Interim report Apr 1- Jun 30, 2021

Vicore Pharma Holding AB (publ)

vicorepharma.com

Table of Contents

Summary of the Period

Important events during the second quarter

- In May, Vicore[1] announced that it had entered into a collaboration agreement with Alex Therapeutics for the development of a digital therapeutic (DTx) for patients living with idiopathic pulmonary fibrosis (IPF).
- In June, Vicore announced that it had received approval from the U.S. Food and Drug Administration (FDA) to start the pivotal phase 3 trial with C21 in COVID-19.

Important events after the period

- No important events have occured after the period.

Financial overview for the period

April 1 - June 30, 2021

- Net sales amounted to 0.0 MSEK (0.0)
- The operating loss was -68.4 MSEK (-27.5)
- Loss for the period amounted to -70.4 MSEK (-24.2)
- Loss per share, before and after dilution, was -0.98 SEK (-0.48)
- On June 30, 2021, cash and cash equivalents and short-term investments amounted to 514.4 MSEK (318.7 MSEK as of December 31, 2020)

January 1 - June 30, 2021

- Net sales amounted to 0.0 MSEK (0.0)
- The operating loss was -116.0 MSEK (-56.3)
- Loss for the period amounted to -118.5 MSEK (-52.6)
- Loss per share, before and after dilution, was -1.75 SEK (-1.04)

[1] The group ("Vicore") consists of the parent company, Vicore Pharma Holding AB (publ) and the subsidiaries Vicore Pharma AB and INIM Pharma AB.

Financial summary of the group

Amounts in MSEK	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	2020 Jan-Dec
Net sales	0.0	0.0	0.0	0.0	0.0
Operating loss	-68.4	-27.5	-116.0	-56.3	-149.5
Loss for the period	-70.4	-24.2	-118.5	-52.6	-146.9
Loss per share, before/after dilution (SEK)[1]	-0.98	-0.48	-1.75	-1.04	-2.71
Research and development costs/ operating costs (%)[2]	92.7	85.4	91.1	84.6	84.7
Equity at the end of the period	559.2	272.7	559.2	272.7	354.5
Cash flow from operating activities	-73.8	-25.8	-121.5	-55.1	-119.9
Cash and cash equivalents and short-term investments at the end of the period	514.4	212.4	514.4	212.4	318.7

[1] There is no dilution effect for potential ordinary shares for periods where earnings have been negative.

[2] Alternative performance measure (APM). Defined on page 20.

CEO Comments

Vicore made several advancements during the second quarter of 2021 with its clinical development programs in both IPF and COVID-19.

In June, Vicore became a phase 3 stage company, as the U.S. Food and Drug Administration (FDA) approved the start of our ATTRACT-3 clinical trial in the United States. ATTRACT-3 is a global, 600 patient, placebo-controlled phase 3 study looking at the effectiveness of C21 to restore lung function in patients who are hospitalized as a result of a COVID-19 infection. Following our successful phase 2 trial conducted during the initial waves of COVID-19, ATTRACT-3 is a pivotal trial which aims to generate key data to enable regulatory bodies, including the FDA, to assess the use of C21 in treating COVID-19 patients.

The green light from the FDA allows hospitals in Vicore's US clinical network to begin recruiting patients. In parallel, Vicore continues the process of activating clinical trial sites in South and Central America, Europe, Africa and Asia. ATTRACT-3 has the go-ahead from regulators in Brazil, Czechia, India, Ukraine and South Africa and study site initiation is ongoing in these countries.

Vicore's management team and clinical advisors maintain a continuous and open communication with both the science and investment communities. As the COVID-19 pandemic enters its next phase, we continue to emphasize two particularly important aspects of ATTRACT-3: that the study will include patients infected with different variants of COVID-19; and that therapies to improve respiratory outcomes and promote patient recovery directly – as C21 does – will be vital since we will not reach full vaccination in the near term and new, potentially more vaccine resistant, mutations are developing.

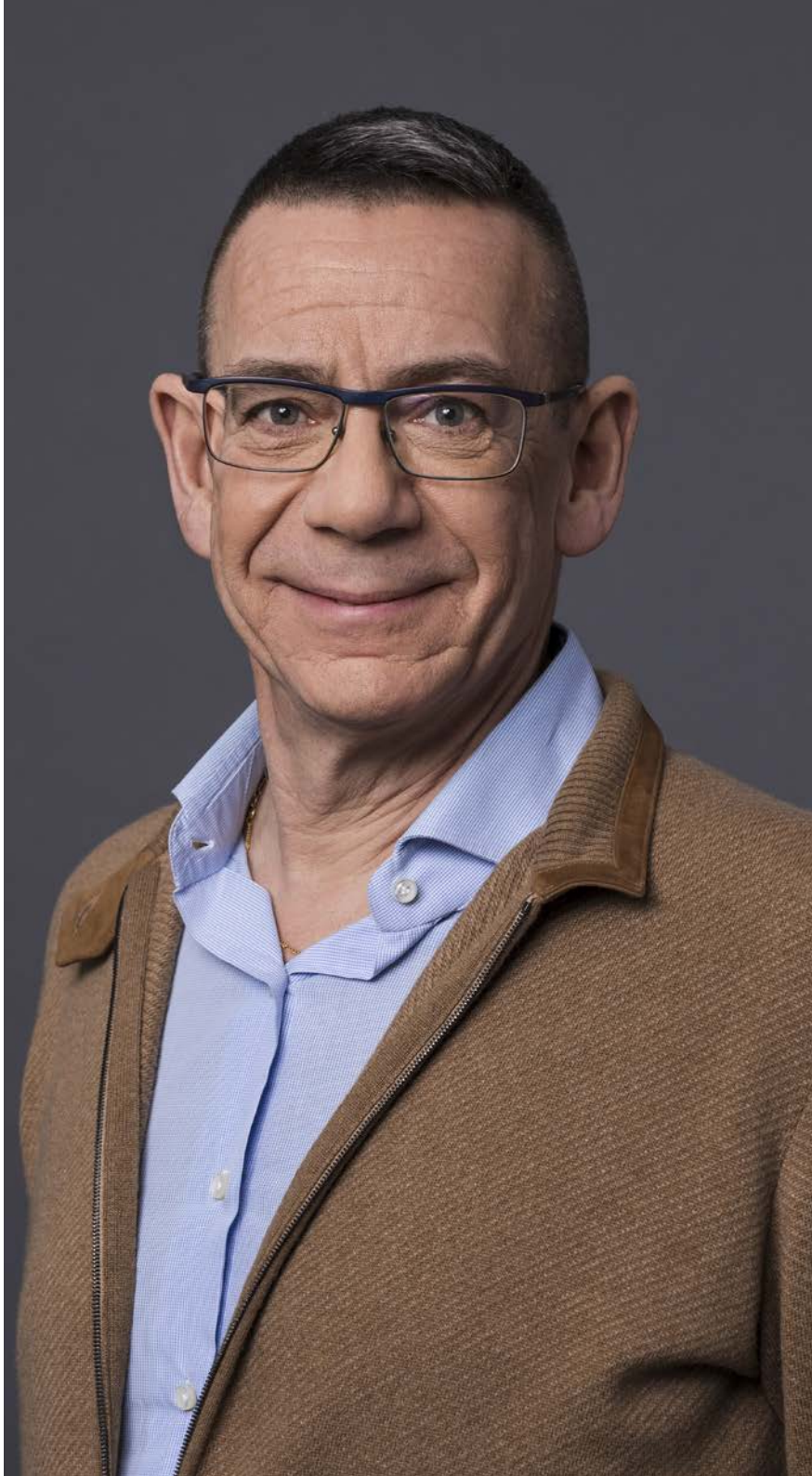
Vicore has a 360-degree strategy for addressing serious rare lung diseases. In May, in a collaborative program with Alex Therapeutics, we launched the development of VP04, a proprietary prescription digital therapeutic for patients with idiopathic pulmonary fibrosis (IPF). VP04 will be one element in a suite of treatments for IPF, sitting alongside our development programs for drug therapies such as VP01(C21) and our inhaled thalidomide product for IPF and IPF cough, VP02.

