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# Evaxion Biotech A/S

## First Quarter 2021 Earnings Call

## May 13, 2021

## CORPORATE PARTICIPANTS

**Mary-Ann Chang**, *LifeSci Advisors*

**Lars Wegner,** *Chief Executive Officer*

**Glenn S. Vraniak**, *Chief Financial Officer*

## CONFERENCE CALL PARTICIPANTS

**Kevin DeGeeter,** *Oppenheimer*

**Wangzhi Li,** *Ladenburg Thalmann*

## PRESENTATION

**Operator**

Greetings. Welcome to the Evaxion First Quarter 2021 Earnings Call.

I will now turn the conference over to your host, Mary-Ann Chang of LifeSci Advisors. You may begin.

**Mary-Ann Chang**

Thank you Operator. Good morning everyone. Welcome to the Evaxion Biotech conference call on the first quarter results.

Earlier today, we issued a press release that outlines what we plan to discuss today. This press release is available on Evaxion's website.

During the call, Lars Wegner, CEO of Evaxion, will provide a brief corporate update, after which Glenn Vraniak, the CFO, will review the financial results. After the prepared remarks, we will open up the call for Q&A, where Lars and Glenn will be available to answer your questions.

Before we begin, I'd like to remind everyone that statements made during this conference call, relating to Evaxion's expected future performance, future business prospects or future events or plans, may include forward-looking statements as defined under the Private Securities Litigation Reform Act of 1995. All such forward-looking statements are intended to be subject to the Safe Harbor protection provided by the Reform Act. Actual outcomes and results could differ materially from these forecasts, due to the impact of many factors beyond the control of Evaxion. Evaxion expressly disclaims any duty to provide updates to its forward-looking statements, whether as a result of new information, future events or otherwise. Participants are directed to the risk factors set forth in Evaxion's F1 and 20F and other periodic reports filed with the Securities and Exchange Commission.

With that said, I will now turn the call over to Lars.

**Lars Wegner**

Thank you Mary-Ann, and good morning everyone. Welcome to our call. I'm delighted to provide you an overview on our progress over the quarter, before handing it over to Glenn to discuss financials.

So, moving into the business highlights. Evaxion made strong progress in Q1 2021, successfully concluding our U.S. IPO in February and continuing to advance our clinical and preclinical programs.

The recruitment of our Phase 1 and 2a trials on our two lead immunooncology product candidates, EVX01 and EVX02, remains on track, and we anticipate data readout late in Q2. We plan to assemble the data and provide an update on the results and next step by mid July for both EVX01 and EVX02.

As a reminder, EVX01 is a peptide-based therapy being assessed in advanced metastatic cancer, including melanoma, non small cell lung cancer and bladder cancer. Preliminary data show EVX01 to be well tolerated, with one complete response and two partial response out of five patients. All patient had reactive T cells, with 80.5% of the administered new epitope, including reactive T cells.

The July report will update will have both the data for the dose escalation and the recommended in a total of nine patient.

EVX02 is our DNA-based vaccine being assessed in adjuvant melanoma. Five patient have been recruited to date in the first part trial, which assess this new delivery modality.

Our other lead product candidate, EVX03 for multiple cancer indication and EVXB1, a vaccine for the prevention of *Staph aureus*, are also progressing as expected to our preclinical development and CMC. We anticipate a regulatory filing for our clinical trial EVX03 in second half of 2021.

We continue to develop our Raven AI platform for vaccine designer development for viral diseases.

As most of you know, we closed our U.S. initial public offering in February, raised a net proceeds of $27.9 million after underwriting discount and commission. This contributed to our cash position of US$27 million at the end of the first quarter.

We published a paper in the peer-reviewed journal *Scientific Reports*, describing a study to the bacterium *Staphylococcus aureus*, which may facilitate a better understanding of the host-pathogen interaction during invasion infections.

