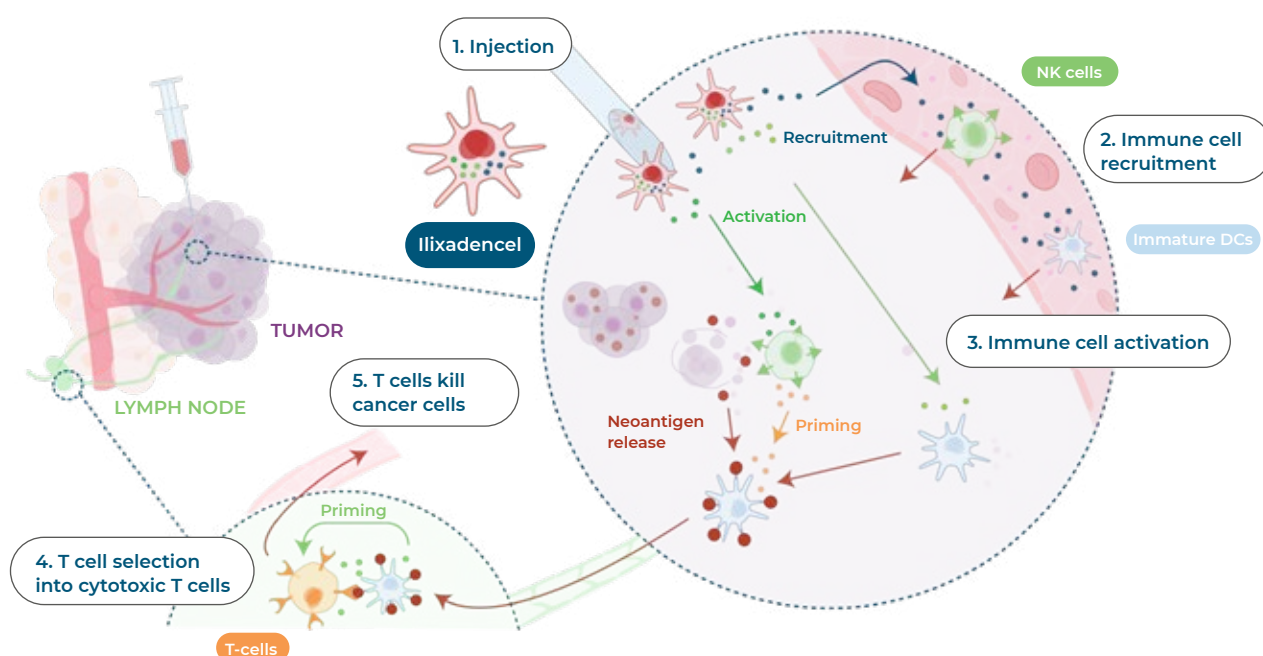
The recruitment of the patient's own dendritic cells will take place inside the tumor, where there are already high levels of tumor specific antigens (the concomitant recruitment and activation of NK cells leads to NK cell mediated cell death of tumor cells at the injection site), and these can be taken up by the recruited dendritic cells which in this manner will become loaded with antigens. Once the dendritic cells are loaded and activated by the inflammatory environment created by ilixadencel they

will migrate to nearby lymph nodes where they will prime/activate tumor-specific T cells, including CD8+ T cells that will migrate from the lymph node, through the blood circulation and then search for and kill tumor cells within both the primary tumor and metastases elsewhere in the body.

There are four major expected advantages with ilixadencel:

- I. Intratumorally injected ilixadencel uniquely covers all major aspects of tumor specific immune priming:
 - » recruitment of immune cells including NK cells and dendritic cells into the tumor.
 - » induction of local tumor cell death leading to increased release of tumor-specific antigens, and
 - » maturation of antigen-loaded dendritic cells for subsequent migration to tumor-draining lymph nodes where the dendritic cells activate/prime tumor-specific T cells.

Mechanism of action



The figure above shows that ilixadencel produces recruiting and activating molecules in the tumor, which then recruit and activate natural killer (NK) cells for the release of tumor antigens and the patient's own dendritic cells (DCs) for the uptake of these tumor neoantigens. Thus, what Immunicum expects to accomplish by means of a standardized primer is to subsequently load the patients' own dendritic cells with their tumor-specific neoantigens *in vivo*, and in this way offer patients a more potent, individualized treatment. This is something that makes ilixadencel a unique cancer immune primer with a favorable positioning.

- II. Ilixadencel is applicable for all injectable solid tumors.
- III. Off-the-shelf cell-based therapies are applicable to all patients and batches can be stockpiled and thereby be available for immediate use.
- IV. The concept uses the patient's own tumor as the antigen source *in vivo*, which aims to ensure that all immunogenic neoantigens are used for activation of a tumor-specific immune response.

Clinical strategy for ilixadencel

Immunicum's strategy is to position ilixadencel as the optimal cancer immune primer when used in combination with standard treatments that fight immunosuppression for the effective and safe treatment of solid tumors. Throughout the years, Immunicum has completed a number of clinical studies including Phase I/II studies in renal cancer (RCC), liver cancer (HCC) and gastrointestinal stromal tumors (GIST). The Phase II study (MERECA) in RCC delivered top-line results in August 2019 and patients are being followed for their survival status. Immunicum is also currently conducting a multi-indication Phase Ib/II study (ILIAD) in combination with checkpoint inhibitors in,

among others, head and neck cancer (HNSCC), non-small cell lung cancer (NSCLC) and gastric cancer (GA).

Immunicum's primary aim with the clinical studies is to determine whether ilixadencel is an effective cancer immune primer and thereby has a therapeutic effect, primarily via measuring of different survival-related endpoints, while measuring whether ilixadencel can be included in combination therapies without increasing risk of side effects.

In support of our clinical strategy, through our interactions with the regulatory authorities during 2020, ilixadencel has been granted by the U.S. FDA the Regenerative Medicine Advanced Therapy (RMAT) Designation for kidney cancer (RCC), Fast Track Designation for gastrointestinal stromal tumors (GIST) and Orphan Drug Designation as a treatment for hepatocellular carcinoma (HCC). In the first quarter 2021, Immunicum received Orphan Drug Designation from EMA for ilixadencel as treatment for gastrointestinal stromal tumors (GIST).

DCP-001

» **DCprime's lead program** DCP-001, is derived from the DCOne® platform comprising a proprietary cell line and manufacturing process.

During manufacturing, the leukemic DCOne® cells are shifted towards a mature dendritic cell phenotype. DCprime recently presented extensive preclinical results that showed that this renders the cells highly immunogenic, providing the basis for DCP-001 as a cell-based cancer relapse vaccine for a number of blood-borne and solid tumor indications. DCP-001 was shown to have an excellent safety profile and has delivered promising progression-free and overall survival results in a Phase I study in Acute Myeloid Leukemia.

Clinical strategy for DCP-001

DCP-001, top-line results from the Phase II ADVANCE-II study in AML are expected during the fourth quarter of 2021. Furthermore, a Phase I ALISON study, evaluating DCP-001 in ovarian cancers is currently being initiated, which will be the first evaluation in a solid tumor indication. DCP-001 has received Orphan Drug Designation in the US and Europe.

”

Our efforts to secure the most advantageous conditions for the further clinical development of ilixadencel continue following the merger with DCprime. We are looking forward to move ilixadencel and DCP-001 into the next phase of development based on advancing clinical data and optimal competitive positioning in the broader cancer therapy landscape.”

Erik Manting, Ph.D., CEO

Clinical pipeline

» **Immunicum has expanded** its pipeline during to include programs targeting solid and blood-borne tumors in Phase II clinical development. Preparations for defining next development steps in both clinical and preclinical studies for the Company's pipeline are ongoing.

Pipeline

Product & Indication	Combination	Preclinical	Phase I	Phase II	Phase III
Ilixadencel: an off-the-shelf cell-based immune primer for solid tumors					
Kidney cancer	Kinase inhibitors	MERECa study			RMAT
Liver cancer	Kinase inhibitors			Orphan Drug Designation	
Sarcoma (including GIST)	Kinase inhibitors			Fast Track & Orphan Drug Designation	
Multiple solid tumors	Checkpoint inhibitors	ILIAD study			
DCP-001: an off-the-shelf cell-based relapse vaccine for solid and blood-borne tumors					
Acute myeloid leukemia	Monotherapy	ADVANCE-II study		Orphan Drug Designation	
Ovarian cancer	Monotherapy	ALISON study			
Preclinical pipeline: combination approaches, next-generation immune primers, novel immunotherapy concepts					
Undisclosed	Undisclosed				

Studies in renal cancer (RCC)

Phase II (MERECa)

In August 2019, Immunicum completed an exploratory, international, randomized, controlled and open-label Phase II clinical trial (MERECa) in which a total of 88 newly diagnosed, intermediate and high-risk metastatic kidney cancer (or Renal Cell Carcinoma, RCC) patients were enrolled. Fifty-six patients received treatment with ilixadencel followed by nephrectomy (the removal of the tumor affected kidney) and standard treatment with the tyrosine kinase inhibitor Sutent® (sunitinib). Thirty (30) patients included in the control group underwent only nephrectomy and standard treatment with sunitinib.

The primary objectives of the study were to evaluate median overall survival (OS) and 18-month survival rates. Secondary objectives included evaluation of safety and tolerability, tumor response and immunological profiling including T cell infiltration.

The results from the study indicate that ilixadencel provided a systemic therapeutic benefit (abscopal effect) while demonstrating an excellent safety profile. Overall, the data support the continued clinical development of ilixadencel as an immune primer in solid tumors.

On February 6, 2020, Immunicum presented updated data in an oral presentation at the ASCO-SITC Clinical Immuno-Oncology Symposium that showed that the combined treatment with ilixadencel demonstrated a nearly two-fold higher confirmed overall response rate as compared to sunitinib monotherapy. Furthermore, survival data demonstrated a separation in survival curves in favor of the ilixadencel group without increased frequency or severity of side effects.

In May 2020, Immunicum received a Regenerative Medicine Advanced Therapy (RMAT) Designation from the U.S. Food and Drug Administration (FDA) for ilixadencel in kidney cancer. The FDA's decision was based on the previously communicated results from the Phase II MERECA clinical trial that evaluated the safety and efficacy of ilixadencel in combination with Sutent® (sunitinib) in patients with newly diagnosed metastatic renal carcinoma (mRCC). Advantages of the RMAT designation include all the benefits of the Fast Track and Breakthrough Therapy Designation programs including guidance and early interactions with the FDA to discuss potential surrogate or intermediate endpoints to support accelerated approval as well as potential ways to satisfy post-approval requirements. FDA has confirmed that the RMAT designation is not limited to the combination of ilixadencel with sunitinib but supports the development of ilixadencel in kidney cancer more broadly.

Overall Survival (OS)

Updated data as of February 2021 demonstrate a separation in Kaplan-Meier survival curves in favor of the ilixadencel combination treatment, in line with the projected separation from August 2020. The median OS was 35.6 months for the ilixadencel combination group, as compared to 25.3 months in the control group. The proportion of patients alive was 41% (23 out of 56) in the ilixadencel combination treatment group, compared to 30% (9 out of 30) in the control group.

All complete responders in the ilixadencel combination group were still alive at last patient contact (5 out of 5 CRs), while the complete responder in the sunitinib monotherapy group had died. Moving forward, survival updates for

patients in the MERECA study will be announced for each consecutive 12-month follow-up period.

With each round of follow-up, Immunicum can gain additional insight on the potential efficacy and durability of ilixadencel in combination with standard-of-care in patients with metastatic tumors, which enables the Company to better determine the next set of priorities and objectives for ilixadencel.

Tumor Response

The Objective Response Rate (ORR) is the proportion of patients with Complete Responses (CR) or Partial Responses (PR), measured by CT (computed tomography) scan within the 18-month follow-up. The best ORR was similar in the two groups with 44% (20 out of 45 patients) in the ilixadencel combination group and 48% (12 out of 25 patients) in the sunitinib monotherapy group. However, the number of complete responders was higher in the ilixadencel combination group with 11% (5 out of 45 patients) compared to 4% (1 out of 25 patients) in the sunitinib monotherapy group. Furthermore, the ilixadencel combination group showed a higher percentage of responses ongoing at the 18-months follow-up, 60% (12 out of 20 patients) versus 33% (4 out of 12 patients) in the sunitinib monotherapy group.

Based on these data a post-study analysis was performed by the contract research organization of confirmed ORR (a tumor response that is confirmed by a follow-up scan, per RECIST 1.1 criteria). The confirmed ORR for the ilixadencel treatment group was 42.2% (19/45) versus 24.0% (6/25) for the sunitinib control group.

Tumor response

	Ilixadencel+sunitinib	Sunitinib
ORR (Best Overall Response)	44 % (n=20/45)	48 % (n=12/25)
- Complete Response	11 %* (n=5/45)	4.0 % (n=1/25)
- Partial Response	33 % (n=15/45)	44 % (n=11/25)
Confirmed ORR	42 % (n=19/45)	24 % (n=6/25)
- Complete Response	6.7 % (n=3/45)	0 % (n=0/25)
- Partial Response	36 % (n=16/45)	24 % (n=6/25)

* Two patients with CR had CR as best response at last available CT scan (at 10 mo and 18 mo respectively)

ORR: Objective Response Rate, proportion of patients with Complete Responses (CR) or Partial Responses (PR)

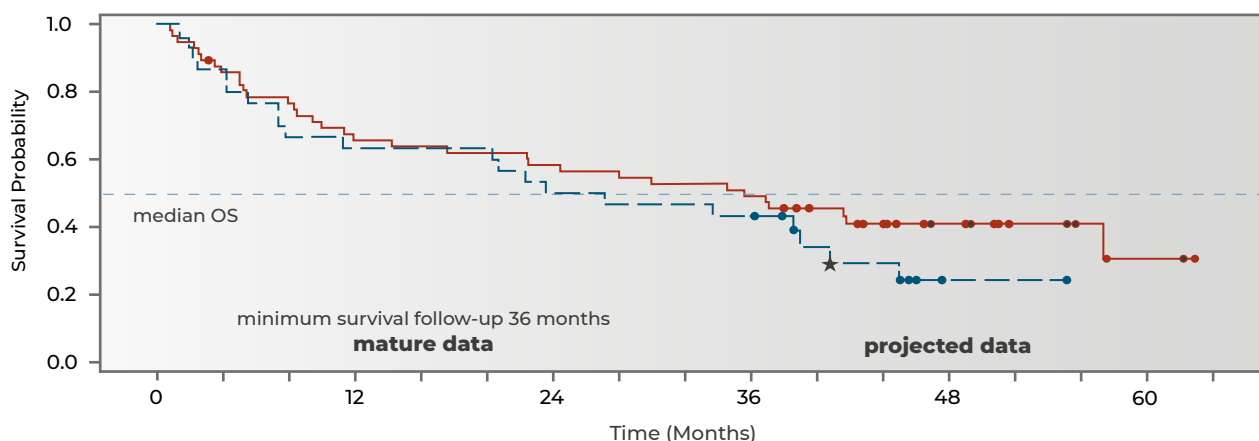
Safety and tolerability

The overall safety and tolerability data was similar in both treatment groups, meaning that the addition of ilixadencel to sunitinib did not change its tolerability profile. This confirms ilixadencel's excellent safety profile from previous studies and supports that ilixadencel is well-suited for combination therapies.

Summary

The results from the MERECA study reinforces the Company's view that ilixadencel has the potential to become part of the treatment paradigm in the future. Immunicum is currently assessing how to continue the clinical development of ilixadencel in RCC and other solid tumors in the most optimal way to offer patients better treatment options.

Phase II MERECA: Kaplan-Meier survival probability



- Co-primary endpoint median OS reached in ilixadencel group at 35.6 months versus sunitinib group at 25 months.
- The five patients with a Complete Response in the ilixadencel group are still alive in follow-up (as indicated with a black dot in the figure above), while the one patient with a Complete Response in the sunitinib group died in follow-up (as indicated with a black star in the figure above).

Completed Phase I/II trial

In 2017 Immunicum published the results and long-term survival follow-up from a Phase I/II study in twelve patients with newly diagnosed metastatic renal cell carcinoma (mRCC). No treatment-related serious adverse events

have been noted. The median overall survival time for the patient group as a whole was 48 months which compares favorably with updated historical control for sunitinib monotherapy which is approximately 26 months (Motzer et al, 2018).

Studies in liver cancer (HCC)

Completed Phase I/II

In September 2017, Immunicum announced the topline results from an open-label, Phase I/II trial in which 18 patients with advanced liver cancer were enrolled, consisting of 17 patients with metastatic HCC and one patient with advanced cholangiocarcinoma (CCA). Patients were treated with three separate injections of ilixadencel directly into their primary tumor and were followed for six months after last injection. The primary objective was to investigate safety and tolerability for ilixadencel in HCC as a second line therapy for patients not responding to previous treatments, or first line therapy administered with or without sorafenib.

The final patient disposition was as follows: seven patients were treated with ilixadencel as second line treatment after failing sorafenib, ten patients were treated as first line treatment of which six patients were treated in combination with sorafenib. 14 patients received all three injections.

The final results of the completed Phase I/II clinical trial of ilixadencel in liver cancer were published in the *Frontiers Oncology Journal* in January 2019. The data confirm previously communicated safety and tolerability of ilixadencel when administered both alone and in combination with current first-line standard of care, sorafenib.

The most common side effect was grade 1 and 2 fever and chills. Only one single treatment-related grade 3 event was observed. An increased frequency of tumor specific CD8+ T cells in circulating blood for a majority of evaluable patients (11/15) was demonstrated, indicating a systemic immune response.

Overall, one patient had a partial response (with ilixadencel as monotherapy) and five had stable disease as overall best response. In the largest subgroup of HCC patients receiving ilixadencel monotherapy as second line treatment after progression on first line sorafenib (7 patients), the median OS was 10.9 months. This could be compared with an expected median OS of 10.6 months with regorafenib which is standard of care in second line after progression on sorafenib. The complete results provide further insight on ilixadencel's mode of action, signs of clinical activity and important information that will guide the next stage of clinical development.

In December 2020, Immunicum received FDA Orphan Drug Designation for ilixadencel as a treatment for Hepatocellular Carcinoma (HCC). The FDA's decision was based on data from a Phase I/II clinical trial of ilixadencel in patients with unresectable and/or metastatic HCC.

Overview of Immunicum's studies in kidney cancer

INDICATION	KIDNEY CANCER/RENAL CELL CARCINOMA	
PHASE	I/II	II
NUMBER OF PATIENTS	12	88 (of which 30 in the control group)
LOCATION	Uppsala University Hospital	Europe (23 sites), The US (5 sites)
NUMBER OF ILIXADENCEL DOSES	2 (5, 10 and 20 million immune cells per dose)	2 (10 million immune cells per dose)
COMBINATION TREATMENT	None, but half of the patients received add-on treatment with either sunitinib or pazopanib afterwards	In sequence: first ilixadence before nephrectomy, then sunitinib after nephrectomy
TOP-LINE RESULTS	H1 2014 (Completed)	Q3 2019
SUMMARIZED DATA	» Median survival for the whole patient group of 48 months (as of May 2017) which compares favourable with historical controls.	The confirmed ORR for the ilixadence treatment group was 42.2 % (19/45) versus 24.0 % (6/25) for the sunitinib control group. Higher number of complete responders in the ilixadence combination group compared to the sunitinib monotherapy group. Co-primary endpoint of 18-months survival rate did not show a difference between groups. Co-primary endpoint of median Overall Survival was reached in February 2021 with 35.6 months in the ilixadence treatment group compared with 23.5 months in the sunitinib control group.

Overview of Immunicum's study in liver cancer

INDICATION	LIVER CANCER/HEPATOCELLULAR CARCINOMA	
PHASE	I/II	
NUMBER OF PATIENTS	18 (10 first-line, 7 second-line; 1 bile duct cancer)	
LOCATION	Sahlgrenska University Hospital, Gothenburg	
NUMBER OF ILIXADENCEL DOSES	3 (10 and 20 million immune cells per dose)	
COMBINATION TREATMENT	First 12 patients: no combination. Last 6 patients: sorafenib concomitantly	
TOP-LINE RESULTS	Q3 2017 (Completed)	
SUMMARIZED DATA	» Only 1 out of 18 patients experienced grade 3 treatment-related adverse event, as compared to approx. 1 in 3 patients described in literature for standard of care sorafenib or regorafenib » 11 out of 15 evaluable patients exhibit an increase in, tumor-specific CD8 T-cell in peripheral blood. In the subgroup consisting of 7 patients who received ilixadence as monotherapy after progression on sorafenib the median OS was 10.9 months which promising compared to historical data	

Studies in gastrointestinal cancer (GIST)

Completed Phase I/II

Immunicum completed a Phase I/II clinical trial with ilixadencel in combination with different standard of care tyrosine kinase inhibitors (TKIs) in GIST patients in June 2019. A total of six patients were enrolled. Treatment consisted of two intratumoral injections of ilixadencel two weeks apart. If further tumor progression was observed at the 3-month follow up, the TKI was withdrawn and the subject performed an end of study visit. Ilixadencel met the primary endpoint of safety, with no life-threatening treatment-related adverse events and no signs of autoimmunity. Two patients had stable disease (mRECIST) as best response; one of these patients (on third line regorafenib) progressed at 9 months and the other one (a patient on second line sunitinib) showed continued stable disease at end of study (12 months). These two patients also developed a partial response as per Choi criteria with a duration of 3 and 6 months, respectively. Taken together, these data indicate that ilixadencel had a therapeutic impact by overcoming resistance to TKIs in GIST patients with metastatic disease whose disease previously progressed on the same TKI treatment.

In June 2020, the scientific journal *Cancer Immunology, Immunotherapy* published the final data analysis from the clinical study of ilixadencel in patients with Gastrointestinal Stromal Tumors (GIST).

In December 2020, Immunicum's ilixadencel received Fast Track Designation (FTD) from FDA for the treatment of the orphan indication, Gastrointestinal Stromal Tumors (GIST). The FDA's decision was based on results from the Phase I/II clinical trial in GIST, a rare and difficult-to treat cancer indication belonging to the group of cancers referred to as soft tissue sarcomas (STS).

As defined by the FDA, Fast Track Designation is a process designed to facilitate the development and expedite the review of drugs to treat serious conditions, thereby meeting an unmet medical need. As a novel therapy with a favorable safety profile and positive signs of therapeutic value in this indication, ilixadencel has already demonstrated potential benefits when combined with standard TKIs. As Immunicum advances ilixadencel into the next phase of clinical development in GIST with Fast Track Designation, the Company will be able to engage more frequently with the FDA to optimally align its development plan.



Overview of Immunicum's study in gastrointestinal cancer

INDICATION	GASTROINTESTINAL STROMAL TUMORS
PHASE	I/II
NUMBER OF PATIENTS	6
LOCATION	Karolinska University Hospital, Stockholm
NUMBER OF ILIXADENCEL DOSES	2 (10 million immune cells per dose)
COMBINATION TREATMENT	Sunitinib, regorafenib or similar TKI
TOP-LINE RESULTS	Q2 2019 (Completed)
SUMMARIZED DATA	Ilixadencel met the primary endpoint of safety, with no life-threatening treatment-related adverse events and no signs of autoimmunity. In two patients tumor growth halted and partially regressed for three and six months, respectively.

Overview of Immunicum's study in head and neck cancer (HNSCC), non-small cell lung cancer (NSCLC) and gastric cancer (GA)

INDICATION	HEAD AND NECK CANCER (HNSCC), NON-SMALL CELL LUNG CANCER (NSCLC) AND GASTRIC CANCER (GA), AMONG OTHERS
PHASE	Ib/II
NUMBER OF PATIENTS	Phase Ib: 21, Phase II: up to 150
LOCATION	US and Europe
NUMBER OF ILIXADENCEL DOSES	2 or 3 (3, 10, 20 million immune cells per dose)
COMBINATION TREATMENT	Checkpoint inhibitor
RESULTS	Phase Ib: In October 2020, ilixadencel has maintained a consistent safety profile in the study to-date and the Dose Escalation Committee (DEC) confirmed there were no dose limiting toxicities. In December 2020, Immunicum has fully enrolled the Phase Ib part of the ILIAD study with 21 patients.

Studies with checkpoint inhibitors

Phase Ib/II – ILIAD in head and neck cancer (HNSCC), non-small cell lung cancer (NSCLC) and gastric cancer (GA), among others

The ILIAD study is a multi-indication, open-label, randomized multicenter, Phase Ib/II trial that evaluates the safety and efficacy of intratumorally administered ilixadencel in combination with a checkpoint inhibitor (anti-PD-1/L1) at standard doses in the selected indications. The Phase Ib part of the study is ongoing in the US and the first patient was treated in February 2019. During this part ilixadencel will be combined with the anti-PD-1 antibody Keytruda® (pembrolizumab).

The purpose of the multi-indication trial is three-fold:

- » to demonstrate clinical safety of the combination: by showing that ilixadencel can be safely combined with a checkpoint inhibitor.
- » to demonstrate the proof of mechanism: by showing that ilixadencel generates a systemic tumor-specific immune response.
- » to demonstrate improved clinical efficacy: by showing improved benefit of the combo in terms of clinical activity compared to checkpoint inhibitor alone in solid tumor patients.

In December 2020, the recruitment of patients was completed for the Phase Ib portion of the trial. The primary objective of the Phase Ib study is to evaluate the safety and tolerability as well as define the dose regimen for ilixa-

dencel in combination with the checkpoint inhibitor (CPI), Keytruda® (pembrolizumab), in a total of 21 patients.

Throughout the duration of the trial, the Dose Escalation Committee (DEC) has assessed ilixadencel's safety profile. The last update from the DEC in October 2020 confirmed there had been no dose-limiting toxicities.

