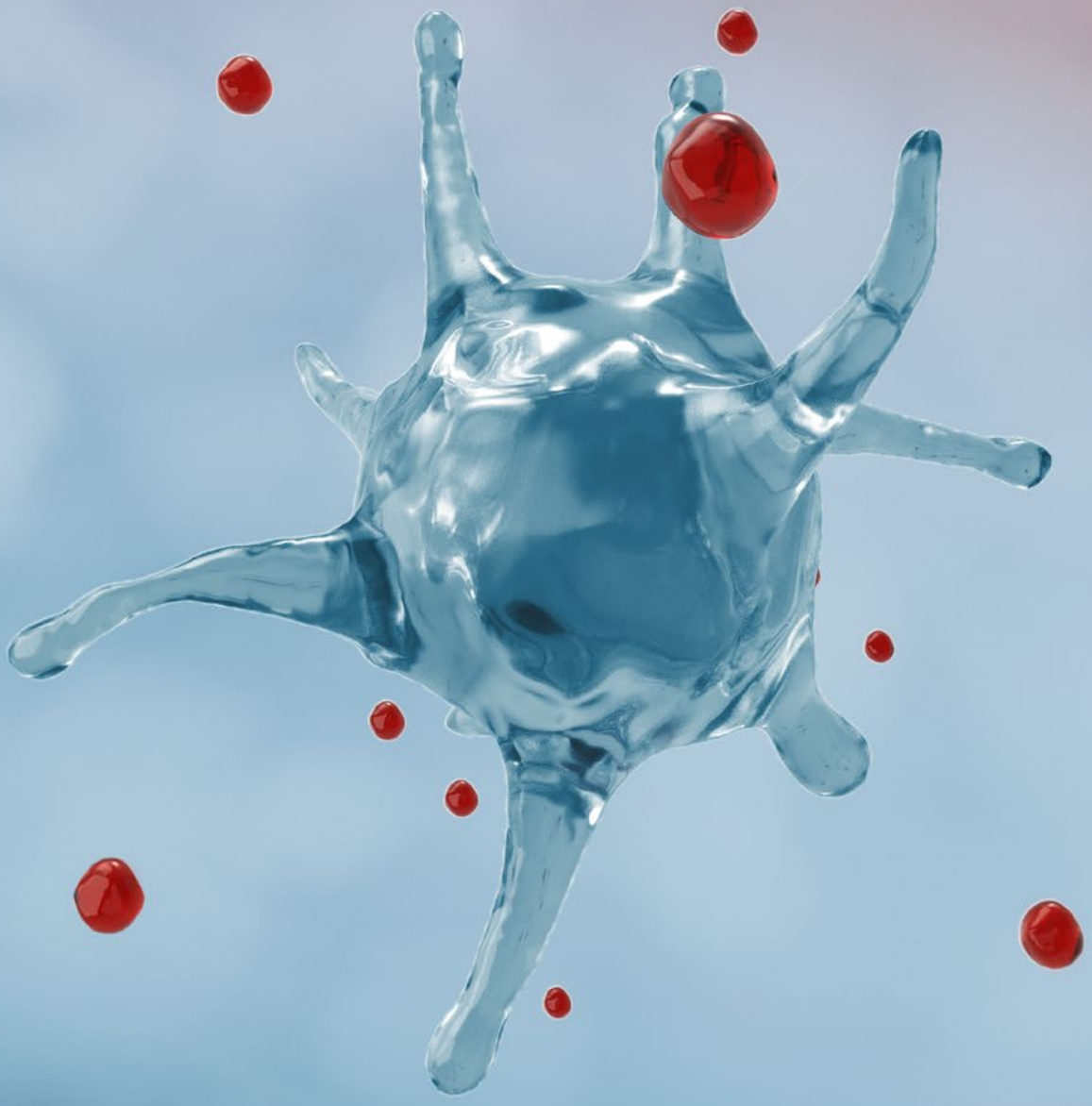
2020

Year-end report

January - December



IMMUNICUM
INNOVATION IN IMMUNO-ONCOLOGY

Year-end Report 2020

Immunicum Group

October – December in Summary

- Net sales for the period amounted to KSEK - (-).*
- Result for the period amounted to KSEK -47,568 (-19,409).*
- Earnings and diluted earnings per share amounted to SEK -0.57 (-0.26).*
- Immunicum announced the last safety and enrollment update for the ongoing Phase Ib/II ILIAD combination trial. As of October 6, 15 patients were enrolled in the study and ilixadencel maintained a favorable safety profile. The Dose Escalation Committee confirmed there were no dose limiting toxicities.
- Board member Magnus Persson left the Board in October.
- On November 18, Immunicum announced that the Company had entered into a binding agreement with Van Herk Investments BV to acquire all shares in DCprime BV to establish a leader in cell-based cancer immunotherapies. At the Extraordinary General Meeting on December 18, the Board's resolution on a directed new issue of shares to Van Herk Investments BV with payment in capital contributed in kind consisting of all shares in DCprime BV was approved. The transaction was completed on December 21.*
- Immunicum received FDA Fast Track Designation for ilixadencel for the treatment of the orphan indication Gastrointestinal Stromal Tumors (GIST).
- Immunicum announced the completion of patient recruitment for Phase Ib portion of ILIAD combination clinical trial.
- Immunicum received FDA Orphan Drug Designation for ilixadencel as a treatment for liver cancer, specifically Hepatocellular Carcinoma (HCC).

Covid-19

- To date, Immunicum has not experienced any major impact to its operations owing to the Covid-19 pandemic. For further information, go to the risk section on page 21.

