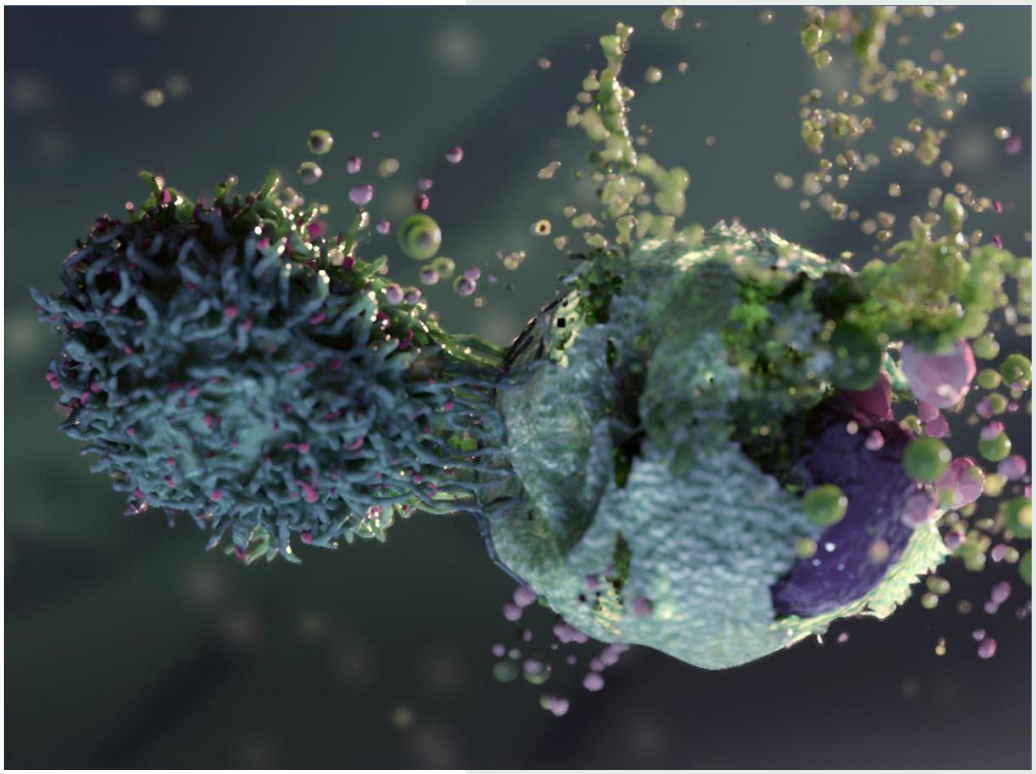
2022

Second Quarter Report

Ultimovacs ASA



ultimovacs

Second Quarter 2022

The development of Ultimovacs' universal cancer vaccine UV1 is progressing, with one phase I trial and five phase II trials ongoing. The Company has shared the promising phase I safety and efficacy data of UV1 in advanced melanoma with scientists, clinicians, potential partners, and investors. The phase I TENDU trial of Ultimovacs' second technology approach based on the Tetanus-Epitope Targeting (TET)-platform, is also advancing as planned.

Operational

- On 30 June 2022, Ultimovacs completed the recruitment of the 154 planned patients in the INITIUM trial. Two additional patients were enrolled in July 2022, bringing the final number of patients enrolled to 156. Consistent with INITIUM's event-driven design, topline progression-free survival results will be disclosed after progression of cancer or death has been observed in a total of 70 patients.
- On 20 June 2022, Ultimovacs announced positive 2-year overall survival data in UV1-103, the ongoing phase I clinical study of the cancer vaccine UV1 in combination with pembrolizumab for the treatment of malignant melanoma. Across all 30 patients in the study, the 24-month overall survival rate was 73%. Patients will continue to be followed for long-term survival.
- On 22 April 2022, Ultimovacs received a Notice of Allowance from the United States Patent and Trademark Office (USPTO) concerning its US patent application on the use of vaccine-checkpoint inhibitor combinations to treat cancer. *(also reported in the Q1-22 report)*

Clinical trial enrollment update

- **INITIUM trial:** Recruitment has been completed. In total 156 patients have been enrolled – 154 patients as originally planned, plus two additional patients.
- **NIPU trial:** 92 out of 118 patients have been enrolled to date, up from 78 as of the previous quarterly report.
- **FOCUS trial:** 27 out of 75 patients have been enrolled to date, up from 18 as of the previous quarterly report.
- **DOVACC trial:** 6 out of 184 patients have been enrolled to date, up from 4 as of the previous quarterly report. The administrative and regulatory processes of initiating the trial in more than 40 hospitals in approximately 10 countries have taken longer than expected. Until recently, only one site was actively recruiting, but more hospitals are now ready to initiate patient enrollment.
- **LUNGVAC trial:** All preparations for recruitment of 138 patients are completed. The first patient is expected to be enrolled in Q3 2022.

- **TENDU trial:** 9 patients have been enrolled to date, up from 8 as of the previous quarterly report. The three main dosing cohorts are fully enrolled, and no safety concerns or dose-limiting toxicities have been observed. Up to three additional patients will be added at the highest dose level of 960 mcg.

Scientific publications and presentations

- On 25 May 2022, Ultimovacs announced the publication of long-term follow-up data on UV1 in the Journal for ImmunoTherapy of Cancer (JITC).
- On 10 May 2022, Ultimovacs gave a poster presentation at the Cancer Immunotherapy (CIMT) annual meeting in Mainz, Germany. The poster presentation covered results from long-term follow-up data from the use of the UV1 vaccine in three phase I/IIa clinical trials. *(also reported in the Q1-2022 report)*

Financial

- Total operating expenses amounted to **MNOK 35.4** in Q2-22, and **MNOK 67.3** YTD. Total loss was **MNOK 22.4** for the period and **MNOK 59.0** YTD.
- Net negative cash flow from operations was **MNOK 33.0** in Q2-22, and net decrease in cash and cash equivalents, not including currency effects, was **MNOK 31.8** during Q2-22. Cash and cash equivalents amounted to **MNOK 486.3** as per 30 June 2022.
- On 21 April 2022, a total of 480,000 options to buy shares in the Company were distributed amongst the employees. The number of options granted corresponds to 1.40% of the outstanding number of shares in the Company. Following the award of the new share options, a total of 2,313,585 share options have been granted, corresponding to 6.76% of the outstanding number of shares in the Company. *(also reported in the Q1-2022 report)*

Key financials

NOK (000) Unaudited	Q2-22	Q2-21	YTD-22	YTD-21	FY21
Total revenues	**-**	**-**	**-**	**-**	**-**
Total operating expenses	35 421	39 171	67 321	70 386	163 832
Operating profit (loss)	**(35 421)**	**(39 171)**	**(67 321)**	**(70 386)**	**(163 832)**
Profit (loss) for the period	**(22 376)**	**(36 465)**	**(58 976)**	**(70 262)**	**(164 722)**
Diluted and undiluted earnings / (loss) per share (NOK)	(0.7)	(1.1)	(1.7)	(2.2)	(5.1)
Net increase / (decrease) in cash and cash equivalents	(31 837)	(29 657)	(76 344)	(57 871)	137 106
Cash and cash equivalents at end of period	**486 338**	**381 799**	**486 338**	**381 799**	**574 168**
	NOK/EUR - 10.35				
Cash and cash equivalents at end of period - EUR (000)	***46 996***				

CEO's Statement

This is a very exciting time for Ultimovacs. The continuing progress of our extensive phase II program during the second quarter of 2022 brings the company steadily closer to a potential major clinical transition.

One of the key drivers within immuno-oncology is the observation that despite being clinically transformative and highly commercially successful, checkpoint inhibitors are effective in only a relatively small proportion of patients – those who exhibit a spontaneous immune response.

We are generating an increasing body of evidence that UV1, our universal cancer vaccine, provides a necessary and relevant anti-tumor immune response that can make checkpoint inhibitor therapy effective in a much higher proportion of patients than with currently approved treatments alone. Throughout the quarter, we published data at key scientific meetings and in influential scientific journals supporting the effectiveness of our UV1 universal cancer vaccine in enhancing anti-tumor immune responses.

In June, Ultimovacs reported a positive update from the UV1-103 trial, the ongoing phase I clinical study showing that a remarkable 73% of patients diagnosed with advanced malignant melanoma survived for at least 2 years following treatment with a combination of UV1 and pembrolizumab, a checkpoint inhibitor.