The follow-up period for the Phase Ib portion of the trial will include imaging up to 6 months for evaluation of safety, dosing and signs of efficacy. Topline results of the Phase Ib-portion of the trial are expected during the third quarter of 2021.

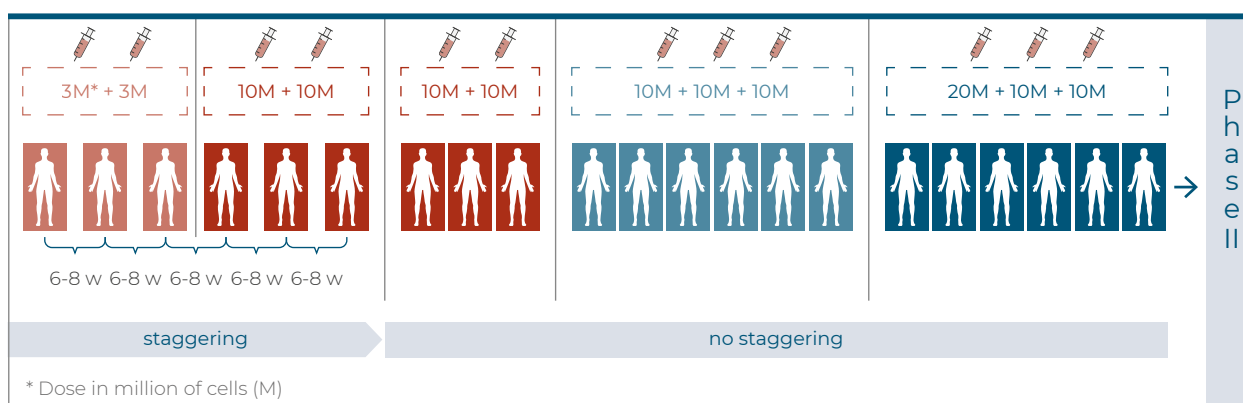
The design of the Phase Ib component is shown below.

Collaboration and supply agreement with Merck KGaA and Pfizer for ILIAD Phase II

In November 2018, Immunicum announced a collaboration with Merck KGaA and Pfizer for the evaluation of ilixadencel in combination with the anti-PD-L1 checkpoint inhibitor Bavencio® (avelumab) in the Phase II portion of ILIAD.

The safety and efficacy of ilixadencel in combination with Bavencio® will be evaluated in patients with head and neck cancer and gastric cancer.

Immunicum will be fully responsible for the study and retains all commercial rights to ilixadencel.



Studies in acute myeloid leukemia (AML)

Phase II ADVANCE-II study

Immunicum, through DCprime, is conducting a phase II clinical trial with DCP-001 in patients with Acute Myeloid Leukemia (AML), ineligible for hematopoietic stem-cell transplantation (HSCT), who are in first complete remission (CR1) but who have confirmed measurable residual disease (MRD+). MRD is assessed in the bone marrow through flow cytometry and/or qPCR. Patients receive a primary vaccination regimen of 4 times 25×10^6 or 50×10^6 cells per vaccination, biweekly, followed by two booster vaccinations at week 14 and 18 after start of treatment.

Primary endpoints of this trial are the safety and tolerability of the two vaccine doses, the induced immune response, and the effect of vaccination on the MRD status. Additionally, cellular and humoral immune response induced by DCP-001 against known tumor-associated antigens such as WT-1, RHAMM and PRAME are evaluated in peripheral blood using several assay methods.

Intermediate results from this study have been presented in December 2020 at the annual congress of the American Society of Hematology (ASH). At that time fifteen (15) patients (median age 61, range 40-76) have been enrolled and dosed within the study. All vaccinations were well tolerated and adverse events to the vaccine were transient and limited to local injection site reactions. Seven (7) patients were evaluated for their MRD status with two (2) patients turning MRD-negative at the first timepoint after the initial vaccinations (week 14) and remained MRD-negative until the end of active follow-up (week 32). Five (5) other patients remained in complete remission up to week 32, but with detectable MRD. Three (3) patients had early disease progression before the vaccination schedule was completed

and before MRD could be assessed. The remaining five (5) patients had not yet completed the vaccination schedule and not yet reached the first MRD assessment, but they remained in CR up to the reporting date. This study will continue to enroll up to twenty (20) evaluable patients.

Completed Phase I/II

Immunicum, through DCprime, has completed a Phase I clinical trial with DCP-001 in twelve (12) elderly AML patients not eligible for additional intensification or Standard of Care (SoC) therapies. Patients enrolled were either in complete remission (CR1/CR2; n=5) or had smoldering disease (n=7). All patients were at high risk of relapse and ineligible for post-remission intensification therapies, such as HSCT. The primary objectives of the study (feasibility and safety) were achieved, with 10/12 patients completing the vaccination program.

Treatment was in general well tolerated, with limited side effects. Six (6) patients experienced severe adverse events (SAE) during the study, of which only one was judged to have a possible relationship to study treatment (diabetes insipidus). A clear-cut distinction was noted between patients with and without detectable circulating leukemic blasts

during the vaccination period. Patients with circulating blasts died shortly post-treatment (median overall survival 5 months, range 2-7 months), whereas patients without circulating blasts showed prolonged survival (median overall survival 36 months, range 3-71 months). Long-term survival was correlated with maintained T-cell levels and induction of multi-functional immune responses.



Scientific background

Background

It is now well established that the immune system has cells, particularly CD8+ T cells, that can recognize and potentially kill tumor cells. Nevertheless, there is a major obstacle that needs to be resolved, as these T cells are not activated at all or are only weakly activated. One explanation for this may be that tumor antigens captured by dendritic cells are not sufficiently presented in order to elicit a T cell dependent immunity. Another reason may be the immunosuppressant environment of the tumor.

The role of dendritic cells

The dendritic cells play a very central role in specific immune responses and activate the systems which, among other things, help the body to eliminate the virus infected or bacteria infected cells (the Nobel Prize in Medicine was awarded to the discoverer of the dendritic cell in 2011). The dendritic cells acquire and process protein antigens in order to subsequently present these antigens to antigen-specific T cells. This leads to an activation and proliferation (increase in the amount) of T cells whose function is then to attack cells that express this antigen. In the same manner, the immune system could similarly be trained to attack cancer transformed cells.

Shortcomings of the field of immune primers and vaccines

Despite the fact that several clinical studies have been conducted where cancer patients have been treated with various types of therapeutic immune primers or cancer vaccines, there has been limited progress so far.¹ This can be explained by at least three different weaknesses in previously evaluated primers and vaccines:

1. Limited overlap of the tumor antigens within the vaccine that correspond to patient's specific tumor, making it impossible for the activated immune response to efficiently recognize the cancer and further broaden its ability to target the heterogeneous tumor tissue.
2. Inadequate priming of an immune response that specifically stimulate cytotoxic or "killer" T cells that have the ability to target cancer cells, due to the selection of limited adjuvants or cells with limited viability.
3. Incorrect use and positioning of immune primers and vaccines, by using them in settings where tumor burden was too high, patient's own immune system was too exhausted, or inadequate use of combination therapy to inhibit immunosuppression.

Activated allogeneic dendritic cells as optimal immune primers

Natural viral infection and vaccination with live viruses (as in smallpox vaccinations) leads to the development of specific cytotoxic CD8+ T cells that effectively attack and kill the virus-infected cells. Accumulating preclinical data suggest that those dendritic cells that are first infected by a virus lose their ability to present viral antigens to T cells, but instead begin to function as an immune primer by secreting numerous inflammatory substances leading to the recruitment and maturation of non-infected dendritic cells from the surrounding tissue/blood stream.² These newly recruited dendritic cells eat up the virus-infected, dying, dendritic cells and tissue cells. In other words, they are thus "recharged" with viral antigens. Due to the inflammatory environment, the newly recruited dendritic cells will be protected from infection and will instead mature and

1. Dillman, Is there a role for therapeutic cancer vaccines in the age of checkpoint inhibitors?, 2017.

2. Smed-Sørensen et al., Influenza A Virus Infection of Human Primary Dendritic Cells Impairs Their Ability to Cross-Present Antigen to CD8 T Cells, 2012.

”

Immunicum is leveraging the unique biology of allogeneic dendritic cells to bring the next wave of scientific innovation that can truly make a difference in how cancer is treated, whether as an intratumoral immune primer in solid tumors or as a relapse vaccination approach in blood-borne and solid tumors.”

subsequently migrate to the draining lymph nodes where they will activate CD8+ T cells. Finally, the activated T cells migrate into the body where they specifically attack the virus-infected tissue cells.³

By using allogeneic dendritic cells as the component to immune primers and vaccines, such cells will further be regarded as foreign allogeneic invaders that most likely will potentiate an inflammatory reaction, further promoting recruitment and activation of the patient's own dendritic cells at the administration site, i.e., the tumor or healthy skin tissue.

Immunicum's complementary next-generation approaches

Preclinical studies using a similar approach as Immunicum's ilixadencel have shown that monocyte-derived human dendritic cells can be activated to produce long-lasting inflammatory substances that mimic the production that characterizes the virus-infected dendritic cells, i.e., an inflammation that leads to the recruitment and activation of “bystander” immune cells, including natural killer (NK) cells and dendritic cells, known as “bystander DCs”.⁴ Since Immunicum's dendritic cells are also allogeneic (from another individual) in relation to the patient, this difference in tissue type will lead to a rejection process which stimulates additional recruitment and activation of “bystander dendritic cells”.⁵ These discoveries have led to the leading expertise of Immunicum and its DC platforms, which exploit dendritic cells from different allogeneic sources to provide an optimal priming environment.

By intratumoral injection of allogeneic dendritic cells derived from healthy donor material, i.e. ilixadencel, these cells induce a local inflammatory reaction, leading to a local destruction/killing of tumor cells (via local recruitment and activation of NK cells) and recruitment of the patient's own dendritic cells into the tumor. The recruited dendritic cells will encounter and engulf dying tumor cells and/or tumor cell debris, including tumor specific proteins, neoantigens, that will act as an antigen source to activate the tumor specific T cells, including CD8+ killer T cells, resulting in a highly personalized anti-tumor response.

By intradermal injection of allogeneic dendritic cells from Immunicum's proprietary leukemic cancer cell line, i.e. DCOne® and the candidate DCP-001, these cells induce a local inflammatory reaction, leading to recruitment and ingestion of the injected cells by the patient's own immune cells. The recruited dendritic cells subsequently cross-present the tumor antigens from DCP-001 to activate T cells, including CD8+ killer T cells, to seek out the patient's cancer cells resembling those antigens. Subsequently, due to the initiated T cell response, it is known that the immune response is further broadened (called epitope spreading) to target the heterogeneous cancer tissue with a diverse population of T cells, thereby increasing the chances of the immune response to eradicate the cancer and reduce its recurrence as a so-called relapse vaccine.

3. Pang et al., IL-1R signaling in dendritic cells replaces pattern-recognition receptors in promoting CD8+ T cell responses to influenza A virus, 2013.

4. Gustafsson et al., Recruitment and activation of natural killer cells in vitro by a human dendritic cell vaccine, 2008.

5. Wallgren et al., Direct allorecognition promotes activation of bystander dendritic cells and licenses them for Th1 priming: a functional link between direct and indirect allosensitization, 2005.

Market overview

Global oncology market

In a 2020 report from the World Health Organization (WHO), cancer is described as the second most common cause of death globally, accounting for close to 10 million deaths in 2018. The number of new cancer cases is expected to increase by over 60 percent by 2040, equivalent to close to 30 million new cases annually worldwide. The total economic burden of cancer in 2010 was estimated at USD 1.6 trillion, more than two percent of global GDP.¹

While cancer research continuously progresses, it is also clear that more and more people will suffer from cancer as the average life expectancy increases. Cancer remains a disease associated with high mortality, and five-year survival is low for most indications. It is hoped that future cancer therapies, particularly immunotherapies, will change the therapeutic landscape and make cancer a chronic, treatable state of ill health.

According to Iqvia Institute, the total market for cancer therapies in 2018 amounted to nearly USD 150 billion, representing a double-digit growth rate during the last five years. The future annual growth rate of the total market is estimated to be 11-14 percent per year until 2023 when it is expected to amount to USD 220-250 billion. The expected growth is based on an increased demand from patients in combination with the launch of new medicines.²

According to a new forecast from the Swedish National Public Health Agency and the Swedish Cancer Society, 100,000 Swedes a year will suffer from cancer in 2040, which is nearly double the number of cases today.³

Immuno-oncology

Immunology is a rapidly expanding field of cancer research and cancer treatment, which was not least proven when James P. Allison and Tasuku Honjo were awarded the Nobel Prize in Physiology or Medicine 2018 for their discovery of cancer treatment by inhibiting the immune system's braking mechanisms. Allison and Honjo discovered in parallel that some proteins act as a brake in the immune system and realized that by releasing the brake, it is possible to activate the immune system and cause it to attack tumor cells. Allison's and Honjo's research have opened the door to combining various methods of inhibiting the immune system's brakes in order to treat cancer. It is the Company's assessment that such methods can be supplemented with immune primers as ilixadencel in order to potentially get a more effective treatment.

According to Market Insight Report, the market for immune therapies is expected to grow at an annual growth rate of 13 percent, and amount to USD 150 billion by 2025.⁴ Furthermore, Allied Market Research estimates that the global immuno-oncology market for checkpoint inhibitors will exceed USD 56 billion in 2025.⁵ The growth is expected to be driven by an increased incidence of various types of cancer, a focus on targeted therapies with fewer side effects, and expedited processes for drug approval. Among the factors that hinder growth, mainly the high cost of new cancer therapies has been identified.

1. World Cancer Report 2020, International Agency for Research on Cancer, 2020.

2. Global Oncology Trends 2019, Therapeutics, Clinical development and Health system implications, Iqvia Institute, 2019.

3. Forecast shows: Dramatisk ökning av cancerdrabbade till 2040, Folkhälsoinstitutet och Cancerfonden, 2016.

4. Market Insight Reports, Global Immuno-Oncology Market Research Report, 2019.

5. Allied Market research. Immune Checkpoint Inhibitors Market- Global Opportunity Analysis And Industry Forecast, 2018-2025, 2018

Positioning and competition

Within immuno-oncology there are three main modalities of therapies that are designed to attack the cancer in different ways:

- » Standard cancer therapies, including chemotherapies, tyrosine kinase inhibitors and hypomethylating agents
- » Biologicals, including antibodies such as check-point inhibitors, targeted therapies such as HER2-directed antibodies
- » Cell therapies, including CAR-T and Natural Killer (NK) cells

Immunicum's objective is to make optimal use of its core strengths as a leader in the field of allogeneic dendritic cell biology. The Company's products have a mode of action and safety profile which combine well with other cancer therapies, allowing for a competitive positioning in the broader therapeutic landscape.

Standard cancer therapies

The first impact on cancer was achieved decades ago by treating patients with chemotherapies, agents that generally block the growth of cells and thereby mostly impact cancer, though healthy cells as well. Further progress was made by therapies that were tackling more and more specifically specific pathways that cancer use to grow, including tyrosine kinase inhibitors. Other agents such as hypomethylating agents (HMAs) were observed to specifically impact certain cancers in the field of blood-borne tumors. In general, this class of cancer therapies are limited by their lack of specificity and poor tolerability. This ultimately provides patients with only a short therapeutic window to limit the growth of the tumor, without involving the patient's own immune system to possibly eradicate the cancer entirely. However, recent insights have shown that these agents can be supportive of other immunotherapies by generally impacting the tumor burden and its defenses, potentially enabling other (immuno-) therapies to drive cancer immune eradication. As such, this class of therapies is still commonly used in many cancer indications, and often as a combination to the novel classes of therapies discussed on the following pages.

Biologicals

Biologicals, or specifically antibodies, have led the first wave of success within immuno-oncology where the majority of all large pharmaceutical companies currently operate. Pioneers in this field are Bristol-Myers Squibb's Opdivo® and MSD's Keytruda®, which were initially approved for malignant melanoma but have now become applicable to several other indications including head and neck cancer, renal cancer and lung cancer. These therapies are checkpoint inhibitors that block an immune pathway on T cells that the tumor can exploit to suppress the immune system.

Following the initial success of these checkpoint inhibitors, additional checkpoint inhibitors (CPIs) were approved by the FDA, including, Tecentriq® (Roche), Bavencio® (Merck KGaA, Pfizer), Imfinzi® (AstraZeneca) and Libtayo® (Regeneron, Sanofi). Beyond these approved checkpoint inhibitors, the majority of large pharmaceutical companies now have a checkpoint inhibitor in development or on the market.

The Company and many key opinion leaders believe that biologicals such as the aforementioned checkpoint inhibitors should be used in combination with immune activating agents to achieve best possible results. Checkpoint inhibitors have been successfully combined with approved chemotherapies and targeted kinase inhibitors.

Cell therapies

The next wave of innovation goes beyond only modulating the patient's immune system with molecules or biologicals by using cells from the patient or donors as an actual therapeutic intervention. Much of the initial progress in this field originates from isolating T cells from the patient's own tumor tissue, called tumor-infiltrating lymphocytes (TILs). These cells are then activated and expanded outside of the patient and infused back into the patient's bloodstream, with the idea that the renewed activation and increased number of these cells could kill the cancer with more power. Indeed, results from small studies performed by academic clinical investigators were very promising. Similarly, investigators had been working on isolating T cells from a patient and editing these cells to specifically target a tumor antigen, in a way 'educating' these cells outside of the patient, and placing them back. This approach, called CAR-T cell therapy, have truly paved the way of success for this modality by becoming the first cell therapy to be brought to commercialization by pharmaceutical companies such as Novartis and Gilead.

The power of cell therapies is however limited by the current usage of the patient's own immune cells. Even without the necessity of surgery for some of these cell ther-

apies, the production process per patient can take weeks to be completed and is highly variable due to the patient's own status. Time, scalability and cost are implications that are holding back this modality from becoming a mainstay in cancer therapy. However, recent advances in using batches derived from healthy donors or cell lines, or allogeneic cell therapies, may substantially reduce the cost and improve scalability to enable cell therapy to achieve its true potential in transforming the lives of patients with cancer.

Trends in the market for oncology and specifically immuno-oncology

Immunicum expects the demand for immunotherapies to increase going forward. Below are the most evident trends in the market.

Increasing number of application areas for immunotherapies

The Company believes immunotherapeutic drugs have the potential to change the therapeutic landscape in the treatment of cancer. Immuno-oncology, the Company's focus area, is a relatively new and rapidly growing part of the market. According to the Company's assessment, there is considerable room for new players to take market shares and high potential for products that are based on new technology and potentially offer minor or no side effects.

Increasing collaborations

It is common for large pharmaceutical companies to cooperate with smaller, research-based, pharmaceutical companies in the development of pharmaceuticals. The costs of developing drugs are high, which is one of the reasons why smaller pharmaceutical companies can choose to license their products to major pharmaceutical companies before carrying out comprehensive Phase III clinical trials. The major pharmaceutical companies then carry out the necessary clinical studies and commercialize the drug on the global market. In this way, product development is streamlined from idea to commercialization and the risks are shared between the parties.

Demographic development

That an increasing proportion of elderly people, where the number of new cancer cases typically are higher, coupled with higher incomes and better access to, as well as increased use of drugs in developing countries is expected to drive growth of the total pharmaceutical market.

Immunicum's focus areas

Current indications

With the merger with DCprime in December 2020, Immunicum has consolidated leading allogeneic cell therapy platforms and expanded its therapeutic areas to include blood-borne tumors. Immunicum aims to identify the most optimal path to the market for its platforms to ultimately bring better treatment options to patients with cancer. The current pipeline consists of both larger and orphan indications, including kidney cancer, liver cancer, gastrointestinal cancer (GIST), acute myeloid leukemia and ovarian cancer.

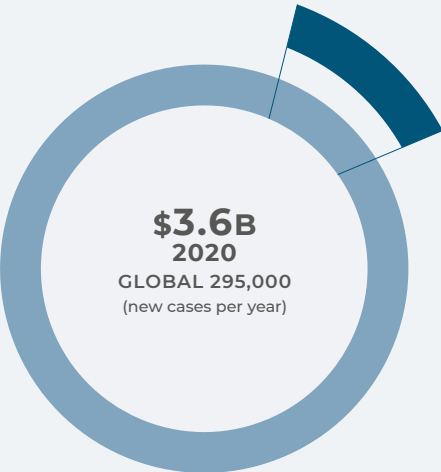
The market for Immunicum's current indications

Immunicum is developing ilixadencel in indications in which limited treatment options are available. Chemotherapies, tyrosine kinase inhibitors, and the introduction of checkpoint inhibitors as combination therapies in both earlier and advanced treatment settings of these indications will continue to change the market trends and sizes. Immunicum aims to develop and position ilixadencel in combination with standard-of-care modalities such as tyrosine kinase inhibitors to treat patients with advanced solid cancers. Immunicum further aims to develop and position DCP-001 as a relapse vaccine, as monotherapy and in combination with for instance standard-of-care hypomethylating agents to treat patients with blood-borne tumors.

Both approaches are considered to be supported by both regulatory and market perspectives, given the excellent safety profile established for both platforms and the need recognized to expand efficacy of current cancer therapies.

Immunicum anticipates to capture a significant part of the market in line with the current market trends. On next page is an overview of the indications for which ilixadencel is currently in clinical development, with their current patient populations (incidence) and forecasted market size for the major markets (including US and Europe), based on data from GLOBOCAN, GlobalData and Persistence Market Research.

Market sizes



Renal Cell Carcinoma (RCC)

USA
52,000
(new cases per year)



Hepatocellular Carcinoma (HCC)

USA
26,000
(new cases per year)



Gastrointestinal Stromal Tumors (GIST)

USA
5,000
(new cases per year)



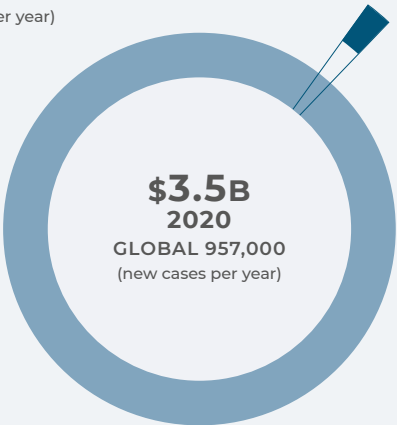
Head and Neck Cancer (HNSCC)

USA
48,000
(new cases per year)



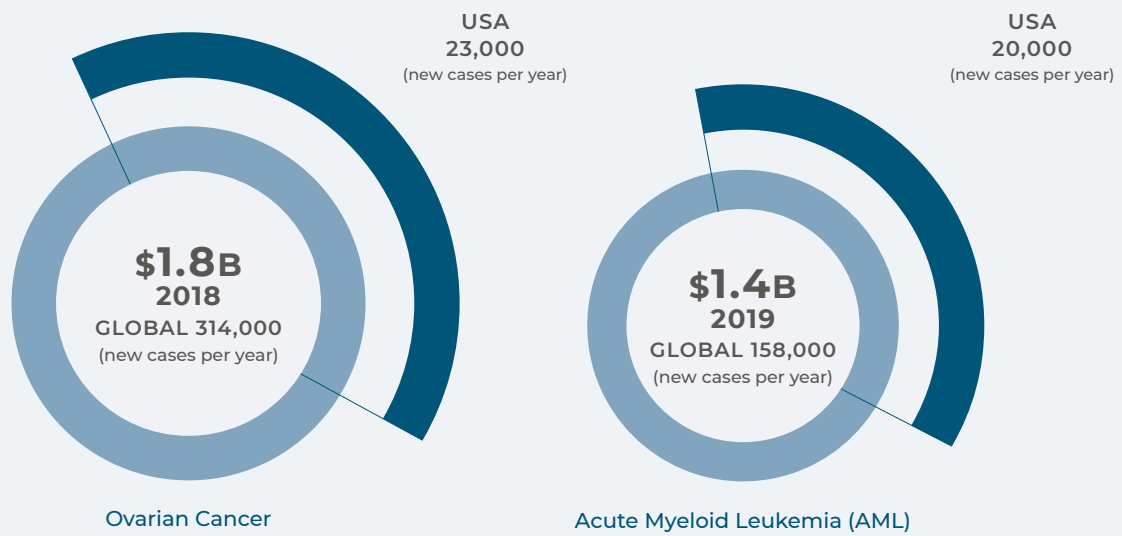
Non-Small Cell Lung Cancer (NSCLC)

USA
171,000
(new cases per year)

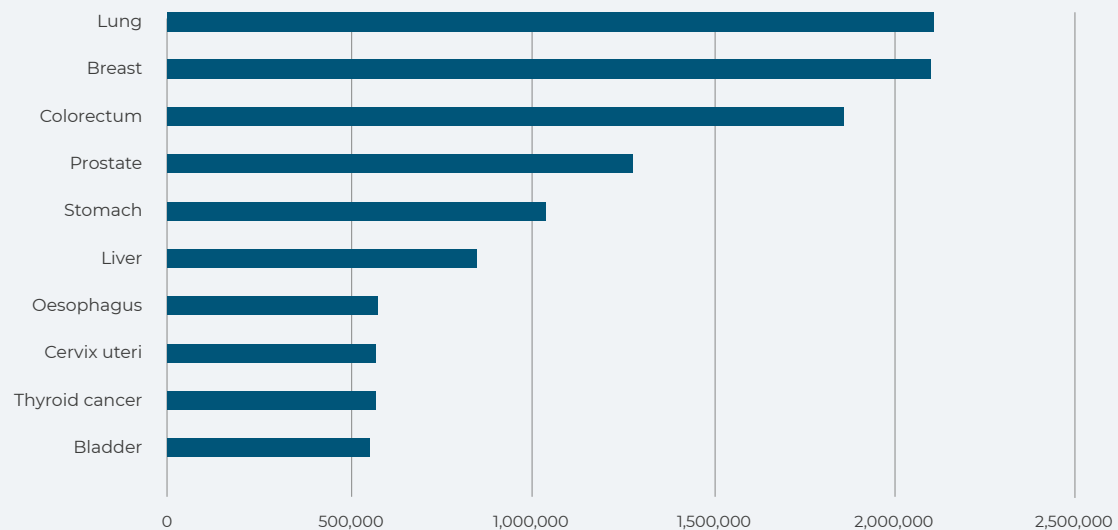


Gastric Adenocarcinoma (GA/GEJ)

USA
19,000
(new cases per year)



Most common cancer indications globally (new cases per year)



Source: GLOBOCAN 2018, Global Cancer Observatory, International Agency for Research on Cancer 2019.

