Successful financing underpins exciting pipeline progress

"BioInvent is fully focused on moving our clinical projects forward. Our successful financing of SEK 625 million has strengthened our institutional investor base and is truly transformative for the company as it allows us to broaden and develop our exciting pipeline and creates a solid financial base going forward."

Martin Welschof, CEO BioInvent

Financial information

Second quarter 2020

- Net sales SEK 15.6 (32.9) million.
- Loss after tax SEK -39.3 (-32.8) million.
- Loss after tax per share before and after dilution SEK -0.08 (-0.07).
- Cash flow from operating activities and investment activities SEK -28.4 (-35.3) million.

January – June 2020

- Net sales SEK 32.4 (50.3) million.
- Loss after tax SEK -72.0 (-60.6) million.
- Loss after tax per share before and after dilution SEK -0.14 (-0.15).
- Cash flow from operating activities and investment activities SEK -63.9 (-75.8) million. Liquid funds as of June 30, 2020: SEK 182.3* (210.3) million.

*Liquid funds as of 30 June 2020 include SEK 95 million of the total net capital approx. SEK 589 million from the share issues. Remaining net capital SEK 494 million has been received in Q3 2020.

Events in the second quarter

- BioInvent successfully completed a directed share issue of approximately SEK 487 million before transaction costs. Investors included new investors such as HBM Healthcare Investments Ltd., Swedbank Robur Medica and Invus Public Equities, L.P. as well as existing shareholders Van Herk Investments B.V., Omega Funds, The Fourth Swedish National Pension Fund and Handelsbanken Healthcare Fund. (R)
- Promising progress was reported in the Phase I/IIa trial of lead program BI-1206 in combination with rituximab. A complete response was observed in one follicular lymphoma patient and complete depletion of circulating tumoral cells in a mantle cell lymphoma patient. (R)
- First patient enrolled in a Phase I/IIa clinical trial of BI-1206 in combination with anti-PD-1 therapy KEYTRUDA® for patients with solid tumors.
- BioInvent and Transgene presented preclinical data at AACR Virtual Session II, demonstrating high cure rates in solid tumors of BT-001, an anti-CTLA4 antibody-encoding oncolytic virus. Phase I clinical trial expected to start before the end of 2020.
- BioInvent presented new proof-of-concept data at AACR Virtual Session II for BI-1808 and BI-1910, two different types of monoclonal antibodies targeting TNFR2. Both antibodies showed significant antitumor activity in several immunocompetent models.
- A clinical trial application was submitted to begin a Phase I/IIa, first-in-human study of BI-1808 for the treatment of solid tumors or cutaneous T-cell lymphoma. The trial is expected to start before the end of 2020.
- Manufacturing agreement signed with U.S. cell therapy company.

Events after the reporting period

- In July 2020, BioInvent's agreement with Pfizer Inc. was further extended until the end of 2020 to permit the companies to further identify and characterize new targets and antibodies binding to these targets.
- The Extraordinary General Meeting on July 3 resolved to increase the Board of Directors with one member through new election of Dr. Thomas Hecht as a Board member. (R)
- In July 2020, BioInvent's Board of Directors resolved on a repair rights issue of a maximum of approximately SEK 139 million. It was completed in August and was heavily oversubscribed. (R)

(R)= Regulatory event

Comments from the CEO

BioInvent is continuing to make good progress toward our targets as we move into the second half of 2020. In particular, we successfully completed a directed share issue, followed by a repair rights issue which was heavily oversubscribed.

We were pleased to see such strong interest in these share issues and are grateful for the continued support and trust of all our investors. In total these share issues raised approximately SEK 625 million before transaction costs, which not only gives us the means to continue the development of BI-1206 in both hematological cancers and solid tumors, but also enables the development of a number of exciting new drug candidates. In short, these financings enable us to broaden and develop our pipeline and are truly transformative for the company.

Our lead drug candidate BI-1206 is progressing well in hematological cancer and solid tumors. The first patient has been enrolled in a Phase I/IIa trial of BI-1206 in combination with the anti-PD-1 therapy KEYTRUDA® (pembrolizumab) in solid tumors. We believe BI-1206's potential ability to increase and enhance the response rates to anti-PD1 targeting agents such as KEYTRUDA may be a powerful approach for the future treatment of a broad range of solid tumors and hematological cancer types. We are also progressing the Phase I/IIa trial of BI-1206 in combination with rituximab for the treatment of non-Hodgkin lymphoma (NHL) and are looking at the need to add additional sites to ensure good patient enrolment.

We hosted a successful virtual key opinion leader meeting in July with Alexander Eggermont, MD, PhD, Chief Scientific Officer at the Princess Máxima Center and renowned expert in immunotherapy. At this meeting, Prof. Eggermont discussed the clinical challenges associated with the use of checkpoint inhibitors in solid tumors and the potential for an enhanced response with immune-modulatory antibodies, specifically those targeting FcγRIIB, such as BI-1206. He concluded that BI-1206 has the potential to be effective against multiple tumor types, much like KEYTRUDA, which is approved in over 20 different cancers.

