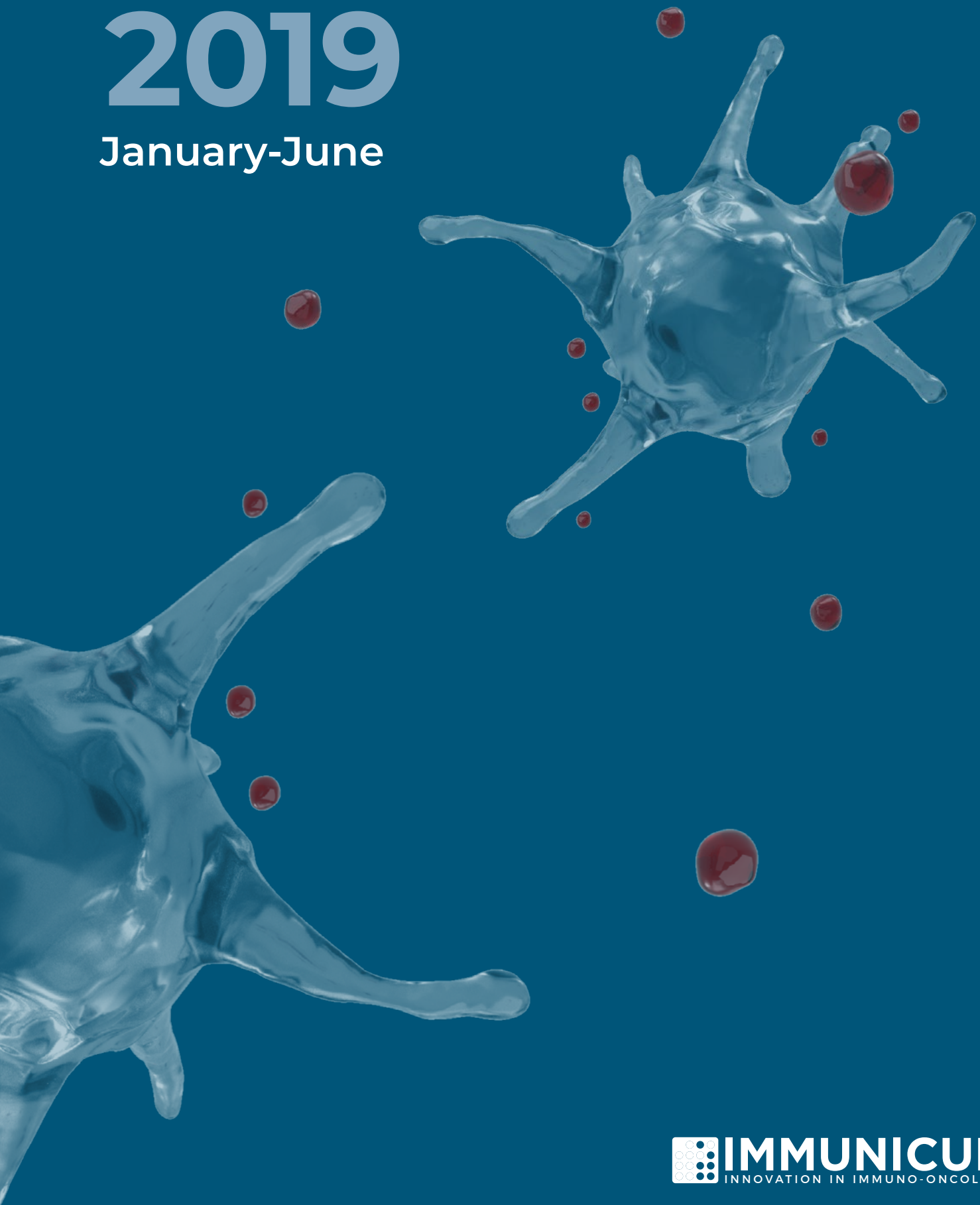
Interim Report

2019

January-June



IMMUNICUM
INNOVATION IN IMMUNO-ONCOLOGY

Q2 report 2019

Positive results from GIST study and MERECA data approaching

Significant events during April - June

- Net sales for the period amounted to KSEK - (-).
- Earnings and diluted earnings per share totaled SEK -0,4 (-0,4)
- Immunicum announced positive topline results from its completed Phase I/II clinical trial examining the safety and tolerability of Immunicum's lead candidate, ilixadencel, in combination with tyrosine kinase inhibitors (TKIs) in six patients with Gastrointestinal Stromal Tumors (GIST), a rare and difficult-to-treat disease indication.
- Immunicum announced new issuance date for the interim report April -June and the timing of publication of the Phase II data from MERECA study.
- At the AGM a long-term incentive program for all employees was approved. The program was subscribed to 94,4%.
- At the AGM the present board members Michael Oredsson, Magnus Persson, Steven Glazer, Charlotte Edenius and Kerstin Valinder Strinnholm were re-elected. Michael Oredsson was re-elected as chairman of the board of directors.

Significant events after end of period

- No significant events to be reported after the end of the period.

Financial summary

KSEK unless otherwise stated	apr-jun 2019	apr-jun 2018	jan-jun 2019	jan-jun 2018	full year 2018
Operating profit/loss	-33,211	-19,348	-62,349	-48,117	-97,846
Net profit/loss	-33,220	-19,355	-62,360	-48,125	-97,860
Earnings per share, before and after dilution (SEK)	-0.4	-0.4	-0.7	-0.9	-1.9
Cash	363,406	149,971	363,406	149,971	443,798
Shareholders equity	344,437	141,432	344,437	141,432	406,041
Number of employees	11	13	11	13	12

CEO comment

Second quarter

» **Having ended the** second quarter on a positive note, it is clear 2019 remains a pivotal year for Immunicum. This year we will obtain valuable insights into the safety, efficacy and mechanism of action of our allogeneic, off-the-shelf, cell-based therapy, ilixadencel.

