nykode therapeutics

Q3 2023 Results Presentation

November 15, 2023

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

Chief Executive Officer

Takeda

NYCOMED

PPD

KLIFO

AGNETE FREDRIKSEN

Chief Business Officer & Co-founder

Affitech

Medinnova

HARALD GURVIN

Chief Financial Officer

SFL

FLEX LNG

Delivering on our long-term strategy (1/3)

VB10.16 progressing towards patients & markets and broadening therapeutic scope

- FDA IND approved for VB-C-04 trial investigating VB10.16 in combination with atezolizumab in 2nd line HPV16-positive recurrent or metastatic cervical cancer patients
- Initiated VB-C-03 trial with VB10.16 in combination with KEYTRUDA®[1] (pembrolizumab) in PD-L1 positive 1st line head and neck cancer
- Additional analysis from VB-C-02 substantiates the long-lasting immune responses supporting development opportunities in both advanced and earlier treatment settings
- Planning ongoing for VB-C-05 investigating VB10.16 + CPI in locally advanced cervical cancer

VB10.NEO – emerging as the leading technology for individualized cancer vaccines

- Safety clearance of the 9 mg dose of VB10.NEO in the VB-N-02 trial, with no safety concerns and no dose-limiting toxicities observed
- Additional analysis from VB-N-01 supporting long lasting immune response including post-vaccination

1: KEYTRUDA® is a registered trademark of Merck Sharp & Dohme LLC, a subsidiary of Merck & Co., Inc., Rahway, NJ, USA
2 Tecentriq® is a registered trademark of the Roche Group

Delivering on our long-term strategy (2/3)

Progressing Regeneron partnership

- Preclinical data generated by Regeneron demonstrating that Nykode's APC targeting vaccines induce potent T cell responses against targets subject to central tolerance

Tolerance platform – a new therapeutic vertical in Nykode

- Compelling proof of concept data with Nykode's autoimmune disease platform showing efficacy in EAE (multiple sclerosis) and the NOD mice (Type 1 diabetes) models
- Continue to explore selected asset-focused partnership opportunities

Driving technology innovation

- Presented preclinical data demonstrating superior immune response elicited by Nykode's technology, whether delivered as DNA or mRNA, compared to standard mRNA vaccines with identical antigens

Delivering on our long-term strategy (3/3)

Solid financial position, broadening and strengthening international shareholder base

- $159.1m at September 30, 2023 (pre private placement)
- Successful private placement of $45m which saw significant international investor participation

Other

- Norwegian Tax Authorities reiterated their position on the tax treatment of upfront payments received under a license agreement entered into in 2020, generating a payable of approximately $30m in the fourth quarter of 2023; Nykode will appeal the decision

Rich and diversified pipeline

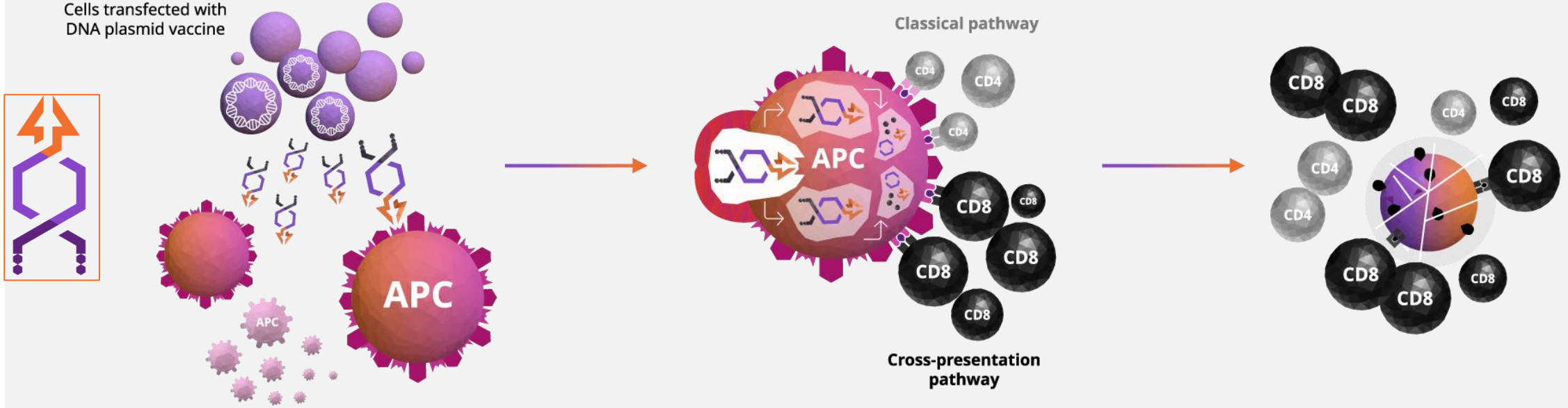
	Asset	Indication	Rights	Preclinical	Phase 1	Phase 2	Phase 3	Upcoming Catalyst
Oncology								
Off-the-shelf	VB10.16	HPV16+ cervical cancer	nykode [1]					Initiate trial (Q4 2023)
		HPV16+ head and neck cancer	nykode [2]					Dose level recommendation (H2 2024)
		HPV16+ locally advanced cervical cancer	nykode [2]					Protocol in development
	Regeneron programs	Undisclosed	nykode REGENERON [3]					
	Internal	Undisclosed	nykode					Update (Q4 2023)
Individua-lized	VB10.NEO	Melanoma, lung, bladder, renal, head and neck cancer; locally advanced and metastatic tumors	nykode Genentech [4]					
		Locally advanced and metastatic tumors	nykode Genentech [4]					
Infectious Disease								
Regeneron programs		Undisclosed	nykode REGENERON					
Autoimmune								
Internal		Undisclosed	nykode					Update (H2 2024)