Significant Events after End of Period

- Prior to the EGM on January 22, 2021, Chairman Michael Oredsson announced his resignation from the Board, whereby the Board appointed the current Board member Christine Lind as interim Chairman until the Annual General Meeting on May 4, 2021. At the EGM, Dharminder Chahal and Andrea van Elsas, Ph.D., nominated by the Company's largest owner Van Herk Investments, were elected new members of the Board.
- Immunicum received FDA Orphan Drug Designation for Ilixadencel as a treatment of Soft Tissue Sarcoma (STS), which includes GIST.
- Immunicum announced plans to expand its research and process development facilities in Leiden, the Netherlands.
- Immunicum appointed Lotta Ferm as interim Chief Financial Officer.

Financial summary*

KSEK unless otherwise stated	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Operating profit/loss	-46,346	-18,643	-86,027	-44,856
Net profit/loss	-47,568	-19,409	-89,248	-47,771
Earnings/loss per share, before and after dilution (SEK)	-0.57	-0.26	-1.17	-0.65
Cash	167,643	14,032	167,643	14,032
Shareholders equity	661,094	-5,677	661,094	-5,677
Number of employees at the end of the period	29	30	29	30

* On December 21, 2020, Immunicum AB acquired DCprime BV. The transaction resulted in the owners of the acquired company (DCprime) having deemed control of the acquiring company (Immunicum). The acquisition is therefore accounted for as a reverse acquisition. The consolidated financial statements thus only consist of DCprime BV until the time of acquisition, December 21, 2020. This consolidated financial statement is Immunicum's first consolidated financial statement which has been prepared in accordance with IFRS, for further information see Note 2.1 and Note 8.

CEO comment

Fourth quarter

» **With the merged** strengths following the recent business combination, including both ilixadencel and DCP-001 in clinical development, we are excited about Immunicum's potential to bring future treatments to patients.

2020 was the year in which Immunicum's efforts to secure advantageous regulatory conditions for the further clinical development of ilixadencel were rewarded. The designations awarded by the US Food and Drug Administration (FDA) and European Medicines Agency (EMA) strengthen our hope that our novel immunotherapy ilixadencel based on the Company's proprietary, ground-breaking research will advance rapidly and provide further clinical evidence that ilixadencel may improve survival outcomes and quality of life for cancer patients.

In the year 2020, the US FDA granted Immunicum Regenerative Medicine Advanced Therapy (RMAT) designation in kidney cancer (RCC) and Fast Track Designation (FTD) for ilixadencel in the orphan indication Gastrointestinal Stromal Tumors (GIST). In addition, the US FDA awarded Orphan Drug Designation for ilixadencel in Hepatocellular Carcinoma (HCC).

Furthermore, ilixadencel has progressed according to plan in the ongoing clinical trials. In December, we successfully finished patient recruitment for the Phase Ib portion of the ILIAD trial. The completion of this milestone brings us one step closer to the topline data readout that is expected in Q3 2021, which will give us further insight on the potential of ilixadencel in a range of indications.

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

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

Immunicum will now advance a synergistic pipeline spanning both large and orphan indications in solid as well as blood-borne tumors, with two clinical lead programs, ilixadencel and DCP-001, in Phase II clinical development. Beyond the Phase II candidates, our Company has a broad portfolio of late-stage preclinical candidates. The new research and process development facility in Leiden, The Netherlands, will allow for further pipeline expansion upon completion of the move in 2022.

Based on my industry experience, I am convinced that the combination of process development, manufacturing and specialized in-house research and development expertise in the new Immunicum will support our goal of becoming a leader in cell-based immunotherapies. The increased control over all development processes in drug development is critical for Immunicum to establish itself as a fully integrated biotechnology company.

I would like to welcome Erik Manting, Ph.D., Chief Business Officer & Deputy CEO, and Jeroen Rovers, M.D., Ph.D., Managing Director of DCprime to the Immunicum team. Both joined Immunicum from DCprime following the completion of the business combination. As a new team, we are all dedicated to ensuring that our programs with complementary therapeutic approaches, based on intratumoral priming and cancer relapse vaccination, currently in Phase II clinical development, continue to move towards commercialization. We look forward to keeping you informed on our progress as we advance our program candidates.

SVEN ROHMANN, M.D., Ph.D.
Chief Executive Officer

Introduction to Immunicum

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

Immunicum has set the objective of becoming a leader in cell therapy by broadening its platform of off-the-shelf, cell-based immune primers with the complementary approach of relapse vaccination, strengthening the Company's joint expertise in immuno-oncology.

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

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

Complementary approaches

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

Ilixadencel – a unique immune primer

The Company is evaluating ilixadencel in several solid tumor indications. By combining ilixadencel with modern immunotherapies and standard of care, it is Immunicum's ambition to improve treatment outcomes and quality of life for cancer patients. Ilixadencel, which consists of proinflammatory allogeneic dendritic cells, has the potential to become a backbone component of modern cancer combination treatments in a variety of solid tumor indications by eliminating the need to characterize, select and produce each patient's tumor-specific antigens before treatment.

