nykode therapeutics

FY 2021 Presentation

April 1, 2022

Forward-looking statement

This announcement and any materials distributed in connection with this presentation may contain certain forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they reflect the company's current expectations and assumptions as to future events and circumstances that may not prove accurate.

A number of material factors could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

Today’s presenters from Nykode management

International management team with solid drug development experience

MICHAEL ENGSIG

CEO

M.Sc. Biochemistry and G.D.Bus.Admin.

Extensive experience from leading early-stage drug discovery through late-stage and commercial development

- Takeda and Nycomed
- PPD
- KLIFO

AGNETE B. FREDRIKSEN

Chief Innovation & Strategy Officer

M.Sc. in Molecular Biology and Ph.D. in Immunology

Designed and created the first Vaccibody™ molecules. Co-founder of Vaccibody AS (2007)

Served as President & CSO 2007-2021

HARALD GURVIN

CFO

M.Sc. in Shipping, Trade and Finance, and M.Sc. in Marine Engineering and Naval Architecture

Long career in the field of finance

- CFO at Flex LNG, listed on both the NYSE and Oslo Stock Exchange
- CFO at SFL Corporation, listed on the NYSE

On the agenda

“2021 was another year of significant progress”

01 **Partnerships**

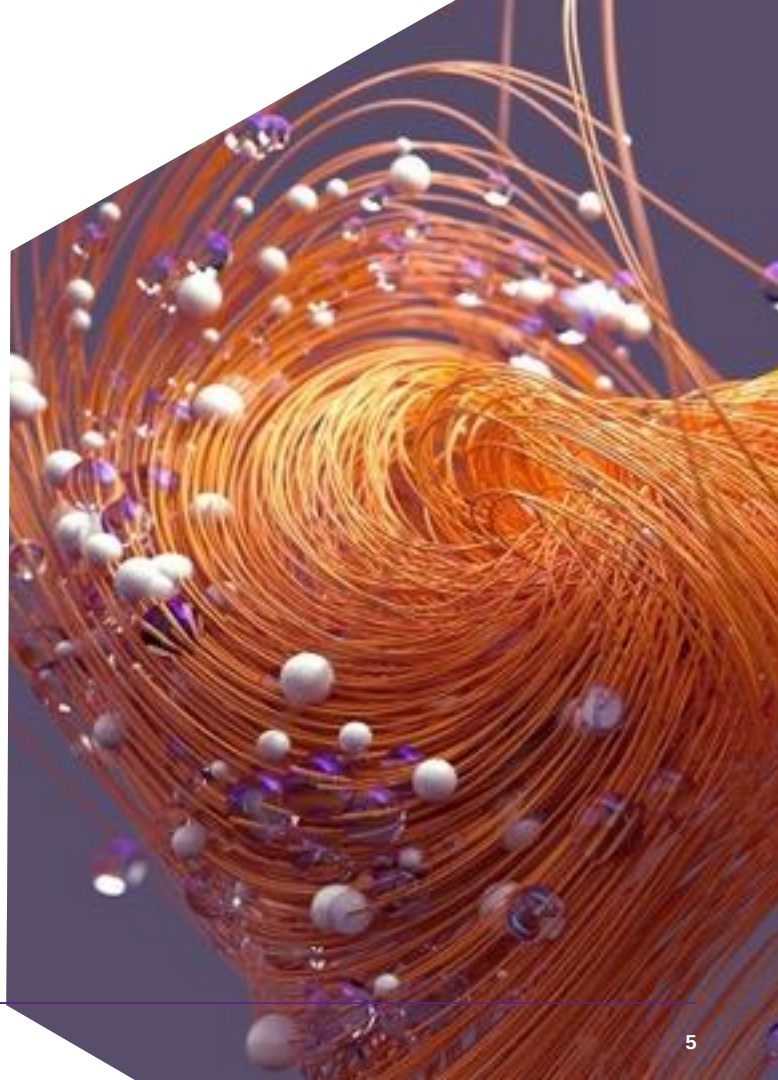
02 **Pipeline and Technology**

03 **Organisation**

04 **Financial**

Overview

- Proprietary Vaccibody™ immunotherapy platform uniquely targets Antigen Presenting Cells (APCs) for a potent, broad and lasting immune response
- Pipeline of oncology and infectious disease vaccines includes partnered programs and wholly-owned clinical candidates
- Potentially more than $1.64 billion in upfront and milestone payments plus royalties from top-tier biopharma partners
- Wholly-owned programs include cervical cancer candidate in Phase 2; next generation COVID vaccine for variants of concern in Phase 1/2
- Well capitalized and multiple significant catalysts in near-to-medium term



Partnerships

Two new transformative collaboration and license agreements with top-tier US biopharma partners.
Genentech partnership progressing well.