The company announced at the end of June that patient enrollment was completed in INITIUM, the Ultimovacs-sponsored phase II clinical trial in malignant melanoma. This was a significant event for Ultimovacs as a marker of the sustained progress that the company and its clinical collaborators have been able to make. We are especially pleased to have completed enrollment in 24 months, despite the challenges of the COVID-19 pandemic. The topline data from INITIUM is expected during the first half of 2023.

A second phase II trial, NIPU, began in June 2020 and is running in parallel with INITIUM, testing the ability of UV1 to enhance the treatment of malignant pleural mesothelioma with ipilimumab-nivolumab. As of August 18 (Q2 2022 reporting), 92 patients have been enrolled in NIPU out of a target total of 118. Topline data from NIPU is also expected sometime in the first half of 2023.

The topline readouts from these phase II clinical trials represent major potential transformational events both for cancer patients worldwide and our company. The watchword among the dedicated and committed team here at Ultimovacs is patience, even amidst the excitement of data emerging from the comparative studies of UV1. We remain focused on efficient execution of the cumulative operational details that are necessary to bring new treatments to cancer patients.

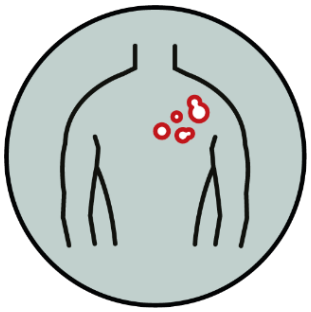
In an environment that remains uncertain, we are constantly reminded of the strong support that Ultimovacs continues to receive from investors and collaboration partners. The value of combination treatments in immuno-oncology will be determined by the significance and the clinical relevance of the data. The foundation of the data quality is the application of well-designed, stringent, comparative clinical studies designed to identify which treatment combinations work well and why they do so. It is indeed an exciting time for Ultimovacs. I sincerely hope you will continue to come with us as we take the next step on this journey.

Carlos de Sousa, Chief Executive Officer

Key Operational Highlights Q2 2022

Clinical trial update (as per reporting date, unless otherwise specified)

The INITIUM trial

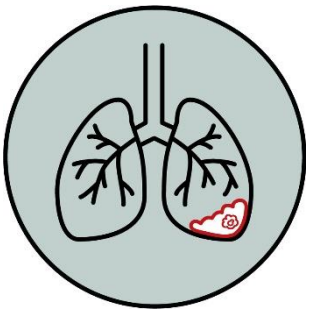


The first INITIUM patient was treated at the Oslo University Hospital (OUS) in June 2020, and the last patient was enrolled in July 2022. The initial study design called for enrollment of 154 patients. Two additional patients were enrolled bringing the total number of patients in the study to 156. The readout of the primary endpoint of progression-free survival is expected in H1-2023. Topline progression-free survival results will be disclosed after progression of cancer or death has been observed in a total of 70 patients.

INITIUM is an Ultimovacs-sponsored randomized phase II trial for first-line treatment of patients with metastatic malignant melanoma. A total of 39 sites/hospitals are participating in this trial being run in the US and Europe, including Norway. Half the 156 patients recruited to the trial have been dosed with UV1 plus the PD-1 checkpoint inhibitor nivolumab and the CTLA-4 checkpoint inhibitor ipilimumab, while the other half received nivolumab and ipilimumab. Dr. Karl Lewis, University of Colorado Hospital (U.S.), is the International Coordinating Investigator of the INITIUM trial.

With the INITIUM enrollment completed, Ultimovacs will run a supplementary study to the INITIUM trial. The objective of the study is to provide further characterization of the manner in which an immune response specific to the UV1 vaccine translates into anti-tumor activity and clinical benefit for patients. The supplementary study will include 20 patients in a single arm. These patients will receive experimental treatment, i.e. the triple combination of UV1, ipilimumab and nivolumab. Data collected from the patients in the supplementary study will not be part of the primary and secondary endpoint analyses of INITIUM and will not affect the timeline for topline read-out.

The NIPU trial

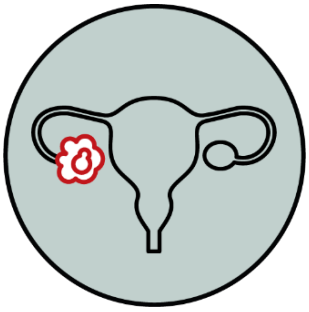


The first patient in the NIPU trial was treated at the Oslo University Hospital in June 2020, and a total of 92 out of 118 patients have been enrolled compared to 78 patients in the previous quarterly report. The study is being conducted in five countries (Norway, Sweden, Denmark, Spain, and Australia). The readout of the primary endpoint of progression-free survival is expected in H1-2023.

NIPU is a randomized, multi-center phase II trial in which the universal cancer vaccine, UV1, will be evaluated in combination with the checkpoint inhibitors ipilimumab and nivolumab as second-line treatment in mesothelioma. Oslo University Hospital is the sponsor of the NIPU study. Bristol-Myers Squibb and Ultimovacs have entered into agreements with OUS to support the preparations and execution of the trial. NIPU will include 118 patients; half will be treated with the combination of UV1, ipilimumab and nivolumab and half will receive nivolumab and ipilimumab only. The objective of the study is to achieve a clinically meaningful

progression-free survival (PFS) benefit in patients with malignant pleural mesothelioma (MPM) after progression on first-line standard platinum doublet chemotherapy.

The DOVACC trial



Enrollment began in December 2021. A total of 6 out of 184 patients have been enrolled in DOVACC, compared to 4 patients in the previous quarterly report. Multinational, multicenter clinical trials such as DOVACC engage a large number of specialists and are administratively complex to organize. Treating a patient requires approval from a national drug authority and, subsequently, approval from an ethical committee at the individual hospital or treatment center. DOVACC involves more than 40 hospitals in approximately 10 European nations, each recovering at different rates from the recent pandemic. Active recruitment has primarily occurred at one site, with more hospitals recently becoming ready to begin patient enrollment.

DOVACC (**D**urvalumab **O**laparib **VACC**ine) is a multicenter, multinational, randomized phase II clinical collaboration trial with the Nordic Society of Gynaecological Oncology – Clinical Trial Unit (NSGO-CTU), the European Network of Gynaecological Oncological Trial Groups (ENGOT), AstraZeneca and Ultimovacs. The trial is sponsored by the NSGO, the leading gynecological oncology research society in the Nordic and Baltic regions. Ultimovacs will provide the UV1 vaccine and AstraZeneca will provide durvalumab and olaparib for the study.

The trial is designed to evaluate UV1 in combination with AstraZeneca's durvalumab, a PD-L1 checkpoint inhibitor and its PARP inhibitor, olaparib, the maintenance therapy for BRCA-mutated, advanced ovarian cancer. The trial will be conducted at more than 40 hospitals in more than 10 European countries. Top line data on the primary endpoint has been expected in 2023. It is too early to discern a clear trend in the timeline of patient recruitment. Ultimovacs will review the guidance and expects to give an update with the Q4 2022 report.

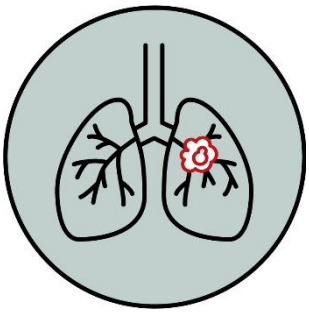
This second-line maintenance study will enroll patients with high-grade BRCA-negative ovarian cancer after partial or complete response following the second round of chemotherapy. The study includes three arms treating a total of 184 patients. The first arm will enroll 46 patients receiving the PARP inhibitor olaparib. The 46 patients enrolled in the second arm will receive olaparib and the checkpoint inhibitor durvalumab. The third arm will include 92 patients that will receive Ultimovacs' UV1 vaccine in combination with both AstraZeneca drugs. The primary endpoint is progression-free survival (PFS) in the treatment arm with PARP inhibitor olaparib monotherapy, versus PFS in the triple combination treatment arm. Under the terms of the collaboration, Ultimovacs will provide its UV1 vaccine and AstraZeneca will provide the PD-L1 and PARP inhibitors for the study.