The share and shareholders

» **Immunicum AB (publ)** is a Swedish public limited liability company and is regulated by the Swedish Companies Act (2005:551). Immunicum's shares are issued in accordance with the Swedish Companies Act and are denominated in SEK. Shareholders' rights may only be changed in accordance with the procedures set out in the Companies Act.

Each share in the Company entitles the holder to one vote at general meetings. All shares carry equal rights to the Company's assets and profits. At general meetings, shareholders may vote for the total number of shares they own and represent, with no limitations on the voting rights. All shares in the Company are of the same class and are freely transferable. The share book is maintained by Euroclear Sweden AB.

Trading and market value

The Immunicum share has been traded since April 22, 2013 on Nasdaq First North. As of January 15, 2018, the share is traded on Nasdaq Stockholm Small Cap list under the ticker IMMU.

The share performance in 2020

During the year, highest price paid SEK 12.84 was noted on February 4. The lowest price paid SEK 6.00 was noted on March 23.

Liquidity

In total, 136 (258) million shares in Immunicum were traded in 2020, corresponding to a value of approximately SEK 1,278 million (2,323). On average, 539 thousands shares were traded on each trading day, corresponding to SEK 5.1 million.

Share capital

The number of shares and votes in Immunicum changed in December as a result of 73,909,635 new shares being issued in the issue in kind carried out as purchase price for the acquisition of all shares in DCprime.

The issue in kind resulted in an increase in the number of shares in Immunicum by 73,909,635 shares, from 92,257,531 shares to 166,167,166 shares and an increase in the share

capital by SEK 3,695,481.75, from SEK 4,612,876.55 to SEK 8,308,358.30.

At year-end, there was a total of 166,167,166 shares and 166,167,166 votes.

The quotient value per share is SEK 0.05.

Share capital development

Year	Event	Change in no. of shares	Total no. of shares	Change in share capital (SEK)	Total share capital (SEK)	Quota value (approx. SEK)
2010	New share issue	1,326	6,629	33,150.00	165,725	25.00
2012	New share issue	600	7,229	15,000.00	180,725	25.00
2012	Split 1,000:1	7,221,771	7,229,000	-	180,725	0.025
2012	Bonus issue	12,771,000	20,000,000	319,275.00	500,000	0.025
2013	Reverse split 2:1	-10,000,000	10,000,000	-	500,000	0.05
2013	New share issue	2,675,000	12,675,000	133,750.00	633,750	0.05
2013	New share issue	1,100,000	13,775,000	55,000.00	688,750	0.05
2014	New share issue	3,500,000	17,275,000	175,000.00	863,750	0.05
2014	New share issue	2,755,000	20,030,000	137,750.00	1,001,500	0.05
2016	New share issue/warrants	130,000	20,160,000	6,500.00	1,008,000	0.05
2016	New share issue	5,798,541	25,958,541	289,927.05	1,297,927.05	0.05
2017	New share issue	24,999,990	50,958,531	1,249,999.50	2,547,926.55	0.05
2018	New share issue	41,299,000	92,257,531	2,064,950.00	4,612,876.55	0.05
2020	New share issue	73,909,635	166,167,166	3,695,481.75	8,308,358.30	0.05

Ownership structure

At year-end, Immunicum had 9,656 (9,808) shareholders, of which 450 (469) were registered as legal entities and 9,206 (9,339) as private individuals. Shareholding in Sweden totaled 51.6 (92.5) percent of the capital and 48.4 (7.5) percent of foreign ownership. The Swedish ownership is dominated by private persons and companies with 16.9 percent of the capital, see the pie charts for more information. Immunicum's ten largest shareholders owned 62.4 percent of the capital and votes.

Proposed dividend

Immunicum currently has no pharmaceutical products being sold in the market, which means that the Company does not have any revenues and is reporting negative earnings.

For the 2021 Annual General Meeting, the Board of Directors has proposed that no dividend be paid out for the 2020 financial year.

The ten largest shareholders as of December 31, 2020

Shareholders	Number of shares	Share of capital/votes
Adrianus Van Herk	72,055,738	43.4%
Avanza Pension fund	7,561,965	4.6%
Fourth Swedish National Pension Fund (AP 4)	7,500,000	4.5%
Nordnet Pension Fund	6,876,545	4.1%
Martin Lindström	3,085,000	1.9%
Holger Blomstrand Byggnads AB	2,975,386	1.8%
Alfred Berg Funds	957,450	0.6%
Göran Källebo	931,863	0.6%
Elivågor AB	875,000	0.5%
Ivar Nordqvist	830,256	0.5%
Other	62,517,963	37.6%
Total	166,167,166	100.0%

Share price trends and volume, Immunicum 2020





Share-based incentive program

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 interest of the shareholders. There is currently one outstanding incentive program in the Company. In accordance with a decision by the Shareholder's General Meeting in April 2019, a new share-based incentive program; "LTI 2019/2022" was introduced. The warrants are issued to the Participants at a price that corresponds to the fair market value (the warrant premium). The warrant premium to be paid for the warrants is SEK 0.347 per warrant. The fair value on the grant date was calculated using an adapted version of the Black & Scholes valuation model, which takes into consideration the exercise price, the term of the options, share price on the allotment date and expected volatility in the share price, and risk-free interest for the term of the options.

The average share price at valuation was SEK 7.95, the risk-free interest rate -0.53 percent and the expected dividend 0 percent. The expected volatility amounted to 40.8 percent and is based on the share price development during the last 3 years. A discount has been given since the warrants are not exchange-listed.

Each warrant entitles the holder to subscribe for one (1) share in the Company during the period commencing on May 28, 2022 up to and including July 28, 2022. The subscription price for the shares upon exercise of the warrants is SEK 19.90 per share. Simultaneously with the subscription, payment in cash shall be made for the number of shares to which the subscription relates.

In conjunction with that a couple of key employees left their employments, Immunicum has exercised its right to repurchase 538,168 subscription options from the employees that left the Company. Of those 538,168 options, 368,812 options have been cancelled and 169,356 options have been acquired by an employee according to decisions approved at the Annual General Meeting in April 2020.

Full utilization of granted options corresponding to 1,809,277 shares will result in a dilution for shareholders of 1.1 percent. Each warrant entitles the holder to subscribe for one (1) share in the Company during the period commencing on May 28, 2022 up to and including July 28, 2022.

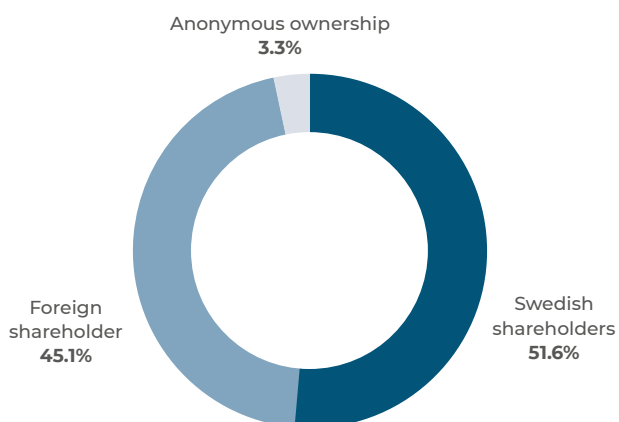
Immunicum share in summary

Immunicum share data	2020
Number of shares at year-end	166,167,166
Market value at year-end (MSEK)	1,230
Number of shareholders at year-end	9,657
Share price at year-end (SEK)	7.40
Year high (SEK)	12.84
Year low (SEK)	6.00
Share of ownership, capital, 10 largest shareholders (%)	62.4

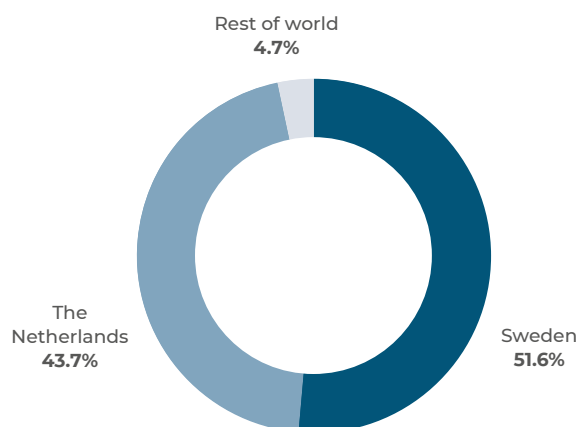
Share structure at December 31, 2020

Number of shares per shareholder	Number of shareholders	Of all shares %
1-10,000	8,658	7.8 %
10,001-100,000	912	15.2 %
100,001-1,000,000	80	13.5 %
1,000,001-3,000,000	1	1.8 %
3,000,001 -	5	58.4 %
Anonymous ownership		3.3 %
Total number of shareholders	9,656	100.0 %

Distribution of Swedish and foreign shareholding at December 31, 2020



Distribution of capital geography at December 31, 2020



Financial calendar 2021

Activity	Date
Interim Report January – March	May 4, 2021
2021 Annual General Meeting	May 4, 2021
Interim Report January – June	August 26, 2021
Interim Report January – September	October 28, 2021

Organization - The Board of Directors



Christine Lind

INTERIM CHAIRMAN OF THE BOARD SINCE 2021, BOARD MEMBER SINCE 2020

Chairman of the Remuneration Committee and Member of the Audit Committee

Shares: 15,000 (through closely associated persons)

Education: B.Sc. in Finance and Information Systems from New York University, and an MBA in Finance and Management from Columbia Business School, born 1974.

Experience and prior assignments: Christine Lind is Strategy and Business Development Advisor to BioArctic AB and has previously held the roles as Executive Vice President Strategic Business Development and CEO of Medivir AB, as well as Vice President Business Development at LifeCell Corporation. Christine has also worked in investment banking for twelve years at Merrill Lynch & Co., and Gerard Klauer Mattison & Co., focusing on strategic advisory services and raising of capital for biotech and pharma companies.

Other assignments: Chairman of the Board and CEO of Lind Growth Strategy AB, Board member of Xspray Pharma AB.

Independence: Independent in relation to the Company, its senior executives and major shareholders.



Sven Andreasson

BOARD MEMBER SINCE 2020

Chairman of the Audit Committee and Member of the Remuneration Committee

Shares: 25,000

Education: Graduate from Stockholm School of Economics and Business Administration, MBA-educations from IMEDE Lausanne, INSEAD Fontainebleau and Ashridge London, born 1952.

Experience and prior assignments: Sven Andreasson has broad experience from biotech and pharmaceutical companies. He was CEO of Active Biotech AB 1999-2008, Beta-Cell NV in Belgium 2008-2012 and Isconova AB 2012-2013 where he initiated and completed a sale of the company in 2013 to the American company Novavax. Sven has also held several senior management positions within Pharmacia in Sweden, Germany, Belgium and France. Previous experience from board assignments includes e.g., TiGenix NV, Belgium, Immunicum AB and Cantargia AB as well as Chairman of Erytech SA, France.

Other assignments: Sven is currently working as Senior Vice President of Novavax with responsibility for business development. Board member of Cellastra Inc., US and Erytech SA, France.

Independence: Independent in relation to the Company, its senior executives and major shareholders.



Dharminder Chahal

BOARD MEMBER SINCE 2021

Member of the Audit Committee

Shares: 1,323,073

Education: Master's degrees in Business Economics and Aerospace Engineering, born 1976.

Experience and prior assignments: Dharminder Chahal is CEO and co-founder of SkylineDx, the Netherlands, developing diagnostic tests in oncology. He is also owner and managing director of Exponential BV in which capacity he acts as consultant to Van Herk Investments. Previously he has held various positions in investment banking and asset management including at Kempen & Co. and Robeco.

Other assignments: Board member of BioInvent, Ceradis, Medis Medical Imaging, Sensara and Vitalnext as well as advisory board member of BioGeneration Ventures II, Thuja Capital Fund I and Gilde Healthcare Funds II and III.

Independence: Independent in relation to the Company, its senior executives and dependent in relation to major shareholders.



Charlotte Edenius

BOARD MEMBER SINCE 2016

Shares: 4,000

Education: M.D., Ph.D., Karolinska Institutet, Stockholm, born 1958.

Experience and prior assignments: Charlotte Edenius has extensive experience from leading positions in pharmaceutical and biotech companies, including drug discovery and development, regulatory affairs and marketing. She has previously served as Executive Vice President, R&D at Medivir AB, Senior Vice President R&D at Orexo AB, Vice President Research at Biolipox AB and in various positions within AstraZeneca Clinical R&D.

Other assignments: Chairman of the Board of Directors and CEO of Allmora Life Science AB. Board member of Kancera AB and Gesynta Pharma AB.

Independence: Independent in relation to the Company, its senior executives and major shareholders.



Steven Glazer

BOARD MEMBER SINCE 2016

Chairman of the Scientific Committee

Shares: 0

Education: M.D, University of Copenhagen and trained in Internal Medicine, born 1948.

Experience and prior assignments: Steven Glazer is an experienced healthcare and biotech executive. He has extensive and broad therapeutic area experience including haematology, oncology, haemophilia, HIV, diabetes, allergic and cardiovascular disease from pharmaceutical and biotechnology companies in Europe and the US. He has a track record of successful planning and implementation of development, regulatory and corporate strategies, project and trial plans. Dr. Glazer previously served as Chief Medical Officer at Hansa Medical AB, as Senior Vice President Development at BioInvent AB, Vice President Development at Zealand Pharma and Medical Director at Novo Nordisk.

Other assignments: Glazer Consultancy ApS, Partner of Ventac Partners.

Independence: Independent in relation to the Company, its senior executives and major shareholders.



Helén Tuveßon

BOARD MEMBER SINCE 2020

Member of the Scientific Committee and the Remuneration Committee

Shares: 0

Education: Ph.D. in Cellular and Molecular Biology in Medical Science, Lund University, born 1962.

Experience and prior assignments: Helén Tuveßon has more than 25 years' experience from the pharmaceutical industry in various positions within Pharmacia and Active Biotech, including as Chief Scientific Officer at Active Biotech for 6 years. In this role, she was responsible for the operational research activities and the company's project portfolio in late-stage clinical development in neurodegenerative diseases and cancer indications.

Other assignments: CEO of Active Biotech AB since 2017.

Independence: Independent in relation to the Company, its senior executives and major shareholders.



Andrea van Elsas

BOARD MEMBER SINCE 2021

Member of the Scientific Committee

Shares: 0

Education: Ph.D. in Immunology and Oncology, M.Sc. in Molecular and Cell Biology, born 1966.

Experience and prior assignments: Andreas van Elsas has previously served as Chief Scientific Officer at Aduro Biotech, following the acquisition of BioNovion, a company he co-founded in 2011, and held various positions at Organon (acquired by Schering-Plough and later by Merck) in The Netherlands and Cambridge, Massachusetts, the US. While working for Organon and Schering-Plough, he directed the immune-oncology portfolio and led the anti-PD1 program that later became known as pembrolizumab. As a postdoctoral researcher, he worked in the lab of 2018 Nobel Laureate Jim Allison at the University of California, Berkeley and is a co-inventor of the original anti-CTLA-4 patents that formed the basis for the development of ipilimumab, the first checkpoint inhibitor approved in 2011 by the FDA for the treatment of melanoma.

Other assignments: Venture partner with Third Rock Ventures and serves on the Scientific Advisory Boards of Lava Therapeutics (chair) and inteRNA Technologies.

Independence: Independent in relation to the Company, its senior executives and major shareholders.

Organization – The Executive Management Team



Erik Manting

**CHIEF EXECUTIVE OFFICER
SINCE 2021**

Holdings: 530,824 shares

Education: Ph.D. in Molecular Microbiology and M.Sc. in Medical Biology, born 1971.

Experience and prior assignments: Erik Manting worked for a number of years in the field of immunology before making a career switch to banking in 2001. He spent the next 15 years in different commercial and management roles and his last five years in banking as Executive Director Corporate Finance at Kempen & Co., an investment bank with a focus on Life Sciences & Healthcare. He joined DCprime in 2017, first as business development consultant, and from March 2018 as CEO until the combination with Immunicum.

Other assignments:

Supervisory Board member of Synerkine Pharma BV, Independent Director Transcode Therapeutics Inc.



Lotta Ferm

**INTERIM CHIEF FINANCIAL
OFFICER SINCE 2021**

Holdings: 0

Education: Degree in Business Administration and Economics from Högskolan Kristianstad and Växjö University, born 1966.

Experience and prior assignments: Lotta Ferm has nearly 30 years of finance and controlling experience from a range of corporations including most recently Doktor24 Healthcare AB and Medivir AB in the healthcare and life science sectors. She has held CFO, Head of Finance and Head of Controlling positions consistently over the last decade and led the corporate finance and accounting functions for multiple transitions for dynamic and innovative companies.

Other assignments: -



Alex Karlsson-Parra

**CHIEF SCIENTIFIC OFFICER
SINCE 2008, CO-FOUNDER
OF IMMUNCUM**

Holdings: 621,736 shares (including related parties), subscription 184,000

Education: M.D., Ph.D. and Associate Professor in Clinical Immunology, Uppsala University, born 1950.

Experience and prior assignments: Associate Professor Karlsson-Parra has over 30 years' experience working in the field of transplantation immunology and is former chairman of the Swedish Expert Group for Clinical Immunology. He was awarded the Athena Prize, the Swedish healthcare's most prestigious award for clinical research, in 2014. He has formerly had the position as chief physician at the Department of Clinical Immunology at Uppsala University Hospital and Sahlgrenska University Hospital, Gothenburg, Sweden.

Other assignments: -



Jeroen Rovers

**CHIEF MEDICAL OFFICER
SINCE 2021**

Holdings: 0

Education: Medical degree from Leiden University, the Netherlands, and a Ph.D. in surgical oncology, born 1970.

Experience and prior assignments: Jeroen Rovers is trained as a pharmaceutical physician at the European Center of Pharmaceutical Medicine in Basel. In the past 20 years he worked in different academic institutes and companies, such as Wyeth and Organon and most recently at Kiadis Pharma where he held the role as Chief Medical Officer. Most of the products he worked on are related to oncology, haematology and transplantation. He joined DCprime as Chief Medical Officer in 2018.

Other assignments: -

Board of Directors' Report

» **The Board of Directors** and the Chief Executive Officer of Immunicum Aktiebolag (publ) (556629-1786) hereby submit the Annual Report for the January 1, 2020 – December 31, 2020 fiscal year.

Immunicum AB was founded in 2002 as a spin-off from the Sahlgrenska University Hospital in Gothenburg. The Company's share is listed on Nasdaq Stockholm. The Company is a public limited liability company registered in Sweden, with its registered offices in Gothenburg. The address of the head office is Östermalmstorg 5, SE-114 42 Stockholm, Sweden.

Immunicum's activities

Immunicum is a biopharmaceutical company that develops immune therapies against a range of solid tumors. Immunicum's approach allows for an off-the-shelf product based on a type of immune cells called dendritic cells that are designed to induce a personalized anti-tumor immune response.

In December 2020, Immunicum AB acquired 100% of the shares in DCprime BV, a Dutch clinical stage company developing cancer relapse vaccines based on allogeneic dendritic cell biology, to eventually merge the operations of the two companies. DCprime is complementary and synergistic to Immunicum's approach. The combination of the two companies expands our pipeline, creating a broader range of therapeutic option and enhance the platform with which to establish Immunicum as a leading cell therapy company.

Immunicum's drug candidate, ilixadencel, has been developed to be able to take advantage of each patient's unique profile of tumor-specific antigens by injecting ilixadencel directly into the tumor. This approach thereby eliminates the need to characterize, select and produce each patient's tumor-specific antigens before treatment.

Il ixadencel is currently being, or has been, evaluated in kidney cancer, liver cancer, gastrointestinal stromal tumors, head and neck cancer, non-small cell lung cancer and gastric cancer; with kidney cancer being the furthest advanced indication with a Phase II study completed.

In 2020, Immunicum focused primarily on the multi-indication study ILIAD, in which ilixadencel is tested in combination with checkpoint inhibitors. In December the ILIAD study was fully recruited according to plan, despite the circumstances caused by the COVID-19 pandemic. Further, the Company has continued to monitor the read out of the Phase II study MERECA in which ilixadencel was combined with sunitinib in 88 patients. In the year 2020, the U.S. FDA granted Immunicum Regenerative Medicine Advanced Therapy (RMAT) designation in kidney cancer (RCC) and Fast Track Designation (FTD) for ilixadencel in the orphan indication Gastrointestinal Stromal Tumors (GIST). In addition, the U.S. FDA awarded Orphan Drug Designation for ilixadencel in Hepatocellular Carcinoma (HCC).

DCprime has communicated encouraging clinical results on its lead candidate DCP-001 in blood-borne tumors, including interim data from its ongoing Phase II study in Acute Myeloid Leukemia (AML), which was presented at an oral presentation at the ASH 2020 Conference in December 2020.

On August 28, 2020, Sven Rohmann was appointed CEO of Immunicum and thus replaced interim CEO Alex Karlsson-Parra, who remains in the Company in his role as CSO with responsibility for the Company's preclinical research. On March 16, 2021, Erik Manting was appointed the Company's CEO effective immediately.

Financial information - The Group

Reverse acquisition

On December 21, 2020, Immunicum AB acquired DCprime BV. The transaction resulted in the owners of the acquired company (DCprime) having deemed control of the acquiring company (Immunicum). The acquisition was therefore accounted for as a reverse acquisition. The consolidated financial statements consist of DCprime

only until the acquisition, December 21, 2020, and with Immunicum's financial statement included as from that same date. The financial statements for 2019, thus consist of DCprime only. This consolidated financial statement is Immunicum's first consolidated financial statement which has been prepared in accordance with IFRS, for further information, see Note 31.

Revenue

Other operating income amounted to KSEK - (16,690) and consisted 2019 of EU grant, Horizon 2020.

Operating expenses

Total operating expenses amounted to KSEK 86,027 (61,530). The operating expenses are primarily due to research and development expenses related to the DCOne® platform and the product candidate DCP-001. The higher costs compared with last year, is mainly due to transaction-related costs of the merger between DCprime and Immunicum.

Research and development costs

Research and development costs amounts to KSEK 47,883 (48,980). The costs are mainly due to preclinical and process development, as well as product manufacturing and the ADVANCE-II Phase II clinical trial. The lower cost for the year is primarily due to lower manufacturing costs.

Administrative costs

Administrative expenses amounted to KSEK 38,080 (12,565). The increased cost is due to transaction-related costs for the merger.

Financial results

Operating result for the year was KSEK -86,027 (-44,856). The result for the year amounted to KSEK -89,248 (-47,771). Earnings per share before and after dilution amounted to SEK -1.17 (-0.65).

Tax

No tax was reported for the year - (-).

Cash flow, investments and financial position

Cash flow from operating activities for the year amounted to KSEK -56,626 (-57,569). The negative cash flow is according to development plan and is mainly explained by the Company's research and development activities for the DCOne® platform and the product candidate DCP-001.

Cash flow from investing activities amounted to KSEK 157,298 (-809) for the year. Cash flow from financing activities amounted to KSEK 50,904 (67,058). The increased cash flow from financing activities for the year is due to contribution from DCprime's shareholders. Cash flow from investing activities refers to acquired cash and cash equivalents.

The Company's cash and cash equivalents on December 31, 2020 amounted to KSEK 167,643 (14,032).

Total equity as of December 31, 2020 amounted to KSEK 661,094 (-5,677), which corresponds to SEK 3.98 (negative) per share. The Company's equity ratio at the end of the year was 91% (negative).

Financial overview - the Group*

The Group

KSEK	2020	2019
Net sales	-	-
Operating profit/loss	-86,027	-44,856
Profit/loss before tax	-89,248	-47,771
Profit/loss for the period	-89,248	-47,771
Earnings per share before and after dilution (SEK)	-1.17	-0.65
Cash flow from operating activities	-56,626	-57,569
Shareholders' equity	661,094	-5,677
Cash and cash equivalents end of period	167,643	14,032

* On December 21, 2020, Immunicum AB acquired DCprime BV. The transaction resulted in the owners of the acquired company (DCprime) having deemed control of the acquiring company (Immunicum). The acquisition is therefore accounted for as a reverse acquisition. The consolidated financial statements thus only consist of DCprime BV until the time of acquisition, December 21, 2020. This consolidated financial statement is Immunicum's first consolidated financial statement which has been prepared in accordance with IFRS.

Financial information – Parent Company Immunicum AB

Revenue

No revenue was reported for the year - (-). Other operating income amounted to KSEK 2,444 (893) for the year and consisted of exchange rate gains on accounts payable.

Operating expenses

Total operating expenses amounted for the year to KSEK 109,065 (133,217). The operating expenses are primarily due to clinical trials and development of products for the clinical trials, and process development for the product ilixadencel.