Our pipeline is becoming increasingly broad and robust, based on the productivity of our proprietary n-CoDeR®/F.I.R.S.T™ platforms. In addition to BI-1206, we have a number of other candidates now progressing to clinical development.

Together with our partner Transgene, we presented preclinical data demonstrating high cure rates in solid tumors of BT-001 at AACR Virtual Session II. BT-001 is a multifunctional oncolytic virus which was engineered to encode a Treg-depleting anti-CTLA4 antibody from n-CoDeR®/F.I.R.S.T™ and we believe that the potential to combine anti-CTLA4, anti-PD-1/PD-L1 and oncolytic immunotherapy could change the treatment paradigm for multiple solid tumors. This sets the stage for starting a Phase I clinical trial with BT-001 before the end of 2020.

We have submitted a clinical trial application (CTA) to begin a Phase I/IIa, first-in-human study of BI-1808, a monoclonal antibody to tumor necrosis factor receptor 2 (TNFR2), as a single agent and in combination with KEYTRUDA for the treatment of solid tumors and cutaneous T-cell lymphoma (CTCL). This trial is expected to start before the end of 2020. Meanwhile, new proof-of-concept data on BI-1808 and BI-1910, presented at the AACR Virtual Session II, showed that both these antibodies had significant antitumor activity in several immunocompetent models.

As well as all this, our work with Pfizer continues and we have extended our cancer immunotherapy research collaboration and license agreement until the end of 2020.

All this exciting progress is underpinned by our technology platform, which continues to produce new potential treatments ready for clinical development to address major unmet medical needs. With financing in place and the strong support of our investors, BioInvent is well positioned to continue to deliver on the promise of our pipeline.

We are now in a very strong position and I am confident we will be able to continue to add shareholder value going forward. We look forward to further updating you on all of our value adding projects next time and in the meantime, wish you all the best.

Martin Welschof, CEO

Pipeline

Indication	Program	Discovery	Preclinical	Phase I	Phase II
Target: FcγRIIB					
NHL (MCL, MZL, iFL)	BI-1206/rituximab				
Solid cancer	BI-1206/pembrolizumab			Partner: MSD	
Solid cancer	BI-1607				
Target: Treg					
Solid cancer	BT-001 (αCTLA-4-GM-CSF-W)			Partner: transgene	
Solid cancer	BI-1808 (αTNFR2)				
Solid cancer	BI-1910 (αTNFR2)				
Solid cancer	F.I.R.S.T™ αTreg				
Target: Tumor-associated myeloid cells					
Solid cancer	F.I.R.S.T™ αTAMs			Partner: Pfizer	

Business focus

BioInvent's current operational activities are focused on:

- Progressing and expanding the clinical development of its lead antibody BI-1206 for treatment of NHL, and in combination with pembrolizumab (KEYTRUDA®) in advanced solid cancers.
- Developing preclinical first-in-class antibodies targeting tumor associated myeloid cells in collaboration with Pfizer, potential other partners, or alone.
- Advancing three compounds into clinical programs:
  - BI-1808, the Company's most advanced anti-TNFR2 antibody, as a single agent and in combination with an anti-PD1 antibody. A clinical trial application was submitted in June 2020.
  - BI-1607 (an anti-FcγRIIB antibody) in combination with a checkpoint inhibitor. A clinical trial application is expected to be submitted in Q1 2021.
  - Developing, in combination with Transgene, oncolytic viruses encoding either a proprietary anti-CTLA-4 antibody sequence, or antibody sequences targeting undisclosed targets for the treatment of solid tumors. BT-001, an anti-CTLA-4/oncolytic virus – a clinical trial application was submitted in Q1 2020.

Clinical programs

BI-1206 in non-Hodgkin lymphoma and chronic lymphocytic leukemia

In April 2020, BioInvent provided a preliminary insight into progress of its Phase I/IIa trial of BI-1206 in combination with rituximab for the treatment of Non-Hodgkin Lymphoma (NHL). In the Phase I part of the trial, three separate early signs of activity have been observed across different subtypes of NHL, even though the doses of BI-1206 are still suboptimal. In particular, a patient in the 70mg cohort has achieved a complete response. The patient is reported to be in "a very good general condition and without any signs of toxicity". In the 30mg cohort, one patient with follicular lymphoma (FL) remained on treatment for the full maintenance period of one year, and another patient with mantle cell lymphoma (MCL) showed complete depletion of circulating MCL cells. The dose escalation process continues as planned.

As reported earlier, target-mediated drug disposition has not yet been overcome, and thus, the optimal dose has not yet been reached. Notwithstanding, pharmacodynamic analysis at the current doses showed depletion of peripheral B cells, including circulating mantle cell lymphoma cells during the first week of therapy.

Early results from the Phase I open label study in indolent non-Hodgkin lymphoma are expected in H2 2020.

Background

BI-1206 is a high-affinity monoclonal antibody that selectivity bind to FcγRIIB (CD32B), the only inhibitory member of the FcγR family. FcγRIIB is overexpressed in several forms of NHL and overexpression has been associated with poor prognosis in difficult-to-treat forms of NHL, such as mantle cell lymphoma. By blocking FcγRIIB, BI-1206 is expected to recover and enhance the activity of rituximab or other anti-CD20 monoclonal antibodies in the treatment of these diseases. The combination of the two drugs could provide a new and important option for patients suffering from NHL, and represents a substantial commercial opportunity.