The FOCUS trial

The first patient in the FOCUS trial was treated in August 2021 and 27 out of 75 patients have been enrolled compared to 18 patients in the previous quarterly report. The FOCUS trial (**F**irst-line metastatic **O**r recurrent HNSCC/**C**heckpoint inhibitor **U**V1 **S**tudy) is an investigator-sponsored, randomized phase II clinical trial. It will enroll patients with recurrent or metastatic PD-L1 positive head and neck squamous cell carcinoma at 10 sites across Germany. FOCUS is led by principal investigator Prof. Mascha Binder, Medical Director and Head of the Immunological Tumor Group at University Medicine Halle, Germany, a renowned oncology clinician and researcher specializing in the analysis of immuno-oncology treatments and their interaction with tumor tissues.

The trial will evaluate the addition of UV1 to a standard of care treatment with PD-1 checkpoint inhibitor pembrolizumab as compared to pembrolizumab monotherapy. A total of 75 patients indicated for treatment with pembrolizumab will be enrolled in FOCUS, randomized 2-to-1 so that 50 patients will receive UV1 and pembrolizumab and 25 patients will receive pembrolizumab alone. The primary endpoint of the study is the progression-free survival rate at 6 months. Top line data on the primary endpoint has been expected in 2023. It is too early to discern a clear trend in the timeline of patient recruitment. Ultimovacs will review the guidance and expects to give an update with the Q4 2022 report.

The LUNGVAC trial

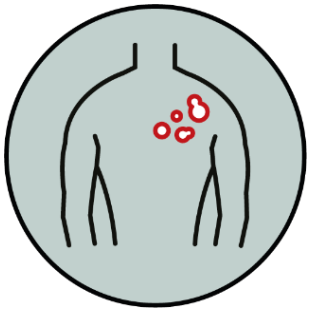


On October 26, 2021, Ultimovacs announced a new phase II clinical trial, LUNGVAC, where UV1, will be investigated in combination with pembrolizumab in the treatment of non-small cell lung cancer (NSCLC). All preparations for initiation of patient recruitment are completed and the first patient is expected to be enrolled in Q3 2022. Topline readout is expected by the end of 2024. Ultimovacs will review the guidance and expects to give an update with the Q4 2022 report.

The LUNGVAC trial will be a multi-center, randomized, open-label trial assessing the safety and efficacy of UV1 in combination with pembrolizumab versus pembrolizumab alone in NSCLC patients with advanced or metastatic disease. The trial will treat patients with PD-L1-expressing tumors classified within the adenocarcinoma or squamous subgroups of NSCLC, where at least half of their tumor cells express the PD-L1 antigen and who have not previously received pembrolizumab treatment. These subgroups represent approximately 30% of all advanced and metastatic NSCLC patients. The primary endpoint of the trial will be progression-free survival. Secondary endpoints will include response rate and overall survival.

Professor Odd Terje Brustugun is the principal investigator for the trial, which is sponsored by Drammen Hospital, a leading oncology research center in Norway. The trial will enroll 138 patients and will be conducted at approximately 10 clinical centers in Norway.

The 103-UV1 trial



This US-based phase I clinical trial is evaluating the Company's lead candidate, UV1, in combination with the PD-1 checkpoint inhibitor, pembrolizumab, as a first-line treatment in patients with metastatic malignant melanoma. 20 patients (first cohort) were enrolled by September 2019. Ten additional patients (second cohort) were enrolled by August 2020 to investigate an increased dosage of the adjuvant GM-CSF.

The clinical results for the 30 patients in cohort 1 and cohort 2 combined are:

- Objective response rate (ORR): 57%
- Complete response rate (CR): 33%
- Median Progression Free Survival (mPFS): 18.9 months (as measured by iRECIST)
- Overall survival after 12 months: 87%
- Overall survival after 24 months: 73%

Patients will continue to be followed for long-term survival.

UV1 has demonstrated a good safety profile, and no unexpected safety issues related to UV1 have been observed in this trial.

During Q4-22, 36-month survival data on the first cohort are expected to be announced.

Follow-up trials

The three completed phase I trials have been reviewed by the US Food and Drug Administration (FDA) and served as the basis for the opening of an IND (Investigational New Drug) application supporting the start of clinical research activity in the U.S. in malignant melanoma. Ultimovacs considers these trials a strong basis for the further development of UV1.

Completed Phase I trials in follow-up

	Overall Survival (OS)[1]					Median OS	mPFS[2]
Clinical trial[4]	Year 1	Year 2	Year 3	Year 4	Year 5	(months)	(months)
Prostate (n=22)	95 %	86 %	73 %	55 %	50 %	61.8	n.a.[3]
NSCLC (n=18)	72 %	50 %	44 %	39 %	33 %	28.2	10.7
Malignant Melanoma (n=12)	75 %	75 %	67 %	50 %	50 %	66.3	6.7

1. Note that some patients have received other treatments upon progression and this is likely to affect survival
2. Median Progression-Free Survival
3. PFS (Progression-Free Survival) not possible to measure in the prostate cancer trial.
4. Prostate: (EudraCT No. 2012-002411-26) NSCLC: (EudraCT No. 2012-001852-20) MM: (EudraCT No. 2013-005582-39)

The TET-platform and the TENDU clinical trial

In addition to its universal vaccine, UV1, Ultimovacs is planning to develop novel vaccine products based on the patent-protected Tetanus-Epitope Targeting (TET)-platform. The TET-platform combines antigens and the vaccine adjuvant in the same molecule. This allows a beneficial safety profile and simplifies administration, offering a promising approach to strengthen and increase T cell responses against cancer-specific peptides. The platform generates new, first-in-class cancer vaccine candidates that harness pre-existing antibody responses against tetanus induced by standard tetanus vaccination. TET vaccine candidates can be tailored to many types of cancer, and to infectious diseases.

In 2021, Ultimovacs started the **TENDU** trial, its first phase I trial to test the TET technology in patients with the main objective to assess the safety of the TET technology. In TENDU, the TET technology incorporates prostate-cancer-specific antigens, and the trial will provide valuable safety and immune activation data that will support the further development of new vaccine solutions based on the TET technology.

The TENDU trial is being conducted at Oslo University Hospital and will enroll 9-12 patients in total. The first patient was treated in February 2021, and nine patients have been enrolled to date. Enrollment of the first cohort (three patients dosed at 40 mcg) was completed during the second quarter of 2021, the second cohort (three patients dosed at 400 mcg) was completed during the fourth quarter of 2021 and the third cohort (three patients dosed at 960 mcg) was completed during the second quarter of 2022. The Drug Safety Monitoring Board found no safety concerns related to the nine treated patients. Ultimovacs plans to include up to three additional patients at the highest dose level of 960 mcg.

Intellectual property rights

Patents

On 22 April 2022, Ultimovacs received a Notice of Allowance from the United States Patent and Trademarks Office (USPTO) concerning its US patent application 16/306,352 on the use of vaccine-checkpoint inhibitor combinations to treat cancer. Subject to grant formalities, it is expected that a patent will issue with a patent term up to at least June 2037. Ultimovacs has similar patent applications pending in other territories worldwide, including Europe, Japan, Canada and Australia.

The scope of the patent, when issued, will cover cancer treatments that include the UV1 peptide vaccine in combination with an anti-CTLA-4, anti-PD-1 or anti-PD-L1 antibody checkpoint inhibitor. The primary patents of many of the current CTLA-4 and PD-1/PD-L1 checkpoint inhibitors face expiry over the course of the next several years.
(also reported in the Q1-22 report)

Scientific publications and presentations

On 27-30 October 2022, the lead investigator of the DOVACC phase II clinical trial, Mansoor Mirza from Copenhagen University Hospital, will present a poster named 'A randomised clinical Trial Investigating olaparib, durvalumab and an anticancer vaccine, UV1 as maintenance therapy in patients with recurrent ovarian cancer' giving an overview of the DOVACC trial at the European Society of Gynaecological Oncology (ESGO) 2022 Congress in Berlin, Germany.

On 25 May 2022, Ultimovacs announced the publication of long-term follow-up data on UV1 in the Journal for ImmunoTherapy of Cancer (JITC). The data show that dynamic UV1 specific immune responses lasting up to 7.5 years, are associated with longer survival and that dose responses are enhanced when UV1 is used in combinations with checkpoint inhibitors. The use of UV1 leads to multi-faceted immune responses with anti-tumor characteristics. Furthermore, the evidence points to the conclusion that UV1-specific immune response is embedded in immune memory, implying a potential mechanism for long-term protection against recurrent cancer.

