Immunovia Interim report, January-March 2017

Mats Grahn, CEO of Immunovia AB

"During the quarter we reported from a significant study that showed our ability to differentiate between SLE and other common autoimmune diseases. The very good results of the study, which indicated that SLE can be differentiated with 96% accuracy against a mix of healthy, rheumatoid arthritis, Sjögren's disease and vasculitis patient samples, give us a very strong reason to invest further in the autoimmune area.

Also during the quarter we identified retrospective biobanks that contain relevant and well-documented blood samples from individuals who are afflicted with pancreatic cancer after being diagnosed with diabetes, and we will now conclude an agreement giving us access to these individuals so that we can perform the retrospective study we announced earlier.

We are now planning the details of our market access program and preparing those marketing activities that will best create awareness among key decision-makers about the link between pancreatic cancer and diabetes and the possibilities that our test offer for improved survival."

Key indicators

SEK thousand unless otherwise stated

	1 Jan-31 March 2017	1 Jan-31 March 2016	Full year 2016
Net sales	28	0	177
Operating earnings	-7,870	-2,435	-14,978
Earnings before tax	-7,771	-2,406	-14,723
Net earnings	-7,771	-2,406	-14,723
Earnings per share before and after dilution (SEK/share)	-0.46	-0.17	-0.98
	31 March 2017	31 March 2016	31 Dec 2016
Equity ratio, %	97	97	98
No. of shares at the end of the period	16,804,059	14,291,216	16,804,059
Average number of shares before and after dilution	16,804,059	14,291,216	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 subsidiary Immunovia Inc.

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.

- It is planned to launch IMMray™ PanCan –d on the American and European markets with sales to out-of-pocket customers, to start when the accreditation and production upscaling have been completed, with revenues expected to begin in 2018. ImmRay PanCan –d will address a market that in total is worth around SEK 30 billion.
- Immunovia sees great potential in the development of tests for other unsolved problems in cancer and autoimmune diseases via its IMMray™ platform. The next focus area will be tests within SLE, based on the positive results announced in early 2017.

CEO's statement

Dear shareholders,

One of the highlights of the first quarter for Immunovia was the excellent results we reported for SLE in our differentiation study. This is a very important milestone, partly because it opens an additional market opportunity for the company that in volume terms is in parity with pancreatic cancer, but also because it confirms that our IMMray™ platform is generally applicable for many unsolved clinical problems within both cancer and autoimmunity. Meanwhile we are keeping our focus on bringing the pancreatic cancer test onto the market and here the main activities are the prospective studies, certifications, accreditations and production scaling-up.

On the road to reimbursement with PANFAM-1 study

In December 2016 we announced the start of a prospective study on hereditary risk groups. The purpose of this study is to monitor over three years one thousand individuals with a genetic predisposition for pancreatic cancer. In the study, IMMray™ PanCan –d testing will be added to the existing high-risk surveillance in familiar pancreatic cancer programs in the US and Europe. We anticipate that upon achieving successful results we will proceed with regulatory and reimbursement applications worldwide to establish our test as a global standard. A very important milestone will be an interim reading at the half way stage of the study, something we greatly look forward to.

During Q1 we worked intensively to secure the participation of additional cancer centers in the study, both in the US and the EU, a successful conclusion of which we look forward to announcing in the near future.

"During Q1 we worked intensively to secure the participation of additional cancer centers in the study, both in the US and the EU, which we look forward to announcing in the near future."

Developing the diabetes connection together with NCI

One of the highest risk groups for pancreatic cancer that has gained a lot of attention in recent time are new onset Type II diabetes patients diagnosed after 50 years of age. We are continuing the work of identifying and starting up the studies that are needed within this highly-interesting risk group. During Q1 we identified retrospective biobanks that contain relevant and well-documented blood samples from individuals afflicted with pancreatic cancer after being diagnosed with diabetes and we will now conclude agreements giving us access to these individuals so that we can perform the retrospective study that we have previously announced.

Work together with NCI consortium members is under way on the prospective studies, and during the quarter we initiated direct discussions about planning the studies with some of the most important of these members.

