EDISON

Ultimovacs

Q122 report

UV1 Phase II data flow creeps closer

Pharma & biotech

Management provided an update on the clinical progress of lead candidate UV1 in six clinical trials in conjunction with its Q122 financial results. Enrolment in the INITIUM (first-line metastatic malignant melanoma, UV1 dosed in combination with anti-CTLA-4 and PD-1 checkpoint inhibitors) and NIPU (second-line mesothelioma, plus ipilimumab and nivolumab) Phase II trials has reached 89% and 66%, respectively, keeping both on track to report primary endpoint (progression-free survival) readouts in H123. Furthermore, first patient enrolment for the anticipated Phase II LUNGVAC trial in first-line non-small cell lung cancer is anticipated in Q222, with an update expected in the Q422 report. At end-March 2022, Ultimovacs had a cash position of NOK523.7m which, at the current burn rate (NOK50.5m cash spent in Q123), we estimate will fund operations through the company's the first four Phase II readouts (all expected by H124). Our estimates are under review.

Year end	Revenue (NOKm)	PBT* (NOKm)	EPS* (NOK)	DPS (NOK)	P/E (x)	Yield (%)
12/20	0.0	(120.6)	(3.98)	0.0	N/A	N/A
12/21	0.0	(164.7)	(5.09)	0.o	N/A	N/A

Note: *PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

Since c 85% of all human cancer types are estimated to express hTERT, Ultimovacs is investigating the use of UV1 (in various combinations) in a variety of indications including five Phase II trials currently underway. Data from these trials will begin to be reported in H123 as the INITIUM and NIPU trials are projected to report progression-free survival data (PFS, primary endpoint). In our view, recent Phase I follow-up data (presented at the Annual Meeting of the Association for Cancer Immunotherapy) showing UV1 specific immune responses in 91% of patients and lasting up to 7.5 years provide increased support for potentially positive PFS readouts from the ongoing Phase II clinical trials.

Also in the Q122 period, Ultimovacs received a Notice of Allowance from the United States Patent and Trademark Office for the use of UV1 plus checkpoint inhibitor combinations in oncology, providing market security for UV1 until at least 2037.

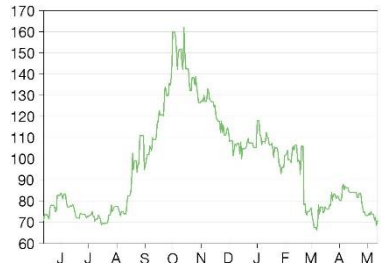
Operating expenses for the period (NOK31.9m) were up versus a year ago (Q122: NOK31.2m) due primarily to increased R&D spend as the DOVACC and FOCUS Phase II trials were initiated in late 2021. Compared to FY21, management expects R&D expenditure will increase in FY22 as the Phase II LUNGVAC trial begins. Including the anticipated increase in R&D, we estimate that the company's cash position is sufficient to fund operations through key Phase II readouts to H124, in line with company guidance.

13 May 2022

Price	**NOK66.0**
Market cap	**NOK2.34bn**

Net cash (NOKm) at 31 March 2022	523.7
Shares in issue	34.2m
Free float	X%
Code	ULTI
Primary exchange	Oslo Stock Exchange
Secondary exchange	N/A

Share price performance



Business description

Ultimovacs is developing novel immunotherapies against cancer. The lead product candidate, UV1, is a peptide-based vaccine against the universal cancer antigen telomerase (hTERT), which is expressed in c 85% of all cancer types. UV1 therefore has broad potential in a variety of different settings and combinations.

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