On 10 May 2022, Ultimovacs gave a poster presentation at the Cancer Immunotherapy (CIMT) annual meeting in Mainz, Germany. The poster presentation covered results from long-term follow-up data from the use of the UV1 vaccine in three phase I/IIa clinical trials. The results substantiate the clinical relevancy of the UV1-specific immune response and the rationale for combining the company's lead product, the universal cancer vaccine UV1, with checkpoint inhibitors.
(Also reported in the Q1-22 report)

On April 11, 2022, Ultimovacs presented a poster at the annual meeting of the American Association for Cancer Research (AACR). The data in the poster entitled "Promoting immunogenicity of synthetic long peptide vaccines based on in vivo IgG complex formation: Preclinical evaluation and clinical entry of the TET platform" shows that TET enables the efficient and antigen-specific T cell priming required for an effective vaccine adjuvant system, with no safety concerns.
(Also reported in the Q1-22 report)

Organization and board

On 21 April 2022, Ultimovacs ASA held its annual General Meeting. All the matters on the agenda were approved.

The General Meeting re-elected the following persons as Board members with an election term until the General Meeting in 2023: Jónas Einarsson (chair), Kari Grønås, Eva Dugstad, Leiv Askvig, Ketil Fjerdingen, Henrik Schüssler, Haakon Stenrød and Aitana Peire.

The General Meeting re-elected the following persons as members of the Nomination Committee with an election term until the General Meeting in 2023: Ole Kristian Hjelstuen (chair), Hans Peter Bøhn, Jakob Iqbal.

(Also reported in the Q1-22 report)

Background

Ultimovacs (the 'Company') is a pharmaceutical company developing novel immunotherapies against cancer. The Company was established in 2011 and is listed on the Oslo Stock Exchange. The Company's proprietary technology is based on preclinical and clinical research on immunotherapies conducted at Oslo University Hospital. Ultimovacs is advancing a broad clinical development program with clinical trials in Europe, Australia, and the U.S.

UV1 – lead product candidate

The Company's lead product candidate is UV1, a next generation peptide-based vaccine inducing a specific T cell response against the universal cancer antigen telomerase (hTERT), expressed at a high level in 85-90% of human tumors. UV1's mode of action is to make the immune system produce CD4 T cells (i.e., T helper cells) that recognize cancer cells expressing telomerase. UV1 may potentially be applied universally across cancer types, in different stages of disease and in combination with different cancer treatments. The vaccine is easy to use and does not require sophisticated infrastructure in hospitals. UV1 is manufactured as an off-the-shelf product with a long shelf life. UV1 is being developed as a therapeutic cancer vaccine and a platform for other immuno-oncology drugs which require an ongoing T cell response for their mode of action. Longer-term, it would be attractive to investigate the use of a vaccine like UV1 in early-stage, adjuvant and neo-adjuvant tumors.

Treatment with UV1 has been assessed in three phase I studies (metastatic prostate cancer, metastatic non-small cell lung cancer and metastatic malignant melanoma) in 52 patients at the Oslo University Hospital. The observed clinical outcomes from the three completed trials served as a strong basis for the further clinical development of UV1, both with respect to safety, immune response and signals of clinical effect. In addition, Ultimovacs is the sponsor of the fully enrolled and ongoing phase I clinical study in the U.S. evaluating the safety and tolerability of treatment with UV1 and pembrolizumab (PD-1 checkpoint inhibitor) in 30 patients with metastatic malignant melanoma.

UV1 – Regulatory Designations (Fast Track and Orphan Drug)

In October 2021, Ultimovacs announced that its universal cancer vaccine, UV1, in combination with checkpoint inhibitors received Fast Track designation from the U.S. FDA in the treatment of unresectable or metastatic melanoma – either as add-on therapy to pembrolizumab or as add-on therapy to ipilimumab. Ultimovacs is currently evaluating UV1 as add-on therapy to ipilimumab and nivolumab as first-line treatment for unresectable or metastatic melanoma in the INITIUM trial.

The FDA Fast Track process is designed to facilitate the development and expedite the review of drugs that meet urgent needs in serious medical conditions. Fast Track designation enables early and frequent communication with the FDA to support the drug's development, as well as entitlement to a Rolling Review of the Biologic License Application. Drugs with Fast Track designation may also be considered for Accelerated Approval and Priority Review provided certain criteria are met.

In December 2021, Ultimovacs announced that UV1 has received Orphan Drug designation from the U.S. FDA in the treatment of malignant melanoma. UV1, as add-on therapy to checkpoint inhibitors

ipilimumab and nivolumab, is currently being studied as first-line treatment for unresectable or metastatic melanoma in INITIUM.

The FDA Office of Orphan Products Development (OOPD) supports and advances the development and evaluation of new treatments for rare diseases that affect fewer than 200,000 people in the U.S. Orphan drug designation provides certain benefits, including seven-year market exclusivity upon regulatory approval, if received, exemption from FDA application fees and tax credits for qualified clinical trials.

UV1 – phase II clinical development program

Ultimovacs has an extensive development program for UV1 with five phase II studies in five different indications including more than 650 patients:

- **INITIUM (156 patients)**: Ultimovacs sponsored trial in malignant melanoma in which UV1 is combined with nivolumab and ipilimumab. Patient enrollment was completed in July 2022.
- **NIPU (118 patients)**: trial in mesothelioma, UV1 in combination with nivolumab and ipilimumab. Oslo University Hospital is the sponsor of the NIPU study. Bristol-Myers Squibb and Ultimovacs have entered into agreements with Oslo University Hospital to support the execution of the trial.
- **DOVACC (184 patients)**: trial in collaboration with the Nordic Society of Gynaecological Oncology Clinical Trial Unit, the European Network of Gynaecological Oncological Trial Groups and AstraZeneca. UV1 is tested in combination with AstraZeneca's durvalumab and olaparib (PARP inhibitor) in patients with relapsed ovarian cancer.
- **FOCUS (75 patients)**: trial in collaboration with the Immunological Tumor Group at University Medicine Halle, Germany, where UV1 is tested in combination with pembrolizumab in head and neck cancer patients.
- **LUNGVAC (138 patients)**: trial in non-small cell lung cancer where UV1 will be investigated in combination with pembrolizumab. Drammen Hospital is the sponsor of the study.

TET technology platform

In addition, the Company is expanding its pipeline using its novel TET technology platform that can generate multiple vaccine candidates designed to achieve increased T cell responses to a broad range of target antigens.

Outlook

Ultimovacs' UV1 vaccine technology is universal in the sense that it may have an effect across most types of cancer and could be used in combination with different types of cancer treatment. The cancer vaccine is expected to generate immune responses across the general population (i.e., independent of HLA type). The vaccine is easy to manufacture and does not require a sophisticated hospital infrastructure to be administered. If the ongoing clinical development and testing of Ultimovacs' cancer vaccine demonstrates that UV1 gives clinical benefit to cancer patients, the potential clinical use of UV1 and related financial benefits could be highly attractive.

As of now, UV1 will be investigated in five randomized phase II trials in five different cancer types, with Ultimovacs sponsoring one of the trials. The five phase II clinical trials will enroll more than 650 patients in total, representing a strong potential platform for Ultimovacs to move toward a possible registration of the universal cancer vaccine, UV1. The main study objectives are efficacy and safety data on combination therapies.

Topline data readouts of the primary endpoints of the INITIUM and NIPU trials are expected during the first half of 2023. Further, Ultimovacs has guided that the readouts of topline results in the DOVACC and FOCUS trials are expected to take place in 2023 and have done so since the trials began. In the fifth UV1 phase II trial, LUNGVAC, the first patient is expected to be recruited in Q3 2022. Topline results for LUNGVAC are expected by the end of 2024. Once each of the three trials DOVACC, FOCUS and LUNGVAC has progressed sufficiently to provide a reliable trajectory beyond initiation, Ultimovacs will review guidance and expects to give an update with the Q4 2022 report.

The Company will continue to actively monitor the impact of the COVID-19 pandemic on patient enrollment for its phase II clinical trials and continues to implement activities to minimize the impact.

With current funding, plans and expectations, Ultimovacs has an estimated financial runway to the first part of 2024.

Ultimovacs continues to pursue strategic collaborations with cancer institutions and pharmaceutical companies to document the effect and safety of UV1 in a range of cancer types and in combination with different cancer treatments. Ultimovacs makes clinical development choices based on the universal nature of UV1 as a cancer vaccine. UV1 can potentially play a role across most cancer types, in most patients, in different stages of cancer and in combination with many cancer treatments. Positive results from ongoing randomized clinical trials reinforce the significant development potential of UV1.