1. Wholly-owned by Nykode. Potentially registrational. Roche supplies atezolizumab; 2. Wholly-owned by Nykode. Merck (MSD) supplies pembrolizumab; 3. Collaboration with Regeneron; 4. Genentech has an exclusive license to VB10.NEO.

R&D update

Nykode's vaccine induces a rapid, robust and long-lasting CD8 T cell response against cancer cells

MECHANISM OF ACTION – T CELL INDUCTION



1 Cells encode and secrete Vaccibody proteins, which attract a high concentration of APCs.

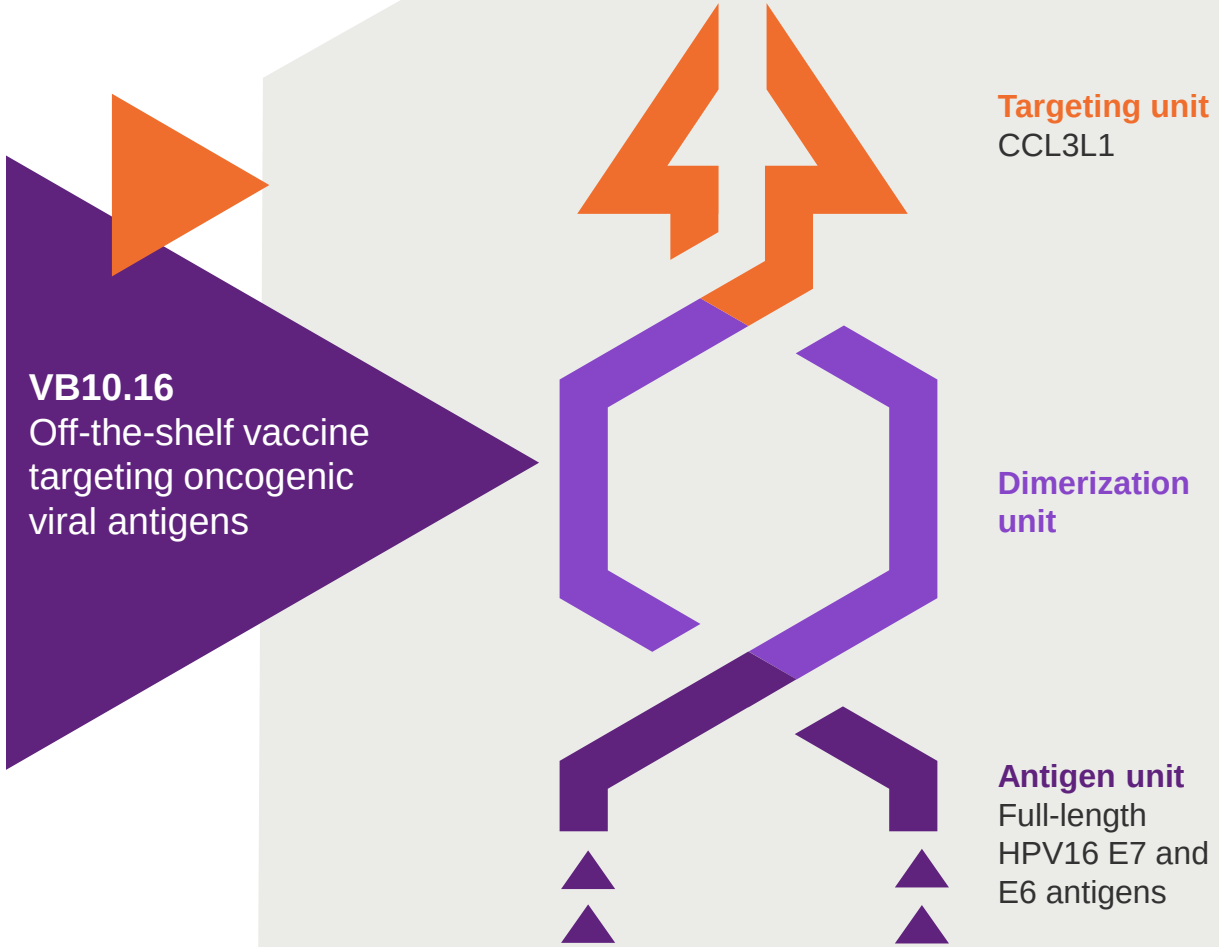
2 The APCs process and present the vaccine antigens to T cells and effectively activate CD8 killer T cells via cross-presentation.

