

KVARKA.SE
*Together
against
strangles*
AN INITIATIVE FROM INTERVACC

2023

Annual report



*A Swedish company within animal health.
We develop modern, safe and effective vaccines for animals.*

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Intervacc AB (publ) is a Swedish company within animal health developing safe, effective vaccines for animals. The Company's technology platform is based on several years of research at Karolinska Institutet and Swedish University of Agricultural Sciences 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.

The Annual Report 2023 of Intervacc AB (publ) 556238-1748, consists of an administration report, income statement, balance sheet, cash flow statement, with notes (pages 18-47).

This report has been prepared in a Swedish original version and translated into English. In the event of any inconsistency between the two versions, the Swedish language version should have precedence.



2023 in brief

- ♥ During the year, the company's first developed vaccine, Strangvac®, has been available in several important European markets. The vaccine protects horses from equine strangles, which is a serious, potentially fatal, commonly occurring, and highly contagious global disease. Strangvac® is a vaccine that protects against all globally circulating strangles variants and has the potential to make a big contribution in the fight against this devastating disease. Important progress has been made, including the vaccinations at several leading facilities for the horse industry in Sweden.
- ♥ The regulatory approval process to sell Strangvac® in the USA has continued and during the year, tests have been successfully conducted, by a third party, on our Master Seedlots based on requirements from the United States Department of Agriculture, USDA. The next step is for these tests to be confirmed by the USDA.
- ♥ With the support from shareholders, a rights issue was conducted in the spring, whereby the company raised approximately 90.7 MSEK (net after share issue costs).
- ♥ In August, Jonas Sohlman was appointed as the interim CEO with immediate effect, following the departure of Andreas Andersson, in his role as CEO.
- ♥ A new phase in the development of a vaccine against *Streptococcus suis* in pigs began during the year, after the proof-of-concept study conducted in 2022 received very positive results. In November, the company obtained a patent in the USA for a vaccine against infections caused by *Streptococcus suis*.
- ♥ At the request from a minority group of shareholders, who together controlled more than a tenth of all shares in the company, an extraordinary general meeting was conducted at the end of November 2023. The meeting decided in accordance with the shareholder group's proposal, to appoint Håkan Björklund (chairman), Jan-Ingmar Flock, Lisen Bratt Fredricson, Lennart Johansson, and Camilla Ramfelt McCarthy as the new board.

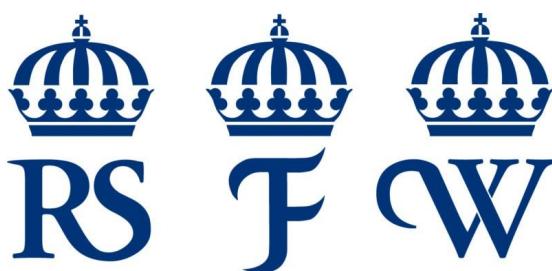


CEO comment

2023 was the first year with Strangvac® available on the market throughout the calendar year. From the launch until the end of 2023, it is estimated that over 10,000 horses have been vaccinated with Strangvac®. The sales work with the vaccine has continued, including new collaborations. Our goal is to make Strangvac® a part of the standard vaccination for horses.



Even though the sales growth for Strangvac® during the year was modest, important progress has been made and vaccinations occurred at several leading facilities for the horse industry in Sweden including the National Equine Centers Flyinge, Strömsholm and Wängen. These centers combine proven experience with new knowledge, which is integrated into education and spread to students and other collaborators. They also have large horse populations and are visited daily by both new people and horses, which is why infection control and horse welfare are essential issues to address.



The Swedish National Equestrian Centers Strömsholm, Flyinge and Wängen.

In December, Europe's leading experts in equine strangles met at Flyinge to share the latest experiences in infection control and vaccination. The meeting provided a unique opportunity to discuss and share the latest progress and experiences in the preventive work against equine strangles. We note an increasingly positive attitude among these experts both in terms of the safety and efficacy of Strangvac® based on positive experiences from vaccinations of horses in the field.

During the year, a collaboration with the insurance company Dunstan was initiated with the aim of reducing the spread of strangles and improving horse welfare. Cooperation with insurance companies is a natural way forward for us as both Intervacc and insurance companies seek to prevent disease. These new collaborations pave the way to protect both horses and economic interests in the equine sector in the best possible way.

We have also worked with and successfully conducted 'Webinar' activities with the aim of increasing knowledge about Strangvac® among the Swedish veterinary corps in terms of both use and its benefits, and also to come closer to horse owners.

Our activities during the year have continued to focus on spreading knowledge about how common, costly, contagious, and serious strangles is for horses. One of our goals is for Strangvac® to become mandatory in the same way as the flu vaccine. It is important that we inform veterinarians about our vaccine and that they feel confident to use and recommend Strangvac®. Horses that start to be vaccinated with Strangvac® will likely remain in the vaccination program for many years and thus reduce the risk of spreading infection and developing disease.

We have also continued to work with representatives of various horse organizations and associations within equestrian sports, trotting and racing with the aim of increasing knowledge about strangles and the opportunity to reduce the risks to these sectors through vaccination.

As part of the marketing of Strangvac® in both Sweden and Europe, Intervacc will participate in Strangles Awareness Week which in Sweden is conducted under the name Stoppa Kvarkan. The campaign that takes place at the beginning of May in several European countries bringing together many organizations that contribute to raising awareness of the importance of fighting equine strangles.



Sweden, United Kingdom, and the Netherlands, are examples of countries that participates in Strangles Awareness Week.

The approval process for Strangvac® on the U.S market has, as previously communicated, been delayed as the United States Department of Agriculture, USDA, had accumulated a large number of cases during the Covid period. The next step in this process is for our previously successfully conducted test results to be confirmed by the USDA.

The project to develop a vaccine against *Streptococcus suis* infections in pigs has both been granted a U.S patent and grants from Almi and Vinnova to optimise the manufacturing processes. At the beginning of 2024, a grant was also provided from the Eurostars 3 program to further develop Intervacc's prototype vaccine. The project extends over 3 years with a total budget of approximately 1.7 million euros, of which the Eurostars grant finances approximately 50%. We see this grant as further evidence of the value of our vaccine technology to improve animal health, reduce the need for antibiotics, and contribute to improved profitability for farmers. The project is being conducted in collaboration with Moredun Scientific (Scotland), Testa Center, the Swedish University of Agricultural Sciences, and the Karolinska Institute.

This highlights our project portfolio as an exciting part of the development of Intervacc.

The project to develop a vaccine against mastitis in dairy cows will be paused in 2024 after the proof-of-concept study conducted in 2023 gave inconclusive results regarding protective effect, which may be explained by an overly severe challenge in these studies.

During the year, the work to improve the company's analytical methods has continued with the aim of minimizing the risk of disruptions in the manufacturing process. As part of this, an extension of the shelf life for Strangvac®, from 24 to 33 months, was approved during the year. The extension of the shelf life is an essential part in creating more efficient product supply.

After starting as interim CEO, I am both happy and honoured to have received the board's confidence to lead Intervacc as the new CEO. It has been an eventful period with already completed financing, CEO change, and an extraordinary general meeting that decided to change the company's board in its entirety.

My perception is that Intervacc has performed an outstanding achievement by developing an approved vaccine against equine strangles in horses - Strangvac® - with very limited resources. We are now addressing the challenges of the commercial phase. I look forward to leading this work together with my dedicated colleagues.

Jonas Sohlman
CEO

TRAVHÄSTEN KVARKA

Efterlängtat vaccin mot Kvarka

“Det är viktigt att stoppa stigmatiseringen kring kvarka och göra det till något vi pratar om och är medvetna om, så man inte blir så chockad när det händer”. Det säger Gittan Gröndahl, tf statsveterinär vid Statens Veterinärmedicinska Anstalt (SVA).

Text: Anne Adre-Isaksson Foto: Emma Root, Wängem

Gittan Gröndahl upplever att kvarkasjukdomen tycks vara på väg att bli vanligare. Det ser ut som att den har blivit vanligare i olika delar av landet. Det har alltid varit en smittspridning i travvärlden. Just nu pågår en studie där man tittar på olika häststallar och hur kvarka bland de prover som kommer in. – För vi har tillräckligt många prover från olika besättningar så kan vi se om det finns några mönster, säger Gittan Gröndahl.

Första veckan i maj ordnades den så kallade “Kvarkavetkan” för tredje året i rad i Sverige, med syfte att sprida kunskap om sjukdomen. Sjukdomen gynnas av att hästar reser mycket idag. Nya hästarrangemang och det gynnar smittspridningen. Men nu finns ett vaccin som är väldigt effektivt. Men det har ingen större effekt på smittspridningen om hästarna inte är vaccinerade. – Det krävs att man vaccinerar sina hästar men det verkar ofta långt ifrån för en del. Man är inte van vid att det finns ett vaccin till att använda och det är vissa igångsättningar förklarar man målet över. En del tycker att det är jobbigt att man måste vaccinera flera gånger för att få ett grundskydd.



Vaccinet, Strangvac, har funnits om till på i ungefär ett år men många hästare fortfarande inte till att det finns ett vaccin mot kvarka. Vi har nu vaccinerat alla kolikhästar på Wängem, säger veterinär Ulf Hedenström. Foto: Emma Root

Isolera vid symptom

Andra tror förmodligen att det inte kommer att drabba dem. Några tycker att det blir dyrt med grundskyddet. Men Gittan Gröndahl menar att man måste ställa den korrelationen vad det kostar att bli drabbad.

– Det är en allvarlig sjukdom som finns mkt bland oss. Det är många gårdar som drabbas och det är viktigt att tänka efter före. Det finns hästar som blir rejält sjuka även om det finns lindriga former också. Det är pågående för hästarna och det blir stora utgifter.

För dem som drabbas eftersom veterinären stannar upp och det kan ta flera veckor, säger Gittan Gröndahl. – Man kan behöva stänga upp till sex veckor efter att sista hästen blivit frisk, men innan dess har det gått flera veckor av sjukdomsfall. De långa arbetsloften kostar pengar och det blir massor av extraarbete att skydda de hästar som inte blivit sjuka. Vaccinet, Strangvac, har funnits om länge i landet och det är många hästare fortfarande inte till att det finns ett vaccin mot kvarka.



Kvarka är en fruktansvärd sjukdom som man får i den i besättningen. Det tar lång tid att bli av med och hela verksamheten måste stängas ner.

Fakta / kvarka

Vid kvarka får hästarna ofta en allvarig och smittsam luftvägsinfektion med engångsfeber i huvudet. Lymfkörtlarna i halsen kan i vissa fall vara försvårad och bli en varig försvåring. Två smittbärande hästar kommer. Kvarka är en smittsamt sjukdom som smittas över via slemhinna och smittmedel (särskilt K-22). Använda sprutor och smittmedel ska tvättas och desinficeras. Smittan kan också överföras via smittmedel och smittmedel ska tvättas och desinficeras.

”Hela besättningen ska vaccineras mot kvarka”

På Björkhaga stuteri i Skåne har man valt att vaccinera samtliga 20 ettåringar och ska även börja vaccinera de singelstolar som är uppstallade på gården, som inte är dräktiga.

Text: Anne Adre-Isaksson Foto: Carina Carter, Björkhaga stuteri

Tanken är att hela besättningen ska vaccineras mot kvarka, säger Carina Carter, som driver Björkhaga stuteri tillsammans med sin man. På gården bedrivs stuteri och semioverksamhet med ungefär 50 flöstar inackorderade. I dagsläget finns 20 ettåringar och tre avelshingstar på gården.

Det stannar tar man emot ston för smittning om när säsongen är igång. Runt 120 ston per år vistas på Björkhaga. Gården består av två gårdar, dels kårer och smittan som Carina och hennes man driver. Här står alla dräktiga ston samt ettåringar. Dels ston och hans frus gård en bit ifrån där alla singelstolar står. – Vi separerar dem just med anledning av smittorisken, säger Carina.