Established proof of concept for ilixadencel

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

Validation of approach – solid tumors

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

DCOne® – a novel platform for relapse vaccines

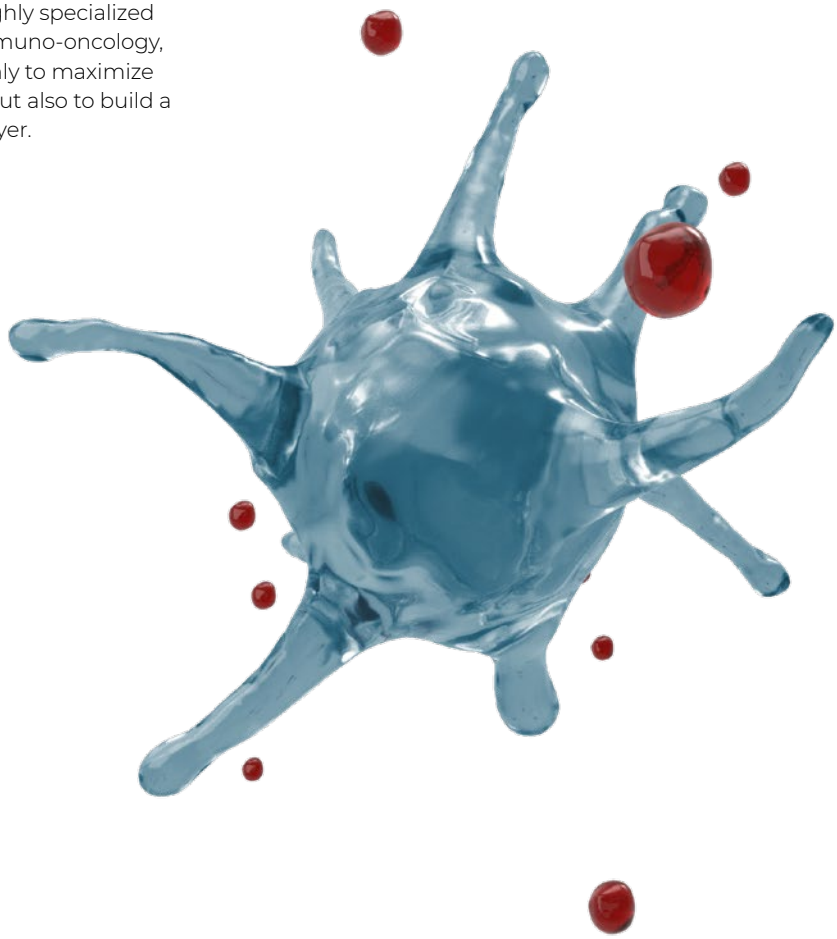
DCprime has been focused on advancing its proprietary DCOne® technology platform. The lead candidate, DCP-001, was developed by transforming a proprietary cell line of leukemia cells, DCOne®, into a completely cell-based cancer vaccine. DCprime recently presented extensive preclinical results that showed that this transformation leads to an immunogenic change. The original cells had a low immunogenicity while DCP-001 was found to be highly immunogenic and addressed a multitude of tumor antigens, which has made it an attractive cancer vaccine candidate to a number of blood-borne and solid tumor indications. DCOne® allows for the development of relapse vaccines that have a very positive safety profile and are available off-the-shelf to patients. In addition, candidates from the DCOne®-based platform can be combined with T cell therapies or other immuno-oncological treatments.

Strengthened leadership

From a management perspective, through the expansion of the Board of Directors, the appointment of a new CEO in August and the addition of two members to the management team at the end of 2020, Immunicum has built the right in-house experience to bring the Company to the next phase of development and move toward commercialization.

Solid foundation of cell therapy expertise

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



Financial information

The Group

Reverse acquisition

The acquisition of DCprime BV is accounted for as a reverse acquisition. This means that Immunicum is the legal Parent Company but is for accounting purposes treated as the acquired Company. DCprime BV is the legal subsidiary but is treated as the acquiring Company for accounting purposes. The consolidated financial statements thus only consist of DCprime BV until the time of acquisition, December 21, 2020. This means that the result for 2019 only refers to DCprime BV and the result for 2020 refers to DCprime BV's result for the entire financial year and Immunicum AB's result for the last 10 days of 2020. The 2019 figures refer to DCprime only.

Revenue

No revenue was reported for the fourth quarter - (-) or the full year - (-). Other operating income amounted to KSEK - (5) for the fourth quarter and for the full year to KSEK - (16,675) and consisted 2019 of EU grant, Horizon 2020.

Operating expenses

Total operating expenses for the fourth quarter amounted to KSEK 46,346 (18,648) and for the full year to KSEK 86,027 (61,530). The operating expenses are primarily due to research and development expenses related to the DCOne® platform and the product candidate DCP-001. The higher costs during the fourth quarter and the full year, compared with last year, is mainly due to transaction-related costs of the merger between DCprime and Immunicum.

Research and development costs

Research and development costs for the fourth quarter amounted to KSEK 18,157 (14,881) and for the full year to 47,883 (48,980). The costs are mainly due to preclinical and process development, as well as product manufacturing and the ADVANCE Phase II clinical trial. The higher costs of the fourth quarter are mainly due to the transaction-related compensation to management of DCprime that is part of R&D. The lower cost for the full year is primarily due to lower manufacturing costs.

Administrative costs

Administrative expenses for the fourth quarter amounted to KSEK 28,145 (3,764) and for the full year amounted to KSEK 38,080 (12,565). The increased costs for both the quarter and full year is due to transaction-related costs for the merger.

Financial results

Operating result for the quarter was KSEK -46,346 (-18,643) and for the full year KSEK -86,027 (-44,856). The result for the fourth quarter amounted to KSEK -47,568 (-19,409) and for the full year to KSEK -89,248 (-47,771). Earnings per share before and after dilution amounted to SEK -0.57 (-0.26) for the quarter and to SEK -1.17 (-0.65) for the full year.

Tax

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

Cash flow, investments and financial position

Cash flow from operating activities for the quarter amounted to KSEK -16,283 (-14,307) and for the full year to SEK -56,626 (-57,569). The negative cash flow is according to development plan and is mainly explained by the Company's research and development activities for the DCOne® platform and the product candidate DCP-001. The increased negative cashflow during the fourth quarter 2020 compared to 2019 is due to transaction-related costs of the merger.

