Interim report January – March 2022

The period in summary

First quarter January 1 – March 31, 2022

- On March 23 the first batch of Strangvac was released for sale in Sweden.
- Intervacc has applied for supplementary protection certificates (SPCs) for Strangvac in key European markets. SPCs are an intellectual property right that serves as an extension to a patent right.
- EMA extended the shelf life of the antigens used in Strangvac to 28 months.
- During February an application for a Permit for Sale and Distribution of Strangvac in the U.S. was submitted to the U.S. Department of Agriculture (USDA).
- New study confirmed that Strangvac is likely to be effective against all known strains of Streptococcus equi.

Figures in brackets indicate outcome for the corresponding period of the previous financial year. The financial information presented relates to the Group and is expressed in TSEK unless otherwise stated.

Group key ratios

	01/01/22 -31/03/22	01/01/21 -31/03/21	01/01/21 -31/12/21
Net sales	1 172	1 116	5 241
Operating result	-10 697	-6 452	-29 393
Result after financial items	-10 726	-6 478	-29 375
Balance sheet total	316 263	343 973	329 393
Equity ratio	94%	96%	94%
Number of shares outstanding end of period	50 160 388	50 160 388	50 160 388
Average number of shares before dilution	50 160 388	50 160 388	50 160 388
GAverage number of shares after dilution	50 360 045	50 396 674	50 404 133
Earnings per share before dilution	-0,21	-0,13	-0,59
Earnings per share after dilution	-0,21	-0,13	-0,59

Net Sales

Net sales during the first quarter of 2022 amounted to SEK 1.2 million, which is on a par with the same period 2021 (1.1). The company's first proprietary product, Strangvac, began to be sold on the Swedish market in the last days of March 2022. Together with our partner and distributor

Dechra Pharmaceuticals, Strangvac will now, as it becomes possible, be launched on other markets in Europe where we are market authorization holder.

Earnings

Operating result for first quarter of 2022 amounted to SEK -10.7 million, which is 4.2 million worse compared to the same period in 2021 (-6.5). The negative operating result is mainly explained by the fact that the Group's first proprietary product, Strangvac, began to be sold on the Swedish market in the last days of March 2022 and that the company does not yet generate sufficient funds from its own business to finance its operations. The deterioration compared with the previous year is mainly explained by the fact that the Group has strengthened the organization, has continued the development of the projects in the pipeline, and has with the launch of Strangvac begun depreciation of capitalized development costs.

Cash Flow

During the first quarter of 2022, working capital increased by and affected cash flow by SEK -10.5 million (+18.3), mainly through the build-up of inventories, which meant that SEK -8.4 million (+9.7) affected cash flow. Cash flow during the first quarter of 2022 has meant that cash and cash equivalents decreased by SEK -21.7 million (-15.3) and amounted to SEK 94 million (149) on the balance sheet date.

Financial position

At the end of first quarter 2022 equity amounted to SEK 297.5 million, which compared to the same date last year is a decrease with SEK 33.6 million. Approx. 54% (45%) of the group’s total assets has been invested in capitalized expenditure which amounts to SEK 171.3 million (149.3). Cash which on the balance sheet date amounted to SEK 94 million (149), are greatly affected by the investments made in research and development, where our new and ongoing projects are becoming increasingly important. It also includes, for example, the upcoming regulatory process with the USDA (US Department of Agriculture), and technology transfer for the US market. The company is well equipped for continued commercialization and vaccine development.

CEO Comments

Sales of Strangvac have started!

On March 23rd, Strangvac was released for sale onto the Swedish market and the following week, the first pharmacies began placing orders and taking deliveries of the vaccine. The first horses in Sweden have been vaccinated and we look forward to working with Dechra to launch Strangvac across Europe.

In the period between approval and the start of sales, we have taken part in meetings and discussions that has reached over a hundred Key Opinion Leaders (KOL’s) across Europe. As Strangvac is made available for sale in each specific market, we will initiate local training activities to a broader group of veterinarians and at the same time we will use information campaigns to

raise the awareness of horse owners to equine strangles and how they can prevent this disease. In Sweden, we are now in this second phase, and we have seen several examples of leading KOL's independently supporting the vaccination of horses with Strangvac. Strangvac is a new, innovative vaccine and it is natural that questions arise during this phase. Many veterinarians choose to seek more knowledge by contacting us or by reading published studies about Strangvac. We have great faith in Strangvac and its value to prevent strangles in horses around the world.

We are also making ourselves available to discuss strangles and will, for example, be present at the Falsterbo Horse Show and at the FEI World Championships in Herning Denmark later this summer. We continue to support established campaigns that highlight equine strangles such as Strangles Awareness Week. This campaign has already reached millions of horse owners throughout the world. In addition we and Dechra are launching new initiatives. In Sweden, we have launched the campaign "Tillsammans mot kvarka", that translates to "Together against equine strangles". The purpose is to highlight equine strangles and the solutions and tools that are available. One of these important tools is vaccination.