Ultimovacs is also seeking to broaden its pipeline of drug candidates. Its R&D activities are currently focused on the development of new first-in-class cancer vaccine solutions building on Ultimovacs' base technology, the TET-platform, and on the development of new molecules and technologies based on biobank material from the ongoing and planned clinical studies conducted with UV1. Pending final confirmation of the safety of the TET technology through the phase I TENDU trial and further preclinical development, Ultimovacs' ambition is to apply the TET technology in identifying new cancer vaccine program candidates to move into clinical development.

Risks and uncertainties

Ultimovacs is a research and development company. The Company has not generated revenues historically and is not expected to do so in the near term. Research and development up to approved registration is subject to considerable risk and is a capital-intensive process. The Company's candidates for cancer vaccines and technology platforms are dependent on research and development and may be delayed and/or incur higher costs than currently expected. Competing pharmaceuticals can capture market shares or reach the market faster than Ultimovacs. If competing projects have a better product profile (e.g., better efficacy and/or less side effects), the future value of Ultimovacs' product offerings may be lower than expected. The operations may also be impacted negatively by changes or decisions regarding laws and regulations. In addition, the Company is also dependent upon intellectual property rights.

The primary financial risks are foreign exchange risks and financing risks. The Company is affected by foreign exchange risk as the research and development costs for UV1 are mainly paid in USD and EUR. In addition, the Company has invested in foreign operations, the net assets of which are exposed to currency translation risk. Adequate sources of funding may not be available when needed or may not be available on favorable terms. The Company's ability to obtain such additional capital or financing will depend in part upon prevailing market conditions as well as conditions of its business and its operating results, and those factors may affect its efforts to arrange additional financing on satisfactory terms. The Board of Directors works continuously to secure the business operation's need for financing.

The coronavirus pandemic has a profound impact on the global economy and no industry is protected from operational and financial consequences. For a biotech company like Ultimovacs, some of the possible implications of the COVID-19 pandemic may affect:

- The initiation, patient inclusion and conduct of clinical trials
- Disruption of the supply chain (manufacturing and/or logistics) for the investigational products
- Fluctuations in currency exchange rates, (NOK/EUR and NOK/USD), which may increase R&D costs

Although the pandemic has continued to impact patient enrollment during the quarter, Ultimovacs remains optimistic regarding progress in the Company's broad clinical program. The effect of the pandemic on the biotech industry and the conduct of clinical trials going forward, remains uncertain. Ultimovacs will continue to provide enrollment updates in each quarterly report.

Ultimovacs' financial risk exposures are described in more detail in the Annual Report 2021. No significant changes have occurred that affect these reported risks.

Financial review

Financial results

Ultimovacs does not yet generate revenues, as the Company is in a research and development phase.

Payroll and payroll related expenses decreased slightly in Q2-22 (**MNOK 14.3**) compared to the same period in FY21 (MNOK 14.5). Even though there were two more FTEs in Q2-22, regular salaries were higher in Q2-21 due to one-off costs this quarter. The social security tax accrual related to share options, which fluctuates with the company share price, was MNOK 1.8 in Q2-21 vs. a cost reversal of MNOK (**1.9**) in Q2-22. The share-based compensation increased in Q2-22 due to the distribution of new share options to the employees, as well as a one-time cost of **MNOK 4.5** related to the extension of the duration of the options from 5 to 7 years. Total personnel expenses YTD-22 were **MNOK 25.6** compared to MNOK 26.7 in YTD-21.

Other operating expenses (**MNOK 20.4** in Q2-22 vs. MNOK 24.0 in Q2-21) primarily comprise R&D related expenses. These expenses, including IP and external R&D expenses, offset by government grants, amounted to **MNOK 16.3** in Q2-22 vs. MNOK 20.6 in Q2-21. The Q2-21 expenses were higher primarily due to milestone payments and start-up costs in the investigator driven studies (NIPU, DOVACC, FOCUS) as well as higher CMC costs compared to in Q2-22. The R&D expenses are expected to be at a higher level going forward than in prior periods, as the DOVACC and FOCUS trials were initiated in late 2021, and the LUNGVAC trial is expected to commence during Q3-22. Total other operating expenses YTD-22 **(MNOK 40.3)** were slightly lower compared to YTD-21 (MNOK 42.2)

Net financial items amounted to **MNOK 13.0** in Q2-22, compared to MNOK 2.7 in Q2-21. Financial items primarily comprise currency fluctuations from EUR at bank and the value of EUR currency future contracts swapped on a quarterly basis, in addition to interest gain from cash at bank accounts. In Q2-22, the financial income comprise MNOK 1.7 in interest from bank, MNOK 3.1 in currency gain from cash in EUR bank account and MNOK 8.9 in currency gain from the EUR currency future contracts.

Total loss for the Q2-22 period amounted to **MNOK 22.4**, compared to MNOK 36.5 in Q2-21. Total loss YTD-22 amounted to **MNOK 59.0** compared to a loss of MNOK 70.3 YTD-21.

Financial position

Total assets per 30 June 2022 were **MNOK 579.3**, a decrease of MNOK 76.3 from 31 December 2021 primarily as a consequence of negative operational cashflow. The Company has entered into EUR swap contracts to mitigate the foreign exchange risk related to expected future costs in ongoing projects. By the end of the quarter the EUR swaps amounted to MEUR 15.0, and **MNOK 10.6** in 'Receivables and prepayments' are related to the fair value of these EUR swap contracts by the end of the quarter.

Total liabilities as of 30 June 2022 amounted to **MNOK 33.5**, of which MNOK 11.7 are non-current.

Total equity equaled **MNOK 545.8** as of 30 June 2022. Since year-end 2021, the equity has decreased by the period's loss and translation differences, amounting to **MNOK 59.2** and increased by the recognition of share-based payments/stock options of **MNOK 11.8**.

Cash flow

The total net decrease in cash and cash equivalents in Q2-22, not including currency effects, was **MNOK 31.8**, which is primarily related to net negative cash-flow from operations amounting to **MNOK 33.0.** Total cash and cash equivalents was **MNOK 486.3** per 30 June 2022, of which MNOK 47.0 (**MEUR 4.5**) is held on EUR account.

Key financials

NOK (000) Unaudited	Q2-22	Q2-21	YTD-22	YTD-21	FY21
Total revenues	**-**	**-**	**-**	**-**	**-**
Total operating expenses	35 421	39 171	67 321	70 386	163 832
Operating profit (loss)	**(35 421)**	**(39 171)**	**(67 321)**	**(70 386)**	**(163 832)**
Profit (loss) for the period	**(22 376)**	**(36 465)**	**(58 976)**	**(70 262)**	**(164 722)**
Diluted and undiluted earnings / (loss) per share (NOK)	(0.7)	(1.1)	(1.7)	(2.2)	(5.1)
Net increase / (decrease) in cash and cash equivalents	(31 837)	(29 657)	(76 344)	(57 871)	137 106
Cash and cash equivalents at end of period	**486 338**	**381 799**	**486 338**	**381 799**	**574 168**
	NOK/EUR - 10.35				
Cash and cash equivalents at end of period - EUR (000)	***46 996***				

Responsibility Statement

We confirm, to the best of our knowledge, that the unaudited condensed interim financial statement for the six months ended 30 June 2022 has been prepared in accordance with IAS 34 – Interim Financial Reporting, and gives a true and fair view of the Group's assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge, that the interim management report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related party transactions.

The Board of Directors and CEO of Ultimovacs ASA

Oslo, 18 August 2022

Jónas Einarsson
Chairman of the Board

(Sign.)

Kari Grønås
Board member

(Sign.)

Eva S. Dugstad
Board member

(Sign.)

Henrik Schüssler
Board member

(Sign.)

Ketil Fjerdingen
Board member

(Sign.)

Leiv Askvig
Board member

(Sign.)

Aitana Peire
Board member

(Sign.)

Haakon Stenrød
Board member

(Sign.)

Carlos de Sousa
CEO

(Sign.)