Our Director in Genomic Immuno-Oncology, Jens Kringelum, also made a presentation at the fourth Neoantigen Summit in Europe, describing Evaxion's recent improvement in determining cancer neoepitopes through measurement and prediction of peptide-MHC complex stability.

Last but not least, we also moved to our new headquarter and research laboratory facility located in the DTU Science Park in Hoersholm near Copenhagen in Denmark.

In terms of expected milestones, I've already mentioned the Phase 1/2a data readout on EVX01 and EVX02 expected in late Q2, so we will be facing an exciting—we'll have a few exciting month ahead of us.

With that summary, I will hand it over to Glenn for a brief overview of our financials.

**Glenn S. Vraniak**

Thank you Lars, and good morning everyone.

On February 9, 2021, as mentioned by Lars, we closed our U.S. IPO, raising net proceeds of $27.9 million after underwriting discounts and commissions. This contributed to our cash position of $27 million as of March 31, 2021, as compared to $5.8 million as of December 31, 2020.

Research and development expenses were $3.9 million for the quarter ended March 31, 2021, as compared to $2.5 million for the same period in 2020. The increase of $1.4 million was primarily related to increased spending, net of grant income, for ongoing development on our platforms, preclinical product candidates, and clinical trials. In addition, employee-related expenses increased due to higher headcount.

General and administrative expenses were $1.3 million for the quarter ended March 31, 2021, as compared to $0.8 million for the same period in 2020. The increase of $0.5 million was primarily related to increases in overhead and professional fees related to the expansion of our corporate function for our initial public offering.

Net loss was $4.1 million for the quarter ended March 31, 2021, or a $0.23 loss per basic and diluted share, as compared to $3.1 million or a $0.20 loss per basic and diluted share for the same period in 2020.

In terms of guidance, we reaffirm our guidance that our existing cash resources will be sufficient to support our operations into 2022.

That concludes the financial review of Q1, and we will now open the call for your questions.

**Operator**

At this time, we will be conducting a question-and-answer session.

Our first question is Kevin DeGeeter with Oppenheimer; please proceed with your question.

**Kevin DeGeeter**

Hey. Thanks so much for taking my questions. Maybe two on 01 and 02 and then I go to a follow-up on 03. With regard to the data update, should we expect to learn more about the recommended Phase 2 dose for 01 during that update? With regard to 02, what is a realistic expectation in terms of a duration of follow-up on those five patients? Thank you.

**Lars Wegner**

Thank you Kevin, so on EVX01, we will have nine patients and we expect to be able to determine the dose that we're going to move forward with. We also expect to have the full readout, immunological and clinical, on those patients for EVX01 for the update in late Q2.

For EVX02, we are basically primarily looking at immunogenicity for a decision of moving into a potential Phase 2, and we'll be expecting to have immunological picture of our DNA technology in the neoepitope space as the foundation for that decision.

As you are probably aware of, the EVX02 trial is one in adjuvant melanoma, looking for relapse-free survival. So, the base decision for potential Phase 2 on EVX02 will be based on immunological data.

**Kevin DeGeeter**

Thank you for that; and the—I'm sorry, Lars, you had more?

**Lars Wegner**

No, no, proceed, Kevin.

**Kevin DeGeeter**

Okay; and then with 03, can you just walk us through what needs to be completed with regards to EMC (phon) to support potential IND filing, and remind us of how you're thinking about patient population for potential Phase 1 for that compound.

**Lars Wegner**

Our EVX03 is a DNA targeted therapy, basically challenging the antigen-presenting cell. We are currently running our tox studies on that program, and everything is running according with plan, so we expect to be ready for the IND filing as we have previously mentioned.

We have not yet chosen the indication for EVX03, but we will when we are done with the tox and of course prior to the IND filing, we'll of course share the clinical development plan for EVX03.

**Kevin DeGeeter**

Thanks for taking my question. I'll get back into queue.