Positive topline results from the GIST study
In this past quarter we reached another important clinical milestone through the successful completion of the Phase I/II clinical trial in patients with Gastrointestinal Stromal Tumors. Primarily, ilixadencel showed a favourable safety profile and no signs of autoimmunity. We were also pleased to note that tumor growth stopped in two of the six patients, suggesting that ilixadencel may contribute to overcoming resistance to TKIs in patients whose disease previously progressed on second- and/or third-line TKI treatment.

MERECA data is expected in early September
As we advance into the second half of the year, we look forward to reaching additional milestones and to expanding our insights on ilixadencel. Most importantly, we are preparing for the announcement of the results from the global Phase II MERECA study in kidney cancer patients expected in the first week of September. This important study will contribute to the growing body of data about ilixadencel's potential as a safe and effective immune primer in patients at an advanced stage of disease. In a way, each new data set that we achieve for ilixadencel gives us another piece of the puzzle, showing us more clearly the overall clinical potential and giving us better direction on the next stage of development to help us define the most optimal indications and synergistic combinations for ilixadencel.

First update on ILIAD study
In 2014, the first checkpoint inhibitor was approved for the treatment of patients with a broad spectrum of solid tumors. The treatments have proven to produce positive results and therefore the use of this type of drug has increased substantially. In the past three years, usage in the United States has increased by almost six times. To make the treatments even more effective, a number of studies are currently underway where the checkpoint inhibitors are combined with other therapies. Preclinical data has shown that ilixadencel has a synergistic effect in combination with checkpoint inhibitors, expanding the potential to treating cancers where there is a major medical need and the response to checkpoint inhibitors as monotherapy is limited. Based on these findings, we initiated the ILIAD study in which ilixadencel is initially combined with standard doses of pembrolizumab (Keytruda®). The study, which is currently in the Phase Ib part, is progressing as planned and we expect to provide a first update on the study later this year. Once the Phase Ib portion of the trial is complete, we will then expect to receive data on dose levels and treatment schedules for use in the Phase II portion of the trial.

The Immunicum team is key in realizing our vision
Our goal is to continue to strengthen the foundation of our approach and contribute to advances in the field of immuno-oncology. Following the completion of our ongoing clinical and preclinical studies, we will be well-positioned to achieve this goal. However, success is also dependent on our employees' skills and commitment. Therefore, it was gratifying to see the extensive participation from our senior management and employees in our new option program. It reflects both their confidence and their commitment to the advancements of Immunicum. In Biotech, we depend on employees with expertise in all the parts of the business that are crucial in the development of a drug. With the Immunicum team, I am extremely confident that we can continue to deliver according to plan and at the same time use our resources as efficiently as possible.

Looking ahead
As we start the third quarter of 2019, we stand on the cusp of gaining new, essential information that will strategically guide the Company onward and we are enthusiastic to have the opportunity to share these updates and our corporate vision at upcoming events in the second half of the year. We remain confident that we are well-prepared to efficiently advance ilixadencel and provide value to patients battling difficult-to-treat solid tumor cancers.

CARLOS DE SOUSA
CEO

Introduction to Immunicum

» **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.

The Company's lead product, 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.

The ongoing clinical program for ilixadencel includes the following indications: 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 an ongoing Phase II study. Immunicum is a Swedish company listed at Nasdaq Stockholm Small Cap.

Ilixadencel – an immune primer

There are expected to be four major 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

II. ilixadencel is applicable for all injectable solid tumors

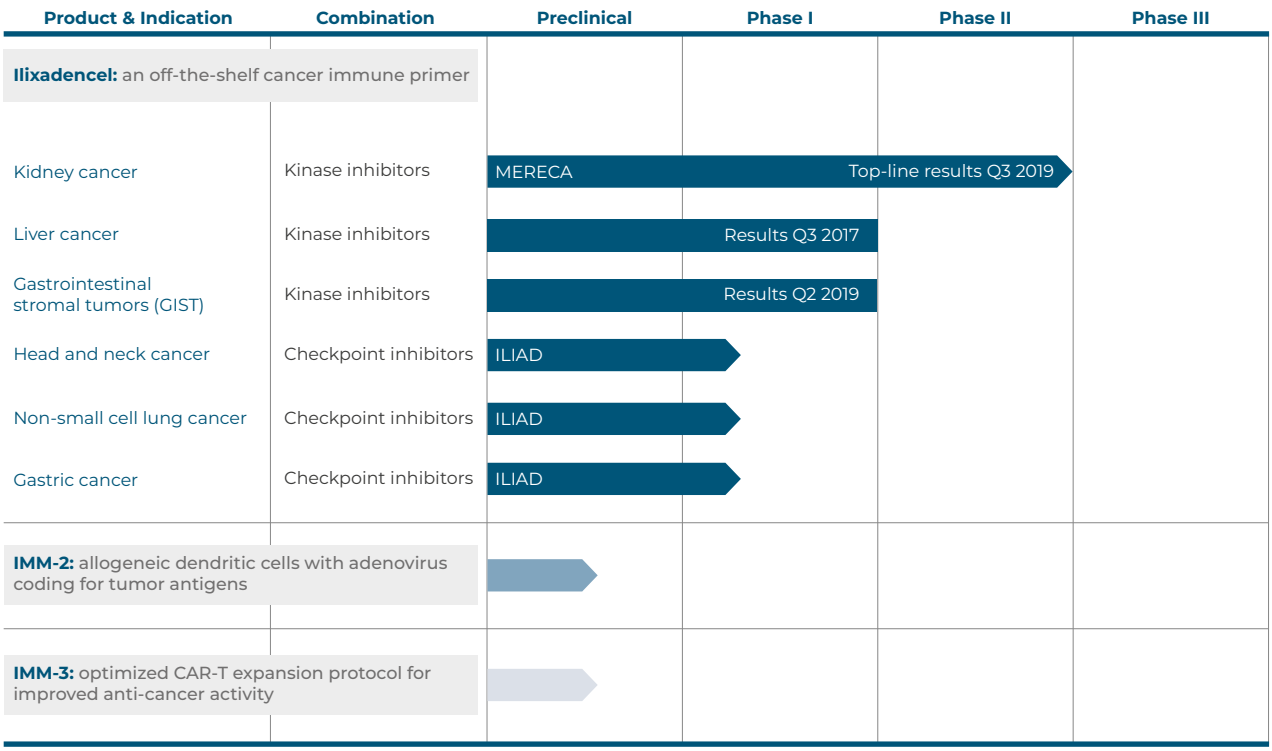
III. Off-the-shelf cell-based therapies are applicable to all patients and batches can be stockpiled and thereby be available for immediate use