In addition to this initiative we are pursuing similar schemes in order to set up prospective studies among diabetes risk groups as quickly as possible and eventually receive reimbursement and national guideline status.

We are planning the details of our market access scheme and preparing the marketing activities that will best establish awareness among key decision-makers about how pancreatic cancer is linked to diabetes and the opportunities for improved survival thanks to our test.

"Since the beginning of 2016, Immunovia has worked intensively to industrialize the IMMray™ PanCan –d assay as a major part of the development process and preparation for ISO 13485 certification and other related accreditations required for market entry."

Certifications and accreditations continue

Since the beginning of 2016, Immunovia has worked intensively to industrialize IMMray™ PanCan –d analysis. This is a major part of the development process and it is a good preparation for ISO 13485 certification and other related accreditations required for market entry. During 2016, the regulatory quality standard ISO 13485 was updated to ISO 13485:2016. This involved changes in risk management, software validation and design and development. The preparation for the market introduction and the CE marking has included developing strategies for scaling up the production of the microarray while maintaining the same robustness and reproducibility as in the retrospective validation studies.

The assay industrialization, software verification and validation according to ISO 13485:2016 and production upscale are being performed in parallel. We have carried out work to rationalize laboratory methods in order to reduce the time required for a commercial sample, which is an important parameter both for customer acceptance and the product cost for the company. The increased workload has been addressed with greater resources but it affects the timetable for the certifications and accreditations, which are linked and dependent on the scaling up of production, in such a way that we will be able to conclude it in the second half of 2018.

Immunovia's laboratory in Lund diagnostizases pancreas cancer using a drop of blood on a microarray.

New key market identified – autoimmunity and SLE
In Q1 we reported the results of an important study that proved our ability to use IMMray™ to differentiate between SLE and other common autoimmune diseases. The study's excellent preliminary results, showing that SLE could be differentiated with accuracy of 96% against a mix of healthy, rheumatoid arthritis, Sjögren's disease and vasculitis patient samples gives us a very strong reason to invest further in the auto-immune area.

A number of important activities will be carried out in parallel during the coming year:

- Complementing and validating retrospective studies,
- Expansion of Key Opinion Leader network within autoimmunity
- Strategy and planning for commercial market access

We look forward to providing regular updates about progress within autoimmunity during 2017.

Management group reinforced with globally experienced business development manager
In March we strengthened our management team with the appointment of Henrik Winther as business development manager. Henrik was previously Vice President and General manager for Agilent/Dakos Companion Diagnostics Division, a world-leading organization for diagnostics projects supplied to pharma companies that required diagnostics for their products and projects. This reinforcement of our management team will significantly increase our capacity to handle the great interest now being shown in our IMMray technology.

Thank you for your continuing support of Immunovia!

Mats Grahn
CEO, Immunovia AB

Group performance in January-March 2017

Net sales

Net sales for Q1 2017 were SEK 28 thousand (0 k). For the full year 2016 net sales were SEK 177 thousand. Net sales principally comprise royalties.

In Q1 2017, investment in the form of capitalisation of development costs amounted to SEK 5,527 thousand (5,189 k). Where capitalised development costs are financed through approved and paid grants, the reported amounts are reduced by a comparable amount. In 2016 grants for development costs were received amounting to SEK 22,232 thousand.

Earnings

The net loss for Q1 2017 was SEK 7,771 thousand (-2,406 k). The loss for the full year was SEK 14,723. The net loss rose due to increased activity in studies, intensified product development and organizational enlargement. Other external costs and personnel costs increased by a total of SEK 5,642 thousand compared with last year to reach SEK 13,185 thousand in Q1 2017. This increase is mainly due to reinforcement of the development organisation and increased marketing activities.

Research and development

Research and development follows established plans. The total cost of research and development in Q1 2017 was SEK 5,527 thousand (5,189 k), which corresponds to 41% (68) of the Group's total operating costs.

