# OVERCOMING CANCER DRUG RESISTANCE

## YEAR-END REPORT

1/1 2022 – 31/12 2022


SCANDION ONCOLOGY

# KEY FIGURES & FINANCIAL HIGHLIGHTS

> *We want to change the fate of patients losing the fight to cancer because of resistance towards the existing therapies*
>
> **Francois Martelet**
> *CEO*

| TDKK | Q4 2022 | Q1-Q4 2022 | Q4 2021 | Q1-Q4 2021 |
|---|---|---|---|---|
| **Income Statement** | | | | |
| Operating loss | -15,387 | -80,166 | -14,553 | -55,367 |
| Net finance income/cost | -300 | -2,034 | -261 | -1,846 |
| Loss before tax | -15,687 | -82,200 | -14,814 | -57,213 |
| **Net loss** | **-15,687** | **-76,700** | **-14,806** | **-51,705** |
| **Total comprehensive loss** | **-15,687** | **-76,700** | **-14,806** | **-51,705** |
| **Balance Sheet** | | | | |
| Total non-current assets | 2,546 | 2,546 | 1,915 | 1,915 |
| Total current assets | 86,855 | 86,855 | 114,304 | 114,304 |
| *Hereof Cash and Cash equivalents* | *77,605* | *77,605* | *105,710* | *105,710* |
| **Total Assets** | **89,401** | **89,401** | **116,219** | **116,219** |
| **Total Equity** | **70,327** | **70,327** | **104,541** | **104,541** |
| **Cash Flow** | | | | |
| From Operating activities | -13,638 | -69,443 | -11,315 | -49,798 |
| From Investing activities | 0 | -389 | -158 | -485 |
| From Financing activities | -119 | 41,727 | -176 | 150,179 |
| Net cash flow for the period | -13,757 | -28,105 | -11,650 | 99,896 |
| **Key ratios** | | | | |
| Equity ratio | 79% | 79% | 90% | 90% |
| Earnings per share (EPS) | -0.37 | -1.87 | -0.46 | -1.61 |
| Earnings per share (EPS-D) | -0.37 | -1.87 | -0.46 | -1.61 |
| Shareholder EQT per share | 1.74 | 1.74 | 3.25 | 3.25 |
| **Employees** | | | | |
| Average number of FTE | 11 | 14 | 16 | 13 |
| Number of FTE end of period | 10 | 10 | 15 | 15 |
| **Shares, Outstanding end of period** | **40,706,972** | **40,706,972** | **32,135,544** | **32,135,544** |

## HIGHLIGHTS DURING Q4 2022

**ON OCTOBER 10,** Scandion initiates recruitment in part 3 of the CORIST phase II trial. The first of up to 36 patients has been enrolled in part 3 of the CORIST trial in accordance with the planned timeline

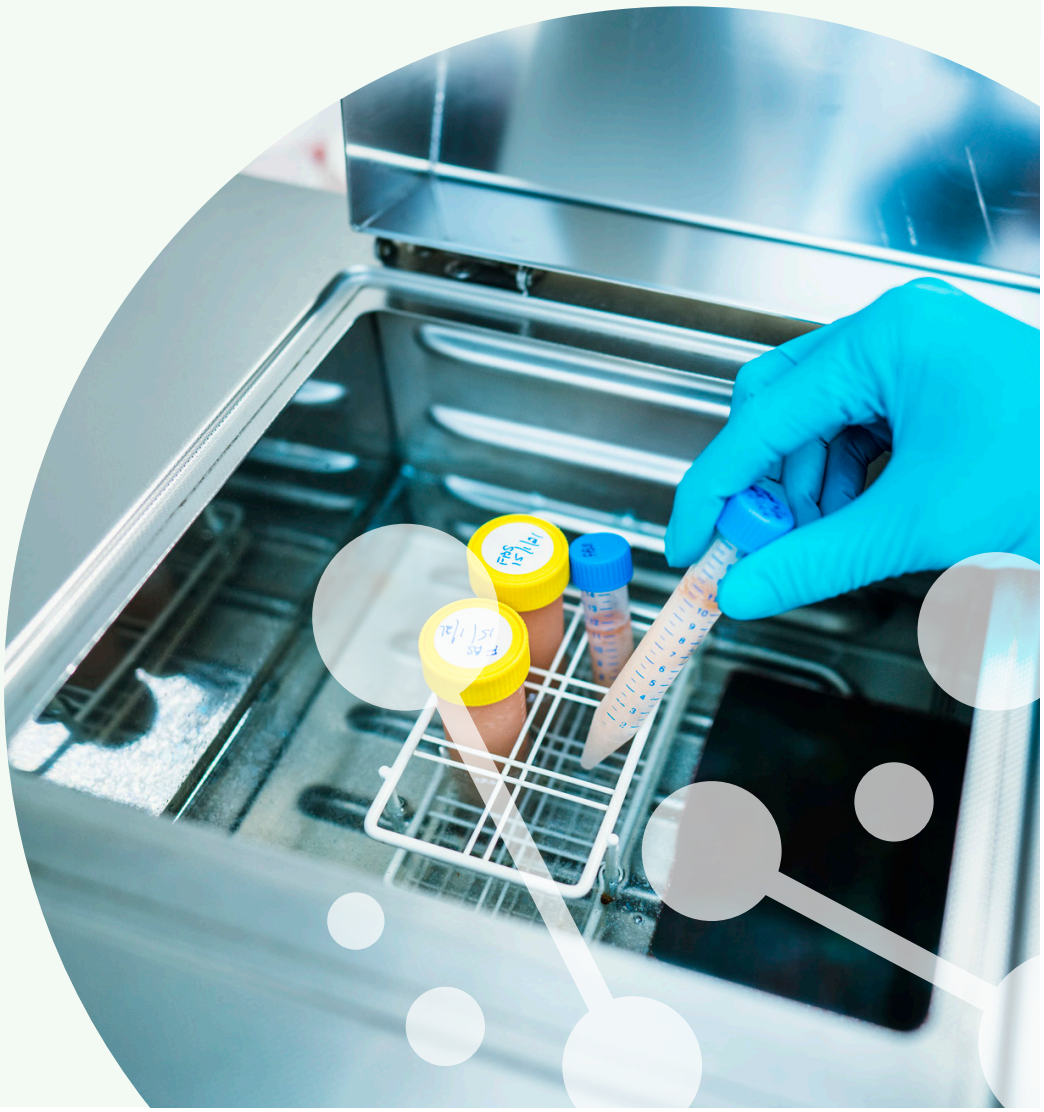
**ON OCTOBER 28,** Scandion announce results of extraordinary general meeting, including adoption of authorization to issue shares both with and without pre-emptive rights for the Company's existing shareholders, along with election of new board member, Nils Brünner

