

Immunovia interim report, January-March 2018



Mats Grahn, CEO of Immunovia AB

“In the first quarter we reached a very important milestone for the company. Almost two years after the listing of Immunovia on Nasdaq First North, we received approval from Nasdaq to begin trading on their main market.

We have also worked intensively towards our next milestone, which is to start sales by the end of 2018.

The company has a target of achieving turnover of SEK 250-300 million by 2021 ... and total turnover of SEK 800-1,000 by 2023.”

Extract from comments to the interim report by CEO Mats Grahn.

Key indicators				
SEK thousand unless otherwise stated	1 Jan-31 March 2018	1 Jan-31 March 2017	Full year 2017	Full year 2016
Net sales	112	28	149	177
Operating earnings	-17,377	-7,870	-45,520	-14,978
Earnings before tax	-17,326	-7,771	-45,232	-14,723
Net earnings	-17,326	-7,771	-45,232	-14,723
Earnings per share before dilution (SEK/share)	-1.00	-0.46	-2.67	-0.98
Equity ratio, %	94	97	94	98
No. of shares at the end of the period	17,318,059	16,804,059	17,318,059	16,804,059

This financial statement has been produced in accordance with IFRS for the Immunovia Group, which comprises Immunovia AB and the wholly-owned subsidiaries Immunovia Inc. and Immunovia GmbH.

Outlook

Immunovia is focused on fundamentally transforming diagnosis of complex forms of cancer and autoimmune diseases. The antibody-based platform, IMMray™, is the result of 15 years of research at CREATE Health – the Center for Translational Cancer Research at Lund University, Sweden. IMMray™ is a technology platform for the development of diagnostic tests and the company's primary test. IMMray™ PanCan -d is the first test in the world for early diagnosis of pancreatic cancer.

The company expects to receive the first revenues from self-pay sales in Q4 2018.

The following financial targets have been established:

- Immunovia's target is to achieve turnover of SEK 250-300 million by 2021 based on self-pay for IMMray™ PanCan -d.
- Immunovia's target is to achieve total turnover, including payment via self-pay and cost reimbursement from insurance systems, of SEK 800-1,000 million by 2023.

CEO's statement

Dear shareholders,

In the first quarter we reached a very important milestone for the company. Almost two years after the listing of Immunovia on Nasdaq First North, we received approval from Nasdaq to begin trading on their main market. We are now listed on the Mid Cap segment, where trading started on 3 April. We also worked intensively on the preparations for the next major milestone, which is our sales launch at the end of 2018.

Being listed on the main stock market further enhances our position. The change strengthens Immunovia's brand, raises awareness about the company and highlights our development and maturity. It is of great significance to us now that we are very close to commencing commercial activities.

In conjunction with the change of market listing, the Board adopted financial targets to match the start of sales. The company has a target of reaching SEK 250-300 million in revenue in 2021 based only on

"The company has a target of reaching SEK 250-300 million in revenue in 2021."

self-pay sales, and a second target of achieving total turnover of SEK 800-1,000 million in 2023, including self-pay and cost reimbursement from the insurance systems in Europe and the United States.

Our target for 2021 corresponds to penetration of approximately 5 percent of the inherited risk group for pancreatic cancer, and 1 percent penetration of the market potential for use by patients with early symptoms of pancreatic cancer.

Our target for 2023 corresponds to about 20 percent market penetration in the hereditary category risk for pancreatic cancer and 9 percent market penetration within the category for early symptoms of pancreatic cancer, as well as an initial use within the area of diabetics with increased risk for pancreatic cancer.

These financial targets refer to IMMray™ PanCan -d, the first of several applications with significant market potential for the IMMray™ platform. Other areas could include autoimmune diseases and other cancers. In 2016, the company initiated, for example, a program focused on diagnosis and monitoring of autoimmune diseases.

We are very hopeful about these opportunities and I expect to report back on their development throughout the year.

Our ambition is to provide updates about our performance in relation to our financial targets for other applications in addition to pancreatic cancer as soon as we approach commercialization of new products.

We have also worked on obtaining new participants in our PanFAM-1 study, which is a multicenter prospective validation study for early diagnosis of people with a high risk of hereditary pancreatic cancer. The PanFAM-1 study now includes more than 1,000 patients and is scheduled to run for three years. Both the University Hospital in Santiago de Compostela and the Massachusetts General Hospital were included in the study during the quarter, with New York University School of Medicine, a very important center within pancreatic cancer, joining in the beginning of the second quarter.

The overall objective of the study is to show the overall benefit within health care of testing patients with hereditary pancreatic cancer. In parallel with this we will run our two other prospective studies for these risk groups, PanSYM-1, for patients with early symptoms which could be pancreatic cancer, as well PanDIA-1, for patients over 50 years of age newly diagnosed with diabetes.

As usual, I want to conclude by thanking you, our shareholders for your support. The company has never been in such an exciting stage before and I am really looking forward to advancing from being a development company to becoming a commercial diagnostics company.

Thank you for your continuing support of Immunovia!

