



Interim report

July 2022 – March 2023

Eurocine Vaccines AB | 556566-4298 | www.eurocine-vaccines.com

This is an unofficial translation of the Swedish original. In the event of any discrepancies between the Swedish original and the English translation, the Swedish text shall apply.

Summary of interim report

2023-01-01 – 2023-03-31 (third quarter)

- Results after tax for the quarter amounted to -3.2 MSEK (-5.6 MSEK)
- Revenues for the quarter amounted to 2 KSEK (0 KSEK)
- Earnings per share for the quarter amounted to -0.115 SEK (-0.397 SEK)

2022-07-01 – 2023-03-31 (nine-month period)

- Results after tax for the period amounted to -15.3 MSEK (-15.0 MSEK)
- Revenues for the period amounted to 5 KSEK (0 KSEK)
- Earnings per share for the period amounted to -0.549 SEK (-1.053 SEK)

"Eurocine Vaccines" refers to Eurocine Vaccines AB with corporate registration number 556566-4298. Number of shares in Eurocine Vaccines as of 31 March 2023: 27,791,848 shares.

Highlights during the period

Eurocine Vaccines decided to develop mRNA-based vaccine candidate against chlamydia

In January 2023, Eurocine Vaccines announced that its Board of Directors had decided to develop a vaccine candidate against chlamydia using mRNA, the next generation vaccine technology. The technology enables synergies in the development of other vaccine candidates in our portfolio and provides competitive advantages with less investment. At the same time, the Company decided to pause the resource-intensive development of the protein-based chlamydia vaccine candidate until further notice.

Eurocine Vaccines' Director of Preclinical Development lectured at UCL School of Pharmacy

In February 2023, the Company's Director of Preclinical Development, Dr. Karl Ljungberg, was invited to lecture on DNA and RNA vaccines at one of the top-ranked pharmaceutical schools in the UK.

Highlights after the period

Eurocine Vaccines receives grant from Merck Group

In May 2023, Eurocine Vaccines announced that the Company has received a grant of SEK 300,000 from Merck Group that can be used for Merck's bioprocessing technologies and services to further expedite the development of the Company's innovative vaccine candidates.



CEO Hans Arwidsson

The recent period has been intense for Eurocine Vaccines and we have made important decisions regarding the further development of our advanced vaccine candidates to create an innovative and competitive vaccine portfolio with great potential to reach the market.

Candidates based on next generation vaccine technology

In the beginning of the year, we decided to develop a chlamydia vaccine candidate based on next-generation vaccine technology, mRNA, as vaccines based on mRNA technology show great clinical potential to drive both antibodies and T cells. In connection with this, we decided to pause the development of the protein-based chlamydia candidate until further notice, as it requires large resources, and instead focus on the mRNA technology, which also gives us good opportunities to achieve synergies with our two vaccine candidates. We are convinced that the mRNA candidate has very good potential and it is positive that it is covered by the same patent and the exclusive global license agreement with Spixia Biotechnology.

We have a continued intensive year ahead of us where we plan further studies to determine which technology the vaccine candidate against HSV-2 should be based on. At the end of last year, we conducted a first preclinical study with the candidate, where the results for our mRNA-based candidate were outstanding and could show that the antibody response was at least equivalent to the protein-based vaccine. The results also showed that the mRNA candidate elicits a superior T-cell response that is in line with T-cell responses detectable after recovery from an HSV-2 infection. We also look forward to initiating process development and other preparations for toxicology and clinical trials with our mRNA-based vaccine candidates.

Demanded expertise within the Company

In mid-February, Dr. Karl Ljungberg, our Director of Preclinical Development, was invited to lecture on DNA and RNA vaccines at University College London, UCL School of Pharmacy. An invitation to one of the UK's highest ranked pharmacy schools is a very gratifying sign that Eurocine Vaccines is at the forefront of vaccine development and that our internal expertise is sought after in the academic world.

Finally, as we approach the end of the financial year, I would like to thank the team for their efforts so far. I look back on an eventful year for Eurocine Vaccines and I look forward to ending the year on a strong note. I would also like to thank the shareholders in Eurocine Vaccines for your continued trust as we focus on developing a portfolio of innovative vaccine candidates based on the next generation of vaccine technology, mRNA.

Please join us at upcoming activities in our [Calendar](#), and see our latest presentations from [Sedermeradagen Malmö on 5 October](#) and [Aktieportföljen Live on 11 October](#) (both in Swedish).