Alla hästar som bor på gården är smittade mot kvarka och smittas över. Alla föl som är ett år och som är grundvaccinerade är mkt alltså också vaccinerade mot kvarka. – Vi har pratat med flera av våra kollegor runt om. När jag förtod att kvarkavaccinet fanns på marknaden var det självklart för oss att vaccinera, säger Carina. Kvarka är en fruktansvärd sjukdom

Intervacc a group focussed on animal health



1 Intervacc is an **Animal Health** company that develops and markets **vaccines**.

2 Intervacc **develops vaccines** based on **recombinant fusion proteins**.

3 The **organization is small** and relies on cooperation with selected **Partners**.

4 **Sales and marketing** is done through our **own organisation**, for selected markets, and by **distribution partner/s**.

5 The first product, **Strangvac**, is approved and for sale on the European Market.

Intervacc has its own sales organisation within the Nordic countries through its subsidiary Nord Vacc Läkemedel AB, which conducts marketing and sales of veterinary medicines on the Scandinavian market.

Our Swedac accredited laboratory in our subsidiary Mybac-Vettech AB performs diagnostic services in veterinary bacteriology within the Swedish market. Diagnostics is an important part of the animal healthcare chain and Mybac-Vettech's customers are mainly veterinary clinics and stud farms, where analysis of samples for horse breeding is an important part of the business.

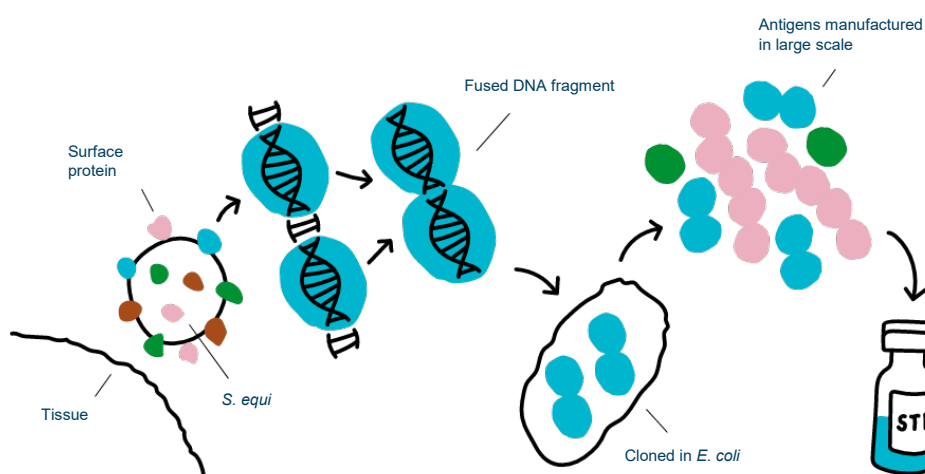
Vaccination and Intervacc's technology platform

Vaccination is one of the most effective medical measures to prevent infectious diseases. Vaccination primarily aims to prevent disease by strengthening the body's immune system against an infectious agent (pathogen) by activating various immune cells and the production of specific antibodies. The immune system learns to recognize the infectious agent and acquires an immunological memory that provides a faster and stronger defence in the event of an attack.

Viral pathogens, like influenza virus and the COVID-19 virus, attach to outer proteins on the surface of their target cells via the HA and spike proteins, respectively. The virus then enters the cell and takes control, redirecting the cell's processes to produce and release virus particles. This ability to control and utilise the processes within cells means that viruses need to produce far fewer proteins, but it also makes viruses vulnerable as they depend on a very delicate balance with their host. Whilst the relative simplicity of influenza and COVID-19 viruses apparently simplifies the task of vaccine design, both of these viruses mutate and change the appearance of HA and spike proteins through a process called 'antigenic drift', meaning that vaccines have to be revised and updated on a regular basis.

Bacterial pathogens, such as those targeted by Intervacc, produce an arsenal of several thousand different proteins, which together enable them to attach to cells, make nutrients and subvert the immune system in order to cause disease. This increased complexity has largely confounded the design of effective vaccines against bacterial pathogens. Intervacc's first target for vaccine design was *Streptococcus equi*, the causative agent of strangles in horses. *S. equi* produces over two thousand different proteins in order to cause disease.

Intervacc's technology platform involves linking parts of different bacterial genes that encode important bacterial proteins to form fusion proteins. Thanks to this technology, several important proteins can be incorporated into a few vaccine components. The key is to develop efficient and tailored proteins that enable protective antibodies to be formed by the body's immune system and at the same time are suitable for production on a large commercial scale. Through this innovative technology, Intervacc develops vaccines that target multiple disease-causing mechanisms in a highly selective and effective manner. The active ingredients in our recombinant vaccines thus do not contain live infectious agents, which means that there is no part of the bacteria in the vaccine that can cause the disease that the vaccine is designed to protect against.

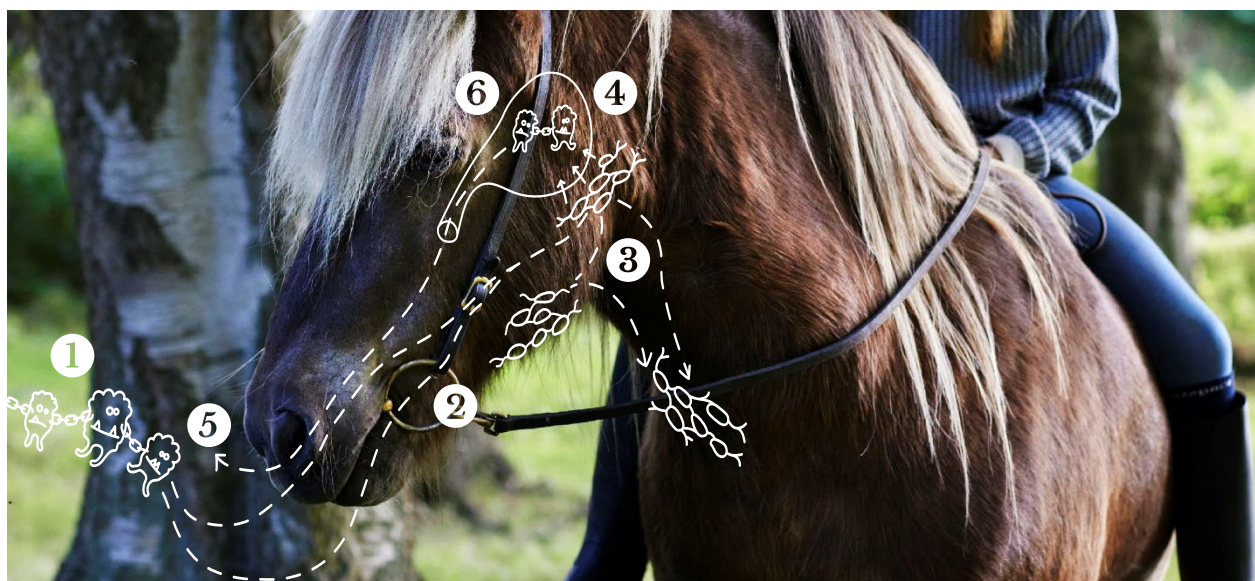


The tailored proteins in our vaccines give rise to a specific and protective antibody response that differs from the antibody response of the disease-causing microorganism. This means that through analysis it is possible to distinguish between an animal that has received a vaccine and an animal that is, or has been, infected. This property is called DIVA (Differentiation of Infected from Vaccinated Animals) and is invaluable during ongoing epidemics to distinguish vaccinated individuals from those who have, or have not had, the infection. A vaccine without DIVA property can be difficult to use in circumstances where you want to map and limit the spread of infection using serological sampling or other types of diagnostic testing. It is thus possible, when a vaccine has DIVA properties, to establish that a vaccinated animal has been exposed to a microorganism but has not developed clinical signs of the disease.

Streptococcus equi and strangles

S. equi can transmit through horse populations at incredible speed, with the potential to cause disease in all horses at an affected farm over a period of several months, and even years. *S. equi* is able to persist in the environment for several days and up to a month in drinking water. Once a horse comes into contact with *S. equi*, the bacteria attach to the cells in the horse's nose and mouth from where it can invade and establish an infection in the lymph nodes of the horse's head and neck within only a few hours. *S. equi* produces an arsenal of toxins and other factors that enable the bacteria to evade and misdirect the equine immune response, resulting in damage to the horse's tissue and the formation of abscesses. These lymph node abscesses can grow to be so large as to restrict the airway, leading to the death of some animals and providing an explanation regarding the naming of this disease.

In the majority of cases, abscess material drains naturally from the lymph nodes of affected horses and the infection resolves. However, despite recovering from clinical disease, approximately 10% of horses fail to eliminate *S. equi* from their guttural pouches, where the organism can persist for several years. These healthy recovered 'carrier' horses intermittently shed *S. equi* into the environment enabling transmission to new horses and the initiation of further cases of disease, explaining why strangles outbreaks can reoccur at previously affected premises and how *S. equi* has plagued populations of horses for hundreds, if not thousands, of years.



The lifecycle of strangles: 1. Exposure, 2. Attachment to horse tissue and invasion of lymph nodes, 3. Abscess formation, 4. Abscess rupture after a period of 6 to 21 days, 5. Drainage of pus, 6. Establishment of persistent infection.

Strangles is a common, highly contagious and serious infectious disease with up to 10% mortality and can affect all horses. The first clinical sign of *S. equi* infection, a raised body temperature of ≥ 38.5 °C, reflects the growing abscesses. Eventually, after a period of between 6 and 21 days, the abscesses burst, releasing highly infectious pus containing millions of *S. equi* cells. Studies in which horses were challenged by spraying *S. equi* into the nasopharynx (the area between the posterior nasal opening and the pharynx) showed that as few as 1000 bacterial cells were sufficient to establish infection. Therefore, a single drop of pus released from an abscessed lymph node has the theoretical potential to infect hundreds of horses. The trials of Intervacc's vaccine, Strangvac[®], demonstrated that significant levels of protection were provided to horses against a dose of 100 million *S. equi* cells.

Market

Intervacc's market is within veterinary vaccines and is one of the segments that are expected to drive the veterinary pharmaceutical market in the coming years.

The interest and need for vaccines against infectious diseases in food-producing and companion animals is increasing in the world. The increasing interest in vaccines is driven, among other things, by increased problems with the development of resistance to various antibiotics, new advances in vaccine technology, increased knowledge of the immune response and an increased appreciation of the importance of good animal welfare.

The global market for veterinary vaccines is expected to grow by about 6-10% annually. The UN, EU, and governments are working intensively to reduce the use of antibiotics. Today, more antibiotics are used for healthy animals than for sick people. The focus from governments to reduce the use of antibiotics and improve food security is further fuelling the need for effective vaccines against bacterial diseases.

Key EU trends

- **2011:** The European Commission's One Health Action Plan Against Antimicrobial Resistance
- **May 2020:** Farm to Fork Strategy with an objective to reduce the total EU sales of antimicrobials for use in farmed animals and aquaculture by 50% by 2030
- **January 2022:** European Parliament approved new legislation to ban the prophylactic use of antibiotics in farmed animals



We anticipate:

- **Near-term:** Increase in vaccinations as a disease prevention measure in healthy animals as antibiotics are phased out
- **Mid to long-term:** Further increase in vaccinations as disease rates are likely to rise among animal populations that are neither given antibiotics nor vaccines



Equine Strangles vaccine market

The primary markets for the company are the EU, North America, Australia, and New Zealand, where approximately one-third of the total number of horses are located. Globally, the number of horses is estimated to be around 60 million (FAOSTAT). Based on the number of sold vaccine doses in several European countries, the company estimates that approximately 30-60% of all horses in these markets are vaccinated against various infectious diseases, primarily influenza but also West Nile Fever, Herpes, Tetanus, and others. The two geographical markets, the EU and the USA, currently account for approximately 70% of the global market for veterinary vaccines.