Mats Grahn
CEO, Immunovia AB

Consolidated financial results for January-March 2018

Net sales

Net sales for the first quarter of 2018 were SEK 112 thousand (28 k). For the full year 2017 net sales were SEK 149 thousand. Net sales principally comprise royalties.

Capitalization of costs for the first quarter of 2018 amounted to SEK 6,212 thousand (5,527 k). Where capitalized development costs are financed through approved and paid grants, the reported amounts are reduced by a comparable amount.

Earnings

The net loss for the first quarter of 2018 was SEK 17,326 thousand (-7,771 k). The loss for the full year was SEK 45,232. The net loss for the first quarter of 2018 was due to higher costs relating to organizational enlargement, establishing a laboratory in the US and increased marketing activity. Other operating costs and personnel costs increased by a total of SEK 10,225 thousand compared with last year to reach SEK 23,410 thousand in the first quarter of 2018.

Research and development

Research and development follows established plans. The total cost of research and development in the first quarter of 2018 was SEK 6,212 thousand (5,527 k), which corresponds to 26 percent (41) of the Group's total operating costs. The decrease in the proportion of R&D activity was mainly due to the increase in activities and costs for marketing and production.

Financial position and cash flow

Cash flow for the first quarter of 2018 from operating activities amounted to SEK -14,884 thousand (-6,525 k). Total cash flow for 2017 amounted to SEK -46,317 thousand. Cash and cash equivalents as at 31 March 2018 amounted to SEK 167,790 thousand (246,361 k).

Shareholders' equity at the end of the period was SEK 210,365 thousand (268,860 k) and the equity ratio was 94 percent (97).

Management believes that there is sufficient working capital to meet working capital needs, given the current business and development plan, for approximately 18 months going forward.

Investments

In the first quarter of 2018 intangible assets were acquired for SEK 6,958 thousand (6,176 k), consisting of capitalized development expenditure for SEK 6,212 thousand (5,174 k) and patents for SEK 746 thousand (1,002 k).

In 2017, intangible assets were acquired for a total of SEK 25,919 thousand (28,028 k), consisting of capitalized development expenditure for SEK 23,329 thousand (24,292 k), patents for SEK 2,590 thousand (3,074 k) and other intangible assets for SEK 0 thousand (662 k).

Investments in tangible assets in the form of inventories were made during the first quarter of 2018 amounting to SEK 2,819 thousand. For the corresponding period last year the total was SEK 32 thousand. In 2017 investment in tangible assets amounted to SEK 5,268 thousand (2,781 k).

No investment was made in financial assets in the first quarter of 2018. For full year 2017, investments were made in financial assets in the form of blocked bank funds amounting to SEK 2,759 thousand.

Employees

The number of employees in the Group in the first quarter of 2018 averaged 36 (23) and at the end of the period the number of full-time positions was 38, divided across 38 individuals.

Key events in the quarter

Important events in the first quarter of 2018

Immunovia approved for listing on Nasdaq Stockholm
Nasdaq Stockholm's listing committee approved Immunovia AB's application for admission to trading of the company's shares on the regulated market, Nasdaq Stockholm.

The first day of trading on Nasdaq Stockholm was 3 April 2018. The share continued to be traded under the same ticker (IMMNOV) and ISIN code (SE0006091997). The share is being traded on Nasdaq Stockholm's Mid Cap segment.

"Immunovia's progress in recent years has been tremendous and the admission to trade on the main list of Nasdaq Stockholm reflects that we are transforming from a development company to a diagnostic company with product sales. We regard the move to the regulated market to be very positive as it strengthens the brand, increases the recognition of the company and confirms the progress and maturity of Immunovia," said Carl Borrebaeck, Chairman of the Board.

Immunovia presented its financial targets

The Board of Directors of Immunovia AB adopted financial targets during the quarter due to the fact the company, as previously announced, will begin sales during the end of 2018. The financial targets show that the company's goal is to reach SEK 250-300 million in turnover in 2021 based on "self-pay"-sales and a turnover of SEK 800-1,000 million in 2023 including self-pay and reimbursements in Europe and the US.

The target of SEK 250-300 million in turnover in 2021, which is three years after sales start in Europe and the United States, is based on self-pay, i.e. that users themselves pay for the product. This corresponds to approximately five percent market penetration in the category of familiar or hereditary risk of pancreatic cancer and one percent market penetration in the category early symptoms of pancreatic cancer.

Immunovia also targets to receive reimbursement for IMMray™ PanCan –d in these segments of pancreatic cancer in 2021. Immunovia's goal of reaching SEK 800-1,000 million in total sales for self-pay and reimbursement in 2023 in Europe and the United States corresponds to approximately twenty percent market penetration in the category of hereditary risk of pancreatic cancer, nine percent penetration in the category early symptoms of pancreatic cancer, and an initial use in the area of diabetic patients with increased risk of pancreatic cancer.