VP04 is designed to support patients in dealing with the psychological burden of IPF and improve quality of life. It is being developed to be prescribed to relevant patients and therefore will need regulatory approval based on clinical evidence of effectiveness. It will also help increase awareness and understanding of IPF amongst healthcare professionals including physicians and payers.

Vicore's other clinical programs in IPF remain on schedule. Results from the phase 2 AIR study of C21 in IPF are expected at the end of 2022 at current recruiting plan and outlook as patient recruitment continues in India, Ukraine, the United Kingdom and Russia. The VP02 program is ready to initiate GLP toxicity studies during the fall of 2021 followed by a phase 1 study in 2022. We remain on course to submit a clinical trial application (CTA) for VP03 by the end of 2021.

The Vicore team is expanding, our possibilities are growing, and our operations are becoming global. As ever, I would like to thank the participants in our clinical trials, our increasing circle of clinical collaborators around the world, our shareholders for their continuous support of Vicore's work and our employees for responding smoothly to the challenges of growth.

Carl-Johan Dalsgaard, CEO



Business and Focus Areas

Vicore is a rare disease pharmaceutical company focused on fibrotic lung disease and related indications. The company currently has four development programs, VP01, VP02, VP03 and VP04 in IPF and other related lung indications.The goal is to build significant value by generating strong clinical data and thereby creating the prerequisites for future financing and commercial collaborations.

Further down the road, our goal is to obtain regulatory approval and launch orphan drugs to help patients suffering from fibrotic lung disease. Orphan indications, such as IPF, offer the opportunity for commercialisation with targeted marketing and reimbursement. Fibrotic lung disease is an area where there is great need for new and effective treatments, attracting considerable interest from large pharmaceutical companies for commercial partnerships.

Patient focus

Patient focus is something Vicore demonstrates in all of our actions. Vicore works with patient groups in severe lung diseases, non-profit organizations started by patients, caregivers, family members or healthcare professionals, to understand their experiences and needs. Vicore also sponsors EU-IPFF, the European charity and patient organization for IPF.

Vicore's shares are listed on the Nasdaq Stockholm main market.

"Vicore is a rare disease company focused on fibrotic lung disease and related indications."

Goal

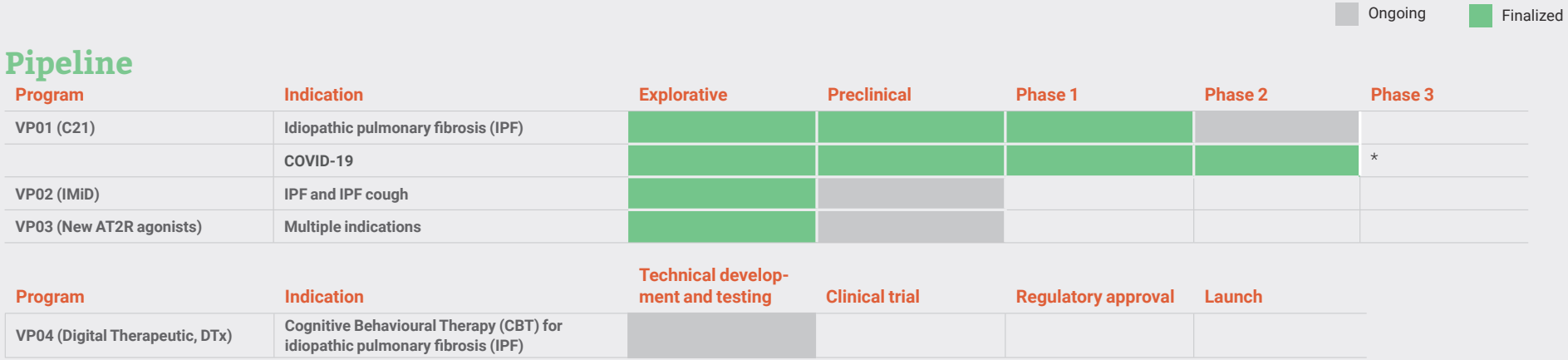
Vicore's goal is to establish itself as a leading company in fibrotic lung disease and related indications. Through clinical studies, Vicore will document the therapeutic properties of VP01 (C21), VP02 (the IMiD-technology), VP03 (new AT2R agonists) and VP04 (digital therapeutics) in IPF and other indications. By generating strong clinical data, Vicore will build significant value in the company and thereby create the prerequisites for future financing and commercial collaborations. The company's long-term goal is to obtain regulatory approval and launch medicines to help patients suffering from fibrotic lung disease.

Vision

Vicore's vision is to remove the pain and suffering caused by fibrotic lung disease. As a company, we pride ourselves on our collaborative approach to science and are committed to working closely with the patient community, scientific experts and clinicians to find innovative solutions that meet their needs.

Program Overview

Pipeline



Program	Indication	Explorative	Preclinical	Phase 1	Phase 2	Phase 3
VP01 (C21)	Idiopathic pulmonary fibrosis (IPF)					
	COVID-19					*
VP02 (IMiD)	IPF and IPF cough					
VP03 (New AT2R agonists)	Multiple indications					

Program	Indication	Technical development and testing	Clinical trial	Regulatory approval	Launch
VP04 (Digital Therapeutic, DTx)	Cognitive Behavioural Therapy (CBT) for idiopathic pulmonary fibrosis (IPF)				

* Phase 3 trial approval has currently been granted in US, South Africa, Czechia, India, Ukraine and Brazil .

VP01 - AT2 receptor agonist - first in class

Vicore's drug candidate C21 (VP01 program) originates from extensive research on the Renin-Angiotensin System (RAS). RAS is a hormone system that regulates several important physiological processes. In the RAS cascade, the circulating hormone precursor angiotensinogen is converted to Angiotensin I by the enzyme renin released from the kidneys when blood pressure drops. Angiotensin I is then converted to Angiotensin II (Ang II) by angiotensin-converting enzyme (ACE). Ang II acts via two specific receptors, the angiotensin II type 1 receptor (AT1R) and the angiotensin II type 2 receptor (AT2R).

The AT1R is widespread and continuously active. The expression of the AT2R, on the other hand, is normally low in adult tissues but can be upregulated during repair and regeneration. Interestingly, the AT2R is relatively highly expressed in type II alveolar epithelial cells in the normal lung where these cells play an important role in maintaining normal alveolar function. These cells are also known to contribute to pulmonary fibrosis when they lose their normal function, for example following excessive exposure to inhaled toxic materials and microorganisms.

The AT1R is mainly involved in blood pressure regulation though several different mechanisms related to constriction of blood vessels and fluid retention, but also contributes to innate immunity through pro-inflammatory actions. The vasoconstrictive effect of the AT1R arm of the RAS is an important rescue mechanism following hypotension due to trauma and blood loss. However, when this system "over-shoots", it can also contribute to the pathogenesis of diseases such as hypertension, myocardial infarction and different fibrotic conditions including pulmonary fibrosis and chronic kidney disease.

The AT2R is on the other hand an inducible system that can be seen as a mechanism responsible for resolution and regeneration following the defensive immune and vascular reactions to injury. Natural ligands/agonists of AT2R such as Ang 1-9 and Ang 1-7 are fragments of Angiotensin I and II cleaved by angiotensin-converting enzyme 2 (ACE2).

Vicore's candidate drug C21 is an AT2R agonist, i.e. it binds to and activates AT2R.

Vicore has shown pronounced effects with C21 in a gold-standard preclinical model considered predictive of human pulmonary hypertension (PH), the so called Sugen-Hypoxia-induced PH model. PH is a common and serious complication of interstitial lung disease, including IPF, and treatment options are extremely limited.