**ON DECEMBER 1,** Scandion appoints Francois Martelet, M.D., as new Chief Executive Officer. Francois brings a wealth of highly relevant experiences to Scandion as an experienced and passionate business leader with the qualifications to successfully develop Scandion

## HIGHLIGHTS AFTER THE END OF THE PERIOD

**ON JANUARY 18,** Scandion appoints Jan Stenvang, Ph.D., Chief Scientific Officer and member of Executive Management. Jan is co-founder of Scandion Oncology and has more than 20 years of experience in cancer research

**ON JANUARY 19,** Scandion receives favorable opinion from the European Patent Office on Composition of Matter Patent-application for lead compound SCO-101. The patent would provide protection of the commercial solid form of SCO-101 until at least 2042



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In this document, the following definitions shall apply unless otherwise specified: ***"the Company"*** or ***"Scandion"*** refers to **Scandion Oncology A/S**, CVR No. 38613391.

# CEO LETTER

## STRONG FOCUS ON OPERATIONAL EXECUTION

***Patient recruitment goes on as planned for both CORIST and PANTAX as we continue to demonstrate strong capabilities in conducting clinical trials***

Scandion maintained its strong operational momentum in the fourth quarter of 2022 with our lead compound SCO-101, CORIST and PANTAX, progressing as planned. As such we continue to execute on our strategy and plans thanks again to the commitment and performance from our great team of employees.

### *Expectations maintained*

Both CORIST and PANTAX have benefitted from strong rates of patient recruitment for some time and this momentum continued in the fourth quarter. We are swiftly enrolling patients across sites in more countries as we advance these trials according to plan and timelines. This is another testament to our expertise in conducting challenging international clinical trials involving vulnerable cancer patients.

> "I am passionate about unlocking the potential of Scandion in drug resistance to the benefit of our many stakeholders, and – above all – the patients"

***Francois Martelet***
*CEO*

Provided no unforeseen circumstances, we maintain our expectations of communicating topline results from PANTAX in the first half of 2023 and from CORIST in the third quarter of 2023. The PANTAX-data will determine optimal dosing, helping us to plan potential further development in pancreatic cancer and/or other indications. Results from the ongoing part 3 of CORIST will help identify the optimal way to dose SCO-101 to ensure maximum effect in patients with metastatic colorectal cancer (mCRC), which remains the indication for which we will first and foremost prioritize development.

### *Cost control*

Our financial position remains strong with cash at hand to fund our operations into 2024. We invest significantly in the clinical development of SCO-101 to increase the value of the molecule but are doing so with discipline and careful consideration of our cash spend. In general, we exercise cost control throughout all areas of the company to extend our funding if and when possible.

This approach led us to reduce the number of employees in the company to 10 in the fourth quarter of 2022 as we right-sized Scandion according to our strategy and financial means. In doing so we reduce our monthly costs going forward and maintain a lean and capable organization, which has recently been further enhanced with the appointment of Jan Stenvang as Chief Scientific Officer and member of Executive Management.

As a co-founder of Scandion, Jan made the initial discoveries that the company is based on, and he has been heading its research and early development activities since the start. As you can read in the interview with Jan in this report, he has significant experience in translational cancer research particularly focusing on drug resistance and biomarker identification. One of his priorities will be to identify opportunities to expand the development of SCO-101 into new indications.

We will benefit from Jan's insights and input also in the overall management of Scandion, where he complements CFO Johnny Stilou, CMO Alfredo Zurlo and myself in the very seasoned leadership team. First and foremost, we prioritize execution of our plans in the day-to-day operation of the company to achieve our long-term vision of bringing forward new cancer treatments to benefit patients.

### *Promising molecules*

Having been appointed CEO in December 2022, I started in January. I would like to take this opportunity to say how excited I am to have been given the chance to join Scandion which could become one of the leaders in the field of reverting cancer drug resistance. The company has an established R&D-platform, promising molecules with exciting pre-clinical data and a skilled, effective, and committed team of employees.

It will be a pleasure for me to lead the work to fulfil Scandion's potential to the benefit of our many stake-holders, including our shareholders and, above all, the patients.

Drug resistance is a massive problem in cancer treatment and in development of new medicines, not least in colorectal cancer, where we have our most advanced program. Overall response rates for treatment remain low and mortality rates remain very high primarily because of drug resistance, which causes an estimated up to 10 million cancer deaths globally each year. The benefits can be massive if we can fulfil our mission of reverting the resistance and make treatments work better and longer.

I look forward to serving the company as we continue to pursue our goal of bringing new treatments to the patients who need them so desperately. Ultimately, this is how we want to create value to all our stakeholders, including our owners, and we will continue to operate the company with long term value creation in sight.

***Francois Martelet, M.D.***
*CEO*

Scandion Oncology A/S – The Cancer Drug Resistance Company

## OUR VISION

***To overcome cancer drug resistance in order to improve lives for cancer patients and their families***

# SCANDION ONCOLOGY AND THE THERAPY

### THE COMPANY

Scandion Oncology is a clinical-stage biotechnology company developing first-in-class medicines aimed at treating cancer which is resistant to current treatment options.

One of the most significant challenges in modern oncology is how to treat tumors that are or have become resistant to the prescribed anti-cancer drugs.

Scandion Oncology's most advanced innovative drug, SCO-101, is an oral drug that in preclinical studies has been documented to reverse resistance towards some of the most commonly used anti-cancer drugs.

SCO-101 is currently being tested in a clinical phase Ib and a phase II trial in cancer patients.

Scandion Oncology has additionally other products in its pipeline targeting cancer drug resistance, as future development opportunities.

All with the aim to be the Cancer Drug Resistance Company.

### THE THERAPY

Almost all cancer patients with metastatic disease fail their cancer treatment – largely due to their cancer cells either being resistant already from the time of the primary diagnosis or because the cancer cells acquire resistance during anti-cancer treatment. As a result, the cancer continues to grow despite treatment and without any other effective drugs, the patients are left to fight the growing cancer on their own.