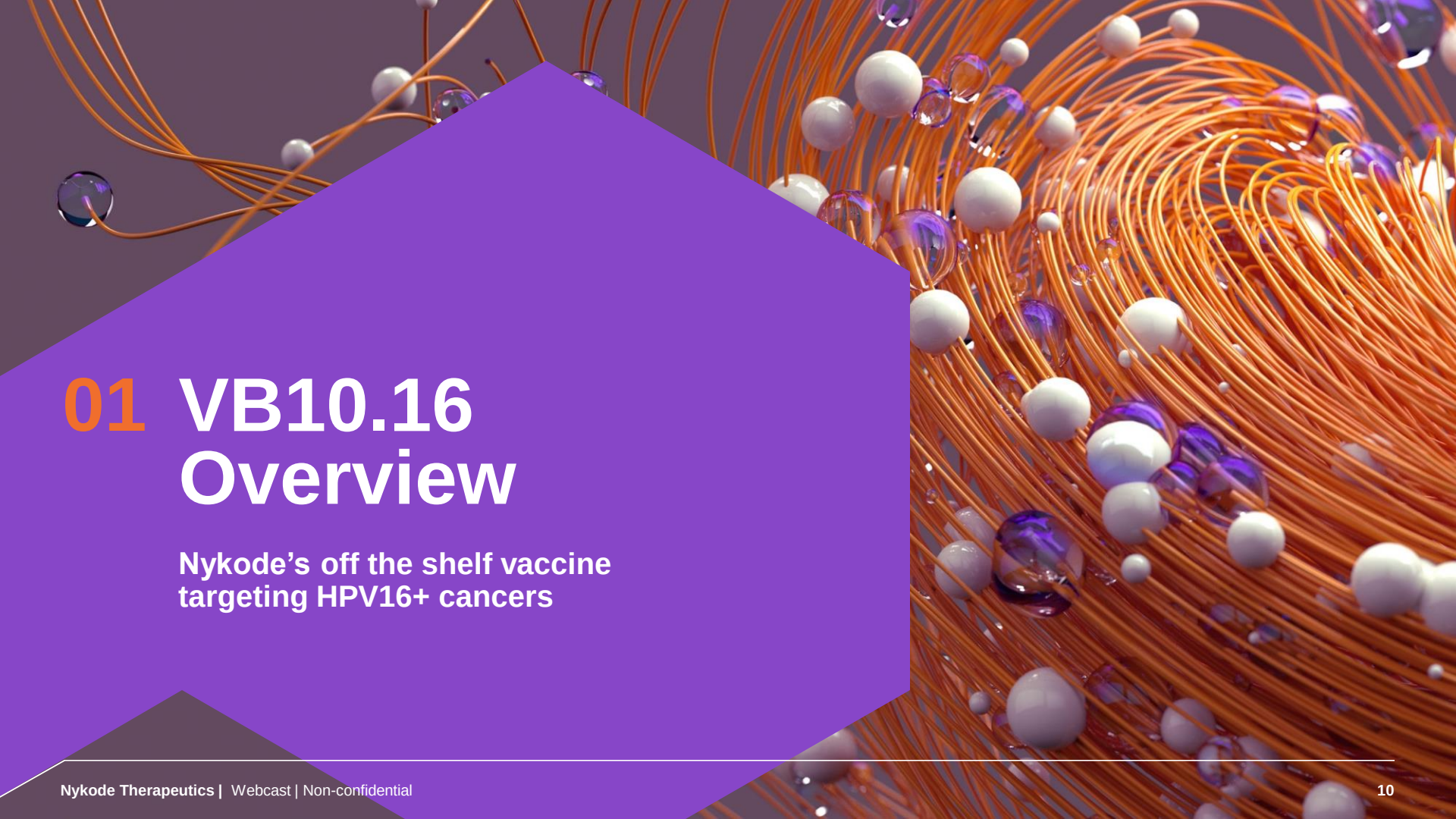
Partner	Collaboration
Adaptive biotechnologies	• Worldwide, exclusive rights to Adaptive's clinically validated SARS-CoV-2 T cell epitopes • Novel and unique approach address current and future CoV2 variants of concern through a T-cell epitope focused vaccine • First time Vaccibody technology applied in infectious disease setting
REGENERON	• Multi-target license and collaboration agreement to develop 3 oncology and 2 novel infectious disease programs • $925M ($30M upfront, $20M equity investment, potentially more than $875M in milestone payments, tiered high single-digit to low double-digit royalties)
Genentech A Member of the Roche Group	Entered in October 2020 • Worldwide, exclusive license and collaboration agreement to develop VB10.NEO, Nykode's individualized neoantigen cancer vaccine • $715M ($200M upfront/near term, $515M in potential payments and milestones, tiered low double-digit royalties)

Pipeline & Technology

Pipeline

	Program	Indication	Discovery/ Preclinical	Phase 1	Phase 2	Phase 3	Partnerships	Upcoming Milestones
Nykode								
Oncology	**VB10.16 (off-the-shelf)**	**HPV16+ cervical cancer[3]**					Roche [3]	1H22: Interim Data
	Internal (off-the-shelf)	Undisclosed						
Infectious Disease	**VB10.COV2**	**SARS-CoV-2**					Adaptive [4]	3Q22: Interim data
	Internal	Undisclosed						
Partnered								
Oncology	VB10.NEO (individualized)	Melanoma, lung, bladder, renal, head and neck					Genentech [1] / NEKTAR [2]	
	VB10.NEO (individualized)	Locally advanced and metastatic tumors					Genentech [1]	
	Regeneron (programs 1 – 3) (off-the-shelf)	Undisclosed					REGENERON [5]	
Infectious Disease	Regeneron (programs 4 – 5)	Undisclosed					REGENERON [5]	

1. Genentech has an exclusive license to VB10.NEO; 2. Collaboration with Nektar Therapeutics on combining NKTR-214 (bempegaldesleukin) with VB10.NEO in trial arm 5B (SCCHN); 3. Roche supplies atezolizumab; 4. Collaboration with Adaptive Biotechnologies on SARS-CoV-2 T cell vaccine; 5. Collaboration with Regeneron