IV. The concept uses the patient's own tumor as the antigen source *in vivo*, which aims to ensure that the full set of immunogenic neoantigens are used for activation of a tumor-specific immune response.

Combination with other immune therapies

Immunicum's strategy is to position ilixadencel as the first choice of cancer immune primers that are to be combined with treatments that fight immune suppression e.g. checkpoint inhibitors and tyrosine kinase inhibitors. This is for the patient to have a stronger immune system with an anti-tumor treatment and a more effective and safe treatment of cancer.

Product portfolio



Studies in Head and neck cancer (HNSCC), non-small cell lung cancer (NSCLC) and gastric cancer (GA)

Phase Ib/II ILIAD

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 at standard doses in the selected indications. The Phase Ib part of the study is ongoing in the US. During this part ilixadencel will be combined with Keytruda® (pembrolizumab). The first patient was enrolled in January 2019.

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 benefit of the combo in terms of clinical activity compared to checkpoint inhibitor alone in solid tumor patients.

In the Phase Ib part of the trial 21 patients are enrolled with the aim to assess safety and define the optimal dose and schedule of ilixadencel administration in combination with Keytruda® (pembrolizumab). The Phase II part of the trial will group patients by indication (HNSCC, NSCLC and GA) into three studies advancing in parallel. The aim of the Phase II study is to demonstrate a favorable impact of ilixadencel used in combination with checkpoint inhibitor therapy. Each indication group will include enough patients to observe statistically significant clinical activity for the combination group.

Collaboration and supply agreement with Merck KGaA and Pfizer for ILIAD

In November 2018, Immunicum announced a collaboration with Merck KGAa and Pfizer for the evaluation of ilixadencel in combination with the checkpoint inhibitor avelumab (Bavencio®) in the Phase II portion of ILIAD. The safety and efficacy of ilixadencel in combination with avelumab 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 renal cancer

Phase II – MERECA

Immunicum is presently conducting an international, investigational, randomized, controlled and open Phase II study (MERECA) where a total of 88 newly diagnosed metastatic renal cancer patients have been included. Fifty-eight 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 patients included in the control group underwent only nephrectomy and standard treatment with Sutent®.

The primary purpose of the MERECA study is to investigate the clinical efficacy of treatment with ilixadencel in combination with sunitinib in newly diagnosed metastatic renal cell cancer patients. The primary endpoints for the MERECA study are median overall survival (OS) and overall survival rate at 18 months for all patients and for the patient-groups with poor and intermediate prognosis. In addition to these primary parameters, the Company will also study the frequency and proportion of adverse events (AEs), progression-free survival (PFS), objective tumor response after introduction of Sutent® (sunitinib), time to progression (TTP) and intratumoral infiltration of CD8+ T cells in primary tumors and accessible metastases. This Phase II study is primarily a proof of concept study and will be successful if it can show clinically meaningful benefits on different endpoints and it will provide crucial input for planning of future pivotal/confirmatory (i.e. Phase III) trials. The MERECA study top-line results are expected in the first week of September 2019.

Completed Phase I/II trial

In 2014 Immunicum presented the results 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 immunology data show clear signs of tumor-specific immune activation and strong infiltration of CD8+ T cells in the treated tumor, but also in a distant metastasis, which indicates that the activated immune system is also able to identify and target cancer cells in other parts of the body after injection of ilixadencel. The median overall survival time for the patient group as a whole was 48 months compared to the expected median survival time of 14 – 16 months for standard treatment with Sutent® (sunitinib).

Studies in Gastrointestinal cancer (GIST)