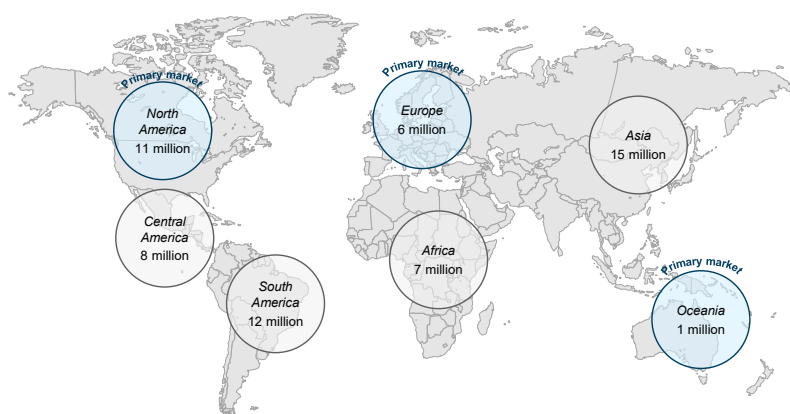
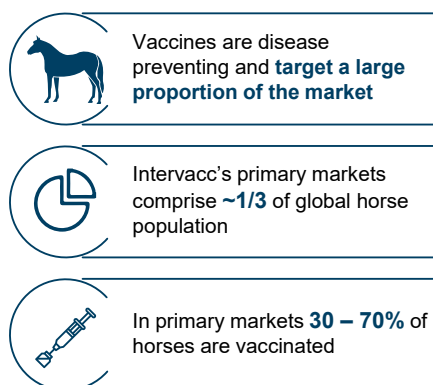


Image showing the number of millions of horses in different continents.

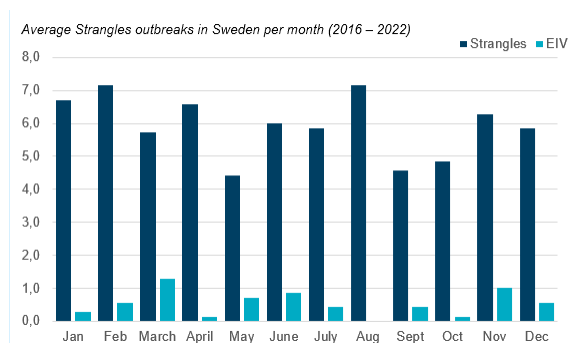
Marketing strategy

In the Nordic countries, we distribute Strangvac® through our own sales organization. To commercialize Strangvac® in Europe, excluding the countries where we sell ourselves, we have signed a distribution agreement with Dechra, which is one of the world's leading companies in animal health and one of the four largest players in Europe in drugs aimed at horses.

One of the cornerstones of our Strangvac® market strategy is to create and develop the market by spreading knowledge about how common, contagious and serious strangles is for horses. The disease is greatly underreported in many European countries, and we need to work to increase knowledge about this and possible measures to minimize the negative effects that equine strangles entails. It is also important to promote guidelines and recommendations for veterinarians and horse owners on how to use Strangvac® to prevent equine strangles. Ongoing experience, concerning both safety and efficacy, from the use of Strangvac® is here an important key. Equine strangles is a very common, highly contagious and serious infectious disease with up to 10% mortality and can affect all horses.

There is a stigma around equine strangles in most European countries, but there are initiatives to encourage openness about the disease - such as the campaign SAW (Strangles Awareness Week), which in Sweden is carried out under the name Stoppa Kvarkan. As more horses are vaccinated, we generate more knowledge about the safety and efficacy of Strangvac®, which builds confidence and encourages more veterinarians and horse owners to vaccinate. Our goal is to make Strangvac® part of the standard vaccination of horses. Strangvac® is an important tool for all horse owners who want to prevent equine strangles and protect their horses. Strangvac® is also a very cost-effective way to protect businesses against the large financial damage that an strangles eruption brings to stable owners, businesses with competition horses or riding schools. We also hope to create interest among the insurance companies to introduce financial incentives for the policyholders who vaccinate their horses.

Strangles outbreaks are common and occur throughout the year across Europe. As an example,



there are on average one or two outbreaks per week just in Sweden. Only the first index case in an outbreak is registered and an outbreak usually includes many horses. With vaccination we are convinced that these outbreaks can be reduced significantly and leading KOLs believe that Strangvac® has the potential to cut the number of outbreaks by 90% - akin to the benefits that have been realized by vaccination against equine influenza virus.

Patents

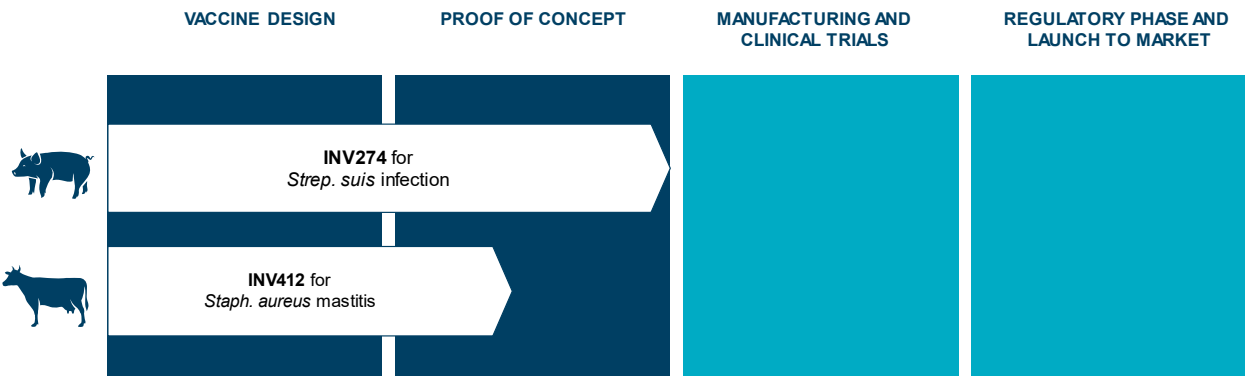
The company owns four patent families. The patent families include a total of about 20 issued patents in various countries and further patents pending. Intervacc has an active patent strategy, which means that applications for patents and trademark protection are submitted in the countries that are considered to have good market potential or are considered to be key markets for the product in question. As the company's products are biologically manufactured, this in itself means enhanced protection as biosimilars, in comparison with generics as copies of chemically manufactured drugs are called, are more difficult to develop and get approved. The company's assessment is that filed patent applications are likely to be granted and provide patent protection for all of the planned vaccine candidates.

Research and Development

A new generation of vaccines

Intervacc's business concept is to develop modern, effective and safe vaccines against bacterial infections that affect animals. The possibilities of examining the genome of pathogenic bacteria using molecular biological methods to design new vaccines have increased in the last decade. Our first proprietary vaccine Strangvac[®], a vaccine against the streptococcal infection strangles that affects horses, is now available in several important European markets.

Our current pipeline includes the following projects:



The infectious diseases addressed by each vaccine project are:

- sepsis and meningitis caused by the bacteria *Streptococcus suis*, which affects piglets.
- mastitis (udder inflammation) caused by the bacteria *Staphylococcus aureus*, which affects dairy cows.

Strangvac[®] on its way to other parts of the world

Parallel to the introduction in Europe, we are working to obtain a license for sales and distribution of Strangvac[®] in the U.S. The timeframe depends, among other things, on the scope for local studies and the time needed for the U.S. authority's inspection of our manufacturing partners' facilities. The application for a license for sales and distribution in Canada will be made in conjunction with the application in the U.S., and approval for Canada is expected to be approximately simultaneous or slightly after the approval for the U.S.

We plan to begin the formal approval process in Australia and New Zealand during 2024.

Our vaccine development projects against *Streptococcus suis* and *Staphylococcus aureus*-infections

Effective vaccines against these common infections are an important tool for enhancing animal health and welfare, improving the economics of food production and reducing the use of antibiotics. With Strangvac[®], we have shown that we can produce safe and effective vaccines that are easy to use. Strangvac[®] is administered intramuscularly and stored at normal refrigerator temperature.

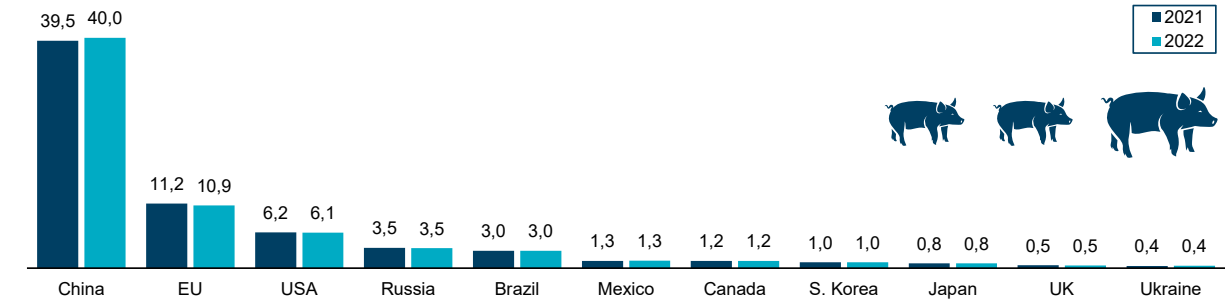
Strangvac[®] paves the way for a new generation of vaccines against bacterial infectious diseases. Based on the same technology platform, and with a focus on the same types of bacterial infections, we aim to develop more safe and effective vaccines. At the forefront of our development portfolio, we have a prototype vaccine against *Streptococcus suis* infections, one of the most serious infections affecting piglets.

S. suis infection is one of the most common bacterial causes of fatal infection in recently weaned pigs and is a major global health problem in the pig industry. *S. suis* is a zoonotic infection, which means that it also affects humans.

It is above all during the first weeks of life that piglets need protection. It can be difficult to get vaccines to work in very young individuals before the immune system is fully developed. It was therefore very good news when we previously showed in a crucial proof-of-concept study that vaccination of sows with our prototype vaccine provided statistically significant protection in the piglets through transfer of antibodies via the colostrum. Thus, by vaccinating the sow, rather than the piglets, it was possible to transfer protection to the piglets. There is currently no effective vaccine against *S. suis* infections and the demand for a vaccine is an unmet need. Today, *S. suis* infections are treated with antibiotics and there is reason to assume that the infection pressure will increase further as the use of antibiotics decreases. The EU aims to reduce antibiotic use by 50% from 2020 to 2030.



We estimate that there are just under 1 billion pigs globally, and approximately 150 million pigs in the EU. Of the 150 million pigs in the EU, approximately 10 million are breeding sows. Our results indicate a possible vaccination schedule where each breeding sow would receive a primary vaccination of 2 doses, followed by a dose before each litter. We estimate that a vaccine against *S. suis* infections that is based on sows being in a vaccination schedule with a booster before each farrowing has a total accessible market value of approx. SEK 1 (one) bn in Europe alone. *S. suis* is endemic in pig populations across the world.



USDA projections on Sow inventory (millions)

We have also made progress in our project to develop a vaccine against mastitis in dairy cows caused by *Staphylococcus aureus* this year and demonstrated that the prototype vaccine is safe and immunogenic in pregnant heifers. Mastitis is one of the most common bacterial diseases affecting dairy cows worldwide. In Europe alone there are 2.6 million cases of mastitis every year, causing annual losses of around 600 million euros, losses which have likely increased further with the rising price of milk. Approximately 25% of mastitis cases are caused by *S. aureus*, and mastitis is the most common reason for antibiotic use in dairy cows. We have no plans to conduct further studies in target animals in 2024 after the proof-of-concept study conducted in 2023 gave inconclusive results regarding protective effect, which is likely explained by an excessively high infectious dose in these studies.



