2022

INTERIM REPORT

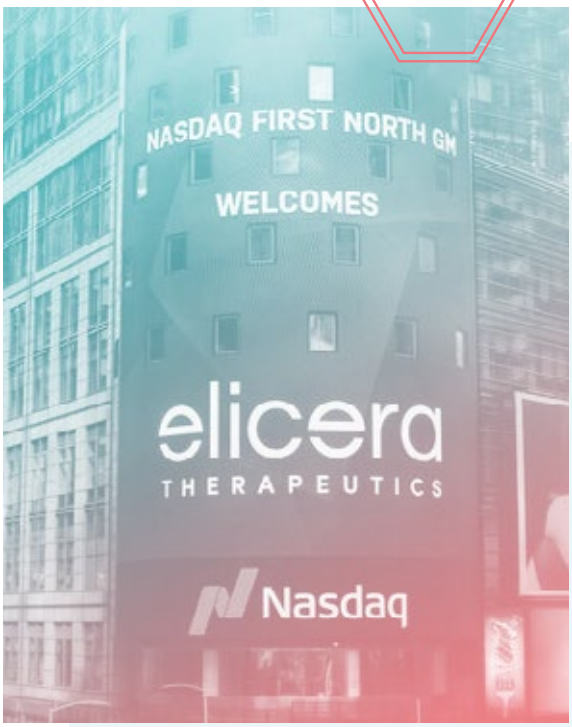
January 1 – March 31

elicera
THERAPEUTICS

Corp. Reg. No. 556966-4955

Elicera Therapeutics AB (publ) Interim Report

January 1 – March 31, 2022



First quarter (January–March 2022)

- Operating profit/loss totaled SEK -4,741,051 (-2,404,551).
- Loss for the period totaled SEK -4,754,615 (-2,404,489).
- Cash flow from operating activities totaled SEK -5,333,226 (-3,481,034).
- Earnings per share before dilution totaled SEK -0.24 (-0.20) Earnings per share after dilution amounted to SEK -0.24 (-0.20).

Key events during the first quarter

- Elicera Therapeutics boosted IP protection for ELC-100 through the acquisition of patents from Immunicum.
- Elicera Therapeutics secured SEK 5 million in grant financing from Vinnova to develop an automated manufacturing process of CAR T-cells.
- Annual General Meeting held on March 7. The Board of Directors was re-elected except for Karin Hoogendoorn, who declined re-election.
- Elicera Therapeutics published a scientific article in Nature Biomedical Engineering on the iTANK platform's mechanism of action, and data indicating its universal compatibility with other CAR T-cell therapies.

Key events after the end of the period

- No events that impact earnings or the financial position occurred after the end of the period.

Contents

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THERAPEUTICS

Cell and gene therapies
for immune-based
cancer treatments

Condensed earnings and cash flow

(AMOUNTS IN SEK UNLESS OTHERWISE INDICATED)	2022 3 MOS. JAN–MAR	2021 3 MOS. JAN–MAR	2021 12 MOS. JAN–DEC
Other operating income	374,595	—	587
Operating expenses	-5,115,646	-2,404,551	-13,119,955
Operating loss	-4,741,051	-2,404,551	-13,119,368
Loss for the period after net financial items	-4,754,615	-2,405,489	-13,120,443
Average number of shares	19,782,000	12,032,000	15,938,849
Average number of warrants	7,750,000	—	3,906,849
Cash flow from operating activities	-5,333,226	-3,481,034	-14,293,102
KEY PERFORMANCE INDICATORS			
Working capital	46,966,882	7,302,222	51,718,550
Quick asset ratio, %	2,704	621	2,169
Equity/asset ratio, %	96	85	95
Earnings per share before dilution	-0.24	-0.20	-0.82
Earnings per share after dilution	-0.24	-0.20	-0.82
Average number of shares	19,782,000	12,032,000	15,938,849
Average no. of shares after dilution	23,657,000	12,032,000	17,892,274

Definitions of key performance indicators

Working capital
Sum total of current assets (including cash in hand) minus current liabilities.

Quick asset ratio
Sum total of current assets (including cash in hand) as a percentage of current liabilities.