Therefore, drug resistance is a major threat to cancer patients and a huge burden on the health care systems. As such, it also presents a significant commercial opportunity for Scandion Oncology.

The global market for chemotherapy has a value of 37bn USD and is estimated to grow by 12 percent annually (CAGR) for the next five years.

An add-on therapy such as SCO-101 would be able to tap into a share of this market and reach adoption fast.

At Scandion Oncology we are not aware of any drugs that are registered for blocking anti-cancer drug resistance.

# SCANDION ONCOLOGY IN BRIEF

## OUR MISSION

**To bring new medicines to patients in order to overcome cancer drug resistance and improve lives for cancer patients and their families**

**8,195**
**SHAREHOLDERS DECEMBER 31, 2022**

**78 MDKK**
**CASH POSITION DECEMBER 31, 2022**

**114 MSEK**
**MARKET CAP DECEMBER 31, 2022**

**2 CLINICAL PROGRAMS**
CORIST currently in Phase II,
PANTAX currently in Phase Ib

**PIPELINE**
SCO-101 (~100 subjects dosed),
SCO-201
800 analogues

**CANCER INDICATIONS**
Colorectal, Pancreatic and others

**EXPERIENCE**
>100 years collective experience in medical oncology and pharmaceutical development

**PEOPLE**
Current staff of 10 employees as of December 31, 2022
Office in Copenhagen, Denmark

**LISTED STOCK EXCHANGE**
Nasdaq First North Stockholm

# PIPELINE AND STRATEGY

## CLINICAL PIPELINE

### Developing First-in-Class Medicines for Personalized Therapy

***Scandion Oncology is currently developing a unique first-in-class lead compound SCO-101 – an oral add-on therapy to standard anti-cancer treatment. The most advanced program, CORIST, is a clinical phase II study for the treatment of drug resistant metastatic colorectal cancer (mCRC). The second program, PANTAX, is a clinical phase Ib study for the treatment of unresectable or metastatic pancreatic cancer***

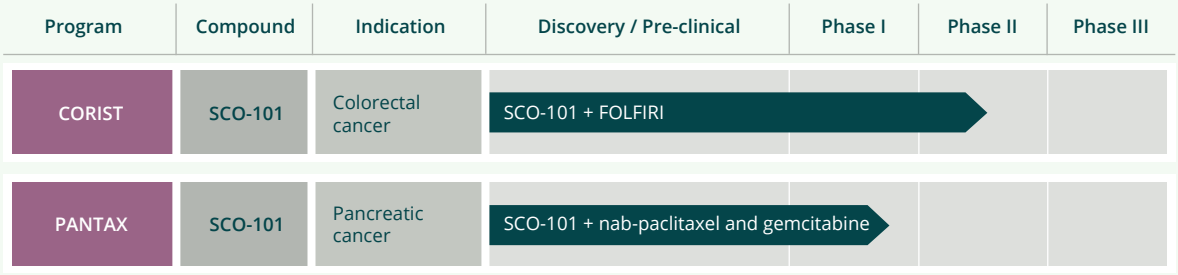
*First-in-class medicine*

There are currently no drugs on the market targeting cancer drug resistance, and SCO-101 has the potential to be first in this class of treatments and become the defining drug for a group of patients in very high need of medical innovation.

*Personalized therapy*

Scandion Oncology is dedicated to developing predictive biomarkers in conjunction with the ongoing CORIST and PANTAX studies, to enable a personalized medicine approach for the use of SCO-101.

**Scandion Oncology's Clinical Pipeline**




### ACHIEVED MILESTONES

- **CORIST:** Topline results of part 2 have been released end of Q3, 2022
- **CORIST:** Recruitment start of part 3 beginning of October 2022 (currently, six patients have been dosed)

### UPCOMING KEY EVENTS

- **CORIST:** Update on recruitment into part 3 end of Q1, 2023
- **CORIST:** Recruitment part 3 completed Q3 2023
- **CORIST:** Dose finding results from part 3 expected in Q3, 2023
- **PANTAX:** Topline results from PANTAX phase Ib expected in H1, 2023

# CORIST

## For the Treatment of Patients with Metastatic Colorectal Cancer

***In the CORIST phase II study, patients with chemotherapy resistant metastatic colorectal cancer (mCRC) receive SCO-101 treatment together with the standard chemotherapy drug combination FOLFIRI. All patients enrolled in the trial have previously demonstrated FOLFIRI resistance.***

The first part of the CORIST phase II study, which aimed at establishing a safe dose of SCO-101 when given together with FOLFIRI has been successfully completed and positive interim results were presented in June 2021.

The interim results led Scandion to continue the second part of the CORIST phase II study (part 2) in RAS wild-type patients. This ongoing second part of the CORIST phase II study has completed recruitment of 25 patients, and continues the focus on safety, tolerability, and efficacy parameters, to establish initial proof-of-concept for SCO-101 in mCRC on a schedule combining SCO-101 and FOLFIRI.

Topline data from CORIST part 2 have been released end of Q3, 2022. The topline results confirmed the safety and tolerability of SCO-101 in this indication and combination. Further, tumor reductions were observed in some patients, however below the 30% threshold defined as the trial's primary endpoint. Also, indication of prolonged progression free survival and stable disease (secondary endpoints) were observed in this hard-to-treat refractory patient population.

Based on our learnings from the trial so far, CORIST part 3 and the subsequent part 4 are designed to provide an optimized way to dose SCO-101 and chemotheraphy to ensure maximum effect in patients with mCRC. We believe, that with the optimized dosing schedules in part 3, there is a better chance of increasing the SCO-101 and chemotherapy dose and thus meeting the efficacy endpoint of 30% tumor reduction and thereby demonstrating clinical proof of concept.

### *About the CORIST phase II study*

The aim of the CORIST phase II study is to investigate SCO-101 in combination with chemotherapy (FOLFIRI) in patients with mCRC. Patients enrolled in the CORIST study have failed all prior standard chemotherapy and have entered a terminal stage of their disease with little hope of either a cure or of extending life further. Moreover, in most countries there are no further therapies to offer these patients.

### *CORIST part 1*

The first part of the CORIST phase II study, which aimed at establishing a safe dose (maximum tolerated dose) of SCO-101 when given together with FOLFIRI has been successfully completed. SCO-101 was administered once daily on day 1 to day 6 and FOLFIRI was administered on day 5 to 7.