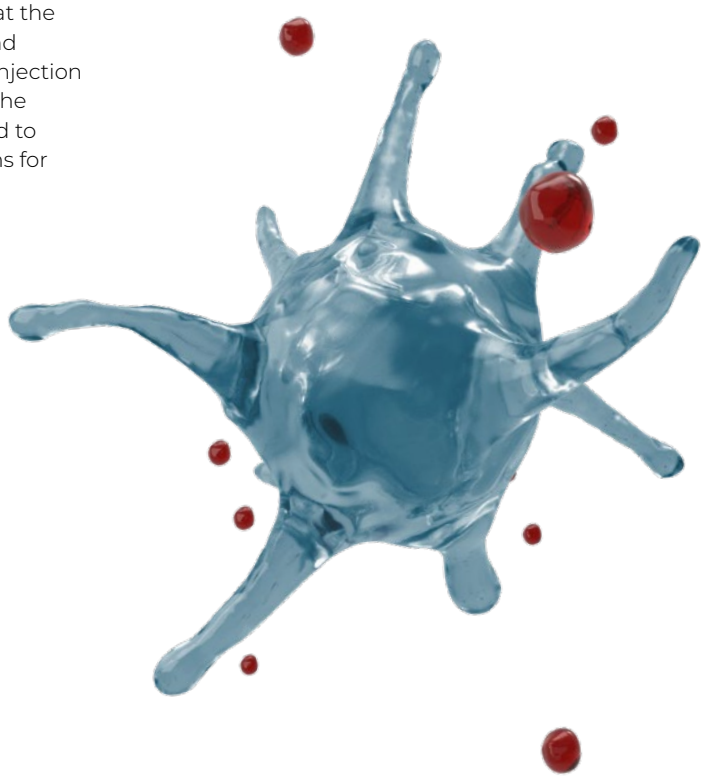
Completed Phase I/II

Immunicum completed a Phase I/II clinical trial with ilixadencel concerning the treatment of patients with GIST in June 2019. Six patients were enrolled and treated with ilixadencel in combination with Sutent® (sunitinib), Stivarga® (regorafenib) or similar tyrosine kinase inhibitor (targeted therapy). Ilixadencel met the primary endpoint of safety, with no life-threatening treatment-related adverse events and no signs of autoimmunity. The secondary endpoint of efficacy was primarily evaluated based on tumor growth. The most positive outcome was seen in two patients where tumor growth halted and partially regressed for three and six months, respectively. These partial responses indicate that ilixadencel had a therapeutic impact by overcoming resistance to TKIs in these two patients with metastatic disease whose disease previously progressed on second- and/or third-line TKI treatment.

Studies in liver cancer

Completed Phase I/II

In September 2017, Immunicum announced the topline results from the completed Phase I/II clinical trial of ilixadencel in 18 advanced liver cancer patients (Hepatocellular carcinoma; HCC). 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 exhibited an increase in, tumor-specific CD8 T-cell in peripheral blood. Overall survival ranged from 1.6 - 21.4 months in the total group of 17 HCC patients.



Preclinical studies

Ilixadencel

Immunicum has performed preclinical studies in a mouse tumor model where cancer cells (CT26 colon carcinoma) are injected subcutaneously followed by treatment with checkpoint inhibitors (anti-PD1) and immune enhancers (anti-4-1BB/CD137). These two classes in the immuno-oncology field block the tumor's defenses against the activated immune system, or expand and further potentiate the activated immune system and are therefore highly complementary to ilixadencel's mechanism of action in activating the immune system. As shown below, ilixadencel showed synergy in reducing tumor growth and increasing survival in combination with both classes, further positioning our strategy for ilixadencel as a key component in future combination therapies for solid tumors.

IMM-2 platform

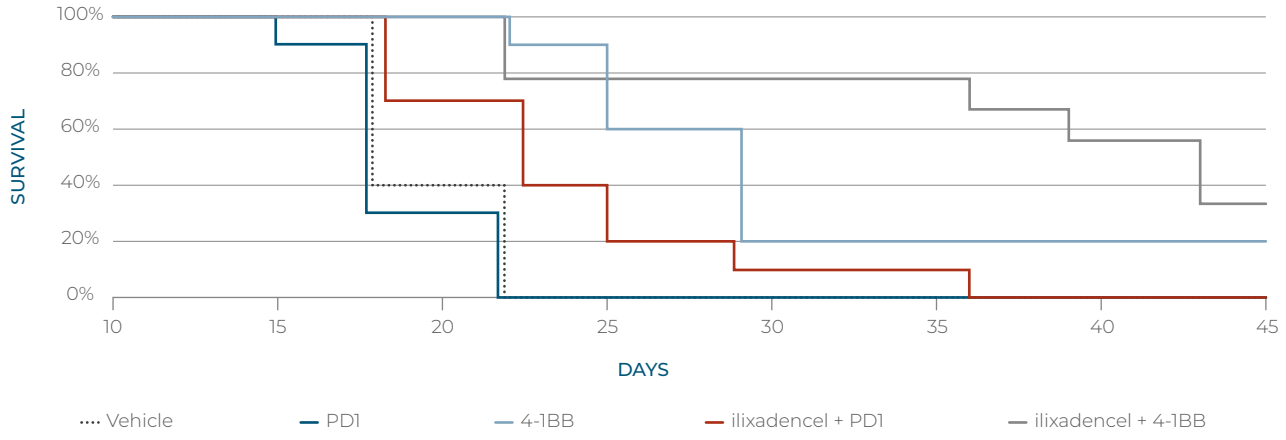
IMM-2 shares the same technology basis as used for production of ilixadencel to benefit from the unique priming and activating technology. The major difference between IMM-2 and ilixadencel is that IMM-2 is transfected with an adenoviral vector to deliver tumor antigens directly to the cells. These cells are then injected subcutaneously (under the skin) as opposed to ilixadencel's intratumoral injection.

The objective is to examine the possibilities of using the vector for the production of relevant tumor antigens to be used in the IMM-2 immune priming and activating cells.

IMM-3 platform

Immunicum's IMM-3 platform is positioned as a strategy that can be used to improve existing and new adoptive immunotherapeutics. Adoptive immunotherapy utilizes the patient's own T cells, which are isolated and usually genetically manipulated to specifically recognize cancer cells; such cells are termed CAR-T cells. The primary goal is to establish the IMMU-3 concept as an optimal method for the *ex-vivo* expansion of CAR-T cells for the treatment of solid tumors. Immunicum's goal is to explore development opportunities for the IMM-3 concept and collaboration opportunities with CAR-T or similar technologies, upon which the platform would be dependent for further development.