During the quarter cash flow from investing activities amounted to KSEK -17 (-37) and for the full year to SEK -464 (-809). Cash flow from financing activities for the quarter amounted to KSEK 170,458 (-209) and for the full year to KSEK 208,666 (67,058). The increased cash flow for the fourth quarter and the full year 2020 is due to contribution from DCprime's shareholders and to acquired cash and cash equivalents in Immunicum AB related to the issue for non-cash consideration.

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

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

Financial information

Parent Company Immunicum AB

Revenue

No revenue was reported for the fourth quarter or the full year - (-). Other operating income amounted to KSEK 346 (727) for the fourth quarter and to KSEK 2,444 (893) for the full year and consisted of exchange rate gains on accounts payable.

Operating expenses

Total operating expenses for the fourth quarter amounted to KSEK 26,295 (40,780) and for the full year to KSEK 109,065 (133,217). The operating expenses are primarily due to clinical trials and development of products for the clinical trials, and process development for the product ilixadencel. The lower costs during the fourth quarter and the full year, compared with last year, is mainly due to the lower costs for the MERECA study, which ended in 2019, and lower CMC/ production costs.

Research and development costs

Research and development costs for the fourth quarter amounted to KSEK 21,492 (30,444) and for the full year to KSEK 79,191 (103,144). The costs are mainly due to expenses within CMC related to the process development activities to strengthen the manufacturing process of ilixadencel and by activities in ongoing clinical and preclinical studies. The lower costs during the fourth quarter and for the full year, compared to last year, are primarily due to the fact that the MERECA study was finished in 2019 and lower CMC expenses during 2020.

Administrative costs

Administrative expenses for the fourth quarter amounted to KSEK 4,373 (9,212) and for the full year amounted to KSEK 27,726 (28,498). The higher costs for the fourth quarter previous year compared to this year is primarily due to extra structure costs in 2019. Included among administration (G&A) are mainly attributable to finance department, executive management, business development, strategy work, support to management during period of CEO recruitment.

Financial results

Operating result for the fourth quarter was KSEK -25,949 (-40,052) and for the full year KSEK -106,621 (-132,324). The result for the fourth quarter amounted to KSEK -25,940 (-42,012) and for the full year to KSEK -106,308 (-134,016). Earnings per share before and after dilution for the Parent Company amounted to SEK -0.26 (-0.46) for the fourth quarter and to SEK -1.13 (-1.46) for full year.

Tax

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

Cash flow, investments and financial position

Cash flow from operating activities for the quarter amounted to KSEK -21,192 (-35,314) and for the full year to SEK -120,690 (-145,808). The negative cash flow is according to development plan and is mainly explained by the Company's clinical research and activities related to the process development for the manufacturing of ilixadencel. The lower negative cash flow during the fourth quarter 2020 compared to 2019 is due to the higher costs in general in 2019.

During the quarter cash flow from investing activities amounted to KSEK -16,597 (-) and for the full year to KSEK -16,597 (-251). The cash flow 2020 is due to external costs in conjunction with the acquisition of 100% of the shares in DCprime. Cash flow from financing activities for the quarter amounted to KSEK -2,052 (-) and for the full year to KSEK -2,063 (756). The cash flow during the fourth quarter is due to costs related to the new share issue in conjunction with the payment for the shares in DCprime.

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

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

Other

Significant events during the period January – December

- Immunicum presented updated data from Phase II MERECA trial of ilixadencel in kidney cancer at ASCO-SITC Clinical Immuno-Oncology Symposium. December 2019 data showed a separation in survival curves in favor of the ilixadencel group.
- Immunicum announced resignation of Michaela Gertz as Chief Financial Officer.
- Immunicum announced Peter Suenaert to resume the role as Chief Medical Officer.
- Immunicum received Regenerative Medicine Advanced Therapy (RMAT) Designation from the FDA for ilixadencel in kidney cancer (RCC).
- Immunicum appointed Peter Hein as interim Chief Financial Officer.
- Immunicum announced advancement to a non-staggered inclusion phase in the Phase Ib/II ILIAD combination trial.
- Immunicum announced publication of Phase I/II clinical trial results of ilixadencel in Gastrointestinal Stromal Tumors (GIST) in *Cancer Immunology, Immunotherapy.*
- Immunicum announced update on survival data in Phase II MERECA trial evaluating ilixadencel in combination with Sutent® (sunitinib).
- Immunicum announced the appointment of Sven Rohmann as Chief Executive Officer.
- Immunicum presented preclinical data supporting the combination of ilixadencel with cancer therapies and immunotherapies including anti-VEGF, anti-PDF1 and anti-CTLA4 at the 2020 Virtual ESMO Congress.
- Immunicum presented updated corporate and clinical development strategy.
- Immunicum announced the last safety and enrollment update for the ongoing Phase Ib/II ILIAD combination trial. As of October 6, 15 patients were enrolled in the study and ilixadencel maintained a favorable safety profile. The Dose Escalation Committee confirmed there were no dose limiting toxicities.
- Board member Magnus Persson left the Board in October.
- On November 18, Immunicum announced that the Company had entered into a binding agreement with Van Herk Investments BV to acquire all shares in DCprime BV to establish a leader in cell-based cancer immunotherapies. At the Extraordinary General Meeting on December 18, the Board's resolution on a directed new issue of shares to Van Herk Investments BV with payment in capital contributed in kind consisting of all shares in DCprime BV was approved. The transaction was completed on December 21.
- Immunicum received FDA Fast Track Designation for ilixadencel for the treatment of the orphan indication Gastrointestinal Stromal Tumors (GIST).
- Immunicum announced the completion of patient recruitment for Phase Ib portion of ILIAD combination clinical trial.
- Immunicum received FDA Orphan Drug Designation for ilixadencel as a treatment for liver cancer, specifically Hepatocellular Carcinoma (HCC).