3 The T cells attack cancer cells or pathogen-infected cells expressing the antigens.

VB10.16: Therapeutic vaccine candidate for HPV16+ cancers

Off-the-shelf therapeutic cancer DNA vaccine against HPV16 induced malignancies

- HPV16 is the most prevalent oncogenic HPV strain
- Targeting the cancer-specific full-length HPV16 E7 and E6 antigens
- Wholly-owned by Nykode



VB10.16 C-02 data compare strongly to CPI monotherapy as well as expected SoC in 2L r/m cervical cancer

Endpoint	**VB10.16 plus atezolizumab in PD-L1+**	CPI Monotherapy in r/m CC			Tisotumab vedotin (PD-L1 agnostic) ‡‡
		Atezolizumab in PD-L1+†††	Pembrolizumab in PD-L1+**	Cemiplimab in PD-L1+ ††	
Trial name	**C-02**	Skyscraper-04, atezolizumab arm	Keynote-158	Empower-Cervical 1, cemiplimab arm	InnovaTV 301, tisotumab vedotin arm
ORR	**29%**	15.8%	17%	18%	17.8%
mPFS	**6.3 mo**	1.9 mo	2.1 mo	3.0 mo	4.2 mo
mOS	**Not reached (25.0+ mo)**	10.6 mo	11.0 mo	13.9 mo	11.5 mo

Median OS not yet reached (last update August ’23)

Notes: The data shown on this slide represents third-party clinical trials involving different trial designs and patient populations. These trials are not head-to-head evaluations of VB10.16 against standard of care

††† Salani et al. Efficacy and safety results from Skyscraper-04: An open-label randomized phase 2 trial of tiragolumab plus atezolizumab for PD-L1-positive recurrent cervical cancer. IGCS 2023.

** Chung et al. Efficacy and safety of pembrolizumab in previously treated advanced cervical cancer: Results from the phase II KEYNOTE-158 study. J Clin Oncol 2019

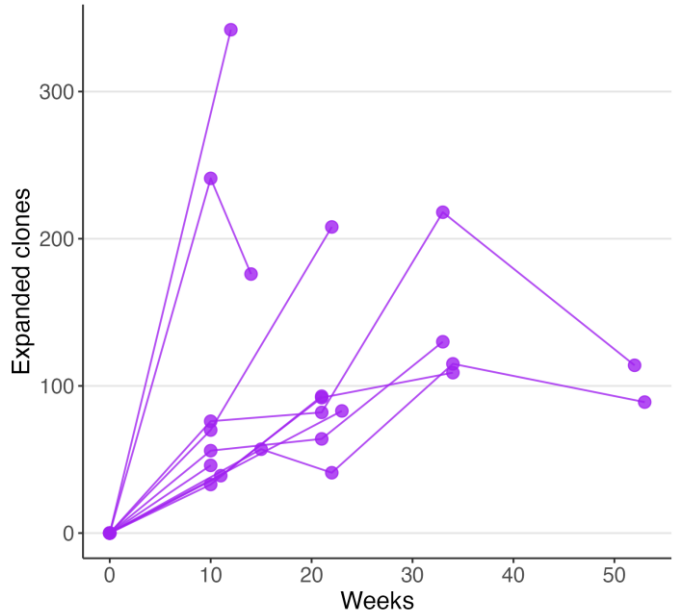
†† Tewari et al. Survival with cemiplimab in recurrent cervical cancer. N Engl J Med 2022

‡‡ Confirmatory phase 3 RCT evaluating tisotumab vedoting vs. investigator’s choice chemotherapy (topotecane, vinorelbine, gemcitabine, irinotecan, or pemetrexed). Ignace Vergote: innovaTV 301/ENGOT-cx12/GOG-3057: A Global, Randomized, Open-Label, Phase 3 Study of Tisotumab Vedotin vs Investigator’s Choice of Chemotherapy in 2L or 3L Recurrent or Metastatic Cervical Cancer. ESMO 2023.