Survival in preclinical cancer model



The immuno-oncology market and Immunicum's positioning

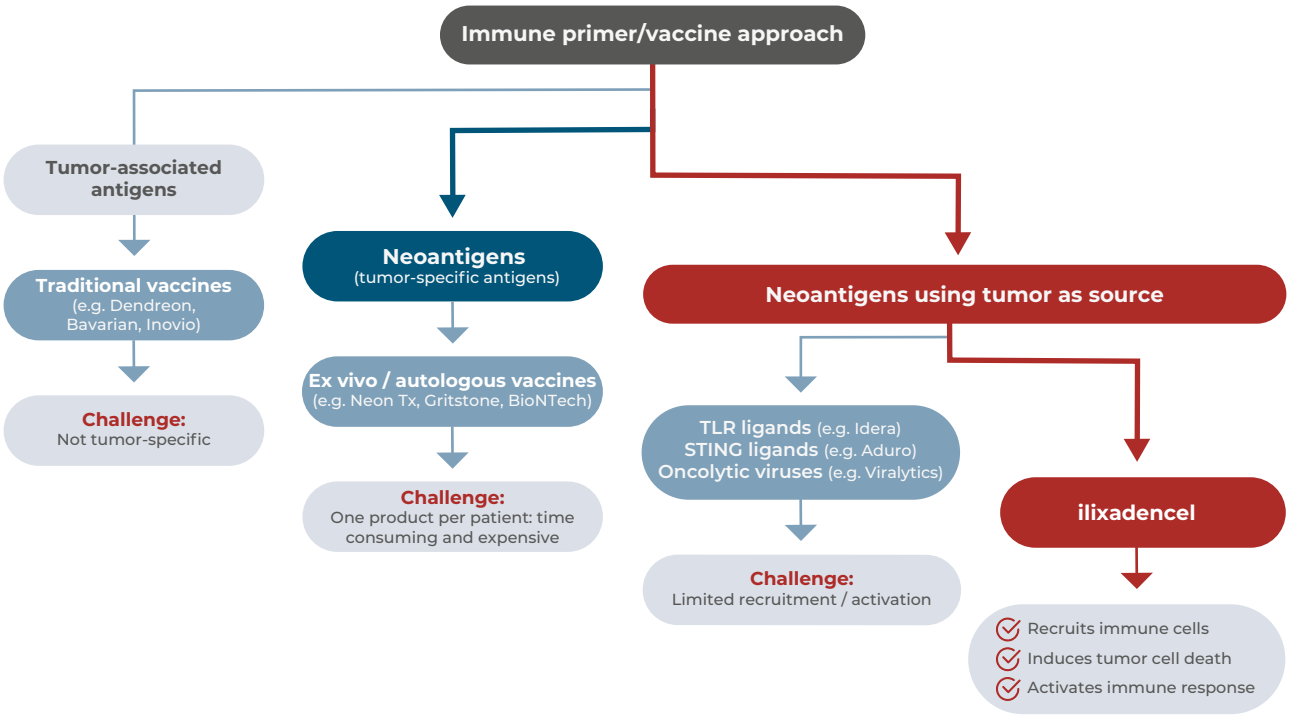
According to Radiant Insights, the market for immune therapies is expected to grow at an annual growth rate of 23.9 percent, and amount to USD 75.8 billion by 2022.

Immune therapies in the immuno-oncology field have the potential to dramatically change the therapeutic landscape in the treatment of cancer as it harnesses the power of the immune system to potentially cure patients. Within immuno-oncology, the leading category of drugs is called checkpoint inhibitors, targeted drugs that block the tumor's ability to fence off the immune system. However, these are only effective in approximately 25% of patients in which the immune system is activated and can recognize the cancer. The majority of the large pharmaceutical companies are now developing or marketing these drugs, and pioneers in this field are Bristol-Myers Squibb's Opdivo® and MSD's Keytruda®.

To increase the effectiveness of checkpoint inhibitors, there are two strategies: 1) additive effect of systemic anti-cancer therapies that block the tumor's growth, such as chemotherapies and tyrosine kinase inhibitors; and 2) synergistic effect of other immune therapies that activate the immune system against the tumor, such as immune primers or cancer vaccines.

The combination of checkpoint inhibitors with systemic therapies has been shown effective in, for example, non-small cell lung cancer with chemotherapies, and more recently in renal cell carcinoma with the tyrosine kinase inhibitor axitinib. Immunicum's objective is to position ilixadencel as the optimal immune primer for combination with both checkpoint inhibitors and systemic therapies, as reflected in our Phase II MERECA and Phase Ib/II ILIAD studies.

Within the immune primer and cancer vaccine landscape, there are different approaches to activating the immune system, and Immunicum operates within the class of immune primers that are injected in the tumor tissue. Importantly, this utilizes the patient's own tumor as the source of the effect, to create a tumor- and patient-specific immune response. Comparable approaches such as Toll Like Receptors (TLR)- and STING-ligands as well as oncolytic viruses aim to achieve a similar response. The strength of Immunicum's immune primer ilixadencel is that it engages the entire immune system activation process instead of only parts of it.



Financial information

Revenue

No revenue was reported for the quarter or half year (-). Other operating income amounted to KSEK 76 (54) for the quarter and to KSEK 219 (138) for the half year and consisted of exchange rate gains.

Operating expenses

Total operating expenses for the quarter amounted to KSEK 33,287 (19,401) and for the six months to KSEK 62,568 (48,256).

Research and development costs

Research and development costs for the quarter amounted to KSEK 25,803 (12,824) and for the six months to KSEK 48,990 (35,055). The cost increase is explained by the increased activities in ongoing clinical studies and large proportion of the development costs relate to process development activities to strengthen the manufacturing process of ilixadencel.