Equity/asset ratio
Equity in relation to the balance sheet total.

Earnings per share before dilution
Earnings after tax divided by the average number of shares.

Average number of shares
The number of shares, on average, counted from the registration date of the issuance. The new share issue in June 2021 was registered in July.

Average number of shares after dilution
The number of shares, on average, counted from the registration date of the issuance plus the average number of shares after full redemption of warrants. Two warrants are required for the purchase of one share.

CEO Comments

Publication of iTANK data in one of the world's highest-ranked scientific journals sends important signals globally.

VD och medgrundare,
Jamal El-Mosleh

iTANK generates interest from potential partners

Recently, we were able to report that proof of concept data for the iTANK platform had been published in the scientific journal Nature Biomedical Engineering. With an Impact Score of 25.7, Nature Biomedical Engineering is by far one of the most influential scientific journals in its field, which means it is among the 2% most highly-ranked scientific journals in the world (+10 Impact score). The publication is therefore a significant feather in our cap and scientific validation of Elicera's clinical development initiatives. Furthermore, it will constitute a key element in the marketing of iTANK now that we are expanding our focus to securing our first commercial partnership.

Reinforced patent protection for ELC-100

Early in the year, we reported that our intellectual property protection for our oncolytic (cancer-killing) virus and most clinically advanced program, ELC-100, had been further reinforced through our repurchase of a patent from Immunicum. The acquisition also meant that all previous agreements with Immunicum concerning any royalties and milestone payments are no longer valid, which we believe overall will facilitate future dialogues with potential partners for ELC-100. Finally, the patent also provides us with a future opportunity to develop new oncolytic viruses for new cancer treatments based on the same technology.

To date, seven patients have been treated in the first part of the ongoing Phase I/II trial with ELC-100. The patients were treated at the University Hospital in Uppsala, and we are also investigating the possibility of starting up yet another clinic abroad in order to accelerate patient recruitment. The safety data will be reported after each patient group – or cohort – has been fully treated in the study. In 2021, we also announced that ELC-100 had obtained Advanced Therapy Medicinal Products (ATMP) classification from the European Medicines Agency (EMA), which is important in that it provides us with a clear regulatory path for the drug candidate up to market approval.

> "The publication is therefore a significant feather in our cap and scientific validation of Elicera's clinical development initiatives."

Preclinical studies for ELC-201 moving toward conclusion

ELC-201 constitutes the next generation of oncolytic viruses, as it has a combined three mechanisms of action against cancer cells. The drug candidate has the potential to treat most forms of cancer, and our first indication for ELC-201 will be evaluated during the year. We have made tremendous progress in preclinical development during the quarter, and we expect to be able to conclude and report on this key phase of development in the near future.

ELC-301 nearing clinical trials

For our most advanced CAR T project, ELC-301 for the treatment of B cell lymphoma (a form of leukemia), we have begun Good Manufacturing Practice (GMP) production of what are known as vectors for the manufacture of CAR T cells. It is estimated that production will be completed before summer this year. We were also recently able to report that Vinnova has awarded a grant of approximately SEK 5 million to develop an automated process for manufacturing our CAR T-cells. The manufacture of CAR T-cell therapies is extremely complex, and our aim is to establish an automated production process

in order to reduce manufacturing time, improve robustness and decrease production failure. If we are successful, we expect to be able to add yet another important asset to our portfolio of intellectual property by filing for a patent application to protect the automated manufacturing process. We will be able to use this process not only for ELC-301 but also for our CAR T-cell therapy in solid tumors, ELC-401.

