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## Report 2<sup>nd</sup> quarter 2020

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### Highlights:

- Expansion of Vaccibody's strategic focus to include Infectious Diseases
- Appointment of Gunnstein Norheim, Ph.D., as Director Infectious Diseases leading this new initiative
- VB C-02 trial with VB10.16 in combination with Roche's immune-checkpoint inhibitor atezolizumab in advanced cervical cancer patients approved in all six participating countries, including Norway

### Highlights after June 30th, 2020:

- Dosing of first patient in VB C-02 Phase II clinical trial with VB10.16 in combination with Roche's immune-checkpoint inhibitor atezolizumab in advanced cervical cancer
- Vaccibody and Nektar Therapeutics dose first patient in Phase I/IIa trial arm evaluating VB10.NEO in combination with bempegaldesleukin (NKTR-214) and immune-checkpoint inhibitor in patients with head and neck cancer
- Finalization of patient enrolment in VB N-01 Phase I/IIa clinical trial with VB10.NEO neoantigen cancer vaccine in locally advanced or metastatic cancer patients

### **Michael Engsig, Chief Executive Officer at Vaccibody, comments:**

*"This has been a very strong quarter in terms of bringing our projects forward. With the VB C-02 trial in advanced cervical cancer receiving approvals from relevant regulatory authorities in all the participating countries, followed by finalizing enrolment of the VB N-01 trial, this emphasizes our team's ability to keep our operations running in spite of the challenging Covid-19 situation"*

Key figures	financial				figures
	2nd quarter		6 months		Full year
Amounts in NOK 1,000	2020	2019	2020	2019	2019
Total revenue and other income	1 295	2 829	2 582	5 733	12 446
Total operating expenses	51 675	22 840	95 137	45 772	111 338
<b>Operating profit (loss)</b>	<b>-50 380</b>	<b>-20 011</b>	<b>-92 554</b>	<b>-40 039</b>	<b>-98 892</b>
<b>Net profit (loss) for the period</b>	<b>-52 292</b>	<b>-19 246</b>	<b>-83 713</b>	<b>-39 148</b>	<b>-95 956</b>
Net proceeds from equity issues	0	-	8 016	219 420	224 322
Net cash flow	-51 825	-19 130	-76 887	177 474	135 077
Cash and cash equivalents, end of period	202 738	322 021	202 738	322 021	279 625
Outstanding shares, end of period (*)	56 558 340	54 229 880	56 558 340	54 229 880	54 973 080
Cash and cash equivalents/total assets	94 %	97 %	94 %	97 %	96 %
Equity ratio	89 %	96 %	89 %	96 %	92 %
Equity	192 742	320 344	192 742	320 344	268 439
Total assets	215 389	332 733	215 389	332 733	292 254
Employees, average	30	22	29	21	23
Employees, end of period	30	24	30	24	24

(\*) The share was split 1:5 in July 2020

## R&D update

### VB10.NEO

VB10.NEO is an individualized neoantigen cancer vaccine:

- Clinical status: Phase I/IIa
- Cancer Indications: Melanoma, non-small cell lung cancer (NSCLC), clear renal cell carcinoma, urothelial cancer or squamous cell carcinoma of the head and neck (SCCHN),

### Status and highlights

The good momentum in the screening and enrolment was maintained during the second quarter despite the Covid-19 situation. As per 21 August 2020 it was announced that the enrolment target of the 50 patients for the VB N-01 trial had been reached and the enrolment finalized. Patients have been enrolled across all six trial arms covering the respective indications.

The best-in-class 100% manufacturing success of producing the VB10.NEO individualized vaccine for patients with a sufficient number of neoantigens continued.



## **VB10.16: VB C-02**

The clinical trial is based on VB10.16 + atezolizumab in advanced cervical cancer:

- Clinical status: Phase II
- Indication: HPV16+ advanced, non-resectable cervical cancer

### Status and highlights

As per 30 June, four sites had been initiated in Belgium, Czech Republic and Norway and three were activated. Two patients were in screening and on 1 July, the first patient had received the first dose at the Oslo University Hospital in Norway.

## **Infectious Diseases**

Discovery and pre-clinical activities within infectious diseases have been initiated and early pre-clinical data are encouraging. Vaccibody's strategic analysis and planning activities continue with the goal of presenting a comprehensive infectious disease strategy later in 2020.