### *CORIST part 2*

The ongoing second part of the CORIST phase II study only includes patients with RAS wild-type tumors, based on findings in CORIST part 1. Part 2 of the CORIST study has completed recruitment of 25 patients, and continues the focus on safety, tolerability, and efficacy parameters, to establish initial proof-of-concept for SCO-101 on a schedule combining SCO-101 and FOLFIRI. Topline data from CORIST part 2 were released end of Q3, 2022.

### *CORIST part 3 and 4*

CORIST part 3 will evaluate the safety and tolerability of SCO-101 in combination with FOLFIRI when dosed according to a different schedule than in part 1 and 2 of the CORIST phase II study.

CORIST part 3 is planned to include up to 36 mCRC patients with both RAS wild-type and RAS mutated tumors (up to 6 escalation cohorts with a traditional 3+3 design). The number of patients will vary according to the observed tolerance of the new schedule. Dose finding results from CORIST part 3 are expected in Q3, 2023.

In CORIST part 4, up to 24 mCRC patients will be enrolled to assess the preliminary activity of SCO-101 in combination with FOLFIRI administered at the optimal dose found in part 3.

After completion of part 4, the overall study results will be analysed to choose the best schedule and the appropriate patient population for further development in mCRC.

### ABOUT THE DISEASE

Colorectal cancer (CRC) is one of the most common cancers worldwide with over 1.9 million new cases and 900,000 deaths estimated to occur every year. Unfortunately, a large proportion of patients diagnosed with CRC will develop metastatic disease (mCRC) despite prior adjuvant treatment and approximately 20% of newly diagnosed CRC patients have already developed metastatic disease at the time of diagnosis. The standard of care for patients with mCRC is either surgery and/or chemotherapy and targeted therapy with monoclonal antibodies.

For incurable patients, standard drugs are 5-FU and derivatives, oxaliplatin, irinotecan, bevacizumab and panitumumab or cetuximab. The anti-cancer agent irinotecan is most often prescribed in combination with 5-FU and leucovorin (FOLFIRI). One major problem in the treatment of mCRC is the frequent development of drug resistance. In practical terms, this means that the cancer continues to either grow during the anti-cancer treatment (de novo resistance) or re-grow after an initial response to the anti-cancer treatment (acquired resistance).

# PANTAX

## For the Treatment of Patients with Unresectable or Metastatic Pancreatic Cancer

***In the PANTAX phase Ib study, patients with unresectable or metastatic pancreatic cancer receive SCO-101 treatment in combination with nab-paclitaxel and gemcitabine which is standard first- or second-line therapy.***

The PANTAX phase Ib dose-finding study was initiated in Q4, 2020 and patients are enrolled from clinical sites in Denmark and Germany. In August 2022, Scandion announced better-than-expected tolerability of SCO-101 in the ongoing PANTAX phase Ib study. Thus, dosing is now escalated to higher levels than expected based on the initial findings in the CORIST trial, which prompted the amendment of the PANTAX trial design communicated in January 2021. The continued dose escalation extends the PANTAX trial meaning it is now expected to complete enrollment in H1, 2023. Trial execution is strong with good patient recruitment and the trial is progressing well.

Topline data from the PANTAX phase Ib study are expected in H1, 2023.

As PANTAX is a phase Ib dose escalation trial, the data from this trial will determine optimal dosing of SCO-101 in combination with taxanes and gemcitabine for potential further development of SCO-101 in this and/or other indications.

### *About the PANTAX study*

In the PANTAX study, patients with unresectable or metastatic pancreatic cancer receive SCO-101 treatment in combination with nab-paclitaxel and gemcitabine which is standard first- or second-line chemotherapy.

The aim of the ongoing phase Ib study is to establish a safe dose (maximum tolerated dose) of SCO-101 in combination with nab-paclitaxel and gemcitabine.

### ABOUT THE DISEASE

Approximately 500,000 patients worldwide are newly diagnosed with pancreatic cancer each year. Pancreatic cancer has a very high unmet need, with poor prognosis and high treatment failure rates, leading to 466,000 deaths worldwide in 2020. Despite the comparably low incidence, it is the 3rd leading cause of cancer death in the US and 7th worldwide. Approximately 70% of diagnosed patients have a life expectancy of less than 1 year without adequate treatment and patients with metastatic disease (50- 55%) have a limited survival of only 3 to 6 months.

The treatment paradigm for pancreatic cancer is predominantly composed of chemotherapies, most notably FOLFIRINOX or gemcitabine and nab-paclitaxel. Pancreatic cancer has a high frequency of primary (de novo) resistance against chemotherapy, but also fast development of secondary (acquired) resistance is a major problem. This means that most patients who initially experience a positive effect of the chemotherapy, will experience disease progression relatively fast.

# PRE-CLINICAL PIPELINE

## Building Future Value

### Scandion Oncology's Pre-clinical Pipeline

| Program | Compound | Indication | Discovery / Pre-clinical | Phase I | Phase II | Phase III |
|---|---|---|---|---|---|---|
| IMMUNO-ONCOLOGY | SCO-101 | Multiple cancers | | | | |
| 201 | SCO-201 | Solid tumors | | | | |

Pre-clinical data from in vivo tumor models have demonstrated encouraging results when combining SCO-101 with chemotherapy and immunotherapy.

SCO-201 is an oral drug designed to reverse drug resistance by inhibition of an efflux pump. SCO-201 is directed against solid tumors.

Further, we will continue to screen and test new molecules as potential future pipeline candidates. We believe our molecules have potential in different cancers and drug combinations and will explore this.

# SCANDION ONCOLOGY INTELLECTUAL PROPERTY

**Scandion Oncology is diligently expanding and strengthening the Company's portfolio of intellectual property rights providing valuable long term commercial exclusivities.**

At the end of Q4, 2022, Scandion Oncology owned a portfolio of eleven patent families, taking effect in commercially relevant countries.

### HIGHLIGHTS IN Q4, 2022

- *One new provisional patent application filed*
- *One new International patent application filed*
- *One new patent publication – WO2022/263404 – relating to dosage regimes for SCO-101*
- *One new patent publication – WO2022/263411 – relating to SCO-101 combination treatment of RAS mutated patients*
- *One new patent publication – WO2022/263420 – relating to methods for identifying dosage regimes of SCO-101*

Changes to Scandion Oncology's patent portfolio will be updated continuously and will be summarized in the Company's quarterly reports. IP related events of high strategic value for the Company will be announced through press releases.

