



ZICCUM AB Interim Report Q.3 2018

Stockholm, Sweden, November 15 2018, 08:00 Summary of interim report - Third Quarter and first nine months 2018: During the first nine months, Ziccum AB generated capital through borrowing 2.25 MSEK, achieved proof of concept by drying selected antibodies, and received its first order regarding a feasibility project for a customer with a substance in preclinical development. On October 3, 2018 the subscription period for Ziccum's new issue of units ahead of the planned listing on Spotlight was completed. The new share issue of 15.8 MSEK was subscribed to approx. SEK 52.7 million, a subscription ratio of approx. 334%. Ziccum's shares were listed on Spotlight on October 25, 2018.

July-September 2018

0 KSEK

(0) Net sales

-1 714 KSEK

(-103) Operating profit

-0.62 SEK

Earnings per share before dilution

-0.62 SEK

Earnings per share after dilution

January-September 2018

192 KSEK

(0) Net sales

-2 442 KSEK

(-215) Operating profit

-0.93 SEK

Earnings per share before dilution

-0.93 SEK

Earnings per share after dilution

CEO statement

Many pharmaceuticals cannot be formulated as dry powders. It entails complicated and expensive handling, leading to many patients not getting treatments and vaccinations. This is where Ziccum can make a difference. And I'm delighted to welcome so many new shareholders on board helping us as we continue on that journey.

We have a unique, patented technology in LaminarPace. It makes it possible to manufacture biological pharmaceutical as stable dry powders. There are many advantages with dry powder; transportation, handling and storage are all simpler. Stable dry powders make it possible to reach patients all over the world even where access to the cold temperature chain is limited, and to enable patients with chronic diseases to take their therapies with them wherever they go.

Our evaluation and development of new formulations continues with very good results. Results we intend to apply patents for, so broadening our Intellectual Property portfolio, and adding to our already existing patent on LaminarPace's methodology and system. We have already started with a new patent application based on these encouraging results, and these results strengthen our position on the international market. We solve problems no one has been able to solve previously – giving Ziccum strong opportunities in a global and growing market.

The European Commission granted our application for phase 1 Horizon H2020 funding– the most ambitious program for innovation and development in the history of EU. This further strengthens our belief that we have a very strong and competitive offering, which has the potential to make a significant impact on large patient populations. We will shortly commence our report for Phase 1, and start the Phase 2 application to be submitted in the beginning of Q2 2019.

In conclusion – we have a strong and competitive offering in a very interesting and large market. A market where we can make a significant difference for patients, and create value for our shareholders. I wish all new shareholders a warm welcome, and I am look forward to reporting to them on our continued journey.

Göran Conradson
Chief Executive Officer

Highlights, Q.3 (July-September)

During the third quarter a new share issue was initiated ahead of the planned issue of 15.8 MSEK before issue costs which was fully subscribed as of October 3, 2018.

Highlights during reporting period (January-September)

- In January, capital was raised through loans totalling 2.25 MSEK
- The company received its first order regarding a feasibility project for a customer with a substance during preclinical development
- Achieved proof-of-concept in antibody test. New results showed that Ziccum's system for drying, LaminarPace® can produce a dry, stable powder of immunoglobulin antibodies - with retained activity
- At the AGM on 25 April, new Board members Ola Camber, Mattias Münnich and Kristian Kierkegaard
- On July 11, it was announced that Ziccum had been awarded 0.5 M Euro funding in Horizon 2020 phase 1 for a preliminary study for the scaling up of a major and aseptic

system for GMP production of therapies. The funding is a clear quality stamp on Ziccum's technology and business potential

Highlights after reporting period

On October 3, 2018, the subscription period of Ziccum's new issue of share units was completed prior to its planned listing on Spotlight. The new issue of 15.8 MSEK was subscribed to approx. 52.7 MSEK including subscription commitments, a subscription ratio of approx. 334%. Ziccum thus raised a total of 15.8 MSEK before issue costs of approx. 1 MSEK, with number of shareholders increasing to about 1000. The offer included a maximum of 3,000,000 units, which means max 3,000,000 shares and max 3,000,000 warrants of series TO1. Two warrants of Series TO1 give the right to subscribe for a new share with subscription period in December 2019 at one exercise price of SEK 10 per share.

Following the completed rights issue, Ziccum is no longer a subsidiary of Inhalation Sciences Sweden AB, however, Ziccum is an associated company of Inhalation Sciences.

On October 25, 2018, Ziccum's shares were listed on Spotlight Stock Markets.

TO READ THE FULL Q.3 REPORT (in Swedish) SEE [HERE](#).

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About Ziccum

Ziccum AB (publ) develops new patented formulations of biological drugs where sensitivity to temperature differences, especially during transportation, currently limits medical and so commercial potential. The company's patented technology, LaminarPace, develops dry powder formulations of drugs and vaccines that currently only exist in liquid form. By doing so Ziccum can increase the availability of drugs and vaccines in existing markets—and open up new ones.

This press release was submitted for publication by the CEO at 08.00 (CET) on 14 November, 2018.