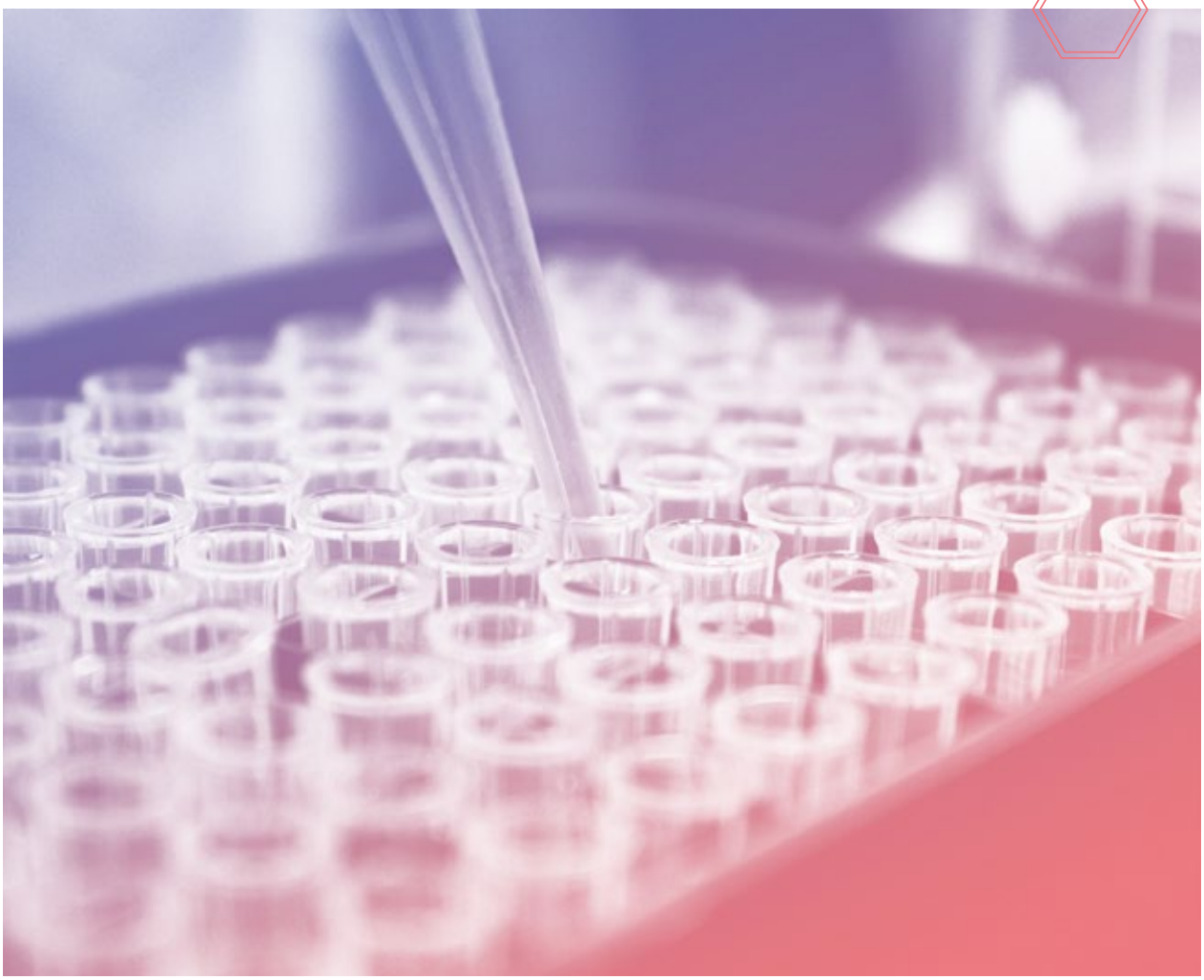
Many highlights to look forward to in 2022

Looking forward, there are numerous milestones at the doorstep regarding our pipelines for both oncolytic viruses and CAR T-cells. We are in several partnership dialogues simultaneously with pharma companies as well as large and mid-sized biotech companies, and our ambition is to conclude our first commercial contract around our iTANK platform in 2022.

The impending conclusion and report on the findings from our preclinical studies with ELC-201, as well as the contract manufacturers that have already been secured for GMP production, mean that we can begin planning the clinical program in the near future. We are also in the final phase of deciding on the design of ELC-301, our initial patient study with CAR T-cells, which will subsequently be discussed with Läkemedelsverket, the Swedish Medical Products Agency.

In summary, I would like to thank my colleagues for their fantastic efforts, and our shareholders for their continued confidence during the quarter. I look forward to an exciting continuation of 2022.