# NEW MEMBER IN THE EXECUTIVE MANAGEMENT TEAM

## Interview with Jan Stenvang, Chief Scientific Officer in Scandion Oncology.

**In January you were appointed Chief Scientific Officer (CSO) and member of Executive Management in Scandion. How do you feel about this new role?**
I am very excited to take this position to contribute to the development of Scandion. Drug resistance is a huge problem both in treating cancer patients and in developing new treatments and we have the opportunity to really help address this problem.

I have dedicated my career to translational cancer research particularly focusing on drug resistance and biomarker identification and am very motivated by the aspects of helping the patients so desperately in need of new and better treatment options.

**What will be your priorities?**
I will continue to focus on our research and early development activities and support our current programs with our lead candidate SCO-101, also investigating clinical observations in pre-clinical models.

In addition to that I will be exploring new potential opportunities beyond the indications that we are currently working in. Further, we will continue to screen and test new molecules as potential future pipeline candidates.

We believe our molecules have potential in different cancers and drug combinations and will explore this. By expanding our activities, we could potentially help more patients and we want to work with the cancers where we would hope to have the biggest impact.

**You are a co-founder of Scandion and have worked here since it was founded in 2017. How will that help you in your new role?**
I think I can say that I know the company, our molecules and of course also our technology and research and development platform inside out. With my previous experience, primarily in academia and Associate Professor at Copenhagen University, I have more than 20 years of combined experience in cancer research. This includes prior experience in translating pre-clinical research in drug resistance models to phase II clinical testing in breast and colorectal cancer patients.

So, I believe I have a good understanding of the field of cancer drug resistance and the opportunities we have at Scandion based on our progress so far.

**Addressing cancer drug resistance has historically proven difficult with companies failing to develop medicines that solves the problem. Why do you feel that Scandion has a chance of succeeding where others have failed?**
You are right that we are working in a difficult and complex field, but that also mean that the medical need is huge and the benefits to patients would be massive if we are successful. We always knew it would be challenging, but we also believe that we have a chance of succeeding. There are two main reasons for this.

Firstly, our platform and molecules, most importantly SCO-101. Its way of working in the body, essentially addressing the drug resistance in two ways, could potentially be very effective, also for hard to treat-patients. The pre-clinical data are very exciting and supports this, also demonstrating that our pre-clinical setup is providing a sound platform for clinical testing.

Secondly, we have a small but very skilled and dedicated team highly specialized in cancer drug resistance. Since this is what we are focusing on, we accumulate experience and expertise in this very specific field. We have proven our ability to plan and conduct both pre-clinical and clinical studies in what is a very complex area and we are continuously building on our learnings as we strive to bring forward new and better cancer treatments.

**A handful of other biotech companies are also developing treatments to revert cancer drug resistance. What makes Scandion stand out from these competitors?**

We stand out in a number of ways, most basically in terms of the indications and drug combinations that we are studying. Further to this we have at Scandion successfully identified biomarkers in our pre-clinical research that could be utilized in designing and running future clinical trials.

I would also mention the unique mode of action of SCO-101 which includes inhibition of the so-called efflux pump ABCG2, which is believed to play a major role in drug resistance in many forms of cancer. We have the most advanced clinical programs within this mode of action.

# FINANCIAL REVIEW

### *Results of operations*

Other operating income, mainly funding from Innovation Fund Denmark under the 5.5 MDKK Funding Program), amounted to 2 MDKK (0.5). Total operating expenses in Q4, 2022 reached 17.4 MDKK (15.1), an increase of 2.3 MDKK compared to Q4, 2021.

Operating expenses can be divided into two main cost groups, Research & Development and General & Administration expenses. Research & Development expenses in Q4, 2022 of 15.0 MDKK (12.1), relate to the two ongoing clinical studies, CORIST and PANTAX. The year to date increase is likewise driven by the progression of the two ongoing studies. General & Administration expenses in Q4, 2022 of 2.3 MDKK (3.0), is driven mainly by cost and headcount reductions since Q4, 2021. The year to date increase is partly driven by severance accruals to former employees.

Operating loss for Q4, 2022 was 15.4 MDKK (14.6).

In Q4, 2022, net financial items amounted to -0.3 MDKK (-0.3), which mainly derives from interest costs and currency adjustments.

For the full year 2022, the tax credit is utilized to the limit of 5.5 MDKK. The tax credit has a positive effect on the liquidity expected in November 2023.

The net result for the period shows a loss of 15.7 MDKK (14.8).

### *Financial position*

Total assets as of December 31, 2022, were 89.4 MDKK (116.2). Hereof, cash and cash equivalents amounted to 77,6 MDKK (105.7).

Receivables amounted to 9.3 MDKK (8.6) which mainly relates to income tax receivables in the amount of 5.5 MDKK (5.5) to be received in November 2023. Other receivables and prepayments amounts to 3.8 MDKK (3.1).

The equity ratio as of December 31, 2022 was 79% (90%), and equity was 70.3 MDKK (104.5).

With the cash position as of December 31, 2022, Scandion Oncology is sufficiently capitalized to fund ongoing activities into 2024.

### *Cash flow*

The cash flow from operating activities in Q4, 2022 was an outflow of 13.6 MDKK (outflow 11.3) and is explained by the operating loss and an increase in accruals. The cash flow from investing activities was an outflow of 0.0 TDKK (outflow 0.2). The cash flow from financing activities was an outflow of 0.1 MDKK (0.2).

Hence, the total net cash flow for Q4, 2022 was a net cash outflow of 13.8 MDKK (outflow 11.7).

***(Numbers in brackets represent the corresponding reporting period last year)***

# SHAREHOLDER INFORMATION

### *The share*

The shares of Scandion Oncology A/S are listed on Nasdaq First North Growth Market Sweden.

Scandion Oncology's share capital amounts to 2,992 TDKK divided into 40,706,972 shares of nominal value 0.0735 DKK each. There is only one class of shares, and each share represents one vote.

As of December 31, 2022, the number of shares was 40,706,972 (32,135,544).