Hans Arwidsson – CEO, Eurocine Vaccines AB

Eurocine Vaccines AB

Eurocine Vaccines is a development company in the highly intense vaccine area, bridging the gap between innovation and market. Through its portfolio strategy, **innovative vaccine candidates** are given the opportunity to reach the market quicker, while investors are offered **risk diversification with a big future leverage**. These candidates are later licensed to partners for further development and commercialization. Eurocine Vaccines operates at the heart of the bio-scientific cluster of Karolinska Institutet, Solna, Sweden, and has attracted several **internationally merited vaccine specialists** to its Board.

“Bridging the gap between innovation and market”

Business model

Eurocine Vaccines develops vaccine projects into clinical phase in order to show proof-of-concept in man, i.e., support for clinical relevance. The Company's ambition is to enter into commercial agreements with one or more major pharmaceutical companies at the appropriate time in the development of each vaccine candidate.

Eurocine Vaccines' share

Eurocine Vaccines' share is listed on Spotlight Stock Market, www.spotlightstockmarket.com. The share has the ticker name EUCI and ISIN code SE0001839069. The number of outstanding shares, as of 31 March 2023, was 27,791,848.

Business-related risks and uncertainties

The risks and uncertainties to which Eurocine Vaccines' operations are exposed are, in summary, related to, among other things, drug development, competition, technology development, patents, regulatory requirements, capital requirements, currencies, and interest rates. Therefore, there is a risk that the Company will not be able to generate results according to plan due to such risks and effects, which could have a negative effect on the Company's financial position. During the period, no significant changes regarding risk or uncertainty factors have occurred. For a more detailed description of significant risk factors in Eurocine Vaccines' operations, please see the Company's investment memorandum from September 2022 (in Swedish), published in connection with the rights issue.

List of owners and insider trading

For Eurocine Vaccines' list of owners and insider trading, please refer to Spotlight via the following link: [Eurocine Vaccines \(EUCI\) | Spotlight \(spotlightstockmarket.com\)](http://Eurocine%20Vaccines%20(EUCI)%20|%20Spotlight%20(spotlightstockmarket.com))

Comments on the financial development

Revenues

Revenues during the second quarter amounted to 2 KSEK (0 KSEK). The first significant revenues from the Company's operations are expected to be revenues from collaborations on the Company's vaccine candidates.

Costs

The quarter's costs largely consist of costs for research and development of the Company's product candidates. The research and development costs for the third quarter, including salaries, amounted to 1.4 MSEK (3.4 MSEK). The development costs for the quarter consist of 37% (78 %) costs for subcontractors and contract researchers. This is a natural consequence of Eurocine Vaccines' cost-effective organization and that most of the experimental work is outsourced to contract companies that are experts in their respective fields.

Operating profit

The result for the quarter after financial items amounted to -3.2 MSEK (-5.6 MSEK).

Financing and financial status

Cash and cash equivalents, as of 31 March 2023, amounted to 3.4 MSEK (15.5 MSEK).

It is the Board's assessment that current cash is not sufficient to finance the company's planned operations over the next twelve months. The company is working intensively to secure financing. This work includes, among other things, negotiations with existing and new investors, potential business partners and potential future rights issue to ensure resources

for the continued development. It is the Board's premise that a combination of a new issue on acceptable terms and the reduced development costs for the chlamydia vaccine should form the basis for the company's continued operations to be financed.

The plans for 2023 entail further development costs mainly for the HSV-2 vaccine and the chlamydia vaccine, but the Company commits to new costs for development activities only to the extent that financing has been secured. The Company is continuously exploring opportunities for grant financing of certain parts of the business.

Equity

At the end of the period, Eurocine Vaccines' equity ratio amounted to 79% (84%).

Accounting and accounting principles

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting.

For the Parent Company, the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for legal entities has been applied in the preparation of this half-year report.

The Group and the Parent Company's accounting principles are unchanged, from what is described in the annual report for 2021/2022.

No other new or revised IFRSs (International Financial Reporting Standards) have entered into force that are expected to have any significant impact on the Group.