Jamal El-Mosleh
CEO and co-founder



Introduction to Elicera Therapeutics

Elicera Therapeutics AB is a clinical stage immuno-oncology company developing cell and gene therapies that use the patient's own immune system to fight cancer.

The attempt to fight cancer using the patient's own immune system has been ongoing for decades, but it is only within the last ten years that cancer immunotherapy (immuno-oncology) has been successfully used. In only a few years, immuno-oncology has revolutionized how we treat cancer. In contrast to traditional cancer therapies such as radiation, surgery and chemotherapy, immuno-oncology deals with training the body's own immune system to fight cancer. This occurs in mainly two ways: by triggering the immune system against cancer, primarily by activating tumor-killing T-cells (Elicera's focus), and by removing the tumor's suppressive activity on the immune system.

The company's product portfolio consists of four drug candidates, of which two are in the field of oncolytic viruses (ELC-100 and ELC-201) and two are in the field of CAR T-cell treatments (ELC-301 and ELC-401). Additionally, Elicera has developed a platform technology called iTANK (Immuno-therapies Activated with NAP for Efficient Killing) that could be used for further boosting the immunity of all CAR T-cell treatments under development.

The ELC-100 and ELC-301 projects have come farthest in their development towards becoming drugs:

1. ELC-100 is an oncolytic virus that has the capacity to selectively kill cancer cells but leave healthy cells alone. It is now being used in a patient study (clinical Phase I/II testing) for treatment of neuroendocrine tumors, meaning tumors that originate in the neuroendocrine system.

2. ELC-301 is a CAR T-cell therapy based on genetically modifying the patient's T-cells so that they recognize targets on the tumor cells in order to attack and kill them. ELC-301 was developed for treating B-cell lymphoma, a cancer that originates in the lymphatic system.

Elicera's strengths and competitive advantages

Elicera's operation is founded on years of research conducted by Professor Magnus Essand, who has a sterling reputation in the field, and his research group at Uppsala University. Elicera's strengths are based on a profound understanding of how cells and viruses can be genetically modified to trigger a robust immune response to cancer. Building on this competence, the company has developed a technology platform called iTANK (Immunotherapies Activated with NAP for Efficient Killing) that enables the development of various types of immunoactivated treatments, each of which gives rise to a multifaceted attack on the tumors. Elicera believes it has a unique position with its iTANK platform, which the company also believes could be used to optimize all CAR T-cells under development by other companies as well (see Table 1 below).

	WHAT?	WHY?	PROBLEM?	ELICERA'S SOLUTION
Immunoncology	Treating cancer via the immune system	Curative potential	Individual therapies insufficient, combination treatments required	Development of CAR T-cells and OVs that can be combined with other immunotherapies
CAR T-cells	Train T-cells via genetic modification to recognize targets on the tumor cell	Demonstrated curative potential in blood cancer	Challenges in solid tumors: 1. Hostile micro-environment 2. Shortage of relevant targets	iTANK platform answers challenges 1) and 2) for all CAR T-cells
The iTANK platform	Boosting CAR T-cells so that they give rise to a parallel broad cancer attack via CD8+ T-cells	CAR T-cells perform poorly in solid tumors		
Oncolytic viruses/OV	Viruses that selectively infiltrate, and propagate in, cancer cells but not healthy cells	Selective cancer attack and natural activation of the immune system	Individual therapies insufficient, combination treatments required	Development of the next generation of OV with three combined mechanisms of action → extra activation of immune system

Table 1: Elicera's iTANK platform and drug candidates solve many problems for health care and other drug developers/potential partners.

Elicera's drug candidates can be combined with other immunotherapies such as checkpoint inhibitors (CPIs) to achieve a concurrent effect. This makes the company's CAR T-cells and oncolytic viruses of potential interest as combination therapies for many other players in immuno-oncology, especially those who are developing different treatments that inhibit the tumor's undesirable suppression of the immune system. CAR T-cells, which are under development for treatment of solid tumors, have in general encountered two major problems:

1. A hostile micro-environment in the tumor, which counteracts the function of the CAR T-cell.

2. A highly varied set of targets (antigens) in the tumor cell, which makes it difficult for the CAR T-cell to find and attack cancer.