T cell responses remain strong and long-lasting

- Additional analysis from the VB-C-02 trial supporting a differentiated long-lasting immune response correlating with clinical efficacy

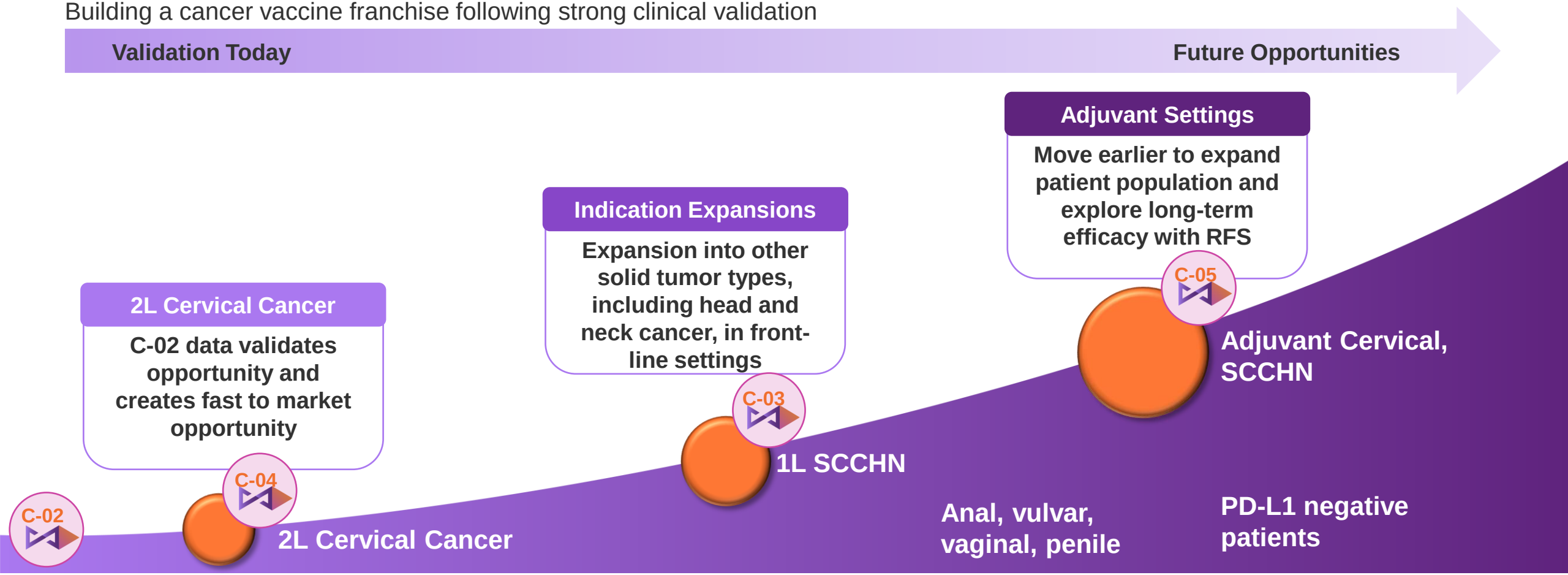
RAPID AND PERSISTENT EXPANSION OF T CELL CLONES



- **Rapid and persistent on-treatment T cell expansion**
- **Peak expansion of 46-342 clonotypes in 10 patients**

Maximizing shareholder value by diversifying offerings and broadening therapeutic scope

Building a cancer vaccine franchise following strong clinical validation



Fast to market strategy

Expand indications and into front-line settings

Expand to target the broad addressable patient population

Creating a portfolio of targeted vaccines for HPV16+ cancers
VB10.16 portfolio

	C-02	C-03	C-04	C-05
Indication	r/m Cervical Cancer, ≥2L	r/m head and neck cancer (HNSCC), PD-L1+, 1L	r/m Cervical Cancer, PD-L1+, 2L	Locally Advanced Cervical Cancer (LACC)
Dose	3 mg in combination with atezolizumab (Tecentriq®)	Up to 9 mg in combination with pembrolizumab (Keytruda®[1])	9 mg in combination with atezolizumab (Tecentriq®)	TBD
Phase	2a	1/2a	2	2
Status	Finalized	Enrolling	Enrolment to start	Protocol in development
Next catalyst	Updated survival data Q1 2024	Recommended Ph2 dose for Part 2 H2 2024	Initiate potentially registrational trial (U.S.) Q4 2023	

VB10.16 is wholly owned by Nykode

1. Note: KEYTRUDA® is a registered trademark of Merck Sharp & Dohme LLC, a subsidiary of Merck & Co., Inc., Rahway, NJ, USA