C21 has also shown robust effects in idiopathic pulmonary fibrosis (IPF) lung tissue. Human IPF lung tissue harvested from a patient during lung transplantation showed stable expression of AT2R, the C21 target, and treatment with clinically relevant concentrations of C21 caused a dose-dependent decrease of TGFβ1, a key growth factor in fibrosis development.

C21 has previously shown very good effects in animal models with pulmonary fibrosis and is now being evaluated in a phase 2 trial in patients with IPF and a phase 3 trial in COVID-19.

Vicore has received the FDA and EMA

Orphan Drug Designation for C21 in IPF. Among other benefits, this designation provides for up to ten years of market exclusivity (from the date of registration of an approved drug) in Europe and seven years in the United States.

Program status VP01

Idiopathic pulmonary fibrosis (IPF)

The phase 2 trial in IPF (AIR) has been designed in collaboration with international clinical experts in IPF and will investigate both safety and lung function. The trial aims to support the decision to initiate a confirmatory phase 2b/3 trial and is performed in the UK, India, Ukraine and Russia.

The study is designed as an open-label six month trial in approximately 60 patients and also offers patients the opportunity to continue treatment for an additional three months. The goal is to perform the best possible trial to answer the question if C21 can significantly slow the decline in lung function in patients with IPF.

The first patient was dosed in India in November 2020. The trial is estimated to read-out in Q4 2022 at current recruiting plan and outlook.

COVID-19

During 2020, Vicore conducted a phase 2 trial with C21 in 106 patients with COVID-19 (ATTRACT). In October 2020, the company reported that the trial was fully recruited. Top-line data was published in December 2020.

The study was designed as a randomized, double blind, placebo-controlled trial in patients with moderately severe disease, requiring basic respiratory support, but not mechanical ventilation. It investigated the safety and efficacy of C21 on respiratory failure and other functional outcomes. The vast majority of the patients received corticosteriod treatment as part of standard of care.

The clinical results from the trial were positive demonstrating that C21 can restore lung function in COVID-19, suggesting that C21 can prevent disease progression.

Summarized, the trial showed that the risk for patients of needing oxygen supplementation in the C21 group was decreased by 58% (p=0.026) at day 8 after start of treatment. At day 14 there was only one patient in the C21 group in need of oxygen supplementation compared to eleven patients in the placebo group (p=0.003), a reduction of more than 90%.

In the subgroup of patients needing oxygen supplementation (about 30 patients per treatment group), C21 produced a more distinct reduction of CRP (C-reactive protein). There was also a clear trend for C21 reducing the number of patients needing mechanical ventilation and a trend for C21 reducing mortality. The treatment was reported safe and well tolerated. There were no treatment-related side effects.

In June 2021, Vicore received approval from the U.S. Food and Drug Administration (FDA) to start a pivotal phase 3 trial with C21 in COVID-19 (ATTRACT-3).

The study is designed as a randomized, double-blind, placebo-controlled, multinational, phase 3 trial that will include 600 adult patients hospitalized with COVID-19 and requiring oxygen support but not invasive mechanical ventilation. The primary objective is to evaluate the effect of C21 on recovery from COVID-19. The patients will be randomized to receive 100 mg C21 or placebo twice daily on top of standard of care (SoC) for 14 days and patients will be followed for 60 days. Beyond the US, trial start-up activities are ongoing at more than 50 clinical centers in South and Central America, Europe, Africa and Asia. Trial approval has currently been granted in US, South Africa, Czechia, India, Ukraine and Brazil . Topline data from ATTRACT-3 is expected during the first half of 2022 at current recruiting plan and outlook.

VP02 – Targeting IPF and IPF-related cough

In the VP02 program, Vicore is developing a novel formulation of thalidomide, which is an existing immunomodulatory drug (IMiD), to be administered locally to the lung by loading the drug molecules into inhalable amorphous silicaparticles. It is thought that the actions of thalidomide suppress pathways involved in the cough reflex together with antifibrotic effects.

Many IPF patients suffer from a chronic intractable cough which considerably affects the patients' quality of life due to sleep disturbances, difficulties at work and stress incontinence[1]. Currently, there is no established therapy for IPF-related cough and standard cough medications have little or no effect on the disease. The anti-cough mechanism of VP02 in IPF is unknown, but the cough is thought to be due to structural changes in the lungs, increased sensitivity of the cough reflex, airway inflammation and/or changes in mucus production and clearance[2].

Using IMiDs to treat IPF-related cough is a breakthrough finding which has been shown to have clinical validity. IMiDs have documented antifibrotic and anti-inflammatory attributes and may therefore be well suited for treatment of a number of interstitial lung diseases. In a clinical trial, an IMiD given orally demonstrated a significant positive effect on patients with IPF, reducing the cough and dramatically improving quality of life which is not seen in other interventional clinical trials[3].

However, the high risk of severe side effects such as peripheral neuropathy, constipation and sedation due to systemic IMiD exposure has limited their use. Vicore's novel VP02 program aims to eliminate the negative aspects of systemic exposure by developing thalidomide for local administration to the lungs.

Program status VP02

The inhaled formulation for local delivery of thalidomide to treat IPF-related cough is in preclinical development, finetuning the formulation and preparing for the toxicological studies. In order to manufacture the amorphous silica particles for the first clinical trial, Vicore has entered into an agreement with Nanologica AB for tech transfer to the UK manufacturer Sterling Ltd.

GLP toxicity studies with VP02 are estimated to start during the fall of 2021 followed by a phase 1 study during 2022.

VP03 – New AT2R agonists

Within this program, Vicore aims to develop new patentable AT2R agonists. The objective is to develop competitive pharmaceutical products also for broader indications where it is not possible to obtain orphan drug status.

In November, Vicore strengthened its portfolio of new chemical entities for the VP03 program by aquiring the intellectual property rights (IPR) to a series of novel AT2R agonists from HaLaCore Pharma.

Program status VP03

The VP03 program, which is in the preclinical phase, is progressing well and potential drug candidates are under evaluation. The development work is done in collaboration with Emeriti Bio and HaLaCore Pharma.

The aim is to have a candidate drug by year-end and start a phase 1 trial during the first six months of 2022.

VP04 – Digital Therapeutics – a broader perspective

The VP04-program consists of a digital therapeutic (DTx) based on cognitive behavioral therapy (CBT) to address the psychological impact of living with IPF. Vicore is collaborating with Alex Therapeutics for the development. Alex Therapeutics is a Swedish medtech company specializing in design and development of medical device software, with expertise in technology and clinical psychology.

The product will be evaluated through real-world pilots and clinical trials as well as regulatory approvals, similar to medical device development.

Program status VP04

In 2021, the focus is on technical development of the software with the goal of starting a clinical trial in Q2 2022.

1. Saini et al 2011 2. Vigeland et al 2017 3. Horton et al 2012

Financial Information

Operating income

Net sales for the second quarter amounted to 0.0 MSEK (0.0) and 0.0 MSEK (0.0) for the first half of the year.

Operating expenses

Operating expenses for the second quarter amounted to -68.8 MSEK (-34.8) and to -116.4 MSEK (-63.6) for the first six months. The increase in operating expenses is mainly attributable to increasing research and development expenses.

Administrative expenses

Administrative expenses for the second quarter amounted to -4.7 MSEK (-4.9). The costs for share-based incentive programs related to administrative staff amounted to +1.5 MSEK (-1.3) for the second quarter and to +1.9 MSEK (-1.3) for the first half of the year. The positive values represent a reversal of booked provisions for social security contributions linked to the incentive programs due to a change in the underlying share price. For further information, see "Costs for share-based incentive programs

Research and development expenses

Research and development expenses for the second quarter amounted to -63.7 MSEK (-29.7). The increase is mainly explained by a rise in clinical costs due to increased activity in the ongoing clinical studies AIR (IPF) and ATTRACT-3 (COVID-19). The costs for share-based incentive programs related to research and development staff amounted to 0.0 MSEK (-0.3) for the second quarter and to -0.1 MSEK (-0.4) for the first six months. Research and development expenses relative to operating expenses, which is one of the company's alternative performance measures, for the second quarter were 92.7 percent (85.4).