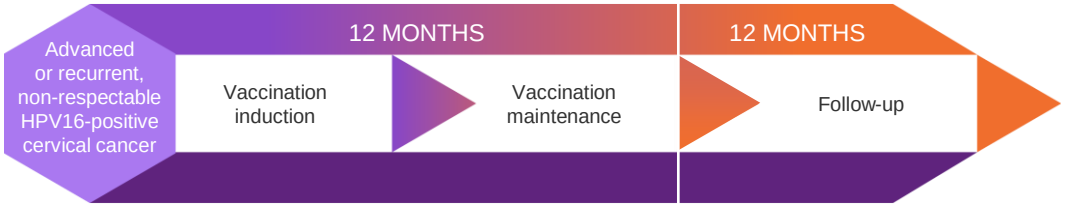
01 VB10.16 Overview

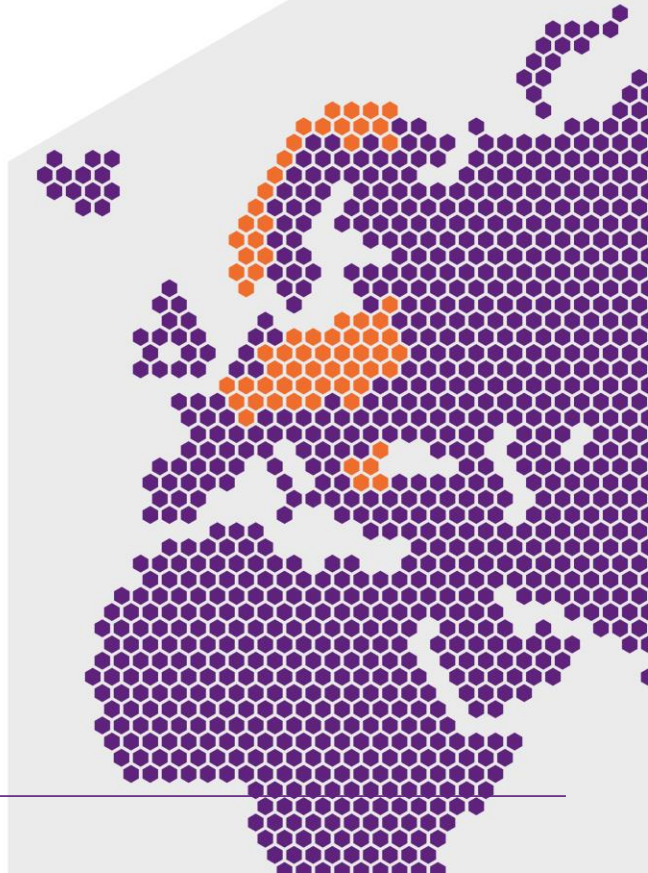
Nykode's off the shelf vaccine targeting HPV16+ cancers

VB C-02: VB10.16 & Atezolizumab (Tecentriq®) in advanced Cervical Cancer – steady progress

A Multi-Centre, Open-label Phase 2a Trial of the Combination of VB10.16 and Atezolizumab in Patients with Advanced or Recurrent, Non-resectable HPV16 Positive Cervical Cancer (NCT04405349)

- Steady progress on recruitment, despite Covid-19 challenges
- Interim safety analysis in 2Q 2021 supportive of continuous recruitment
- Completed enrollment 1Q 2022
- On track to report interim clinical data in 1H 2022
  - Pre-specified cut-off: 18 patients passed 18 week follow-up
- Progress on development strategy for expanded scope in additional HPV-driven cancer types





02 VB10.NEO Overview

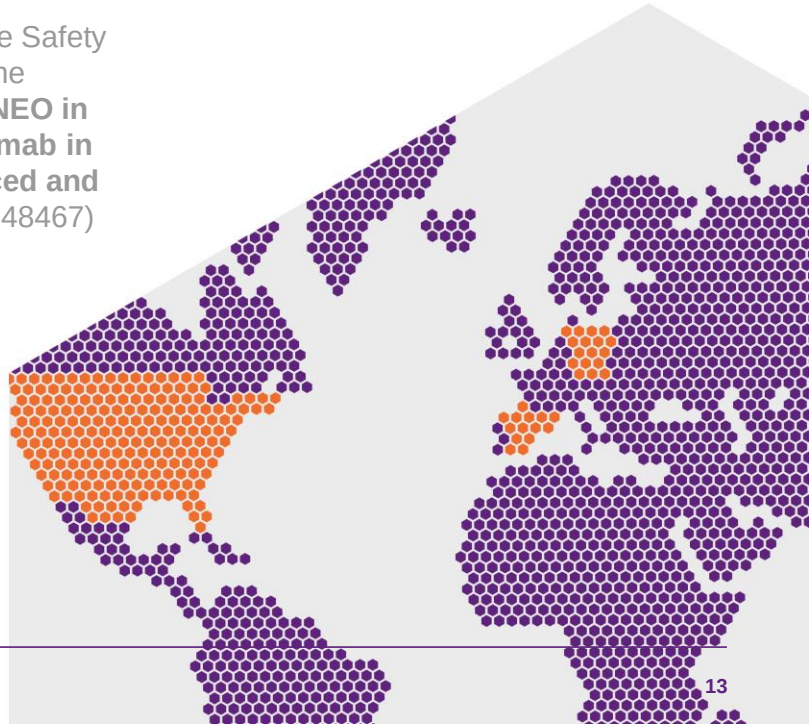
Nykode's individualized cancer vaccine

VB N-02: Dose escalation study of VB10.NEO & Atezolizumab (Tecentriq®)

