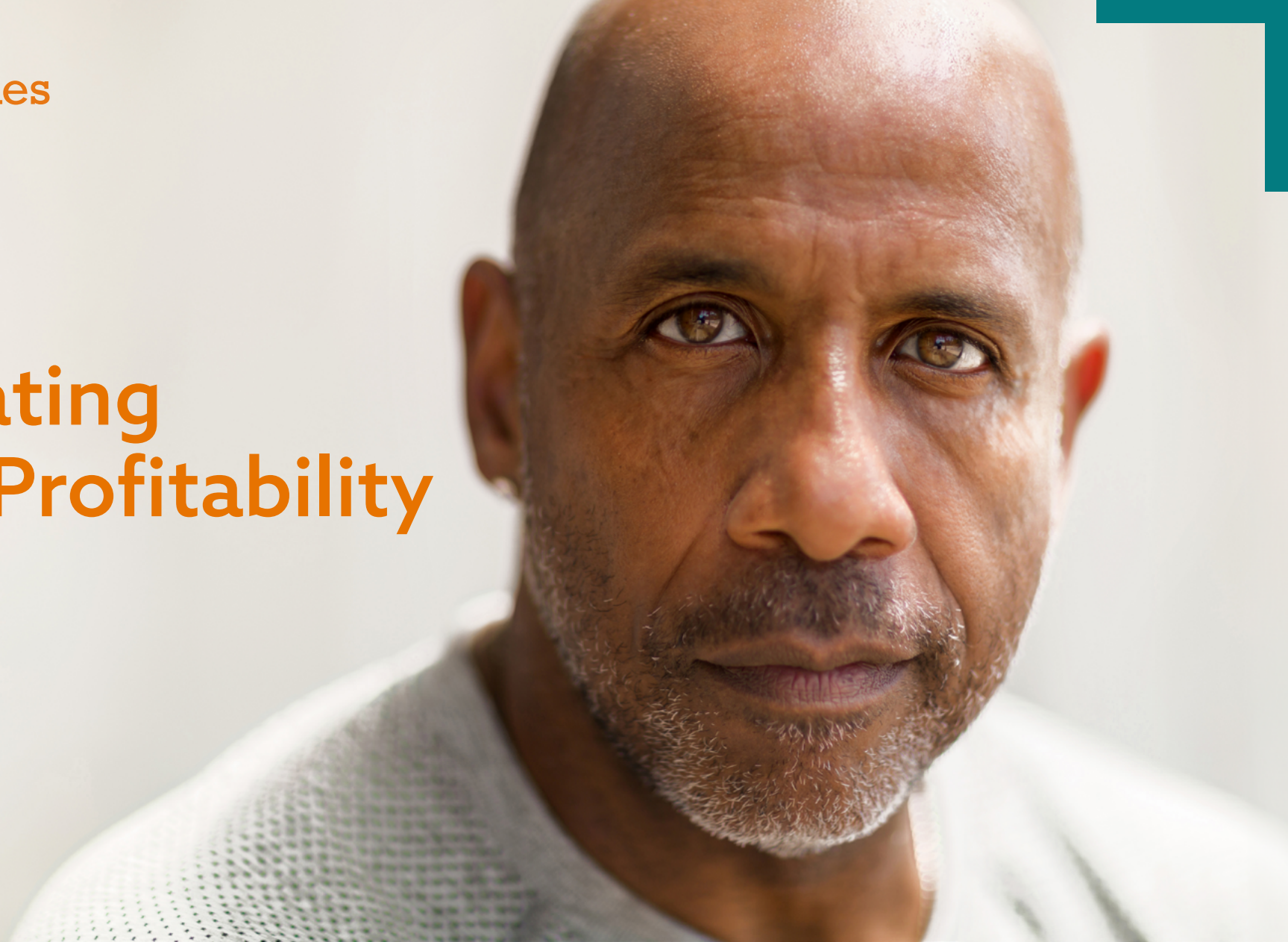
oncopeptides

Accelerating Toward Profitability

ANNUAL REPORT 2023



Contents

This publication is also available in Swedish. In the event of inconsistency or discrepancy, the Swedish version shall prevail.