Interim condensed consolidated statement of comprehensive income

NOK (000) Unaudited	Note	Q2-22	Q2-21	YTD-22	YTD-21	FY21
Other operating income		-	-	-	-	-
Total revenues		-	-	-	-	-
Payroll and payroll related expenses	3, 5	14 340	14 514	25 724	26 716	61 916
Depreciation and amortization		646	696	1 275	1 446	2 703
Other operating expenses	4, 5	20 436	23 961	40 322	42 224	99 213
Total operating expenses		**35 421**	**39 171**	**67 321**	**70 386**	**163 832**
Operating profit (loss)		**(35 421)**	**(39 171)**	**(67 321)**	**(70 386)**	**(163 832)**
Financial income		13 663	3 582	14 889	4 551	13 383
Financial expenses		618	876	6 543	4 427	14 272
Net financial items		**13 045**	**2 706**	**8 346**	**124**	**(890)**
Profit (loss) before tax		**(22 376)**	**(36 465)**	**(58 976)**	**(70 262)**	**(164 722)**
Income tax		-	-	-	-	-
Profit (loss) for the period		**(22 376)**	**(36 465)**	**(58 976)**	**(70 262)**	**(164 722)**
Other comprehensive income (loss) - Currency translation		2 734	418	(187)	(2 069)	(3 953)
Total comprehensive income (loss) for the period		**(19 642)**	**(36 047)**	**(59 163)**	**(72 331)**	**(168 676)**
Diluted and undiluted earnings/(loss) pr share (NOK)	6	(0.7)	(1.1)	(1.7)	(2.2)	(5.1)

Interim condensed consolidated statement of financial position

NOK (000) Unaudited	Note	30 Jun 2022	30 Jun 2021	31 Dec 2021
ASSETS				
Goodwill		10 999	11 388	11 031
Licenses		53 395	55 280	53 549
Patents		6 162	6 916	6 539
Property, plant and equipment		314	221	212
Right to use asset	11	1 736	2 737	1 951
Total non-current assets		**72 606**	**76 541**	**73 282**
Receivables and prepayments	7	20 309	8 155	8 087
Bank deposits		486 338	381 799	574 168
Current assets		**506 647**	**389 954**	**582 255**
TOTAL ASSETS		**579 253**	**466 495**	**655 537**
EQUITY				
Share capital		3 422	3 200	3 422
Share premium		1 070 841	810 140	1 070 841
Total paid-in equity		**1 074 264**	**813 341**	**1 074 264**
Accumulated losses		(563 297)	(409 861)	(504 321)
Other equity		32 146	14 330	20 358
Translation differences		2 665	4 737	2 853
TOTAL EQUITY	6, 9	**545 778**	**422 547**	**593 152**
LIABILITIES				
Lease liability	11	714	1 283	457
Deferred tax		10 999	11 388	11 031
Non-current liabilities		**11 713**	**12 670**	**11 488**
Accounts payable		6 038	15 321	22 555
Lease liability	11	1 114	1 606	1 628
Other current liabilities		14 609	14 351	26 714
Current liabilities	8	**21 761**	**31 278**	**50 897**
TOTAL LIABILITIES		**33 475**	**43 948**	**62 384**
TOTAL EQUITY AND LIABILITIES		**579 253**	**466 495**	**655 537**

Interim condensed consolidated statement of changes in equity

NOK (000) Unaudited	Share Capital	Share Premium	Accum. losses	Other equity	Transl. differenc.	Total equity
Balance at 1 Jan 2021	**3 197**	**809 214**	**(339 599)**	**8 762**	**6 806**	**488 380**
Loss for the period	-	-	(70 262)	-	-	(70 262)
Issue of ordinary shares	3	927	-	-	-	930
Share issue costs	-	-	-	-	-	-
Recognition of share-based payments	-	-	-	5 568	-	5 568
Translation differences	-	-	-	-	(2 069)	(2 069)
Balance at 30 Jun 2021	**3 200**	**810 140**	**(409 861)**	**14 330**	**4 737**	**422 547**
Balance at 1 Jan 2022	**3 422**	**1 070 841**	**(504 321)**	**20 358**	**2 853**	**593 152**
Loss for the period	-	-	(58 976)	-	-	(58 976)
Issue of ordinary shares	-	-	-	-	-	-
Share issue costs	-	-	-	-	-	-
Recognition of share-based payments	-	-	-	11 788	-	11 788
Translation differences	-	-	-	-	(187)	(187)
Balance at 30 Jun 2022	**3 422**	**1 070 841**	**(563 297)**	**32 146**	**2 665**	**545 778**

Interim condensed consolidated statement of cash flow

NOK (000) Unaudited	Q2-22	Q2-21	YTD-22	YTD-21	FY21
Loss before tax	**(22 376)**	**(36 465)**	**(58 976)**	**(70 262)**	**(164 722)**
Non-cash adjustments					
Depreciation and amortization	646	696	1 275	1 446	2 703
Interest received incl. investing activities	(1 679)	(600)	(2 904)	(1 450)	(3 062)
Net foreign exchange differences	(11 460)	(2 201)	(5 618)	1 165	3 619
Other finance expense	26	48	56	102	179
Share option expenses	8 840	3 266	11 788	5 568	11 595
Working capital adjustments:					
Changes in prepayments and other receivables	(1 289)	(990)	(2 370)	283	351
Changes in payables and other current liabilities	(5 680)	6 491	(21 402)	3 912	23 509
Net cash flow from operating activities	**(32 971)**	**(29 755)**	**(78 150)**	**(59 236)**	**(125 828)**
Purchase of property, plant and equipment	(87)	-	(195)	-	(85)
Interest received	1 679	600	2 904	1 450	3 062
Net cash flow used in investing activities	**1 592**	**600**	**2 709**	**1 450**	**2 977**
Proceeds from issuance of equity	-	-	-	930	272 864
Share issue cost	-	-	-	-	(11 012)
Interest paid	(26)	(48)	(56)	(102)	(179)
Payment of lease liability	(431)	(455)	(846)	(912)	(1 716)
Net cash flow from financing activities	**(457)**	**(503)**	**(903)**	**(85)**	**259 957**
Net change in cash and cash equivalents	(31 837)	(29 657)	(76 344)	(57 871)	137 106
Effect of change in exchange rate	(5 532)	2 168	(11 487)	(1 256)	(3 863)
Cash and cash equivalents at beginning of period	**523 706**	**409 288**	**574 168**	**440 925**	**440 925**
Cash and cash equivalents at end of period	**486 338**	**381 799**	**486 338**	**381 799**	**574 168**

Notes

1. General information

Ultimovacs ASA (the Company or Ultimovacs) and its subsidiary (together the Group) is a pharmaceutical Group developing novel immunotherapies against cancer. The Company is a public limited liability company listed on the Oslo Stock Exchange in Norway.

Ultimovacs is headquartered at the Oslo Cancer Cluster Innovation Park in Oslo, Norway, and is an active member of Oslo Cancer Cluster.

2. Basis for preparations and accounting principles

The Group's presentation currency is NOK (Norwegian kroner).

These interim condensed financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting policies applied in the preparation of these financial statements are consistent with those followed in connection with the Company's 2021 financial statements. These condensed interim financial statements should therefore be read in conjunction with the 2021 financial statements.

The Group uses derivative financial instruments to hedge its risks associated with foreign exchange rates. Derivatives are initially and subsequently measured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The gain/(loss) arising from changes in fair value of currency derivatives is presented as part of "Financial income/expenses" in the consolidated statement of comprehensive income.

The Group does not have any derivatives that are used for hedge accounting.

The consolidated financial statements comprise the financial statements of the Ultimovacs ASA and its 100% owned subsidiary Ultimovacs AB as at the reporting date.

These interim financial statements were approved for issue by the Board of Directors on 18 August 2022. The figures in the statements have not been audited.

3. Personnel expenses

Personnel expenses

NOK (000)	Q2-22	Q2-21	YTD-22	YTD-21	FY21
Salaries and bonuses	6 816	8 373	17 538	17 685	34 543
Social security tax	1 469	1 467	3 170	3 283	6 686
Social security tax related to options	(1 945)	1 757	(6 915)	583	8 557
Pension expenses	642	637	1 422	1 277	2 690
Share-based compensation	8 840	3 266	11 788	5 568	11 595
Other personnel expenses	173	73	376	180	318
Government grants	(1 656)	(1 060)	(1 656)	(1 860)	(2 472)
Total personnel expenses	**14 340**	**14 514**	**25 724**	**26 716**	**61 916**
Number of FTEs at end of period	23	21	23	21	24

On 21 April 2022, the annual General Meeting approved revised remuneration guidelines. In accordance with the revised guidelines, the Board of Directors has decided to extend the duration of all options under the share option program from 5 years to 7 years. Due to this life extension, the unamortized value of the options has increased, resulting in an increased IFRS cost related to the options going forward, as well as a one-off cost of MNOK 4.5 booked in Q2-22 in accordance with IFRS 2.