Financial position and cash flow

Cash flow for Q1 2017 from operating activities amounted to SEK -6,525 thousand (-6,895 k) and total cash flow amounted to SEK -12,733 thousand (-8,071 k). Cash and cash equivalents as at 31 March 2017 were SEK 246,361 thousand (67,696 k). On 31 December 2016, cash and cash equivalents amounted to SEK 259,094 thousand.

Shareholders' equity at the end of the period was SEK 276,860 thousand (83,395 k) and the equity ratio was 97% (97).

Management believes that there is sufficient working capital to meet working capital needs, given the current business and development plan, for approximately 24 months going forward.

Investments

In Q1 2017, intangible assets were acquired for SEK 6,176 thousand, consisting of capitalized development expenditure for SEK 5,174 thousand (483) and patents for SEK 1,002 thousand (347 k).

Investments in tangible assets in the form of inventories were made Q1 2017 amounting to SEK 32 thousand. For the corresponding period last year the total was SEK 346 thousand.

Employees

The number of employees in the Group during the period averaged 23 (11) and at the end of the period the number of full-time positions was 25, divided across 25 individuals.

Key events

Important events in Q1 2017

Final data confirmed that IMMray™ biomarker differentiates SLE from other autoimmune diseases with 96% accuracy

During Q1 data was obtained that showed that the primary purpose of the retrospective study, performed in collaboration with Lund University's IDEA Centre had been realised. The study included 315 blood samples and was specifically designed to assess the effectiveness of IMMray™ blood-based biomarker signatures in differentiating SLE from three other main autoimmune diseases. There is a clear clinical need for such a test because SLE is difficult to diagnose.

The data confirmed that IMMray™ biomarker signatures can distinguish Systemic Lupus Erythematosus (SLE) from the three other main autoimmune diseases. In the first arm of the study, SLE was detected with an accuracy of 95% from the RA sample cohort and 99% from the healthy controls. When differentiated from Sjögren Syndrome and vasculitis, the accuracy rates of the IMMray™ biomarker signature were 84% and 99%, respectively. In the second arm of the study, SLE could be differentiated from a pool of samples of all the three other autoimmune diseases with an accuracy of 96%.

University of Michigan Pancreatic Cancer Center presented as new partner in Immunovia's global PANFAM-1 prospective validation study

The University of Michigan Pancreatic Cancer Center joined the global network of prominent sites participating in PANFAM-I, Immunovia's prospective clinical study for the early diagnosis of pancreatic cancer in high risk individuals.

The study, which will validate Immunovia's blood-based test, IMMray™ PanCan – d, will be performed over three years at different cancer centers in both the US and Europe that are focused on screening of high-risk patients with pancreatic cancer.

The University of Michigan Pancreatic Cancer Center is renowned for its unique collaborative approach and has the largest number of dedicated, interdisciplinary pancreatic cancer researchers in the US. The Centre was also the first to identify the pancreatic cancer stems cells responsible for disease dissemination. This has led to a longstanding interest in early detection and surveillance.

According to the agreement, the University of Michigan Pancreatic Cancer Center, together with other participants in the study, will contribute to the development of the prospective clinical study that will monitor up to 1,000 high-risk patients over a three-year period.

Block transaction in Immunovia's shares

A total of 400,000 shares, representing 2.4% of the company's share capital, were sold in an institutional transaction to existing and new professional and institutional investors. The sale was performed as a block transaction.

Two of the four selling parties were individuals in senior positions. The shareholding of the company's chairman, Carl Borrebaeck, was reduced from 11.4% to 10.5%, and the shareholding of the company's CTO, Christer Wingren, was reduced from 5.8% to 5.3%.

The transaction was performed for a price of SEK 95 per share. The selling parties committed to new lock-up restrictions to the end of 2017.

Share information

Share information

Immunovia's shares have been listed on Nasdaq First North, Stockholm (ticker: IMMNOV) since 1 December 2015.

First North is Nasdaq's European growth market and has a less extensive regulatory framework than the main market. Each company on First North has a Certified Adviser to ensure that companies meet requirements and regulations. Shares on First North and the main Nasdaq market are traded in the same trading system.