The iTANK platform counteracts this hostile micro-environment and strengthens the function of the CAR T-cell. In addition, it activates the patient's own CD8+ T-cells, which gain the ability to target the entire set of relevant targets in the tumor cells; this makes the technology platform of potential interest to every company developing proprietary CAR T-cells against different types of solid tumors.

Since all of Elicera's drug candidates give rise to a multi-stage attack on cancer through genetic modification, they have the potential to offer cancer patients broader, more effective immunotherapy. Moreover, ELC-301 has the possibility of offering continued treatment for the large proportion of patients who relapse in conventional CAR T-cell therapies and are thus beyond current treatment alternatives.

The work of Professor Essand's research group in genetic and immunotherapy against cancer has led to two ongoing clinical trials with oncolytic viruses (one of which is using ELC-100), and one concluded and one ongoing academic study with CD19 CAR T-cells (not included in Elicera's product portfolio). These studies provide Elicera with access to valuable experience ahead of planning and implementation of the company's future CAR T-cell studies with ELC-301 and ELC-401.

Furthermore, Elicera's management group and Board of Directors has previous experience from drug development in immuno-oncology, with a focus on cell therapies. The Board's fields of expertise also include business development, health economy, regulatory strategy, business law and corporate governance in a listed environment.

Business concept and strategy

Elicera develops innovative immunotherapies for the purpose of prolonging the lives of, and improving the quality of life for, cancer patients. Its business concept is built on generating revenue from commercial partnerships by:

- Benefiting from the company's world-leading competence in cell and tumor immunology in order to develop drugs that address major medical needs that are not being met.
- Continuing to build on its strong patent portfolio and work up valuable know-how.
- Implementing well-designed preclinical and clinical trials for projects that can then be included in commercial partnerships with large drug and/or biotech companies.
- Outlicensing the iTANK platform to other companies that are developing CAR T-cells.

Financial information

Financial performance for the first quarter, January 1–March 31, 2022

Operating loss

Operating loss for the quarter totaled SEK -4,741,051 (-2,404,551), which is a change of SEK -2,336,500 compared to the year-earlier period.

The change is due primarily to Vinnova grants received (+374,595), repurchase of patents (-1,419,761) and increased development costs (-1,291,334).

Loss for the quarter

Loss for the quarter totaled SEK -4,754,614 (-2,405,489). Earnings per share totaled SEK -0.24 (-0.20).

Liquidity and cash flow

- Cash flow from operating activities totaled -SEK 5,333,226 (-3,481,034).
- Cash flow from investing activities totaled SEK 0 (0).
- Cash flow from financing activities totaled SEK 0 (0).
- Cash flow for the quarter totaled SEK -5,333,226 (-3,481,034).
- At the end of the period, the company's cash and cash equivalents totaled SEK 47,059,904 (8,083,744).

Investments

Elicera's investments for the period totaled SEK 0 (0).

Personnel and organization

The number of employees at the end of the period was 1.

Elicera's organization comprises all the competence and experience that is necessary to run the company. Close collaboration has been established with a number of key consultants in patents, preclinical, clinical trials, development of pharmaceuticals, regulatory expertise for manufacture and documentation, quality assurance, finance and law.

2022 Annual General Meeting

The Annual General Meeting will be held on March 7, 2022.

The AGM resolved to re-elect its Board of Directors: Agneta Edberg (chair), Magnus Essand, Christina Herder, Margareth Jorvid, Jan Zetterberg as ordinary members and Di Yu as deputy member. Karin Hoogendoorn declined re-election.

Board fees remained unchanged at SEK 120,000 for Chairman of the Board Agneta Edberg and SEK 90,000 for the other members.

RSM Göteborg KB, with signatory auditor Kristoffer Håkansson, was re-elected as auditor.

The Board of Directors was authorized to conduct a private placement of a maximum of 20% of the number of shares (3,956,400 shares).

Risks and uncertainties

In addition to the general uncertainty related to research and development operations, the coronavirus and delays in the start of clinical trials, there are no known tendencies, uncertainties, potential receivables or other demands, commitments or events that could be expected to have a material impact on the company's future prospects.