Please refer to note 10 for additional information regarding the share-based compensation.

4. Operating expenses

The Group is in a development phase, and the majority of the Group's costs are related to R&D. These costs are expensed in the statement of comprehensive income.

Operating expenses

NOK (000)	Q2-22	Q2-21	YTD-22	YTD-21	FY21
External R&D expenses	15 639	21 397	30 039	39 050	96 735
Clinical studies	10 377	14 096	19 856	21708	56 675
Manufacturing costs	2 985	6 020	6 148	10 560	21455
Other R&D expenses	2 277	1281	4 035	6 782	18 605
IP expenses	1 251	1 132	1 576	1 691	3 540
Rent, office and infrastructure	1 118	961	2 148	1 945	3 645
Accounting, audit, legal, consulting	1 823	1 730	4 722	2 531	5 061
Other operating expenses	1 222	682	2 455	1 148	2 338
Government grants	(618)	(1 942)	(618)	(4 142)	(12 106)
Total other operating expenses	**20 436**	**23 961**	**40 322**	**42 224**	**99 213**

5. Government grants

The following government grants have been received and recognized in the statement of profit and loss as a reduction of operating expenses and personnel costs.

Government grants

NOK (000)	Q2-22	Q2-21	YTD-22	YTD-21	FY21
Skattefunn from the Research Council of Norway (RCN)	-	-	-	-	4 750
Eurostars	-	262	-	262	786
Innovation Norway	-	-	-	3 000	3 000
Innovation Project grant from the RCN	2 076	2 472	2 076	2 472	5 241
Other grants	198	267	198	267	802
Total government grants	**2 274**	**3 001**	**2 274**	**6 001**	**14 578**

Please refer to note 3 and 4 for information on how the government grants have been attributed to (i.e. deducted from) personnel expenses and other operating expenses.

6. Earnings per share

The basic earnings per share are calculated as the ratio of the profit/loss for the period divided by the weighted average number of ordinary shares outstanding.

Earnings per share

NOK (000)	Q2-22	Q2-21	YTD-22	YTD-21	FY21
Loss for the period	(22 376)	(36 465)	(58 976)	(70 262)	(164 722)
Average number of shares during the period ('000)	34 222	32 003	34 222	31 993	32 373
Earnings/loss per share (NOK)	**(0.7)**	**(1.1)**	**(1.7)**	**(2.2)**	**(5.1)**

The share options issued to employees as a part of the employee incentive program have a potential dilutive effect on earnings per share. No dilutive effect has been recognized as potential ordinary shares only shall be treated as dilutive if their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations. As the Group is currently loss-making, an increase in the average number of shares would have anti-dilutive effects. Diluted and basic (undiluted) earnings per share is therefore the same.

Please see note 10 for more information regarding the option program.

7. Current assets

Receivables and prepayments

NOK (000)	30 Jun 2022	30 Jun 2021	31 Dec 2021
Government grants	4 750	4 750	5 314
Prepayments	1 458	871	878
Financial instruments	10 611	570	759
Other receivables	3 490	1 964	1 135
Total receivables and prepayments	**20 309**	**8 155**	**8 087**

8. Current liabilities

Current liabilities

NOK (000)	30 Jun 2022	30 Jun 2021	31 Dec 2021
Accounts payable	6 038	15 321	22 555
Public duties payable	1 974	2 008	2 506
Public duties payable related to options	5 973	4 915	12 888
Lease liability	1 114	1 606	1 628
Other current liabilities	6 662	7 428	11 320
Total current liabilities	**21 761**	**31 278**	**50 897**

9. Shareholder information

The share capital as of 30 June 2022 was NOK 3,422,176.1, with 34,221,761 ordinary shares, all with equal voting rights and a nominal value of NOK 0.10 per share. Ultimovacs ASA has approximately 5,000 shareholders as of 30 June 2022 and the 20 largest shareholders as of this date are listed below:

Share register as per 30 June 2022

Shareholder	# of shares	Share-%
Gjelsten Holding AS	6 495 866	19.0 %
Canica AS	2 705 957	7.9 %
Watrium AS	1 780 575	5.2 %
Inven2 AS	1 555 492	4.5 %
Folketrygdfondet	1 515 813	4.4 %
Radforsk Investeringsstiftelse	1 506 913	4.4 %
Langøya Invest AS	1 389 006	4.1 %
Helene Sundt AS	965 802	2.8 %
CGS Holding AS	882 132	2.6 %
Sundt AS	803 321	2.3 %
Danske Invest Norge Vekst	736 440	2.2 %
Stavanger Forvaltning AS	596 999	1.7 %
Prieta AS	533 988	1.6 %
Verdipapirfondet Nordea Avkastning	483 573	1.4 %
SEB Prime Solutions Sissener Canopus	400 000	1.2 %
Verdipapirfondet KLP Aksjenorge	348 416	1.0 %
Swedbank AB	257 485	0.8 %
Avanza Bank AB	256 344	0.7 %
Verdipapirfondet Nordea Kapital	250 774	0.7 %
Wiarom AS	250 000	0.7 %
20 Largest shareholders	**23 714 896**	***69.3%***
Other shareholders	10 506 865	*30.7%*
Total	**34 221 761**	***100.0%***

10. Share-based payments

Share option program

A share option program was introduced in June 2019. At the Annual General Meeting held on 21 April 2022, the Board was authorized to increase the Company's share capital in connection with the share incentive arrangement by up to NOK 342,217.61. The authorization is valid until the next ordinary General Meeting in 2023.

The share option program is groupwide and includes all employees in the Group. After the distribution of 480,000 new options on 21 April 2022, a total of 2,313,585 share options are outstanding, corresponding to 6.76% of the outstanding number of shares in the Company.

Each option gives the right to acquire one share in the Company and is granted without consideration. Pursuant to the vesting schedule, 25% of the options will vest one year after the day of grant, 25% of the options will vest two years after the day of grant and the remaining 50% will vest three years after

the day of grant. The options granted in 2020 to the CEO, Carlos de Sousa, will vest with 33.33% one year following the grant date, 33.33% after two years, and the remaining 33.34% on the third anniversary following the grant date. Vesting is dependent on the option holder still being employed in the Company.

The exercise price for all options granted in 2019 was NOK 31.25, NOK 39.15 for the options granted in 2020, NOK 61.99 for the options granted in 2021 and NOK 83.46 for the options granted in 2022. Options that are not exercised within 7 years from the date of grant will lapse and become void.

The Ultimovacs Employee Share Options' fair value is calculated according to the IFRS-2 regulations. As stated in IFRS-2 Appendix B §B5, the Black-Scholes-Merton Option Pricing Model ("B&S Model") may be used to estimate the fair value of employee share options, which is therefore used to estimate the fair value of the Ultimovacs Employee Share Options. The model uses the following parameters: the exercise price, the current price of the underlying shares, the life of the option, the expected volatility of the share price, the dividends expected on the shares, and the risk-free interest rate for the life of the option.

Equity-settled share-based payments are measured at the fair value of the equity instruments at the grant date. The cost of equity-settled transactions is recognized in payroll and other payroll related expenses, together with a corresponding increase in equity over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss and other comprehensive income for a period represents the movement in cumulative expense recognized as of the beginning and end of that period.

Movement of share options

	Number of share options	Weighted average strike
Outstanding at closing balance 31 December 2021	**1 833 585**	**44.77**
Granted	480 000	83.46
Exercised	-	-
Forfeited	-	-
Outstanding at closing balance 30 June 2022	**2 313 585**	**52.80**
Vested at closing balance	419 328	35.42

On the basis of the approval by the General Meeting on 21 April 2022, the Board of Directors resolved to issue a total of 480,000 options that were distributed amongst the employees on 21 April 2022. The number of new options granted corresponded to 1.40% of the outstanding number of shares in the Company. On 21 April 2022, the annual General Meeting approved revised remuneration guidelines. In accordance with the revised guidelines, the Board of Directors has decided to extend the duration of all options under the share option program from 5 years to 7 years. Due to this life extension, the unamortized value of the options has increased, resulting in an increased IFRS cost related to the options going forward.

The total IFRS cost recognized for the option program in Q2-22 is MNOK 8.8, and the change in accruals for social security tax related to the options are MNOK -1.9.