**Lars Wegner**

But as you also—yes, and maybe just to add to that, neoepitope therapies, we have a lot of different indications to choose for the majority of the solid tumors have a lot of mutations and hence are potential candidate for neoepitope therapies. We're doing that exercise and analysis as we speak. Thank you.

**Operator**

Our next question is from Wangzhi Li with Ladenburg; please proceed with your questions.

**Wangzhi Li**

Hi. Thanks for taking my question. Starting with 01 and 02, any color on the timing on your Phase 2 kind of decision on design after you reported the data in the second quarter? Will you start Phase 2 immediately, quickly, or will it take some time? Just any color on the kinetics?

**Lars Wegner**

Thank you Wangzhi. So, we are of course, as most other companies are also doing, we are of course already preparing for a potential Phase 2. We have not communicated any timelines for the Phase 2, but of course we plan to move it forward, if the data support, as fast as possible. But no exact date has been shared with the markets yet. We'll do so together with the readout.

**Wangzhi Li**

Okay, I understand; and then for the other story, understand you are still selecting the indication, but high levels of design work be like all comers who didn't have a tumor, or selected multiple tumors, or will be different cohorts for each tumor type? Accordingly, how do you evaluate the immunogenicity data if there is different tumor types?

**Lars Wegner**

That's a good question. So, we haven't settled for a design yet. We will probably design the study as a potential Phase 1/2 that extend into two arms. We have not made a decision if it's one indication or multiple indication and the numbers of arms yet, so I can't share any more details on that.

As you are also mentioning, I think there are some similarities between the tumor types, so you will be able to compare immunological data across tumor types, but I will still say there will be noise in a data set like that, and preferable if you want to compare immunogenicity, you wanted it from the same study in the same tumor type. But our expectation in these high-mutation tumor types is that you will see pretty similar immunogenicity, at least that's what we expect, so that's also what we will be expect among technologies, even if they are in different indication, as long as they are high mutational burden tumors. If you go down to some of the low mutational burden tumors, I would also be a bit concerned on concluding from high mutational burden to low mutational burden on neoepitope therapies. We believe that will be a difference there.

Hope that makes sense.

**Wangzhi Li**

Got it. Yes, it makes sense. Thanks a lot for answering my questions.

**Lars Wegner**

You're welcome.

**Operator**

Our next question is from Kevin DeGeeter with Oppenheimer; please proceed with your question.

**Kevin DeGeeter**

Hey Lars. Just want to, on Raven, what's your thinking about, you know, internal investment, you know, in Raven versus, you know, opportunities for, you know, third party, you know, funding, whether they be, you know, government-related or other entities, and then just kind of, you know, from a bandwidth standpoint, just how you're thinking about the right way to optimize, you know, the learning embedded within Raven? Thanks.

**Lars Wegner**

I think it's an excellent question. The Raven platform has always been supported by nondilutive grants, which basically means that the majority of the research is actually financed by government grants.

As most of you are aware of, in cancer, the T cell components are pretty similar to the viral space. So, we are of course moving very rapidly forward on the viral platform based on all the experience we have from the cancer space.

We do believe that the world needs a platform that will rapidly take not just corona but any virus and find the right targets, but also find targets that are broadly protective also when you see mutation, and strain mutations within a virus or on viruses. That's what we're currently building. So, as we announce the start of this program, we already moved it pretty rapidly forward on the software side, and are now of course starting to test the platform in different preclinical models. Of course as soon as we have some interesting data and proof of concept to share, we will of course share it with everyone.

**Kevin DeGeeter**

Thanks for taking my questions.

**Lars Wegner**

You're welcome.

**Operator**

It looks like we have reached the end of the question-and-answer session. I'll now turn the call over to Lars Wegner for closing remarks.

**Lars Wegner**

Perfect, so there's no more questions, so that concludes this call. Thank you all for your interest in Evaxion, and we look forward to speaking again soon. Thank you.

**Operator**

This concludes today's conference and you may disconnect your lines at this time. Thank you for your participation.