In September 2018 BioInvent started a dose escalation, consecutive-cohort, open-label Phase I/IIa study of BI-1206. The study will recruit approximately 30 patients across sites in the EU and the U.S. The trial is evaluating BioInvent's proprietary antibody BI-1206 in combination with rituximab in patients with indolent relapsed or refractory Fc NHL. The targeted subindications are mantle cell lymphoma, follicular lymphoma, and marginal zone lymphoma. The study will explore BI-1206's safety and tolerability, and seek to determine a recommended Phase ll dose (RP2D) when given in combination with rituximab. Expression of biomarkers will be assessed to explore a potential correlation with clinical activity.

This study is run in parallel with the ongoing Phase I/IIa study of BI-1206 in patients with CLL and NHL conducted in the UK by Cancer Research UK. The study is testing single agent activity. Given the overlap with BioInvent's own Phase I/IIa trial of BI-1206 in combination with rituximab in Non-Hodgkin Lymphoma (NHL), and the fact that standard of care for patients with chronic lymphocytic leukemia (CLL) has dramatically evolved over the last few years, recruitment in the UK study has become increasingly challenging in particular since CRUK can only carry out trials in the UK. For these reasons we have agreed to limit the CRUK study to monotherapy, which is almost completed. This will result in a more complementary work and more efficient use of resources.

In January 2019 the U.S. Food and Drug Administration granted orphan designation for BI-1206 for the treatment of mantle cell lymphoma.

In November 2019 BioInvent had a poster presentation with preclinical data on BI-1206 at the annual American Society of Hematology (ASH) meeting in Orlando. The abstract highlighted a preclinical study of BI-1206 in an ibrutinib-venetoclax dual resistant PDX (patient derived xenograft) model derived from a mantle cell lymphoma (MCL) patient. Single agent BI-1206 had potent anti-MCL activity in the FcγRIIb-expressing MCL PDX model. FcγRIIb was further shown to be highly expressed in 20/20 primary patient MCL samples examined. Along with previously published data demonstrating an important role for FcγRIIB in resistance to rituximab-based cancer immunotherapy, and BI-1206 in boosting rituximab efficacy and overcoming rituximab-resistance, these data indicate the high potential of BI-1206 to address a significant unmet need in MCL and B-cell malignancies.

BI-1206 in combination with pembrolizumab in solid tumors

In July 2019 BioInvent received authorization from the FDA to proceed for an IND application for a Phase I/IIa clinical trial of BI-1206 in combination with KEYTRUDA® (pembrolizumab) for the treatment of solid tumors. The first patient was enrolled in June 2020.

The objective of this trial is to explore the safety and tolerability profile of the combination of BI-1206 with KEYTRUDA®, to characterize the pharmacokinetic/pharmacodynamic (PK/PD) profile and to determine the recommended dose of BI-1206 when combined with KEYTRUDA®. It will be conducted in several sites across the US and Europe and will assess potential signs of antitumoral activity, as well as exploring the expression of potential immunological markers that might be associated, and eventually predict clinical responses.

The Phase I/IIa trial is divided into part A, a dose escalation of BI-1206 in combination with the standard dose of KEYTRUDA®, and part B, which will explore the activity of the combination treatment in patients with advanced lung cancer, melanoma and other types of malignancies. Patients will be refractory to or have progressed on previous treatments with anti-PD1/PDL1 targeting agents. Early results from the Phase I open label study is expected in H2 2021.

In December 2019 BioInvent entered into a clinical trial collaboration and supply agreement with Merck, to evaluate the combination of BioInvent's BI-1206, one of its proprietary anti-FcγRIIB antibodies and Merck's anti-PD-1 therapy, KEYTRUDA® (pembrolizumab) in a Phase I/IIa clinical trial for patients with solid tumors. The agreement helps BioInvent to expand BI-1206 clinical development to solid tumors in combination with one of the most successful immuno-oncology drugs.

Background
The program is based on BioInvent's preclinical data demonstrating the ability of BI-1206 to address an important mechanism of resistance to PD1 inhibition, providing a way to enhance anti-tumor immune responses in patients with solid tumors. The Phase I/IIa clinical trial will evaluate the drug combination in patients with advanced solid tumors, who have been previously treated with anti-PD1 or anti-PD-L1 antibodies, and is a multicenter, dose-finding, consecutive-cohort, open-label trial. The Phase I/IIa trial is planned to be carried out in the U.S. and the EU.

TB-403 in pediatric brain tumors
TB-403 is currently in a Phase I/II study for the treatment of patients with medulloblastoma in cooperation with a US based pediatric oncology network, Beat Childhood Cancer. TB-403 is not within BioInvent's current main focus.

TB-403 has received Orphan Designation for medulloblastoma from the European Medicines Agency (EMA). TB-403 is developed in collaboration with Oncurious, a subsidiary of Oxurion. BioInvent's ownership in TB-403 is 50 percent and it contributes with 50 percent of the development costs.