- Successful execution of Roche and Genentech collaboration on individualized cancer vaccine development through multiple teams
  - Research, Bioinformatics, Manufacturing and Clinical
- Designed VB N-02, a dose escalation study in various tumor types
- Approval of Nykode's first IND in US
- Dosed first patient

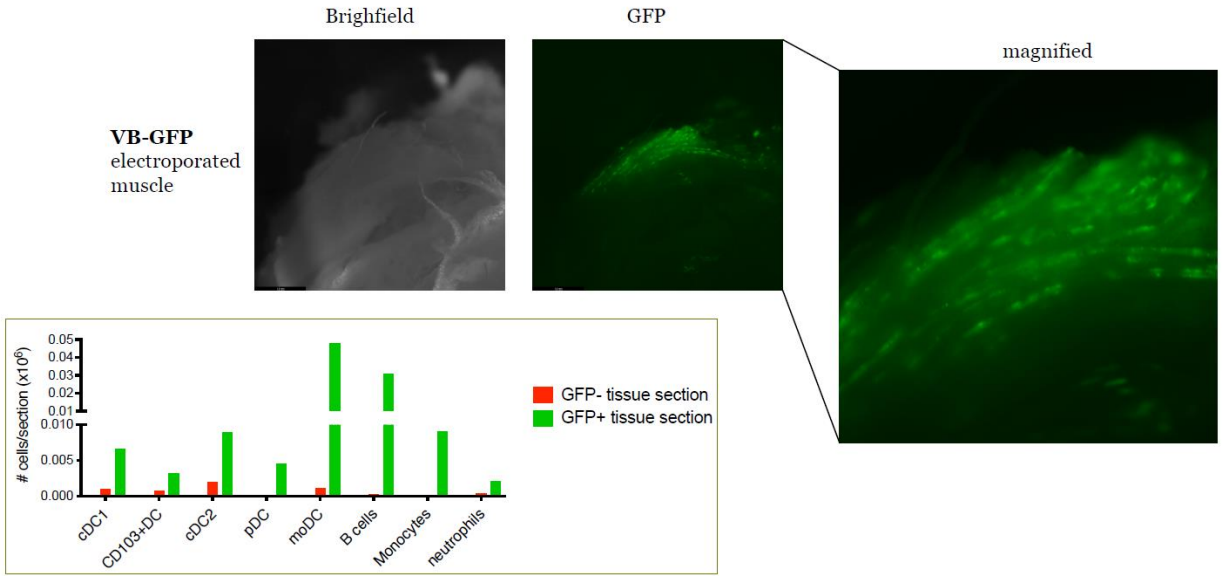
- Presented supportive mechanism of action data generated by Genentech 1Q 2022

- A **Phase 1B, Open-Label, Dose-Escalation Study** of the Safety of and Antigen-specific Immune Responses elicited by **VB10.NEO in Combination with Atezolizumab in Patients with locally advanced and metastatic Tumors** (NCT03548467)



Immune cells infiltrate the muscle specifically in areas expressing the CCL3L1 Vaccibody protein, in mice

- Vaccibody protein expression can be detected directly in muscle cells by microscopy after i.m. DNA delivery.
- Dendritic cells, B cells and monocytes are attracted specifically to the CCL3L1 Vaccibody expressing muscle cells

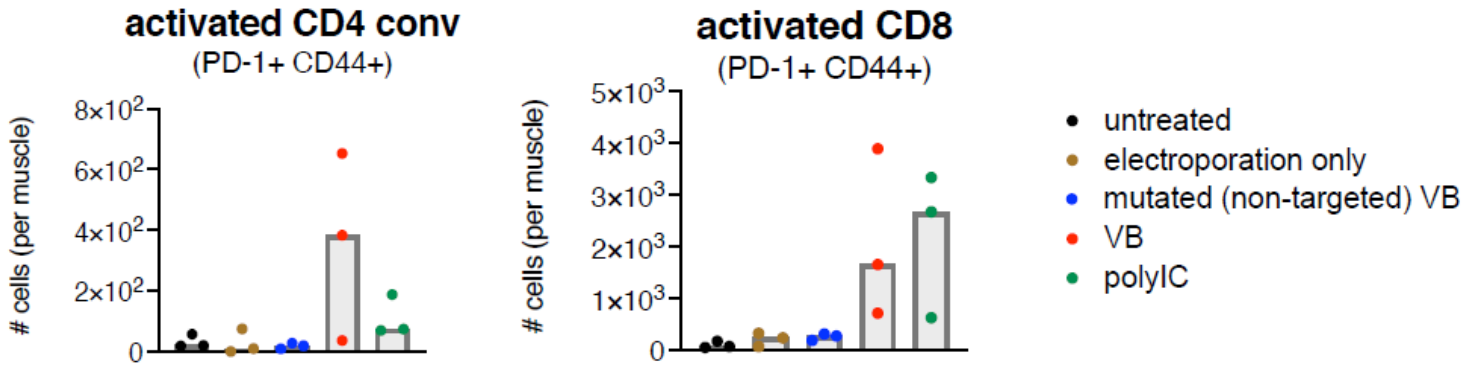


Genentech
A Member of the Roche Group

Siri Tahtinen S, Mark McCarron, et al (Genentech, Inc)

Activated CD4 and CD8 T cells in muscle is dependent on CCL3L1 targeting, in mice