Board of Directors and organization

Strengthening the organization

New CEO

On August 21, the board appointed Jonas Sohlman as interim CEO with immediate effect, after Andreas Andersson left his role as CEO. On February 28, 2024, the board announced that interim CEO Jonas Sohlman has been appointed as the new CEO of Intervacc AB.

Board of Directors

In accordance with the Nomination Committee's proposal, the Annual General Meeting on June 7th resolved to elect Boel Sundvall as new member of the Board of Directors and re-elect the Board members Ed Torr, Bengt Guss, Björn Sjöstrand, Niels Holck, Michela De Carli and Stefan Ståhl. Björn Sjöstrand was elected Chairman of the Board.

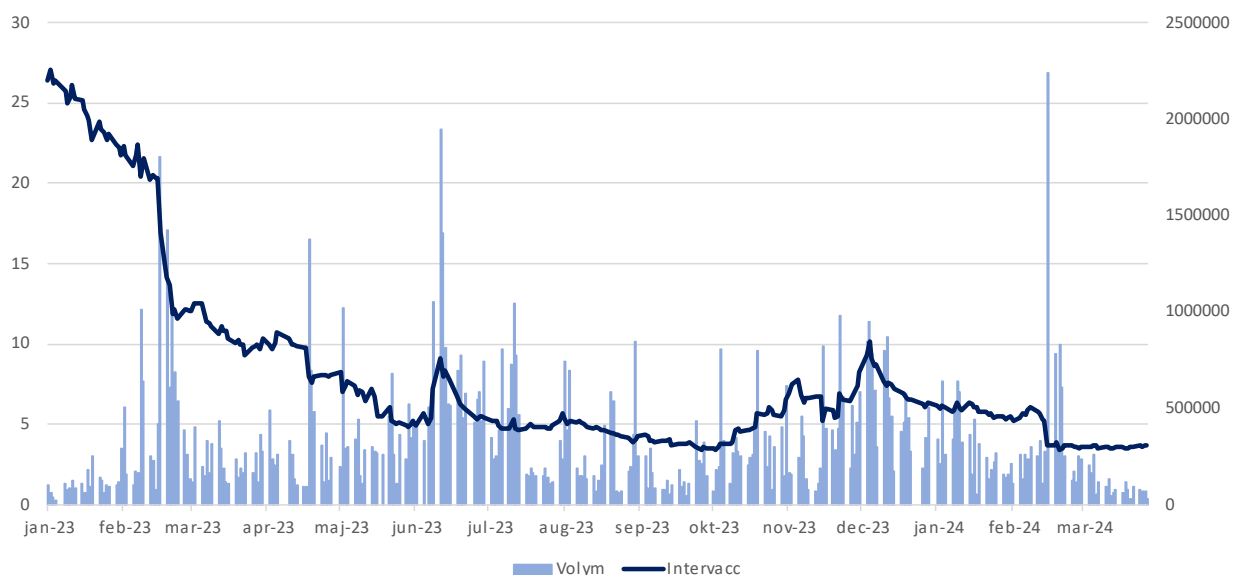
At the request of a minority group of shareholders, who together controlled more than a tenth of all shares in the company, an extraordinary general meeting was conducted at the end of November 2023. The meeting decided in accordance with the shareholder group's proposal, to appoint Håkan Björklund (chairman), Jan-Ingmar Flock, Lisen Bratt Fredricson, Lennart Johansson, and Camilla Ramfelt McCarthy as the new board.



The share

The company's share is listed on Nasdaq First North Growth Market, Stockholm and traded since April 2017 with the tickename "IVACC" (ISIN SE0009607252).

Intervacc share's closing prices from January 1st, 2023 until March 31st 2024



Shareholders

At the end of 2023 Intervacc had about 17 000 shareholders, which implies a reduction of approx. 8% in the number of owners during the year. The 14 major shareholders controlled about 32% of capital and votes at the year end. A compilation of major shareholders can be found in the administration report.

Share Capital

At the end of 2023 share capital in Intervacc amounted to SEK 151,5 million. The number of shares was 75 736 264 corresponding to a quota value per share of SEK 2,00.

Share volume

During the year totally 87,3 million shares were traded worth a total of SEK 724 million. On average 347 680 shares were traded per day (source: NASDAQ).

Equity Research

The company have used Penser Access by Carnegie, with Henrik Holmer as responsible analyst, for Equity Research. During the month of August Henrik was succeeded by Magnus Behm. This is a paid ongoing analysis assignment that can be followed at epaccess.penser.se/bolag/intervacc/.

Investor Relations

In 2023, Intervacc participated in a number of investor relations activities, for example at Carnegie Healthcare seminar and interviews in the Penser Access podcast. In connection with the quarterly reports for the third and fourth quarters of 2023, the reports have been presented and commented on via teleconference and audiocast carried out in collaboration with Financial Hearings.

Certified Adviser

Eminova Fondkommission AB act as the Company's Certified Adviser and are responsible for overseeing that Intervacc complies with the rules and guidelines set forth by First North Growth Market. For more information contact Eminova Fondkommission AB, info@eminova.se, phone +46(0)8-684 211 00.

Image from the Riding school at Strömsholm, outdoor ride in front of the castle, photo from the National Equine Centres.



ADMINISTRATION REPORT

The Board of Directors and the CEO of Intervacc AB (publ.) Corporate identity number 556238-1748, based in Stockholm, hereby submit the annual report and consolidated statements for the financial year 2023-01-01 - 2023-12-31. Figures in parentheses refer to the previous year. All amounts are expressed in thousands of kronor (TSEK) unless otherwise stated.

The business

Company

Intervacc AB (publ) based in Stockholm is developing new vaccines against bacterial infections within animal health. The vaccines are based on technology using fused recombinant proteins. The principle of Intervacc's vaccine development is to identify surface-located bacterial proteins that stimulate an effective immune response and to combine them with recombinant technology.

Strangvac® is the first proprietary vaccine in the company's development portfolio and it has been introduced in important markets in Europe during 2022. In parallel with the introduction in Europe, the company is working to obtain a license for the sale and distribution of Strangvac® in the U.S. market. The company plans to start the formal application process for approval in Australia and New Zealand during 2024.

The subsidiary Nord Vacc Läkemedel AB (556323-1090) is a distributor of veterinary medicines and has an established sales and marketing organization in the Nordic markets. In Denmark, operations take place through a branch office of Nord Vacc Läkemedel AB. The group also includes the Swedish company Mybac-Vettech AB (556336-6243) which performs diagnostic services in veterinary bacteriology, which includes horses.



Financial Summary

Sales

Net sales for the fiscal year 2023 amounted to SEK 8.0 million, which is a decrease of SEK 1.7 million compared to 2022. Sales are still at a modest level.

Operating result

The operating profit for 2023 was a loss of SEK -93.6 million, which is a deterioration of SEK -29.2 million compared to 2022. During the third quarter of 2023, the operating profit was burdened with write-downs and provisions of a one-off nature totalling approximately SEK -21.2 million, and excluding these items, the operating profit amounted to SEK -72.4 million for 2023 and the deterioration compared to 2022 amounted to SEK -8.0 million.

The operating results in both 2022 and 2023 have further been burdened with costs for the projects that the company runs and which refer to both production improvements and regulatory compliance which aim to provide greater flexibility and stability in manufacturing and at the same time ensure that products are manufactured and controlled according to quality standards. Developing and commercializing a vaccine in-house is costly. It is therefore natural that the company does not reach profitability as sales are still limited.

The negative operating profit is consequently and mainly explained by the fact that the group's first in-house developed product, Strangvac[®], still has limited sales.

Cash Flow

The company does not yet generate a positive cash flow from business operations. In 2023 the cash flow from current operations was SEK -45.8 million, which is an improvement of SEK 24 million compared to 2022. The share issue in June 2023 meant that the company received a net injection of SEK 90.7 million and that the cash flow during the year was positive with SEK 42.6 million, which compared to the previous one is an improvement of SEK 112.6 million.

Financial position

On the balance sheet date 2023, equity amounted to SEK 237.9 million, which is a deterioration of SEK 12.3 million since the annual accounts for 2022. Cash and cash equivalents are largely affected by the commercialization of Strangvac[®] in Europe and the investments made in research and development, including upcoming regulatory process with the USDA for an approval on the US market. With regard to the project portfolio, this primarily refers to the vaccine prototype against *S. suis* infections in pigs where the company has received grant funding from the Eurostars 3 program for a project that runs for three years. Cash and cash equivalents on the balance sheet date 2023 amounted to SEK 88.3 million, which gives the company the opportunity to run the business more than 12 months. In order to give us the opportunity to speed up the sales development of Strangvac[®] and accelerate the company's development in the longer term, we will begin the work of strengthening the company's financial position.

Five-year comparison Group

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Net sales	8 015	9 684	5 241	4 780	12 139
Loss after financial items	-91 464	-64 155	-29 375	-25 601	-27 892
Net result in % of net sales	-1141%	-662%	-560%	-536%	-230%
Total assets	259 611	265 035	329 393	355 282	237 067
Solidity %	92%	94%	94%	95%	93%

Definition of key figures note 27

Five-year comparison parent company

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Net sales	5 422	6 951	259	-	-
Loss after financial items	-76 636	-53 750	-19 327	-15 002	-14 197
Total assets	293 581	295 216	348 641	368 360	243 515
Solidity %	93%	95%	95%	96%	94%

Definition of key figures note 27



Shareholdings

The table below shows major shareholders in Intervacc at December 31st, 2023.

Shareholder	Number of shares	% of cap/votes
Robur	5 129 802	6,8%
Fjärde AP-fonden	3 750 000	5,0%
B. Sjöstrand	1 876 862	2,5%
M. Lundberg	1 848 148	2,4%
H. Björklund	1 847 147	2,4%
SN-P Särskilda Pensionsstiftelse	1 633 155	2,2%
K. Janzon	1 215 000	1,6%
Aktia Asset Management Oy	1 155 000	1,5%
Nordea Småbolagsfonder	1 124 066	1,5%
K. Dahlbäck	1 119 887	1,5%
Aktie-Ansvar Sverige	1 050 000	1,4%
R. Lucander	825 278	1,1%
N. Aguiar	739 007	1,0%
Jyske Bank/Bank of NY	690 949	0,9%
Other	51 731 963	68,3%
Total	75 736 264	100,0%

Image from the the stable plan on Riding school at Strömsholm, photo from the National Equine Centres.



Assessments, risks and uncertainty factors

In order to prepare reporting, the management and the Board must make assessments and assumptions that affect assets and liabilities, as well as income and expenses reported in the financial statements. The conditions for Intervacc's operations change gradually, which means that these assessments can change and affect both the company's position and profitability. The estimates and judgments in this section are those that are judged to be most important based on the significance of the assessments, risks and uncertainty factors.

Strangvac®

Since only one of Intervacc's vaccine projects has been launched and can generate income, a significant part of the Company's assessed asset value can be attributed to the commercialization of this vaccine. If the Company is not successful in its commercialization and in achieving expected market acceptance for Strangvac, it would risk having a negative impact on the Company's operations. Although the Company has received market approval for Strangvac® and sales have begun in 2022 in several markets within Europe, there is a risk that the commercialization of Strangvac® will not be successful and that the vaccine will not reach the expected market acceptance among veterinarians, industry organizations and animal owners. In the event that the Company fails to obtain expected market acceptance, it may lead to delayed or non-existent commercial success for Strangvac®.

Financing

Research and development of pharmaceuticals is to a great extent a risky, complicated, timeconsuming and capital-intensive process. The company does not yet generate enough cash flow from its own business to finance its operations. There is a risk that financing cannot be secured for future capital needs or that such financing cannot be obtained on favorable terms, which can have negative effects on the company's survival, development and investment opportunities.