VB10.NEO: leading technology for individualized cancer neoantigen immunotherapy

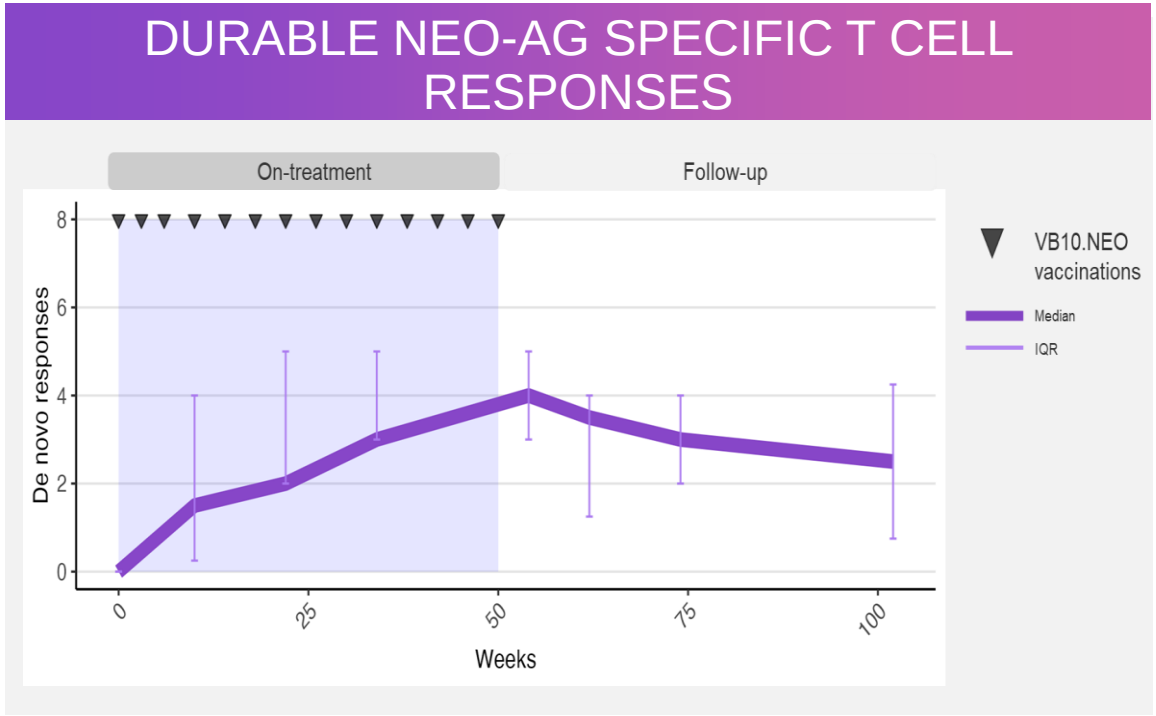
Pioneering neoantigen research

- Trained on Nykode's data and unique broad CD8 dominated immune response
- Broad vaccine-specific T cells in all patients
- Durable T cell responses proven to remain functional and immunogenic up to at least 1-year after last vaccination.

Optimal manufacturing for individualized

- DNA plasmid manufacturing is an intermediate in mRNA and viral vector productions and thus will be more rapid, cost-effective and robust
- 100% manufacturing success rate to date

Safe and well tolerated platform



VB10.NEO programs

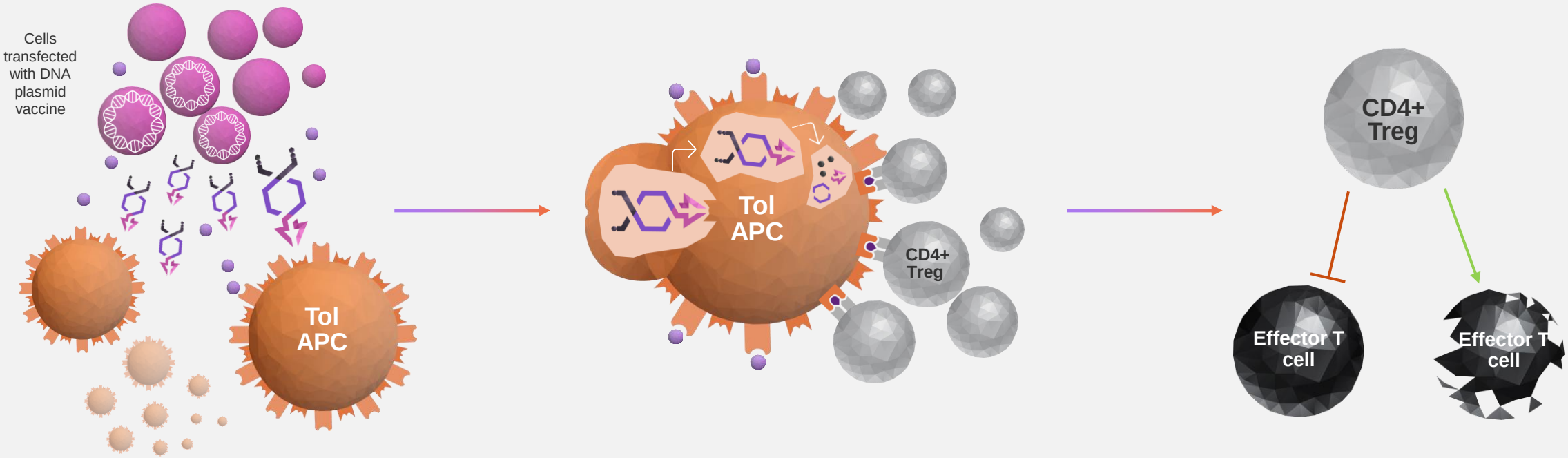
Safety clearance of 9 mg dose with no safety concerns and no dose limiting toxicities observed