Strangvac is centrally approved for sale throughout the EU and in the UK, Norway, and Iceland. We have manufactured vaccines for the launch phase in Europe and expect to be able to start sales in several European countries in the coming weeks. We are well prepared to launch together with Dechra, which is one of the world's largest veterinary pharmaceutical companies and one of Europe's foremost distributors of medicines for horses.

The number of horses in Europe that are currently part of a vaccination program varies greatly between regions. In the Nordic countries, Germany and France, the vaccination rate against equine influenza is estimated to be over 70%, while in the United Kingdom in a normal year it is estimated to be between 40% and 50%. In southern Europe, the vaccination rate is usually lower. There are an estimated 60 million horses in the world. About a third, i.e., about 20 million of these horses are in what we define as our primary markets, which includes Europe and North America. Our goal is for half of these 20 million horses to be included in a vaccination program where they are vaccinated against equine strangles. Feedback from KOLs and equine veterinarians found that for the majority of horses, the vaccination interval for Strangvac will in practice be adapted to fit alongside established vaccination programs such as those against equine influenza. For equine influenza, after the horse has been vaccinated with two or three doses at the beginning of the vaccination program, they are re-vaccinated once or twice a year. In countries where vaccination against equine influenza is common, such as in Sweden, outbreaks of equine strangles are normally ten to twenty times more prevalent than outbreaks of equine influenza. The hopes and expectations of several leading equine veterinarians are that with vaccination against equine strangles, and by continuing to use other traditional infection control measures, we can reduce the number of equine strangles outbreaks to the same low level as the number of influenza outbreaks.

We expect that horses that start a vaccination program will continue to be vaccinated continuously for many years, often for life, and that once we have established the use of Strangvac in a market, its use will continue to grow as the vaccine and its benefits become better known among horse owners, veterinarians, organizations, and other stakeholders such as insurance companies. The establishment of a new vaccine usually follows a traditional S-curve, with an introductory phase, an expansion phase, and a maturation phase where the maturation phase involves an established position with continued growth at a slower pace. How long it takes from launch to maturation phase

differs greatly between different products. For biological pharmaceuticals, it is common for the time interval between launch and maturation phase to be 3–8 years.

On April 25, we issued a press release in which we spoke about the very promising results we have received in our project to develop a vaccine against *Streptococcus suis*. The study showed that piglets from sows vaccinated with our prototype vaccine had significantly fewer clinical signs of disease, compared to piglets from sows given a placebo vaccine, after experimental infection with S. suis at 4 or 7 weeks of age (one group of piglets underwent infection at 4 weeks of age and another group at 7 weeks of age). Protecting piglets by vaccinating the sow is both practical and cost-effective. We believe that we have taken a large and important step towards developing an attractive vaccine against a disease that is highlighted as a serious problem to the pig industry. The availability of an effective vaccine is particularly important as society seeks to reduce the use of antibiotics in food-producing animals. There is currently no effective vaccine approved for use against *S. suis*. Therefore, a cost-effective, practical and safe vaccine is urgently sought and has potentially a very high value. Although there is still development work left to do, we believe that our chances of success have increased significantly. Our results within the *S. suis* project have also made it possible for us to apply for additional patents which, if granted, complement our patent for a vaccine against *S. suis* which was already granted in the USA at the end of 2021 and which is under application in the EU.

We have also made good progress in our project to develop a vaccine against infections caused by *Staphylococcus aureus.* In our recently completed study, we showed that our prototype vaccine was safe and immunogenic in pregnant heifers. In our next phase, which will be partly funded by the EU's VetBioNet initiative, we will conduct a proof-of-concept study to measure the effectiveness of the vaccine in heifers. Our primary goal is to show that vaccinating dairy cows against *Staphylococcus aureus* infections, can reduce the severity and prevalence of this type of mastitis in the dairy industry.

We see the success of Strangvac and our development projects as a confirmation of the potential of our technology platform. We have shown that we can develop vaccines against bacterial diseases for which it has so far been difficult to develop effective vaccines. We have also shown that we can independently take such a vaccine from development, through the production and regulatory processes to become a commercial product. Our assessment is that the need for vaccines against bacterial infectious diseases will continue to increase and our position is strong.

Vaccination is one of the prerequisites for a sustainable and resilient society with reduced antibiotic use and healthier animals.

We fight infectious diseases best together. We start with equine strangles.

Together against equine strangles.

Follow our news on the website and via our twitter feed @intervacc_se

Andreas Andersson, CEO

Significant events during the period January 1 – March 31, 2022

Strangvac, a vaccine against equine Strangles, released for sale in Sweden

Intervacc announced on March 23 that the first batch of Strangvac was released for sale onto the Sweden market. The product was in stock at our logistics partner in Sweden and after product information is registered in the system used by pharmacies around the country, the first pharmacies were able to place orders the following week and have the vaccine delivered.

Since Strangvac was granted a marketing authorization by the European Commission in August 2021 we have taken part in meetings and discussions with over 200 KOL's Key Opinion Leaders (KOL's) and other equine veterinarians across Europe. With Strangvac becoming available for sale, the next phase began with meeting and training veterinarians around Sweden to inform about Strangvac. The interest has been great and our team has already met many veterinarians and completed training. Strangvac has been launched in Sweden and we will now gradually launch in the rest of the Nordic region and Europe.