Research and development costs

Research and development costs amounted for the year to KSEK 79,191 (103,144). The costs are mainly due to expenses within CMC related to the process development activities to strengthen the manufacturing process of ilixadencel and by activities in ongoing clinical and preclinical studies. The lower costs compared to last year, are primarily due to the fact that the MERCA study was finished in 2019 and lower CMC expenses during 2020.

Administrative costs

Administrative expenses for the full year amounted to KSEK 27,726 (28,498).

Financial results

Operating result for the year amounted to KSEK -106,621 (-132,324) and the result for the year amounted to KSEK -106,308 (-134,016). Earnings per share before and after dilution for the Parent Company amounted to SEK -1.13 (-1.46) for full year.

Tax

No tax was reported for the fourth quarter or the full year - (-).

Cash flow, investments and financial position

Cash flow from operating activities for the year amounted to KSEK -120,690 (-145,808). The negative cash flow is according to development plan and is mainly explained by the Company's clinical research and activities related to the process development for the manufacturing of ilixadencel. The lower negative cash flow during 2020 compared to 2019 is due to the higher costs in general in 2019.

Cash flow from investing activities amounted to KSEK -16,597 (-251). The investing activity in 2020 is due to external costs in conjunction with the acquisition of 100% of the shares in DCprime. Cash flow from financing activities for the year amounted to KSEK -2,063 (756). The cash flow from financial activities is due to costs related to the new share issue in conjunction with the payment for the shares in DCprime.

The Parent Company's cash and cash equivalents on December 31, 2020 amounted to KSEK 157,762 (296,811).

Total equity as of December 31, 2020 amounted to KSEK 726,123 (272,781), which corresponds to SEK 4.37 (2.96) per share. The Parent Company's equity ratio at the end of the quarter was 98% (90%).

Financial overview - Parent Company Immunicum AB*

Parent Company Immunicum AB

KSEK	2020	2019	2018	2017	Jul-Dec 2016
Net sales	-	-	-	-	-
Operating profit/loss	-106,621	-132,324	-97,846	-80,700	-36,737
Profit/loss before tax	-106,308	-134,016	-97,860	-80,338	-36,794
Profit/loss for the period	-106,308	-134,016	-97,860	-80,338	-36,794
Earnings per share before and after dilution (SEK)	-1.13	-1.46	-1.9	-3.1	-1.4
Cash flow from operating activities	-120,690	-145,808	-104,670	-46,447	-33,738
Shareholders' equity	726,123	272,781	406,041	189,556	102,386
Cash and cash equivalents end of period	157,762	296,811	443,798	128,883	102,899

* On December 21, 2020, Immunicum AB acquired DCprime BV. The transaction resulted in the owners of the acquired company (DCprime) having deemed control of the acquiring company (Immunicum). The acquisition is therefore accounted for as a reverse acquisition. The consolidated financial statements thus only consist of DCprime BV until the time of acquisition, December 21, 2020. This consolidated financial statement is Immunicum's first consolidated financial statement which has been prepared in accordance with IFRS.

The Group

Significant events during the financial year

- » Immunicum presented Updated Data from Phase II MERECA trial of ilixadencel in kidney cancer at ASCOSITC Clinical Immuno-Oncology Symposium. December 2019 data showed a separation in survival curves in favor of the ilixadencel group.
- » On March 2 Immunicum announced resignation of Michaela Gertz as Chief Financial Officer.
- » Immunicum announced Peter Suenart to resume the role as Chief Medical Officer as of May 1.
- » At the Annual General Meeting on April 28, the Board members Charlotte Edenius, Steven Glazer, Michael Oredsson and Magnus Persson were re-elected. Sven Andreasson, Christine Lind and Helén Tuveßon were elected as new Board members. Michael Oredsson was re-elected as Chairman of the Board.
- » Immunicum received Regenerative Medicine Advanced Therapy (RMAT) Designation from the FDA for ilixadencel in kidney cancer (RCC).
- » Immunicum appointed Peter Hein as interim Chief Financial Officer effective May 18.
- » Immunicum announced advancement to a nonstaggered inclusion phase in the Phase Ib/II ILIAD combination trial.
- » Immunicum announced publication of Phase I/II clinical trial results of ilixadencel in Gastrointestinal Stromal Tumors (GIST) in *Cancer Immunology, Immunotherapy*.
- » Immunicum announced update on survival data in Phase II MERECA trial evaluating ilixadencel in combination with Sutent® (sunitinib).
- » On August 28 Immunicum announced the appointment of Sven Rohmann as Chief Executive Officer effective immediately.
- » Immunicum presented preclinical data supporting the combination of ilixadencel with cancer therapies and immunotherapies including anti-VEGF, anti-PDF1 and anti-CTLA4 at the 2020 Virtual ESMO Congress.
- » Immunicum presented updated corporate and clinical development strategy.
- » Immunicum announced the last safety and enrollment update for the ongoing Phase Ib/II ILIAD combination trial. As of October 6, 15 patients were enrolled in the study and ilixadencel maintained a favorable safety profile. The Dose Escalation Committee confirmed there were no dose limiting toxicities.
- » Board member Magnus Persson resigned from the Board in October.
- » On November 18, Immunicum announced that the Company had entered into a binding agreement with Van Herk Investments BV to acquire all shares

in DCprime BV to establish a leader in cell-based cancer immunotherapies. At the Extraordinary General Meeting on December 18, the Board's resolution on a directed new issue of shares to Van Herk Investments BV was approved. The transaction was completed on December 21.

- » Immunicum received FDA Fast Track Designation for ilixadencel for the treatment of the orphan indication Gastrointestinal Stromal Tumors (GIST).
- » Immunicum announced the completion of patient recruitment for Phase Ib portion of ILIAD combination clinical trial.
- » Immunicum received FDA Orphan Drug Designation for ilixadencel as a treatment for liver cancer, specifically Hepatocellular Carcinoma (HCC).

Significant events after the end of the period

- » Prior to the Extraordinary General Meeting on January 22, 2021, Chairman Michael Oredsson announced his resignation from the Board, whereby the Board appointed the current Board member Christine Lind as interim Chairman until the Annual General Meeting on May 4, 2021. At the EGM, Dharminder Chahal and Andrea van Elsas, Ph.D., nominated by the Company's largest owner Van Herk Investments, were elected new members of the Board.
- » Immunicum received FDA Orphan Drug Designation for ilixadencel as a treatment of Soft Tissue Sarcoma (STS), which includes GIST.
- » Immunicum announced plans to expand the Group's research and process development facilities in Leiden, the Netherlands.
- » Immunicum appointed Lotta Ferm as interim Chief Financial Officer as of February 1.
- » Immunicum received Orphan Drug Designation from EMA for Ilixadencel as treatment for Gastrointestinal Stromal Tumors (GIST).
- » Immunicum announced encouraging signs of survival benefit in Phase II MERECA trial of ilixadencel in kidney cancer.
- » Immunicum announced appointment of Jeroen Rovers as Chief Medical Officer effective March 1, 2021.
- » On March 16 Immunicum announced the updated Executive Management Team after business combination and the appointment of Erik Manting, Ph.D., as Chief Executive Officer effective immediately.

COVID-19

COVID-19 pandemic impact on operations. The COVID-19 pandemic is evolving rapidly and will have a significant impact on the global healthcare system. Many hospitals, regions and countries are updating their guidelines and

Immunicum follow the development closely to take necessary steps to fully comply with new guidance. Immunicum has also taken necessary actions to ensure the well-being, safety and security of the Company's employees.

At reporting date, the ongoing ILIAD study continues as planned in the US. However, there is a risk that the circumstances may change quickly if for instance hospitals have to prioritize the care and treatment of subjects infected by the novel coronavirus and/or redirect resources to handling COVID-19. This could have a negative impact on the Company as there is a risk that the recruitment of patients to the study may be delayed.

Similarly, this may affect the collection of follow-up survival data like for the MERECA study and/or result in a delay or gap in the clinical study data collection and/or processing by the CRO. Sufficient stock of ilixadencel, to complete the Phase 1b part of the ILIAD study, have been shipped to storage depots and the company does not currently foresee delays in the shipment of product to site(s) as a consequence of the COVID-19 pandemic. At reporting date, upcoming planned regulatory authority interactions are not affected. There is a general risk associated with the impact the COVID-19 pandemic will have on the capital markets. If extended in time it could adversely affect the Company's access to the capital markets, which could have a negative impact on the Company's business.

Other information

Environment

Immunicum is actively committed to corporate responsibility and sustainability. This commitment covers areas that are primarily related to ethical issues, occupational health issues, issues of a social nature and transparency in relation to shareholders. Immunicum's operations do not entail any special environmental risks and do not require any special environmental-related permits or decisions from authorities. Immunicum works in an industry where ethical and regulatory aspects are of major importance in shaping the Company's operations.

Share capital and ownership

The number of shares in the Company on December 31, 2020 amounted to 166,167,166 (92,257,531) and the share capital amounted to SEK 8,308,358 (4,612,876). All shares have equal voting right and share of Immunicum's assets and profit. At December 31, 2020, Van Herk Investments was the largest owner, with a total of 72,055,738 representing 43.36% of the votes and capital in the Company.

Employees

As of December 31, 2020 the Company had 29 (30) fulltime employees, of whom 17 (18) were women and 12 (12) were men.

Resolution regarding amendment of the guidelines for remuneration to senior executives

The board of directors has carried out an overview of the present guidelines for remuneration to senior executives, adopted at the Annual General Meeting of 2020, and has resolved, to enable a competitive remuneration structure for senior executives, both from a national and an inter-

national perspective, to make a proposal for amendment of the guidelines wherein the limitation for variable remuneration is increased from 35 percent to 50 percent of the fixed annual salary and the limitation for pension is increased from 25 percent to 30 percent for all senior executives.

In the light of above, the board of directors proposes that the annual general meeting adopt the following guidelines for remuneration to the CEO and other senior executives. The guidelines also apply to prospective compensation to the board of directors' members in excess of the board of directors' fee.

The guidelines apply to remuneration agreed to after the annual general meeting 2021 and to amendments to already agreed remunerations which are made thereafter. These guidelines do not apply to issues or transfers that fall within Chapter 16 of the Swedish Companies Act or fees and other remuneration resolved by the general meeting. For employments governed by regulations other than Swedish, pension benefits or other benefits may be duly adjusted for compliance with mandatory rules or established local practice, considering, to the extent possible, the overall purpose of these guidelines.

The guidelines' promotion of the Company's business strategy, long-term interests and sustainability

In order to successfully implement the Company's business strategy and safeguard the Company's long-term interests, including its sustainability, it is required that the Company is able to recruit and retain qualified employees. The Company's area of operation, immunology, is an area with high demand for individuals with the right competence, both from a national and an international perspective. The Company aspire to offer a competitive total compensation at market level both from a national and an international perspective and thereby be able to attract and retain qualified employees.

Forms of remuneration, etc.

The remuneration shall be at market level, be in relation to responsibility and authority and consist of the following components: fixed salary, any variable remuneration in accordance with separate agreements, pension and other benefits. The general meeting may in addition – irrespective of these guidelines – resolve on, shares or share price-based instruments that form part of remuneration.

Fixed salary

The fixed salary shall constitute the base of the total compensation and shall consist of fixed cash salary, which shall be reviewed annually. The fixed salary shall be competitive and reflect the requirements of the position regarding competence, responsibility, complexity and in which way the remuneration promotes the business goals.

Variable remuneration

In addition to the fixed salary, the CEO and other senior executives may, in accordance with separate agreements, receive variable remuneration upon fulfilment of predetermined criteria. Any variable remuneration shall consist of annual variable cash salary and may not exceed 50 percent of the fixed annual salary.

The variable remuneration shall be linked to one or several predetermined and measurable objectives and shall be designed to promote the Company's business strategy and long-term interests, including sustainability, and be determined by the board of directors. The variable salary shall depend on the individual's achievement of qualitative and quantitative objectives. The objectives shall be based on both the Company's overall objectives with the business and on individual objectives relevant to the senior executive's position in the Company. The criteria shall be valid for one financial year at a time.

When the measurement period for fulfillment of the criteria for payment of variable remuneration has been completed, the extent to which the criteria have been fulfilled shall be assessed. The assessment shall be based on an actual achievement of the individual criteria and on an overall view.

Pension

For the CEO and other senior executives, pension benefits, including health insurance, shall be fixed and the premiums may not exceed 30 per cent of the fixed annual salary. Variable remuneration shall not contribute to pension.

Other benefits

Other benefits, which may include travel benefit and health care insurance, shall be at market level and constitute a limited share of the total remuneration. Premiums and other costs arising from such benefits may not exceed 15 per cent of the fixed annual salary.

Termination of employment

The notice period for termination for the CEO and other senior executives shall be a maximum of twelve months. When termination is made by the Company, severance may be paid with an amount corresponding to a maximum of twelve months fixed salary.

Additional remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income. The remuneration may not exceed 60 per cent of the fixed salary at the time of termination of employment and be paid during the time the non-compete undertaking applies, however not for more than 18 months following termination of employment.

Remuneration to the board of directors

The members of the Company board of directors, elected by the general meeting, may under certain circumstances and during a limited period be paid for services, which is not part of the work of the board of directors, within their field of competence. The remuneration for such services (including services conducted by a company wholly owned by the member of the board of directors) shall be at market rate and the services shall contribute to the Company's business and long-term interest, including sustainability.

Salary and employment conditions for employees

In the preparation of the board of directors' proposal of these guidelines, the salary and employment terms of the Company's employees have been considered through the inclusion of information on the employees' total compensation, the components of the remuneration and the

remunerations increase and growth rate over time. This information has informed the remuneration committee and the board of directors when evaluating and deciding whether the guidelines and the limitations set out herein are reasonable.

Preparation and decision procedure

The board of directors has established a remuneration committee. The committee's tasks include, among other things, to prepare principles for remuneration to the senior executives and prepare the board of directors' resolution regarding proposal for guidelines for remuneration to senior executives. The board of directors shall prepare a proposal for new guidelines at least every fourth year and present it to the annual general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting.

The remuneration committee shall also monitor and evaluate programs for variable remuneration for the senior executives, the application of the guidelines for salary and other remuneration to the senior executives as well as the current remuneration structures and compensation levels in the Company. Remuneration to the CEO shall be resolved by the board of directors after preparation and recommendation from the remuneration committee and remuneration to other senior executives shall be resolved by the board of directors based on proposal from the CEO. The CEO or other senior executives do not participate in the board of directors' processing of, and resolutions regarding, remuneration-related matters if they are affected by such matters.

Deviations from the guidelines

The board of directors may resolve to deviate from the guidelines, in whole or in part, if in a specific case there is special cause for a deviation and that deviation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. As stated above, the remuneration committee's duties include preparing the board of directors' resolutions regarding remuneration-related matters, including resolutions to deviate from the guidelines.

Information regarding previously resolved remuneration that has not fallen due for payment

In addition to commitments to pay ongoing remuneration such as salary, pension and other benefits, there are no previously decided remuneration to any senior executives that has not fallen due for payment.

For current guidelines until the 2021 Annual General Meeting, see the Corporate Governance Report on pages 82-91.

Corporate governance

The Corporate Governance Report for 2020 is available on pages 82-91.

Significant risks and uncertainty factors

The risks related to the Company's operations and industry include the following primary risks:

Immunicum is a development company without historical revenue earnings capacity

Immunicum has not yet, either independently or via partners, launched any cancer immune primers or any other drug on the market. Therefore, the Company has not engaged in the sale of any pharmaceutical products, nor has it generated any revenue. If the present product candidates' introduction on the market is delayed, are made more expensive, or never occur, it could have a significant negative impact on the Company's business operations, financial results and financial position.

Risks related to potential future revenue

Immunicum's future earnings will, inter alia, be dependent on the Company being able to enter into agreements for the licensing of the Company's product candidates and/or technology platforms. If Immunicum fails to enter into agreements for the licensing of products, sales of intellectual property rights or similar transactions on terms and conditions that are favorable to the Company, if such agreements lead to delays and/or increase costs, or if payments to be made pursuant to such agreements are delayed or are not received at all, this could have a significant negative impact on the Company's business operations, financial results and financial position.

Need of additional financing

It may take a long time for the Company's pharmaceutical products to be sold commercially and generate regular cash flow from the Company's operations. The Company's planned clinical studies entail significant costs and there is a risk that the Company's development of product candidates can be more time- and resource-demanding than planned. Immunicum will therefore continue in the future to have a need to raise additional capital in order to carry out further research and development. There is a risk that new capital cannot be obtained when the need arises, that it cannot be acquired on preferential terms, or that it cannot be acquired at all. If Immunicum cannot obtain financing, the Company may be forced to seriously restrict its research and development activities or in the worst case, suspend its operations, which could have a significant negative impact on the Company's business operations, financial results and financial position.

Dependence on key individuals and qualified personnel

Immunicum's activities are highly dependent on a number of key individuals, some of whom hold senior positions and are shareholders in the Company. If Immunicum cannot recruit and retain key persons and other qualified personnel to the extent and under the terms and conditions that are required, it could have a significant negative impact on the Company's operations, financial results and financial position.

Research and development

The preclinical development and clinical studies that the Company pursues are based on ilixadencel and the DCone® technology platform. Neither ilixadencel nor any product based on this technology platform has yet to be approved for release on the market. Before a medicinal product can be put on the market, the safety and efficacy concerning the treatment of humans must be assured for each individual indication, which is proven by preclinical investigations carried out with animals and with clinical trials in humans. Unforeseen trial results or the late or non-recruitment of patients may delay or prevent the

market launch of product candidates, should government agencies or other decision-makers decide that the Company's product candidates do not meet the established criteria. If Immunicum cannot prove to a sufficient extent via clinical studies that a product candidate is safe and effective, and thus enabling it to be commercialized, that could have a significant negative impact on the Company's business operations, financial results and financial position.

Immunicum's intellectual property rights, know-how and confidentiality

Immunicum's future success will largely depend on its ability to obtain and maintain the protection of intellectual property rights, mainly patent protection, in the USA, EU, Asia and other countries, for the intellectual property rights relating to the Company's product candidates. There is a risk that the Company will not be able to maintain its intellectual property rights or that these will not provide adequate commercial protection, which would have a significant negative impact on the Company's business operations, financial results and financial position.

Competition

Immunicum operates in a competitive industry, and many companies, universities and research institutions are engaged in research and development of pharmaceutical products, including those who can, or may in the future, compete with the Company's product candidates. If the Company is not able to effectively compete in the market, it could have a significant negative impact on the Company's business operations, financial results and financial position.

Changes within the pharmaceutical industry could make the Company's products obsolete

The pharmaceutical industry is characterized by rapid changes in legislation, authorization requirements, technology, new technological advances and an ongoing improvement of industrial know-how. There is a risk that such conditions could increase the Company's costs, impede the development of the company's product candidates or cause the Company's existing or future planned products to lose their commercial value, which would have a significant negative impact on the Company's business operations, financial results and financial position.

The recommendation of the Board of Directors for the appropriation of the Company's profits/losses

Amount in SEK

The following unrestricted shareholders' equity are available to the Annual General Meeting for its disposition:

Share premium reserve	1,287,783,642
Retained earnings	-463,660,434
Net profit/loss for the year	-106,307,963
Total	717,815,244

The Board of Directors proposes that the profits available for distribution and unrestricted reserves be allocated as follows:

To be carried forward	717,815,244
Total	717,815,244

Financial information

The Group

Consolidated income statement

Amounts in KSEK	Note	2020 jan-dec	2019 jan-dec
Other operating income	7	-	16 690
		-	16 690
Operating expenses			
Sales, general and administration expenses	8,9,10,11	-38,080	-12,565
Research and development expenses		-47,883	-48,980
Other operating expenses	12	-65	-
Operating profit/loss		-86,027	-44,856
Result from financial items			
Financial expenses	13	-3,220	-2,915
Profit/loss after financial items		-89,248	-47,771
Total profit/loss before taxes		-89,248	-47,771
Income tax expense	14	-	-
Income tax expense		-89,248	-47,771
Earnings/loss per share before and after dilution (SEK), for profit attributable to owner of the Parent Company's shareholders	15	-1.17	-0.65

Consolidated statement of comprehensive income

Amounts in KSEK	2020 Jan-Dec	2019 Jan-Dec
Result for the period	-89,248	-47,771
Other comprehensive income		
<i>Items that may be reclassified to profit or loss</i>		
Exchange differences on translation of foreign operations	3,231	301
Other comprehensive income for the period	3,231	301
Total comprehensive result for the period	-86,017	-47,470

Profit/loss for the period and total comprehensive income, are in their entirety attributable to the Parent Company's shareholders.

Consolidated statement of financial position

Amounts in KSEK	Note	31 Dec 2020	31 Dec 2019	1 Jan 2019
ASSETS				
NON-CURRENT ASSETS				
Goodwill	16	108,350	-	-
Technology	16	424,091	-	-
Right-of-use assets	8	1,204	2,135	2,577
Equipment	18	1,705	2,193	2,182
Other long term receivables	20	677	442	420
Total Non-current assets		536,028	4,770	5,179
CURRENT ASSETS				
Other receivables	21	20,230	18,695	2,438
Prepaid expenses and accrued income	22	4,760	423	2,717
Cash and cash equivalents	23	167,643	14,032	4,415
Total current assets		192,634	33,150	9,569
TOTAL ASSETS		728,661	37,920	14,748
SHAREHOLDERS' EQUITY AND LIABILITIES				
SHAREHOLDERS' EQUITY				
Share capital	24	8,308	586	584
Additional paid-in capital		1,003,044	257,980	190,162
Reserves		3,532	301	-
Retained earnings (including profit/loss for the period)		-353,790	-264,542	-216,771
Total equity attributable to the shareholders of the Parent Company		661,094	-5,677	-26,026
LIABILITIES				
NON-CURRENT LIABILITIES				
Other long-term liabilities	25	18,982	31,062	27,923
Lease liabilities	8	303	1,230	1,799
Total non-current liabilities		19,285	32,292	29,722
CURRENT LIABILITIES				
Lease liabilities	8	880	871	711
Accounts payable		10,365	1,898	2,605
Other liabilities	26	23,179	575	491
Accrued expenses and deferred income	27	13,857	7,962	7,245
Total current liabilities		48,282	11,306	11,052
Total liabilities		67,567	43,597	40,774
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		728,661	37,920	14,748

Consolidated statement of change in equity

Attributable to owners of Immuicum AB (publ)

Amounts in KSEK	Note	Share capital	Additional paid in capital	Reserves	Retained earnings, including profit/loss for the year	Total
Opening shareholders' equity 01/01/2020		586	257,980	301	-264,542	-5,675
Profit/loss for the period					-89,248	-89,248
Other comprehensive income				3,231		3,231
Total comprehensive income		586	257,980	3,532	-353,790	-91,692
<i>Transactions with owners</i>						
New share issue		5,452	-5,452			0
Issue for non-cash consideration	31	3,695	697,462			701,157
Shareholders' contribution		0	53,681			53,681
Redistribution as of reverse acquisition		-1,425	1,425			0
Issue costs		0	-2,052			-2,052
Total transactions with owners		7,722	745,064	0	0	752,786
Shareholders' equity 2020-12-31		8,308	1,003,044	3,532	-353,790	661,094
Opening shareholders' equity 01/01/2019		586	190,162	0	-216,771	-26,024
Profit/loss for the period					-47,771	-47,771
Other comprehensive income				301		301
Total comprehensive income		0	0	301	-47,771	-47,470
<i>Transactions with owners</i>						
Shareholders' contribution			67,818			67,818
Total transaction with owners		0	67,818	0	0	67,818
Shareholders' equity 31/12/2019		586	257,980	301	-264,542	-5,677

Consolidated statement of cash flows

Amounts in KSEK	Note	2020	2019
		Jan-Dec	Jan-Dec
Operating activities			
Operating profit/loss		-86,029	-44,856
Adjustment for items not included in cash flow		1,774	1,638
Interest expense paid		-103	-166
Cash flow from operating activities before changes in working capital		-84,358	-43,383
Increase/decrease in other current receivables		22,204	-14,118
Increase/decrease in accounts payable		761	-3,278
Increase/decrease in other current liabilities		4,766	3,210
Cash flow from operating activities		-56,626	-57,569
Investment activities			
Investments in tangible assets	18	-464	-809
Acquisition of business		157,762	-
Cash flow from investing activities		157,298	-809
Financing activities			
Shareholders' contribution		53,681	67,818
Issue costs		-2,052	-
Proceeds from borrowings	25	3,798	-
Repayment of borrowings	25	-4,523	-760
Cash flow from financing activities		50,904	67,058
Cash and cash equivalents at the beginning of the period		14,032	4,405
Cash flow for the year		151,576	8,680
Foreign exchange difference in cash and cash equivalents		2,035	947
Cash and cash equivalents at the end of the period		167,643	14,032

Notes

Note 1 - General information

This report covers the Swedish company Immunicum AB (publ) (Immunicum), Swedish corporate identity no. 556629-1786. The Company is a Swedish public limited company registered in Gothenburg and with its registered office in Stockholm. The Board of Directors approved this Annual Report on April 11, 2021, and it will be presented for adoption at the Annual General Meeting on May 4, 2021.

Note 2 - Accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented.

2.1 Basis of preparation

The consolidated financial statements for Immunicum have been prepared in accordance with the Swedish Annual Accounts Act, Swedish Financial Reporting Board's recommendation RFR 1 Supplementary rules for groups, International Financial Reporting Standards (IFRS) as endorsed by the EU.

The financial statements have been prepared on a historical cost basis.

First time International Financial Reporting Standards (IFRS) are applied

These financial statements are Immunicum's first financial statements prepared in accordance with IFRS.

The Group is considered to have been formed through a reverse acquisition where DCprime BV is deemed to be the accounting acquirer in the transaction. The consolidated financial statements are thus prepared as a continuation of DCprime BV's financial reports. The Group's date of transition to IFRS is January 1, 2019.