The Group's income statement

	3 rd Quarter 2022/2023 2023-01-01 -2023-03-31	3 rd Quarter 2021/2022 2022-01-01 -2022-03-31	Nine months 2022/2023 2022-07-01 2023-03-31	Nine months 2021/2022 2021-07-01 2022-03-31	Financial year 2021/2022 2021-07-01 2022-06-30
KSEK					
Net sales	0	0	0	0	0
Other income	2	0	5	0	70
Total operating income	2	0	5	0	70
Operating expenses					
Other external expenses	-1,540	-3,992	-10,704	-10,751	-14,306
Personnel expenses	-1,666	-1,647	-4,456	-4,212	-5,772
Other operating expenses	-43	0	-113	0	-142
Operating profit/loss	-3,247	-5,639	-15,268	-14,963	-20,150
Financial income and expenses	40	0	5	0	-4
Profit/loss after financial items	-3,207	-5,639	-15,263	-14,963	-20,154
Profit/loss for the period	-3,207	-5,639	-15,263	-14,963	-20,154
Earnings per share before dilution, SEK	-0.115	-0.397	-0.549	-1.053	-1.400
Earnings per share after dilution, SEK	-0.115	-0.397	-0.549	-1.053	-1.400
Number of shares at the end of the period	27,791,848	14,211,740	27,791,848	14,211,740	17,369,905
Average number of shares outstanding	27,791,848	14,211,740	23,037,312	13,468,304	14,397,769

Other comprehensive income for the Group corresponds to the profit for the period.

Earnings for the period and earnings per share are attributable in their entirety to the parent company's owners as the Group has no minority interests.

The Group's change in equity

KSEK	Share capital	Unregistered share capital	Other contributed capital	Accumulated loss	Sum of equity
Opening balance as of July 1st 2021	1,974	1,579	281,023	-252,666	31,910
New share issue	1,579	-1,579			0
Issue expenses			-46		-46
Total comprehensive income for the period				-14,963	-14,963
Closing balance as of March 31st 2022	3,553	0	280,977	-261,629	16,901
Operating balance as of July 1st 2022	4,342	0	284,056	-272,820	15,578
Decrease in share capital	-4,169		4,169		0
New share issue	2,606		5,211		7,817
Issue expenses			-1,835		-1,835
Total comprehensive income for the period				-15,263	-15,263
Closing balance as of March 31st 2023	2,779	0	291,601	-288,083	6,297

The Group's balance sheet

KSEK	2023-03-31	2022-03-31	2022-06-30
Assets			
<i>Current assets</i>			
Account receivables and other receivables	4,555	4,588	4,557
Cash and cash equivalents	3,436	15,513	14,235
Total current assets	7,991	20,101	18,792
Total assets	7,991	20,101	18,792
Equity and liabilities			
<i>Equity</i>			
Share capital	2,779	3,553	4,342
Unregistered share capital	0	0	0
Other contributed capital	291,600	280,977	284,056
Retained earnings including profit/loss for the period	-288,082	-267,629	-272,820
Total equity	6,297	16,901	15,578
<i>Current liabilities</i>			
Trade accounts payable and other current liabilities	1,694	3,200	3,214
Total current liabilities	1,694	3,200	3,214
Total equity and liabilities	7,991	20,101	18,792

The Group's cash flow analysis

	Nine months 2022/2023 2022-07-01 2023-03-31	Nine months 2021/2022 2021-07-01 2022-03-31	Financial year 2021/2022 2021-07-01 2022-06-30
KSEK			
Operating activities			
Operating loss	-15,268	-14,963	-20,150
Non-cash adjustments	0	0	0
Interest received	0	0	0
Interest paid	5	0	-4
Cash flow from operating activities before changes in working capital	-15,263	-14,963	-20,154
Change in operating receivables	2	17,313	17,344
Change in operating liabilities	-1 520	-652	-638
Cash flow from operating activities	-16,781	1,698	-3,448
Financial activities			
Proceeds from loans and borrowings	0	0	0
Proceeds from share issue	7,817	0	4,453
Transaction costs related to share issue	-1,835	-46	-631
Cash flow from financial activities	5,982	-46	3,822
Cash flow for the period	-10,799	1,652	374
Cash and cash equivalents at the beginning of the period	14,235	13,861	13,861
Cash and cash equivalents at the end of the period	3,436	15,513	14,235