Muscle



Genentech
A Member of the Roche Group

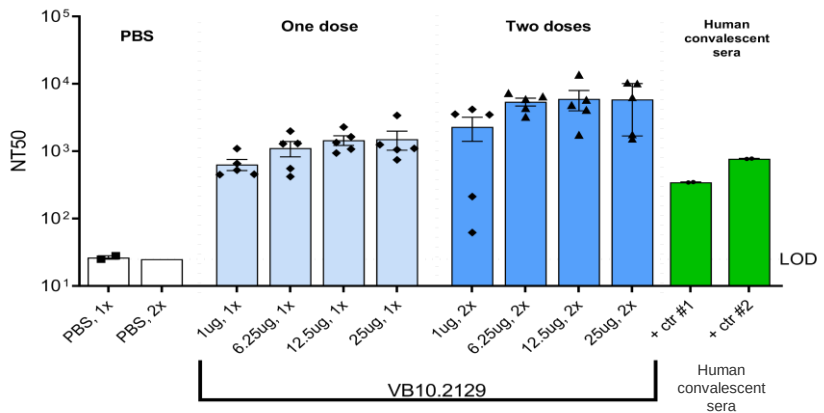
Siri Tahtinen S, Mark McCarron, et al (Genentech, Inc)

Note: poly IC is a positive control given at day 6

03 Infectious disease programs

Created the first clinical infectious disease candidate and vaccinated first patient

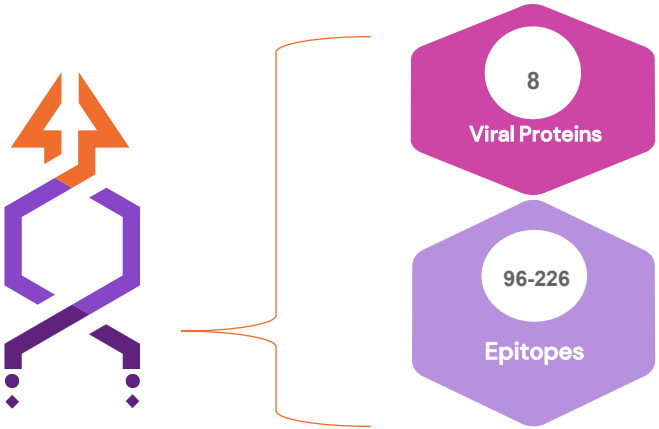
BETA – (PSEUDOVIRUS NEUTRALIZATION ASSAY)



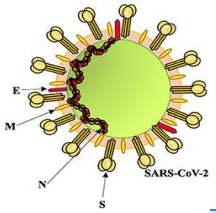
NT50: Neutralization titers that achieved 50% neutralization

- Designed the first clinical candidate for infectious diseases
- Included differentiated antigen, from beta RBD
- Demonstrated rapid onset of strong neutralizing antibody responses against multiple variants in preclinical studies
- Completed GMP manufacturing
- Designed and got approval for the first clinical study testing Vaccibody vaccine as prophylactic vaccine against infectious diseases
- Vaccinated first patient

Created the first T cell focused infectious disease vaccine (Covid-19) in collaboration with Adaptive Biotechnologies



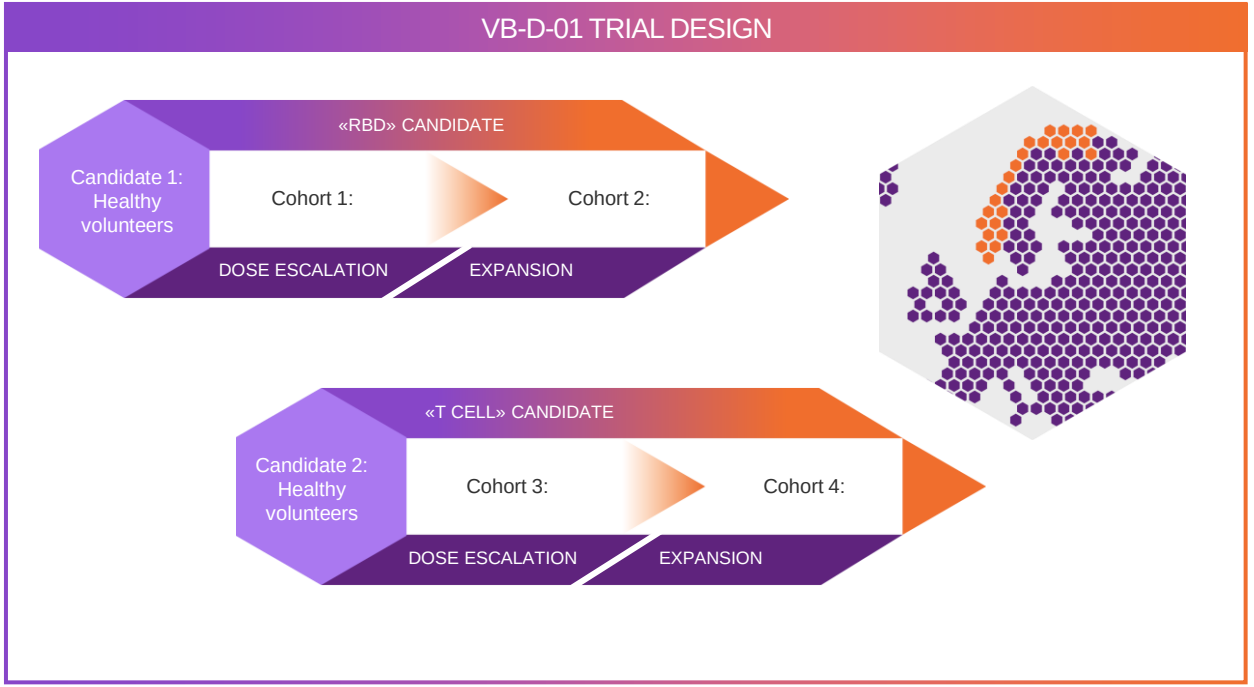
Highest set of T cell epitopes in one vaccine based on unique insight from Adaptive biotechnologies