According to IFRS 1, the Group must show a reconciliation of equity and total comprehensive income reported in accordance with previous accounting principles for previous periods with corresponding items in accordance with IFRS. This is the first time Immunicum presents consolidated financial statements. Therefore, there is no previously presented financial report containing a consolidated financial statement in accordance with previously applied principles to be reconciled with. No reconciliations between previously applied accounting principles and IFRS are thus presented to the Group.

Choices made in connection with the preparation of the opening balance for accounting in accordance with IFRS

The first time IFRS is applied in a consolidated financial statement, accounting shall be made in accordance with

IFRS 1 The first time IFRS is applied. The main rule is that all applicable IFRS and IAS standards, that are mandatory and been approved by the EU, must be applied retrospectively. IFRS 1, however, contains transitional provisions that give companies a certain choice.

Immunicum has chosen to apply the following voluntary exceptions in IFRS 1:

- » The accumulated translation difference for foreign operations is assumed to be zero in the opening balance for 2019.
- » Government loans are accounted for in accordance with previous accounting principles, IFRS 9 and IAS 20 are not applied retroactively.
- » The practical expedient has been applied, meaning that the lease liability is valued at the date of transition to IFRS corresponding to the present value of the remaining lease payments discounted using the incremental borrowing rate at the date of the transition to IFRS. The right of use asset is measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. In addition, use of hindsight have been used, such as in determining the lease period if the contract contains options to extend or terminate the lease.

Preparing reports in accordance with IFRS requires the use of some important estimates for accounting purposes. Furthermore, management is required to make certain assessments when applying the Group's accounting principles. The areas that include a high degree of assessment, which are complex or such areas where assumptions and estimates are of significant importance for the consolidated accounts are stated in Note 5.

Other

The IFRS or IFRIC interpretations that have not yet come into legal effect, are not expected to have any significant impact on the Group.

2.2 Principles of consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group, see 2.3 Business combinations.

Inter-Company transactions, balances and unrealized gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.3 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the equity interests issued by the Group.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in profit or loss as a bargain purchase.

Reverse acquisition

A reverse acquisition exists if an entity acquires shares in another entity by issuing shares in its own entity to such an extent that the control over the newly formed Group, from an accounting perspective, is attributable to the shareholders of the acquired entity. This means that it is the acquiring entity's assets and liabilities that are assessed at fair value on the acquisition date when preparing a purchase price allocation. In the consolidated accounts, the legal Parent Company is treated as a subsidiary and the legal subsidiary as the Parent Company.

2.4 Foreign currency translation

Functional and presentation currency

The entities in the Group have the local currency as their functional currency, as the local currency has been defined as the primary economic environment in which each entity operates. The consolidated accounts are presented in SEK, which is the Parent Company's functional currency and the Group's presentation currency. All amounts are, unless otherwise stated, rounded off to the nearest thousand kronor (KSEK).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Receivables and liabilities in foreign currency have been translated at the exchange rate on the closing date. Exchange rate gains and losses on operating receivables and liabilities are recognized in operating profit/loss. Gains and losses on financial receivables and liabilities are recognized as financial income/costs.

Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- » assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- » income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- » all resulting exchange differences are recognized in other comprehensive income.

2.5 Government grants

Government grants relating to costs are deferred and recognized in profit or loss over the period necessary to match them with the costs that they are intended to compensate. Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

2.6 Leases

The Group as a lessee

Lease contracts are normally signed for fixed periods of between one and two years with an option for extension. The conditions are negotiated separately for each lease and include a large number of different terms. Lease contracts are recognized as right-of-use assets and corresponding liabilities on the date when the leased asset becomes available for use by the Group. Each lease payment is apportioned between the finance charge and depreciation of the outstanding liability. Interest is allocated over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability recognized in the respective period. Right-of-use assets are depreciated on a straight-line basis over the shorter of the expected useful life of the asset and the lease term.

Assets and liabilities arising from leases are initially measured on a present value basis. Lease liabilities include the net present value of fixed payments and/or variable lease payments that are based on an index or a rate. The lease payments are discounted using the incremental borrowing rate.

A right-of-use asset is initially measured at cost and includes the following:

- » the value at which the lease liability was initially measured, and
- » lease payments made at or before the commencement date.

For leases where the underlying asset is of low value or for short-term leases, the Group applies the recognition exemptions in IFRS 16, which means that the lease payment is expensed on a straight-line basis over the lease term in the income statement and no right-of-use asset or lease liability is recognized in the balance sheet.

The Group recognizes a right-of-use asset in the balance sheet and a lease liability at the present value of future lease payments. In the consolidated statement of cash flows, the main payment attributable to leases is recognized in financing activities as payments pertaining to repayment of lease liabilities. The interest portion is recognized in operating activities and is included in the item "Interest paid".

Options to extend or terminate a lease

Options to extend or terminate a lease are included in the asset and the liability in cases when it is considered reasonably certain that the Company will exercise extension options or not exercise options to terminate the lease.

2.7 Employee benefits

Short-term employee benefits

Short-term employee remunerations are calculated without discounting and recognized as an expense when the related services are performed. A provision for the expected cost of payments is made when the Company has a current obligation to make such payments as a result of services received from employees and the obligation can be reliably estimated.

Termination remunerations

An expense for remuneration in connection with the termination of staff is reported when the Company is obligated, without realistic possibility of withdrawal, by a formal plan to terminate employment before the normal time.

Post-employment obligations

For defined contribution plans, the Company pays contributions to pension insurance. The Company has no further payment obligations once the contributions are paid. The contributions are recognized as personnel expenses when they fall due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments may benefit the Company.

2.8 Income tax

The Company is currently not in a tax position and therefore does not pay income tax. Deferred tax assets relating to unutilized losses carried forward and deductible temporary differences are recognized only to the extent that it is probable that these will be able to be utilized against future taxable profits. As there is uncertainty as to when in time the Company's loss carry-forwards will be able to be used for settlement against taxable profits, deferred tax assets are only recognized to the extent that there are future taxable temporary differences. The remaining part of the loss carry-forwards is not assigned any value.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from

the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.9 Goodwill

Goodwill is measured as described in Note 2.3 Business combinations. Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes. Thus, there is only one cash-generating unit.

2.10 Expenditures for research and development

Research costs refer to expenditures for research aimed at obtaining new scientific or technical knowledge. Development expenditure means expenditure when research findings or knowhow are applied to achieve new or improved products or processes in accordance with IAS 38 Intangible assets. Research costs are expensed in the period incurred. Development expenditure is recognized as an intangible asset in the event that the asset is expected to generate future economic benefits and then only on condition that it is technically and financially possible to complete the asset, the intention and the conditions exist to use the asset in operations or sold and the value can be measured reliably. The Company has made the assessment that there is currently no prerequisite for capitalization of development costs.

2.11 Technology

Technology acquired in a business combination are recognized at fair value at the acquisition date. The acquired technology consists of the cell-based cancer immunotherapy product ilixadencel which is an off-the-shelf product developed for the treatment of solid tumors. Technology have a finite useful life and are subsequently carried at cost less accumulated amortization and impairment

losses. Amortization starts from the point at which the asset is ready for use. The asset is not yet in such a state that it can be used to generate revenue.

2.12 Equipment

Equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Equipment is depreciated on a straight-line basis over the asset's expected useful life, which is 5 years.

2.13 Impairment of assets

Goodwill and intangible assets that are not ready for use are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.14 Financial instruments

A financial instrument is any form of contract that gives rise to a financial asset, a financial liability, or an equity instrument in another Company. For the Group, this includes cash and cash equivalents, other receivables, other long-term receivables, other securities held as fixed assets, accounts payable, other current liabilities and borrowings. Cash and cash equivalents consist of bank deposits.

Accounting for financial instruments

A financial asset or a financial liability is recognized in the balance sheet when the Company becomes a party in accordance with the contractual provisions of the instrument. Liabilities are recognized when the counterparty has performed and there is a contractual obligation to pay, even if an invoice has not yet been received. Accounts payable are recognized when the invoice has been received. A financial asset is removed from the balance sheet when the contractual rights have been settled, have expired/lapsed, or the Company has lost control over them. The same applies for a part of a financial asset. A financial liability is removed from the balance sheet when the obligation in the contract is fulfilled or it becomes extinguished in another way. The same applies for a part of a financial liability. Acquisitions and sales of financial assets are recognized on the "trade date", i.e., the date the Company entered into the transaction, committing to purchase or sell the asset.

Classification and measurement of financial instruments

The classification depends on the purpose(s) behind the acquisition of the financial instrument. The Group classifies and measures its financial assets in the category of amortized cost. The classification depends on the entity's

business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets measured at amortized cost

Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortized cost. The carrying amount of these assets is adjusted by any expected credit losses that have been recognized (see Impairment of financial assets below). Receivables are reported as current assets except for items with a due date of more than 12 months after the close of the reporting period, which are classified as fixed assets.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Financial liabilities measured at amortized cost

Loan liabilities and amounts payable to suppliers are initially recognized at cost after deduction of transaction costs. If the carrying amount differs from the amount to be repaid at maturity, the difference is amortized as an interest expense over the term of the loan using the instrument's effective interest rate. In this way, the carrying amount and the amount to be repaid on the maturity date corresponds.

Offsetting of a financial assets and a financial liability

A financial asset and a financial liability are offset and recognized with a net amount in the balance sheet only when a legally enforceable right exists and when a settlement with a net amount is regarded to occur or when a contemporaneous sale of the asset and settlement of the liability it relates to occurs.

2.15 Share capital

Ordinary shares are classified as equity. Transaction costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.16 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

2.17 Accounts payable

Accounts payable are financial instruments and pertain to obligations to pay for goods and services purchased from suppliers as part of the operating activities. Accounts payable are classified as current liabilities if they fall due within one year. If not, they are recognized as non-current liabilities.

Accounts payable are initially measured at fair value, and subsequently at amortized cost using the effective interest method.

2.18 Operating segment

It is on the basis of the Group as a whole that the Chief Executive Officer makes decisions on the allocation of resources and assesses results. Internal reporting is also based on the Group's result as a whole. The Group's operations currently consist of research and development for pharmaceuticals. In light of the above, the assessment is that the Group has one operation and thus has one operating segment, which constitutes the Group as a whole.

2.19 Cash flow analysis

The cash flow analysis is prepared according to the indirect method. The reported cash flow only includes transactions that resulted in inflows or outflows.

Note 3 – Financial risk management

Through its operations, the Group is exposed to different financial risks: market risks (including exchange-rate risk, interest rate risk), credit risk and liquidity risk.

The Group's overall risk management focuses on the unpredictability of the financial markets and strives to reduce potential unfavorable effects on the Group's financial earnings. The Group's financial transactions and risks are managed centrally by the Company through the Company's CFO and CEO. The overall aim in relation to financial risks is to provide cost-effective financing and liquidity management as well as to ensure that all payment obligations are managed in a timely manner. Every year, the Board of Directors establishes a Finance Policy with associated risk parameters.

Foreign exchange exposure

The group's foreign exchange exposure increases as development projects progress in the value chain and the costs for services in connection with clinical trials increase. These services are partially carried out outside of Sweden and paid for in foreign currency. According to the Finance

Policy, the Group is not to apply any form of currency hedging activities other than cash denominated in foreign currency. The Group is primarily exposed to changes in the EUR/SEK and USD/SEK exchange rates related to accounts payable.

Exposure

	2020-12-31	
	EUR	USD
Balance sheet exposure		
Trade payables	3 465	2 253

Operational exchange rate differences for the fiscal year amounted to a net loss of KSEK 65 (15).

The Group is exposed to certain effects of changes in foreign exchange rates, mainly in EUR and USD. A change in exchange rates of +1% (where foreign currencies increase in value against SEK) would effect the book value in the balance sheet as of December 31, 2020. The effect on earnings would be KSEK -35 for EUR, and KSEK -23 for USD.

Interest rate exposure

The Group's exposure to market risk for changes in interest rates relates to bank deposits, and from interest bearing liabilities. Interest rate risk exposure is considered low as the Group mainly has a fixed interest rate. During the fiscal year, the Company paid interest on liabilities of KSEK 3 220 (2 915).

Credit risk

Credit risk is the risk that a counterparty is unable to fulfill its contracted obligations to Immunicum, thus causing a financial loss for the Company. Immunicum invests its cash and cash equivalents in banks with high credit ratings. The credit risks in relation to the above investments are deemed to be minor.

Liquidity risk

Liquidity risk is the risk that the Company will have difficulties fulfilling its obligations associated with financial liabilities. The Board of Directors manages liquidity risk by continuously monitoring the cash flow to reduce liquidity risk and to ensure the Company's ability to pay. Considering that the Group currently does not have its own earnings capacity, it is of the utmost importance that financing can be secured from owners and independent investors so that the Group's operations can be conducted according to plan. The Board of Directors conducts long-term work with owners and independent investors to ensure that liquidity is available for the Company as the need arises. According to the financial policy of the Group, the management provide the Board of Directors with a 12 months rolling cash flow forecast on a monthly basis. The objective is to have cash on hand for at least a 12 months runway.

The table below analyzes the Group's financial liabilities broken down by the time remaining on the balance sheet date until the contractual maturity date. The amounts disclosed in the table are the contractual, undiscounted cash flows. Future cash flows in foreign currency have been calculated on the basis of the exchange rate applied on the balance sheet date.

As of December 31, 2020	Less than 1 year	Between 1 year and 3 years	After 3 years	Total contractual cash flows	Carrying amount
Financial liabilities					
Other long-term liabilities		22,915	850	23,765	18,982
Lease liabilities	919	306		1,225	1,183
Other short-term liabilities	16,291			16,291	14,879
Accounts payable	10,365			10,365	10,365
Accrued expenses and deferred income	12,305			12,305	12,305
Total	39,880	23,221	850	63,951	57,714

Note 4 - Capital management

An effective risk assessment reconciles Immunicum's business opportunities and results with the requirements of shareholders and other stakeholders for sustainable profitability, stable long-term value growth, and control. The process of research and pharmaceutical development, all the way up to approved registration, is both highly risky and capital-intensive. The Group's objective with regard to its capital structure is to secure the Group's ability to continue its operations such that it can continue to generate a return for its shareholders and benefits for other stakeholders, and to maintain an optimal capital structure in order to keep capital costs down. To maintain, progress and expand its research portfolio, and thereby generate future value, Immunicum must have a strong capital base. The consolidated equity totals amounts to KSEK 661,094 (-5,677). The cash and cash equivalent position total KSEK 167,643 (14,032), and the equity/assets ratio is therefore 91% (negative).

Note 5 - Significant estimates and judgements for accounting purposes

The preparation of financial statements requires the use of accounting estimates which will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong.

The formation of the Group

The Group is deemed to have been formed through a so-called reverse acquisition. The assessment of which Company constitutes the accounting acquirer is an overall assessment based on the criteria in IFRS 10 Consolidated Financial Statements regarding the definition of control and IFRS 3 Business Combinations. Based on IFRS 10, the former majority owner of DCprime BV is considered to have control at the time of acquisition. DCprime BV has thus been deemed to be the accounting acquirer. The consolidated financial statements prepared for Immunicum are thus a continuation of the reporting of DCprime BV and it is thus DCprime BV which, from an accounting perspective, is considered to acquire Immunicum AB on December 21, 2020.

Research and Development

Expenses for development are reported as an intangible asset in the event that the asset is judged to be able to generate future economic benefits and then only provided that it is technically and financially possible to complete the asset, the intention and condition is that the asset can be used in the business or sold and that the value can be calculated reliably. The Group has made the assessment that at present there is no precondition for capitalization of development costs.

Asset acquisitions or business acquisitions

When a company is acquired, it constitutes either an acquisition of a business or an acquisition of assets. A business / operation is defined in accordance with IFRS 3 Business Combinations as an integrated set of activities and assets that can be conducted and managed for the

purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities. The acquisition of Immunicum (reverse acquisition) is considered to meet the definition of a business and has thus been reported as a business acquisition.

Impairment test for goodwill and technology

Every year, the Group examines whether there is a need for impairment of goodwill and technology that is not ready for use, in accordance with the accounting principle described in Note 2. The acquisition of Immunicum (reverse acquisition), which has given rise to the items goodwill and technology, has taken place on market terms at 21 December 2020. See also note 2.13.

Note 6 - Geographical distribution

The total of non-current assets other than financial instruments and deferred tax assets, broken down by location of the assets, is shown in the following table:

Amounts in KSEK	31/12/2020	31/12/2019	01/01/2019
Sweden	532,441		
Netherlands	2,909	4,328	4,759
Total	535,350	4,328	4,759

Note 7 - Other operating income

Amounts in KSEK	01/01/2020- 31/12/2020	01/01/2019- 31/12/2019
Government grants	-	16,670
Other	-	5
Total	-	16,675

Government grants is mainly related to Horizon 2020, which is an EU project aimed at promoting research and development

Note 8 - Leases

Amounts in KSEK	31/12/2020	31/12/2019	01/01/2019
The balance sheet shows the following amounts relating to leases:			
Right-of-use assets:			
Properties	1,204	2,135	2,577
Total	1,204	2,135	2,577
Lease liabilities:			
Current	880	871	711
Non-current	303	1,230	1,799
Total	1,183	2,101	2,510

Additional right-to-use assets in 2020 amounted to KSEK 0 and in 2019 amounted to KSEK 297.

01/01/2020- 01/01/2019-
31/12/2020 31/12/2019

The statement of profit or loss shows the following amounts relating to leases:

Depreciation charge of right-of-use assets:

Properties	888	807
Total	888	807

Interest expense (included in finance cost)	84	114
Expense relating to short-term leases (included in administration expenses)	353	367
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in administration expenses)	33	39

The total cash outflow for leases in 2020 was KSEK 954 (KSEK 874 in 2019).

Maturity analysis for lease liabilities is presented in Note 3.

Note 9 - Remuneration to the auditor

Amounts in KSEK	01/01/2020 -31/12/2020	01/01/2019 -31/12/2019
<i>EY</i>		
Audit fees	9	-
Audit-related fees	23	-
Other fees	0	-
<i>Ruitenburt</i>		
Audit fees	118	114
Audit-related fees	-	19
Other fees	198	5
Total	348	138

The audit assignment involves review of the Annual Report, interim reports and financial accounts and the administration by the Board of Directors and the CEO. EY refers to the period from the date of acquisition to the balance sheet date. The amounts relating to Ruitenburt refer to both the periods in their entirety.

Note 10 - Employees and personnel costs

Due to the reverse acquisition, information regarding the board, CEO and senior management is presented in the note for the legal parent company. The costs for these persons are deemed immaterial for separate disclosures for the group since Immunicum AB is only included in the Group for 9 days.

Average number of employees geographically broken down by country

Amounts in KSEK	01/01/2020 - 31/12/2020	01/01/2019 - 31/12/2019
Sweden	0	-
of which men	0	-
Netherlands	20	18
of which men	8	8
Group total	28	26

Salaries, other remuneration and social costs

Salaries and other remuneration	25,430	12,191
Social costs	4,320	3,858
(of which, pension costs)	(2,240)	(2,166)
Total	29,749	16,049

Salaries and other remuneration regarding other employees

Other employees	25,159	12,191
(of which bonus and similar remunerations)	(12,648)	(489)
Total	25,159	12,191
(of which bonus and similar remunerations)	(12,648)	(489)

Note 11 - Depreciation

Amounts in KSEK	01/01/2020 - 31/12/2020	01/01/2019 - 31/12/2019
Equipment	887	831
Total	887	831

Note 12 - Other operating expenses

Other operating expenses amount to KSEK 65 (15) and refers to currency exchange loss from accounts payable.

Note 13 - Finance costs

Amounts in KSEK	01/01/2020 - 31/12/2020	01/01/2019 - 31/12/2019
Interest and finance charges paid/ payable for lease liabilities and financial liabilities	-3,220	-2,915
Total	-3,220	-2,915

Note 14 - Income tax expense

Amounts in KSEK	01/01/2020 – 31/12/2020	01/01/2019 – 31/12/2019
Current taxes	-	-
Deferred taxes	-	-
Recognized tax expense on the year's net income	-	-

Difference between recognized tax expense and an estimated tax expense based on the current tax rate:

Total profit/loss before taxes	-89,248	-47,771
Income tax according to current tax rate	14,726	9,076
Tax effect of non-deductible expenses	-12	-31
Tax effect of non-taxable income	130	170
Deductible issue costs reported over equity	11	0
Tax effect of a deductible deficiency for which no deferred tax assets have been taken into account	-14,855	-9,216
Tax expense	0	0

Regarding reconciliation of effective tax, the Dutch tax rate is used. The current Dutch tax rate is 16.5% (19%)

Unutilized deductible deficiency for which no deferred tax asset has been recognized

	994,468	821,907
--	---------	---------

Loss carryforwards to an amount of KSEK 223 464 are valid for 9 years and to an amount of KSEK 47 400 for 6 years.
Loss carryforwards to an amount of KSEK 723 604 have no time limit.

Note 15 - Earnings per share

Amounts in KSEK	01/01/2020 – 31/12/2020	01/01/2019 – 31/12/2019
-----------------	----------------------------	----------------------------

Earnings per share, before dilution

Net profit/loss for the year	-89,248	-47,771
Average number of shares outstanding	76,216,073	73,909,635
Earnings per share, before dilution, SEK	-1.17	-0.65

Earnings per share, after dilution

Net profit/loss for the year	-89,248	-47,771
Average number of shares outstanding	76,216,073	73,909,635
Earnings per share, after dilution, SEK	-1.17	-0.65

Earnings per share before dilution is based on the financial results for the year and the weighted average of the number of shares outstanding.

Earnings per share after dilution is based on the financial results for the year and the weighted average of the number of shares outstanding plus the dilutive effect of potential shares. There is no dilution effect for the stock option program, as earnings for the periods have been negative.

Note 16 - Intangible assets

Amounts in KSEK	Goodwill	Technology
-----------------	----------	------------

Opening balance accumulated acquisition values, January 1, 2019	-	-
Acquisition during the year	-	-
Closing balance accumulated acquisition values, December 31, 2019	-	-

Opening balance accumulated depreciation, January 1, 2019	-	-
Depreciation for the year according to plan	-	-
Closing balance accumulated depreciation	-	-

Closing book value, December 31, 2019	-	-
---------------------------------------	---	---

Opening balance accumulated acquisition values, January 1 2020	-	-
Acquisition of business	108,350	424,091
Closing balance accumulated acquisition values, December 31, 2020	108,350	424,091

Opening balance accumulated depreciation	-	-
Depreciation for the year according to plan	-	-
Closing balance accumulated depreciation, December 31, 2020	-	-

Closing book value, December 31, 2020	108,350	424,091
---------------------------------------	---------	---------

Impairment tests

The management assesses the operating performance based on the Group as a whole and monitor goodwill at the same level.

The recoverable amount of goodwill has been determined based on calculations of value in use. Management estimates that the probability that the company's products will reach the market is the most significant assumption in the test to test the need for impairment. The calculations of the value in use are based on estimates and assumptions about future cash flows before tax, which are based on market data and management's forecasts. The operating margin and the discount rate used in the model are based on data from corresponding companies in the pharmaceutical industry. The discount rate before tax amounts to 16.7%.

The test has shown that there is no need for write-downs.

Note 17 - Investments in subsidiaries

The Group had the following legal subsidiary as of December 31, 2020:

Name	Country of registration and operations	Operations	Ownership interest held by the Group (%)
DCprime BV	Netherlands	Research and development of cancer immunotherapies within the field of relapse vaccines.	100%

Note 18 - Equipment

Amounts in KSEK	Equipment	Other
Opening balance accumulated acquisition values, January 1, 2019	3,442	514
Acquisition during the year	683	126
Disposals	0	-22
Exchange differences	43	7
Closing balance accumulated acquisition values, December 31, 2019	4,169	624
Opening balance accumulated depreciation, January 1, 2019	-1,536	-238
Depreciation for the year	-729	-103
Accumulated depreciation disposals	0	22
Exchange differences	-13	-2
Closing balance accumulated depreciation	-2,278	-321
Closing book value, December 31, 2019	1,891	303
Opening balance accumulated acquisition values, January 1, 2020	4,169	624
Acquisition during the year	427	37
Exchange differences	-176	-26
Closing balance accumulated acquisition values, December 31, 2020	4,419	636
Opening balance accumulated depreciation	-2,278	-321
Depreciation for the year	-775	-112
Exchange differences	120	16
Closing balance accumulated depreciation, December 31, 2020	-2,933	-417
Closing book value, December 31, 2020	1,487	219

Note 19 - Other long term securities

Amounts in KSEK	31/12/2020	31/12/2019	01/01/2019
Holdings of shares of LFF Service AB	1	-	-
Total	1	-	-

The share in LFF Service AB is pledged and gives Läkemedelsföreningens Service AB an option to acquire the share at its quotient value (SEK 1,000) if Immunicum AB (publ) withdraws from the share agreement with LFF Service AB.

Note 20 - Other long term receivables

Amounts in KSEK	31/12/2020	31/12/2019	01/01/2019
Deposit lease	223	232	213
Deposit credit card	452	209	206
Other deposit	1	1	1
Total	676	442	420

Note 21 - Other receivables

Amounts in KSEK	31/12/2020	31/12/2019	01/01/2019
VAT receivable	3,257	721	866
Horizon 2020 subsidy receivable*	15,876	16,502	1,235
Other receivables	1,097	1,471	337
Total	20,230	18,695	2,438

*Is expected to be paid out in Q3 2021 when the final report has been approved.