	N-01	N-02
Indication	r/m Melanoma, non-small cell lung cancer (NSCLC), clear renal cell carcinoma, urothelial cancer or squamous cell carcinoma of the head and neck (SCCHN)	r/m cancer, covering more than ten indications
Dose	3 mg dose in combination with a CPI	3-9 mg dose escalation, in combination with atezolizumab
Phase	1/2a	1b
Status	Finalized	Enrolling
Partnered	Genentech *A Member of the Roche Group*	

Note: Genentech has an exclusive license to VB10.NEO.

Induction of antigen specific tolerance can be achieved by targeting disease causing epitopes to tolerogenic APCs

MECHANISM OF ACTION – TOLERANCE INDUCTION (INVERSE VACCINATION)



1 Cells encode and secrete Tol APC-targeted Vaccibody proteins together with immunosuppressive molecules/modulators to enhance tolerogenic APC function.

2 The Tol APCs present vaccine antigens in a tolerogenic milieu supported by the vaccine co-encoded suppressive molecules, and prime regulatory T cell (Treg) activation and expansion.

3 The Tregs inhibit or delete disease-specific effector T cells.

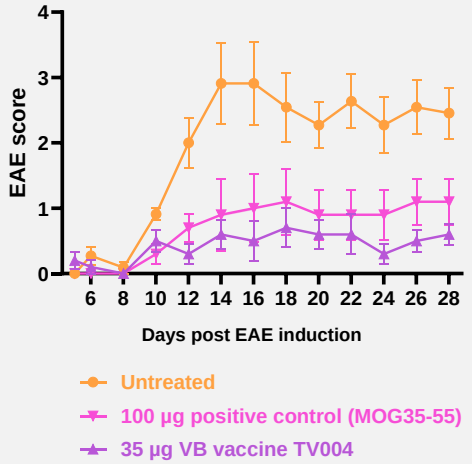
Unique Ag-specific inverse vaccine platform to treat Autoimmunity

- Proprietary APC-targeted inverse vaccine platform generates antigen-specific (Ag-specific) regulatory T cells, offering a unique approach to treating autoimmunity
- EAE mouse model demonstrates inverse vaccines can prevent serious disease using low dose Vaccibody proteins
- Reduction of disease-associated cytokines at low doses differentiates from non-APC targeted antigen delivery
- Prevents type 1 diabetes in a spontaneous mice model

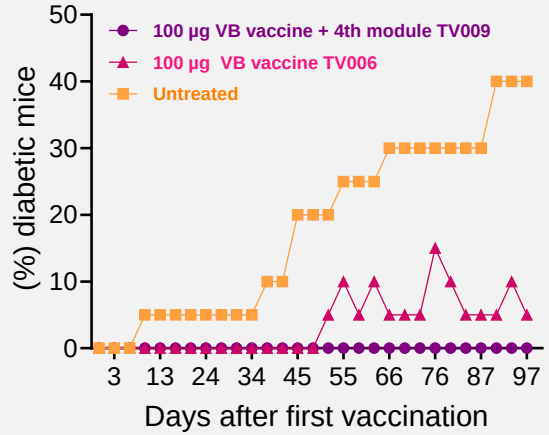
Opens therapeutic market with high unmet medical need, including allergy, autoimmune diseases and organ transplant rejection