Significant events after end of period

- Prior to the EGM on January 22, 2021, Chairman Michael Oredsson announced his resignation from the Board, whereby the Board appointed the current Board member Christine Lind as interim Chairman until the Annual General Meeting on May 4, 2021. At the EGM, Dharminder Chahal and Andrea van Elsas, Ph.D., nominated by the Company's largest owner Van Herk Investments, were elected new members of the Board.
- Immunicum received FDA Orphan Drug Designation for Ilixadencel as a treatment of Soft Tissue Sarcoma (STS), which includes GIST.
- Immunicum announced plans to expand its research and process development facilities in Leiden, the Netherlands.
- Immunicum appointed Lotta Ferm as interim Chief Financial Officer.

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 Annual General Meeting in April 2019, a 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.

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

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

Employees

As of December 31, 2020, the Group had 29 (30) full-time employees, of whom 17 (18) were women and 12 (12) were 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 December 31, 2020 amounted to 166,167,166 (92,257,531) and the share capital in the Company amounted to SEK 8,308,358 (4,612,876). All shares have equal voting right and share of Immunicum's assets and profit.

Dividend

The Board proposes that no dividend shall be paid for the 2020 financial year.

Shareholders 2020-12-31

Source: Euroclear Sweden AB.

Owners	Shares	Capital/Votes
Adrianus Van Herk	72,055,738	43.36%
Avanza Pension	7,561,965	4.55%
Fourth Swedish National Pension Fund (AP4)	7,500,000	4.51%
Nordnet Pensionsförsäkring	6,876,545	4.14%
Martin Lindström	3,085,000	1.86%
Holger Blomstrand Byggnads AB	2,975,386	1.79%
Alfred Berg Fonder	957,450	0.58%
Göran Källebo	931,863	0.56%
Elivågor AB	875,000	0.53%
Ivar Nordqvist	830,256	0.50%
Swedbank Försäkring	790,513	0.48%
Alex Karlsson-Parra	621,736	0.37%
Hans Edvin Ståhlgren	600,000	0.36%
Bengt Andersson	571,319	0.34%
SEB Fonder	557,363	0.34%
Other	5,377,032	35.73%
Total	**166,167,166**	**100.00%**

Annual General Meeting 2021

The Annual General Meeting (AGM) for Immunicum will be held on May 4. More information regarding the AGM and how to register will be presented in the notice to the AGM.

Nomination Committee

In accordance with the resolution at the AGM 2020, the Nomination Committee for the AGM 2021 has been appointed and announced. The Nomination Committee consists of: Erik Esveld (Van Herk Investments BV), Jannis Kitsakis (Fourth Swedish National Pension Fund), Martin Lindström (Loggen Invest AB) and Jamal El-Mosleh (Holger Blomstrand Byggnads AB).

Review

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

Stockholm February 17, 2021
Immunicum AB (publ)

Sven Rohmann, M.D., Ph.D.
CHIEF EXECUTIVE OFFICER

Consolidated income statement

Amounts in KSEK	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Other operating income	-	5	-	16,675
	-	5	-	16,675
OPERATING EXPENSES				
Administration expenses	-28,145	-3,764	-38,080	-12,565
Research and development expenses	-18,157	-14,881	-47,883	-48,980
Other operating expenses	-44	-3	-65	15
Operating profit/loss	**-46,346**	**-18,643**	**-86,027**	**-44,856**
RESULT FROM FINANCIAL ITEMS				
Financial items - net	-1,222	-766	-3,220	-2,915
Profit/loss after financial items	**-47,568**	**-19,409**	**-89,248**	**-47,771**
Income tax expense	-	-	-	-
PROFIT/LOSS FOR THE PERIOD	**-47,568**	**-19,409**	**-89,248**	**-47,771**
Earnings/loss per share before and after dilution (SEK), for profit attributable to owner of the Parent Company's shareholders.	-0.57	-0.26	-1.17	-0.65

Consolidated statement of comprehensive income

Amounts in KSEK	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Result for the period	-47,568	-19,409	-89,248	-47,771
Other comprehensive income				
Items that may be reclassified to profit or loss				
Exchange differences on translation of foreign operations	2,977	2,164	3,231	301
Other comprehensive income for the period	2,977	2,164	3,231	301
Total comprehensive result for the period	**-44,591**	**-17,245**	**-86,017**	**-47,470**

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

Consolidated statement of financial position

Amounts in KSEK	Note	31 Dec 2020	31 Dec 2019	1 Jan 2019
ASSETS				
NON-CURRENT ASSETS				
Goodwill	8	108,350	-	-
Technology	8	424,091	-	-
Right-of-use assets		1,204	2,135	2,577
Equipment		1,705	2,193	2,182
Other long term receivables		677	442	420
Total Non-current assets		**536,028**	**4,770**	**5,179**
CURRENT ASSETS				
Other receivables		20,230	18,695	2,438
Prepaid expenses and accrued income		4,760	423	2,717
Cash and cash equivalents		167,643	14,032	4,415
Total current assets		**192,634**	**33,150**	**9,569**
TOTAL ASSETS		728,661	37,920	14,748
SHAREHOLDERS' EQUITY AND LIABILITIES				
SHAREHOLDERS' EQUITY				
Share capital		8,308	593	584
Additional paid-in capital		1,003,044	260,910	190,162
Reserves		3,532	301	0
Retained earnings (including profit/loss for the period)		-353,790	-267,480	-216,771
Total equity attributable to the shareholders of the Parent Company		**661,094**	**-5,677**	**-26,026**
LIABILITIES				
NON-CURRENT LIABILITIES				
Other long-term liabilities		18,982	31,062	27,923
Lease liabilities		303	1,230	1,799
Total non-current liabilities		**19,285**	**32,292**	**29,722**
CURRENT LIABILITIES				
Lease liabilities		880	871	711
Accounts payable		10,365	1,898	2,605
Other liabilities		23,179	575	491
Accrued expenses and deferred income		13,857	7,962	7,245
Total current liabilities		**48,282**	**11,306**	**11,052**
Total liabilities		**67,567**	**43,597**	**40,774**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		728,661	37,920	14,748