Note 22 - Prepaid expenses and accrued income

Amounts in KSEK	31/12/2020	31/12/2019	01/01/2019
Prepaid expenses relating to preclinical development/clinical trials	2,843	178	25
Prepaid insurance premiums	225	47	2,447
Prepaid rents	290	61	57
Other prepaid expenses	1,403	136	188
Total	4,760	423	2,717

Note 23 - Cash and cash equivalents

Cash and cash equivalents refers to cash at bank KSEK 167,643 (14,032 31/12/2019, 4,415 1/1/2019).

Note 24 - Share capital

The share capital is reported under Parent Company Note 19. See there for more information.

Note 25 - Other long term liabilities

Amounts in KSEK	31/12/2020	31/12/2019	01/01/2019
Unsecured non-current borrowings			
Conditional credits from Region Västra Götaland ¹⁾	850	-	-
Innovation Credit RVO (provisionally granted) ²⁾	18,132	27,720	24,931
Shareholder's loan ³⁾	-	3,341	2,992
Total unsecured non-current borrowings	18,982	31,062	27,923

1) The terms of repayment for the conditional credits from Region Västra Götaland are 5% per year of the debt from potential future income. The interest is calculated as the reference rate set by the Swedish National Bank for the calendar half-year in question, plus an additional two percentage points.

2) For the Innovation Credit RVO (provisionally granted) a provisional exemption was granted for the repayment of a principal of KEUR 1,301 plus accumulated interest. A final decision on the repayment will be taken on May 1, 2023. The conditions for a definitive waiver of repayment are expected to be met.

3) The shareholder loan was converted to equity in DCprime during 2020.

Liabilities from financing activities		Non-cash changes				
	2019-01-01	Cash flows	Cash flows	Accrued interest	New leases	Foreign exchange movement
Lease liabilities	2 510		-760		302	49
Borrowings	27 923			2 749		390
Total	30 433					

		Non-cash changes				
	2020-01-01	Cash flows	Cash flows	Acquisition	Foreign exchange movement	2020-12-31
Lease liabilities	2 101		-870			-48
Borrowings	31 062	3798	-3 653	850		1804
Total	33 163					

Note 26 - Other liabilities

Amounts in KSEK	31/12/2020	31/12/2019	01/01/2019
Wage taxes	7,531	575	491
Innovation Credit RVO ¹⁾	14,879	-	-
Other	768	-	-
Total	23,178	575	491

1) The Innovation Credit RVO covers the project "Therapeutic Vaccine for AML", an interest rate of 9.5% is charged annually with repayment of interest of 11,000 EUR per month starting October 1, 2020. The remaining amount including interest needs to be repaid in case a commercial deal is closed for AML, or in case of an IPO or trade sale, but ultimately December 31, 2022.

Note 27 - Accrued expenses and deferred income

Amounts in KSEK	31/12/2020	31/12/2019	01/01/2019
Accrued expenses relating to preclinical development/clinical trials	8,486	6,392	4,210
Accrued personnel-related costs	1,989	1,438	2,917
Other accrued expenses	3,381	132	118
Total	13,856	7,962	7,245

Note 28 - Financial assets and liabilities per category

Amounts in KSEK	Financial assets and liabilities as of December 31, 2020			Financial assets and liabilities as of December 31, 2019			Financial assets and liabilities as of January 1, 2019		
	Financial assets at amortized cost	Non-financial assets	Total reported value	Financial assets at amortized cost	Non-financial assets	Total reported value	Financial assets at amortized cost	Non-financial assets	Total reported value
Assets									
Financial fixed assets	677	-	677	442	-	442	420	-	420
Other receivables	16,095	4,135	20,230	17,974	721	18,695	1,572	866	2,438
Prepaid expenses and accrued income	-	4,760	4,760	-	423	423	-	2,717	2,717
Cash and cash equivalents	167,643	-	167,643	14,032	-	14,032	4,415	-	4,415
Liabilities									
Account payables	10,365	-	10,365	1,898	-	1,898	2,605	-	2,605
Long term interest bearing debts	18,982	-	18,982	31,062	-	31,062	27,923	-	27,923
Other current liabilities	14,879	8,300	23,179	-	575	575	-	491	491
Accrued expenses and deferred income	12,305	1,551	13,856	6,579	1,383	7,962	4,409	2,836	7,245

Fair value

For all of the above items, the book value is an approximation of the fair value.

Note 29 - Share option program

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 interest of the shareholders. There is currently one outstanding incentive program in the Company. In accordance with a decision by the Shareholder's General Meeting in April 2019, a new share-based incentive program; "LTI 2019/2022" was introduced. The warrants are issued to the Participants at a price that corresponds to the fair market value (the warrant premium). The warrant premium to be paid for the warrants is SEK 0.347 per warrant. The fair value on the grant date was calculated using an adapted version of the Black & Scholes valuation model, which takes into consideration the exercise price, the term of the options, share price on the allotment date and expected volatility in the share price, and risk-free interest for the term of the options.

The average share price at valuation was 7,95 SEK, the risk-free interest rate -0,53% and the expected dividend 0%. The expected volatility amounted to 40,8% and is based on the share price development during the last 3 years. A discount has been given since the warrants are not exchange-listed.

Each warrant entitles the holder to subscribe for one (1) share in the Company during the period commencing on May 28, 2022 up to and including July 28, 2022. The subscription price for the shares upon exercise of the warrants is SEK 19,90 per share.

Simultaneously with the subscription, payment in cash shall be made for the number of shares to which the subscription relates.

In conjunction with that a couple of key employees left their employments, Immunicum has exercised its right to repurchase 538,168 subscription options from the employees that left the Company. Of those 538,168 options, 368,812 options have been cancelled and 169,356 options have been acquired by an employee according to decisions approved at the Annual General Meeting in April 2020.

Full utilization of granted options corresponding to 1,809,277 shares will result in a dilution for shareholders of 1.1 percent. Each warrant entitles the holder to subscribe for one (1) share in the Company during the period commencing on May 28, 2022 up to and including July 28, 2022.

Note 30 - Pledged assets

Amounts in KSEK	31/12/2020	31/12/2019	01/01/2019
Pledged assets for own liabilities and provisions ¹⁾			
Pledged bank deposit	452	209	206
Total	452	209	206

¹⁾ For the long term loan from Innovation Credit RVO (provisionally granted), the Company has pledged three of its patent families as security for the loan. For more information about the loan, see Note 25.

Note 31 - Business combinations

On November 18, 2020, Immunicum AB announced that the Company had entered into a binding agreement with Van Herk Investments BV to acquire all shares in DCprime BV. The transaction was completed on December 21, 2020. The acquisition finances through a non-cash issue of 73,909,635 new shares in Immunicum. The transaction led to the acquired owner DCprime BV's previous owners, from an accounting perspective, gain control over the acquiring Company Immunicum AB. The acquisition is therefore reported as a reverse acquisition according to IFRS 3 Business Combinations.

A reverse acquisition exists if an entity acquires shares in another entity by issuing shares in its own entity to such an extent that control over the newly formed group, from an accounting perspective, is attributable to the shareholders of the acquired entity (DCprime BV). Legally, the acquiring company is the Parent Company (Immunicum AB). But the financial significance of the transaction is that it is the previous owners of the acquired Company DCprime BV who have a control over the acquiring Company. The consolidated financial statements have therefore been prepared in accordance with the financial meaning of the transaction. This means that it is the acquiring entity's (Immunicum AB's) assets and liabilities that are assessed at fair value on the acquisition date when preparing a purchase price allocation. In the consolidated accounts, the legal Parent Company Immunicum AB is treated as a subsidiary and DCprime BV the legal subsidiary as the Parent Company.

The table below summarizes the considerations paid and the fair value of acquired net assets and goodwill that are reported on the acquisition date for Immunicum:

Consideration

Ordinary shares issued	701,157
Total paid consideration	701,157

The consideration in connection with the reverse acquisition is determined based on what it would have cost to acquire Immunicum AB. Based on guidance in IFRS, the consideration is based on the share price when control passes. The consideration has been calculated based on the number of outstanding shares in Immunicum AB before the transaction, 92,257,531 shares, and the listed closing price on December 18, 2020 of SEK 7.60 per share. Transaction costs of KSEK 2,052, which are directly attributable to the share issue, have been reported as a deduction item from equity.

The assets and liabilities reported as a result of the acquisition are as follows:

	Fair values
Technology	424,091
Other long-term receivables	252
Deferred tax assets	87,363
Other current receivables	3,333
Prepaid expenses and accrued income	23,159
Cash and bank balances	157,762
Other long-term liabilities	-850
Deferred tax liabilities	-87,363
Accounts payables	-7,811
Other liabilities	-2,013
Accrued expenses and deferred income	-5,116
Acquired identifiable assets	592,807
Goodwill	108,350
Acquired net assets	701,157

Goodwill is attributable to employees, uncertainty about future commercialization and future gains in periods after patent protection has expired. No part of reported goodwill is expected to be tax deductible.

Revenue and profit in acquired business

The acquisition of Immunicum AB affected the Group's revenues by KSEK 0 and the profit for the period by KSEK -2,255 for the period December 21 to December 31, 2020. If the acquisition had been completed on January 1, 2020, the Group's revenues and profit for the period as of December 31, 2020 would have been affected by KSEK 0 respectively KSEK -106,308.

Acquisition-related costs

Acquisition-related costs of KSEK 19,743, which were not directly attributable to the share issue, are included in administrative expenses in the consolidated income statement and in the current operations in the cash flow statement.

Impact on cash flow

	31/12/2020
Cash consideration	-
Acquired cash and bank balances	157,762
Cash flow reverse acquisition	157,762

Note 32 - Transactions with related parties

Sven Rohmann has since he was appointed CEO of Immunicum AB, invoiced the Company KSEK 1,762 in consultancy fees through the Company Suenos Advisors Establishment. Margareth Jorvid, Head of Regulatory Affairs & Quality Assurance and member of Immunicum's management team, has during 2020 invoiced Immunicum KSEK 1,737 in consultancy fees through the company Methra Uppsala AB. Peter Suenart, CMO and member of Immunicum's management team, has during 2020 invoiced Immunicum KSEK 2,555 in consultancy fees through the company Sparklin BV. Pricing has taken place on commercial terms. In addition to the board fee and salary (as shown in Note 6 in the Parent Company) and the consulting fees to Sven Rohmann, Margareth Jorvid and Peter Suenart as above, the board members and management in Immunicum have not received any other remuneration.

Note 33 - Events after the balance date

- » Prior to the EGM on January 22, 2021, Chairman of the Board Michael Oredsson announced his resignation from the Board, whereby the Board appointed the current Board member Christine Lind as interim Chairman until the Annual General Meeting on May 4, 2021. At the EGM, Dharminder Chahal and Andrea van Elsas, Ph.D., nominated by the Company's largest owner Van Herk Investments, were elected new members of the Board.
- » Immunicum received FDA Orphan Drug Designation for Ilixadencel as a treatment of Soft Tissue Sarcoma (STS), which includes GIST.
- » Immunicum announced plans to expand the Group's research and process development facilities in Leiden, the Netherlands.
- » Immunicum appointed Lotta Ferm as interim Chief Financial Officer as of February 1.
- » Immunicum received Orphan Drug Designation from EMA for Ilixadencel as treatment for Gastrointestinal Stromal Tumors (GIST).
- » Immunicum announced encouraging signs of survival benefit in Phase II MERECA trial of Ilixadencel in kidney cancer.
- » Immunicum announced appointment of Jeroen Rovers as Chief Medical Officer effective March 1, 2021.
- » On March 16 Immunicum announced the updated Executive Management Team after business combination and the appointment of Erik Manting, Ph.D., as Chief Executive Officer effective immediately.

Financial information

Parent Company

Parent Company income statement

Amounts in KSEK	Note	2020 Jan-Dec	2019 Jan-Dec
Other operating income	4	2,444	893
Operating expenses	5,6,7,8		
Administration expenses	7	-27,726	-28,498
Research and development expenses		-79,191	-103,144
Other operating expenses	9	-2,148	-1,576
Operating profit/loss		-106,621	-132,324
Result from financial items			
Financial income	10	2 189	10
Financial expenses	11	-1 876	-1 701
Profit/loss after financial items		-106,308	-134,016
Income tax expense	12	-	-
Profit/loss for the period		-106,308	-134,016

Parent Company statement of comprehensive income

Amounts in KSEK	2020 Jan-Dec	2019 Jan-Dec
Result for the period	-106,308	-134,016
Other comprehensive income for the period	-	-
Total comprehensive result for the period	-106,308	-134,016

Parent Company balance sheet

Amounts in KSEK	Note	31 Dec 2020	31 Dec 2019
ASSETS			
Fixed assets			
<i>Financial assets</i>			
Participants in Group companies	15	578,311	-
Other long-term assets	16	252	252
<i>Total financial assets</i>		578,563	252
Total fixed assets		578,563	252
Current assets			
<i>Current receivables</i>			
Other receivables	17	3,333	2,983
Prepaid expenses and accrued income	18	4,509	3,783
<i>Total current receivables</i>		7,842	6,766
<i>Cash and bank balances</i>		157,762	296,811
Total current assets		165,604	303,577
TOTAL ASSETS		744,167	303,829
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
<i>Restricted equity</i>			
Share capital	19	8,308	4,613
<i>Total restricted equity</i>		8,308	4,613
<i>Unrestricted equity</i>			
Share premium reserve		1,287,784	731,828
Retained earnings		-463,661	-329,645
Profit/loss for the period		-106,308	-134,016
<i>Total unrestricted equity</i>		717,815	268,168
Total shareholders' equity		726,123	272,781
Liabilities			
<i>Long-term liabilities</i>			
Other long-term liabilities	20	850	850
<i>Total long-term liabilities</i>		850	850
<i>Current liabilities</i>			
Accounts payable		7,811	12,819
Other liabilities	21	2,013	1,644
Accrued expenses and deferred income	22	7,369	15,736
<i>Total current liabilities</i>		17,193	30,199
Total liabilities		18,043	31,049
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		744,167	303,829

Parent Company statement of changes in equity

Amounts in KSEK	Share capital	Share premium reserve	Retained earnings incl. profit/loss for the period	Total
Opening shareholders' equity 2020-01-01	4,613	731,828	-463,661	272,781
Profit/loss and comprehensive income for the period			-106,308	-106,308
Total comprehensive income			-106,308	-106,308
Transactions with owners				
Premiums for repurchased warrants		-187		-187
Premiums for sold warrants		176		176
Direct share issue, contribution in kind	3,695	555,966		559,661
Total transaction with owners	3,695	555,955		559,650
Shareholders' equity 2020-12-31	8,308	1,287,784	-569,969	726,123
Opening shareholders' equity 2019-01-01	4,613	731,073	-329,645	406,041
Profit/loss and comprehensive income for the period			-134,016	-134,016
Total comprehensive income			-134,016	-134,016
Transactions with owners				
Premiums for warrants		756		756
Total transaction with owners		756		756
Shareholders' equity 2019-12-31	4,613	731,828	-463,661	272,781

Parent Company cash flow statement

Amounts in KSEK	Note	2020 Jan-Dec	2019 Jan-Dec
Operating activities			
Operating profit/loss		-106,621	-132,324
Adjustment for items not included in cash flow		-	9
Interest income received		15	10
Interest expense paid		-2	-17
Increase/decrease in other current receivables		-1,076	-202
Increase/decrease in accounts payable		-5,008	-18,447
Increase/decrease in other current liabilities		-7,998	5,164
Cash flow from operating activities		-120,690	-145,808
Investment activities	15		
Investment in financial assets		-16,597	-251
Cash flow from investing activities		-16,597	-251
Financing activities			
New share issues		-2,052	-
Premiums for repurchased warrants		-187	756
Premiums for sold warrants		176	-
Cash flow from financing activities		-2,063	756
Cash and cash equivalents at the beginning of the period		296,811	443,798
Cash flow for the period		-139,350	-145,303
Foreign exchange difference in cash and cash equivalents		300	-1,684
Cash and cash equivalents at the end of the period		157,762	296,811

Notes

Note 1 - General information

This report covers the Swedish company Immunicum AB (publ) (Immunicum), Swedish corporate identity no. 556629-1786. The Company is a Swedish public limited company registered in Gothenburg and with its registered office in Stockholm. The Board of Directors approved this Annual Report on April 11, 2021, and it will be presented for adoption at the Annual General Meeting on May 4, 2021.

Note 2 - Accounting principles

The most important accounting principles applied when this annual report has been prepared are stated below. These principles have been applied consistently for all years presented, unless otherwise stated.

The annual report for the parent company has been prepared in accordance with RFR 2 Accounting for Legal Entities and the Annual Accounts Act. In cases where the parent company applies other accounting principles than the Group's accounting principles, which are described in Note 2 to the consolidated accounts, these are stated below.

Presentation format

The income statement and balance sheet follow the presentation of the Annual Accounts Act. The statement of changes in equity follows the Group's presentation but must contain the columns specified in the ÅRL. Furthermore, it means a difference in terms, compared with the consolidated accounts, mainly regarding financial income and expenses and equity.

Leasing contract

All leasing agreements are reported as operating leases, regardless of whether the agreements are financial or operational. The leasing fee is reported as an expense on a straight-line basis over the leasing period.

Note 3 - Financial risk management and capital management

The group applies joint risk management for all entities. The description in the Group's Note 3 Financial risk management and Note 4 Capital management is therefore in all material aspects also applicable to the parent company.

Note 4 - Other operating income

Other operating income amounts to KSEK 2,444 (893) and refers to exchange rate gains on accounts payable.

Note 5 - Operating leases

Amounts in KSEK	01/01/2020 -31/12/2020	01/01/2019 -31/12/2019
The Company's operating leases relate only to the rental of office premises where the business is conducted. Future minimum fees according to non-cancellable operating leases at the end of the reporting period fall due for payment as follows:		
Within one year	1,049	1,022
Later than one year, but within five years	-	-
Later than five years	-	-
Total	1,049	1,022
Leasing costs for the year concerning the rental of offices amounted to		
	1,049	1,265

General description of the company significant leasing agreements:
New lease contract for Gothenburg office expired December 31, 2020, with the possibility of extension and new contract is being renewed. The agreement limits the Company to conduct business within Life Science, the agreement contains an index clause based on changes in the CPI. A new short term lease has been signed for the Stockholm office, which expire December 31, 2021. The contract has a fixed rent plus heating.

Note 6 - Remuneration to the auditors

Amounts in KSEK	01/01/2020 -31/12/2020	01/01/2019 -31/12/2019
<i>KPMG</i>		
Audit fees	-	-
Audit-related fees	-	100
Other fees	-	-
<i>EY</i>		
Audit fees	360	395
Audit-related fees	919	-
Other fees	9	-
Total	1,288	495

The audit assignment involves review of the Annual Report, interim reports and financial accounts and the administration by the Board of Directors and the CEO.

Note 7 - Employees and personnel costs

Amounts in KSEK	01/01/2020 -31/12/2020	01/01/2019 -31/12/2019
Average number of employees		
Men	3	4
Women	7	7
Total	10	11
Gender breakdown of Members of the Board and senior management		
Board Members	6	6
of which, men	3	4
CEO, and others in senior management	7	7
of which, men	5	4
Salaries, other remuneration and social costs		
Salaries and other remuneration	15,775	18,701
Social costs	2,849	3,573
(of which, pension costs)	(1,298)	(1,729)
Total	18,624	22,274
Salaries and other remuneration distributed between Board Members, senior management and other employees		
Board Members and senior management	10,840	14,393
(of which bonus and similar remunerations)	(1,319)	(1,240)
Other employees	4,934	4,309
(of which bonus and similar remunerations)	(242)	(242)
Total	15,775	18,701
(of which bonus and similar remunerations)	(1,561)	(1,482)
Remuneration and other benefits provided to Board members		
Michael Oredsson, Chairman of the Board	475	495
Charlotte Edenius	175	175
Steven Glazer	200	200
Magnus Persson, Board member until October 29, 2020	190	190
Christine Lind	150	-
Sven Andreasson	200	-
Helén Tuveßon	165	-
Magnus Nilsson, Board member until AGM 2019	-	35
Kerstin Valinder Strinnholm, Board member until AGM 2020	-	180
CEO's remuneration and employment benefits ^{1, 2, 3)}		
Fixed salary	934	3,526
Variable remuneration	-	588
Other benefits	-	-
Pension costs	0	917
1) The remuneration during 2019 refers to Carlos de Sousa for the period 1/1-12/12 2019 and to the Alex Karlsson-Parra for the period 12/12-31/12 2019. The remuneration during 2020 refers to Alex Karlsson-Parra for the period 1/1-28/8 2020. 2) During 2020, the Company has paid a remuneration of 2,778 KSEK to Carlos de Sousa, according to contract. 3) Sven Rohmann was appointed CEO on August 28, 2020. Sven Rohmann received for his role as CEO a consultancy fee of EUR 30,000 per month. See also Note 26 Transactions with related parties. For the year 2020, the CEO was paid a consultancy bonus of KEUR 500.		
Remuneration and employment benefits to other senior management ¹⁾		
Four persons (six persons)		
Fixed salary	5,365	8,351
Variable remuneration ²⁾	1,319	652
Other benefits ³⁾	108	431
Pension costs	149	257

1) Other senior management includes CSO, COO, Head of CMC, previous CFO (June 2020). Other members of the management team - CFO, CMO and Head of Regulatory Affairs & Quality Assurance - received their remuneration as consultancy fees, see Note 26 Transactions with related parties. These consultancy fees are not included among the above remunerations.

2) The variable remuneration refers to the bonus for the year 2020 (2019). For information about how bonuses are calculated, see below section about Bonus.

3) Other benefits refers to housing and travelling to and from the workplace.

Remuneration to the Members of the Board of Directors

Fees to the Board are payable pursuant to a resolution adapted by the Annual General Meeting. The Annual General Meeting on April 28, 2020 decided that fees based on a financial year comprising a period of 12 months would amount to SEK 150,000 to the Board members with an additional fee of SEK 275,000 to the Chairman of the Board, SEK 35 000 to the Chairman and SEK 15,000 to each other Board members who serve on the Audit Committee, SEK 35 000 to the Chairman and SEK 15,000 to each other Board members who serve on the Remuneration Committee as well as SEK 50,000 to the Chairman and SEK 25,000 to the director who is part of the Scientific Committee.

Remuneration to Senior executives

At the Annual General Meeting on April 28, 2020, it was resolved to approve the Board's proposal for guidelines for remuneration to senior executives, as described below, until the time of the Annual General Meeting 2021.

Remuneration to the CEO and other senior executives consists of basic salary, pension benefits and variable remuneration. During 2020, the CEO and three other executives have received the compensation according to consultancy agreements. In addition to the CEO, six other executives are the CFO (consultant), the Chief Medical Officer (consultant), the Chief Scientific Officer, the Head of CMC, the Head of Regulatory Affairs & Quality Assurance (consultant) and the Chief Operating Officer.

Periods of notice and severance pay

For the Company's senior management, the mutual period of notice varies between three and six months. During period of notice CEO and senior management are entitled to full salary and fringe benefits. No agreements have been entered into with regards to severance pay.

Pension

All pension commitments are defined contribution plans. Pension commitments for other Swedish senior executives correspond to the current ITP plan. For foreign employees, a salary supplement of 10% is used for pension purposes. The retirement age is 65 for all other senior executives. There are no other pension obligations.

Bonus

The senior management has a possibility to earn a variable remuneration if meeting pre-set objectives. The bonus could according to the corporate guidelines not exceed 35 percent of the fixed yearly salary.

Note 8 - Depreciation of tangible assets

Amounts in KSEK	01/01/2020 -31/12/2020	01/01/2019 -31/12/2019
Equipment	-	9
Total	-	9

Note 9 - Other operating expenses

Other operating expenses amount to KSEK 2 148 (1 576) and refers to currency exchange loss from accounts payable.

Note 10 - Interest income and similar items

Amounts in KSEK	01/01/2020 -31/12/2020	01/01/2019 -31/12/2019
Interest income	15	10
Foreign exchange difference in cash and cash equivalents	2,174	-
Total	2,189	10

Note 11 - Interest expenses and similar items

Amounts in KSEK	01/01/2020 -31/12/2020	01/01/2019 -31/12/2019
Interest expenses	-2	-17
Foreign exchange difference in cash and cash equivalents	-1,874	-1,684
Total	-1,876	-1,701

Note 12 - Income tax expense

Amounts in KSEK	01/01/2020 -31/12/2020	01/01/2019 -31/12/2019
Current taxes	-	-
Deferred taxes	-	-
Recognised tax expense on the year's net income	-	-
Difference between recognised tax expense and an estimated tax expense based on the current tax rate:		
Total profit/loss before taxes	-106,308	-134,016
Income tax according to current tax rate	22,750	28,679
Tax effect of non-deductible expenses	-16	-117
Tax effect of non-taxable income	-	-
Deductible issue costs reported over equity	439	-
Tax effect of a deductible deficiency for which no deferred tax assets have been taken into account	-23,173	-28,165
Tax expense	0	0

The current tax rate is 21.4% (21.4%)

Unutilised deductible deficiency for which no deferred tax asset has been recognised	656,645	548,360
--	---------	---------

Note 13 - Equipment

Amounts in KSEK	31/12/2020	31/12/2019
Opening balance accumulated acquisition values	-	427
Acquisition during the year	-	-
Closing balance accumulated acquisition values	-	427
Opening balance accumulated depreciation	-	-418
Depreciation for the year according to plan	-	-9
Closing balance accumulated depreciation	-	-427
Closing book value	-	0

Note 14 - Other long-term securities

Amounts in KSEK	31/12/2020	31/12/2019
Holdings of shares of LFF Service AB	1	1
Total	1	1

The share in LFF Service AB is pledged and gives Läkemedelsföreningens Service AB an option to acquire the share at its quotient value (SEK 1,000) if Immunicum AB (publ) withdraws from the share agreement.