Preclinical programs
BioInvent's preclinical research is focused on developing novel immuno-modulatory antibodies for cancer therapy. Such antibodies may significantly improve efficacy of currently available checkpoint inhibitor therapies and/or activate anti-cancer immunity in currently non-responding patients and cancer types.

Strategic collaboration with Pfizer - developing antibodies that act on tumor-associated myeloid cells
In partnership with Pfizer Inc. since December 2016, BioInvent works to identify novel oncology targets and therapeutic antibodies that may either reverse the immunosuppressive activity of tumor-associated myeloid cells or reduce the number of tumor-associated myeloid cells in the tumor.

BioInvent announced in July 2019 selection of the first target and in December 2019 the second target discovered by BioInvent's proprietary F.I.R.S.T™ technology platform under the collaboration with Pfizer Inc. The selection of targets triggered two payments from Pfizer to BioInvent of $0.3 million. Under the terms of the 2016 agreement, potential selection and development of antibodies directed against these targets, as well as potential selection of further targets and development of antibodies directed at them, would allow BioInvent to be eligible for further milestone payments.

In July 2020 BioInvent announced that the research term under its collaboration and license agreement with Pfizer had been further extended until the end of 2020. The purpose of the research extension is to permit the companies to further identify and characterize new targets and antibodies binding to these targets.

BioInvent is eligible for potential future development milestones in excess of $500 million (assuming five antibodies are developed through to commercialization). The Company could also receive up to double digit royalties related to product sales. In exchange, Pfizer will have the right to develop and commercialize any antibodies generated from this agreement.

BioInvent received an upfront payment of $3 million when the agreement was signed in December 2016, and research funding has been received during 2017, 2018, 2019 and 2020. Pfizer also made a $6 million equity investment in new shares of BioInvent when the agreement was signed.

Developing antibodies that act on regulatory T cells (Tregs) via novel or validated targets
Tregs can substantially inhibit various immune responses, enabling tumor cells to escape detection. BioInvent is utilizing its F.I.R.S.T™ platform to identify and characterize monoclonal antibodies to cancer-associated Treg targets in a function-first, target-agnostic, manner. The company is also pursuing differentiated antibodies to known targets through novel mechanisms and pathways.

BI-1808 and BI-1910 (anti-TNFR2)
Two different types of TNFR2 targeting antibodies are being developed by BioInvent – BI-1808 (a ligand blocker), and BI-1910 (an agonist).

A clinical trial application was submitted in June 2020 to begin a Phase I/IIa, first-in-human study of BI-1808, as a single agent and in combination with KEYTRUDA® (pembrolizumab) for the treatment of solid tumors or cutaneous T-cell lymphoma (CTCL). Phase I clinical trial with BI-1808 expected to start before the end of 2020.

The study will explore the safety, tolerability, and potential signs of efficacy of BI-1808 as a single agent and in combination with KEYTRUDA® in patients with ovarian cancer, non-small cell lung cancer and cutaneous T cell lymphoma. It will also investigate the expression of potential immunological markers that might be associated with clinical responses. It will be conducted at several sites across Europe and the U.S. and is expected to enroll approximately 120 patients.

The Phase I stage is divided into two sections. Part A is a dose escalation of BI-1808 to assess safety, tolerability, and pharmacokinetics & pharmacodynamics, and to determine the recommended dose as a single agent for Phase II trials. It will be followed by part B, which will explore the safety, tolerability and recommended dose of BI-1808 in combination with KEYTRUDA®. Phase IIa will consist of expansion cohorts to assess signs of efficacy of BI-1808 as single agent and in combination with KEYTRUDA® in lung cancer and ovarian cancer patients. A separate cohort will explore the activity as single agent in CTCL (Sézary syndrome and mycosis fungoides).

Exciting translational data was presented at AACR Virtual Annual Meeting II in June 2020. In vivo studies show that both ligand-blocking and agonistic antibodies regress large established tumors and synergize with anti-PD-1 therapy. Further mode-of-action dissection demonstrate that while the ligand-blocking antibody depleted intratumoral Tregs, the agonist increased intratumoral CD8+ T effector cells. Both antibodies expanded tumor-specific CD8+ T cells and induced long-lasting T cell memory.

Background
BioInvent has identified tumor necrosis factor receptor 2 (TNFR2), a member of the so-called TNFR superfamily (TNFRS) as a target within the Treg program.

TNFR2 is particularly upregulated on tumor-associated regulatory T cells (Tregs) and has been shown to be important for their expansion and survival. As a part of its Treg program, BioInvent identified and characterized a wide panel of TNFR2-specific antibodies, generated from its proprietary n-CoDeR® library and unique F.I.R.S.T™ discovery tool, of which BI-1808 and BI-1910 are the lead development candidates.

BT-001 - Partnership with Transgene – developing next generation oncolytic viruses expressing an anti-CTLA-4 antibody to treat solid tumors
BioInvent and Transgene announced in March 2020 that the first clinical trial application for BT-001 was submitted and that the first-in-human trial is expected to start before the end of 2020 in Europe and the US.