## **Financial review**

### ***Income statement***

The net result for 1H20 was a net loss of NOK 83.7 million compared to a NOK 39.1 million loss in 1H19. The increased loss was caused mainly by an increase in clinical development activities relating primarily to the inclusion and treatment of patients in VB N-01, a larger number of sites for accelerated patient recruitment, and expenses for preparations for the VB C-02 program.

### ***Operating income***

Total operating income amounted to NOK 2.6 million in 1H20 (NOK 5.7 million in 1H19) and consisted primarily of accrued grants from SkatteFUNN, a Norwegian government R&D tax incentive program.

### ***Operating expenses***

Total operating expenses amounted to NOK 95.1 million in 1H20 compared to NOK 45.8 million in 1H19. Employee expenses increased to NOK 20 million (1H19: NOK 11.5 million). The increase was primarily caused by the planned increase in employees. Other operating expenses amounted to NOK 75.1 million in 1H20 (1H19: NOK 34.3 million), primarily due to a ramp-up of the ongoing VB N-01 program as well as expenses for preparations for the VB C-02 clinical development program.



### *Net financial income and expenses*

Net financial income and expenses increased to NOK 8.8 million in 1H20 compared to NOK 0.1 million in 1H19. The increase related primarily to currency gains on the Company's cash held in EUR.

### **Statement of financial position**

#### *Cash*

At June 30, 2020, Vaccibody had a cash position of NOK 202.7 million compared to NOK 322.0 million at June 30, 2019. The change reflects the net results of the Company and cash received from the exercise of warrants.

#### *Equity*

At June 30, 2020, total equity amounted to NOK 192.7 million compared to NOK 320.3 million at June 30, 2019.

## Outlook

Three major clinical objectives for 2020 have already been reached, namely:

- Dose the first patient in the VB N-01 study arm with VB10.NEO in combination with Nektar Therapeutic's bempegaldesleukin (NKTR-214)
- Complete the enrolment of patients into the Company's VB N-01 clinical trial including the basket arm 5B which investigates VB10.NEO in combination with Nektar Therapeutic's bempegaldesleukin (NKTR-214)
- Initiate enrolment in the VB C-02 trial investigating VB10.16 in combination with atezolizumab in patients with advanced or recurrent cervical cancer

An overview of Vaccibody's outlook for the remainder of 2020 is provided in the table below. Further, Vaccibody will lay out its strategy for the Infectious Disease area later in 2020. Last, the Company is in continuous dialogue with academic and industrial entities and will announce new key collaborations and partnerships if or when they may occur.

Expected 2020 outlook and news flow regarding Vaccibody's clinical trial R&D pipeline:

Program	Clinical trial	Activity	Comments
VB10.NEO	VB N-01	Updated immune response data	Follow-up and expansion from the first data release in June 2019
VB10.NEO	VB N-01	Updated clinical data	Follow-up and expansion from the first data release in November 2019
VB10.16	VB C-02	Safety data for first patients	First safety data from the trial

## Results and financial position - 2Q20

Profit and loss statement NOK 1,000	2nd quarter		6 months		Full year
	2020	2019	2020	2019	2019
Revenue	-	-	1	-	489
Other income	1 295	2 829	2 581	5 733	11 957
Employee expenses	11 917	5 133	19 970	11 474	29 355
Depreciation	63	32	114	47	136
Other operating expenses	39 694	17 675	75 052	34 251	81 847
<b>Total operating expenses</b>	<b>51 675</b>	<b>22 840</b>	<b>95 137</b>	<b>45 772</b>	<b>111 338</b>
<b>Operating profit (loss)</b>	<b>-50 380</b>	<b>-20 011</b>	<b>-92 554</b>	<b>-40 039</b>	<b>-98 892</b>
<b>Net financial income and expenses</b>	<b>-1 913</b>	<b>765</b>	<b>8 841</b>	<b>891</b>	<b>2 936</b>
<b>Profit (loss) before income tax</b>	<b>-52 292</b>	<b>-19 246</b>	<b>-83 713</b>	<b>-39 148</b>	<b>-95 956</b>
Income tax	-	-	-	-	-
<b>Net profit (loss) for the period</b>	<b>-52 292</b>	<b>-19 246</b>	<b>-83 713</b>	<b>-39 148</b>	<b>-95 956</b>