Administrative costs

During the second quarter, administrative expenses amounted to KSEK 7,292 (6,398) and to KSEK 13,384 (12,349) for the first six-months and were slightly higher than the previous period. The costs are attributable to the company's continued high level of business activity.

Financial Results

Operating profit for the quarter was KSEK -33,211 (-19,348) and for the six-month period KSEK -62,349 (-48,117). The result for the period amounted to KSEK -33,220 (-19,355) and to KSEK -62,360 (-48,125) for the first six months. Earnings per share before and after dilution amounted to SEK -0.4 (-0.4) during to quarter and to SEK -0.7 (-0.9) for the six month period.

Tax

No tax was reported for the quarter or the six month period (-).

Cash flow, investments and financial position

Cash flow from operating activities for the quarter amounted to KSEK -30,838 (-18,093) and for the six-month period to KSEK -81,277 (-84,151). The continued negative cash flow is according to plan and is explained by the company's increased clinical activities as well as process development for manufacturing of ilixadencel. Cash flow for the six month period from operating activities is also affected by paid share issue expenses.

During both the quarter and the half year, cash flow from investing activities amounted to KSEK 0 (0).

Cash flow from financing activities for the quarter amounted to KSEK 756 (0), which is related to option premiums from the incentive program that was initiated in May. Cash flow from financing activities for the half-year amounted to KSEK 756 (105,239).

The company's cash and cash equivalents on June 30, 2019 amounted to KSEK 363,406 (149 971).

Total equity as of June 30, 2019 amounted to KSEK 344,437 (141,432), which corresponds to SEK 3.7 (2.8) per share. The company's equity ratio at the end of the period was 93% (90%).

Other

All operations are conducted in one company and there is therefore no group.

Other information

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. For further information about this program, see the minutes of the Annual General Meeting 2019 published on the company's website, www.immunicum.com.

Full utilization of granted options corresponding to 2,178,089 shares will result in a dilution for shareholders of 2,3 percent.

Employees and Organization

Immunicum has chosen to conduct its business operations with a minimal number of employees on staff supplemented by consultants, in order to maintain flexibility and cost effectiveness. As of 30 June 2019, the Company had 11 (13) direct employees, of whom 6 (8) were women and 5 (5) men.

The Immunicum Share

The share is traded on NASDAQ Stockholm main market under the ticker symbol IMMU, with the ISIN code SE0005003654.

The number of shares in the Company as of 30 June 2019 amounted to 92,257,531 (50 958 531) and the share capital in the company amounted to SEK 4,612,876.55. All shares have equal voting right and share of Immunicum's assets and profit.

Shareholders 2019-06-30

Owners	Shares	Votes/captial
Avanza Pension	7,695,686	8,3 %
Nordnet Pension Insurance	6,056,587	6,6 %
Fourth Swedish National Pension Fund	4,738,406	5,1 %
Gladiator	3,750,000	4,1 %
Martin Lindström	3,335,331	3,6 %
Holger Blomstrand Byggnads AB	2,975,386	3,2 %
Skandinaviska Enskilda Banken S.A	2,623,772	2,8 %
Nordic Cross Asset Management	2,597,330	2,8 %
Second Swedish National Pension Fund	2,500,000	2,7 %
Alfred Berg Funds	1,798,421	1,9 %
BNP Paribas Sec Serv Luxembourg	1,545,220	1,7 %
Theodor Jeansson	1,400,000	1,5 %
Other	51,241,392	55,5 %
Total	**92,257,531**	**100,0 %**

Review

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

The Board and the CEO confirm that the interim report provides a true and fair overview of the company's operations, position and earnings and describes the material risks and uncertainty factors faced by the company.

Stockholm August 20, 2019

Immunicum AB (publ)

Michael Oredsson,
CHAIRMAN OF THE BOARD

Charlotte Edenius
BOARD MEMBER

Steven Glazer
BOARD MEMBER

Kerstin Valinder Strinnholm
BOARD MEMBER

Magnus Persson
BOARD MEMBER

Carlos de Sousa
CHIEF EXECUTIVE OFFICER

Income statement

Amounts in KSEK	2019 apr-jun	2018 apr-jun	2019 jan-jun	2018 jan-jun	2018 jan-dec
Revenue	-	-	-	-	-
Other operating income	76	54	219	138	184
	76	**54**	**219**	**138**	**184**
OPERATING EXPENSES					
Sales, general and administration expenses	-7,292	-6,398	-13,384	-12,349	-25,614
Research and development expenses	-25,803	-12,824	-48,990	-35,055	-70,930
Other operating expenses	-191	-179	-194	-852	-1,485
Operating profit/loss	**-33,211**	**-19,348**	**-62,349**	**-48,117**	**-97,846**
RESULT FROM FINANCIAL ITEMS					
Interest income and similar items	-	-	-	-	-
Interest expense and similar items	-9	-7	-11	-7	-14
Profit/loss after financial items	**-33,220**	**-19,355**	**-62,360**	**-48,125**	**-97,860**
TOTAL PROFIT/LOSS BEFORE TAXES	**-33,220**	**-19,355**	**-62,360**	**-48,125**	**-97,860**
Income tax expense	-	-	-	-	-
PROFIT/LOSS FOR THE PERIOD	**-33,220**	**-19,355**	**-62,360**	**-48,125**	**-97,860**
Earnings/loss per share before and after dilution (SEK)	-0.4	-0.4	-0.7	-0.9	-1.9

Statement of comprehensive income

Amounts in KSEK	2019 apr-jun	2018 apr-jun	2019 jan-jun	2018 jan-jun	2018 jan-dec
Result for the period	-33,220	-19,355	-62,360	-48,125	-97,860
Other comprehensive income	-	-	-	-	-
Total comprehensive result for the period	**-33,220**	**-19,355**	**-62,360**	**-48,125**	**-97,860**