Promising findings was presented at AACR Virtual Annual Meeting II in June 2020. Cure rates exceeding 70% were seen in multiple mouse models, demonstrating the powerful therapeutic effect of BT-001 when used as a single agent, providing a solid basis for BT-001's upcoming clinical development. BT-001 has multiple mechanisms of action. It has been designed to combine the killing of cancer cells (oncolysis), and the production of the anti-CTLA4 antibody and GM-CSF directly in the tumor site, while also generating an immune response against tumor cells. It was shown that the anti-CTLA-4 antibody and GM-CSF accumulate in tumors with low systemic exposure. When new tumor cells were implanted in mice that had been cured after a first BT-001 treatment, a strong tumor-specific response and long-lasting immune memory were developed by these mice. These data indicate that BT-001 has the potential to make a significant difference in the treatment of solid tumors.

Background
BioInvent and Transgene collaborate to co-develop oncolytic virus (OV) candidates encoding a validated anti-CTLA-4 antibody sequence – potentially with additional transgenes – aimed at treating solid tumors, with the potential to be significantly more effective than the combination of a virus and an antibody as single agents.

Transgene is contributing both engineering expertise, as well as its proprietary Vaccinia viruses, designed to directly and selectively destroy cancer cells by intracellular replication of the virus in the cancer cell (oncolysis). Oncolysis induces an immune response against tumors, while the "weaponized" virus allows the expression of genes carried by the viral genome, here an immune modulatory anti-CTLA-4 antibody, which will further boost immune response against the tumor. BioInvent is providing its cancer biology and antibody expertise to the collaboration, as well as anti-CTLA-4 antibody sequences generated through its proprietary n-CoDeR®/F.I.R.S.T™ platforms.

In March 2019 BioInvent and Transgene announced an extension of their collaboration to co-develop multifunctional oncolytic viruses encoding antibodies targeting an undisclosed target, which can be used in the treatment of a broad range of solid tumors.

The research and development costs, as well as revenue and royalties from candidates generated from the collaboration, are shared 50:50.

FINANCIAL INFORMATION

Revenues and result

Figures in parentheses refer to the outcome for the corresponding period in the preceding year.

Second quarter

Net sales amounted to SEK 15.6 million (32.9). Revenues for the period are mainly derived from production of antibodies for clinical studies. Revenues for the corresponding period 2019 were mainly derived from production of antibodies for clinical studies, revenues from research funding and also a €0.75 million milestone payment received under the collaboration with Mitsubishi Tanabe Pharma Corporation in connection with enrollment of the first patient in a Phase II clinical trial and a $0.5 million milestone payment from XOMA Corporation related to the acceptance by FDA of an IND application.

The Company's total costs amounted to SEK 55.1 million (66.1). Operating costs are divided between external costs of SEK 34.2 million (46.0), personnel costs of SEK 17.9 million (17.2) and depreciation of SEK 3.0 million (2.9).

Research and development costs amounted to SEK 47.6 million (58.4). Sales and administrative costs amounted to SEK 7.5 million (7.7).

Loss after tax amounted to SEK -39.3 million (-32.8). The net financial items amounted to SEK -0.2 million (-0.1). Loss per share before and after dilution amounted to SEK -0.08 (-0.07).

January - June

Net sales amounted to SEK 32.4 million (50.3). Revenues for the period are mainly derived from production of antibodies for clinical studies and revenues from research funding. Revenues for the corresponding period 2019 were mainly derived from production of antibodies for clinical studies, revenues from research funding and also a €0.75 million milestone payment received under the collaboration with Mitsubishi Tanabe Pharma Corporation in connection with enrollment of the first patient in a Phase II clinical trial and a $0.5 million milestone payment from XOMA Corporation related to the acceptance by FDA of an IND application.

The Company's total costs amounted to SEK 105.3 million (114.5). Operating costs are divided between external costs of SEK 65.6 million (76.5), personnel costs of SEK 33.9 million (32.3) and depreciation of SEK 5.8 million (5.7).

Research and development costs amounted to SEK 90.1 million (99.9). Sales and administrative costs amounted to SEK 15.2 million (14.6).

Loss after tax amounted to SEK -72.0 million (-60.6). The net financial items amounted to SEK 0.1 million (-0.2). Loss per share before and after dilution amounted to SEK -0.14 (-0.15).

Financial position and cash flow

In June and July 2020, BioInvent successfully completed a directed share issue of approximately SEK 487 million before transaction costs. Investors included new investors such as HBM Healthcare Investments Ltd., Swedbank Robur Medica and Invus Public Equities, L.P. as well as existing shareholders Van Herk Investments B.V., Omega Funds, The Fourth Swedish National Pension Fund and Handelsbanken Healthcare Fund. In July 2020, BioInvent's Board of Directors resolved on a repair rights issue of a maximum of approximately SEK 139 million. It was completed in August and was heavily oversubscribed.

After the share issues the share capital consists of 955,007,096 shares.

As of June 30, 2020, the Group's liquid funds amounted to SEK 182.3 million (210.3). The cash flow from operating activities and investment activities for the January-June period amounted to SEK -63.9 million (-75.8).

The shareholders' equity amounted to SEK 193.4 million (247.3) at the end of the period. The Company's share capital at the end of the period was SEK 46.7 million. The equity/assets ratio at the end of the period was 77 (78) percent. Shareholders' equity per share amounted to SEK 0.33 (0.49).