Consolidated statement of change in equity

Attributable to owners of Immuicum AB (publ)

Amounts in KSEK	Note	Share capital	Additional paid in capital	Reserves	Retained earnings, including profit/loss for the year	Total
Opening shareholders' equity 01/01/2020		**586**	**257,980**	**301**	**-264,542**	**-5,675**
Profit/loss for the period					-89,248	-89,248
Other comprehensive income				3,231		3,231
Total comprehensive income		**586**	**257,980**	**3,532**	**-353,790**	**-91,692**
Transactions with owners						
New share issue		5,452	-5,452			0
Issue for non-cash consideration	8	3,695	697,462			701,157
Shareholders' contribution		0	53,681			53,681
Redistribution as of reverse acquisition		-1,425	1,425			0
Issue costs	8	0	-2,052			-2,052
Total transactions with owners		**7,722**	**745,064**	**0**	**0**	**752,786**
Shareholders' equity 2020-12-31		**8,308**	**1,003,044**	**3,532**	**-353,790**	**661,095**
Opening shareholders' equity 01/01/2019		**586**	**190,162**	**0**	**-216,771**	**-26,024**
Profit/loss for the period					-47,771	-47,771
Other comprehensive income				301		301
Total comprehensive income		**0**	**0**	**301**	**-47,771**	**-47,470**
Transactions with owners						
Shareholders' contribution			67,818			67,818
Total transaction with owners		**0**	**67,818**	**0**	**0**	**67,818**
Shareholders' equity 31/12/2019		**586**	**257,980**	**301**	**-264,542**	**-5,675**

Consolidated statement of cash flows

Amounts in KSEK	Note	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Operating activities					
Operating profit/loss		-46,346	-18,643	-86,029	-44,856
Adjustment for items not included in cash flow		437	442	1,774	1,638
Interest expense paid		-19	-74	-103	-166
Cash flow from operating activities before changes in working capital		-45,928	-18,275	-84,358	-43,383
Increase/decrease in other current receivables		21,421	322	22,204	-14,118
Increase/decrease in accounts payable		1,677	-2,183	761	-3,278
Increase/decrease in other current liabilities		6,547	5,829	4,766	3,210
Cash flow from operating activities		**-16,283**	**-14,307**	**-56,626**	**-57,569**
Investment activities					
Investments in tangible assets		-17	-37	-464	-809
Cash flow from investing activities		**-17**	**-37**	**-464**	**-809**
Financing activities					
Shareholders' contribution		18,553		53,681	67,818
Issue for non-cash consideration, cash acquired	8	157,762		157,762	
Issue costs		-2,052		-2,052	
Proceeds from borrowings				3,798	
Repayment of borrowings		-3,805	-209	-4,523	-760
Cash flow from financing activities		**170,458**	**-209**	**208,666**	**67,058**
Cash and cash equivalents at the beginning of the period		**13,620**	**28,567**	**14,032**	**4,405**
Cash flow for the period		154,158	-14,553	151,576	8,680
Foreign echange difference in cash and cash equivalents		-134	19	2,035	947
Cash and cash equivalents at the end of the period		**167,643**	**14,032**	**167,643**	**14,032**

Parent Company income statement

Amounts in KSEK	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Other operating income	346	727	2,444	893
Operating expenses				
Administration expenses	-4,373	-9,212	-27,726	-28,498
Research and development expenses	-21,492	-30,444	-79,191	-103,144
Other operating expenses	-430	-1,124	-2,148	-1,576
Operating profit/loss	**-25,949**	**-40,052**	**-106,621**	**-132,324**
Result from financial items				
Financial items - net	9	-1,960	313	-1 692
Profit/loss after financial items	**-25,940**	**-42,012**	**-106,308**	**-134,016**
Income tax expense	-	-	-	-
Profit/loss for the period	-25,940	-42,012	-106,308	-134,016

Parent Company statement of comprehensive income

Amounts in KSEK	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Result for the period	-25,940	-42,012	-106,308	-134,016
Other comprehensive income for the period	-	-	-	-
Total comprehensive result for the period	**-25,940**	**-42,012**	**-106,308**	**-134,016**

Parent Company balance sheet

Amounts in KSEK	Note	31 Dec 2020	31 Dec 2019
ASSETS			
Fixed assets			
Financial assets			
Participants in Group companies	9	578,311	-
Other long-term assets		252	252
Total financial assets		**578,563**	**252**
Total fixed assets		**578,563**	**252**
Current assets			
Current receivables			
Other receivables		3,333	2,983
Prepaid expenses and accrued income		4,509	3,783
Total current receivables		**7,842**	**6,766**
Cash and bank balances		157,762	296,811
Total current assets		**165,604**	**303,577**
TOTAL ASSETS		744,167	303,829
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Restricted equity			
Share capital		8,308	4,613
Total restricted equity		**8,308**	**4,613**
Unrestricted equity			
Share premium reserve		1,287,784	731,828
Retained earnings		-463,661	-329,645
Profit/loss for the period		-106,308	-134,016
Total unrestricted equity		**717,815**	**268,168**
Total shareholders' equity		**726,123**	**272,781**
Liabilities			
Long-term liabilities			
Other long-term liabilities		850	850
Total long-term liabilities		**850**	**850**
Current liabilities			
Accounts payable		7,811	12,819
Other liabilities		2,013	1,644
Accrued expenses and deferred income		7,369	15,736
Total current liabilities		**17,193**	**30,199**
Total liabilities		**18,043**	**31,049**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		744,167	303,829