The Group's key figures

	3 rd Quarter 2022/2023 2023-01-01 -2023-03-31	3 rd Quarter 2021/2022 2022-01-01 -2022-03-31	Nine months 2022/2023 2022-07-01 2023-03-31	Nine months 2021/2022 2021-07-01 2022-03-31	Financial year 2021/2022 2021-07-01 2022-06-30
KEY FIGURES					
Operating margin, %	Na	Na	Na	Na	Na
Profit margin, %	Na	Na	Na	Na	Na
Equity/assets ratio, %	79	84	79	84	83
Debt ratio, %	Na	Na	Na	Na	Na
Investments	0	0	0	0	0
Number of employees	4	4	4	4	4
Data per share*					
Earnings per share before dilution, SEK	-0.115	-0.397	-0.549	-1.053	-1.400
Earnings per share after dilution, SEK	-0.115	-0.397	-0.549	-1.053	-1.400
Equity per share before dilution, SEK	0.227	1.189	0.227	1.189	0.897
Equity per share after, SEK	0.227	1.189	0.227	1.189	0.897
Antal aktier vid periodens slut	27,791,848	14,211,740	27,791,848	14,211,740	17,369,905
Genomsnittligt antal aktier, före utspädning	27,791,848	14,211,740	23,037,312	13,468,304	14,397,769
Genomsnittligt antal aktier, efter utspädning	27,791,848	14,211,740	23,037,312	13,468,304	14,397,769
UTDELNING	0	0	0	0	0

DEFINITIONS

Operating margin, %, = Operating profit as a percentage of this year's invoice.

Profit margin, %, = Profit after net financial items as a percentage of this year's invoice.

Equity ratio, %, = Equity as a percentage of total assets.

Debt/equity ratio, %, = Interest-bearing liabilities divided by equity.

Earnings per share, SEK, = Net profit divided by the average number of shares.

Equity per share, SEK = Equity divided by the number of shares on the balance sheet date.

Parent company income statement

	3 rd Quarter 2022/2023 2023-01-01 -2023-03-31	3 rd Quarter 2021/2022 2022-01-01 -2022-03-31	Nine months 2022/2023 2022-07-01 2023-03-31	Nine months 2021/2022 2021-07-01 2022-03-31	Financial year 2021/2022 2021-07-01 2022-06-30
KSEK					
Net sales	0	0	0	0	0
Other operating income	2	0	5	0	70
Operating income	2	0	5	0	70
Operating expenses					
Other external expenses	-1,540	-3,991	-10,704	-10,750	-14,305
Personnel expenses	-1,666	-1,647	-4,456	-4,212	-5,772
Other operating expenses	-43	0	-113	0	-142
Operating loss	-3,247	-5,638	-15,268	-14,962	-20,149
Financial income and costs	40	0	5	0	-4
Profit/loss after financial items	-3,207	-5,638	-15,263	-14,962	-20,153
Profit/loss for the period	-3,207	-5,638	-15,263	-14,962	-20,153

Parent company balance sheet

KSEK	2023-03-31	2022-03-31	2022-06-30
Assets			
Non-current assets			
<i>Financial assets</i>			
Shares in subsidiaries	100	100	100
Total non-current assets	100	100	100
<i>Current assets</i>			
Other current receivables	260	338	311
Prepaid expenses and accrued income	4,307	4,262	4,258
Total current receivables	4,567	4,600	4,569
Cash and bank	3,337	15,415	14,137
Total current assets	7,904	20,015	18,706
Total assets	8,004	20,115	18,806

Parent company balance sheet continued

KSEK	2023-03-31	2022-03-31	2022-06-30
Equity and liabilities			
Equity			
Restricted equity			
Share capital	2,779	3,553	4,342
Unregistered share capital	0	0	0
Statutory reserve	8,907	8,907	8,907
Total restricted equity	11,686	12,460	13,249
Non-restricted equity			
Other contributed capital	282,474	271,875	274,930
Accumulated loss	-272,587	-252,434	-252,434
Loss for the period	-15,263	-9,323	-20,153
Total non-restricted equity	-5,376	10,118	-2,343
Total equity	6,310	22,578	15,592
Trade accounts payables and other current liabilities	1,694	3,200	3,214
Total current liabilities	1,694	3,200	3,214
Total equity and liabilities	8,004	20,115	18,806

The next reporting dates

Year-end report for the period 1 July 2022 to 30 June 2023 will be published on 30 August 2023.

This interim report has not been reviewed by the Company's auditor.

Solna, 23 May 2023

Eurocine Vaccines AB (publ)

Pierre A Morgon
Chairman of the Board

Carlos von Bonhorst
Board member

Emanuele Montomoli
Board member

Hans Arwidsson
Board member and
Chief Executive Officer

Pär Thuresson
Board member

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