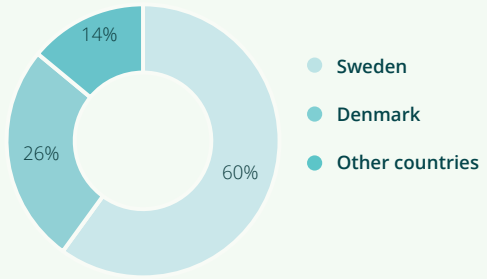
| | |
|---|---|
| Listing | First North Growth Market Sweden |
| Number of shares | 40,706,972 (32,135,544) |
| Share price (December 31, 2022) | 2.80 SEK (12,38 SEK) |
| Market capitalization (December 31, 2022) | 114 MSEK (398 MSEK) |
| Ticker | SCOL |
| ISIN | DK0061031895 |

### *Shareholders*

There are no individual shareholders that own 5% or more of the shares in Scandion Oncology as of December 31, 2022.

According to the shareholder register maintained by Euroclear Sweden AB, Scandion Oncology had 8,195 (7,429) shareholders as of December 31, 2022.

**Shareholders by country, December 31, 2022**




*Source: Monitor by Modular Finance AB.*

### *Share-based incentive schemes*

At the Annual General meeting on April 27, 2022 a new warrant program was approved, authorizing the Board of Directors to issue up to 4,177,620 new warrants which carry the right to subscribe for an equal number of shares in Scandion Oncology A/S. As of December 31, 2022 a total of 482,033 warrants has been issued to the Board of Directors and a total of 1,739,066 warrants has been issued to the Executive Management and Employees - a grand total of 2,221,099 warrants have been issued.

The 2020 warrant program has been terminated in full, meaning that as of December 31, 2022, no current or former employees of the Company holds any warrants under this program.

### *Share price*

The Scandion Oncology share price on December 31, 2022 was 2.80 SEK, equivalent to a market capitalization of 114 MSEK.

The share price has decreased with 77.4% from 12.38 end of Q4, 2021 to 2.80 end of Q4, 2022, driven by several factors including the current, difficult biotech market conditions.

Relative to Q4, 2021, the average, daily turnover of Scandion Oncology shares decreased from 1,6 MSEK in Q4, 2021 to 0.5 MSEK in Q4, 2022 equivalent to a decrease of 70%.

***(Numbers in brackets represent the corresponding reporting period last year)***

### Share price development and trading volume December 31, 2021 to December 31, 2022


*Source: Cision/Millistream*

## MEET US

***Date***
**Mar 30, 2023**

***Event***
Swiss Nordic Bio 2023, Zurich


## ANALYST COVERAGE

Scandion Oncology is covered by the following analysts:

**Redeye AB**
*(Christian Binder)*

**Edison Investment Research**
*(Soo Romanoff)*
*(Harry Shrives)*

# CORPORATE MATTERS

## FINANCIAL CALENDAR

| | |
|---|---|
| **February 22, 2023** | Year-end report 2022 |
| **March 28, 2023** | Annual report 2022 |
| **April 26, 2023** | Annual General Meeting |
| **May 26, 2023** | Interim report Q1 |
| **August 25, 2023** | Interim report Q2 |
| **November 23, 2023** | Interim report Q3 |
| **February 27, 2024** | Year-end report 2023 |

***Forward looking statements***

This financial report includes statements that are forward-looking, and actual future results may differ materially from those stated. In addition to the factors explicitly commented upon, other factors that may affect the actual future results are for example development within research programs, including development in pre-clinical and clinical trials, the impact of competing research programs, the effect of economic conditions, the effectiveness of the company's intellectual property rights and preclusions of potential second party's intellectual property rights, technological development, exchange rate and interest rate fluctuations and political risks.

***For further information, please contact***

**Johnny Stilou, CFO**
**T:** +45 29 60 35 32
**E:** jos@scandiononcology.com

The information was provided by the contact person above for publication on February 22, 2023 at 08.30 CET.

***Certified Advisor***

**Västra Hamnen Corporate Finance AB**

# STATEMENT BY THE BOARD OF DIRECTORS

The Board of Directors provides their assurance that the year-end report provides a fair and true overview of the Company's operations, financial position, and results.

Copenhagen, February 22, 2023
The Board of Directors of Scandion Oncology A/S

| | |
|---|---|
| **Martin Møller** | *Chairman of the Board* |
| **Jørgen Bardenfleth** | *Deputy chairman of the Board* |
| **Keld Flintholm Jørgensen** | *Member of the Board of Directors* |
| **Alejandra Mørk** | *Member of the Board of Directors* |
| **Martine J. van Vugt** | *Member of the Board of Directors* |
| **Nils Brünner** | *Member of the Board of Directors* |
| **Annie Rasmussen** | *Employee elected member of the Board of Directors* |

***The interim report has not been audited or reviewed by the company's auditors.***

# FINANCIAL STATEMENTS

## INCOME STATEMENT

| TDKK | Q4 2022 | Q1-Q4 2022 | Q4 2021 | Q1-Q4 2021 |
|---|---|---|---|---|
| Other operating income | 1,968 | 2,057 | 537 | 797 |
| Research and development expenses | -15,041 | -65,065 | -12,072 | -47,711 |
| General and administration expenses | -2,314 | -17,158 | -3,018 | -8,453 |
| **Operating loss** | **-15,387** | **-80,166** | **-14,553** | **-55,367** |
| **Financial items** | | | | |
| Financial income | 120 | 932 | 73 | 113 |
| Financial expenses | -420 | -2,966 | -334 | -1,959 |
| **Loss before tax** | **-15,687** | **-82,200** | **-14,814** | **-57.213** |
| Tax | 0 | 5,500 | 8 | 5,508 |
| **Net loss for the period** | **-15,687** | **-76,700** | **-14,806** | **-51,705** |
| Other comprehensive income for the period | 0 | 0 | 0 | 0 |
| **Total comprehensive loss** | **-15,687** | **-76,700** | **-14,806** | **-51,705** |

## BALANCE SHEET

| TDKK | Q4 2022 | Q4 2021 |
|---|---|---|
| **Assets** | | |
| **Non-current assets** | | |
| Equipment | 659 | 386 |
| Right of use assets | 1,597 | 1,215 |
| Deposits | 290 | 314 |
| **Total Non-current assets** | **2,546** | **1,915** |
| **Current Assets** | | |
| Prepaid expenses and accrued income | 727 | 1,076 |
| Other receivables | 3,024 | 2,018 |
| Income Tax receivables | 5,500 | 5,500 |
| Cash and cash equivalents | 77,605 | 105,710 |
| **Total current assets** | **86,855** | **114,304** |
| **Total Assets** | **89,401** | **116,219** |
| **Equity and liabilities** | | |
| **Equity** | | |
| Share capital | 2,992 | 2,362 |
| Share premium reserved | 233,008 | 191,152 |
| Retained earnings | -165,673 | -88,973 |
| **Total equity** | **70,327** | **104,541** |
| **Non-current liabllities** | | |
| Lease liabilities | 820 | 500 |
| Other liabilities | 0 | 84 |
| **Total non-current liabilities** | **820** | **584** |
| **Current liabilities** | | |
| Lease liabilities | 776 | 723 |
| Account liabilities | 4,895 | 4,580 |
| Other liabilities | 12,583 | 5,791 |
| **Total current liabilities** | **18,254** | **11,094** |
| **Total equity and liabilities** | **89,401** | **116,219** |