The financial targets apply to IMMray™ PanCan –d, the first of several uses with significant market potential for the IMMray™ platform, such as autoimmune diseases and other cancers. The company initiated a program focusing on diagnostics and monitoring of autoimmune diseases in the beginning of 2016.

Spanish center Santiago de Compostela joins the largest ever prospective study into familial risk of developing pancreatic cancer

Immunovia AB announced during the first quarter that University Hospital of Santiago de Compostela is to become the latest internationally renowned participant in PanFAM-1, a multicenter prospective validation study for the early diagnosis of familiar pancreatic cancer (FPC) high risk individuals using Immunovia's innovative blood-based test, IMMray™ PanCan –d. Including more than 1,000 patients, PanFAM-1 is predicted to run for three years from the start of the study.

PanFAM-1 now includes Mount Sinai New York, Knight Cancer Institute at Oregon Health and Sciences University, Portland and Massachusetts General in the USA, University of Liverpool, UK, Ramon y Cajal Institute for Health Research, Madrid, Spain and Sahlgrenska University Hospital, Gothenburg, Sweden.



Massachusetts General Hospital joins PanFAM-1 prospective study for the early detection of pancreatic cancer in familiar risk groups

Immunovia AB announced that Massachusetts General Hospital had begun participating in PanFAM-1.

Immunovia accelerates pancreas cancer study of new onset diabetics by adding Denmark's Diabetes Center for Strategic Research-DD2

Immunovia signed a letter of intent for collaboration with the Danish Center for Strategic Research into Type 2 Diabetes (DD2). The intention is that the DD2 Center will be part of the groundbreaking PanDIA-1 prospective study into new onset Type 2 diabetics over 50 and their associated risk of developing pancreatic cancer.

Share information

Share information

Since 3 April 2018, Immunovia's shares have been listed on Nasdaq Stockholm's primary market (Mid Cap) under the IMMNOV ticker.

Subscription warrants scheme

Immunovia has three outstanding warrants schemes covering 235,000 warrants entitling to subscription of 235,000 shares. All outstanding warrants have an exercise price less than the market price on the balance sheet date. There will be no dilution as long as the Group's earnings are negative. For more information about the warrants, see page 8.

Share data

At the end of the reporting period the total number of shares was 17,318,059. The nominal value of each share is SEK 0.05.

The ten largest shareholders as of 31 March 2018.

Name	No. of shares	Share capital and votes
Carl Borrebaeck	1,709,900	9.87 %
Vincent Saldell	1,000,000	5.77 %
Sara Andersson Ek	888,950	5.13 %
Christer Wingren	888,950	5.13 %
Per Mats Ohlin	888,950	5.13 %
Handelsbanken Svenska Småbolag	675,556	3.90 %
Michael Löfman	639,000	3.69 %
Ålandsbanken in ownership posoition	533,873	3.14 %
Försäkringsbolaget Avanza Pension	526,401	3.04 %
Catella Småbolagsfond	467,302	2.70 %
Ten largest	8,218,882	47.51 %
Others	9,099,177	52.54 %
Total	17,318,059	100.00 %

Share capital history

Year	Event	Total share capital (SEK)	Change (SEK)	Total no. of shares	Change in shares	Nominal value (SEK)
24 May 2007	Formation	100,000.00	100,000.00	1,000,000	1,000,000	0.10
19 Oct 2011	New share issue	105,263.00	5,263.00	1,052,630	52,630	0.10
27 Oct 2011	Share split 5:1	105,263.00	-	5,263,150	4,210,520	0.02
5 July 2012	New share issue	108,869.92	3,606.92	5,443,496	180,346	0.02
21 May 2013	New share issue	122,483.76	13,613.84	6,124,188	680,692	0.02
10 Sept 2013	New share issue	124,899.76	2,416.00	6,244,988	120,800	0.02
5 May 2014	New share issue	220,924.32	96,024.56	11,046,216	4,801,228	0.02
13 Aug 2015	Bonus issue	552,310.80	331,386.48	11,046,216	-	0.05
17 Dec 2015	New share issue	714,560.80	162,250.00	14,291,216	3,245,000	0.05
15 Sept 2016	New share issue	823,728.40	109,167.60	16,474,568	2,183,352	0.05
17 Oct 2016	New share issue	840,202.95	16,474.55	16,804,059	329,491	0.05
4 Oct 2017	New share issue via warrants	865,902.95	25,700.00	17,318,059	514,000	0.05
At end of period		865,902.95		17,318,059		0.05

Risks

Risks and uncertainties

Immunovia's financial risk exposure and risk management are described on page 51 of the 2017 annual report. Business risks are presented on page 33 of the annual report. No significant changes have occurred that affect these reported risks.

Market risks

Currency risks

The Group operates both nationally and internationally, which involves exposure to fluctuations in various currencies, especially USD and EUR. Currency risk arises from future commercial transactions and recognized assets and liabilities. The extent of the company's business currently means that the net exposure in foreign currencies is limited. The company therefore does not have a currency hedging policy.

Interest rate risk in cash flow

Interest rate risk is the risk that the value of financial instruments will fluctuate because of changes in market interest rates. The Group currently only has interest-bearing financial assets in the form of bank deposits.