Key personnel

Intervacc is highly dependent on senior executives and other key personnel. Loss of key personnel can have negative financial and commercial effects on the company.

Manufacturing

The company is in an early phase in the commercialization of Strangvac® and relatively few batches have been manufactured. This means an increased risk of production disruptions compared to a later phase where more experience with the manufacturing process and analysis methods has been accumulated. Analysis methods and manufacturing processes may need to be developed, refined and improved, which can lead to delays and shortages, which affects the Company's ability to generate revenue and profitability. Manufacturing biological medicines is complex and takes place in several steps, and even for an approved vaccine like Strangvac®, disruptions in the manufacturing process can occur. The company does not have its own vaccine manufacturing, and is for Strangvac® dependent on contracted external manufacturers for components of the vaccine and for filling and packing. If for any reason an external manufacturer does not fulfill agreed commitments regarding, for example, quantity, quality, and delivery time, or if for other reasons deliveries cannot take place in accordance with the Company's expectations, there is a risk that sales will be negatively affected.

Sales and distribution

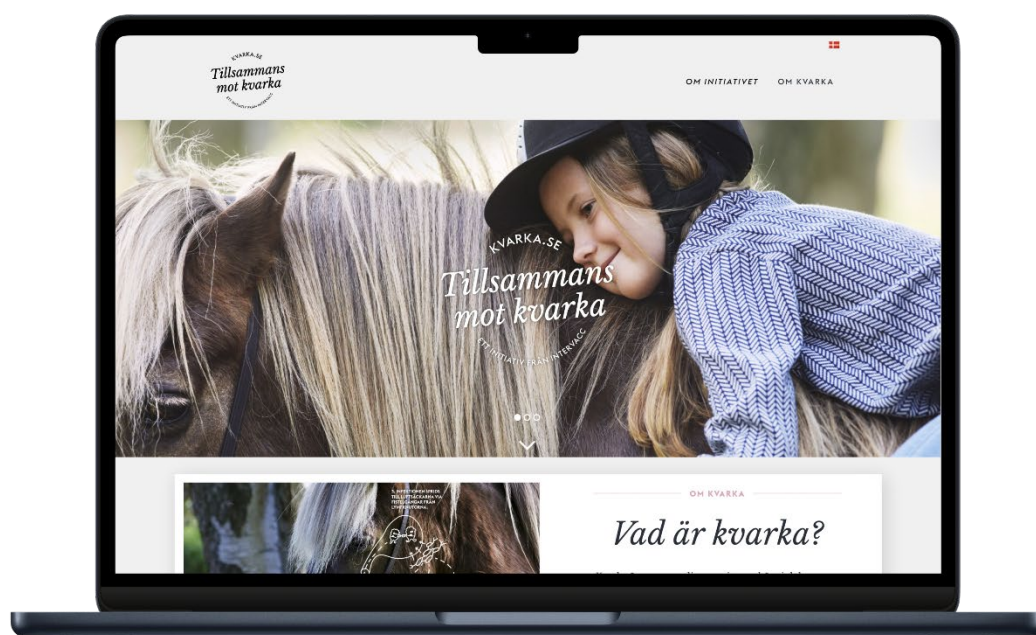
There is always a risk that the Company or its partners will not achieve expected sales targets, which will result in lower revenues than forecasted. There is also a risk that the company is unable to deliver products due to problems with manufacturing, lack of resources, disruptions to external suppliers, lack of product quality, problems with regulatory compliance or disruptions in the supply chain that affect the manufacture, sales and logistics of the company's products.

Currency risks

The group is exposed to currency risks which, due to unfavourable changes in exchange rates, can negatively affect earnings and equity. Currency risks involve the risk that the fair value of future cash flows will vary due to exchange rate movements. Exposure to currency risk arises primarily from payment flows in foreign currency and when converting balance sheet items in foreign currency to the Group's reporting currency, which is Swedish kronor (SEK). The company's outflows mainly consist of SEK and EUR, which are the same currencies as for the company's inflows from operational activities. Sales to external distributors take place in EUR, while sales under own management take place in SEK. At the time of this report's publication, the group does not hedge currency risks.

The war in Ukraine

In addition to the deteriorating security situation, the war brings an obvious risk of disruptions in supply chains, price increases for raw materials, energy and transport. In the group, there are no suppliers, subcontractors or customers in Russia, Belarus or Ukraine and as of the date of signing this annual report, we have not seen any effects affecting business operations.



Significant events during the year

European Medicines Agency (EMA) and the Veterinary Medicines Directorate (VMD) extends the shelf life for Strangvac, a vaccine against equine strangles, to 33 months

After reviewing stability data the European Medicines Agency (EMA) and the Veterinary Medicines Directorate (VMD), the authority responsible for veterinary medicines in the United Kingdom, approved the application for extended shelf life for Strangvac® to 33 months from previously 24 months.

The Board of Directors in Intervacc resolved on a fully secured rights issue of approximately SEK 104 million

The Board of Directors resolved on May 11, 2023, with the support from an Extraordinary General Meeting that was held on May 5, 2023, a fully secured rights issue of shares equivalent to approximately SEK 104 million before deductions for transaction costs (the "Rights Issue"). The Rights Issue was fully secured by obtained subscription undertakings and declaration of intentions to subscribe for shares from certain existing shareholders, among others, Handelsbanken Fonder, Swedbank Robur, Fjärde AP-fonden, Aktie-Ansvar Sverige and Aktia Asset Management, and members of the Board of Directors and executive management.

Reporting of the outcome in the fully secured rights issue.

In the beginning of June the outcome of the fully secured rights issue was announced after the subscription period in the rights issue in Intervacc AB (publ) ended on June 7, 2023. The subscription rate in the rights issue amounted to 158 percent. Guarantee commitments made in connection with the rights issue were thus not utilized. Intervacc was provided with approximately SEK 104 million through the issue before deduction of share issue costs.

Annual General Meeting 2023

Intervacc AB (publ) held its Annual General Meeting ("AGM") for the 2022 financial year on Wednesday 7th June 2023. The AGM resolved, in accordance with the Nomination Committee's proposal, to elect Boel Sundvall as member of the Board and re-elect Ed Torr, Niels Holck, Björn Sjöstrand, Bengt Guss, Michela de Carli and Stefan Ståhl as members of the Board. Björn Sjöstrand was re-elected as chairman of the Board.

Andreas Andersson steps down as President and CEO. Jonas Sohlman has been appointed acting President and CEO for Intervacc

On August 21, 2023 – The Board of Directors for Intervacc AB (publ) has agreed with Andreas Andersson that he will leave his role as CEO. The Board of Directors have appointed Jonas Sohlman as acting CEO with immediate effect.

Intervacc granted funds for the start-up phase of a development project aimed at developing manufacturing processes for a prototype vaccine against *Streptococcus suis* infections in pigs.

During July Intervacc was provided a grant from Almi of approximately 118 kSEK for the initiation of a project with Testa Center, Uppsala, to optimise the development of manufacturing processes for a prototype vaccine against *Streptococcus suis* infections in pigs.

Intervacc awarded grant to optimise production processes for a fusion protein, which is one component of a prototype vaccine for pigs

During August Vinnova awarded an “industrial research” grant of 800 TSEK to Intervacc as part of a project with Testa Center, Uppsala, Sweden, to optimise the manufacturing processes of one component for a prototype vaccine for pigs.

Intervacc granted U.S. patent approval for its vaccine against infections caused by *Streptococcus suis*

The United States Patent and Trademark Office granted an approval for Intervacc’s patent application in the United States for a vaccine against *Streptococcus suis* infections in pigs. The U.S. Patent No. 11,814,415 relates to a vaccine based on recombinant fusion proteins where patent protection is effective until 2037.

Nomination Committee appointed in Intervacc

The composition of the Nomination Committee has been determined, Intervacc announced on October 30 that the Nomination Committee consists of the following persons who together represent approximately 17 percent of the number of shares and votes in the company based on the shareholder information as of August 31, 2023.

- Ulrika Enhöming, appointed by Swedbank Robur Fonder
- Thomas Ehlin, appointed by Fjärde AP-fonden
- Magnus Lundberg, appointed by Håkan Björklund and Magnus Lundberg

The chairman of the board convenes the election committee.

Extraordinary General Meeting in Intervacc AB (publ)

At the request of a group of shareholders which together controlled more than one-tenth of all shares in Intervacc, an Extraordinary General Meeting ("EGM") was held on November 23, 2023.

The EGM resolved, in accordance with the shareholder group's proposal, that the Board of Directors shall consist of five board members without deputies. Furthermore, the general meeting resolved, in accordance with the proposal from the shareholder group, to appoint Håkan Björklund (chairman), Jan-Ingemar Flock, Lisen Bratt Fredricson, Lennart Johansson, and Camilla Ramfelt McCarthy as the new board members for the period until the end of the next annual general meeting.

European experts on equine strangles, met at the National Equestrian Centre at Flyinge to share experiences on the use of vaccination to prevent strangles.

In December European experts on equine strangles, met at the National Equestrian Centre at Flyinge to share experiences on the use of vaccination to prevent strangles. Intervacc and its European distribution partner Dechra, supported this gathering of the top European equine strangles experts and presents a unique opportunity to explore and share the latest advances in strangles prevention and treatment.

Image from Flyinge with riders at the chestnut farm, photo from the National Equine Centres



Significant events after year end

Intervacc awarded prestigious Eurostars grant to advance its new prototype vaccine against *Streptococcus suis* infection in pigs

On February 7, 2024 Intervacc was together with Moredun Scientific, awarded a grant from the Eurostars-3 programme covering approx. 50 % of the €1.7 million project to advance Intervacc's prototype vaccine against *Streptococcus suis* infections in pigs.

Streptococcus suis causes meningitis, septicaemia and arthritis in young piglets, leading to significant costs to the pig industry throughout the world. Intervacc's innovative vaccine technology utilises fusion proteins to generate broad acting immune responses that provide protection to animals from complex bacterial diseases. A particular challenge for vaccines against *S. suis* is the onset of disease in very young pigs shortly after weaning, before most vaccines have an ability to take effect. However, in proof-of-concept studies, the consumption of colostrum from sows that were vaccinated with Intervacc's prototype vaccine provided significant levels of protection to piglets against *Streptococcus suis* at both 4 and 7 weeks of age. The control of disease caused by *S. suis* currently requires extensive use of antibiotics. *S. suis* is also an important cause of zoonotic disease in humans. Therefore, the development of a safe and effective vaccine that protects piglets is an urgent unmet need.

Jonas Sohlman appointed as new CEO for Intervacc AB

On February 28, 2024 the Board of Directors for Intervacc AB (publ) announced that acting CEO Jonas Sohlman has been appointed as the new CEO of Intervacc AB and assumes the position immediately.

Changes in the Nomination Committee

Since the Nomination Committee members Ulrika Enhörning, appointed by Swedbank Robur Fonder and Thomas Ehlin, appointed by Fjärde AP-fonden in December 2023 announced that they had chosen to resign from their assignment in the Nomination Committee these changes in composition of the Nomination Committee was announced in front of the Annual General Meeting 2024.

- Magnus Lundberg, appointed by ownership group consisting of Håkan Björklund and Magnus Lundberg
- Christian Rudbäck, appointed by ownership group consisting of Jan-Ingemar Flock, NR Bergman Holding AB, Kenneth Janzon, Christian Rudbäck och Johan Virgin.
- Björn Sjöstrand, own possession.

The Nomination Committee together represent approximately 11 percent of the number of shares and votes in the company based on the shareholder information as of December 31, 2023.