Other operating income and expenses

Other operating income and expenses for the second quarter amounted to 0.0 MSEK (7.1) and to -0.7 MSEK (7.0) for the first half of the year. During the second quarter 2020, Vicore received a grant of 1.5 GBP million from the British charity organisation LifeArc for the ATTRACT study in patients with COVID-19. Other operating income and expenses mainly consist of exchange rate differences on supplier invoices.

Costs for share-based incentive programs

The cost for social contributions for share-based incentive programs varies from quarter to quarter due to the change in the underlying share price. Associated provisions are reported as other provisions under non-current and current liabilities. The total costs for the share-based incentive programs for the second quarter amounted to +1.3 MSEK (-1.5) and to +1.6 MSEK (-1,6) for the first six months. Of the +1.3 MSEK (-1.5) for the second quarter, -0.8 MSEK (-0.7) consists of IFRS 2 classified salary costs and +2.1 MSEK (-0.8) provisions for social security contributions. These costs have had no cash flow impact.

Result

The operating loss for the second quarter amounted to -68.4 MSEK (-27.5) and to -116.0 MSEK (-56.3) for the first half of the year. The result from financial items amounted to -2.1 MSEK (3.1) for the second quarter and to -2.8 MSEK (3.4) for the first six months. This is mainly attributable to changes in the value of the company's long-term investment (I-Tech). The result after financial items for the second quarter amounted to -70.6 MSEK (-24.3) and to -118.8 MSEK (-52.8) for the first half of the year.

Financial calendar

November 4, 2021 Interim report, Q3

February 25, 2022 Year-end report 2021

Financial reports are available on the company's website www.vicorepharma.com from the day of publication.

Tax for the second quarter amounted to 0.1 MSEK (0.1) and to 0.2 MSEK (0.2) for the first six months. Tax is related to a change in deferred tax liability attributable to acquired intangible assets. The group's accumulated tax loss carryforwards according to the Annual Report for 2020 amounted to 413.2 MSEK. The group's tax loss carryforwards have not been valued and are not recognized as a deferred tax asset. These tax loss carryforwards will be accounted for only when the group has established a level of earnings which management with confidence estimates will lead to taxable profits.

The loss for the second quarter amounted to -70.4 MSEK (-24.2) and to -118.5 MSEK (-52.6) for the first half of the year. Earnings per share before and after dilution amounted to -0.98 SEK (-0.48) for the second quarter and to -1.75 SEK (-1.04) for the first six months.

Cash flow, investments and financial position

Cash flow from operating activities for the second quarter amounted to -73.8 MSEK (-25.8) and to -121.5 MSEK (-55.1) for the first half of the year. Adjustment for items not included in the cash flow for the second quarter amounted to 1.8 MSEK (1.6) and mainly comprised IFRS 2 classified salary costs for share-based incentive programs and amortization of acquired intangible assets.

Cash flow from investing activities for the second quarter amounted to 0.0 MSEK (0.0) and to -77.0 MSEK (0.0) for the first six months. The difference compared with the previous year is mainly attributable to the acquisition of short-term interest-bearing investments.

Cash flow from financing activities for the first quarter amounted to -0.4 MSEK (0.0) and to 318.3 MSEK (2.5) for the first half of the year. On February 10, 2021, the company completed a directed share issue of 336 MSEK before transaction costs amounting to approximately 17.6 MSEK. The directed share issue was approved at an Extraordinary General Meeting in March 2021.

As of June 30, 2021, cash and cash equivalents amounted to 367.0 MSEK (248.6 MSEK as of December 31, 2020) and short-term investments amounted to 147.5 MSEK (77.1 MSEK as of December 31, 2020). Accordingly, cash, cash equivalents and short-term investments amounted in total to 514.4 MSEK (318.7 MSEK as of December 31, 2020).

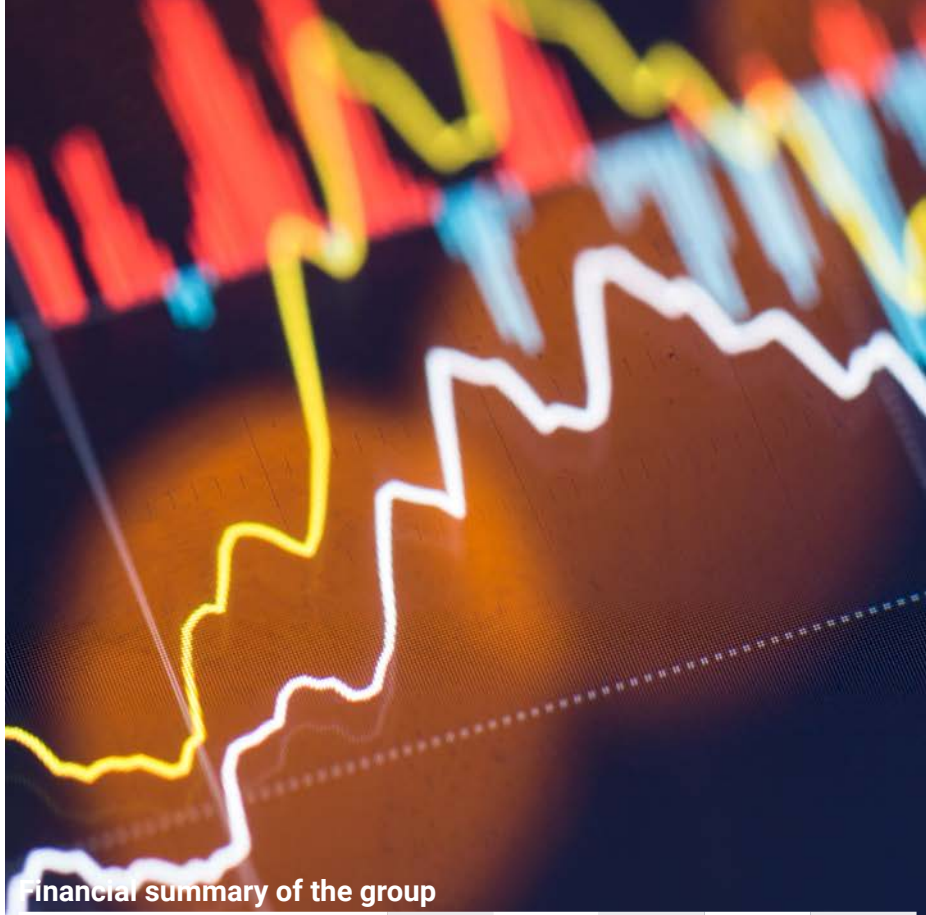
Equity

Equity as of June 30, 2021, amounted to 559.2 MSEK (272.7), corresponding to 7.79 SEK (5.41) per share. The company's equity ratio at the end of the period, which is one of the company's alternative performance measures, was 90.5 percent (93.7 percent). The company believes that this key ratio provides investors with useful information of the company's capital structure.

Parent company

Net sales for the parent company for the second quarter amounted to 1.6 MSEK (0.9) and to 2.6 MSEK (1.8) for the first six months. Net sales mainly consisted of management fees from group companies. Administrative expenses for the second quarter amounted to -4.6 MSEK (-4.8) and to -9.0 MSEK (-9.2) for the first half of the year. The operating loss for the second quarter amounted to -3.4 MSEK (-4.2) and to -7.3 MSEK (-8.1) for the first six months. The loss for the second quarter amounted to -3.2 MSEK (-4.1) and to -7.0 MSEK (7.8) for the first six months.