Credit risk

Credit risk is the risk that one party to a transaction with a financial instrument fails to meet its obligation. The maximum exposure to credit risk on financial assets as of 31 March 2018 amounted to SEK 174,930 thousand (246,361 k).

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash or agreed credit options to close market positions. Based on the existing business plan, there is enough liquidity for around 12 months.

Transactions with related parties

In addition to salaries and other remuneration to company managers, and fees to Board members, as decided at the annual general meeting, the company has a consulting agreement with CB Ocean Capital AB regarding services performed by Immunovia's chairman and largest shareholder, Carl Borrebaeck. Services provided do not concern information relating to the

Board role. Instead the services are to provide the company with scientific and strategic support at scientific presentations and conferences, for example. This agreement runs from 1 January 2018 until further notice with three months' notice for both parties. The remuneration per quarter amounts to SEK 41,000.

Incentive schemes

Warrants

The Annual General Meeting held on 25 April 2017 resolved to offer a warrants scheme (series 2017/2020) to employees and key persons in the company. The warrants (61,000) can be used to subscribe for newly issued shares of the Company during the period from registration of the decision until 15 October 2020. Each warrant entitles the holder to subscribe for one share at a subscription price of SEK 205.00 per share. Full utilization would increase the company's share capital by SEK 3,050.

The Annual General Meeting held on 30 May 2016 resolved to offer a warrants scheme (series 2016/2019) to employees and key persons in the company. The warrants (137,000) can be used to subscribe for newly issued shares of the Company during the period from registration of the decision until 15 October 2019. Each warrant entitles the holder to subscribe for one share at a subscription price of SEK 82.90 per share. Full utilization would increase the company's share capital by SEK 6,850.

The Annual General Meeting held on 1 June 2015 resolved to offer a warrants scheme (series 2015/2018) to employees and key persons in the company. The

warrants (47,000) can be used to subscribe for newly issued shares of the Company during the period from registration of the decision until 15 October 2018. 10,000 warrants have been exercised, therefore 37,000 warrants remain for subscription. Each warrant entitles the holder to subscribe for one share at a subscription price of SEK 13.50 per share. Full utilization would increase the company's share capital by SEK 1,850.

The Annual General Meeting held on 25 April 2017 resolved to introduce an alternative cash-based incentive scheme for key individuals in countries where allocation of warrants in accordance with the 2017/2020 scheme was not applicable for various reasons. Such an incentive scheme has been introduced for 6 key individuals and is designed so that the economic effects correspond to the terms of the 2017/202 options scheme. The total cost for the company can be at most USD 920,000.

The warrants are subject to customary recalculation terms in connection with share issues, etc.

Accounting principles

The Group applies the Swedish annual accounts act and International Financial Reporting Standards (IFRS) as adopted by the EU, and RFR 1 complementary accounting rules for Groups when preparing financial reports. The parent company applies the Swedish annual accounts act and RFR 2 Accounting for legal entities when establishing financial reports.

From 1 January 2018, the Group is applying IFRS 9 Financial instruments and IFRS 15 Revenues from contracts with customers. Otherwise, the applied accounting principles are consistent with those applied in the 2017 annual report.

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. New and amended standards adopted as of 2018 have not had any significant impact on the Group's financial position.

Financial assets

The Group classifies and values its financial assets based on the business model that manages the asset's contracted cash flows as well as the nature of the asset. The financial assets are classified in any of the following categories: financial assets valued at accrued acquisition value, financial assets valued at fair value in comprehensive income and financial assets valued at fair value in the income statement.

At present, the Group has only financial assets that are not normally sold outside the Group and where the purpose of the holding is to obtain contractual flows. Most of the financial assets consists of bank balances. All financial assets are classified as financial assets valued at accrued acquisition value.

These financial assets are included in current assets with the exception of items expired for more than 12 months after the end of the reporting period, which are classified as non-current assets. Valuation is made at accrued acquisition value using the effective interest rate method. A depreciation reserve is made when there is objective evidence that the company will not be able to receive all amounts due on the initial conditions of the receivable. The reserved amount is the difference between the asset's reported value and the present value of estimated future cash flows.

An impairment loss is recognized in the income statement as an additional external cost.

Financial liabilities

The Group only has financial liabilities that are classified and valued at accrued acquisition value using the effective interest rate method. Reporting is performed initially at fair value, net of transaction costs.

Revenues from agreements with customers

Revenues from agreements with customers are reported when the performance commitment is fulfilled when a product or a service is transferred to the customer. The Group currently only has revenues in the form of royalties which are reported as the terms of each royalty is met.

Financial instruments

The Group currently has no financial instruments which are valued at fair value. Instead, all financial assets and liabilities are valued at accrued cost. It is estimated that there are no significant differences between fair value and book value relating to financial assets and liabilities. The reported value of financial assets on the balance sheet date amounted to SEK 174,930 thousand (246,361).