Note 15 - Shares in Group companies

Amounts in KSEK	31/12/2020	31/12/2019
Holdings of shares DCprime	578,310	-
Total	578,310	-

Immunicum acquired all shares in DCprime BV, registration number 34224535, on December 21, 2020, thus holding 100 percent of capital and votes. DCprime is a Dutch company with registered office in Leiden, the Netherlands.

Note 16 - Other long-term receivables

The Company has a contractual credit limit for Business Card amounting to KSEK 300 (300). The Company has provided security for this credit via a general pledge of bank deposits in the amount of KSEK 251 (251).

Note 17 - Other receivables

Amounts in KSEK	31/12/2020	31/12/2019
VAT receivable	2,444	2,352
Other receivables	889	631
Total	3,333	2,983

Note 18 - Prepaid expenses

Amounts in KSEK	31/12/2020	31/12/2019
Prepaid expenses relating to preclinical development/clinical trials	2,728	1,928
Prepaid insurance premiums	167	303
Prepaid rents	231	469
Other prepaid expenses	1,384	1,083
Total	4,509	3,783

Note 19 - Share capital

Immunicum's share capital as of December 31, 2020 amounted to 8,308,358.30 divided into 166,167,166 shares with a quotient value of SEK 0.05.

Details	Number of shares	Par value	Share premium
Opening balance 1 January 2019	92,257,531	4,613	731,073
Premiums for warrants			756
Balance 31 December 2019	92,257,531	4,613	731,829
Premiums for repurchased warrants			-187
Premiums for sold warrants			176
Issue for non-cash consideration	73,909,635	3,695	555,966
Balance 31 December 2020	166,167,166	8,308	1,287,784

All shares issued by the parent company are fully paid.

Note 20 - Other long-term liabilities

The Company has previously received financing in the form of conditional credits from Region Västra Götaland amounting to SEK 850,000. The terms of repayment for these loans are 5 percent of the debt per year of potential future income, with the addition of interest at the reference rate set by the Swedish National Bank for the calendar half-year in question, plus an additional two percentage points.

Note 21 - Other liabilities

Amounts in KSEK	31/12/2020	31/12/2019
Wage taxes	1,244	743
Other	768	901
Total	2,013	1,644

Note 22 - Accrued expenses

Amounts in KSEK	31/12/2020	31/12/2019
Accrued expenses relating to preclinical development/clinical trials	3,228	12,283
Accrued personnel-related costs	1,223	2,582
Other accrued expenses	2,918	870
Total	7,369	15,736

Note 23 - Financial assets and liabilities

Amounts in KSEK	Financial assets and liabilities as of December 31, 2020			Financial assets and liabilities as of December 31, 2019		
	Accounts receivable and other claims	Not financial assets	Sum reported value	Accounts receivable and other claims	Not financial assets	Sum reported value
Financial assets						
Financial fixed assets	578,562	-	578,562	252	-	252
Other receivables	11	3,322	3,333	7	2,976	2,983
Prepaid expenses and accrued income	-	4,509	4,509	-	3,783	3,783
Cash and cash equivalents	157,762	-	157,762	296,811	-	296,811
Financial liabilities						
Account payables	7,811	-	7,811	12,819	-	12,819
Long term interest bearing debts	850	-	850	850	-	850
Other current liabilities	-	2,013	2,013	-	1,644	1,644
Accrued expenses and deferred income	6,586	783	7,369	14,946	790	15,736

For all of the above items, the book value is an approximation of the fair value.

Note 24 - Appropriation of profit and loss

Amounts in SEK	
The following unrestricted shareholders' equity are available to the Annual General Meeting for its disposition:	
Share premium reserve	1,287,783,642
Retained earnings	-463,660,434
Net profit/loss for the year	-106,307,963
Total	717,815,244

The Board of Directors proposes that the profits available for distribution and unrestricted reserves be allocated as follows

to be carried forward	717,815,244
Total	717,815,244

Note 25 - Pledged assets

Amounts in KSEK	31/12/2020	31/12/2019
Pledged assets for own liabilities and provisions		
Pledged bank deposit	251	251
Total	251	251

Note 26 - Transactions with related parties

Sven Rohmann has since he was appointed CEO of Immunicum AB, invoiced the Company KSEK 1,762 in consultancy fees through the company Suenos Advisors Establishment. Margareth Jorvid, Head of Regulatory Affairs & Quality Assurance and member of Immunicum's management team, has during 2020 invoiced Immunicum KSEK 1,737 in consultancy fees through the company Methra Uppsala AB. Peter Suenart, CMO and member of Immunicum's management team, has during 2020 invoiced Immunicum KSEK 2,555 in consultancy fees through the company Sparklin BV. Pricing has taken place on commercial terms. In addition to the board fee and salary (as shown in Note 6 in the Parent Company) and the consulting fees to Sven Rohmann, Margareth Jorvid and Peter Suenart as above, the board members and management in Immunicum have not received any other remuneration.

Note 27 – Events after the balance date

- » Prior to the EGM on January 22, 2021, Chairman of the Board Michael Oredsson announced his resignation from the Board, whereby the Board appointed the current Board member Christine Lind as interim Chairman until the Annual General Meeting on May 4, 2021. At the EGM, Dharminder Chahal and Andrea van Elsas, Ph.D., nominated by the Company's largest owner Van Herk Investments, were elected new members of the Board.
- » Immunicum received FDA Orphan Drug Designation for Ilixadencel as a treatment of Soft Tissue Sarcoma (STS), which includes GIST.
- » Immunicum announced plans to expand the Group's research and process development facilities in Leiden, the Netherlands.
- » Immunicum appointed Lotta Ferm as interim Chief Financial Officer as of February 1.
- » Immunicum received Orphan Drug Designation from EMA for Ilixadencel as treatment for Gastrointestinal Stromal Tumors (GIST).
- » Immunicum announced encouraging signs of survival benefit in Phase II MERECA trial of Ilixadencel in kidney cancer.
- » Immunicum announced appointment of Jeroen Rovers as Chief Medical Officer effective March 1, 2021.
- » On March 16 Immunicum announced the updated Executive Management Team after business combination and the appointment of Erik Manting, Ph.D., as Chief Executive Officer effective immediately.

Assurance of the Board of Directors and CEO

The Board of Directors and the CEO hereby assure that the consolidated accounts and annual report were prepared as per the International Financial Reporting Standards (IFRS) as adopted by the EU, and generally accepted accounting principles, respectively, and provide a true and fair view of the development of the Group's and Parent Company's financial position and performance, and that the Board of Directors' report provides a true and fair

view of the Group's and Parent Company's operations, financial position and performance as well as describing material risks and uncertainties faced by the companies that are part of the Group. The income statements and balance sheets of the Parent Company and the Group are subject to adoption by the Annual General Meeting on May 4, 2021.

Stockholm, Sweden on April 11, 2021

Christine Lind
INTERIM CHAIRMAN OF THE BOARD

Sven Andreasson
BOARD MEMBER

Dharminder Chahal
BOARD MEMBER

Charlotte Edenius
BOARD MEMBER

Steven Glazer
BOARD MEMBER

Helén Tuve
BOARD MEMBER

Andrea van Elsas
BOARD MEMBER

Erik Manting
CHIEF EXECUTIVE OFFICER

Our audit report was submitted on April 11, 2021
ERNST & YOUNG AB

Anna Svanberg
Authorized Public Accountant

Auditor's report

» **To the general** meeting of the shareholders of Immunicum AB,
corporate identity number 556629-1786

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Immunicum AB (publ) for the year 2020. The annual accounts and consolidated accounts of the company are included on pages 44-77 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2020 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2020 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial statements.

Business combinations

Description

As described in Note 31 of the consolidated financial statements, during the financial year the Group has acquired all the shares in DCPrime BV, a biopharmaceutical company developing immune therapies in the area of relapse vaccines, which is reported as a reverse acquisition in the consolidated financial statements.

The acquisition cost of the assets and liabilities included in the business combination is determined through a purchase price allocation in connection with the business combination, as described in Note 2 of the consolidated financial statements. Acquired identifiable assets and assumed liabilities are initially recognized at fair value at the time of acquisition, and the difference between the purchase price and the fair values of identifiable assets and assumed liabilities is recognized as goodwill. For reverse acquisitions, it is the assets and liabilities in the company which is the legal acquirer which are recognized at fair value at the time of acquisition.

As described in note 5, the assessment of whether a business combination constitutes a reverse acquisition is a significant judgment for the financial statements. The accounting for business combinations also requires management to make assessments and assumptions in order to estimate the fair value of acquired assets and assumed liabilities. Incorrect assumptions and calculations related to business combinations could have a material impact

on the valuation of acquired assets and liabilities. For this reason, we have determined that this is a key audit matter.

How our audit addressed this key audit matter

In our audit for the financial year, we have reviewed significant acquisition agreements and evaluated management's process for the preparation of purchase price allocations. We have also reviewed the company's assessment of whether the business combination constitutes a reverse acquisition.

We have also evaluated management's assessments and valuation of identified assets and assumed liabilities, and performed reconciliations of purchase price allocations to the underlying accounting records. We have also, with the support of our valuation specialists, evaluated applied valuation methods and management's assumptions in relation to these.

Finally, we have also reviewed the disclosures provided in the annual report.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-43 and 82-92. The report on management remuneration for the financial year 2020 which will be issued after the date of this auditor's report is also considered other information. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning the other information which we received up until the date of this auditor's report, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

If we, in connection with reading the management remuneration report, conclude that there is a material misstatement we are required to report this to the board of directors and request correction.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- » Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- » Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- » Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- » Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- » Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- » Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an

opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Other matters

The consolidated financial statements for the comparative year 2019 have not been subject to audit.

Report on other legal and regulatory requirements **Opinions**

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Immunicum AB (publ) for the year 2020 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- » has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- » in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

Ernst & Young AB, Hamngatan 26, 111 47, Stockholm, was appointed auditor of Immunicum AB by the general meeting of the shareholders on April 28, 2020 and has been the company's auditor since April 25, 2019.

Stockholm, April 11, 2021

ERNST & YOUNG AB

Anna Svanberg

Authorized Public Accountant

Corporate Governance Report

» **Immunicum Aktiebolag (publ)**, corporate identity number 556629-1786, is a Swedish public limited liability company with registered offices in Gothenburg. The Company's share is listed on Nasdaq Stockholm, Small Cap, and traded under the ticker IMMU. Corporate governance refers to the rules and decision-making hierarchies that promote efficient and controlled management of the operations of a company.

Immunicum's corporate governance is based on applicable laws, rules and recommendations for listed companies, such as the Swedish Corporate Governance Code ("The Code"), Nasdaq Stockholm's Rule Book for Issuers, the Articles of Association and company-specific rules and guidelines. This report, which is separate from the annual report, pertains to the 2020 financial year and has been reviewed by the Company's auditors.

Deviations from the Code, stock exchange rules or generally accepted practice in the securities market

During 2020, Immunicum deviated from the Code on one point which refers to the variable cash remuneration to the former CEO who resigned in 2019. The agreement regarding the remuneration expired on December 13, 2020 without affecting the Company and thus the Company has no deviation at the end of the 2020 financial year. The Company did not deviate from any other stock exchange rules. Additionally, the Company has not been the subject of any rulings by the Nasdaq Stockholm Disciplinary Committee nor a decision on infringement of generally accepted practice in the securities market by the Swedish Securities Council.

Corporate governance at Immunicum

Corporate governance at Immunicum aims to create a clear delegation of roles and responsibilities among owners, the Board of Directors and senior management. Responsibility for governance, management and control at Immunicum is allocated among the general meeting, the Board of Directors, its elected committees and the CEO.

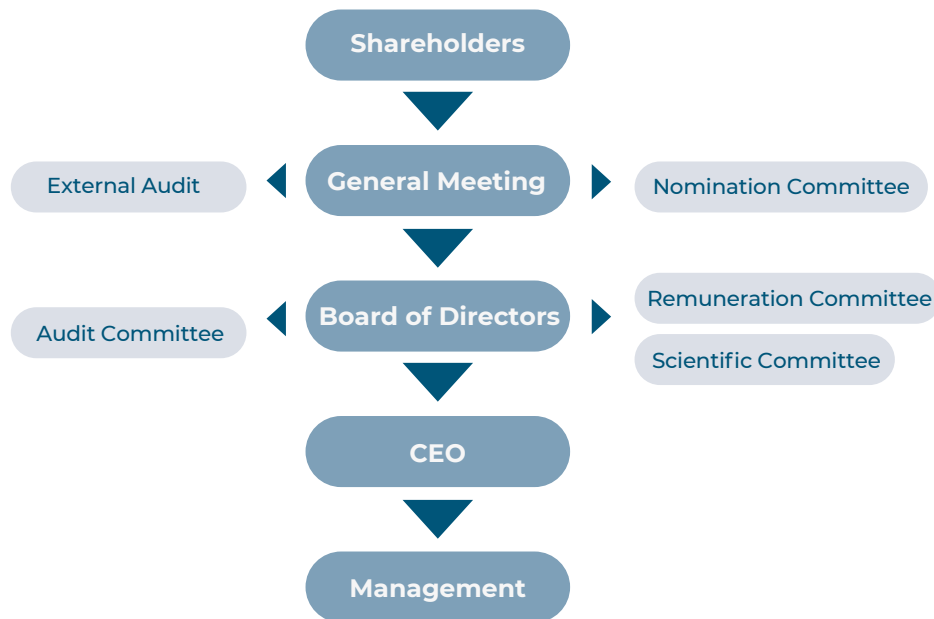
External regulations that impact corporate governance

- » The Swedish Companies Act
- » Regulations for external reporting
- » Nasdaq Stockholm's Rule Book for Issuers
- » The Swedish Corporate Governance Code
- » Other applicable laws and regulations

Important internal regulations and documents

- » Articles of Association
- » Formal work plan for the Board of Directors, including instructions for the Board's committees
- » CEO directive, including instructions for financial reporting
- » Guidelines for remuneration to senior executives of the Company
- » IT policy
- » Financial handbook
- » Authorization instructions
- » Employee handbook
- » Code of Conduct
- » Information and insider policy

Corporate governance structure



Corporate governance structure

Shareholders and the share

Immunicum AB is a CSD-registered company, which means that the Company's shareholder register is maintained by Euroclear Sweden AB. Share capital in Immunicum AB (publ) consists of one class of share, which entitles the holder to equal voting rights and equal right to participations in the company's assets. Immunicum's share is traded on Nasdaq Stockholm, Small Cap. At year-end, Immunicum had 9,656 (9,808) shareholders of which 450 (469) were registered as legal entities and 9,206 (9,339) as private individuals. Shareholding in Sweden totaled 51.6 (92.5) percent of the capital and 48.4 (7.5) percent of foreign ownership. For more information about shareholders and Immunicum's share, see pages 36-39 in the Annual Report and immunicum.com.

General meeting of shareholders

In accordance with the Companies Act, shareholders exercise their influence in the Company at a General Shareholder meeting, which is the Company's highest decision-making body. At a General Meeting, shareholders resolve on key issues, including amendments to the Articles of Association, the adoption of income statements and balance sheets, any dividends and appropriation of the company's profit, election of Board members and auditors and their remuneration, and discharge from liability of Board members and the CEO. The General Meeting also resolves on guidelines for remuneration of senior executives.

According to the Articles of Association, notice convening an Annual General Meeting (AGM) or an Extraordinary General Meeting (EGM) is to be given in the form of an announcement in the Official Swedish Gazette (Sw. Post- och Inrikes Tidningar) and by publishing the notice on the Company's website. At the same time as the notice for the Meeting occurs, the Company is to inform the general

public that the notice for the Meeting has occurred, via placing an announcement in Dagens Industri. Notice of convening the Annual General Meeting and Extraordinary General Meeting at which issues relating to amendments to the Articles of Association are to be addressed must be issued not earlier than six weeks and not later than four weeks before the Meeting. Notice of convening an EGM is to be issued not earlier than six weeks and not later than three weeks prior to the Meeting.

Shareholders who are entered in the shareholders' register in the manner described in the Companies Act and who have notified the Company of their participation at the meeting by the date specified in the notice of the Meeting will be entitled to participate in the Meeting. This day may not be on Sunday, any other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve, and may not fall earlier than the fifth weekday prior to the Meeting.

At the AGM, the following matters are to be dealt with:

1. Election of a chairperson to chair the meeting.
2. Preparation and approval of the voting list.
3. Presentation and approval of the agenda.
4. Appointment of one or two persons to verify the minutes.
5. Determination of whether the AGM has been duly convened.
6. Presentation of the Annual Report and the Auditor's Report, and where relevant the consolidated financial statements and Auditor's Report for the Group.

7. Decisions concerning:

- » the adoption of the income statement and the balance sheet and, where relevant, the consolidated income statement and consolidated balance sheet.
- » allocation of the Company's profit or loss according to the duly adopted balance sheet.
- » discharge from liability vis-à-vis the Company for the members of the Board and the CEO.

8. Determination of remuneration and other fees for the members of the Board and the Auditor.

9. Election of members to the Board and appointment of auditor(s) and any alternate auditors.

10. Other matters that are to be dealt with at the AGM pursuant to the Swedish Companies Act or the Articles of Association.

2020 Annual General Meeting

Immunicum's 2020 AGM took place on Thursday, April 28 at the IVA Conference Center, Grev Turegatan 16 in Stockholm. Approximately 18.1 percent of the votes were present at the Meeting. Attorney Mats Dahlberg was elected to chair the Meeting. The meeting resolved on, among other items:

- » The AGM discharged the Board of Directors and the CEO from liability for the financial year 2019 and that no dividends shall be paid for the financial year 2019.
- » The re-election of Board members Charlotte Edenius, Steven Glazer, Michael Oredsson and Magnus Persson. Kerstin Valinder Strinnholm has requested to not be re-elected.
- » Sven Andreasson, Christine Lind and Helén Tuveßon were elected as new Board members.
- » Michael Oredsson was re-elected as Chairman of the Board.
- » The AGM resolved to re-elect the registered audit firm Ernst & Young AB, which has appointed Anna Svanberg as the auditor-in-charge, as auditor for the period until the end of the next AGM.
- » The AGM resolved to adopt principles for the appointment of the nomination committee in accordance with the nomination committee's proposal.
- » The AGM resolved on amendment of the terms and conditions for distribution of the warrants in the incentive programme LTI 2019/2022, entailing that the Company's Chief Operating Officer, Sijme Zeilemaker, has the opportunity to acquire additional 230,655 of the warrants that have been repurchased from the Company's former CEO.
- » The proposed guidelines for remuneration of senior executives were approved.

- » The AGM resolved to authorize the Board of Directors to resolve, for the period until the end of the next AGM, at one or more occasions and with or without deviation from the shareholders' preferential rights, to issue a maximum of 9,225,753 new shares and warrants or convertible debentures giving a right to subscribe for a maximum of 9,225,753 shares. Payment shall be made in cash. If fully exercised, the authorization corresponds to approximately ten percent of the current share capital and votes in the Company.

Unabridged minutes and information about the 2020 AGM are available at www.immunicum.com, under Corporate Governance.

2020 Extraordinary General Meeting

At the Extraordinary General Meeting on December 18, 2020, the EGM adopted, inter alia, the following resolutions:

- » To amend the Article of Association's limits for the share capital and number of shares in accordance with the Board of Directors' proposal.
- » To approve the Board of Director's resolution on November 18, 2020 on a directed new issue of shares to Van Herk Investments BV with payment in capital contributed in kind consisting of all shares in DCprime BV. The directed share issue entails that the Company's share capital may be increased by SEK 3,695,481.75 through a new share issue of 73,909,635 shares.
- » To authorize the Board of Directors to resolve, for the period until the end of the next AGM, at one or more occasions and with deviation from the shareholders' preferential rights, on directed share issues up to a maximum of 20 percent of the Company's registered share capital and number of shares on a fully diluted bases, i.e. inclusive outstanding warrants in the Company, at the time of the Board of Director's first resolution pursuant to the authorization. Payment shall be possible to be made with cash, capital contributed in kind, set-off or otherwise in accordance with terms.

For more detailed information regarding the contents of the resolutions, please refer to the Notice to the EGM and the complete proposals, which have previously been published and are available on the Company's website, www.immunicum.com, under Corporate Governance.

2021 Annual General Meeting

Immunicum's 2021 AGM will be held at 10:30 a.m. on May 4, at IVA Conference Center, Grev Turegatan 16, in Stockholm. For more information and the right to participate, see page 92 in the Annual Report or www.immunicum.com. The minutes from the AGM will be available at www.immunicum.com.

Nomination Committee

The Nomination Committee represents Immunicum's shareholders and has the task of preparing the AGM's decisions in relation to election and remuneration issues. According to the instructions adopted by the AGM on April 28, 2020, the Nomination Committee is to comprise

four members appointed by the four largest shareholders that have accepted the invitation to participate in the Nomination Committee. If one of the four largest shareholders do not wish to appoint such a representative, the next largest shareholder in terms of the number of votes who has not already had the right to appoint a member of the Nomination Committee is to be offered the opportunity to appoint a member. Should they desire to exercise this right, they are to announce their decision within one week. The Nomination Committee is to appoint a chairman from within its ranks.

The members of the Nomination Committee are to be presented on the Company's website no later than six months prior to the 2021 AGM. In the event that four shareholders have not announced their intention to participate in the nomination work by that point in time, the Nomination Committee will consist of fewer members. If a change in ownership entailing that a shareholder who appointed a member of the Nomination Committee is no longer one of the four largest shareholders takes places not later than two months prior to the 2021 AGM, the member appointed by such a shareholder is to step down from the Committee and the new shareholder that has become one of the four largest shareholders in the Company will be entitled to appoint a new member. The Nomination Committee's mandate period is to extend until a new Nomination Committee has been appointed. Shareholders who have appointed a member of the Nomination Committee have the right to remove such a member and appoint a new representative as a member of the Nomination Committee. Changes to the composition of the Nomination Committee are to be made public as soon as they have occurred. Shareholders of the Company are entitled to present proposals of Board members for consideration by the Nomination Committee. The Nomination Committee is to consider, based on the Company's operations and stage of development, etc., that the Board is to have an appropriate composition, and a diverse and broad range of qualifications, experience and backgrounds. Members of the Nomination Committee are not entitled to any remuneration. However, the Company shall carry all reasonable costs for the work of the Nomination Committee. If deemed necessary, the Nomination Committee may engage external consultants to identify candidates with relevant experience and the Company shall carry the costs for such consultants. The Company shall also provide resources in the form of personnel if needed to support the Nomination Committee in its work.

The composition of the Nomination Committee of three members was announced in a press release on November 4, 2020. In a press release on November 10, 2020, it was announced that a fourth member had been appointed to the Nomination Committee. As a result of the issue in

kind carried out in connection with the business combination with DCprime BV, Van Herk Investments BV is Immunicum's largest shareholder with a shareholding of approximately 43% of the total number of all outstanding shares. Accordingly, the Nomination Committee to the Annual General Meeting 2021 has been changed in accordance with the instructions adopted by the Annual General Meeting 2020.

The Nomination Committee ahead of the 2021 AGM was convened by the Chair of Immunicum's Board Michael Oredsson. In the light of the information above, the Nomination Committee is composed of the following individuals:

- » Erik Esveld, appointed by Van Herk Investments BV
- » Jannis Kitsakis, appointed by The Fourth Swedish National Pension Fund (AP4)
- » Martin Lindström, appointed by Loggen Invest AB
- » Jamal El-Mosleh, appointed by Holger Blomstrand byggnads AB

The Nomination Committee has appointed Erik Esveld as Chair of the Nomination Committee.

The Nomination Committee's duties include preparing the following proposals to the 2021 AGM: (i) proposal concerning election of the Chair of the AGM; (ii) proposal concerning election of Board members; (iii) proposal concerning election of the Chair of the Board of Directors; (iv) proposal concerning the remuneration to the Board of Directors; (v) proposal concerning election of auditors (if instructed pursuant to Chapter 8, Section 49 b, Paragraph 2 of the Companies Act); (vi) proposal concerning remuneration to the auditors; and (vii) proposal concerning principles of the nomination process ahead of the 2022 AGM.

According to the Code, in connection with the announcement of the 2021 AGM the Nomination Committee is to present an opinion on the Company's website regarding its proposal of Board members, taking into account the Code's rules on the composition of the Board of Directors, to provide specific reasons for the proposal with respect to the requirements for an even gender distribution and to present a brief description of the Nomination Committee's work. The Nomination Committee shall also present relevant information on the website about new Board members proposed for election and members proposed for re-election, primarily their education and work experience, other significant assignments within and outside the Company, and their own and related parties' holdings in the Company.

The Board of Directors

Composition and independence of the Board of Directors

According to Immunicum's Articles of Association, the Board is to consist of no fewer than three and no more than eight members. The AGM held on April 28, 2020 elected seven ordinary Board members: Michael Oredsson (Chairman of the Board), Sven Andreasson, Charlotte Edenius, Steven Glazer, Christine Lind, Magnus Persson and Helén Tuveßon, all of whom will serve until the close of the next AGM. All Board members are deemed to be independent of the Company and its management as well as the Company's major shareholders. In October, Magnus Persson resigned from the Board of Directors. Prior to the EGM on January 22, 2021, Chairman Michael Oredsson announced his resignation from the Board, whereby the Board appointed the current Board member Christine Lind as interim Chairman until the Annual General Meeting on May 4, 2021. At the EGM, Dharminder Chahal and Andrea van Elsas, Ph.D., nominated by the Company's largest owner Van Herk Investments, were elected new members of the Board.

Information about Board members, including year of birth, year elected to the Board, education, experience, current and previous assignments and shareholding in the Company is available in the 2020 Annual Report on pages 40-41. Shareholdings in the Company include own and/or related parties' holdings.