At the end of the period the total number of shares was 16,804,059. On 31 March 2016 there were 14,291,216 shares. The nominal value of each share is SEK 0.05.

Subscription warrants scheme

Immunovia has three outstanding warrants schemes covering 688,000 warrants entitling to subscription of 688,000 shares. All outstanding options 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 he warrants, see page 7.

The largest shareholders as of 31 March 2017.

Name	No. of shares	Share capital and votes
Carl Borrebaeck	1,749,900	10.41%
Vincent Saldell	1,000,000	5.95%
Sara Andersson Ek	888,950	5.29%
Christer Wingren	888,950	5.29%
Per Mats Ohlin	888,950	5.29%
Försäkringsbolaget Avanza Pension	764,790	4.55%
Handelsbanken Svenska Småbolag	650,000	3.87%
Michael Löfman	561,000	3.34%
Nordnet	286,670	1.71%
Banque Internationale á Luxembourg	200,351	1.19%
Ten largest	7,879,561	46.89%
Others	8,924,498	53.11%
Total	16,804,059	100.00%

Significant risks and uncertainties

Immunovia's business operations and market are subject to a number of risks that are wholly or partly outside the company's control and that affect or may in future affect Immunovia's business operations, financial position and earnings. The following risk factors are described in no special order and with no claim to be comprehensive:

- Immunovia is a development company with a relatively short operating history, which means that it may be some time before the company can report sales revenue.
- The company is in a commercialization phase which means there is a risk that sales revenue will be less than expected or zero.
- Validation studies could result in unexpected or negative research results.
- Development costs are difficult to anticipate. These costs may be higher than planned.
- The Company is dependent on collaboration and licensing agreements and there is a risk that the company cannot enter into the necessary partnerships.
- There is a risk that Immunovia does not receive the necessary registrations to sell and promote its products.
- There is a risk that the company will not receive accreditation to ISO 17025.
- Immunovia is subject to a number of government regulations that may change.
- There is a risk that Immunovia cannot defend granted patents, registered trademarks and other intellectual property rights or that submitted registration applications are not granted.
- For a description of financial risks, see page 7.

Development of share capital

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
At end of period		840,202.95		16,804,059		0.05

Financial 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 2017 amounted to SEK 246,361 (67,696) thousand.

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 two years.

Transactions with related parties

No transactions have occurred 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.

Financial instruments

The Group currently has no financial instruments measured at fair value. Instead all financial assets and liabilities are measured at amortized cost. There is not expected to be any significant differences between the fair value and the carrying value of the financial assets and liabilities. The carrying amount of financial assets on the closing day amounted to SEK 246,361 thousand (67,696).

Incentive schemes

Warrants

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 9,250. The warrants are subject to standard recalculation terms in connection with share issues, etc.

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. 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 2,350. The warrants are subject to standard recalculation terms in connection with share issues, etc.

The board meeting held on 10 September 2014 utilised the mandate issued by the Annual General Meeting held on 2 May 2014 to issue warrants (series 2014/2017) to employees and key persons in the company. The warrants (504,000) can be used to subscribe for new shares in the Company during the period from registration of the decision until 15 October 2017. Each warrant entitles the holder to subscribe for one share at a subscription price of SEK 9.50 per share. Full utilization would increase the company's share capital by SEK 25,200. The warrants are subject to customary recalculation terms in connection with share issues, etc.

Accounting principles

The Group complies with the Swedish annual accounts act and applies International Financial Reporting Standards (IFRS) as adopted by the EU along with RFR 1 Complementary accounting rules for groups in the preparation of financial statements.

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. New and amended standards adopted from 2017 have not had any significant impact on the Group's financial position.

Significant accounting policies

Basis of preparation

The consolidated financial statements have been prepared using the cost method. The balance sheet items are classified as current assets and current liabilities are expected to be recovered and paid within 12 months. All other balance sheet items are expected to be recovered or paid later.

Consolidated accounting

Subsidiaries are all entities over which the Group has control. The Group controls a company when it is exposed to or has the right to variable returns from its holdings in the company and has the capability to impact the return, through its influence in the company. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are excluded from the consolidated financial statements from the date that control ceases.