- Nykode's CCL3L1-targeting unit has shown to induce a differentiated T cell response, in particular broader CD8 T cell response
- T cells have an important role in controlling infectious diseases and CD8 T cells are necessary to clear eg viral infected cells
- T cells can recognize additional conserved pathogen proteins and retain efficacy across variants when antibody responses loose efficacy
- Collaboration with Adaptive Biotechnologies provided access to ideal set of validated T cell epitopes
- Nykode's Vaccibody vaccine proven to hold a large set of T cell epitopes and thus can induce a broad T cell response
- **Nykode designed VB10.2210, performed supportive preclinical assays, entered collaboration &licensing deal with Adaptive, completed GMP manufacturing, and vaccinated first patient in 2021**

Phase 1/2 trial investigating two candidates as a diverse booster in previously vaccinated subjects

- A Phase 1/2, open label, dose escalation trial
- First subject with RBD candidate dosed Nov. 3, 2021; first patient with T cell candidate dosed Dec. 27, 2021
- Fully enrolled T cell candidate in Cohort 3
- Introduction of booster vaccination challenged recruitment of the RBD candidate
  - 2 dose levels fully enrolled in Cohort 1
- Results expected in 3Q 2022



ClinicalTrials.gov Identifier: NCT05069623

Presented further details on the application of Nykode's modular platform

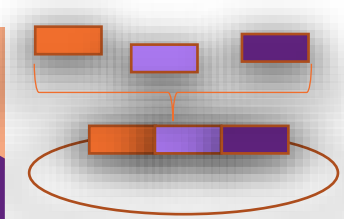
APC-specific Ag delivery and stimulation

Infectious disease vaccines

Cancer vaccines

Vaccines against autoimmunity and allergy

APC-specific Ag delivery and inhibition



Expanded use of modularity

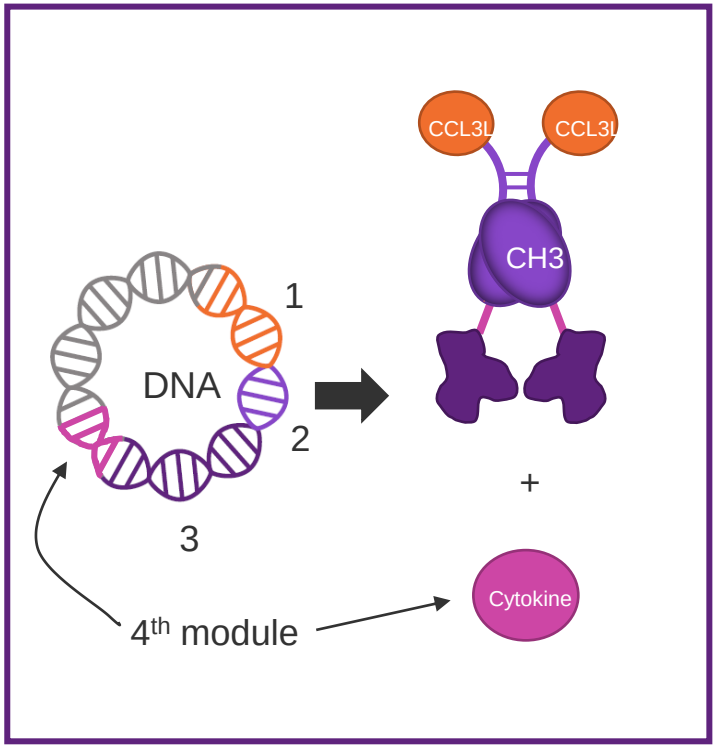
Building additional modules

Novel combinations and structures

Novel therapeutics beyond vaccines

Fully exploit product opportunities building on competence with modular and targeted platform

2021: A year with multiple new innovations
Breaking down the boundaries of conventional drug design



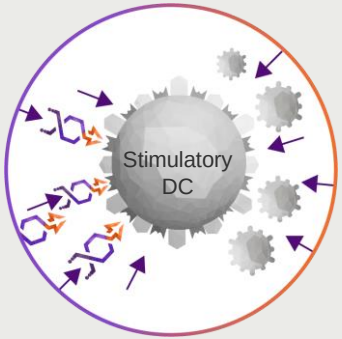
Example: Cytokine empowered 2nd generation vaccine platform

- Vaccibody molecule co-expressed with immune-stimulatory proteins
- Both expressed from one plasmid using a multicistronic design
- Boost the overall immune response ~ 3-fold
- Drive a potent anti-tumor response

- To be presented at AACR

Initiated research to expand the use of the APC-targeted modular format as a platform to explore Ag-specific immune tolerance

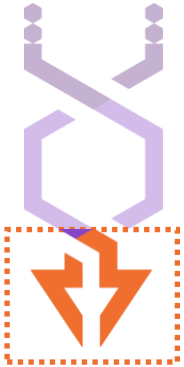
CANCER AND INFECTIOUS DISEASE



IL-12, IFNγ, TNFα, IFNα, IL-6

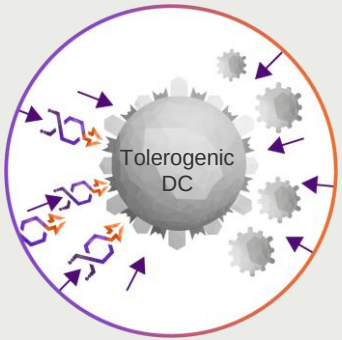
T_H 1, T_H, 17, T_H2 differentiation and proliferation