The group ("Vicore") consists of the parent company, Vicore Pharma Holding AB (publ) and the subsidiaries Vicore Pharma AB and INIM Pharma AB.



Financial summary of the group

Amounts in MSEK	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	2020 Jan-Dec
Net sales	0.0	0.0	0.0	0.0	0.0
Operating loss	-68.4	-27.5	-116.0	-56.3	-149.5
Loss for the period	-70.4	-24.2	-118.5	-52.6	-146.9
Loss per share, before/after dilution (SEK)[1]	-0.98	-0.48	-1.75	-1.04	-2.71
Research and development costs/ operating costs (%)[2]	92.7	85.4	91.1	84.6	84.7
Equity at the end of the period	559.2	272.7	559.2	272.7	354.5
Cash flow from operating activities	-73.8	-25.8	-121.5	-55.1	-119.9
Cash and cash equivalents and short-term investments at the end of the period	514.4	212.4	514.4	212.4	318.7

[1] There is no dilution effect for potential ordinary shares for periods were earnings have been negative.

[2] Alternative performance measure (APM). Defined on page 20.

Other Information

Personnel

As of June 30, 2021, the group had 17 employees, of whom eleven were women and six men. Twelve of the employees are active in R&D. The group also engages consultants for specialist tasks and assignments on a frequent basis.

The share

Vicore's shares are listed on Nasdaq Stockholm with the ticker VICO and ISIN SE0007577895. As of June 30, 2021, the total number of shares amounted to 71,760,293 and the market capitalization was 1,482 MSEK. The company's shares are issued in one class and each share carries one vote.

Largest shareholders

Largest shareholders in Vicore as of June 30, 2021:

Shareholder	No. of shares	%
HealthCap VII L.P.	15,929,908	22.2%
Swedbank Robur	7,130,936	9.9%
Fourth Swedish National Pension Fund	6,632,041	9.2%
Handelsbanken Funds	4,081,570	5.7%
Göran Wessman[1]	4,030,340	5.6%
HBM Healthcare Investments (Cayman) Ltd.	2,850,000	4.0%
Third Swedish National Pension Fund	1,891,425	2.6%
Länsförsäkringar Funds	1,854,263	2.6%
Unionen	1,663,990	2.3%
Kjell Stenberg	1,531,303	2.1%
Second Swedish National Pension Fund	1,050,000	1.5%
Alfred Berg Funds	895,149	1.2%
Other	22,219,368	31.0%
Total number of shares	**71,760,293**	**100.0%**

[1] Shareholdings privately and through Protem Wessman AB where Göran Wessman controls 40 percent of votes/capital.

Share-based incentive programs

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

At the Extraordinary General Meeting on August 13, 2018, it was resolved to implement two new incentive programs: a maximum of 2,000,000 employee stock options to senior leaders and key persons ("Co-worker LTIP 2018"); and a maximum of 475,000 share awards to board members ("Board LTIP 2018").

At the Annual General Meeting on May 20, 2020, it was resolved to implement a new incentive program for certain board members ("Board LTIP 2020") amounting to a maximum of 525,000 share awards.

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

All these programs are performance-based programs entitling the holder to a maximum of one common share in Vicore per option or share award after three years.

For further information about these programs, see the Annual Report 2020, the minutes of the Extraordinary General Meeting 2018, the minutes of the Annual General Meeting 2020 and the minutes of the Annual General Meeting 2021, which are published on the company's website, www.vicorepharma.com. The increase in the company's share capital, assuming full utilization and maximum goal achievement of all incentive programs (i.e. including non-granted employee stock options and warrants that may be used as hedge for social security contributions), amounts to a maximum of SEK 3,036,500, corresponding to a dilution of 7.8 percent of the total number of shares.

As of June 30, 2021, a total of 475,000 share awards have been granted in the Board LTIP 2018 program, 525,000 share awards have been granted in the Board LTIP 2020 program, 61,773 share awards have been granted in the Board LTIP 2021 program and employee stock options corresponding to 1,325,800 shares have been granted in the Co-worker LTIP 2018 program. Assuming full utilization and maximum goal achievement of all granted share awards and employee stock options as of June 30, 2021 amounts to 2,387,573 shares, corresponding to a dilution of 3.2 percent of the total number of shares. The table below follows a summary of the total number of shares that granted share awards and employee stock options may entitle to as of June 30, 2021.

Summary of the number of shares which granted employee stock options and share awards may entitle to as of June 30, 2021	
Employee stock options	
Co-worker LTIP 2018	1,325,800
Co-worker LTIP 2021	-
Total number of shares that granted employee stock options may entitle to	**1,325,800**
Share awards	
Board LTIP 2018	475,000
Board LTIP 2020	525,000
Board LTIP 2021	61,773
Total number of shares that granted share awards may entitle to	**1,061,773**
Total number of shares granted employee stock options and share awards may entitle to	**2,387,573**

Other financial asset

Vicore holds 91,829 shares in I-Tech AB (publ), which are classified as a financial asset. As of June 30, 2021, the value of the financial asset was 5.8 MSEK.