Statement of financial position NOK 1,000	30.06.20	31.03.20	31.12.19	30.09.19	30.06.19	31.03.19	31.12.18
Intangible assets	300	300	300	300	300	300	300
Plant, machinery, fixtures etc	803	697	641	664	677	95	110
Other long term receivables	36	36	36	36	36	36	36
<b>Total fixed assets</b>	<b>1 138</b>	<b>1 033</b>	<b>976</b>	<b>999</b>	<b>1 013</b>	<b>430</b>	<b>446</b>
Receivables	11 514	10 839	11 653	10 250	9 700	9 009	8 345
Cash and cash equivalents	202 738	254 562	279 625	298 635	322 021	341 151	144 547
<b>Total current assets</b>	<b>214 251</b>	<b>265 402</b>	<b>291 277</b>	<b>308 884</b>	<b>331 721</b>	<b>350 160</b>	<b>152 893</b>
<b>Total assets</b>	<b>215 389</b>	<b>266 434</b>	<b>292 254</b>	<b>309 883</b>	<b>332 733</b>	<b>350 591</b>	<b>153 338</b>
Share capital	2 828	2 818	2 749	2 711	2 711	2 711	2 424
Share premium reserve	519 709	517 661	511 731	506 907	506 907	506 907	287 775
Unregistered share issue	-	2 058	41	-	-	-	-
Uncovered loss	-329 795	-277 503	-246 082	-212 170	-189 274	-170 028	-150 126
<b>Total equity</b>	<b>192 742</b>	<b>245 034</b>	<b>268 439</b>	<b>297 449</b>	<b>320 344</b>	<b>339 590</b>	<b>140 072</b>
Accounts payable	10 057	18 734	13 362	5 697	5 867	3 609	5 521
Other current liabilities	12 591	2 666	10 453	6 738	6 522	7 391	7 745
<b>Total current liabilities</b>	<b>22 648</b>	<b>21 400</b>	<b>23 815</b>	<b>12 435</b>	<b>12 389</b>	<b>11 000</b>	<b>13 266</b>
<b>Total liabilities</b>	<b>22 648</b>	<b>21 400</b>	<b>23 815</b>	<b>12 435</b>	<b>12 389</b>	<b>11 000</b>	<b>13 266</b>
<b>Total equity and liabilities</b>	<b>215 389</b>	<b>266 434</b>	<b>292 254</b>	<b>309 883</b>	<b>332 733</b>	<b>350 591</b>	<b>153 338</b>

## Key figures by quarter

Key figures <i>Amounts in NOK 1,000</i>	2020		2019			
	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Total revenue and other income	1 295	1 287	3 481	3 232	2 829	2 829
Total operating expenses	51 675	43 462	37 729	27 837	22 840	22 840
<b>Operating profit (loss)</b>	-50 380	-42 174	-34 248	-24 605	-20 011	-20 011
<b>Net profit (loss) for the period</b>	-52 292	-31 421	-33 912	-22 896	-19 246	-19 246
Net proceeds from equity issues	0	8 016	4 902	-	-	-
Net cash flow	-51 825	-25 062	-19 011	-23 386	-19 130	-19 130
Cash and cash equivalents, end of period	202 738	254 562	279 625	298 635	322 021	322 021
Outstanding shares, end of period	56 558 340	56 351 680	54 973 080	54 229 880	54 229 880	54 229 880
Cash and cash equivalents/total assets	94 %	96 %	96 %	96 %	97 %	97 %
Equity ratio	89 %	92 %	92 %	96 %	96 %	96 %
Equity	192 742	245 034	268 439	297 449	320 344	320 344
Total assets	215 389	266 434	292 254	309 883	332 733	332 733
Employees, average	30	26	25	24	22	22
Employees, end of period	30	26	24	26	23	24