NYKODE'S INVERSE VACCINES

EAE



Type-1 diabetes

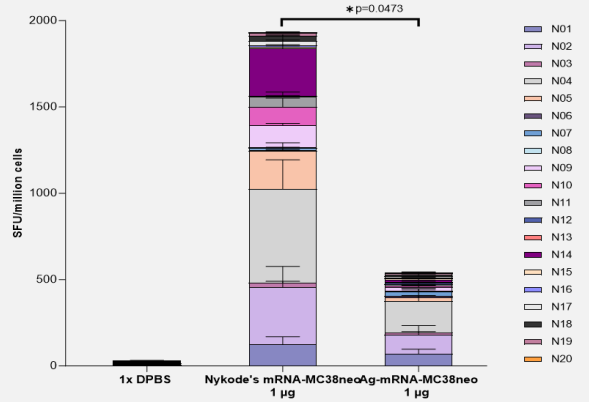


Nykode’s APC targeting leads to faster, stronger and broader T cell responses

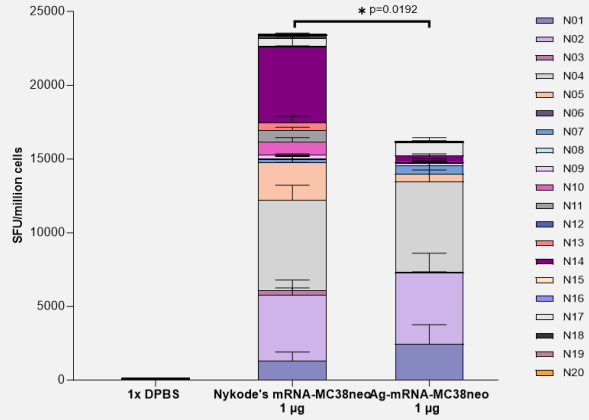
- Preclinical data shows that using APC targeted neoepitope vaccines with mRNA-LNP, whether delivered via DNA or mRNA, leads to stronger and broader T cell responses.
- Nearly doubled number of immunogenic antigens targeted to APCs, primarily driven by CD8 T cell responses.
- Validates broad application and partnering potential of the Vaccibody platform in developing cancer vaccines across various vectors and formulations

NYKODE’S TECH IMPROVES MRNA VACCINES

Prime vaccination only (D14)



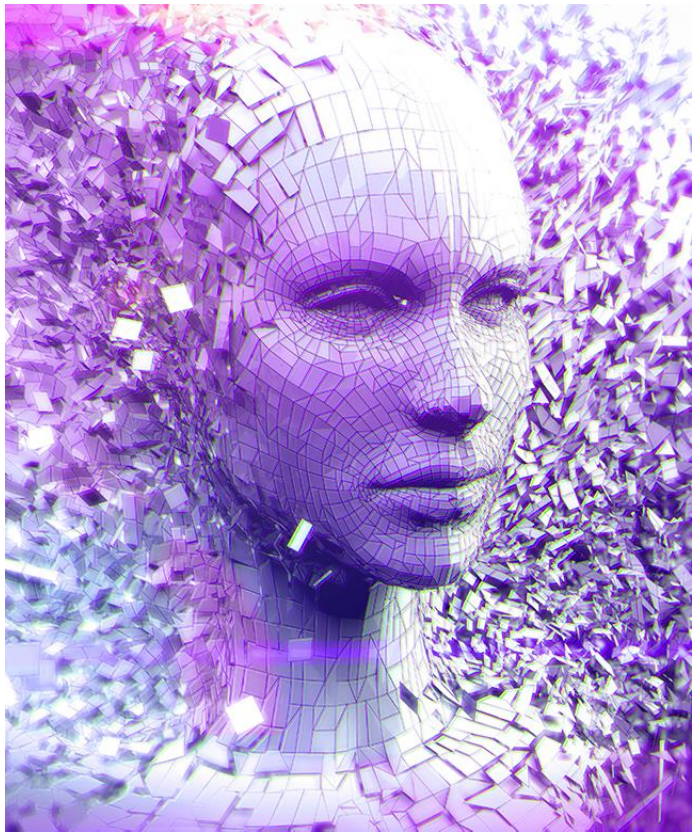
Prime + boost vaccination (D28)



Q3 2023
Financial Results

Strong financial foundation for achieving our vision

Cash position of $159m end Q3 2023



- Financially well positioned to execute the Company's strategy over the next years
- Nykode continues to explore a potential listing on the Nasdaq Global Market in the United States

Subsequent events

Private placement

- Successfully raised $45m in private placement
- Aim to broaden the existing shareholder base with international investors ahead of an envisaged future U.S. listing
- Transaction multiple times oversubscribed
- Significant participation from international life science specialist investors

Tax matter

- Norwegian Tax Authorities (NTA) reiterated their position that upfront payments received under a license agreement entered into in 2020 should be recognized as taxable income in full in 2020, rather than use of taxable gain/loss account
- Nykode continues to believe the use of taxable gain/loss account is the appropriate treatment, a view which has also been confirmed with third party tax experts
- Decision will generate a payable to the NTA of approximately $30m in Q4 2023
- The decision will be appealed