Audit review

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

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

Gothenburg, August 26, 2021

Michael Wolff-Jensen
Chairman

Sara Malcus
Board member

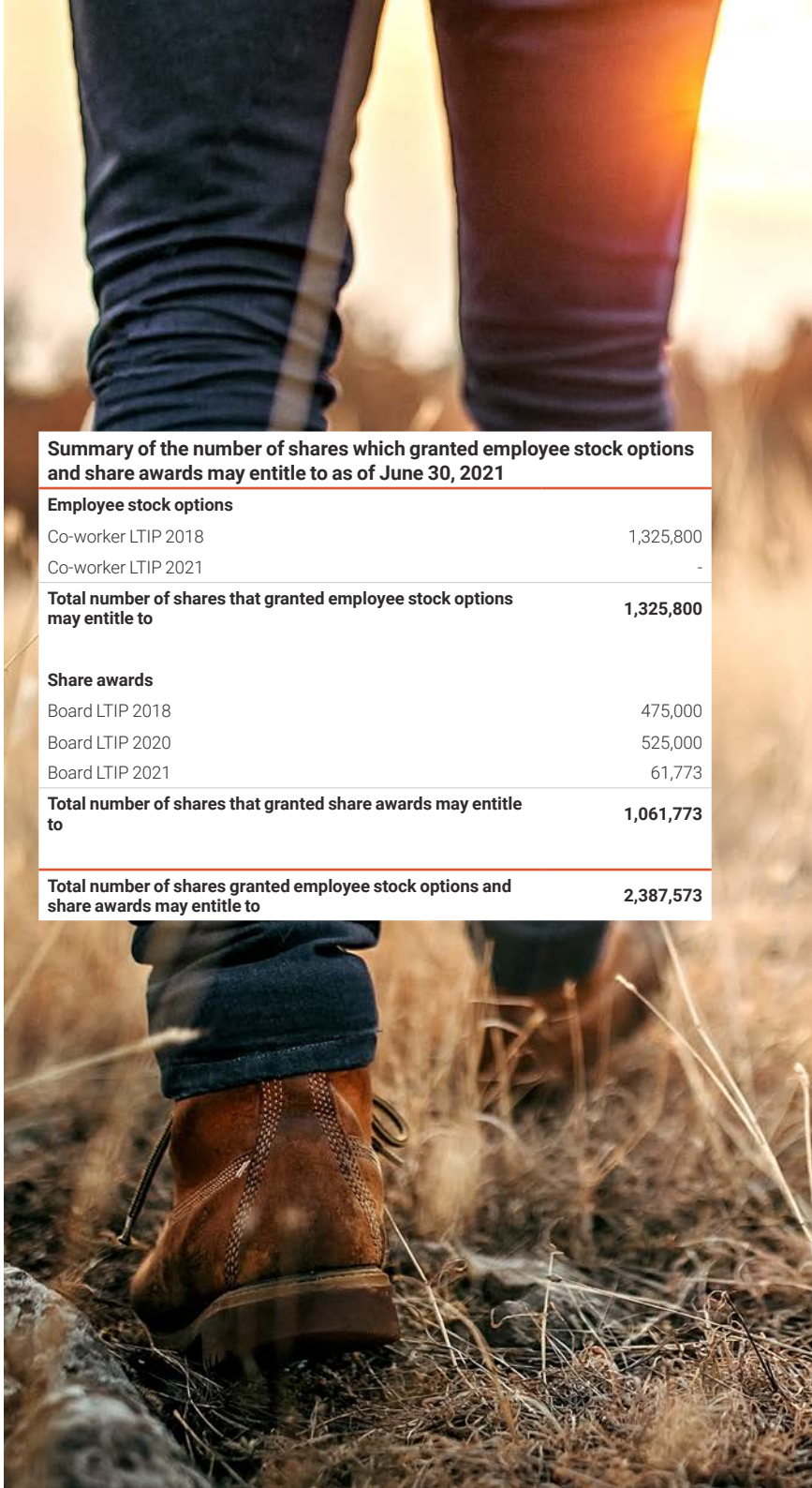
Heidi Hunter
Board member

Hans Schikan
Board member

Jacob Gunterberg
Board member

Maarten Kraan
Board member

Carl-Johan Dalsgaard
CEO



Financial reports
Group

Group statement of comprehensive income in summary

KSEK	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	2020 Jan-Dec
Net sales	0	0	0	0	0
Gross profit	**0**	**0**	**0**	**0**	**0**
Administrative expenses	-4,685	-4,903	-9,209	-9,472	-24,986
Research and development expenses	-63,727	-29,701	-106,027	-53,785	-142,021
Other operating income and expenses	-27	7,131	-736	7,002	17,469
Profit/loss from operations	**-68,439**	**-27,473**	**-115,972**	**-56,255**	**-149,538**
Financial income	198	3,137	338	3,428	2,229
Financial expenses	-2,312	0	-3,139	0	-6
Net financial income/expense	**-2,114**	**3,137**	**-2,801**	**3,428**	**2,223**
Profit/loss before tax	**-70,553**	**-24,336**	**-118,773**	**-52,827**	**-147,315**
Tax	114	114	228	231	453
Loss for the period attributable to the parent company´s shareholders	**-70,439**	**-24,222**	**-118,545**	**-52,596**	**-146,862**
Other comprehensive income					
Other comprehensive income	0	0	0	0	0
Other comprehensive income for the period, net of net of tax	**-70,439**	**-24,222**	**-118,545**	**-52,596**	**0**
Total comprehensive income attributable to the parent company´s shareholders	**-70,439**	**-24,222**	**-118,545**	**-52,596**	**-146,862**
Earnings per share, before and after dilution (SEK)	**-0.98**	**-0.48**	**-1.75**	**-1.04**	**-2.71**

Consolidated statement of financial position in summary

KSEK	2021 Jun 30	2020 Jun 30	2020 Dec 31
ASSETS			
Fixed assets			
Patent, licenses and similar rights	69,091	66,418	70,755
Equipment	98	128	113
Contract asset	444	123	139
Long-term investments	5,822	9,183	7,530
Deferred tax asset	167	102	131
Total fixed assets	**75,622**	**75,954**	**78,668**
Current Assets			
Other receivables	2,400	1,029	5,354
Prepaid expenses and accrued income	25,450	1,818	3,757
Short-term investments	147,456	77,392	70,118
Cash and cash equivalents	366,980	134,975	248,618
Total current assets	**542,286**	**215,214**	**327,847**
TOTAL ASSETS	**617,908**	**291,168**	**406,515**
EQUITY AND LIABILITIES			
Equity attributable to parent company shareholders	**559,197**	**272,732**	**354,513**
LIABILITIES			
Non-current liabilities			
Contract liability	445	125	0
Other provisions	1,722	1,080	2,385
Deferred tax liability	1,371	1,696	1,531
Total non-current liabilities	**3,538**	**2,901**	**3,916**
Current liabilities			
Contract liability	0	0	140
Trade payables	34,257	9,896	10,943
Current tax liability	264	469	553
Other liabilities	814	494	3,132
Other provisions	906	0	3,792
Accrued expenses and deferred income	18,932	4,676	29,526
Total current liabilities	**55,173**	**15,535**	**48,086**
TOTAL LIABILITIES	**58,711**	**18,436**	**52,002**
TOTAL EQUITY AND LIABILITIES	**617,908**	**291,168**	**406,515**

Consolidated statement of changes in shareholders' equity in summary

	Shareholders' equity attributable to the parent company				
KSEK	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	2020 Jan-Dec
Equity at the beginning of the period	**629,149**	**296,262**	**354,513**	**321,597**	**321,597**
Profit for the period	-70,439	-24,222	-118,545	-52,596	-146,862
Other comprehensive income for the period	0	0	0	0	0
Total comprehensive income for the period	**-70,439**	**-24,222**	**-118,545**	**-52,596**	**-146,862**
Transactions with owners:					
Issue in kind	0	0	3,000	0	0
Issue of new shares	0	0	336,000	2,550	187,550
Issue costs	-386	0	-17,578	0	-10,404
Long-term incentive program	873	692	1,807	1,181	2,632
Total transactions with owners	**487**	**692**	**323,229**	**3,731**	**179,778**
Equity at the end of the period	**559,197**	**272,732**	**559,197**	**272,732**	**354,513**

Consolidated statement of cash flow

KSEK	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	2020 Jan-Dec
Operating activities					
Operating profit	-68,439	-27,473	-115,972	-56,255	-149,538
Adjustment for items not included in the cash flow	1,756	1,563	3,599	2,958	6,202
Interest received	0	0	0	0	726
Interest paid	-7	-2	-7	-3	-6
Cash flow from operating activities before changes in working capital	**-66,690**	**-25,912**	**-112,380**	**-53,300**	**-142,616**
Cash flow from changes in working capital					
Change in operating receivables	-21,102	-853	-21,739	-945	-3,867
Change in operating payables	13,963	958	12,597	-850	26,548
Cash flow from operating activities	**-73,829**	**-25,807**	**-121,522**	**-55,095**	**-119,935**
Investing activities					
Acquisition of intangible assets	0	0	0	0	-3,000
Acquisition of short-term investments	0	0	-77,000	0	-70,000
Sale of short-term investments	0	0	0	0	77,000
Cash flow from investing activities	**0**	**0**	**-77,000**	**0**	**4,000**
Financing activities					
Amortization contract liability	-43	-31	-113	-66	-179
Issue of new shares	0	0	336,000	2,550	187,550
Issue costs	-386	0	-17,578	0	-10,404
Cash flow from financing activities	**-429**	**-31**	**318,309**	**2,484**	**176,967**
Cash flow for the period	**-74,258**	**-25,838**	**119,787**	**-52,611**	**61,032**
Cash and cash equivalents at the beginning of the period	**442,663**	**160,813**	**248,618**	**187,586**	**187,586**
Foreign exchange difference in cash and cash equivalents	**-1,425**	**0**	**-1,425**	**0**	**0**
Cash and cash equivalents at the end of the period	**366,980**	**134,975**	**366,980**	**134,975**	**248,618**

Financial reports
Parent company

Parent company's income statement

KSEK	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	2020 Jan-Dec
Net sales	1,639	918	2,557	1,836	3,672
Gross profit	**1,639**	**918**	**2,557**	**1,836**	**3,672**
Administrative expenses	-4,594	-4,798	-9,038	-9,195	-24,663
Research and development expenses	-414	-415	-828	-830	-1,658
Other operating income and expenses	-14	46	-38	46	44
Profit/loss from operations	**-3,383**	**-4,249**	**-7,347**	**-8,143**	**-22,605**
Interest income and similar profit items	198	182	338	364	817
Interest expenses and similar loss items	-2	-36	-2	-36	-38
Net financial income/expense	**196**	**146**	**336**	**328**	**779**
Result after financial items	**-3,187**	**-4,103**	**-7,011**	**-7,815**	**-21,826**
Tax	18	18	36	39	69
The result for the period	**-3,169**	**-4,085**	**-6,975**	**-7,776**	**-21,757**