## Key financial figures (five years)

Key figures <i>Amounts in NOK 1,000</i>	2019	2018	2017	2016	2015
Total revenue and other income	12 446	12 042	9 763	8 999	5 623
Total operating expenses	111 338	77 879	43 731	25 407	18 931
<b>Operating profit (loss)</b>	-98 892	-65 837	-33 968	-16 408	-13 308
<b>Net profit (loss) for the period</b>	-95 956	-63 793	-31 371	-16 220	-13 091
Net proceeds from equity issues (2)	224 322	337	209 548	23 945	556
Net cash flow (2)	135 077	-62 525	182 070	7 914	-12 289
Cash and cash equivalents, end of period (2)	279 625	144 547	207 073	25 002	17 088
Outstanding shares, end of period (1, 2)	54 973 080	48 479 880	2 417 064	1 529 649	1 215 349
Cash and cash equivalents/total assets (2)	96 %	94 %	97 %	10 %	92 %
Equity ratio	92 %	91 %	95 %	94 %	95 %
Equity	268 439	140 072	203 529	234 402	17 627
Total assets	292 254	153 338	214 466	248 128	18 625
Employees, average	23	16	12	7	4
Employees, end of period	24	19	15	8	5

## Overview of shareholders as per June 30, 2020

### Share capital and shareholders

Table of shareholders as of June 30, 2020:

Shareholder	Shares	Stake
DATUM OPPORTUNITY AS	5 000 000	8,84 %
RASMUSSENGRUPPEN AS	4 825 000	8,53 %
RADFORSK	4 811 400	8,51 %
AS TANJA	2 290 000	4,05 %
NORDA ASA	2 139 351	3,78 %
SKØIEN AS	1 680 000	2,97 %
OM Holding AS	1 635 300	2,89 %
VATNE EQUITY AS	1 562 500	2,76 %
PORTIA AS	1 500 000	2,65 %
DATUM AS	1 484 500	2,62 %
<i>Others</i>	29 630 285	52,39 %
<b>Total</b>	<b>56 558 336</b>	<b>100,00 %</b>

At June 30, 2020, the Company had 3 074 986 active warrants outstanding to key employees and members of the board. According to the warrant contracts, any share split, such as the 1:5 split in July 2020, will have a neutral effect on the warrants, i.e. number of warrants are increased and the strike reduced by the split factor.

### Disclaimer

*This quarterly report contains certain forward-looking statements relating to the business, financial performance and results of the Company and/or the industry in which it operates. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words “believes”, “expects”, “intends”, “anticipates”, “targets”, and similar expressions. The forward-looking statements contained in this quarterly report, including assumptions, opinions and views of the Company or cited from third party sources are solely opinions and forecasts, which are subject to risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development. Neither the Company nor any of its Directors, officers or employees provides any assurance that the assumptions underlying such forward-looking statements are free from errors nor does any of them accept any responsibility for the future accuracy of the opinions expressed in this quarterly report or the actual occurrence of the forecasted developments. The Company assumes no obligation, except as required by law, to update any forward-looking statements or to conform these forward-looking statements to our actual results.*



## Contact

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## About Vaccibody

Vaccibody is a clinical-stage biopharmaceutical company dedicated to the discovery and development of novel immunotherapies. The Company is a leader in the rapidly developing field of individualized cancer neoantigen vaccines and is using the Vaccibody technology to generate best-in-class therapeutics to treat cancers with a high unmet medical need. Further, the Company has initiated research on infectious diseases.

Vaccibody is developing cutting-edge, targeted DNA vaccines for clinical use, based on a deep understanding of immunological principles. Vaccibody's vaccines specifically target Antigen Presenting Cells (APC), which are essential for inducing rapid, strong and specific immune responses and elicit efficacious clinical responses. By intelligent design, Vaccibody's vaccines can be tailored to induce the desired immune response profile correlating with protection for each specific disease with any given antigen. Hence, the Vaccibody vaccine platform has the potential to address many disease areas with a high unmet medical need such as cancer and infectious diseases. In addition, Vaccibody has collaborations with Roche and Nektar Therapeutics.

Vaccibody's lead product candidates are VB10.NEO, an individualized therapeutic cancer neoantigen vaccine currently being evaluated in a Phase I/IIa clinical trial, and VB10.16, a therapeutic cancer vaccine against HPV16-related cancers that is currently being tested in a Phase II clinical trial.

Vaccibody's shares are traded on NOTC, a marketplace for unlisted shares managed by NOTC AS, which is owned 100% by Oslo Børs ASA, the Oslo Stock Exchange.

Further information about the Company may be found at <http://www.vaccibody.com>

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