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

Board assurance

The Board and the CEO certify that the Financial Statement gives a true and fair view of the company's operations, position and results, and describes significant risks and uncertainties that the company faces.

Lund, 27 April 2018.

Carl Borrebaeck
Chairman

Hans Johansson
Board member

Åsa Hedin
Board member

Ann-Christin Malmborg Hager
Board member

Mats Grahn
CEO

Ann-Christine Sundell
Board member

Other information

Financial reports

In some cases figures have been rounded off, which means tables and calculations will not always appear to be correctly totalled.

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The company's annual report is available at the company's website: www.immunovia.com

Financial calendar

3 May 2018	Annual general Meeting
24 August 2018	Q2 2018 interim report
7 November 2018	Q3 2018 interim report
14 February 2019	2018 Financial statement

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27 April 2018, 15.30 (CET)

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Consolidated income statement, summary

SEK thousand	1 Jan-31 Mar 2018	1 Jan-31 Mar 2017	Full year 2017
Operating income, etc.			
Net sales	112	28	149
Capitalized work for own account	6,212	5,527	24,041
Other income	320	15	59
Total income	6,644	5,570	24,249
Operating costs			
Other external costs	-14,531	-7,259	-39,113
Personnel costs	-8,879	-5,926	-29,138
Depreciation and amortization of tangible and intangible assets	-536	-240	-1,264
Other operating expenses	-75	-15	-254
Total operating expenses	-24,021	-13,440	-69,769
Operating profit/loss	-17,377	-7,870	-45,520
Financial items			
Financial income	51	99	298
Financial costs	0	0	-10
Total financial items	51	99	288
Profit/loss after financial items	-17,326	-7,771	-45,232
Tax on income	0	0	0
Profit/loss for the period	-17,326	-7,771	-45,232
Earnings per share before and after dilution (SEK)	-1.00	-0.46	-2.67
Average number of shares before and after dilution	17,318,059	16,804,059	16,932,559
No. of shares at the end of the period	17,318,059	16,804,059	17,318,059

Consolidated comprehensive income, summary

SEK thousand	1 Jan-31 Mar 2018	1 Jan-31 Mar 2017	Full year 2017
Profit/loss for the period	-17,326	-7,771	-45,232
<i>Items that may be later reclassified in the income statement</i>			
Exchange rate differences for foreign net investment	-104	0	0
Other comprehensive income for the period	-104	0	0
Comprehensive income for the period	-17,430	-7,771	-45,232

Consolidated financial position, summary

SEK thousand	31-03-18	31-03-17	31-12-2017
ASSETS			
Fixed assets			
Intangible fixed assets	43,689	25,611	36,791
Tangible fixed assets	9,654	2,842	7,211
Financial fixed assets	2,802	0	2,759
Total fixed assets	56,145	28,453	46,761
Current assets			
Accounts receivable	34	0	0
Current receivables	9,795	1,625	11,584
Cash and cash equivalents	167,790	246,361	192,425
Total current assets	177,619	247,986	204,009
TOTAL ASSETS	233,764	276,439	250,770
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	866	840	866
Other contributed capital	314,170	308,800	314,170
Translation reserve	-104	0	0
Retained earnings including total comprehensive income	-95,567	-40,780	-78,241
Total shareholders' equity	219,365	268,860	236,795
Current liabilities			
Other liabilities	14,399	7,579	13,975
Total current liabilities	14,399	7,579	13,975
TOTAL EQUITY AND LIABILITIES	233,764	276,439	250,770

Change in consolidated equity, summary

SEK thousand	Share capital	Other contributed equity	Reserves	Retained earnings including total comprehensive income	Total shareholders' equity
Equity, 1 January 2017	840	308,800	0	-33,009	276,631
Comprehensive income for the period			0	-7,771	-7,771
Equity 31 March 2017	840	308,800	0	-40,780	268,860
Comprehensive income for the period			0	-45,232	-45,232
Received subscription warrant premiums		473			473
New share issue	26	4,897			4,897
Equity 31 December 2017	866	314,170	0	-78,241	236,795
Comprehensive income for the period			-104	-17,326	-17,430
Equity 31 March 2018	866	314,170	-104	-95,567	219,365

Consolidated key indicators

SEK thousand unless otherwise stated	1 Jan-31 Mar 2018	1 Jan-31 Mar 2017	Full year 2017	Full year 2016	Full year 2015
Operating profit/loss (SEK thousand)	-17,377	-7,870	-45,520	-14,978	-7,424
Profit/loss for the year (SEK thousand)	-17,326	-7,771	-45,232	-14,723	-7,384
Earnings per share before and after dilution (SEK)	-1.00	-0.46	-2.67	-0.98	-0.65
R&D costs (SEK thousand)	-6,212	-5,527	-24,041	-24,293	-16,791
R&D costs as percentage of operating costs (%)	26	41	34	62	69
Cash and cash equivalents at end of period (SEK thousand)	167,790	246,391	192,425	259,094	75,767
Cash flow from operating activities (SEK thousand)	-14,884	-6,525	-46,525	-11,867	-6,531
Cash flow for the period (SEK thousand)	-24,662	-12,733	-66,669	183,327	43,962
Equity (SEK thousand)	219,365	268,860	236,795	276,631	83,801
Equity per share (SEK)	12.67	16.00	13.67	16.46	5.86
Equity ratio (%)	94	97	94	98	92
Average no. of employees	36	23	30	16	11
Average no. of employees in R&D	17	15	16	11	8