A detailed account of various risks is presented on pages 30–31 of the Annual Report.

Equity

Equity was impacted by the new share issue from the preceding year and earnings during the period. At the end of the period, equity totaled SEK 47,483,451 (7,830,457).

The share

A new share issue of units was conducted in May 2021, with one share and one warrant (TO1) in each unit. 7,750,000 new shares at a value of SEK 8.00 per share and 7,750,000 cost-free warrants (TO1) were issued. In total, Elicera received SEK 55.1 million less issue expenses.

The Elicera share was listed on Nasdaq First North Growth Market on June 11, 2021. The share is managed by Euroclear.

The warrant (TO1) conveys the right to subscribe for one (1) new share for every two (2) warrants at a price of SEK 11.60 for the period from November 1–30, 2022. The complete terms and conditions are available at the Company's website, www.elicera.com.

G&W was appointed Certified Advisor.

Loss after tax divided by the average number of shares for the period totaled SEK -0.24 (-0.20) for the reporting period. At the end of the period in 2022, Elicera had approximately 2,900 shareholders. The number of shares at the end of the period was 19,782,000.

NAME	NUMBER OF SHARES	SHARE OF VOTES/ CAPITAL (%)
Magnus Essand	3,314,475	16.8
Di Yu	3,312,600	16.8
Jamal El-Mosleh	2,700,000	13.7
Nordnet	1,266,396	6.4
Avanza	845,362	4.3
Other owners	8,343,167	42.2
Total number of shares	**19,782,000**	**100**

Transactions with affiliated parties

Board member Jan Zetterberg, in addition to his work on the Board, received remuneration for consulting services in legal counseling through his company Zedur AB totaling SEK 0 (6,250).

The pricing took place under market conditions.

Events after the end of the period

No other key events that impact the financial statements occurred after the end of the period.

Accounting policies

This interim report has been prepared in accordance with K3 (K2 for previous years).

The accounting policies are presented on page 36 of the Annual Report.

Audit

This interim report has not been audited.

Assurance of the Board of Directors

The Board of Directors and CEO give their assurance that this interim report provides a true and fair overview of the company's operations, financial position and earnings, and that it describes the material risks and uncertainties faced by the company.

Gothenburg, April 25, 2022

The Board of Directors of Elicera Therapeutics AB (publ)

Agneta Edberg, Chairman

Magnus Essand

Christina Herder

Jan Zetterberg

Margareth Jorvid

Jamal El-Mosleh, CEO

Condensed statement of income and other comprehensive income

(AMOUNTS IN SEK)	2022 3 MOS. JAN–MAR	2021 3 MOS. JAN–MAR	2021 12 MOS. JAN–DEC
Other income	374,595	—	587
Operating expenses			
Other external expenses	-4,190,643	-1,644,100	-8,956,811
Personnel expenses	-922,057	-757,505	-4,151,369
Depreciation of property, plant and equipment	-2,946	-2,946	-11,776
Total operating costs	**-5,115,646**	**-2,404,551**	**-13,119,955**
Operating loss	**-4,741,051**	**-2,404,551**	**-13,119,368**
Interest income and similar profit/loss items		—	—
Interest expenses and similar profit/loss items	-13,564	-938	-1,075
Loss before tax	**-4,754,615**	**-2,405,489**	**-13,120,443**
Tax	—	—	—
LOSS FOR THE PERIOD	**-4,754,615**	**-2,405,489**	**-13,120,443**
OTHER COMPREHENSIVE INCOME	**—**	**—**	**—**
COMPREHENSIVE INCOME FOR THE PERIOD	**-4,754,615**	**-2,405,489**	**-13,120,443**