Parent company's statement of comprehensive income

KSEK	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	2020 Jan-Dec
The result for the period	-3,169	-4,085	-6,975	-7,776	-21,757
Other comprehensive income	0	0	0	0	0
Total comprehensive income for the period	**-3,169**	**-4,085**	**-6,975**	**-7,776**	**-21,757**

Parent company's balance sheet

KSEK	2021 Jun 30	2020 Jun 30	2020 Dec 31
ASSETS			
Fixed assets			
Patent, licenses and similar rights	0	0	6,000
Participations in group companies	695,531	276,046	396,303
Long-term investments	565	565	565
Deferred tax asset	167	102	131
Total fixed assets	**696,263**	**276,713**	**402,999**
Current assets			
Receivables			
Receivables from group companies	0	15,000	0
Other receivables	416	297	305
Prepaid expenses and accrued income	966	372	270
	1,382	**15,669**	**575**
Short-term investments	147,456	77,392	70,118
Cash and cash equivalents	130,635	125,972	195,822
Total current assets	**279,473**	**219,033**	**266,515**
TOTAL ASSETS	**975,736**	**495,746**	**669,514**

Parent company's balance sheet

KSEK	2021 Jun 30	2020 Jun 30	2020 Dec 31
EQUITY AND LIABILITIES			
EQUITY			
Restricted equity			
Share capital	35,880	25,209	30,209
Total restricted equity	**35,880**	**25,209**	**30,209**
Non-restricted equity			
Share premium reserve	1,003,762	518,416	688,011
Accumulated profit or loss	-62,433	-43,936	-42,483
Profit (loss) for the period	-6,975	-7,776	-21,757
Total non-restricted equity	**934,354**	**466,704**	**623,771**
TOTAL EQUITY	**970,234**	**491,913**	**653,980**
LIABILITIES			
Provisions			
Other provisions	2,127	921	5,312
Deferred tax liability	152	93	120
Total provisions	**2,279**	**1,014**	**5,432**
Current liabilities			
Trade payables	922	741	764
Current tax liability	112	324	385
Other liabilities	498	365	1,725
Accrued expenses and deferred income	1,691	1,389	7,228
Total current liabilities	**3,223**	**2,819**	**10,102**
TOTAL LIABILITIES	**5,502**	**3,833**	**15,534**
TOTAL EQUITY AND LIABILITIES	**975,736**	**495,746**	**669,514**

Notes

Note 1 General information

This report covers the Swedish parent company Vicore Pharma Holding AB (publ), corporate registration number 556680-3804, and its subsidiaries. The parent company is a limited liability company with its registered office in Gothenburg, Sweden. The address of the main office is Kronhusgatan 11, 411 05 Gothenburg, Sweden. The main operation of the group is research and development of pharmaceutical products.

The interim report for the second quarter 2021 was approved for publication on Augusti 26, 2021, in accordance with a board decision on August 25, 2021.

Note 2 Accounting principles

Vicore's consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as well as the interpretations from the IFRS Interpretation Committee (IFRS IC) as adopted by the European Union (EU). Furthermore, the group also applies the Annual Accounts Act (1995: 1554) and the Swedish Financial Reporting Board's recommendation RFR 1 "Supplementary Accounting Rules for Groups." Relevant accounting and valuation principles could be found on pages 42-45 of the Annual Report for 2020.

The interim report for the second quarter has been prepared in accordance with IAS 34 Interim Financial Reporting. The parent company applies the Annual Accounts Act and RFR 2 Accounting for Legal Entities.

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

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

The accounting principles and calculation methods remain unchanged from those applied in the Annual Report for the financial year January 1 - December 31, 2020.

Note 3 Related-party transactions

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

Vicore Pharma AB invoiced INIM Pharma AB approximately 0.7 MSEK during the second quarter and approximately 1.5 MSEK for the first six months for management fee.

Vicore Pharma Holding AB has invoiced the subsidiary Vicore Pharma AB approximately 0.7 MSEK during the second quarter and approximately 1.4 MSEK for the first six months for management fee. Vicore Pharma Holding AB has invoiced the subsidiary Vicore Pharma AB approximately 0.7 MSEK during the second quarter and approximately 6.7 MSEK for the first six months for reinvoiced consulting costs.

Vicore Pharma Holding AB has invoiced the subsidiary INIM Pharma AB approximately 0.2 MSEK during the second quarter and approximately 0.4 MSEK for the first six months for management fee.

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

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

Operational risks

Vicore is engaged in research and development operations through its subsidiary Vicore Pharma. Research and development involve a significant inherent level of risk and is a capital-intensive process. The majority of initiated projects in the drug development industry will never reach market registration due to technological risks, including the risk for insufficient efficacy, intolerable side effects or manufacturing problems. Up until today, Vicore has not yet generated significant revenue. Vicore's expansion and development related to VP01 and VP02 may be delayed and/or incur greater costs and capital need than expected. Delays can occur for a variety of reasons, including difficulties in reaching agreements with clinics about participation in clinical studies under acceptable conditions, problems in identifying patients for studies, patients not completing a trial, or not returning for follow-up.

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

Financial risks

Through its operations, Vicore is exposed to various types of financial risk; credit risks, market risks (foreign exchange risk, interest rate risk and other price risks) and liquidity risks including refinancing risk. The main refinancing risk relates to the risk of not receiving additional investments from shareholders and other investors. The group's overall risk management objective focuses on the unpredictability of financial markets and strives to minimize potentially unfavorable consequences for the group's financial position and performance.

For more information about operational and financial risks as well as other risk factors, see the Annual Report 2020, which can be downloaded from the company's website, www.vicorepharma.com.

COVID-19-pandemic

The outbreak of the COVID-19 pandemic throughout the world has led to major disruptions in the economies of many countries and has affected the group's ability to carry out clinical studies. The duration and expected development of the COVID-19 pandemic are unknown, and no predictions can be made in relation to the length of present and further measures that different countries and

others may take in response to the crisis. However, any prolongation or worsening of the virus outbreak may lead to e.g. the following:

- the availability and recruitment of potential trial participants in clinical studies as well as their possibility of carrying out non-essential hospital visits is negatively affected. This could lead to delays of the studies, greater study costs and capital need than anticipated,
- disruptions in the operations of third-party manufacturers, clinical research organizations, and other parties on whom Vicore relies, the availability or cost of materials, which could damage Vicore's supply chain or otherwise limit its ability to obtain sufficient materials to manufacture Vicore's drug candidates to be used in clinical trials,
- important suppliers or contract research organisations are experiencing financial distress,
- impairments of intangible assets, and/or
- disruption of financial markets, which can impact the company's refinancing abilities.

Given the evolving nature of the pandemic, the above list is by no means exhaustive, but each of these events, or any combination of them, could amplify the negative impact of the crisis on the group's financial performance and have material adverse effect on the group's business, financial development and shareholder value.

The pandemic is, however, currently not considered to have a significant negative impact on the finances of the company.

Note 5 Financial instruments

Vicore's financial assets and liabilities comprise cash, cash equivalents, long-term investments (I-Tech AB), short-term investments, trade payables, contract liabilities and accrued expenses. The fair value of all financial instruments is materially equal to their carrying amounts. The financial instruments reported at fair value in the balance sheet are comprised of the group's holding of shares in I-Tech AB, which are listed on Nasdaq First North Growth Market. The shares are valued at level 1 in the fair value hierarchy.