Consolidated cash flow statement, summary

SEK thousand	1 Jan-31 Mar 2018	1 Jan-31 Mar 2017	Full year 2017
Operating activities			
Operating profit/loss	-17,377	-7,870	-45,520
Adjustment for items not included in cash flow	253	240	1,472
Received interest	51	99	298
Paid interest	0	0	-10
Paid tax	0	0	0
Cash flow from operating activities before changes in operating capital	-17,073	-7,531	-43,760
Cash flow from changes in operating capital			
Change in operating receivables	1,762	206	-9,757
Change in operating liabilities	427	800	7,200
Cash flow from operating activities	-14,884	-6,525	-46,317
Investment activities			
Investment in intangible assets	-6,958	-6,176	-25,919
Investment in tangible assets	-2,820	-32	-5,366
Investment in financing assets	0	0	-2,861
Cash flow from investing activities	-9,778	-6,208	-34,146
Financing activities			
National and European grants for development costs	0	0	8,406
New share issue	0	0	4,923
Received subscription warrant premiums	0	0	474
Cash flow from financing activities	0	0	13,803
Cash flow for the period	-24,662	-12,733	-66,661
Cash and cash equivalents at beginning of period	192,425	259,094	259,094
Exchange rate difference in cash and cash equivalents	27	0	-8
Cash and cash equivalents at end of period	167,790	246,361	192,425

Parent company's income statement, summary

SEK thousand	1 Jan-31 Mar 2018	1 Jan-31 Mar 2017	Full year 2017
Operating income, etc.			
Net sales	112	28	149
Capitalized work for own account	6,212	5,527	24,041
Other income	320	15	59
Total income	6,644	5,570	24,249
Operating costs			
Other external costs	-13,529	-8,149	-39,113
Personnel costs	-6,639	-5,036	-29,138
Depreciation and amortization of tangible and intangible assets	-385	-240	-1,264
Other operating expenses	-75	-13	-254
Total operating expenses	-20,628	-13,438	-69,769
Operating profit/loss	-13,984	-7,868	-45,520
Financial items			
Financial income	111	99	298
Financial costs	0	0	-10
Total financial items	111	99	288
Profit/loss after financial items	-13,873	-7,769	-45,232
Tax on income	0	0	0
Profit/loss for the period	-13,873	-7,769	-45,232
Earnings per share before and after dilution (SEK)	-0.80	-0.46	-2.67
Average number of shares before and after dilution	17,318,059	16,804,059	16,932,559
No. of shares at the end of the period	17,318,059	16,804,059	17,318,059

Parent company's comprehensive income, summary

SEK thousand	1 Jan-31 Mar 2018	1 Jan-31 Mar 2017	Full year 2017
Profit/loss for the period	-13,873	-7,769	-45,232
Other comprehensive income for the period	0	0	0
Comprehensive income for the period	-13,873	-7,769	-45,232

Parent company's financial position, summary

SEK thousand	31-03-18	31-03-17	31-12-2017
ASSETS			
Fixed assets			
Intangible fixed assets	43,689	25,611	36,791
Tangible fixed assets	5,035	2,841	4,597
Financial fixed assets	253	0	0
Total fixed assets	48,977	28,452	41,388
Current assets			
Accounts receivable	34	0	0
Receivables from Group companies	12,158	24	5,618
Current receivables	6,376	911	9,909
Prepaid costs and accrued income	3,117	714	1,533
Cash and cash equivalents	166,657	246,339	192,216
Total current assets	188,342	247,988	209,276
TOTAL ASSETS	237,319	276,440	250,664
EQUITY AND LIABILITIES			
Shareholders' equity			
<i>Restricted equity</i>			
Share capital	866	840	866
Fund for development expenses	23,095	29,820	16,882
	23,961	30,660	17,748
<i>Unrestricted equity</i>			
Premium fund	4,897	207,107	4,897
Retained earnings including total comprehensive income	194,064	31,094	214,150
	198,961	238,201	219,047
Total shareholders' equity	222,922	268,861	236,795
Current liabilities			
Other liabilities	14,397	7,579	13,869
Total current liabilities	14,397	7,579	13,869
TOTAL EQUITY AND LIABILITIES	237,319	276,440	250,664