Parent Company statement of changes in equity

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

Parent Company cash flow statement

Amounts in KSEK	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Operating activities				
Operating profit/loss	-25,949	-40,052	-106,621	-132,324
Adjustment for items not included in cash flow	-6	-	-	9
Interest income received	15	10	15	10
Interest expense paid	-	-7	-2	-17
Increase/decrease in other current receivables	-1,502	-2,231	-1,076	-202
Increase/decrease in accounts payable	2,944	2,720	-5,008	-18,447
Increase/decrease in other current liabilities	3,306	4,247	-7,998	5,164
Cash flow from operating activities	**-21,192**	**-35,314**	**-120,690**	**-145,808**
Investment activities				
Investment in financial assets	-16,597	-	-16,597	-251
Cash flow from investing activities	**-16,597**	**-**	**-16,597**	**-251**
Financing activities				
New share issues	-2,052	-	-2,052	-
Premiums for repurchased warrants	-	-	-187	756
Premiums for sold warrants	-	-	176	-
Cash flow from financing activities	**-2,052**	**-**	**-2,063**	**756**
Cash and cash equivalents at the beginning of the period	**197,603**	**334,088**	**296,811**	**443,798**
Cash flow for the period	-39,841	-35,314	-139,350	-145,303
Foreign echange difference in cash and cash equivalents	-	-1,963	300	-1,684
Cash and cash equivalents at the end of the period	**157,762**	**296,811**	**157,762**	**296,811**

Notes

Note 1 - General information

This report covers the Swedish company Immunicum AB (publ) (Immunicum), Swedish corporate identity no. 556629-1786. The Company is a Swedish public limited company registered in Gothenburg and with its registered office in Stockholm. The year-end report was authorized for issue by the Board of Directors on February 17, 2021.

Note 2 - Accounting policies

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

2.1 Basis of preparation

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

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

The interim report has been prepared in accordance with IAS 34 Interim financial reporting and Swedish Annual Accounts Act.

The interim report for the Parent Company is prepared in accordance with the Swedish Annual Accounts Act and RFR 2 Financial reports for legal entities. The Parent Company's accounting policies have been consistently applied and are described in the Annual Report of 2019 (Note 1, pages 46-47).

First time International Financial Reporting Standards (IFRS) are applied

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

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

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

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

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

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

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

Preparing reports in accordance with IFRS requires the use of some important estimates for accounting purposes. Furthermore, management is required to make certain assessments when applying the Group's accounting principles. The areas that include a high degree of assessment, which are complex or such areas where assumptions and estimates are of significant importance for the consolidated accounts are stated in Note 3.

Other

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

2.2 Principles of consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect

those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

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

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

2.3 Business combinations

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

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

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

Reverse acquisition

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

2.4 Foreign currency translation

Functional and presentation currency

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

Transactions and balances

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

Group companies

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

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

2.5 Government grants

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

2.6 Leases

The Group as a lessee

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

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

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

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

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

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

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

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

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

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

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

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

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

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

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

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

2.11 Technology
Technology acquired in a business combination are recognised at fair value at the acquisition date. Technology have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses. Amortisation starts from the point at which the asset is ready for use.

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

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

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

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

Classification and measurement of financial instruments
The classification depends on the purpose(s) behind the acquisition of the financial instrument. The Group classifies and measure its financial assets in the category of amortized cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

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

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

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

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

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

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

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

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

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

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

Note 3 – Significant estimates and judgements for accounting purposes
The preparation of financial statements requires the use of accounting estimates which will seldom equal the actual results. Management also needs to exercise judgement in applying theGroup's accounting policies.

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

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

Note 4 - Prospects, significant risks and uncertainty factors
Covid-19 pandemic impact on operations
The Covid-19 pandemic is evolving rapidly and is having a significant impact on the global healthcare system. Many hospitals, regions and countries are updating their guidelines and Immunicum is following the developments closely ready to take necessary steps to fully comply with the new guidance as required. Immunicum has also taken necessary actions to ensure the well-being, safety and security of the Company's employees.

At reporting date, the ongoing ILIAD study continues as planned in the US. In December 2020, the Company reported that all patients were successfully recruited to the ILIAD-study. However, in current situation, there is still a risk that the pace of the study will be negatively impacted due to Covid-19. Similarly, this may affect the collection of follow-up survival data like for the completed MERECA study and/or result in a delay or gap in the clinical study data collection and/or processing by the CRO. Immunicum's team is working closely with the CROs involved to make sure timelines and quality are secured and mitigation steps are in place.

Sufficient stock of ilixadencel, to complete the Phase 1b portion of the ILIAD study, have been shipped to storage depots and the Company does not currently foresee delays in the shipment of product to site(s) as a consequence of the Covid-19 pandemic. At reporting date, regulatory authority interactions are considered unlikely to be affected. There is a general risk associated with the impact the Covid-19 pandemic might have on the capital markets. If extended in time it could adversely affect the Company's access to the capital markets, which could have a negative impact on the Company's business.

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.

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 Immunicum's results.

For a more detailed description of significant risk factors, please see the 2019 Annual Report available on the Company's website www.immunicum.com.