## EQUITY

| 1/1 2022 – 31/12 2022<br>TDKK | Share capital | Share premium | Retained earnings | Total equity |
|---|---|---|---|---|
| **Balance at January 1, 2022** | **2,362** | **191,152** | **-88,973** | **104,541** |
| Increase of Capital | 630 | 52,914 | | 53,544 |
| Espenses related to capital increase | | -11,058 | | -11,058 |
| Result for the period | | | -76,700 | -76,700 |
| **Balance at December 31, 2022** | **2,992** | **233,008** | **-165,673** | **70,327** |

| 1/1 2021 – 31/12 2021<br>TDKK | Share capital | Share premium | Retained earnings | Total equity |
|---|---|---|---|---|
| **Balance at January 1, 2021** | **2,362** | **191,152** | **-37,647** | **155,867** |
| Result for the period | | | -51,705 | -51,705 |
| Share-based compensation | | | 379 | 379 |
| **Balance at December 31, 2021** | **2,362** | **191,152** | **-88,973** | **104,541** |

## CASH FLOW STATEMENT

| TDKK | Q4 2022 | Q1-Q4 2022 | Q4 2021 | Q1-Q4 2021 |
|---|---|---|---|---|
| **Operating activities** | | | | |
| Result before tax | -15,687 | -82,200 | -14,814 | -57,213 |
| Non-cash sharebased payments | 380 | 0 | 95 | 379 |
| Financial items, reversed | 300 | 2,034 | 261 | 1,846 |
| Depreciation, reversed | 240 | 882 | 171 | 604 |
| Change in working capital | -4,071 | 6,375 | -1,151 | 2,066 |
| **Cash flow from operating activities before financial items** | **-18,838** | **-72,909** | **-15,438** | **-52,318** |
| Interest and exchange rate gains | 120 | 932 | 73 | 113 |
| Interest and exchange rate losses | -420 | -2,966 | -334 | -1,977 |
| Corporate tax received | 5,500 | 5,500 | 4,384 | 4,384 |
| **Cash flow from operating activities** | **-13,638** | **-69,443** | **-11,315** | **-49,798** |
| **Investing activities** | | | | |
| Tangible assets | 0 | -414 | -130 | -318 |
| Financial assets | 0 | 25 | -28 | -167 |
| **Cash flow from investing activities** | **0** | **-389** | **-158** | **-485** |
| **Financing activities** | | | | |
| Contributes capital | 0 | 53,545 | 0 | 150,690 |
| Expenses related to capital increase | 23 | -11,058 | 0 | - |
| Lease payments | -142 | -760 | -177 | -511 |
| **Cash flow from financing activities** | **-119** | **41,727** | **-176** | **150,179** |
| **Net cash flow for the period** | **-13,757** | **-28,105** | **-11,650** | **99,896** |
| Cash and cash equivalents beginning of the period | 91,362 | 105,710 | 117,360 | 5,814 |
| **Cash and cash equivalents end of the period** | **77,605** | **77,605** | **105,710** | **105,710** |

*Net proceeds in relation to the Rights Issue in December 2020, which have been paid into the company in the beginning of 2021, are included in the Cash Flow statement in 2021 under Financing activities.*

# NOTES

## NOTE 1:
## GENERAL INFORMATION

*Scandion Oncology A/S (the "Company"), Corporate Registration Number DK-38613391, is a limited liability company, incorporated and domiciled in Denmark. The Company is listed at Nasdaq First North Growth Market under the ticker SCOL and the ISIN code DK0061031895. The registered office is at Fruebjergvej 3, 2100 Copenhagen, Denmark.*

## NOTE 2:
## ACCOUNTING POLICIES

***Basis for Preparation***

*The interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by EU and the additional requirements for submission of interim reports for companies listed on Nasdaq First North Growth Market Sweden.*

*The interim financial statements are presented in Danish kroner (DKK) which is the functional currency of the Company.*

***New standards & interpretations***

*Scandion's accounting policies and methods of computation are unchanged and explained in detail in the 2021 Annual Report. A number of new amendments came into effect from January 1, 2022. None of the amendments are expected to have a material impact on the accounting policies and/or on the financial statements.*

***First-time adoption of IFRS***

*The Company's Financial Statements for 2021 were prepared for the first time in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.*

*As a result of the transition to IFRS, IFRS 1 First time Adoption of International Financial Reporting Standards has been applied. In accordance with IFRS 1, comparative figures for Q4 2021 have been prepared in accordance with IFRS/IAS and IFRIC/SIC applicable on December 31, 2021.*

*The presentation below explains the principal adjustments made by the Company in restating its Local GAAP financial statements, including the statement of financial position for Q4 2021.*

**IMPACT ON STATEMENT OF PROFIT OR LOSS AND STATEMENT OF COMPREHENSIVE INCOME Q4 2021**

| | Q4 2021 as reported Local GAAP | Impact from adoption of IFRS | Re-classifications | Q4 2021 as reported IFRS |
|---|---|---|---|---|
| Other operating income | 537 | 0 | 0 | 537 |
| Research and development expenses | -12,004 | -68 | 0 | -12,072 |
| General and administration expenses | -3,001 | -17 | 0 | -3,018 |
| **Operating loss** | **-14,468** | **-85** | **0** | **-14,553** |
| **Financial items** | | | | |
| Finance income | 73 | 0 | 0 | 73 |
| Finance costs | -321 | -13 | 0 | -334 |
| **Loss before tax** | **-14,716** | **-98** | **0** | **-14,814** |
| Tax | 8 | 0 | 0 | 8 |
| **Net loss for the year** | **-14,708** | **-98** | **0** | **-14,806** |
| Other comprehensive income for the year | 0 | 0 | 0 | 0 |
| **Total comprehensive loss** | **-14,708** | **-98** | **0** | **-14,806** |