Parent company's cash flow statement, summary

SEK thousand	1 Jan-31 Mar 2018	1 Jan-31 Mar 2017	Full year 2017
Operating activities			
Operating profit/loss	-13,984	-7,869	-45,596
Adjustment for items not included in cash flow	384	240	1,264
Received interest	110	99	366
Paid interest	0	0	-2
Paid tax	0	0	0
Cash flow from operating activities before changes in operating capital	-13,490	-7,530	-43,968
Cash flow from changes in operating capital			
Change in operating receivables	-4,623	182	-15,230
Change in operating liabilities	528	801	7,090
Cash flow from operating activities	-17,585	-6,547	-52,108
Investment activities			
Investment in intangible assets	-6,958	-6,176	-25,919
Investment in tangible assets	-763	-32	-2,654
Investment in financing assets	-253	0	0
Cash flow from investing activities	-7,974	-6,208	-28,573
Financing activities			
National and European grants for development costs	0	0	8,406
New share issue	0	0	4,923
Received subscription warrant premiums	0	0	474
Cash flow from financing activities	0	0	13,803
Cash flow for the period	-25,559	-12,755	-66,878
Cash and cash equivalents at beginning of period	192,216	259,094	259,094
Cash and cash equivalents at end of period	166,657	246,339	192,216

Definitions

Key indicator	Definition	Reason for using key indicator not defined in accordance with IFRS
Net sales	Revenues for goods and services sold in the main activity during the current period.	
Operating profit	Profit before financial items and tax.	Operating income provides a picture of the results that the company's regular operations have generated.
Earnings per share before and after dilution	Profit attributable to parent company shareholders divided by the weighted average number of shares during the period before and after dilution.	
Average number of shares before and after dilution	Average number of shares outstanding during the period before and after dilution. As the Group's performance is negative, there is no dilution although the issue price is lower than the market price.	
R & D costs	The Company's direct costs for research and development. Refers to the costs of personnel, materials and external services.	The company's main activity is research and development. Management believes that its R & D costs is an important parameter to follow as an indicator of the level of activity of the company.
R & D expenses as a percentage of operating expenses	R & D expenses divided by operating expenses, which include other external costs, personnel costs and depreciation.	Management believes that the company's R & D expenses in relation to total costs is an important parameter to follow as an indicator of how much of the total costs is used for the company's main business.
Cash and cash equivalents	Cash and bank balances.	
Cash flow from operating activities	Cash flow before cash flows from investing and financing activities.	
Cash flow	Net change in cash and cash equivalents excluding the impact of unrealized gains and losses.	
Equity per share	Equity divided by number of shares at period end.	Management monitors this number to monitor how much value is equity per share.
Equity ratio	Equity as a percentage of total assets.	Management monitors this ratio as an indicator of the financial stability of the company.
Average number of employees	The average number of employees is calculated as the sum of hours worked during the period divided by the normal working hours for the period.	
Average number of employees in R & D	The average number of employees in the company's research and development departments.	

Glossary

Actionable information – In this context this means information that is sufficiently reliable and specific to form the basis for clinical decisions.

Antibodies – Antibodies, or immunoglobulins, are a type of protein used by the body's immune system to detect and identify foreign substances such as viruses, bacteria or parasites.

Antigen – A foreign body substance that elicits a reaction of the immune system in contact with the organism. The substance may be a chemical substance, a protein or a carbohydrate.

Autoimmunity – Autoimmunity is the immune system's harmful attack on the body's own tissue, which can take the form of disease or rejection of organs during transplantation.

Benign – If a tumour is benign it means that the tumour is not dangerous and will not spread.

Bioinformatics – Bioinformatics is an interdisciplinary field in which algorithms are developed for the analysis of biological (especially molecular biology) data.

Biomarker – A biomarker can be defined as a biological response to a change caused by disease or foreign substance. Biomarkers can be used as early warning signs of biological changes in an organism.

Companion Diagnostics – Diagnostics tools aimed at identifying which groups of patients will respond well to a particular treatment and thus ruling out ineffective treatments.

Discovery Study – Research carried out in order to verify a special hypothesis.

Histology – Histology is the study of biological tissue.

Invasive – Invasive means to penetrate or attack. Invasive medical examinations refer to examinations that include any form of penetration through a hole in the body or surgical operation.

Malignant – Malignant tumours tend to worsen and become mortal. They are termed cancer, and thus differ from benign tumours.

Metastasis – A metastasis is a tumour that has spread to other organs.

Microarray – A microarray is a molecular biology test format for simultaneously measuring the relative concentrations of proteins.

Molecular diagnostics – A collective technology used to analyze biological markers acting at gene and protein level (i.e. an individual's genetic code and how cells express genes as proteins in the body), such techniques are used to diagnose and monitor diseases, discover the risk of disease and determine which therapy will probably be best for the individual.

Out-of-pocket customers – Patients or organizations that pay for drugs without reimbursement from insurance companies or government agencies.

Palliative care – Palliative care is administered when the patient's disease is beyond the ability to cure. The purpose of palliative care is to provide support to patients and families using both psychological and medical practices.

PANDIA-1 – Prospective study for the diabetes risk group of patients aged over 50 that have been recently diagnosed with type 2 diabetes.

PANFAM-1 – Prospective study for the familiar and inherited risk group.

Pancreatologist – Specialist doctor focusing on diseases relating to the pancreas.