Melphalan flufenamide, also called melflufen, is registered under the trademark Pepaxti® in Europe.

Oncopeptides in short

Oncopeptides is a global biotech company focusing on research, development and commercialization of targeted therapies for difficult-to-treat cancers.

Oncopeptides vision is to bring hope to patients through passionate people, innovative science and transformative medicines.

Oncopeptides first drug Pepaxti has been granted full approval for treatment of adult patients with multiple myeloma in Europe. By the end of 2023, we had ongoing sales activities in Germany as well as Greece, the latter through a partnership with Artiti S.A.

Our innovative drug is based on the Peptide Drug Conjugate (PDC) platform, and offers patients robust efficacy, reduces treatment burden and maintains quality of life.

Our pipeline includes drug candidates built on the PDC platform and the Small Polypeptide based Killer Engagers (SPiKE) platform.

We have a values-driven culture and inclusive organization that welcomes people with diverse backgrounds and perspectives. We are headquartered in Stockholm, are about 75 coworkers, and our shares are listed on Nasdaq Stockholm with the ticker ONCO.

Setting us up for success

Q1

Monica Shaw appointed CEO of Oncopeptides while Jakob Lindberg assumes new position as Chief Scientific Officer.

Holger Lembrer appointed Chief Financial Officer.

Q2

Presentation of new scientific data at the European Myeloma Network Meeting.

Research grant from Sweden´s Innovation Agency to explore the PDC platform in solid tumors received.

Warrants issued to utilize the first loan tranche from EIB.

Presentation of new data at the European Haematology Association meeting.

First sale of Pepaxti in Greece completed.

Q3

Sofia Heigis appointed CEO of Oncopeptides.

Henrik Bergentoft appointed CFO of Oncopeptides.

Information regarding appeal of U.S. withdrawal published.

Two articles with results from ANCHOR and LIGHTHOUSE studies published in Haematologica.

CHMP issues positive opinion on Type II variation to extend the therapeutic indication of Pepaxti.

Successful price negotiations for Pepaxti in Germany announced.

Oncopeptides opts to abandon Type II variation process in favor of patient and shareholder value.

Q4

Article with exploratory alkylator-refractory subgroup analysis from OCEAN study observing longer PFS and OS in melflufen vs. pomalidomide published in the European Journal of Haematology.

Presentation of additional data from OCEAN at the American Society of Hematology meeting.

Letter from the CEO

Full steam ahead!

2023 was a year when we set ourselves up for success in Europe. We built the foundation in Germany where we now have a full team in place and have secured a price that reflects our scientific innovation. This was a critical achievement to ensure a reference price point for the rest of Europe where we during the year worked intensively to progress market access.

All these efforts put us in position to start a strong and sustainable growth journey in 2024 and beyond. With the progression of our pipeline and focused business development efforts to commercialize Pepaxti also outside of Europe we have ensured next step value drivers for the company.

Resiliency and the ability to work solution-oriented is at the core of Oncopeptides. With a few turbulent years behind us, we have strengthened our durability as an organization. Our strong culture and the team we have in place is what keeps us going also through challenging times. I firmly believe that most of this now lies behind us and I look forward to a bright future with years of steady growth in Europe, realizing the opportunity for patients also outside of Europe to access Pepaxti and progressing our pipeline further. Everything we achieve is colored by strong internal and external partnerships driven by our fantastic team members. It is a true privilege to lead Oncopeptides and I wish to thank our Board of Directors and by extension our shareholders for the honor.

Sales trending in the right direction

While a strong organization and resilient culture is what will get us to our near term financial goal of being profitable with above 400 mSEK in revenue by the end of 2026, what most investors will be keeping a close eye on is our net sales. During 2023, we may have gone from very low levels, but in this early phase of our commercialization journey I want to focus on the trend rather than absolute numbers. The trend has been very clear, quarter by quarter in 2023 the number of sold vials more or less doubled every quarter, and net sales increased 90% between Q3 and Q4 of 2023. One crucial aspect during 2023 was the attraction and onboarding of a high-caliber team that will ensure that a much higher number of patients

As we leave 2023 behind, we can conclude that a number of important milestones in support of our ambition to establish sales in Europe and entertain our next step value drivers have been hit.