Balance sheet

Amounts in KSEK	30 jun 2019	30 jun 2018	31 dec 2018
ASSETS			
Fixed assets			
Tangible assets			
Equipment	0	38	9
Total tangible assets	**0**	**38**	**9**
Financial assets			
Other securities held as fixed assets	1	1	1
Total financial assets	**1**	**1**	**1**
Total fixed assets	**1**	**39**	**10**
Current assets			
Inventories	-	-	1,469
Current receivables			
Tax credits and related receivables	419	344	465
Other receivables	2,624	1,820	2,842
Prepaid expenses and accrued income	4,101	4,889	1,788
Total current receivables	**7,144**	**7,053**	**5,095**
Cash and bank balances	363,406	149,971	443,798
Total current assets	**370,550**	**157,024**	**450,363**
TOTAL ASSETS	**370,551**	**157,063**	**450,373**
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Restricted equity			
Share capital	4,613	2,548	3,594
New share issue in progress	-	-	1,019
Total restricted equity	**4,613**	**2,548**	**4,613**
Unrestricted equity			
Share premium reserve	731,828	418,793	731,073
Retained earnings	-329,645	-231,785	-231,785
Profit/loss for the period	-62,360	-48,125	-97,860
Total unrestricted equity	**339,824**	**138,884**	**401,428**
Total shareholders' equity	**344,437**	**141,432**	**406,041**
LIABILITIES			
LONG-TERM LIABILITIES			
Other long-term liabilities	850	850	850
Total long-term liabilities	**850**	**850**	**850**
CURRENT LIABILITIES			
Accounts payable	16,267	3,489	31,266
Other liabilities	1,369	1,226	838
Accrued expenses and deferred income	7,628	10,066	11,378
Total current liabilities	**25,264**	**14,781**	**43,482**
Total liabilities	**26,114**	**15,631**	**44,332**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	370,551	157,063	450,373

Cash flow Statement

Amounts in KSEK	2019 apr-jun	2018 apr-jun	2019 jan-jun	2018 jan-jun	2018 jan-dec
Operating activities					
Operating profit/loss before financial items	-33,211	-19,348	-62,349	-48,117	-97,846
Adjustment for items not included in cash flow	-129	14	-120	29	58
Interest expense paid	-9	-7	-11	-7	-14
Increase/decrease in other current receivables	-1,955	1,189	-579	4,901	5,389
Increase/decrease in accounts payable	5,898	812	-14,999	-8,225	19,552
Increase/decrease in other current liabilities	-1,433	-753	-3,219	-32,732	-31,807
Cash flow from operating activities	**-30,838**	**-18,093**	**-81,277**	**-84,151**	**-104,670**
Financing activities					
New share issues	-	-	-	105,239	456,281
Premiums for warrants	756	-	756	-	-
Costs attributable to the new share issues	-	-	-	-	-36,697
Cash flow from financing activities	**756**	**-**	**756**	**105,239**	**419,583**
Cash and cash equivalents at the beginning of the period	**393,359**	**168,064**	**443,798**	**128,883**	**128,883**
Cash flow for the period	-30,082	-18,093	-80,521	21,088	314,914
Foreign echange difference in cash and cash equivalents	129	-	129	-	-
Cash and cash equivalents at the end of the period	**363,406**	**149,971**	**363,406**	**149,971**	**443,798**

Report on changes in shareholders' equity

Amounts in KSEK	Share capital	Share premium reserve	Retained earnings incl. profit/loss for the period	Total
Opening shareholders' equity 01/01/2019	4,613	731,073	-329,645	406,041
Premiums for warrants		756		756
Profit/loss for the period			-62,360	-62,360
Shareholders' equity 30/06/2019	**4,613**	**731,829**	**-392,005**	**344,437**
Opening shareholders' equity 01/01/2018	2,548	418,793	-231,785	189,556
Profit/loss for the period			-48,125	-48,125
Shareholders' equity 30/06/2018	**2,548**	**418,793**	**-279,909**	**141,432**
Opening shareholders' equity 01/01/2018	2,548	418,793	-231,785	189,556
Share issue	1,046	176,737		177,782
Ongoing new share issue	1,019	172,240		173,259
Expenses for new share issue		-36,697		-36,697
Profit/loss for the period			-97,860	-97,860
Shareholders' equity 31/12/2018	**4,613**	**731,073**	**-329,645**	**406,041**

Key performance measurement

The company presents in this report certain key performance measures, including two measures that is not defined under IFRS, namely expenses relating to research and development / operating expenses % and equity ratio. These financial 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 measure as the company has defined it should not be compared with other performance measures with similar names used by other companies. This is because the above-mentioned performance measure is not always defined in the same manner, and other companies may calculate the differently to Immunicum.

	apr-jun 2019	apr-jun 2018	jan-jun 2019	jan-jun 2018	jan-dec 2018
Total registered shares at the beginning of period	92,257,531	50,958,431	71,874,119	25,958,541	25,958,541
Total registered shares at the end of period	92,257,531	50,958,431	92,257,531	50,958,431	71,874,119
Share capital at the end of period, SEK	4,612,877	2,547,927	4,612,877	2,547,927	3,593,706
Equity at the end of period, SEK thousand	344,437	141,432	344,437	141,432	406,041
Earnings per share before and after dilution, SEK	-0.4	-0.4	-0.7	-0.9	-1.9
Research and development costs, SEK thousand	-25,803	-12,824	-48,990	-35,055	-70,930
Research & development costs/operating expenses %	78 %	66 %	78 %	73 %	72 %

Definitions and reconciliation of alternative performance measurements

Alternative performance measurements	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 & development costs/operating expenses %	Research and development costs divided by total operating expenses	The company believes that the research and development / 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 costs that are attributable to the company's core business.