The acquisition method is used to report the Group's business acquisitions. The purchase price for the acquisition of a subsidiary is the fair value of transferred assets and liabilities that the Group incurs to former owners of the acquired company and the shares issued by the Group. The purchase price also includes the fair value of all assets or liabilities that are a result of an agreement on contingent consideration. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on the acquisition date. Acquisition-related costs are expensed as incurred.

Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistent application of the Group's principles.

Foreign currency translation

Functional and presentation currency

Items included in the financial statements for the various units in the Group are valued in the currency used in the economic environment in which the entity operates (its functional currency). Swedish kronor (SEK), which is the Group's reporting currency, is used in the consolidated accounts.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the transaction date or the date when the items were revalued. Exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies on the balance sheet date are recognized in the income statement. Exceptions are made when the transactions are hedges that qualify for hedge accounting of cash flows or net investments, where gains/losses are recognized in other comprehensive income.

Exchange gains and losses that relate to borrowings and cash and cash equivalents are reported in the income statement as financial income or expenses. All other foreign exchange gains and losses are recognized net in Other operating income or Other operating expenses.

Group Companies

The results and financial position of all group entities that have a functional currency different from the presentation currency are translated into the Group as follows:

- assets and liabilities for each balance sheet are translated at the closing rate,
- income and expenses for each income statement are translated at average exchange rates, and
- all resulting exchange differences are recognized in other comprehensive income.

Intangible and tangible assets

Intangible and tangible assets are stated at cost less depreciation. Cost includes expenditure that is directly attributable to the acquisition of the asset. Additional expenses are added to the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the asset can be measured reliably. Expenses for repairs and maintenance are expensed in the income statement in the period in which they arise. Depreciation is linear as follows:

- Patents 6,7 years
- Licences 5 years
- Equipment, tools and installations 5 years

Development expenses which add functionality and value are recognized as intangible assets when the following criteria are met:

- it is technically and economically feasible to complete the asset,
- there is an intention and opportunity to sell or use the asset,
- it is probable that the asset will generate revenue or lead to cost savings, and
- expenditure can be calculated in a satisfactory manner.

Directly attributable costs that are capitalized as part of an intangible asset include expenses for employees and a reasonable proportion of indirect costs. Other development costs that do not meet the above criteria, are expensed as incurred. Development costs previously expensed are not capitalized in subsequent periods.

The assets' residual values and useful life cycles are reviewed at each reporting period and adjusted if necessary. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount exceeds its estimated recoverable amount.

Financial assets

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, and financial assets available for sale. The classification depends on the purpose for which the financial asset was acquired. Management determines the classification of its financial assets at initial recognition. The Group currently has only financial assets in the category loan receivables and trade receivables.

Loans and receivables
Loans and receivables are financial assets that are not derivatives, with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the reporting period, which are classified as fixed assets. Valuation is at amortized cost using the effective interest method. A provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms set for the receivables. The size of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows.

Cash and cash equivalents
Liquid assets include, in both the balance sheet and statement of cash flows, cash, bank deposits and other short-term investments with maturities of three months or less.

Borrowings and payables
Liabilities to suppliers are recognized at amortized cost using the effective interest method.

Revenue recognition
Revenue is measured at the fair value of the consideration received or receivable for goods sold less discounts, returns and value added tax. Net sales relate entirely to royalties which are recognized under the financial implications of the respective royalty agreements. Interest income is recognized over the term using the effective interest method.

Government grants
Government grants are recognized at fair value as soon as there is reasonable assurance that the conditions attached to the grant will be met and hence that the grant will be received. Contributions received to cover costs are reported under Other income in the same period that the costs are incurred. Contributions that are attributable to an asset reduce the value of the asset in the balance sheet.

The interim report has not been reviewed by the company's auditors.

Board assurance

The Board and the CEO certify that the interim report 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, 20 April 2017.