## IMPACT ON STATEMENT OF FINANCIAL POSITION Q4 2021

| | Q4 2021 as reported Local GAAP | Impact from adoption of IFRS | Re-classi-fications | Q4 2021 as reported IFRS |
|---|---|---|---|---|
| **Assets** | | | | |
| **Non-current assets** | | | | |
| Property and equipment | 386 | 0 | 0 | 386 |
| Right-of-Use assets | 0 | 1,215 | 0 | 1,215 |
| Deposits | 314 | 0 | 0 | 314 |
| Income tax receivables | 0 | 0 | 0 | 0 |
| **Total non-current assets** | **700** | **1,215** | **0** | **1,915** |
| **Current assets** | | | | |
| Prepaid expenses and accrued income | 1,076 | 0 | 0 | 1,076 |
| Other receivables | 2,018 | 0 | 0 | 2,018 |
| Income tax receivables | 5,500 | 0 | 0 | 5,500 |
| Cash and cash equivalents | 105,710 | 0 | 0 | 105,710 |
| **Total current assets** | **114,304** | **0** | **0** | **114,304** |
| **Total assets** | **115,004** | **1,215** | **0** | **116,219** |
| **Equity and liabilities** | | | | |
| **Equity** | | | | |
| Share capital | 2,362 | 0 | 0 | 2,362 |
| Share premium reserved | 191,151 | 0 | 0 | 191,152 |
| Retained earnings | -88,965 | -8 | 0 | -88,973 |
| **Total equity** | **104,548** | **-8** | **0** | **104,541** |
| **Non-current liabilities** | | | | |
| Lease liabilities | 0 | 500 | 0 | 500 |
| Other liabilities | 0 | 0 | 84 | 84 |
| **Total non-current liabilities** | **0** | **500** | **84** | **584** |
| **Current liabilities** | | | | |
| Lease liabilities | 0 | 723 | 0 | 723 |
| Accounts payable | 4,580 | 0 | 0 | 4,580 |
| Other liabilities | 5,876 | 0 | -84 | 5,791 |
| **Total current liabilities** | **10,456** | **723** | **-84** | **11,094** |
| **Total equity and liabilities** | **115,004** | **1,215** | **0** | **116,219** |

***Foreign currency translation***
*On initial recognition, foreign currency transactions are translated at the exchange rate at the transaction date. Receivables, liabilities and other monetary items denominated in foreign currency that have not been settled at the balance sheet date are translated at closing rates.*

*Foreign exchange differences between the rate of exchange at the date of the transaction and the rate of exchange at the date of payment or the balance sheet date, respectively, are recognized in the income statement under financial items.*

***Definitions***
*Earnings per share (EPS) and diluted earnings per share (EPS-D) are calculated in accordance with IAS 33.*

*Other key ratios are calculated in accordance with the online version of "Recommendations and Ratios " issued by The Danish Finance Society and CFA Society Denmark.*

**EARNINGS PER SHARE BASIC (EPS):**

$$\frac{\text{Net result}}{\text{Average number of shares in circulation}}$$

**DILUTED EARNINGS PER SHARE (EPS-D):**

$$\frac{\text{Net result}}{\text{Diluted average number of shares in circulation}}$$

**EQUITY RATIO:**

$$\frac{\text{Equity (end of year)} * 100}{\text{Total assets}}$$

**SHAREHOLDERS' EQUITY PER SHARE:**

$$\frac{\text{Equity}}{\text{Number of shares, year end}}$$

## NOTE 3:
# CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

*In preparing the interim financial statements, management makes various accounting judgements and estimates and define assumptions, which form the basis of recognition, measurement and presentation of the company's assets and liabilities.*

*The estimates and assumptions applied are based on historical experience, the most recent information available at the reporting date, and other factors that management considers reasonable under the circumstances.*

*The basis for judgements and information can by nature be inaccurate or incomplete, and the Company is subject to uncertainties, which can result in an actual outcome that deviates from estimates and defined assumptions. It may be necessary in the future to change previous estimates and judgements as a result of supplementary information, additional knowledge and experience or subsequent events.*

*In applying the Company's accounting policies described in note 2, management has exercized critical accounting judgements and estimates, which significantly influence on the amounts recognized in the financial statements.*

NOTE 4:

## RISK MANAGEMENT

*Various risk factors may have an adverse impact on Scandion Oncology's operations and therefore the Company's results and financial position. For Scandion Oncology the main operational impact is potential delays in clinical trials as sites could be restricted from patient enrollment, or changes in requirements from authorities.*

*A description of Scandion Oncology's risk exposure and risk management is included in the Annual Report 2021 (please see **www.scandiononcology.com**).*

NOTE 5:

## WARRANT PROGRAM

***Warrant Program***

*Scandion has a warrant program totaling 2,221,099 outstanding warrants, granted from the 2022 warrant program.*

*As of December 31, 2022 a total of 482,033 warrants has been issued to the Board of Directors and a total of 1,739,066 warrants has been issued to the Executive Management and Employees.*

*Exercise price/strike price for the warrants is SEK 22.00. The fair value of the warrant program is zero and calculated in accordance with the Black-Scholes option pricing model.*

| | |
|---|---|
| Outstanding at January 1, 2022 | 1,500,264 |
| Cancelled | -1,500,264 |
| Granted | 2,221,099 |
| **Outstanding at December 31, 2022** | **2,221,099** |

*The 2020 warrant program has been terminated in full, meaning that as of December 31, 2022, no current or former employees of the Company holds any warrants under this program.*

NOTE 6:

## CONTINGENT ASSETS AND LIABILITIES

***License and Collaboration Agreements***

*Scandion is not yet entitled to potential milestone payments and royalties on successful commercialization of products developed under license and collaboration agreements with potential partners.*

***Pending commercial litigation***

*Scandion is not involved in commercial litigations arising out of the normal conduct of its business.*

NOTE 7:

## RELATED PARTIES

*Apart from salaries and warrants there were no significant transactions with Management or Board of Directors.*

NOTE 8:

## SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

*No significant events have occured after the end of the reporting period.*

SCANDION ONCOLOGY

**Scandion Oncology A/S** – Symbion Fruebjergvej 3 – DK 2100 Copenhagen – Denmark
www.scandiononcology.com – CVR No. 38613391