11. IFRS 16 – rental contracts

The agreements classified as operating leases are the rental agreement for office premises in Oslo with 1 year left in the rental contract as of 1 January 2022, and four car-leasing contracts also classified as operating leases. The weighted average discount applied is 6.0%. Please see the 2021 Annual report for more information.

12. Events after the balance sheet date

No events with significant accounting effect have occurred after the balance sheet date.

Glossary

Words/terms	Description
General/basic terms	
UV1	UV1 is Ultimovacs' synthetic peptide vaccine
Peptides	Peptides are short or long-chains of amino acids, and amino acids are the building blocks of protein.
Adjuvant	A medical substance used to enhance the effect of another medical substance.
GM-CSF	"Granulocyte-macrophage colony-stimulating factor". Ultimovacs uses GM-CSF as adjuvant together with UV1 to strengthen the ability of UV1 to stimulate the immune system.
Immune checkpoint inhibitors	Medicines that "takes the brakes off the immune system". The immune system has brakes necessary to balance a normal immune response. The downside to these brakes is that it makes it easier for a tumor to grow because the immune system becomes less able to fight the tumor. By "blocking the brakes", the immune system becomes more potent in killing tumor cells. PD-1 / PDL-1 inhibitors (e.g., pembrolizumab and nivolumab) and CTLA-4 inhibitors (e.g. ipilimumab). There are many others in development.
Immune response	The activity of the immune system against foreign substances (antigens).
Investigational New Drug (IND)	The United States Food and Drug Administration's Investigational New Drug (IND) program is the means by which a pharmaceutical company obtains permission to start human clinical trials and to ship an experimental drug across state lines (usually to clinical investigators) before a marketing application for the drug has been approved. Similar procedures are followed in the European Union, Japan, and Canada.
CTLA-4	A protein found on T cells (a type of immune cell) that helps balancing a normal immune response. The balance is needed to avoid collateral damage of normal cells. When CTLA-4 is bound to another protein called B7, it helps keep T cells from multiplying and killing other cells, including cancer cells. Ipilimumab works by making it difficult for the CTLA-4 to bind to B7. Ipilimumab was the first checkpoint inhibitor to reach the market.
PARP inhibitor	PARP inhibitors are a group of pharmacological inhibitors of the enzyme poly ADP ribose polymerase. They are developed for multiple indications, including the treatment of heritable cancers. Several forms of cancer are more dependent on PARP than regular cells, making PARP an attractive target for cancer therapy.
PD-1 / PD-L1	A protein found on T cells (a type of immune cell) that helps balancing a normal immune response. The balance is needed to avoid collateral damage of normal cells. When PD-1 is bound to another protein called PD-L1, it helps keep T cells from killing other cells, including cancer cells. Some anticancer drugs, called immune checkpoint inhibitors, are used to block PD-1 or PD-L1. When this checkpoint is blocked, the "brakes" on the immune system are released and the ability of T cells to kill cancer cells is increased.
Telomere	To prevent the loss of genes as chromosome ends wear down, the tips of eukaryotic chromosomes have specialized DNA "caps" called telomeres.

Telomerase	Some cells have the ability to reverse telomere shortening by expressing telomerase (hTERT), an enzyme that extends the telomeres of chromosomes. Telomerase is expressed at a high level in over 80% of human tumors. UV1 uses telomerase (hTERT) as an immune therapy target.
Tetanus	Tetanus (Norwegian: "Stivkrampe") is a serious illness contracted through exposure to the spores of the bacterium, Clostridium tetani, which live in soil, saliva, dust, and manure. The bacteria can enter the body through deep cuts, wounds or burns affecting the nervous system. The infection leads to painful muscle contractions, particularly of the jaw and neck muscle, and is commonly known as "lockjaw". Tetanus vaccination protects against the disease.
Checkpoint and PARP inhibitors	
Ipilimumab	CTLA-4 checkpoint inhibitor from BMS (Bristol-Myers Squibb)
Nivolumab	PD-1 checkpoint inhibitor from BMS (Bristol-Myers Squibb)
Pembrolizumab	PD-1 checkpoint inhibitor from Merck
Durvalumab	PD-L1 checkpoint inhibitor from AstraZeneca
Olaparib	PARP inhibitor from AstraZeneca
Clinical trial terms	
CR	Complete response (The disappearance of all signs of cancer in response to treatment. Also called complete remission.)
PR	Partial response (A decrease in the size of a tumor, or in the extent of cancer in the body, in response to treatment. Also called partial remission.)
SD	Stable disease (Cancer that is neither decreasing nor increasing in extent or severity.)
PD	Progressive disease (Cancer that is growing, spreading, or getting worse.)
ORR	Objective response rate = CR + PR
DOR	Duration of response (The length of time that a tumor continues to respond to treatment without the cancer growing or spreading.)
OS	Overall survival (The length of time from either the date of diagnosis or the start of treatment for a disease, such as cancer, that patients diagnosed with the disease are still alive. In a clinical trial, measuring the overall survival is one way to see how well a new treatment works.)
PFS	Progression-free survival (The length of time during and after the treatment of a disease, such as cancer, that a patient lives with the disease but it does not get worse. In a clinical trial, measuring the progression-free survival is one way to see how well a new treatment works.)
mPFS	Median overall survival means (The length of time during and after the treatment of a disease, such as cancer, that half of the patients in a group of patients diagnosed with the disease are still alive.)
Medical terms	
Intradermal	In order to initiate an immune response, a vaccine must be taken up by antigen presenting cells (dendritic cells). UV1 is administered via the intradermal route, i.e., injection in the dermis, one of the layers of the skin. This layer, underneath the epidermis, is highly vascularized and contains a large number of immune cells, mainly dermal dendritic cells.
Biopsy	A piece of tissue, normal or pathological removed from the body for the purpose of examination.

IgE	Immunoglobulin E (IgE) are antibodies produced by the immune system. With an allergy, the individual's immune system overreacts to an allergen (what they are allergic to) by producing IgE. These antibodies travel to cells that release chemicals, causing an allergic reaction when an allergen enters the body.
Metastasis / Metastatic cancer	The development of malignant growths at a distance from a primary site of cancer / Metastatic cancer is cancer that spreads from its site of origin to another part of the body.
SAE	A serious adverse event (SAE) in human drug trials is defined as any untoward medical occurrence that at any dose 1. results in death, 2. is life-threatening 3. requires inpatient hospitalization or causes prolongation of existing hospitalization 4. results in persistent or significant disability/incapacity 5. is a congenital anomaly/birth defect, or 6. requires intervention to prevent permanent impairment or damage. The term "life-threatening" in the definition of "serious" refers to an event in which the patient was at risk of death at the time of the event; it does not refer to an event which hypothetically might have caused death if it were more severe. Adverse events are further defined as "Any untoward medical occurrence in a patient or clinical investigation subject administered a pharmaceutical product and which does not necessarily have to have a causal relationship with this treatment."
PSA	Prostate-specific antigen (PSA) is an enzyme (protein) important for reproduction. PSA is present in small quantities in the serum of men with healthy prostates but is often elevated in the presence of prostate cancer or other prostate disorders.

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Contact us

Ultimovacs ASA
Ullernchausséen 64
0379 Oslo
Norway

ir@ultimovacs.com

+47 413 80 080

About Ultimovacs

Ultimovacs was established in 2011 and is a public limited liability company listed on the Oslo Stock Exchange in Norway. The Company and its proprietary technology is based on preclinical and clinical research on immunotherapies conducted at the Oslo University Hospital. Ultimovacs is headquartered at the Oslo Cancer Cluster Innovation Park in Oslo, Norway, and also has an office in Uppsala, Sweden. Ultimovacs is an active member of Oslo Cancer Cluster.

Ultimovacs is an immunotherapy company developing immune-stimulatory vaccines to treat a broad range of cancers. Ultimovacs' lead universal cancer vaccine candidate UV1 targets human telomerase (hTERT), present in 85-90% of cancers in all stages of tumor growth. By directing the immune system to hTERT antigens, UV1 drives CD4 helper T cells to the tumor to activate an immune system cascade and increase anti-tumor responses. With a broad phase II program in five cancer indications enrolling more than 650 patients, Ultimovacs aims to clinically demonstrate UV1's impact in multiple cancer types, in combination with other immunotherapies, for patients with unmet needs. Ultimovacs' second technology approach, based on the proprietary Tetanus-Epitope-Targeting (TET) platform, combines tumor-specific peptides and adjuvant in the same molecule and entered phase I studies in 2021.

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