Carl Borrebaeck *Chairman*	Hans Johansson *Board member*
Åsa Hedin *Board member*	Ann-Christin Malmborg Hager *Board membert*
Mats Grahn *CEO*	Ann-Christine Sundell *Board member*

Other information

Certified Adviser
Wildeco Ekonomisk Information AB is the company's Certified Adviser on Nasdaq First North.

Contact information:
Immunovia AB (publ)
Medicon Village
Scheelevägen 2
223 81 Lund
SWEDEN

Tel: +46 46-2756 000
ir@immunovia.com
www.immunovia.com

For further information, please contact:
Mats Grahn, CEO, Immunovia AB
E-mail: mats.grahn@immunovia.com

Immunovia's annual report is available on the company's website: www.immunovia.com

Telephone conference:

20 April 2017, 16.00 (CET)
SE: +46 856642669
CH: +41 225675548
DE: +49 69222229046
UK: +44 2030089806

Financial calendar

25 April 2017	Annual General Meeting
23 August 2017	Q2 2017 interim report
10 November 2017	Q3 2017 interim report
15 February 2018	2017 Financial statement

Information about Nasdaq First North

Nasdaq First North is an alternative market, operated by the different exchanges within NASDAQ. Companies whose shares are traded on First North are not obliged to follow the same rules as companies whose shares are traded on a regulated market, but are subject instead to a more limited regulatory framework adapted for small growth companies. An investment in a company whose shares are traded on First North may therefore be more risky than an investment in a company whose shares are traded on a regulated market. All companies whose shares are traded on First North have a Certified Advisor who ensures that the company complies with First North's rules for disclosure of information to the market and investors.

Financial reports

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

Consolidated income statement, summary

SEK thousand	1 Jan-31 March 2017	1 Jan-31 March 2016	Full year 2016
Operating income, etc.			
Net sales	28	0	177
Capitalized work for own account	5,527	5,189	24,293
Other income	15	7	33
Total income	5,570	5,196	24,503
Operating costs			
Other external costs	-7,259	-4,509	-24,115
Personnel costs	-5,926	-3,034	-14,815
Depreciation and amortization of tangible and intangible assets	-240	-84	-549
Other operating expenses	-15	-4	-2
Total operating expenses	-13,440	-7,631	-39,481
Operating profit/loss	-7,870	-2,435	-14,978
Financial items			
Financial income	99	29	256
Financial costs	0	0	-1
Total financial items	99	29	255
Profit/loss after financial items	-7,771	-2,406	-14,723
Tax on income	0	0	0
Profit/loss for the period	-7,771	-2,406	-14,723
Earnings per share before and after dilution (SEK)	-0.46	-0.17	-0.98
Average number of shares before and after dilution	16,804,059	14,291,216	16,804,059
No. of shares at the end of the period	16,804,059	14,291,216	16,804,059

Consolidated comprehensive income, summary

SEK thousand	1 Jan-31 March 2017	1 Jan-31 March 2016	Full year 2016
Profit/loss for the year	-7,771	-2,406	-14,723
Items that may be later reclassified in the income statement	*0*	*0*	*0*
Exchange rate differences for foreign net investment	0	0	0
Other comprehensive income for the year	0	0	0
Comprehensive income for the period	-7,771	-2,406	-14,723

Consolidated financial position, summary

SEK thousand	31-032017	31-03-2017	31-12-2016
ASSETS			
Fixed assets			
Intangible fixed assets	25,611	14,697	19,483
Tangible fixed assets	2,842	952	3,002
Total fixed assets	28,453	15,649	22,485
Current assets			
Current receivables	1,625	804	1,830
Cash and cash equivalents	246,361	67,696	259,094
Total current assets	247,986	68,500	260,924
TOTAL ASSETS	276,439	84,149	283,409
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	840	715	840
Other contributed capital	308,800	101,372	308,800
Retained earnings including total comprehensive income	-40,780	-20,692	-33,009
Total shareholders' equity	268,860	81,395	276,631
Current liabilities			
Other liabilities	7,579	2,754	6,778
Total current liabilities	7,579	2,754	6,778
TOTAL EQUITY AND LIABILITIES	276,439	84,149	283,409