Investments

Investments for the January-June period in tangible fixed assets amounted to SEK 3.4 million (1.9).

Parent Company

All operations of the Group are conducted by the Parent Company. Except for financial leases, the Group's and the Parent Company's financial statements coincide in every material way.

Organisation

As of June 30, 2020, BioInvent had 72 (67) employees. 65 (61) of these work in research and development.

Disclosure of related party transactions

For description of benefits to senior executives, see page 49 in the Company's annual report 2019. Otherwise there are no transactions with related parties, in accordance with IAS 24, to report.

Risk factors

The Company's operations are associated with risks related to factors such as pharmaceutical development, clinical trials and product responsibility, commercialization and partners, competition, intellectual property protection, compensation for pharmaceutical sales, qualified personnel and key individuals, additional financing requirements, currency risk and interest risk. The risks summarize the factors of significance for BioInvent and thus an investment in the BioInvent share.

Except for potential effects of the coronavirus, no other significant changes to the risks and uncertainty factors have occurred during the period.

BioInvent has taken necessary precautions with regards to the coronavirus. We may see a delay of the early results from the Phase I open label study with a combination of BI-1206 and rituximab for treatment of Non-Hodgkin Lymphoma (NHL). Management still expects the results of the study in H2 2020. For the time being, early clinical trial results for BI-1206 in combination with pembrolizumab and clinical trial initiations in other programs remain on track.

For a more detailed description of risk factors, see section "Risks and Risk Management", page 33, in the Company's annual report 2019.

Upcoming financial reports

BioInvent will present the following financial reports:

- Interim reports October 29, 2020

Consolidated statement of comprehensive income in brief for the Group (SEK thousand)

	3 MONTHS 2020 April-June	3 MONTHS 2019 April-June	6 MONTHS 2020 Jan.-June	6 MONTHS 2019 Jan.-June	12 MONTHS 2019 Jan.-Dec.
Net sales	15,648	32,898	32,362	50,300	93,740
Operating costs					
Research and development costs	-47,617	-58,416	-90,047	-99,863	-207,896
Sales and administrative costs	-7,434	-7,666	-15,233	-14,653	-29,094
Other operating income and costs	305	513	849	3,828	5,402
	-54,746	-65,569	-104,431	-110,688	-231,588
Operating loss	**-39,098**	**-32,671**	**-72,069**	**-60,388**	**-137,848**
Loss from financial investments	-237	-128	92	-181	-785
Loss before tax	**-39,335**	**-32,799**	**-71,977**	**-60,569**	**-138,633**
Tax	-	-	-	-	-
Loss	**-39,335**	**-32,799**	**-71,977**	**-60,569**	**-138,633**
Other comprehensive income					
Items that have been or may be reclassified subsequently to profit or loss	-	-	-	-	-
Comprehensive income	**-39,335**	**-32,799**	**-71,977**	**-60,569**	**-138,633**
Other comprehensive income attributable to parent Company's shareholders	-39,335	-32,799	-71,977	-60,569	-138,633
Loss per share, SEK					
Before dilution	-0.08	-0.07	-0.14	-0.15	-0.31
After dilution	-0.08	-0.07	-0.14	-0.15	-0.31

Consolidated statement of financial position in brief for the Group (SEK thousand)

	2020 30 June	2019 30 June	2019 31 Dec.
Assets			
Fixed assets			
Intangible fixed assets	0	0	0
Tangible fixed assets - leases	13,890	19,793	16,842
Tangible fixed assets - other	16,680	17,143	16,163
Total fixed assets	**30,570**	**36,936**	**33,005**
Current assets			
Inventories	5,573	5,832	5,380
Current receivables	32,393	63,521	33,751
Liquid funds	182,284	210,343	153,975
Total current assets	**220,250**	**279,696**	**193,106**
Total assets	**250,820**	**316,632**	**226,111**
Shareholders' equity and liabilities			
Shareholders' equity	193,418	247,317	169,436
Non-current liabilities - leases	6,579	12,328	9,472
Current liabilities - leases	6,057	6,057	6,057
Current liabilities - other	44,766	50,930	41,146
Shareholders' equity and liabilities	**250,820**	**316,632**	**226,111**

Statement of changes in equity for the Group (SEK thousand)

	2020 April-June	2019 April-June	2020 Jan.-June	2019 Jan.-June	2019 Jan.-Dec.
Shareholders' equity at beginning of period	**136,456**	**89,840**	**169,436**	**87,621**	**87,621**
Comprehensive income					
Loss	-39,335	-32,799	-71,977	-60,569	-138,633
Comprehensive other income	-	-	-	-	-
Total comprehensive income	**-39,335**	**-32,799**	**-71,977**	**-60,569**	**-138,633**
Total, excluding transactions with equity holders of the Company	**97,121**	**57,041**	**97,459**	**27,052**	**-51,012**
Transactions with equity holders of the Company					
Employee options program	76	207	-262	196	379
Ongoing share issues	96,221		96,221		
Directed share issue, Board Share Program 2018		54		54	54
Rights issue and directed issue		190,015		220,015	220,015
Shareholders' equity at end of period	**193,418**	**247,317**	**193,418**	**247,317**	**169,436**

The share capital as of June 30, 2020 consists of 583,697,428 shares and the share's ratio value is 0.08. The, as of June 30, 2020, ongoing directed share issues were completed in July 2020 and the repair rights issue was completed in August 2020, amounted to in total approximately SEK 625 million before issue expenses and approximately SEK 589 million after issue expenses.