Changes in equity

Amounts in TSEK

Group

	Group			
	Share capital	Other contributed equity	Other equity including net loss for the year	Sum
Equity by 2022-01-01	100 321	287 688	-79 757	308 252
New share issue	661	5 459		6 120
Share issue expenses		-100		-100
Conversion difference			45	45
Net loss for the year			-64 158	-64 158
Equity by 2022-12-31	100 982	293 047	-143 870	250 159
Equity by 2023-01-01	100 982	293 047	-143 870	250 159
New share issue	50 491	53 015		103 506
Share issue expenses		-12 782		-12 782
Conversion difference			-100	-100
Net loss for the year			-102 852	-102 852
Equity by 2023-12-31	151 473	333 280	-246 822	237 931

Parent Company

	Restricted equity			Non-restricted equity			
	Share capital	Statutory reserve	Development expenditure fund	Share premium reserve	Loss brought forward	Loss for the year	Sum
Equity by 2022-01-01	100 321	17	112 594	287 671	-146 571	-23 111	330 921
New share issue	661			5 459			6 120
Share issue expenses				-100			-100
Transfer to development expenditure fund			4 242		-4 242		0
Transfer from development expenditure fund			-14 556		14 556		0
Transfer of last years result					-23 111	23 111	0
Net loss for the year						-55 116	-55 116
Equity by 2022-12-31	100 982	17	102 280	293 030	-159 368	-55 116	281 825
Equity by 2023-01-01	100 982	17	102 280	293 030	-159 368	-55 116	281 825
New share issue	50 491			53 015			103 506
Share issue expenses				-12 782			-12 782
Transfer to development expenditure fund			424		-424		0
Transfer from development expenditure fund			-6 179		6 179		0
Transfer of last years result					-55 116	55 116	0
Net loss for the year						-98 849	-98 849
Equity by 2023-12-31	151 473	17	96 525	333 263	-208 729	-98 849	273 700

Disposition of the company's results

The Board of Directors and the President's proposal for disposition of the company's results.

Available to the Annual General Meeting, SEK

Loss brought forward	-208 730 158
Share premium reserve	333 264 202
Loss for the year	<u>-98 849 139</u>
	25 684 905

The Board of Directors and the President propose that SEK 25 684 905 is carried over.

Image on horseback with bridle cap and emblem for Riding School Strömsholm and Flyinge, photo from the National Equine Centres



INCOME STATEMENT

		Group		Parent company	
Amounts in TSEK		2023-01-01	2022-01-01	2023-01-01	2022-01-01
	Note	-2023-12-31	-2022-12-31	-2023-12-31	-2022-12-31
Operating income					
Net sales	3	8 015	9 684	5 422	6 951
Work performed by the company for its own use and capitalized		12	2 668	12	2 668
Other operating income		1 744	729	1 390	716
Total		9 771	13 081	6 824	10 335
Operating expenses					
Raw materials and consumables		-558	-6 314	-15 435	-5 905
Goods for resale		-21 263	-2 671	-1 604	-2 735
Other external costs	4	-36 588	-26 873	-34 541	-25 017
Employee benefit expenses	5, 6	-19 689	-19 611	-15 049	-14 745
Depreciation/amortization of property, equipment and intangible assets		-24 599	-20 858	-18 634	-14 874
Other operating expenses		-653	-1 167	-319	-1 079
Total operating expenses		-103 350	-77 494	-85 582	-64 355
Operating loss		-93 579	-64 413	-78 758	-54 020
Profit and loss from financial items					
Other interest income and similar profit items		2 248	383	2 247	383
Interest income and similar loss items		-133	-125	-125	-113
Total financial items		2 115	258	2 122	270
Loss before appropriations		-91 464	-64 155	-76 636	-53 750
Appropriations					
Group contribution paid		-	-	-12 536	-1 366
Loss before taxes		-91 464	-64 155	-89 172	-55 116
Taxes					
Tax on profit for the year	7	-11 388	-3	-9 677	-
Net loss for the year		-102 852	-64 158	-98 849	-55 116

The result is entirely attributable to the parent company's owners

Earnings per share before dilution attributable to the Parent Company's shareholders, SEK/share	8	-1,59	-1,28
Earnings per share after dilution attributable to the Parent Company's shareholders, SEK/share	8	-1,59	-1,28

BALANCE SHEET

		Group		Parent company	
Amounts in TSEK	Not	2023-12-31	2022-12-31	2023-12-31	2022-12-31
ASSETS					
Fixed assets					
Intangible assets					
Capitalized expenditure for research and development and similar	9	144 435	160 945	144 435	160 945
Patent	10	9 317	9 073	9 317	9 073
Goodwill	11	-	5 893	-	-
Total intangible assets		153 752	175 911	153 752	170 018
Tangible assets					
Equipment, tools, fixtures and fittings	12	1 001	1 334	912	1 228
Total tangible assets		1 001	1 334	912	1 228
Financial assets					
Participation in group companies	13	-	-	35 922	35 922
Receivables from group companies	14	-	-	2 939	7 193
Deferred tax asset	15	-	11 387	-	9 677
Total financial assets		0	11 387	38 861	52 792
Total fixed assets		154 753	188 632	193 525	224 038
Current assets					
Inventories etc.					
Raw material and consumables		8 951	21 926	8 779	21 795
Finished products and goods for resale		1 532	2 478	-	-
Advance payment to suppliers		-	3 019	-	3 019
Total inventories		10 483	27 423	8 779	24 814
Current receivables					
Account receivables - trade		644	1 292	-	675
Current tax assets		731	360	-	291
Other receivables		1 568	845	2 152	833
Prepaid expenses and accrued income	16	3 091	784	2 610	416
Total current receivables		6 034	3 281	4 762	2 215
Cash and bank balances					
Cash and bank	17	88 341	45 699	86 515	44 149
Total cash and bank balances		88 341	45 699	86 515	44 149
Total current assets		104 858	76 403	100 056	71 178
TOTAL ASSETS		259 611	265 035	293 581	295 216

BALANCE SHEET

		Group		Parent company	
Amounts in TSEK	Not	2023-12-31	2022-12-31	2023-12-31	2022-12-31
EQUITY AND LIABILITIES					
Equity, group					
Share capital		151 473	100 982		
Other contributed equity		333 280	293 047		
Other equity including net result for the period		-246 822	-143 870		
Total equity, group		237 931	250 159		
Equity, parent company					
<i>Restricted equity</i>					
Share capital	18			151 473	100 982
Statutory reserve				17	17
Development expenditure fund				96 525	102 280
Total restricted equity				248 015	203 279
<i>Non-restricted equity</i>					
Share premium reserve				333 263	293 030
Loss brought forward				-208 729	-159 368
Loss for the year				-98 849	-55 116
Total non-restricted equity				25 685	78 546
Total equity, parent company				273 700	281 825
Non-current liabilities					
Liabilities to credit institutions	19	142	183	142	183
Total non-current liabilities		142	183	142	183
Current liabilities					
Liabilities to credit institutions	19	39	139	39	39
Advance payment from customers		1	-	-	-
Accounts payable - trade		8 382	5 614	7 685	5 191
Liabilities to group companies		-	-	403	379
Other liabilities		1 630	1 171	1 098	851
Accrued expenses and deferred income	20	11 486	7 769	10 514	6 748
Total current liabilities		21 538	14 693	19 739	13 208
TOTAL EQUITY AND LIABILITIES		259 611	265 035	293 581	295 216

CASH FLOW STATEMENT

Amounts in TSEK	Not	Group		Parent company	
		2023-12-31	2022-12-31	2023-12-31	2022-12-31
Operating activities					
Operating result		-93 579	-64 413	-78 758	-54 020
Adjustment for non-cash items	21	42 027	20 902	34 069	14 874
Interest received		2 248	383	2 247	383
Interest paid		-133	-125	-125	-113
Cash flow from operating activities before working capital changes		-49 437	-43 253	-42 567	-38 876
Cash Flow from changes in working capital					
Change in inventories		-588	-20 810	600	-19 768
Change in receivables		-2 753	427	-2 547	397
Change in current liabilities		6 944	-6 154	6 530	-4 290
Cash flow from operating activities		-45 834	-69 790	-37 984	-62 537
Investing activities					
Investment in capitalized expenditure for research and development	9	-1 035	-4 242	-1 035	-4 242
Investment in patents	10	-1 016	-1 009	-1 016	-1 009
Purchase of property and equipment	12	-56	-881	-	-881
Sale of property and equipment	12	0	0	-	-
Cash flow from investing activities		-2 107	-6 132	-2 051	-6 132
Financing activities					
New share issue		103 506	6 120	103 506	6 120
Share issue expenses		-12 782	-100	-12 782	-100
Repayment of debt		-141	-111	-41	-39
Changes in loans to group companies	14	-	-	-8 282	-7 040
Cash flow from financing activities		90 583	5 909	82 401	-1 059
Cash flow for the year		42 642	-70 013	42 366	-69 728
Cash at the beginning of the year		45 699	115 712	44 149	113 877
Cash at the end of the year		88 341	45 699	86 515	44 149

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Note 1. Accounting principles

The annual report has been prepared in accordance with the Annual Accounts Act (1995: 1554) and BFNAR 2012: 1 Annual Report and Consolidated Accounts (K3). The principles are unchanged compared with the previous year. The company's reporting currency is Swedish kronor and amounts are reported in thousands of kronor (TSEK) unless otherwise stated. The Parent Company applies the same accounting principles as the Group, except in the cases listed below under the section "Parent Company's accounting principles".

Consolidated financial statements.

The consolidated financial statements have been prepared in accordance with the acquisition method. The acquisition method means that an acquisition of a subsidiary is regarded as a transaction whereby the parent company indirectly acquires the subsidiary's assets and liabilities. From the time of acquisition, the consolidated accounts include the acquired subsidiary's earnings, assets and liabilities as well as any goodwill (or negative goodwill) incurred.

Subsidiaries are companies in which the parent company directly or indirectly holds more than 50% of the voting rights or otherwise has a controlling influence. Controlling influence means a right to formulate a company's financial and operational strategies in order to obtain financial benefits.

Translation of subsidiaries and foreign operations with reporting in foreign currency

Subsidiaries in other countries prepare their annual accounts in foreign currency. Upon consolidation, the items in these companies' balance sheets and income statements are translated with the exchange rate at the balance sheet date, and the exchange rate at the day each business event took place, respectively. The exchange rate differences that arise are reported in accumulated exchange rate differences in the Group's equity. For foreign operations (branches), monetary items in foreign currency are translated at the exchange rate on the balance sheet date. Other non-monetary items are reported at the exchange rate on the day of the business event. Income and expenses are translated at an average exchange rate.

Revenue recognition

Income, and expenses, which are attributable to the financial year are included regardless of the time of payment. Revenue is reported when the company has transferred the significant risks and rewards associated with the ownership of the goods to the buyer, and:

- income can be calculated reliably,
- it is probable that the financial benefits to the company from the transaction will accrue to the company, and
- the expenses incurred or expected to arise as a result of the transaction can be calculated reliably.

Revenue is valued at the fair value of what has been received or will be received. Deductions are made for trade discounts, quantity discounts and other similar price deductions.

Income tax

Current tax is income tax for the current financial year that refers to the taxable profit for the year and the part of the previous financial year's income tax that has not yet been reported. Current tax is valued at the probable amount according to the tax rates and tax rules that apply on the balance sheet date.

Deferred tax is income tax for taxable profit for future financial years as a result of previous transactions or events.

Deferred tax is calculated on temporary differences. A temporary difference exists when the carrying amount of an asset or liability differs from the tax value. Temporary differences are not taken into account in differences attributable to investments in subsidiaries, branches, associated companies or joint ventures if the company can control the timing of reversal of the temporary differences and it is not obvious that the temporary difference will be reversed in the foreseeable future.

Differences arising from the first recognition of goodwill or in the first recognition of an asset or liability unless the attributable transaction is a business combination or affects tax or reported profit also do not constitute temporary differences.

Deferred tax assets represent a reduction in future income tax that relates to deductible temporary differences, tax loss carryforwards and other unutilized tax deductions. Deferred tax liability is income tax that relates to taxable temporary differences and that is to be settled in the future.