In parallel with the training of veterinarians, we have launched the campaign "Tillsammans mot kvarka", that translates to "Together against equine strangles". The purpose is to highlight equine strangles and the solutions and tools that are available. We are fully dedicated to the task of reducing the spread and effects of equine strangles. With information and knowledge, we can together protect our horses!

Intervacc applies for a Permit for Sale and Distribution of Strangvac in the U.S.

On February 16th Intervacc announced that the Company's application for a Permit for Sale and Distribution of Strangvac in the U.S. has been submitted to the U.S. Department of Agriculture (USDA).

New study confirms that Strangvac is likely to be effective against all known strains of Streptococcus equi
In the largest study of its kind, published in the 'Equine Veterinary Journal', scientists confirm that the antigens used in the Strangvac vaccine were highly conserved regardless of which strain of Streptococcus equi was examined from outbreaks in 19 countries around the world.

Intervacc has applied for supplementary protection certificates for Strangvac in key European markets

The European patent for Strangvac, a vaccine against equine strangles, is approved and in force until May 2031. Pending the approval of the supplementary protection certificates, the protection in Great Britain, Sweden, the Netherlands, Italy, Ireland, France, Spain, Germany and Austria will be extended until May 2036.

Supplementary protection certificates (SPCs) are an intellectual property right that serves as an extension of the monopoly conferred by a patent, however limited to the specific pharmaceutical authorised by regulatory authorities and protected by the patent. The EU wishes to provide sufficient protection for these products in the interest of public health and to encourage innovation.

Supplementary protection certificates aim to offset the loss of patent protection for pharmaceutical products that occurs due to the compulsory lengthy testing and clinical trials required prior to obtaining regulatory marketing approval. An SPC can extend a patent right for a maximum of five years. Until the reporting date, Italy and the Netherlands have approved the application for additional protection for Strangvac.

The European Medicines Agency extends the shelf life of the antigens used in Strangvac to 28 months

The European Medicines Agency has, after reviewing stability data, approved the extension of the shelf life of the antigens in Strangvac to 28 months.

The manufacturing of Strangvac, a vaccine against the highly contagious equine disease strangles, takes place in two steps – first the antigens are produced in a process that yields sufficient antigens for several million doses, then vaccine doses are produced by mixing the antigens with adjuvant and saline. The reconstituted vaccine doses are transferred into vials that are labelled and packaged for sale. The antigens produced in step one can now be used for mixing with adjuvant and saline based upon the new extended shelf life of 28 months from the time of manufacture. The shelf life of the labelled vaccine doses in vials then has a further approved shelf life of 24 months, which is not limited by the shelf life of the antigens.

Significant events after the period

Positive results in proof-of-concept study to develop a vaccine against *Streptococcus suis* infection in pigs

On April 25 we announced positive results from a proof-of-concept study where piglets from vaccinated sows were protected against experimental challenge with Streptococcus suis.

The study showed that piglets from sows that had been vaccinated with a prototype fusion protein vaccine had significantly fewer clinical signs of disease compared to piglets from sows that received a placebo, adjuvant-only, vaccine following challenge with a virulent strain of *Streptococcus suis* at 4 or 7 weeks of age.

Intervacc progresses vaccine to prevent mastitis in dairy cows caused by *Staphylococcus aureus*

Intervacc initiate a proof-of-concept study to measure the effectiveness of a vaccine to protect dairy cows against mastitis caused by *Staphylococcus aureus* following successful safety and immunogenicity studies testing this prototype vaccine in pregnant heifers. This next phase of the project will be receiving a grant of 80k Euro from the EU's VetBioNet initiative.

Mastitis is one of the most important diseases of dairy cattle worldwide. Over 2.6 million cases of disease, causing losses of approximately 600M€, occur in European farms each year. Approximately 25% of contagious mastitis cases are caused by *Staphylococcus aureus* and the control of mastitis is the most common reason for antibiotic use in dairy cows.

Certified adviser

Eminova Fondkommission is Intervacc's Certified Adviser.
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Dates for upcoming reports

August 31, 2022	Interim report Q2 January 1 - June 30, 2022
November 10, 2022	Interim report Q3 January 1 - September 30, 2022
February 17, 2023	Year-end report January 1 - December 31, 2022

Annual General Meeting

Annual General Meeting 2022 will take place on June 14, 2022.

Contact information

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The interim report for the period January – March 2022 is attached to this press release and is available on the company's website www.intervacc.se/investors/reports.

This information is information that Intervacc AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08.30 CET on May 20, 2022.

About Intervacc

Intervacc AB is a Swedish company within animal health developing safe, effective vaccines for animals. The Company's vaccine candidates are based on research at Karolinska Institutet and Swedish University of Agricultural Research where the foundation was laid for the Company´s research and development work. The Intervacc share has been listed on the Nasdaq First North Growth Market since April 2017.

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