Condensed balance sheet

(AMOUNTS IN SEK)	DEC. 31, 2022	DEC. 31, 2021	DEC. 31, 2020
ASSETS			
Intangible assets			
Software	32,382	44,158	35,320
Total intangible assets	**32,382**	**44,158**	**35,320**
Financial assets			
Securities	484,187	483,187	484,187
Total financial assets	**484,187**	**527,345**	**519,507**
Total non-current assets	**516,569**	**530,291**	**530,291**
Other receivables	157,277	566,603	204,344
Other interim receivables	1,553,605	55,191	1,621,217
Cash and bank balances	47,059,904	8,083,744	52,393,129
Total current assets	**48,770,786**	**8,705,538**	**54,218,690**
TOTAL ASSETS	**49,287,355**	**9,232,883**	**54,738,205**
EQUITY			
Restricted equity			
Share capital	830,844	505,344	830,844
Total restricted equity	**830,844**	**505,344**	**830,844**
Non-restricted equity			
Share premium reserve	66,786,691	11,989,738	66,786,691
Profit or loss carried forward	-15,379,469	-2,259,026	-2,259,026
Loss for the year	-4,754,615	-2,405,489	-13,120,443
Total non-restricted equity	**46,652,606**	**7,325,223**	**51,407,222**
Total equity	**47,483,450**	**7,830,567**	**52,238,065**
Current liabilities			
Accounts payable	1,072,478	856,644	2,048,144
Tax liabilities	0	107,689	3,269
Other current liabilities	219,437	38,250	138,870
Accrued expenses and prepaid income	511,990	399 7330	309,857
Total current liabilities	**1,803,904**	**1,402,316**	**2,500,140**
TOTAL EQUITY AND LIABILITIES	**49,287,355**	**9,232,883**	**54,738,205**

Condensed statement of changes in equity

(AMOUNTS IN SEK)	SHARE CAPITAL	SHARE PREMIUM RESERVE	RETAINED EARNINGS	LOSS FOR THE YEAR	TOTAL EQUITY
Opening balance at January 1, 2021	**505,344**	**11,988,738**	**564,101**	**-2,823,127**	**10,236,056**
Appropriation of earnings by AGM			-2,823,127	2,823,127	—
Loss for the period	—	—	—	-2,405,489	- 2,405,489
Closing balance at December 31, 2020	**505,344**	**11,989,738**	**-2,259,026**	**-2,405,489**	**7,830,567**