Deferred tax assets relating to loss carryforwards or other future tax deductions are reported to the extent that it is probable that the deductions can be offset against future tax surpluses.

Leasing

A leasing agreement is classified as either a financial leasing agreement or an operational leasing agreement. A financial leasing agreement is a leasing agreement according to which the financial risks and benefits associated with owning an asset are essentially transferred from the lessor to the lessee. An operational leasing agreement is a leasing agreement that is not a financial leasing agreement.

Leasing fees according to an operational leasing agreement, including the first increased rent but excluding expenses for services such as insurance and maintenance, are reported as an expense on a straight-line basis over the leasing period.

Rights and obligations under a financial leasing agreement are reported as assets and liabilities in the balance sheet. At the first reporting occasion, assets and liabilities are reported at the lower of the asset's fair value and the net investment.

Gross investment in a financial leasing agreement is the sum of the minimum lease fees that the lessor receives and any non-guaranteed residual value that accrues to the lessor. Minimum lease fees consist of the payments, excluding variable fees, service expenses and taxes, which must be paid by the company to the lessor during the leasing period with the addition of any guaranteed residual values. Net investment in a leasing agreement is the present value of the gross investment discounted to the implicit interest rate of the leasing agreement.

The minimum lease fees are distributed on interest and amortization of the debt according to the effective interest method, where interest is distributed over the leasing period by debiting each financial year with an amount corresponding to a fixed interest rate for the debt reported during each financial year. Variable fees are reported as an expense in the financial year in which the expenses arise.

Assets under a financial leasing agreement are depreciated over the estimated useful life as other assets of a similar nature. If it cannot be established with a reasonable degree of certainty that the ownership will be transferred to the company at the end of the leasing period, the asset is depreciated completely during the leasing period, or the useful life if it is shorter.

Compensation to employees

Pension obligations

The group has defined contribution pension plans that are financed through payments from the group companies to insurance companies. The Group has no further payment obligations once the fees have been paid. The fees are reported as an expense during the period when the employees performed the services to which the fee relates.

Short-term compensations

Short-term compensation in the group consists of salary, social security contributions, paid holiday, paid sick leave, medical care and bonus. Short-term compensation is reported as an expense and a liability when there is a legal or informal obligation to pay compensation.

Compensation in the event of termination

Severance pay is paid when any company within the group decides to terminate an employment before the normal time for termination of employment or when an employee accepts an offer of voluntary resignation in exchange for such compensation. If the compensation does not give the company any future financial benefit, a liability and an expense are recognized when the company has a legal or informal obligation to provide such compensation. The compensation is valued at the best estimate of the compensation that would be required to settle the obligation on the balance sheet date.

Tangible and intangible fixed assets

Tangible and intangible fixed assets are reported at acquisition value less depreciation and any write-downs.

Expenses for patents and assets that are of significant value to the business in the coming years are reported as intangible fixed assets.

The acquisition value of acquired tangible and intangible fixed assets includes, in addition to the purchase price, expenses that are directly attributable to the acquisition such as customs fees, expenses for delivery and handling, installation and assembly expenses, expenses for testing the asset's functions and expenses for consulting services directly related to the acquisition.

The assets are depreciated over the estimated useful life and reflect the expected consumption of the fixed asset's future economic benefits. Depreciation takes place with a linear depreciation method that constitutes for:

Patents	5 years
Equipment, tools and installations	5 years
Capitalized expenditure for research and development and similar	10 years
Goodwill related to daughter company Nordvacc Läkemedel AB	10 years

The reason for the longer amortization period for goodwill is that the acquisition of the subsidiary Nordvacc Läkemedel AB is considered a long-term investment, which will, among other things, be used as a basis for the group's in-house sales of in-house developed products, and positively affect the group's profitability for a long time. The group's first in-house developed product was launched in March 2022.

Procurement through internal reprocessing

The company applies the activation model, which means that the work of developing an internally generated intangible fixed asset is divided into a research phase and a development phase. All expenses arising from the company's research phase are reported as an expense when they arise.

All expenses for the development of intangible assets are reported as an asset if all of the following conditions are met:

- It is technically possible to complete the intangible fixed asset so that it can be used or sold.
- The company's intention is to complete the intangible fixed asset and to use or sell it.
- There are conditions for using or selling the intangible fixed asset.
- It is likely that the intangible fixed asset will generate future economic benefits.
- There are necessary and adequate technical, financial and other resources to complete the development and to use or sell the intangible fixed asset.
- The expenses that are attributable to the intangible fixed asset during its development can be calculated reliably.

Expenses for an internally generated intangible fixed asset are only included in the acquisition value if the purpose of the acquisition is that that part through own development work shall form part of a new unique asset. When the company reports expenses for own development work as an asset, the corresponding amount is transferred from unrestricted equity to a fund for development expenses. After the first reporting opportunity, internally generated intangible fixed assets are reported at acquisition value after deductions for accumulated depreciation and any accumulated write-downs. Depreciation begins when the asset can be used.

Write-downs

If a fixed asset on the balance sheet date has a lower value than the value that follows from the value after depreciation made according to the estimated useful life, the asset is written down to this lower value if it can be assumed that the decline in value is permanent. Financial fixed assets can be written down to the lower

value that the asset has on the balance sheet date, even if it cannot be assumed that the decline in value is permanent. In addition to write-downs relating to goodwill, write-downs are reversed if there are no longer grounds for it.

The Group's reported assets are assessed at each balance sheet date to determine whether there is an indication of impairment.

Impairment of tangible and intangible fixed assets

If there is an indication of impairment, the asset's recoverable amount is calculated. If it is not possible to determine substantially independent cash flows for an individual asset, and its fair value less costs to sell cannot be used, the assets are grouped when testing for impairment to the lowest level where substantially independent cash flows can be identified - a so-called cash-generating unit.

An impairment loss is recognized when the carrying amount of an asset or cash-generating unit (group of units) exceeds its recoverable amount. An impairment loss is recognized as an expense in the income statement for the year. When impairment needs have been identified for a cash-generating unit (group of units), the impairment amount is primarily allocated to goodwill. Thereafter, a proportional write-down is made of other assets included in the unit (group of units).

The recoverable amount is the higher of fair value less costs to sell and value in use. When calculating the value in use, future cash flows are discounted with a discount factor that takes into account risk-free interest and the risk associated with the specific asset, together WACC (Weighted Average Cost of Capital).

Receivables and liabilities in foreign currency

Receivables and liabilities in currencies other than the reporting currency are translated into the reporting currency according to the exchange rate on the balance sheet date.

Financial instruments

Financial instruments are reported in accordance with the rules in K3 chapter 11, which means that valuation takes place based on acquisition value.

Financial instruments reported in the balance sheet include trade receivables, other receivables, trade payables and loan liabilities. The instruments are reported in the balance sheet when group companies become parties to the instrument's contractual terms. Financial assets are removed from the balance sheet when the right to receive cash flows from the instrument has expired or been transferred and the Group has transferred substantially all the risks and rewards associated with ownership. Financial liabilities are removed from the balance sheet when the obligations have been settled or otherwise terminated.

Accounts receivable and other receivables

Receivables are reported as current assets with the exception of items with a due date more than 12 months after the balance sheet date, which are classified as fixed assets. Receivables are taken up to the amount expected to be paid after deduction for individually assessed bad debts. Receivables that are interest-free or that carry interest that deviates from the market rate and have a term exceeding 12 months are reported at a discounted present value and the change in time value is reported as interest income in the income statement.

Loan debts and accounts payable

Loans are initially reported at acquisition value after deduction for transaction costs (amortized acquisition value). If the reported amount differs from the amount to be repaid at maturity, the difference is accrued as interest expense over the term of the loan using the instrument's effective interest rate. Hereby, at the due date, the reported amount and the amount to be repaid correspond. Short-term trade payables are reported at acquisition value.

Write-down of financial assets

At each reporting date, the company evaluates whether there is objective evidence that a financial asset or group of assets is in need of write down. Objective evidence consists partly of observable conditions that have occurred and that have a negative impact on the possibility of recovering the acquisition value, and partly of a significant or prolonged decrease in the fair value of an investment in a financial investment classified as a financial asset that can be sold.

Inventory

Inventories are valued at the lower of acquisition costs and net sales value, calculated on a first-in-first-out basis. The net sales value has been calculated at the sales value after deduction of the estimated sales cost, with which obsolescence has been taken into account.

Provisions

Provisions are reported when there is a legal or informal obligation as a result of a previous event, it is probable that an outflow of resources will be required to settle the obligation and the amounts can be estimated reliably. The timing or amount of the outflow may still be uncertain.

Short-term and long-term receivables and liabilities

Fixed assets and non-current liabilities essentially consist only of amounts that are expected to be recovered or paid after more than twelve months from the balance sheet date. Current assets and current liabilities essentially only consist of amounts that are expected to be recovered or paid within twelve months from the balance sheet date.

Cash flow statement

The cash flow statement is prepared according to the indirect method. The reported cash flow includes only transactions that entailed receipts or payments.

As liquid assets, the company classifies, in addition to cash, available balances with banks and other credit institutions as well as short-term liquid investments that are listed on a marketplace and have a shorter maturity than three months from the time of acquisition. Restricted funds are not classified as liquid funds. Changes in blocked funds are reported in investment activities.

Parent company accounting principles

The differences between the Group's and the Parent Company's accounting principles are set out below.

Group contribution

In the Parent Company, group contributions are reported in the income statement and affect net income for the year.

Shareholder contribution

In the giving company, the amount is reported as an increase in financial fixed assets (Shares in group companies), and in the receiving company, the addition is reported in unrestricted equity.

Equity

The presentation form for the parent company differs from the consolidated accounts and equity is divided into restricted and non-restricted capital, in accordance with the Annual Accounts Act.

Note 2. Estimates and assessments

In order to prepare the annual report, the company management and the board must make assessments and assumptions that affect asset and liability items, and income and expense items reported in the financial statements. The estimates and assessments for accounting purposes dealt with in this section are those that are deemed to be the most important based on the significance of the assessments and the uncertainty. The conditions for Intervacc's operations are gradually changing, which means that these assessments can change.

Balanced development costs

The company's principle is to capitalize development costs. In each financial statement, an assessment is made as to whether the period's expenses meet requirements for capitalization in accordance with accounting regulations K3 and whether there is any need for write-downs regarding previously capitalized costs. Determining the ability to activate and the possible write-down of previously activated projects is a difficult assessment issue. The risks and assessment difficulties mainly relate to the assessment of the commercializability of an individual project. By discounting future estimated cash flows, the company has assessed that there is no need for a write-down.

Reporting of deferred tax assets

Assessments are made to determine both current and deferred tax liabilities and tax assets, not least with regard to the value of deferred tax assets. The company must then assess the probability that the deferred tax assets will be used to offset future taxable profits. The actual result may deviate from these assessments, among other things due to changes in the future business climate or changes in tax rules. By assessing the probability of utilization of loss deductions in the next 5 years, the company has assessed that the company should not report an asset regarding deferred tax assets.