Change in consolidated equity, summary

SEK thousand	Share capital	Other contributed equity	Retained earnings including total comprehensive income	Total shareholders' equity
Equity, 1 January 2016	715	101,372	-18,286	83,801
Comprehensive income for the period			-2,406	-2,406
Equity, 31 March 2016	715	101,372	-20,692	81,395
Comprehensive income for the period			-12,317	-12,317
Received subscription warrant premiums		321		321
New share issue	125	218,492		218,617
Costs of share issue		-11,385		-11,385
Equity 31 December 2016	840	308,800	-33,009	276,631
Comprehensive income for the period			-7,771	-7,771
Equity, 31 March 2017	840	308,800	-40,780	268,860

Consolidated cash flow statement, summary

SEK thousand	1 Jan-31 March 2017	1 Jan-31 March 2016	Full year 2016
Operating activities			
Operating profit/loss	-7,870	-2,435	-14,978
Adjustment for items not included in cash flow	240	84	548
Received interest	99	29	256
Paid interest	0	-1	-1
Paid tax	0	0	0
Cash flow from operating activities before changes in operating capital	-7,531	-2,323	-14,175
Cash flow from changes in operating capital			
Change in operating receivables	206	388	-645
Change in operating liabilities	800	-4,960	2,951
Cash flow from operating activities	-6,525	-6,895	-11,869
Investment activities			
Investment in intangible assets	-6,176	-830	-28,028
Investment in tangible assets	-32	-346	-2,781
Cash flow from investing activities	-6,208	-1,176	-30,809
Financing activities			
National and European grants for development costs	0	0	18,451
New share issue	0	0	207,233
Received subscription warrant premiums	0	0	321
Cash flow from financing activities	0	0	226,005
Cash flow for the period	-12,733	-8,071	183,327
Cash and cash equivalents at beginning of period	259,094	75,767	75,767
Cash and cash equivalents at end of period	246,361	67,696	259,094

Consolidated key indicators

SEK thousand unless otherwise stated	1 jan-31 mars 2017	1 jan-31 mars 2016	Helår 2016
Operating profit/loss (SEK thousand)	-7,870	-2,435	-14,978
Profit/loss for the year (SEK thousand)	-7,771	-2,406	-14,723
Earnings per share before and after dilution (SEK)	-0.46	-0.17	-0.98
R&D costs (SEK thousand)	-5,527	-5,189	-24,293
R&D costs as percentage of operating costs (%)	41	68	62
Cash and cash equivalents at end of period (SEK thousand)	246,391	67,696	259,094
Cash flow from operating activities (SEK thousand)	-6,525	-6,895	-11,869
Cash flow for the period (SEK thousand)	-12,733	-8,071	183,327
Equity(SEK thousand)	268,860	81,395	276,631
Equity per share (SEK)	16.00	5.70	16.46
Equity ratio (%)	97	97	98
Average no. of employees	23	11	16
Average no. of employees in R&D	15	8	11

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 share-holders 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	
R & D costs	dilution although the issue price is lower than the market price.	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	The Company's direct costs for research and development. Refers to the costs of personnel, materials and external services.	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 com-pany'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.

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.

Prospective study – A study in which a group of individuals are studied and followed over a period of time (often long) to see how a disease develops. A prospective study is used to study the link between different risk factors and a specific disease. Individuals with or without risk factors are monitored over time. At the end of the study a comparison is made of the proportion of individuals who have developed the disease in both groups.

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 you look back at something that has already occurred, i.e. historical data is used. A retrospective study begins with the answer, i.e. you already know which individuals will develop the disease.

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

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 entering a commercialisation phase with a strong financial position. 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 lupus (SLE), prostate cancer and breast cancer.

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% 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 59%. The initial addressable market for Immunovia consists of two 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 First North. The Certified Advisor is Wildeco. For more information, visit www.immunovia.com

Scheelevägen 2
Medicon Village
223 81 Lund
SWEDEN

Tel: +46 46-2756 000
ir@immunovia.com
www.immunovia.com