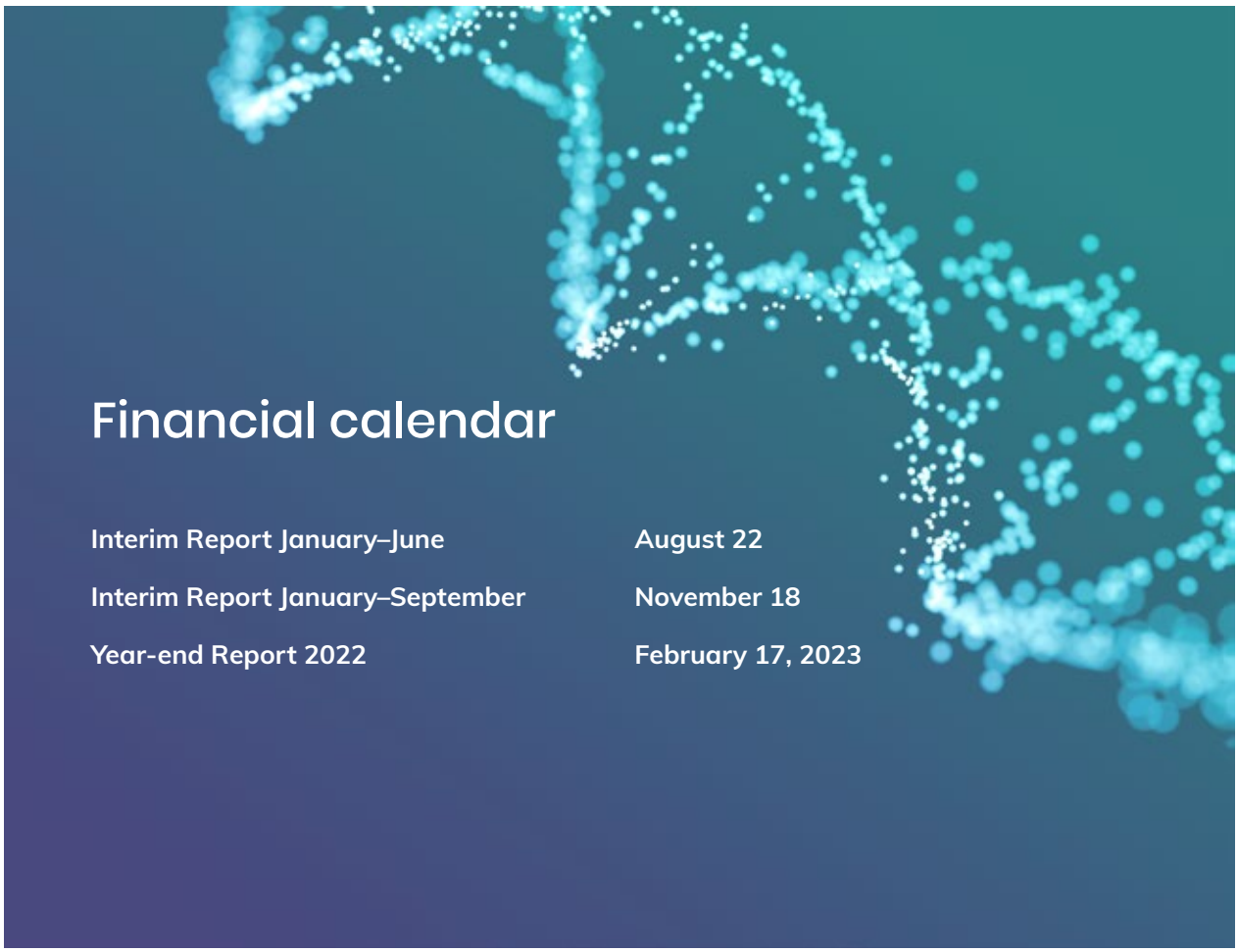
(AMOUNTS IN SEK)	SHARE CAPITAL	SHARE PREMIUM RESERVE	RETAINED EARNINGS	LOSS FOR THE YEAR	TOTAL EQUITY
Opening balance at January 1, 2022	**830,844**	**66,786,691**	**-2,259,026**	**-13,121,266**	**52,237,243**
Proposed appropriation of earnings to AGM			-13,120,443	13,120,443	—
Loss for the period	—	—	—	-4,754,615	- 4,754,615
Closing balance at December 31, 2021	**830,844**	**66,786,691**	**-15,379,469**	**-4,754,615**	**47,483,450**

DISCLOSURES ON SHARES	NUMBER OF SHARES
Number at beginning of the year	19,782,000
Number at March 31, 2022	19,782,000
Number of warrants at March 31, 2022	7,750,000

Two warrants convey the right to subscribe to one new share.

Condensed cash flow statement

(AMOUNTS IN SEK)	2022 3 MOS. JAN–MAR	2021 3 MOS. JAN–MAR	2021 12 MOS. JAN–DEC
OPERATING ACTIVITIES			
Operating loss before financial items	-4,741,051	-2,404,551	- 13,119,368
Reversal of depreciation	2,946	2,946	11,784
Interest received	—	—	—
Interest paid	-13,564	-938	-1,075
Cash flow from operating activities	**-4,751,669**	**-2,402,543**	**-13,108,667**
Increase/Decrease in prepaid expenses and accrued income	114,679	-127,093	-1,330,860
Increase/Decrease in accounts payable	-975,666	-1,095,432	-96,068
Increase/Decrease in other current liabilities	279,430	144,034	50,357
Cash flow from operating activities	**-5,333,226**	**-3,481,034**	**14,293,102**
Investing activities			
Investments in intangible assets	—	—	—
Change in non-current financial assets	—	—	-1,000
Cash flow from investing activities	**—**	**—**	**-1,000**
Financing activities			
New share issue	—	—	55,122,453
Cash flow from financing activities	**—**	**—**	**55,122,453**
Cash flow for the period	-5,333,226	-3,481,034	40,828,351
Cash and cash equivalents at beginning of the period	52,393,129	11,564,779	11,564,779
Cash and cash equivalents at end of the period	**47,059,904**	**8,083,744**	**52,393,129**



Financial calendar

Interim Report January–June	**August 22**
Interim Report January–September	**November 18**
Year-end Report 2022	**February 17, 2023**

If you have questions, please contact:

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