Under the Code, the majority of Board members shall be independent of the Company and its management. At least two of the Board members who are independent of the Company and its management shall also be independent in relation to the Company's major shareholders. All Board members are deemed to be independent of the Company and its management. One Board member, elected at the EGM on January 22, 2021, is deemed to be dependent to the Company's major shareholders. Major shareholders are shareholders who directly or indirectly control 10 percent or more of the shares or votes in the Company.

The work and responsibility of the Board of Directors

The duties of the Board of Directors are regulated by the Companies Act, the Articles of Association and the Code. The Board of Directors has also adopted written rules of procedure that govern the Board of Director's work, delegation of work and responsibility among the Board, committees, Chair of the Board and CEO. Additionally, the rules of procedure concern the number of scheduled Board meetings and items to be addressed at each meeting, the forms for convening meetings, meeting and decision-making procedures, documentation for Board meetings, the duties of the Chair of the Board, minutes, disqualification and conflicts of interest, compulsory items that the CEO shall submit to the Board of Directors, financial statements and authorized signatories. The Board of

Directors' rules of procedure shall be adopted annually. In addition, the Board of Directors adopted a directive for the CEO and other special policies, such as ethical guidelines (a Code of Conduct), finance policy, authorization instructions and an information and insider policy. In addition to the Board meetings, the Chairman of the Board and the CEO have a continuous dialogue regarding issues significant for the Company.

The Board is responsible for the Company's organization and the administration of its affairs, the Company's overall business plan, material organizational changes, changes to the focus of the Company's operations and the income statement and balance sheet. The Board of Directors shall also make decisions on investments, acquisitions or divestments of material assets, shares or operations, loans and credit facilities, guarantees provided, and signing and amending material contracts or contracts between the Company and the shareholders. Furthermore, the Board of Directors is to address matters referred to the Board of Directors by the CEO. The Board of Directors assumes overall responsibility for ensuring that the Company's organization is designed so that accounting, asset management and the Company's financial circumstances are controlled in a satisfactory manner and is responsible for continuously assessing the CEO's work. The Board of Directors is also responsible for ensuring the quality of the financial reporting, including monitoring systems and the internal control of the Company's financial reporting and position. In addition, the Board is responsible for ensuring that the information the Company discloses externally is transparent, correct, relevant and clear. The Board of Directors is responsible for preparing the required guidelines and other policy documents.

The Chairman leads the Board of Directors' work and has special responsibility for ensuring that the Board of Directors' work is well organized and effectively implemented. The Chairman, in consultation with the Company's CEO, is responsible for ensuring that Board members receive an agenda for every meeting and the necessary documentation in sufficient time prior to each Board meeting. The Chairman is also to ensure that each Board member continuously updates and broadens their knowledge of the Company and that new Board members receive the necessary introductory training and any other training that the Chairman and the new member deem appropriate. The Chairman is responsible for contact with shareholders in owner-related matters and forwarding shareholders' opinions to the Board of Directors, and also for ensuring that the Board of Directors' work is evaluated every year following a systematic and structured process aimed at developing the Board of Directors' work forms and methods. The results of the evaluation are to be presented to the Nomination Committee.

Work of the Board and important events during 2020

The Board normally meets six times per year. Additional meetings may be held to address issues which cannot be referred to an ordinary meeting. The Board of Directors held eleven (11) meetings during 2020 in which minutes were recorded, excluding those held per capsulam. Members' attendance at Board meetings is shown in the table on the next page. In 2020, the Board has handled the following matters:

- » The Company's strategic direction and the acquisition of DCprime
- » Product development
- » Risk management and risk assessment
- » Governing documents
- » Evaluation of the CEO
- » Financial reports including reporting from external auditors

The Board of Directors has planned six (6) meetings for 2021.

Board committees

The Board of Directors elects three committees from within ranks: The Audit Committee, the Scientific Committee and the Remuneration Committee, which work according to the established instructions from the Board of Directors.

Audit Committee

The Board of Directors has appointed an Audit Committee comprising the board members Sven Andreasson (Chairman of the Audit Committee), Christine Lind and Dharminder Chahal. Christine Lind replaced Magnus Persson when he resigned from the Company's Board in October 2020. Dharminder Chahal replaced Michael Oredsson when he resigned from the Company's Board in January 2021. The Committee fulfils the Company's requirements for independence as well as accounting and auditing expertise.

The Board is to draw up instructions for the tasks of the Audit Committee on an annual basis. The instructions to the Audit Committee state that the Audit Committee is, without impacting the responsibility and tasks of the Board in general, to monitor the Company's financial reporting, monitor the effectiveness of the Company's internal control and risk management in respect of the financial reporting, keep themselves informed regarding the audit of the annual accounts and other financial reports, scrutinize and monitor the impartiality and independence of the auditor, and in so doing be particularly observant in the event that the auditor provides additional services to audit services to the Company. The Audit Committee is also to meet with the auditor on an annual basis to be informed about the scope and direction of the auditor's audit, as well as the auditor's observations during the work with the audit. Furthermore, the Audit Committee is to evaluate the audit work and assist in the preparation of proposals for the General Meeting's decisions on the election of auditors. In addition, the Audit Committee is, among other tasks, to scrutinize together with the Company's auditor related party transactions and significant accounting policies in connection with interim

reports and annual reports. The Audit Committee is to hold at least four meetings per year and the Chairman of the Audit Committee is to present a written report of matters discussed at the latest meeting of the Audit Committee to a meeting of the Board at least twice per year. The Audit Committee has met six (6) times during the year to discuss the period's financial information, risks, internal controls, accounting principles, the auditors' review of the Company and the financial statements.

Scientific Committee

The Board of Directors has appointed a Scientific Committee comprising Steven Glazer (Chairman of the Scientific Committee), Helén Tuveesson and Andrea van Elsas. Helén Tuveesson replaced Magnus Persson when he resigned from the Company's Board in October 2020. Andrea van Elsas replaced Charlotte Edenius when he was elected Board member at the EGM in January 2021. None of the aforementioned Board members are employed by the Company.

The work of the Scientific Committee is regulated in the Board's work plan and in an article that is adopted by the Scientific Committee and evaluated on an annual basis. The Chairman of the Scientific Committee and one other member of the Scientific Committee must be members of the Board and neither of these may be employed in the Company. The Company's Chief Scientific Officer and/or the CEO is to prepare the meetings of the Scientific Committee. The Scientific Committee may, if the need arises, seek external advice or advice from the Company's Scientific Advisory Board. The Chairman of the Scientific Committee is to inform the Board of the Committee's work and evaluate its work and compliance with the articles on an annual basis and provide a written evaluation to the Board.

The Scientific Committee met five (5) times during the year to primarily discuss the survival data from the completed clinical MERECA trial and the inclusion of patients in the ILIAD study, both evaluating the Company's candidate ilixadencel. The committee has also discussed the preclinical studies and had an ongoing dialogue with the Company's CMO and CSO.

Remuneration Committee

The Board of Directors has appointed a Remuneration Committee comprising Christine Lind (Chairman of the Remuneration Committee) Helén Tuveesson and Sven Andreasson. Christine Lind replaced Michael Oredsson when he resigned from the Company's Board in January 2021. The Committee is assessed as fulfilling the Code's requirements for independence as well as for the necessary knowledge and experience in remuneration of senior executives.

The main tasks of the Remuneration Committee are to prepare the Board's decisions in matters of remuneration principles, including drawing up proposals for the AGM's decisions regarding guidelines for remuneration to senior executives of the Company, remuneration and other employment conditions for the Company's CEO and other senior executives; to follow and evaluate variable remuneration for senior management; and to follow and

evaluate the application of guidelines for remuneration to senior executives and current remuneration structures and levels within the Company. The Remuneration Committee is further tasked with monitoring and regularly evaluating current and concluded programs for variable remuneration to senior executives and with preparing questions on proposals for future incentive programs. The Remuneration Committee met three (3) times during

the year to discuss existing compensation systems in the Company, proposals for guidelines for the CEO and senior executives as well as the ongoing incentive program.

For information about salaries and remuneration to the CEO and senior executives, see Note 7 in the 2020 Annual Report.

	Function	Independence in relation to the		Compensation, KSEK				Total
		Company	Owners	Board fees	Audit Committee	Remuneration Committee	Scientific Committee	
Michael Oredsson ¹	Chairman	Yes	Yes	425	15	35		475
Charlotte Edenius	Board member	Yes	Yes	150			25	175
Christine Lind ^{2,3}	Board member	Yes	Yes	150				150
Helén Tuve ^{2,4}	Board member	Yes	Yes	150		15		165
Magnus Persson ⁵	Board member	Yes	Yes	150	15		25	190
Steven Glazer	Board member	Yes	Yes	150			50	200
Sven Andreasson ²	Board member	Yes	Yes	150	35	15		200
Kerstin Vallinder Strinnholm ⁶	Board member	Yes	Yes					
				1 325	65	65	100	1 555

	Attendance			
	Board ⁷	Audit Committee	Remuneration Committee	Scientific Committee
Michael Oredsson ¹	11/11	5/5	3/3	
Charlotte Edenius	11/11			5/5
Christine Lind ^{2,3}	8/11	1/5		
Helén Tuve ^{2,4}	8/11		1/3	1/5
Magnus Persson ⁵	9/11	3/5		3/5
Steven Glazer	10/11			5/5
Sven Andreasson ²	8/11	3/5	1/3	
Kerstin Vallinder Strinnholm ⁶	2/11		2/3	

CEO and management

The Company's CEO is responsible for the ongoing management and development of Immunicum in accordance with applicable legislation and rules, including Nasdaq Stockholm's Rule Book for Issuers, the Swedish Corporate Governance Code and the guidelines, instructions and strategies established by the Board of Directors. The CEO shall ensure that the Board of Directors has the necessary factual and relevant information to take a well-founded decision. The CEO also monitors compliance with Immunicum's goals, policies and strategic plans established by the Board of Directors and is responsible for informing the Board of Directors about Immunicum's development between Board meetings.

During the year, Chief Scientific Officer Alex Karlsson-Parra has been acting CEO of Immunicum until Sven Rohmann was appointed CEO on August 28, 2020. The CEO leads the work in the management team, which is responsible

for the overall development of the Company's operations and business. In addition to the CEO, the management team over the year has consisted of Immunicum's Chief Financial Officer (CFO), Chief Medical Officer (CMO), Chief Scientific Officer (CSO), Head of CMC, Head of Regulatory Affairs & Quality Assurance and Chief Operating officer (a total of seven individuals). After the business combination with DCprime at the end of December, Erik Manting joined the management team as Chief Business Officer and deputy CEO, and Jeroen Rovers joined in the role as Managing Director of DCprime (a total of nine individuals).

On March 16, 2021, Immunicum announced an updated Executive Management Team. A presentation of the Chief Executive Officer and the other members of the Executive Management Team can be found in the section Organization on page 42 in the Annual Report.

1. Board member and Chairman of Immunicum AB until January 22, 2021

2. Board member since the AGM April 28, 2020

3. Member of the Audit Committee since October 29, 2020

4. Member of the Scientific Committee since October 29, 2020

5. Board member, member of the Audit Committee and the Scientific Committee until October 29, 2020

6. Board member until the AGM April 28, 2020

7. Excluding Board meetings per capsulam

Remuneration

Remuneration to the members of the Board of Directors

The Nomination Committee, which is appointed according to the principles approved by the AGM, provides its proposals for fees to the Board of Directors. Fees to the Board are payable pursuant to a resolution adopted by the AGM and are presented in the table on page 88.

Remuneration to senior management

Remuneration issues for senior executives are addressed by the Board of Directors' Remuneration Committee. The Board of Directors decides the CEO's remuneration based on the proposal from the Remuneration Committee. Remuneration and terms for senior executives are to be based on market conditions and a balanced mix of a fixed annual salary, variable salary, pension benefits, other benefits and terms and conditions upon termination of employment.

Guidelines for remuneration to senior executives 2020

Deviations from the guidelines

The Board of Directors is entitled to deviate from the guidelines if justified due to special circumstances in the individual case.

In 2020, the Company deviated from the Code on one point regarding remuneration to the former CEO who resigned in 2019. The deviation ceased when the right to compensation expired on December 13, 2020, without any compensation according to the agreement being paid. The deviation applied Rule 9.5 of the Code in that the variable cash remuneration which may be paid to the Company's CEO in conjunction with the sale of all or the majority of the Company's assets or intellectual property rights, the licensing of the Company's intellectual property rights or other similar transactions does not contain a monetary limit for the maximum outcome but is instead calculated as a fixed percentage. The deviation was necessary due to the need to recruit a CEO with the right experience and competence for the next phase of Immunicum's development.

According to the guidelines for remuneration to senior executives that were adopted at the AGM on April 28, 2020, Immunicum shall offer a total compensation package at market level that enables the recruitment and retention of qualified senior executives. Compensation to the senior executives shall be comprised of a fixed salary, variable salary based on the individual's achievement of goals and other benefits. If the Board of Directors considers that new share-based incentive schemes – for example, employee share options – should be introduced, the Board of Directors shall propose that such schemes are resolved upon by the General Meeting.

Fixed salary

The fixed salary shall take into account the individual's performance in the position considering the areas of

responsibility and experience. Evaluation and reconsideration are normally made annually.

Variable salary

The variable salary shall, if applicable, be based on the individual's achievement of qualitative and quantitative goals. The variable part of the salary can, for the CEO and other senior executives, amount to a maximum of 35 percent of the fixed annual salary.

Pension

Pension benefits shall be premium-based. The pension premiums shall, for the CEO, be a maximum of 30 percent of the fixed monthly salary and for other senior executives a maximum of 25 percent of the fixed monthly salary.

Severance pay, etc.

The notice period for senior executives shall be a maximum of twelve months. Severance payments shall not be made. However, the CEO can be entitled to extraordinary compensation of a maximum of one year's salary in the event of a change of ownership whereby the Company is wholly acquired or taken over.

Other benefits

The senior executives are entitled to other customary benefits, such as corporate health care.

Preparation and decision-making process

The CEO's compensation shall be prepared and resolved upon by the Board of Directors. Other senior executives' remuneration shall be prepared by the CEO who shall propose remuneration to the Board of Directors for approval. The Board of Directors is entitled to deviate from the aforementioned guidelines if justified due to special circumstances in the individual case.

External auditor

The Company's auditor is elected by the AGM. Immunicum's auditor is the registered accounting firm Ernst & Young AB. Authorized public accountant Anna Svanberg is the auditor-in-charge.

The external audit plan and risk management are discussed with the Audit Committee. The auditors perform a general review of the quarterly report for the third quarter and audit the annual accounts. The auditors also express an opinion as to whether this Corporate Governance Report has been prepared and whether certain information contained within it is compatible with the annual accounts. The Auditor's Report the result of their audit of the annual accounts and their review of the Corporate Governance Report in the audit report and the Corporate Governance Report as well as in a special opinion on compliance with remuneration of senior executives, which are presented to the AGM. In addition, the auditors submit accounts of performed reviews to the Audit Committee and to the Board of Directors in its entirety.

The fees invoiced by the auditors for the last two financial years are reported in Note 9 in the 2020 Annual Report.

Internal control and risk management

The overall purpose of the internal control is to ensure to a reasonable degree that the Company's operative strategies and goals are followed up and that the owners' investments are protected. The internal control is also to ensure that the external financial reporting is to a reasonable degree reliable and prepared in accordance with good accounting practice, that applicable laws and regulations are followed, and that the demands made on listed companies are met. At Immunicum, internal control of the financial reporting is, for example, directed at ensuring an effective and reliable handling and reporting of accrued costs.

The internal control environment is largely comprised of the following five elements: control environment, risk assessment, control activities, information and communication, and follow-up.

Control environment

The control environment at Immunicum constitutes the frame for the direction and culture communicated to the organization by the Company's Board and management. Internal management and control in accordance with accepted frameworks are a prioritized area of the management work. Immunicum's Board and management define and shape decision pathways, powers and responsibilities which are clearly defined and communicated in the organization. The Company's Board also strives to ensure that steering documents such as internal instructions and policies cover identified significant areas and that they provide the right guidance to the different senior executives in their work at the Company.

Risk assessment

Immunicum's Board works continuously and systematically with risk assessments in order to identify risks and take appropriate measures in respect of these. The Company has an annual risk process in place where risks are identified from a Company perspective to provide an overview of the most important risks for Immunicum, which are followed up by the management team during the year. Each identified risk is to be documented with a potential action plan to reduce risk whenever possible. The risk assessment is also designed to identify such risks that significantly impact the internal control of the financial reporting.

Control activities

The primary purpose of the control activities is to prevent, discover and rectify errors in the financial reporting. Routines and activities have been designed to manage and deal with significant risks which are related to the financial reporting. The activities include analytical follow-up and comparison of earnings trends or items, reconciliation of accounts and balance sheet specifications, as well as approval of all bank transactions and cooperation agreements, powers of attorney and authorization instructions, and accounting and valuation principles. Access to financial systems is restricted according to authority, responsibility and role.

Information and communication

In addition to the very high demands made by Nasdaq Stockholm and supervisory authorities regarding the scope and accuracy of information, Immunicum has internal control functions for information and communication in place to ensure that correct financial and other Company information is communicated to co-workers and other stakeholders.

The Company's internal instructions and policies are available to all co-workers and give detailed information about routines that apply in all parts of the Company and describe the control functions and how they are implemented.

The security around all information that can affect the Company's market value and ensuring that such information is communicated externally in a correct and timely manner are cornerstones in the Company's commitment as a listed company. These two factors and the routines for managing them ensure that the financial reports are received by the financial market's actors at the same time and present a true and fair view of the Company's financial result and position.

Follow-up

Compliance with internal policies, directives, guidelines and codes, and the suitability for purpose and functionality of established control activities are followed up continuously. Measures and routines in respect of the financial reporting are subjected to continuous follow-up. The CEO ensures that the Board of Directors constantly receives reports on the development of the Company's operations, including the development of the Company's results and position as well as information about important events including research results and important agreements. The Board reviews the Annual Report and interim reports prior to their publication. The Board meets the Company's auditors once a year to discuss the internal control and the financial reporting.

Special assessment of the need for internal audit

Immunicum has no special scrutinizing function (internal audit). The Company has an uncomplicated legal and operative structure in which the Board continually follows up the Company's internal control in conjunction with external and internal financial reporting. In addition, the Audit Committee monitors the efficiency of the internal control and the risk management of the financial reporting. In light of the foregoing, the Board of Directors has decided not to establish a separate internal audit function but shall evaluate the matter annually.

External audit

The Company's auditor is appointed by the AGM for the period until the close of the next AGM. The auditor shall review the Annual Report and financial accounts plus the management by the Board of Directors and the CEO. Following each financial year, the auditor is to submit an audit report to the AGM. Every year, the Company's auditors report their findings and their assessments of the Company's internal controls to the Board of Directors.

Stockholm, Sweden on April 11, 2021

Christine Lind

INTERIM CHAIRMAN OF THE BOARD

Sven Andreasson

BOARD MEMBER

Dharminder Chahal

BOARD MEMBER

Charlotte Edenius

BOARD MEMBER

Steven Glazer

BOARD MEMBER

Helén Tuveßon

BOARD MEMBER

Andrea van Elsas

BOARD MEMBER

Erik Manting

CHIEF EXECUTIVE OFFICER

Auditor's report on the corporate governance statement

To the Annual General Meeting of Immunicum AB (publ),
corporate identity number 556629-1786.

Engagement and responsibility

It is the Board of Directors who is responsible for the corporate governance statement for the year 2020 on pages 82-91 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit

conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and are in accordance with the Annual Accounts Act.

Stockholm, Sweden, on April 11, 2021

ERNST & YOUNG AB

Anna Svanberg

Authorized Public Accountant

Welcome to the 2021 Annual General Meeting

» **Immunicum's Annual General Meeting** will be held on May 4, 2021 at the IVA conference center, Grev Turegatan 16, Stockholm, Sweden, at 10:30 a.m. Registration begins at 10:00 am. Shareholders who wish to participate shall be registered in the shareholders' register maintained by Euroclear by April 26, 2021.

Notification

Notification of attendance at the Annual General Meeting must be submitted no later than April 28, 2021.

Notification must be made in writing to Immunicum AB (publ), Östermalmstorg 5, SE-114 42 Stockholm, Sweden, or via email to info@immunicum.com. In the notification, the shareholder shall provide:

- » Name
- » Personal/Corporate Registration Number
- » Address and daytime telephone number
- » Number of shares
- » Where appropriate, information about any proxies/assistants

Nominee-registered shares

To be eligible to participate in the Annual General Meeting, shareholders whose shares are registered in the name of a nominee must request that their shares be temporarily re-registered in their own names. Shareholders who require such re-registration, a voting rights registration, must inform their trustees of this well in advance of April 28, 2021, the date at which such reregistration must be completed.

Proxy

Shareholders who will be represented by a proxy must issue a written, signed and dated power of attorney. If the power of attorney is issued by a legal entity, a certified copy of relevant registration certificates for the legal entity (or an equivalent document for foreign legal entities) must be attached to the power of attorney. Power of attorney is valid for one year after issuing, or the longer applicable period given in the document, though no longer than five years.

Shareholder information

Interim reports, annual reports, and Immunicum's press releases are available at immunicum.com and can be ordered from Immunicum AB, Östermalmstorg 5, SE-114 42 Stockholm, Sweden. A printed version of the 2020 Annual Report is available upon request, and is always available for download at Immunicum.com.

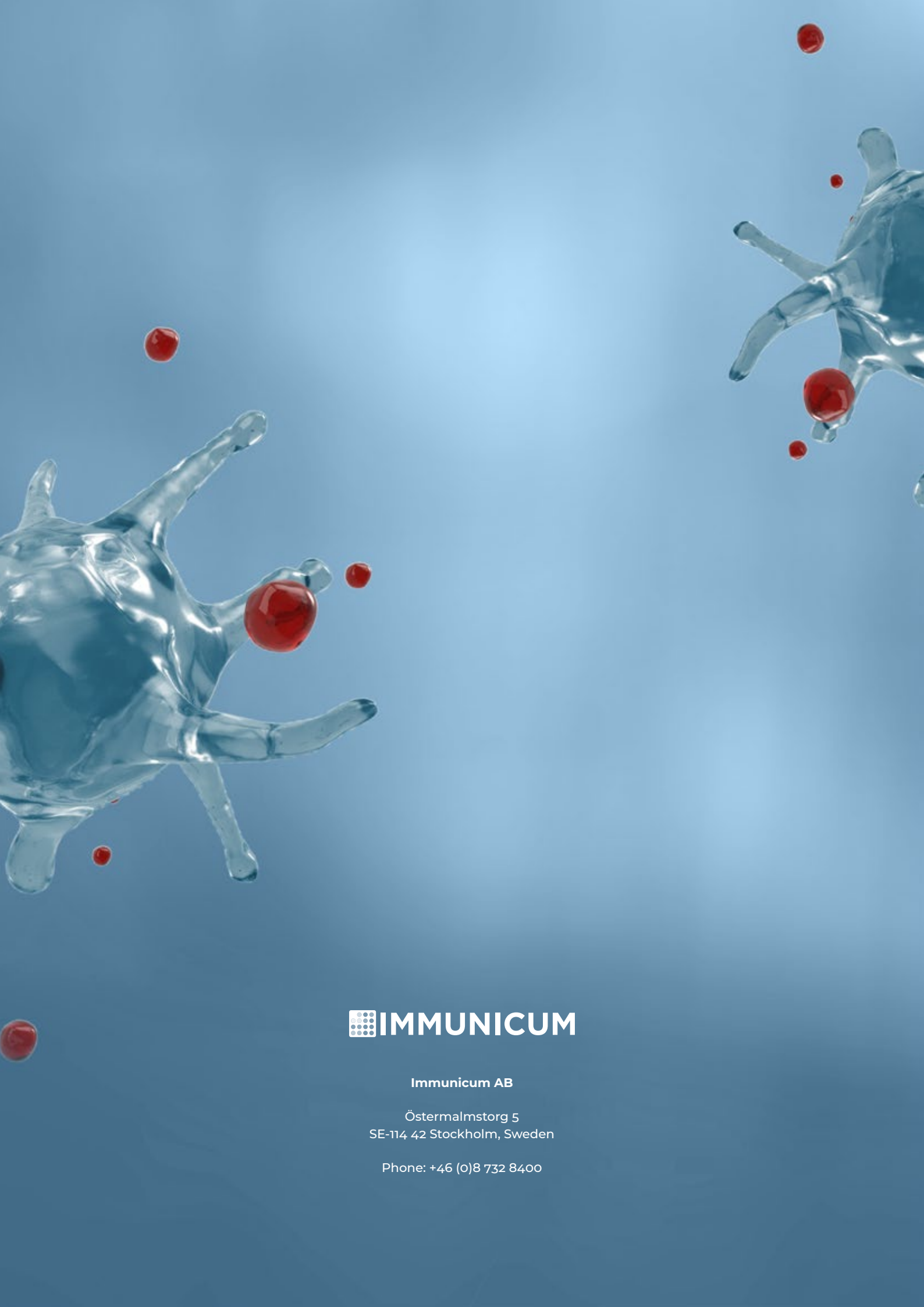
Calendar

- » Interim report Jan-Mar 2021, May 4, 2021
- » Annual General Meeting, May 4, 2021
- » Interim report Jan-Jun 2021, August 26, 2021
- » Interim report Jan-Sep 2021, October 28, 2021

Contact information:

Immunicum AB • Postal address: Östermalmstorg 5, SE-114 42 Stockholm, Sweden • Phone: +46 (0)8 732 8400
E-mail: info@Immunicum.com • Website: Immunicum.com





Immunicum AB

Östermalmstorg 5
SE-114 42 Stockholm, Sweden

Phone: +46 (0)8 732 8400