Consolidated statement of cash flows in brief for the Group (SEK thousand)

	2020 April-June	2019 April-June	2020 Jan.-June	2019 Jan.-June	2019 Jan.-Dec.
Operating activities					
Operating loss	-39,098	-32,671	-72,069	-60,388	-137,848
Depreciation	2,996	2,898	5,823	5,730	11,612
Adjustment for other non-cash items	76	207	-262	196	379
Interest received and paid	-89	-128	-186	-259	-414
Cash flow from operating activities before changes in working capital	**-36,115**	**-29,694**	**-66,694**	**-54,721**	**-126,271**
Changes in working capital	10,038	-4,233	6,227	-19,146	844
Cash flow from operating activities	**-26,077**	**-33,927**	**-60,467**	**-73,867**	**-125,427**
Investment activities					
Acquisition of tangible fixed assets	-2,373	-1,342	-3,389	-1,888	-3,839
Cash flow from investment activities	**-2,373**	**-1,342**	**-3,389**	**-1,888**	**-3,839**
Cash flow from operating activities and investment activities	**-28,450**	**-35,269**	**-63,856**	**-75,755**	**-129,266**
Financing activities					
Ongoing share issues	95,057		95,057		
Directed issue, Board Share Program 2018		54		54	54
Rights issue and directed issue		218,515		220,015	220,015
Amortization of lease liability	-1,450	-1,415	-2,892	-2,822	-5,679
Cash flow from financing activities	**93,607**	**217,154**	**92,165**	**217,247**	**214,390**
Change in liquid funds	**65,157**	**181,885**	**28,309**	**141,492**	**85,124**
Opening liquid funds	117,127	28,458	153,975	68,851	68,851
Liquid funds at end of period	**182,284**	**210,343**	**182,284**	**210,343**	**153,975**
Liquid funds, specification:					
Current investments	-	-	-	-	-
Cash and bank	182,284	210,343	182,284	210,343	153,975
	182,284	**210,343**	**182,284**	**210,343**	**153,975**

Key financial ratios for the Group

	2020 30 June	2019 30 June	2019 31 Dec.
Shareholders' equity per share at end of period, SEK	0.33	0.49	0.34
Number of shares at end of period (thousand)	583,697	501,770	501,770
Equity/assets ratio, %	77.1	78.1	74.9
Number of employees at end of period	72	67	72

Consolidated income statement in brief for the Parent Company (SEK thousand)

	3 MONTHS 2020 April-June	3 MONTHS 2019 April-June	6 MONTHS 2020 Jan.-June	6 MONTHS 2019 Jan.-June	12 MONTHS 2019 Jan.-Dec.
Net sales	15,648	32,898	32,362	50,300	93,740
Operating costs					
Research and development costs	-47,674	-58,473	-90,161	-99,977	-208,124
Sales and administrative costs	-7,439	-7,671	-15,243	-14,663	-29,114
Other operating income and costs	305	513	849	3,828	5,402
	-54,808	-65,631	-104,555	-110,812	-231,836
Operating loss	**-39,160**	**-32,733**	**-72,193**	**-60,512**	**-138,096**
Profit from financial investments	-150	-5	275	73	-312
Loss after financial items	**-39,310**	**-32,738**	**-71,918**	**-60,439**	**-138,408**
Tax	-	-	**-**	**-**	**-**
Loss	**-39,310**	**-32,738**	**-71,918**	**-60,439**	**-138,408**
Other comprehensive income	**-**	**-**	-	-	-
Comprehensive income	**-39,310**	**-32,738**	**-71,918**	**-60,439**	**-138,408**

Consolidated balance sheet in brief for the Parent Company (SEK thousand)

	2020 30 June	2019 30 June	2019 31 Dec.
Assets			
Fixed assets			
Intangible fixed assets	0	0	0
Tangible fixed assets	16,680	17,143	16,163
Financial fixed assets	687	687	687
Total fixed assets	**17,367**	**17,830**	**16,850**
Current assets			
Inventories	5,573	5,832	5,380
Current receivables	33,931	65,059	35,289
Current investments	-	-	-
Cash and bank	182,284	210,343	153,975
Total current assets	**221,788**	**281,234**	**194,644**
Total assets	**239,155**	**299,064**	**211,494**
Shareholders' equity and liabilities			
Shareholders' equity			
Restricted equity	74,389	67,835	67,835
Non-restricted equity	119,351	179,650	101,864
Total shareholders' equity	**193,740**	**247,485**	**169,699**
Liabilities			
Current liabilities	45,415	51,579	41,795
Total shareholders' equity and liabilities	**239,155**	**299,064**	**211,494**

The board of directors and the CEO hereby ensure that this interim report for the period January 1, 2020 – June 30, 2020 provides a fair overview of the operations, financial position and performance of the Company and the Group and describes the material risks and uncertainty factors faced by the Company and the companies included in the Group.