Treg and or Tr1 arrest or impaired function



Natural ligands or scFv binding diverse set of surface receptors

AUTOIMMUNITY, ALLERGY ETC



IL-10, TGFβ, IDO, PD-1, ARG

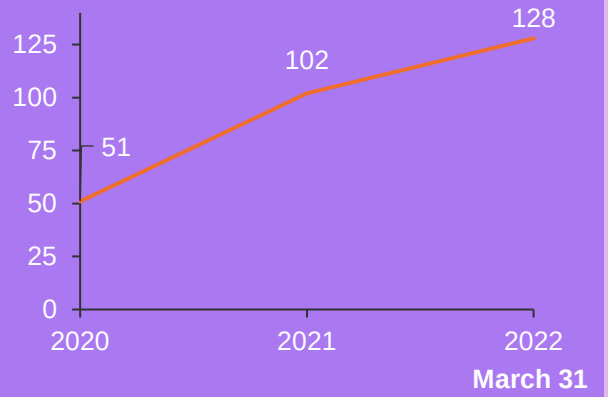
CD4+, CD8+ conventional T cells proliferation arrest

Treg and or Tr1 generation

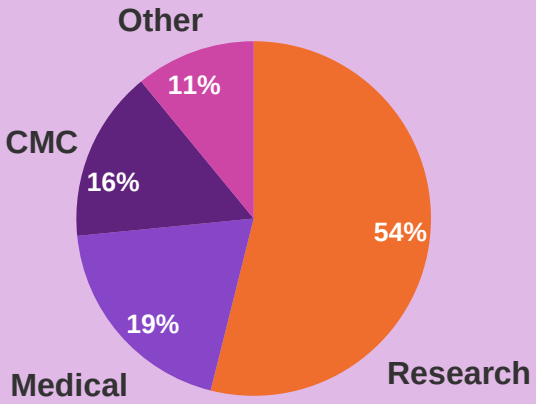
Organization

Continued strong growth across the organization

Number of employees from 2020 to 2022



Distribution on March 31, 2022



Gender distribution across the Nykode group

	Female	Male	Total
Norway	57 (66%)	30 (34%)	87 (100%)
Denmark	10 (67%)	5 (33%)	15 (100%)
Group	67 (66%)	35 (34%)	102 (100%)

Strengthening the Nykode leadership team

Harald Gurvin, CFO

- Long career in the field of finance
- CFO at Flex LNG, listed on both the NYSE and Oslo Stock Exchange
- CFO at SFL Corporation, listed on the NYSE

Mikkel W. Pedersen, CSO

- Head of Biologics Drug Design at Servier
- CSO of Symphogen,
- Leader of the receptor tyrosine kinase group at the Department of Radiation Biology at the Copenhagen University Hospital

Elise Ramse, CHRO

- Extensive experience with HR and organizational development
- Head of People & Organization, Novartis Norway
- Leader of the Education Committee in The Life Science Cluster

And the Board of Directors

- **Executive level, drug development experience**
- **Big Pharma**
- **US listed companies**

Martin Nicklasson, Chair of the Board and Chair of Remuneration Committee

Currently, serves as:
- Chair of Zealand Pharma A/S and on the board of Basilea Pharmaceutica Ltd.

Former positions includes:
- CEO Executive Officer of Biovitrum AB and Swedish Orphan Biovitrum AB (Sobi)
- Various Executive Vice President positions at AstraZeneca PLC

Birgitte Volck, Member of the Board and Co-chair of R&D committee

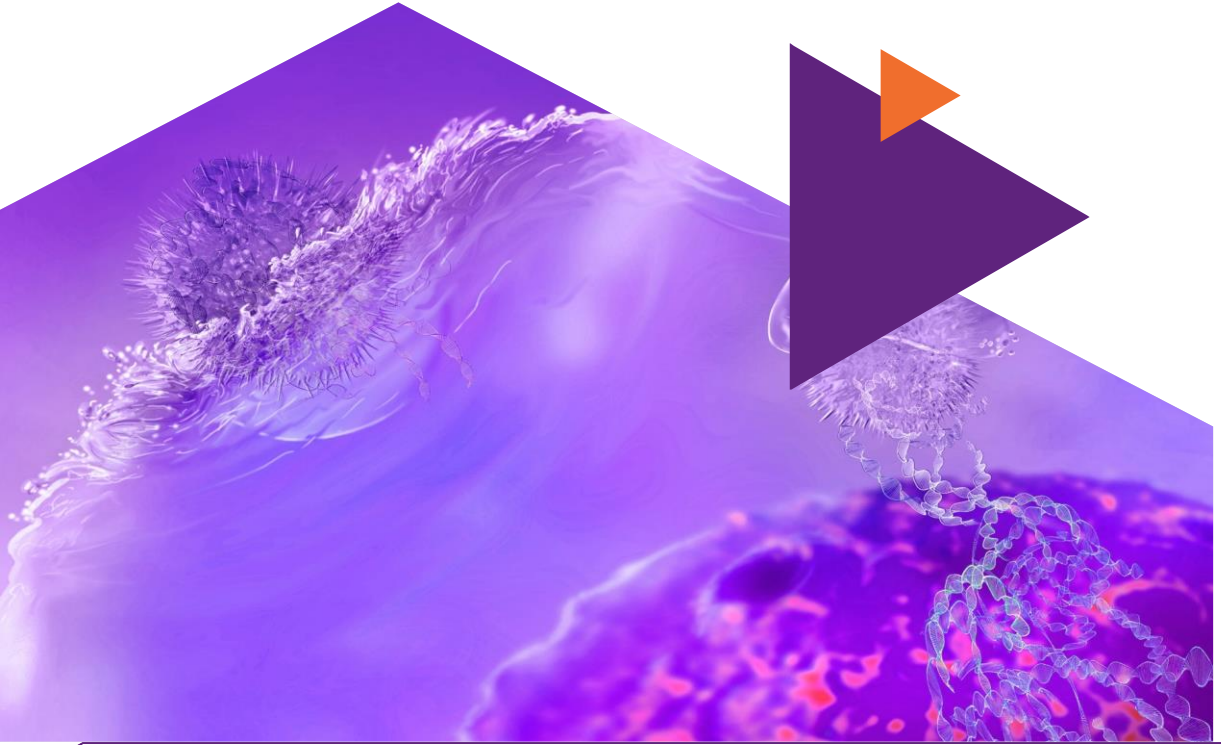
Currently serves as:
- Senior Vice President, Head of Clinical Development and Medical Affairs of Ascendis Pharma A/S (Nasdaq-listed) and on the board of Soleno Therapeutics Inc. (Nasdaq-listed)