PANSYM-1 – Prospective study for the early symptom risk group.

Prospective study – A study in which a group of individuals is studied and followed often for a long time to see how a particular disease develops. A prospective study is used to study the relationship between different risk factors and a certain disease. You follow individuals with and without risk factors going forwards over time. At the end of the study, the proportion of individuals in the two groups who developed disease is compared.

Proteomics – Proteomics is a branch of biology and includes surveys of large amounts of data about proteins.

Reproducibility – Within the field of statistics, reproducibility is described as the correlation between results from repeated measurements performed by different observers with different instruments of the same type, which measurements are performed in order to reject any measurement error due to materials and personnel.

Retrospective study – A study in which the focus is on something that has happened in the past, i.e. using historic data. This form of study starts with the answer, i.e. it is known which individuals became ill and which did not.

Screening – Screening refers to medical examinations to identify a disease. It is normally carried out before the patient has exhibited obvious symptoms.

Self-pay customers – Patients or organizations that pay without reimbursement from insurance companies or authorities.

Sensitivity – Sensitivity is a statistical measure of the reliability of a binary diagnostic test and the probability that a generated positive result is correct.

Serum – A serum is a transparent yellowish liquid obtained by allowing the blood to clot, and then removing the blood cells and the coagulation proteins. Serum contains proteins, including antibodies.

SLE (Systemic Lupus Erythematosus) – SLE is an autoimmune inflammatory disease which means that the immune system attacks the body. The symptoms come and go in cycles, sometimes the patient is sick and sometimes has no sickness at all. Usually it is the joints, skin, blood and kidneys which become inflamed, but also the nervous system, lungs and heart can be affected. The disease is currently difficult to diagnose and is often confused with other autoimmune diseases.

Specificity – Specificity is a statistical measure of the reliability of a binary diagnostic test and the probability that the generated negative result is de facto negative.

Vinnova – Vinnova is a Swedish government agency under the Ministry of Industry which aims to promote sustainable growth by improving conditions for innovation and by funding needs-driven research.

Immunovia in brief

Immunovia is a Swedish molecular diagnostic company with a strong financial position in a commercial phase. The company develops and commercialises diagnostic tools for complex forms of cancer and autoimmune diseases.

Immunovia AB was founded in 2007 by researchers from the Department of Immunotechnology at Lund University and CREATE Health, the Center for Translational Cancer Research in Lund, Sweden. The purpose was to establish a base from which to make scientific discoveries and gain patents within the fields of human antibodies, biomarkers and antibody arrays, covering the stages from research to clinical application.

Immunovia's core technology platform, IMMray™, is based on microarray analysis of biomarker antibodies. IMMray™ PanCan –d is the company's primary diagnostic tool, capable of diagnosing with a high level of sensitivity and specificity. This enables diagnosis of patients with pancreatic cancer before symptoms are noted (stages I and II), which is not currently possible with existing methods. Immunovia is now performing clinical validation studies to prepare for the commercialization of IMMray™ PanCan –d, which could become the first blood-based test for early diagnosis of pancreatic cancer.

The antibody-based technology platform, IMMray™, is the result of 15 years of research at CREATE Health, Lund University. It is used to decode mechanisms behind the body's immune system, the first system in the body that reacts to disease. The platform can also be used for the development of diagnostic tests for autoimmune diseases.

Pancreatic cancer

Each year about 338,000 patients fall ill with pancreatic cancer. This form of cancer has one of the worst survival forecasts and only about 5-8 percent of diagnosed patients live more than five years, making it one of the deadliest cancers in the world. It is estimated that early detection would increase the five-year

survival rate by up to 49 percent. The initial addressable market for Immunovia consists of three high-risk pancreatic cancer groups. The market in the US and Europe for diagnosis of these groups is estimated to be worth over SEK 30 billion per year.

Goals

Immunovia's goal is to provide diagnostic tests that will enable earlier, more efficient and more accurate diagnosis of patients who run the risk of developing cancer or autoimmune disease. The aim is to make Immunovia's tests the first choice of specialist doctors and general practitioners across the world in the screening of specially high-risk groups or when there is a suspicion of the aforementioned diseases.

Strategy

As the first company, Immunovia's strategy is to decipher the wealth of information in blood and translate it into clinically useful tools to diagnose complex diseases earlier and more accurately than previously possible. The focus is on unsolved problems in early diagnosis, monitoring of the course of a disease and the patient's response to treatment. These are areas where there are extensive clinical benefits for patients and the healthcare system, current solutions are lacking or insufficient, and where IMMray™ has significant competitive advantages.

Initially, the key focus for Immunovia is to bring IMMray™ PanCan –d to the market. Because early detection of pancreatic cancer constitutes a major clinical problem, Immunovia considers there to be good prospects for being the first to establish a strong position on the market.

Organization. no. 556730-4299

Immunovia has its head office in Lund, Sweden. Immunovia's shares (IMMNOV) are listed on Nasdaq Stockholm main market, Mid Cap segment. For more information, visit www.immunovia.com

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