Note 5 - Information on transactions with closely related parties

Sven Rohmann has since he was appointed CEO of Immunicum AB, invoiced the Company KSEK 1,762 in consultancy fees through the Company Suenos Advisors Establishment. Margareth Jorvid, Head of Regulatory Affairs & Quality System and member of Immunicum's management team, has during 2020 invoiced Immunicum KSEK 1,737 in consultancy fees through the Company Methra Uppsala AB. Peter Suenaert, CMO and member of Immunicum's management team, has during 2020 invoiced Immunicum KSEK 2,555 in consultancy fees through the Company Sparklin BV.

Note 6 - Financial instruments

Immunicum's financial assets and liabilities comprise of cash and cash equivalents, other current assets, other securities held as fixed assets, other long-term receivables, other long-term liabilities, other liabilities and accounts payable. The fair value of all financial instruments is materially equal to their carrying amounts.

Note 7 - Significant events after end of period

- Prior to the EGM on January 22, 2021, Chairman of the Board Michael Oredsson announced his resignation from the Board, whereby the Board appointed the current Board member Christine Lind as interim Chairman until the Annual General Meeting on May 4, 2021. At the Meeting, Dharminder Chahal and Andrea van Elsas, Ph.D., nominated by the Company's largest owner Van Herk Investments, were elected new members of the Board.
- Immunicum received FDA Orphan Drug Designation for Ilixadencel as a treatment of Soft Tissue Sarcoma (STS), which includes GIST.
- Immunicum announced plans to expand its research and process development facilities in Leiden, the Netherlands.
- Immunicum appointed Lotta Ferm as interim Chief Financial Officer.

Note 8 – Business combinations

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

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

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

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

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

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

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

Revenue and profit in acquired business
The acquisition of Immunicum AB affected the Group's revenues by KSEK 0 and the profit for the period by KSEK -2,255 for the period December 21 to December 31, 2020. If the acquisition had been completed on January1, 2020, the Group's revenues and profit for the period as of December 31, 2020 would have been affected by KSEK 0 respectively KSEK -106,308.

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

Impact on cash flow

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

Note 9 - Participations in Group companies

Participations in Group companies refer to participations in DCprime BV which were acquired on December 21, 2020. Immunicum holds 100% of the share of the capital and of the voting power. The number of shares amounts to 60,000,000 shares.

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.

Group

	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Share capital at the end of period, SEK	8,308,358	593,221	8,308,358	593,221
Equity at the end of period, KSEK	661,094	-5,677	661,094	-5,677
Earnings per share before and after dilution, SEK	-0.57	-0.26	-1.17	-0.65
Research and development costs, KSEK	-18,157	-14,881	-47,883	-48,980
Research & development costs/operating expenses, %	39%	80%	56%	80%

Parent Company

	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Total registered shares at the beginning of period	92,257,531	92,257,531	92,257,531	71,874,119
Total registered shares at the end of period	166,167,166	92,257,531	166,167,166	92,257,531
Share capital at the end of period, SEK	8,308,358	4,612,877	8,308,358	4,612,877
Equity at the end of period, KSEK	726,123	272,781	726,123	272,781
Earnings per share before and after dilution, SEK	-0.26	-0.46	-1.13	-1.46
Research and development costs, KSEK	-21,492	-30,444	-79,191	-103,144
Research & development costs/operating expenses, %	82%	75%	73%	77%

Definitions and reconciliation of alternative performance measurements

Alternative performance measurements	Definition	Justification
Equity ratio	Total shareholders' equity divided by total assets	The key ratio provides useful information of the Company's capital structure.
Research & development costs/operating expenses, %	Research & development costs/operating expenses, %	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 Group

	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Equity ratio at the end of the period, %				
Total shareholders' equity at the end of the period, KSEK	661,094	-5,677	661,094	-5,677
Total assets at the end of the period, KSEK	728,661	37,920	728,661	37,920
Equity ratio at the end of the period, %	91%	-15%	91%	-15%
Research & development costs/operating expenses, %				
Research & development costs	-18,157	-14,881	-47,883	-48,980
Administrative costs	-28,145	-3,764	-38,080	-12,565
Other operating expenses	-44	-3	-65	15
Total operating expenses	-46,346	-18,648	-86,027	-61,530
Research & development costs/operating expenses, %	39%	80%	56%	80%

Derivation Parent Company

	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Equity ratio at the end of the period, %				
Total shareholders' equity at the end of the period, KSEK	726,123	272,781	726,123	272,781
Total assets at the end of the period,(KSEK	744,167	303,829	744,167	303,829
Equity ratio at the end of the period, %	98%	90%	98%	90%
Research & development costs/operating expenses, %				
Research & development costs	-21,492	-30,444	-79,191	-103,144
Administrative costs	-4,373	-9,212	-27,726	-28,498
Other operating expenses	-430	-1,124	-2,148	-1,576
Total operating expenses	-26,295	-40,780	-109,065	-133,217
Research & development costs/operating expenses, %	82%	75%	73%	77%

Financial calendar

Publication of 2020 Annual Report on the Company's website:
Week commencing April 12, 2021

Interim report January – March 2021:
May 4, 2021

Annual General Meeting 2021:
May 4, 2021

Interim report January – June 2021:
August 26, 2021

Interim report January – September 2021:
October 28, 2021

For further information, please contact:

Sven Rohmann, M.D., Ph.D., CEO, Immunicum
Phone: +46 (0)8 732 8400
E-mail: info@immunicum.com

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

Postal address: Östermalmstorg 5
SE- 114 42 Stockholm, Sweden
Website: www.immunicum.com
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 February 18, 2021, at 08:00 a.m. CET.

The Group is referred to unless otherwise stated in this Year-end report. Figures in parentheses refer to the corresponding period last year.

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

IMMUNICUM
INNOVATION IN IMMUNO-ONCOLOGY

Immunicum AB

Östermalmstorg 5
SE- 114 42 Stockholm, Sweden

Phone: +46 (0)8 732 8400