Former positions includes:
- Head of R&D in Rare Diseases for GlaxoSmithKline; and CMO and SVP of Development at Swedish Orphan Biovitrum AB (Sobi)

New flagship lab opened in Oslo Science City

Financials

Strong financial foundation for achieving our vision



- Financially well positioned to grow and execute the Company's strategy over the next years
- Strong balance sheet
  - YE 2021 liquidity of $228 mill
  - Milestone payment of $20 mill for initiation of Phase 1b trial in 2H 2021 received 1Q 2022

Income Statement

Amounts in USD '000	FY 2021	FY 2020
Revenue from contracts with customers	33,963	215,000
Other income	1,803	695
Total revenue and other income	**35,766**	**215,695**
Employee benefit expenses	16,846	16,049
Other operating expenses	28,960	21,078
Depreciation	735	303
Operating profit (loss)	**-10,775**	**178,265**
Finance income	4,133	3,815
Finance costs	4,475	1,176
Profit (loss) before tax	**-11,117**	**180,905**
Income tax expense	-1,704	31,130
Profit (loss) for the period	**-9,414**	**149,774**

Revenue from contracts with customers

- $30m upfront payment from Regeneron in 4Q 2021
- $4m relating to R&D activities under Genentech agreement in 2021
- $215m recognized in 2020 relating to the license component of the Genentech agreement

Other income

- Government grants from SkatteFUNN and Research Council of Norway

Employee benefit expenses

- Increase in 2021 mainly due to planned increase in headcount, offset by decrease in social security costs on share-based payments

Other operating expenses

- Increase in 2021 mainly due to increased R&D activities

Finance income and Finance costs

- Mainly related to movements in foreign currency exchange rates

Balance Sheet

Amounts in USD '000	31/12/2021	31/12/2020
ASSETS		
Non-current assets		
Property, plant and equipment	1,884	131
Right-of-use assets	7,281	277
Intangible assets	32	32
Other long-term receivables	501	556
Total non-current assets	**9,698**	**996**
Current assets		
Trade receivables	23,750	3,750
Other receivables	3,708	1,487
Contract assets	-	15,000
Other current financial assets	12,169	24,944
Cash and cash equivalents	216,231	183,851
Total current assets	**255,858**	**229,032**
TOTAL ASSETS	**265,556**	**230,028**

Cash and cash equivalents

- Strong cash position of $216.2 million as per December 31, 2021

Other current financial assets

- Liquid money market funds of $12.2 million as per December 31, 2021

Trade receivables

- Amounts invoiced under Genentech agreement
- $20m milestone payment invoiced 4Q 2021, received 1Q 2022.

Contract assets

- Revenue earned but not invoiced under the Genentech agreement
- $15m per December 31, 2020
- Contract liability per December 31, 2021

Balance Sheet - contd.

Amounts in USD ’000	31/12/2021	31/12/2020
EQUITY AND LIABILITIES		
Equity		
Share capital	333	327
Share premium	81,526	60,348
Other capital reserves	7,863	4,419
Other components of equity	-3,122	-3,113
Retained earnings	107,455	116,869
Total equity	**194,055**	**178,850**
Non-current liabilities		
Non-current lease liabilities	5,820	8
Non-current provisions	4,915	6,859
Deferred tax liabilities	29,400	31,130
Total non-current liabilities	**40,134**	**37,997**
Current liabilities		
Government grants	219	-
Current lease liabilities	1,350	276
Trade and other payables	8,494	9,183
Current provisions	5,234	3,722
Current contract liabilities	16,044	-
Income tax payable	26	-
Total current liabilities	**31,367**	**13,181**
Total liabilities	**71,501**	**51,178**
TOTAL EQUITY AND LIABILITIES	**265,556**	**230,028**

Equity

- Total equity of $194.1m as per December 31, 2021
- $20m equity investment from Regeneron in 4Q 2021
- Equity ratio of 73%

Contract liabilities

- Payments received/due for services not rendered under the Genentech agreement
- Invoicing follows milestone payments
- Revenues recognized as services are delivered
- Contract asset per December 31, 2020
- Contract liability of $16m per December 31, 2021, mainly due to invoicing of $20m milestone in 4Q 2021