Derivation

	apr-jun 2019	apr-jun 2018	jan-jun 2019	jan-jun 2018	jan-dec 2018
Equity ratio at the end of the period %					
Total shareholders' equity at the end of the period (KSEK)	344,437	141,432	344,437	141,432	406,041
Total assets at the end of the period (KSEK)	370,551	157,063	370,551	157,063	450,373
Equity ratio at the end of the period %	93 %	90 %	93 %	90 %	90 %
Research & development costs/ operating expenses %					
Research & development costs	-25,803	-12,824	-48,990	-35,055	-70,930
Administrative costs	-7,292	-6,398	-13,384	-12,349	-25,614
Other operating expenses	-191	-179	-194	-852	-1,485
Total operating expenses	-33,287	-19,401	-62,568	-48,256	-98,029
Research & development costs/operating expenses %	78 %	66 %	78 %	73 %	72 %

Notes

Note 1 - General information

This report covers the Swedish company Immunicum AB (publ), 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 interim report for the second quarter 2019 was approved for publication on August 20, 2019.

Note 2 - Accounting Policies

The Company prepares its interim reports in accordance with IAS 34 with regard to the exceptions from and additions to IFRS which are listed in RFR2 and the Swedish Annual Accounts Act. The Company is not a part of any group of companies, which is why a full IFRS reporting will not be applicable. Immunicum's business currently consists of research and development for production of pharmaceuticals. The company is of the opinion that this business, in its entirety, constitutes a single operating segment. The accounting principles and calculation methods remain unchanged from those applied in the Annual Report for financial year 1 Jan-31 December 2018. Disclosures in accordance with IAS 34.16A are provided both in Notes as well as elsewhere in the interim report.

IFRS 16 Leases

From January 2019 the new standard IFRS 16 applies. The standard causes changes to the lessee but does not entail any material change for the lessor. The amendment compared with the current IAS 17 Leases is that all contracts in which the company is the lessee are to be handled in the same way as Financial leases have been handled in accordance with IAS 17.

The accounting is based on the view that the lessee has a right to use an asset over a specific period of time and at the same time an obligation to pay for this right, so the lessee must report a right-of-use asset and a lease liability in its balance sheet. Exceptions exist for contracts with shorter maturities than 12 months and agreements relating to assets amounting to smaller amounts. IFRS 16 clarifies that a lessee may differentiate between leasing components and service components in an agreement.

IFRS 16 Leases comes into effect for the fiscal year beginning on January 1, 2019. The company applies the simplification rule in RFR 2 and will therefore continue to report leasing costs according to existing rules for operational leasing.

Other

None of the IFRS or IFRIC interpretations that have yet to come into legal effect are expected to have any significant impact on Immunicum.

Note 3 - Pledged assets

Pledged assets total KSEK 251 (566)

Note 4 - Prospects, Significant Risks and Uncertainty Factors

Immunicum is a research and development Company that still is in its early stages. The Company has not generated any revenues historically and is not expected to do so in the short term. The Company's candidates for cancer immune primers and technology platforms are dependent on research and development and may be delayed and/or incur greater costs. The Company is dependent upon its ability to enter into licensing agreements and joint collaboration agreements, as well as dependent on a large number of approvals and remuneration systems and the related laws, regulations, decisions and practices (which may change). In addition, the Company is also dependent upon intellectual property rights. The risk that is determined to have particular importance for future development of Immunicum is access to financial funds.

For a more detailed description of the material risk factors, please refer to Annual Report 2018 which can be downloaded from the Company's website: www.immunicum.com.

Note 5 - Estimates and judgements

This report includes forward looking statements. Actual outcomes may deviate from what has been stated. Internal factors such as successful management of research projects, and intellectual property rights may affect future results. There are also external conditions, e.g. the economic climate, political changes and competing research projects that may affect Immunicums results.

Note 6 - Information on Transactions With Closely Related Parties

Margareth Jorvid, Head of Regulatory Affairs and Quality System, and member of Immunicum's management team has during the quarter invoiced Immunicum KSEK 388 in consultancy fees through the company Methra in Uppsala AB.

Note 7 - Financial instruments

Immunicums financial assets and liabilities comprise of cash and cash equivalents, other current assets, accrued expenses and accounts payable.

The fair value of all financial instruments is materially equal to their carrying amounts.

Note 8 - Significant events after end of period

No significant events to be reported after the end of the period.

Governing text

The report has been translated from Swedish. The Swedish text shall govern for all purposes and prevail in the event of any discrepancy between the versions.

Financial Calendar

Interim report Q3 2019: 6 November 2019

Year-End report 2019: 18 February 2020

For further information, please contact:

Carlos de Sousa, CEO, Immunicum
Phone: +46 (0)8 732 8400
E-mail: info@immunicum.com

Michaela Gertz, CFO, Immunicum
Telephone: +46 (0)8 732 8400
E-mail: ir@immunicum.com

Postal address: Östermalmstorg 5
114 42 Stockholm
Website www.immunicum.se
Corporate identity number 556629-1786

The information contained in this report is that which Immunicum (publ), is obliged to publish in accordance with the Swedish Securities Market Act (SFS 2007:528). The information was submitted for publication, through the agency of the contact persons set out above, on August 20, 2019, at 8:00 CET.

IMMUNICUM
INNOVATION IN IMMUNO-ONCOLOGY

Immunicum AB

Östermalmstorg 5
114 42 Stockholm

Phone: +46 (0)8 732 8400