Income Statement

Amounts in USD '000	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Revenue from contracts with customers	2,760	648	10,886	4,478
Other income	51	634	332	1,251
Total revenue and other income	**2,811**	**1,282**	**11,218**	**5,729**
Employee benefit expenses	6,790	5,897	18,590	10,620
Other operating expenses	9,785	14,831	32,007	32,511
Depreciation	547	458	1,554	1,372
Operating profit (loss)	**(14,311)**	**(19,905)**	**(40,933)**	**(38,774)**
Finance income	3,586	3,073	9,431	6,096
Finance costs	1,611	2,364	3,127	5,998
Profit (loss) before tax	**(12,413)**	**(19,196)**	**(34,629)**	**(38,676)**
Income tax expense	(2,169)	(4,306)	(4,813)	(8,139)
Profit (loss) for the period	**(10,244)**	**(14,889)**	**(29,816)**	**(30,537)**

Revenue from contracts with customers

- R&D activities under Genentech and Regeneron agreements
- $2.6m (Q3 2023) and $10.1m (YTD 2023) under Genentech agreement
- $0.1m (Q3 2023) and $0.8m (YTD 2023) under Regeneron agreement

Other income

- Government grants from SkatteFUNN and Research Council of Norway

Employee benefit expenses

- Increase due to growth in organization
- YTD 2022 includes $7.0m reduction in social security cost accrual for share based payments

Other operating expenses

- Decrease in 2023 mainly due to recognition of a non-recurring cost of $6.3m in 2022

Finance income

- Increase in 2023 mainly due to increased interest income

Balance Sheet

Amounts in USD '000	30/09/2023	31/12/2022
ASSETS		
Non-current assets		
Property, plant and equipment	4,535	3,517
Right-of-use assets	6,502	6,009
Intangible assets	67	32
Other long-term receivables	5	46
Total non-current assets	**11,109**	**9,604**
Current assets		
Trade receivables	542	2,544
Other receivables	3,687	2,943
Cash and cash equivalents	159,132	206,386
Total current assets	**163,361**	**211,873**
TOTAL ASSETS	**174,470**	**221,477**

Cash and cash equivalents

- Strong cash position of $159m at September 30, 2023

Trade receivables

- Reduction due to receipt of $2.5m milestone under Genentech agreement in Q1 2023

Balance Sheet - contd.

Amounts in USD ’000	30/09/2023	31/12/2022
EQUITY AND LIABILITIES		
Equity		
Share capital	339	338
Share premium	84,145	83,318
Other capital reserves	13,924	11,694
Other components of equity	(3,007)	(3,044)
Retained earnings	34,897	64,713
Total equity	**130,298**	**157,018**
Non-current liabilities		
Non-current lease liabilities	4,387	4,365
Non-current provisions	2	30
Deferred tax liabilities	16,266	21,079
Total non-current liabilities	**20,655**	**25,474**
Current liabilities		
Government grants	144	133
Current lease liabilities	1,410	1,147
Trade and other payables	7,001	10,175
Current provisions	4,656	7,714
Current contract liabilities	10,223	19,736
Income tax payable	83	80
Total current liabilities	**23,517**	**38,985**
Total liabilities	**44,172**	**64,459**
TOTAL EQUITY AND LIABILITIES	**174,470**	**221,477**

Equity

- Total equity of $130m as per September 30, 2023
- Equity ratio of 75%

Contract liabilities

- Payments received/due for services not rendered under the Genentech agreement
- Invoicing follows milestone payments
- Revenues recognized as services are delivered
- Contract liability of $10.2m per September 30, 2023, down from $19.7m per December 31, 2022, in line with revenues recognized

Upcoming milestones

Oncology	Q4 2023	**VB10.16 Cervical Cancer**	Initiate potentially registrational VB-C-04 trial in the U.S. in patients with recurrent/metastatic disease and PD-L1 positive tumors
Oncology	Q4 2023	**Undisclosed Oncology**	Nomination of an additional oncology development candidate for a new internal oncology program
Oncology	Q1 2024	**VB10.16 Cervical Cancer**	Updated survival data from VB-C-02 Phase 2 trial
Oncology	H2 2024	**VB10.16 Head and Neck Cancer**	Recommended Phase 2 dose for Part 2 of the VB-C-03 trial in PD-L1+ patients with 1st line recurrent/metastatic advanced head and neck cancer
Oncology	H2 2024	**VB10.16 Cervical Cancer**	Finalized enrollment for Part 1 of the VB-C-04 trial
Autoimmune	H2 2024	**Autoimmunity and Allergy**	Update on Nykode's autoimmune disease program

Note: The news flow from the collaboration with Genentech and Regeneron is at their discretion, respectively

UNLOCKING THE FUTURE OF MEDICINE

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