Lund, August 27, 2020

Leonard Kruimer Chairman of the Board	Vessela Alexieva Board member	Kristoffer Bissessar Board member	Dharminder Chahal Board member
Thomas Hecht Board member	An van Es Johansson Board member	Anette Mårtensson Board member	Bernd Seizinger Board member

Martin Welschof
CEO

Review report

Introduction
We have reviewed the summarized interim financial information for BioInvent International AB (publ) on June 30, 2020 and for the six-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review
We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing, ISA, and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the group's part according to IAS 34 and the Annual Accounts Act and for the parent Company's part according to the Annual Accounts Act.

Malmö, August 27, 2020
KPMG AB

Linda Bengtsson
Authorised Public Accountant

Information notes

Note 1 Accounting principles
This interim report in brief for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable parts of the Annual Accounts Act. The interim report of the Parent Company has been prepared in accordance with Chapter 9 of the Annual Accounts Act. For the Group and the Parent Company, the same accounting policies and accounting estimates and assumptions were applied to this interim report as were used in the preparation of the most recent annual report.

Changes in IFRS standards entered into force in 2020 has had no material impact on the financial statements. The financial statements of the Parent Company coincide in every material way with the consolidated financial statements.

The definition of alternative performance measures not defined by IFRS is unchanged from those presented in the most recent annual report.

For more detailed information about the Group's accounting principles regarding revenues, see Note 1 Accounting principles, page 45, in the Company's annual report 2019.

Note 2 Net revenue

SEK thousand	2020 April-June	2019 April-June	2020 Jan.-June	2019 Jan.-June	2019 Jan.-Dec.
Revenue by geographical region					
Sweden	1,380	5,916	2,143	15,985	23 990
Europe	10,100	-	15,116	169	1 091
USA	4,168	18,874	15,103	26,038	60 551
Other countries	-	8,108	-	8,108	8 108
	15,648	32,898	32,362	50,300	93 740
Revenue consists of					
Revenue from collaboration agreements associated with outlicensing of proprietary projects	-	5,783	6,698	10,953	21 834
Revenue from technology licenses	-	12,717	-	12,717	12 717
Revenue from external development projects	15,648	14,398	25,664	26,630	59 189
	15,648	32,898	32,362	50,300	93 740

The net revenue of the Group and the Parent Company coincide.

Note 3 Share-related compensation

Option Program 2017/2020

The 2017 Annual General Meeting resolved to adopt a long-term incentive program in the form of an option program comprising management and other key persons. Each option entitles the holder to subscribe for 1.02 new share in BioInvent during the period from the day of release of the Company's year-end report for the financial year 2019 up to and including December 15, 2020. The subscription price per share shall be SEK 2.93. Subscription price and number of shares that each option entitles to are recalculated pursuant to rights issue carried out in 2020. The program includes currently 10 persons. During the course of the program, 1,422,832 options have been allotted. No further allotments are due. The program, including costs for potential social security charges, is hedged by 1,900,000 warrants held by BioInvent Finans AB.

Option Program 2019/2025

The 2019 Annual General Meeting resolved to adopt a long-term incentive program in the form of an option program comprising the management group. The option program comprise a maximum of 3,971,000 stock options and the participants may be allotted options free of charge based on performance and continued employment. Each option entitles the holder to subscribe for 1.02 new share in BioInvent during the period from the day of release of the company's year-end report for the financial year 2022 up to and including 15 December 2025. The subscription price per share shall be SEK 3.09. Subscription price and number of shares that each option entitles to are recalculated pursuant to rights issue carried out in 2020. To enable the company's delivery of shares pursuant to the option program and to secure costs connected therewith, primarily social security charges, the AGM resolved on a directed issue of maximum of 5,040,000 warrants (corresponding to approximately 0.5 percent of the total number of shares and votes in the company) and approval of transfer of warrants. Allotment of 221,619 took place in February 2020.

More information is available at www.bioinvent.com (Investors / Corporate Governance / Incentive Program)

Note 4 Events after the reporting period

In July 2020, BioInvent's agreement with Pfizer Inc. was further extended until the end of 2020 to permit the companies to further identify and characterize new targets and antibodies binding to these targets.

The Extraordinary General Meeting on July 3 resolved to increase the Board of Directors with one member through new election of Dr. Thomas Hecht as a Board member. (R)

In July 2020, BioInvent's Board of Directors resolved on a repair rights issue of a maximum of approximately SEK 139 million. It was completed in August and was heavily oversubscribed. (R)

(R)= Regulatory event

Contact

Any questions regarding this report will be answered by Martin Welschof, CEO, +46 (0)46 286 85 50, martin.welschof@bioinvent.com. The report is also available at www.bioinvent.com.

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Forward looking information

This interim report contains statements about the future, consisting of subjective assumptions and forecasts for future scenarios. Predictions for the future only apply as of the date they are made and are, by their very nature, in the same way as research and development work in the biotech segment, associated with risk and uncertainty. With this in mind, the actual out-come may deviate significantly from the scenarios described in this press release.