Note 6. Depreciation and amortization

Allocation by function

KSEK	2021 apr-jun	2020 apr-jun	2021 jan-jun	2020 jan-jun	2020 Jan-Dec
Administrative expenses	0	0	0	0	0
Research and development expenses	-883	-871	-1,792	-1,745	-3,537
Total	**-883**	**-871**	**-1,792**	**-1,745**	**-3,537**

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

Key Performance Measures

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

In this report, Vicore presents certain key performance measures, including two alternative performance measures that are not defined under IFRS, namely equity ratio and research and development expenses/operating expenses. The company believes that these key performance measures are useful for readers of the financial reports as a complement to other key performance measures, as it enables a better evaluation of the company's financial trends. These alternative performance measures should not be viewed in isolation or be considered to replace the performance indicators that have been prepared in accordance with IFRS. In addition, such performance measures, as the company has defined them, should not be compared with other performance measures with similar names used by other companies. This is because the above-mentioned performance measures are not always defined in the same manner, and other companies may calculate them differently.

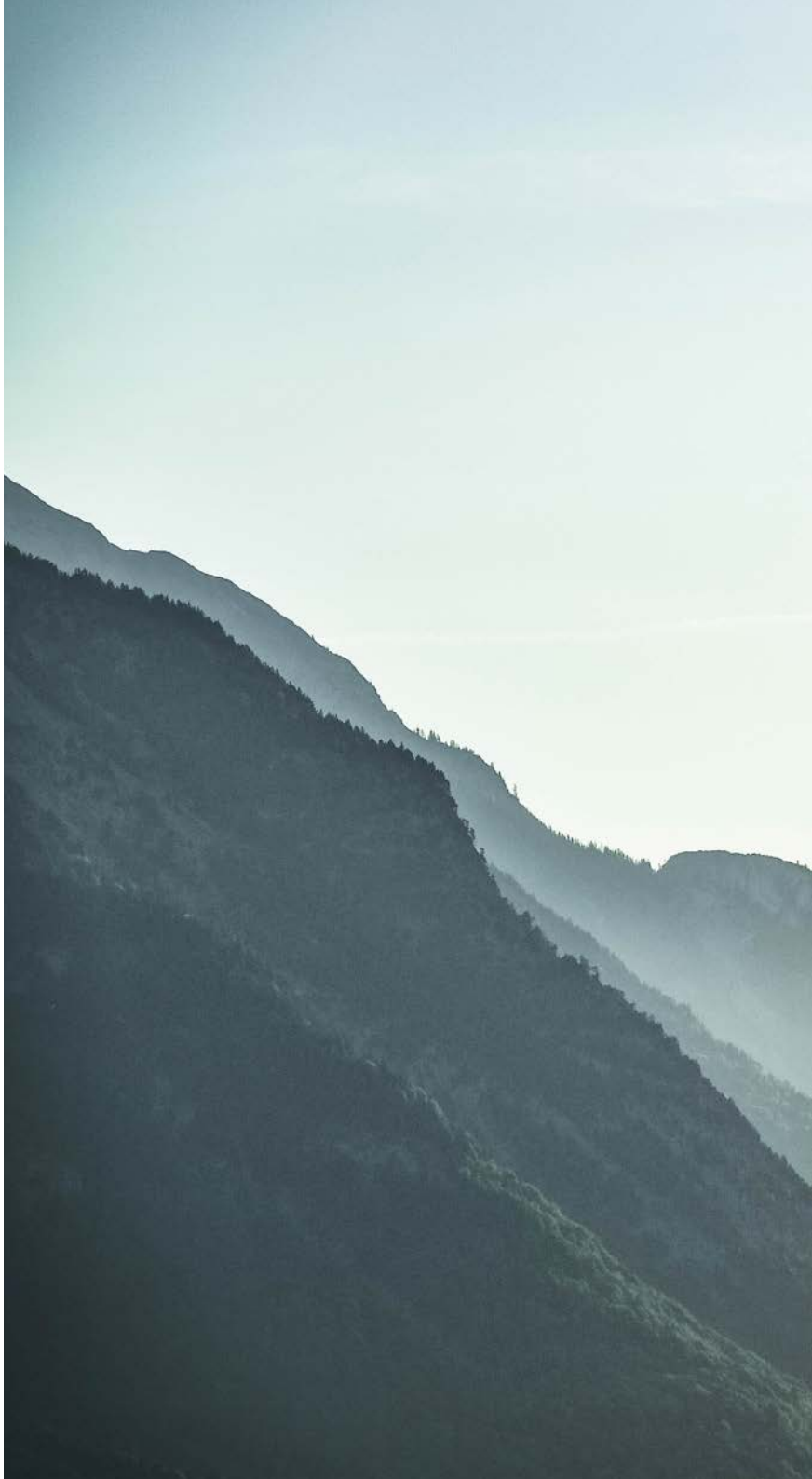
Key performance measures

	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	2020 Jan-Dec
Share capital at the end of period (KSEK)	35,880	25,209	35,880	25,209	30,209
Total registered shares at the beginning of period	71,760,293	50,418,239	60,418,239	50,174,714	50,174,714
Total registered shares at the end of period	71,760,293	50,418,239	71,760,293	50,418,239	60,418,239
Average number of ordinary shares	71,760,293	50,418,239	67,550,366	50,408,821	54,249,185
Total number of shares allocated options and share awards may entitle to	2,387,573	1,765,800	2,387,573	1,765,800	2,325,800
Profit for the period attributable to shareholders of the parent company (KSEK)	-70,439	-24,222	-118,545	-52,596	-146,862
Earnings per share before and after dilution (SEK)[1]	-0.98	-0.48	-1.75	-1.04	-2.71
Equity ratio at the end of the period (%)[2]	90.5	93.7	90.5	93.7	87.2
Research and development expenses/operating expenses (%)[3]	92.7	85.4	91.1	84.6	84.7

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

[2] Equity ratio is the company's alternative performance measure (APM) and is defined on the next page.

[3] Research and development expenses/operating expenses (%) is the company's alternative performance measure (APM) and is defined on the next page.



Definitions and reconciliation of alternative performance measures

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

Derivation

	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	2020 Jan-Dec
Equity ratio at the end of the period (%)					
Total shareholders' equity at the end of the period (KSEK)	559,197	272,732	559,197	272,732	354,513
Total assets at the end of the period (KSEK)	617,908	291,168	617,908	291,168	406,515
Equity ratio at the end of the period (%)	90.5	93.7	90.5	93.7	87.2
Research and development expenses/operating expenses (%)					
Research and development expenses (KSEK)	-63,727	-29,701	-106,027	-53,785	-142,021
Administrative expenses (KSEK)	-4,685	-4,903	-9,209	-9,472	-24,986
Other operating expenses (KSEK)	-344	-178	-1,185	-347	-721
Operating expenses (KSEK)	-68,756	-34,782	-116,421	-63,604	-167,728
Research and development expenses/operating expenses (%)	92.7	85.4	91.1	84.6	84.7

Contact Information

Address

Vicore Pharma Holding AB
Kronhusgatan 11
SE-411 05 Gothenburg, Sweden

Vicore Pharma Holding AB
Kornhamnstorg 53
SE-111 27 Stockholm, Sweden

Tel: + 46 31 788 05 60
Org.no.: 556680-3804
www.vicorepharma.com

Contact

Carl-Johan Dalsgaard, CEO
Tel: +46 70 975 98 63
carl-johan.dalsgaard@vicorepharma.com

Hans Jeppsson, CFO
Tel: +46 70 553 14 65
hans.jeppsson@vicorepharma.com

This information was submitted for publication on August 26, 2021 at 08:00 CET.

vicore pharma

Vicore Pharma Holding AB Kronhusgatan 11, 411 05 Gothenburg, Sweden | +46 (0)31-788 05 60 | vicorepharma.com