Additional Information

Note 3 Group internal purchases and sale

	Parent company	
	<u>2023</u>	<u>2022</u>
Sales to group companies	73%	53%
Purchases from group companies	4%	5%

Note 4 Remuneration to auditors

	Group		Parent company	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>PwC</u>				
The audit assignment	559	351	483	296
Audit beyond the audit assignment	520	-	520	-
Tax advice	-	-	-	-
Other services	2	-	2	-
Total	1 081	351	1 005	296

Note 5 Average number of employees

	Group		Parent company	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
The average number of employees is based on attendance hours paid by the company related to normal working hours.				
Average number of employees	15	15	10	10
of which women	7	7	4	4
of which men	8	8	6	6

Note 6 Salary, other remuneration and social security expenses

	Group		Parent company	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Salary and other remuneration regarding:				
The Board of Directors, Managing Director	2 842	2 412	2 842	2 412
Other employees	10 720	11 091	7 373	7 656
Sum	13 562	13 503	10 215	10 068
Pension costs regarding:				
The Board of Directors, Managing Director	420	360	420	360
Other employees	1 077	1 562	1 446	1 186
Sum	1 497	1 922	1 866	1 546
Social expenses	3 841	3 696	3 003	2 806
Specification salary and pension to:				
<u>Managing Director</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Andreas Andersson, salary and severance pay	1 743	1 507	1 743	1 507
Andreas Andersson, pension	420	360	420	360
Jonas Sohlman, consulting fee for the period 21/8 - 31/12 2023	1 070 *	-	1 070 *	-

		Group		Parent company	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>The Board of Directors:</u>					
Björn Sjöstrand	directors remuneration	269	265	269	265
Bengt Guss	directors remuneration	125	115	125	115
Stefan Ståhl	directors remuneration	125	115	125	115
Marianne Hansson	directors remuneration	65	115	65	115
Ed Torr	directors remuneration	125	115	125	115
Niels Holck	directors remuneration	125	115	125	115
Michela De Carli	directors remuneration	125	65	125	65
Boel Sundvall	directors remuneration	60		60	
Håkan Björklund	directors remuneration	28		28	
Jan-Ingmar Flock	directors remuneration	13		13	
Lisen Bratt Fredricson	directors remuneration	13		13	
Lennart Johansson	directors remuneration	13		13	
Camilla Ramfelt McCarthy	directors remuneration	13		13	

* part of Other external costs

Note 7 Tax on profit for the year

		Group		Parent company	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current tax		-	-	-	-
Deferred taxes		-11 388	-3	-9 677	-
Total		-11 388	-3	-9 677	-

		Group		Parent company	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Reconciliation of effective tax					
Loss before taxes		-91 464	-64 155	-89 172	-55 116
<u>Tax regarding:</u>					
Applicable tax rate	20,6%	18 842	13 217	18 370	11 354
Non-deductible depreciation and write-downs	1%	-1 214	-1 214	-	-
Other non-deductible costs	0%	-6	-15	-3	-13
Share issue expenses in equity	-3%	2 633	99	2 633	21
Increase in loss carryforwards without corresponding capitalization of deferred tax	22%	-20 255	-12 090	-21 000	-11 362
Change in deferred tax asset		-11 388	-	-9 677	-
Reported effective tax		-11 388	-3	-9 677	0

Note 8 Number of shares and earnings per share

		Group	
		<u>2023-12-31</u>	<u>2022-12-31</u>
On the balance sheet date, the share capital consisted of the following number of shares		75 736 264	50 490 843
Dilution effect of vested options after recalculation		-	-
		75 736 264	50 490 843

After the subscription of shares in July 2022, by using the warrants issued within Intervacc's incentive program 2019/2022, the company has no outstanding incentive programs.

	Group	
	<u>2023-12-31</u>	<u>2022-12-31</u>
Average number of shares during the year before dilution	64 656 329	50 295 324
Average number of shares during the year after dilution	64 656 329	50 406 868
Net loss for the year (TSEK)	-102 852	-64 158
Earnings per share before dilution (SEK)	-1,59	-1,28
Earnings per share after dilution (SEK)	-1,59	-1,28

Note 9 Capitalized expenditure for research and development

	Group		Parent company	
	<u>2023-12-31</u>	<u>2022-12-31</u>	<u>2023-12-31</u>	<u>2022-12-31</u>
Acquisition value, opening balance	183 863	179 621	183 863	179 621
Acquisitions	1 035	4 242	1 035	4 242
Accumulated acquisition value, closing balance	184 898	183 863	184 898	183 863
Accumulated depreciation, opening balance	-22 918	-8 362	-22 918	-8 362
Depreciation	-17 545	-14 556	-17 545	-14 556
Accumulated depreciation, closing balance	-40 463	-22 918	-40 463	-22 918
Book value, closing balance	144 435	160 945	144 435	160 945

Note 10 Patents

	Group		Parent company	
	<u>2023-12-31</u>	<u>2022-12-31</u>	<u>2023-12-31</u>	<u>2022-12-31</u>
Acquisition value, opening balance	10 073	9 064	9 073	8 064
Acquisitions	1 016	1 009	1 016	1 009
Accumulated acquisition value, closing balance	11 089	10 073	10 089	9 073
Accumulated depreciation, opening balance	-1 000	-1 000	-	-
Depreciation	-772	-	-772	-
Accumulated depreciation, closing balance	-1 772	-1 000	-772	-
Book value, closing balance	9 317	9 073	9 317	9 073

Note 11 Goodwill

	Group	
	<u>2023-12-31</u>	<u>2022-12-31</u>
Acquisition value, opening balance	58 931	58 931
Accumulated acquisition value, closing balance	58 931	58 931
Accumulated depreciation, opening balance	-53 038	-47 145
Depreciation	-5 893	-5 893
Accumulated depreciation, closing balance	-58 931	-53 038
Book value, closing balance	0	5 893

Note 12 Equipment, tools, fixtures and fittings

	Group		Parent company	
	<u>2023-12-31</u>	<u>2022-12-31</u>	<u>2023-12-31</u>	<u>2022-12-31</u>
Acquisition value, opening balance	2 064	1 224	1 650	769
Acquisitions	56	881	-	881
Sales and disposals	-359	-41	-	-
Accumulated acquisition value, closing balance	1 761	2 064	1 650	1 650
Accumulated depreciation, opening balance	-730	-363	-422	-104
Sales and disposals	359	41	-	-
Depreciation	-389	-408	-316	-318
Accumulated depreciation, closing balance	-760	-730	-738	-422
Book value, closing balance	1 001	1 334	912	1 228

Note 13 Participation in group companies - Parent company

	Parent company	
	<u>2023-12-31</u>	<u>2022-12-31</u>
<u>Company</u>		
Nord Vacc Läkemedel AB, based in Stockholm, registration number 556323-1090		
Equity	320	565
Net result	-245	0
Ownership	100%	100%
Number of shares	470 800	470 800
Acquisition value	85 422	85 422
Opening balance write downs	-49 500	-49 500
Write down	-	-
Book value, closing balance	35 922	35 922

The Group includes the following wholly owned companies / entities as subsidiaries to Nord Vacc Läkemedel AB

Branch office in Denmark

Mybac-Vettech AB, registration number 556336-6243

Note 14 Receivables from group companies

	Parent company	
	<u>2023-12-31</u>	<u>2022-12-31</u>
Value beginning of period	7 193	1 519
Group contribution	-12 536	-1 366
Other payments to/ from group companies	8 282	7 040
Value end of period	2 939	7 193

Note 15 Deferred tax asset

	Group		Parent company	
	<u>2023-12-31</u>	<u>2022-12-31</u>	<u>2023-12-31</u>	<u>2022-12-31</u>
Value beginning of period	11 387	11 390	9 677	9 677
Change in deferred tax, note 7	-11 387	-3	-9 677	-
Book value deferred tax asset	0	11 387	0	9 677
Tax losses	278 144	180 903	264 212	162 322
Temporary differences, finance leases	0	5	0	0
	278 144	180 908	264 212	162 322
	% Amount	% Amount	% Amount	% Amount
Book value deferred tax asset	- -	6 11 387	- -	5 9 677

Note 16 Prepaid expenses and accrued income

	Group		Parent company	
	<u>2023-12-31</u>	<u>2022-12-31</u>	<u>2023-12-31</u>	<u>2022-12-31</u>
Accrued income	905	-	905	-
Prepaid expenses, insurances	51	62	51	50
Prepaid expenses, rent	449	338	-	-
Prepaid expenses, development costs	-	140	-	140
Prepaid expenses, other costs	1 686	244	1 654	226
	3 091	784	2 610	416

Note 17 Overdraft facility

	Group		Parent company	
	<u>2023-12-31</u>	<u>2022-12-31</u>	<u>2023-12-31</u>	<u>2022-12-31</u>
Granted overdraft facility	200	4 200	-	-
Whereof unused	200	4 200	-	-

Note 18 Share capital, parent company

	<u>2023-12-31</u>	<u>2022-12-31</u>
Number of shares, opening balance	50 490 843	50 160 388
Number of shares, share issues	25 245 421	330 455
Number of shares, closing balance	75 736 264	50 490 843
Quota value	2,00	2,00

Note 19 Liabilities to credit institutions

	Group		Parent company	
	<u>2023-12-31</u>	<u>2022-12-31</u>	<u>2023-12-31</u>	<u>2022-12-31</u>
Current liabilities	39	139	39	39
Non-current liabilities, due within 2-5 years	142	183	142	183
	181	322	181	222

Note 20 Accrued expenses and deferred income

	Group		Parent company	
	<u>2023-12-31</u>	<u>2022-12-31</u>	<u>2023-12-31</u>	<u>2022-12-31</u>
Personnel-related costs	3 893	3 354	2 995	2 403
Development costs	3 947	3 796	3 947	3 796
Audit	320	270	250	200
Other costs	3 326	349	3 322	349
	11 486	7 769	10 514	6 748

Note 21 Adjustment for non-cash items

	Group		Parent company	
	<u>2023-12-31</u>	<u>2022-12-31</u>	<u>2023-12-31</u>	<u>2022-12-31</u>
Depreciation	24 599	20 858	18 634	14 874
Change in deferred taxes	17 528		15 435	
Translation difference	-100	44	-	-
	42 027	20 902	34 069	14 874

Other notes

Note 22 Incentive program

After the subscription of shares in July 2022, by using the warrants issued within Intervacc's incentive program 2019/2022, the company has no outstanding incentive programs.

Note 23 Corporate mortgages and other pledged assets

	Group		Parent company	
	<u>2023-12-31</u>	<u>2022-12-31</u>	<u>2023-12-31</u>	<u>2022-12-31</u>
Corporate mortgages	17 575	17 575	2 000	2 000
Pledged shares in subsidiaries	320	6 458	35 922	35 922
	<u>17 895</u>	<u>24 033</u>	<u>37 922</u>	<u>37 922</u>

Note 24 Contingent liabilities

	Parent company	
	<u>2023-12-31</u>	<u>2022-12-31</u>
Guarantee on behalf of subsidiary, Nord Vacc Läkemedel AB, registration number 556323-1090	General guarantee	General guarantee
Capital cover guarantee for subsidiary Nord Vacc Läkemedel AB, registration number 556323-1090	General	General

Note 25 Proposal for disposition of the company's results.

The Board of Directors and the President's proposal for disposition of the company's results.

Available to the Annual General Meeting, SEK

Loss brought forward	-208 730 158
Share premium reserve	333 264 202
Loss for the year	<u>-98 849 139</u>
	25 684 905

The Board of Directors and the President propose that SEK 25 684 905 is carried over.

Note 26 Significant events after the financial year

In February 2024, it was announced that the company, together with Moredun Scientific, had been granted a grant from the Eurostars 3 program to further develop Intervacc's prototype vaccine against Streptococcus suis infections in pigs. Eurostars is thus financing the innovative project with the potential to contribute to increased societal benefit to approx. 50% of the total project budget of 1.7 million euros.

On February 28, the board of Intervacc AB announced that acting CEO Jonas Sohlman has been appointed as the new CEO of Intervacc AB.

Note 27 Definition of key figures

The average number of employees	Attendance hours paid by the company related to normal working hours.
Solidity	Adjusted equity / Total assets
Earnings per share	Net result for the year divided by the average number of outstanding shares

Signatures

Stockholm April 10, 2024

Håkan Björklund
Chairman of the board

Jonas Sohlman
CEO

Lisen Bratt Fredricson

Jan-Ingmar Flock

Lennart Johansson

Camilla Ramfelt McCarthy