Sofia Heigis, CEO

will get access to Pepaxti in 2024. Agreeing with the German payer on a price (7,058 EUR per dose) that reflects our innovation might very well be the most significant accomplishment for Oncopeptides since our EMA approval of Pepaxti, and will set the scene for price negotiations in other European markets.

Geographic expansion
While it is the most important market in Europe, our financial ambitions do not rely on Germany alone. We have initiated market access efforts in several other markets across Europe, with Spain being the most progressed by the end of the year, according to a roll-out plan that we first presented during our Q3 report presentation in November. With slight adjustments along the way, our path remains largely unchanged, and we look forward to continuing communicating milestones as we move forward.

Outside of Europe we initiated discussions with various organizations for potential partnerships, with a focus on China and Japan.

Highlighting our current research...
During 2023 we started to invest in evidence generation for Pepaxti to support our commercialization efforts. We managed to get everything set up for the HARBOUR study which is capturing the real world experience of Pepaxti in Germany from 2024 and onwards. In addition, we decided to sponsor two investigator initiated trials to develop the science behind Pepaxti and generate practice informing data. We are continuously analyzing data from our tentpole studies OCEAN, ANCHOR, LIGHTHOUSE and HORIZON and during 2023 we have seen a number of respectable medical journals, including Haematologica and the European Journal of Haematology, publish new data from our studies. Oncopeptides was also represented at more than 25 medical congresses throughout the year, where in some cases we presented data, including the American Society of Hematology (ASH) congress in December.

...and conducting new research
We have our own research facility in Solna and during 2023 we took several important steps towards building Oncopeptides pipeline to ensure value creation beyond and above Pepaxti. We performed toxicity studies on our second generation PDC, OPDC3, with positive results that took us one step closer to generating clinical data. Our SPiKE platform focused on NK-cell engagers progressed towards a candidate drug selection which is currently ongoing.

Regulatory win and appeal
During 2023, we received both positive and negative decisions from regulatory agencies across the world. In Europe, the European Medicines Agency's (EMA) Committee for Medicinal Products for Human Use (CHMP) approved Oncopeptides' application to extend the indication of Pepaxti into earlier lines of treatment. While we later decided to opt out of the process, to maximize value for both patients and shareholders, the clear confirmation of our science and the benefit it provides to patients remains.

In July 2023, the U.S. Food and Drug Administration (FDA) requested that Oncopeptides voluntarily withdraws Pepaxto, as our drug was branded there, from the market. This was the next step in a long and complicated process in which our view has remained unchanged: we believe that there is a large and unmet need in elderly patients suffering from relapsed refractory multiple myeloma that our drug meets. We reiterated this when we appealed the decision of the FDA and also in August submitted a comprehensive document supporting the scientific interpretation of the OCEAN study. In the end, the FDA chose to decline our appeal, which means that we can now focus fully on our European commercialization, generate sales in the rest of the world and develop our pipeline further.

Looking to the future
Almost five months into 2024, we are happy to see that we have reached several important milestones, all of which support our ambition to establish sales in Europe and support our next step value drivers: we have secured financing to drive the business forward until we become profitable and have added both Spain and the Middle East and North Africa to the list of markets we expect to see sales in starting in the second half of 2024.

Commercializing a new drug doesn't happen overnight, but I am fully convinced that we are on the right track and that we slowly but surely have started to gain speed.

Stockholm, April 17, 2024
Sofia Heigis, CEO

Our strategy going forward

Multiple Myeloma is an incurable disease. Luckily, many new treatment options are being launched to support tumor control in all the different variants of this tumor.

With more treatment options helping patients in the early stage, a growing subset of the patients with multiple myeloma are moving into the late stage. Their disease has become refractory to the three major drug classes and the immune system is commonly exhausted from both the disease and previous treatments. There is a clear unmet need in this elderly patient population for tolerable treatment options that can control the tumor and at the same time sustain the quality of life for these patients.

Our first medicine to market, Pepaxti, has the potential to provide this, and is leading our way into the future. Our strategy is supported by our company's vision "bringing hope through science" and is built on five pillars.

Financial discipline
We aspire to ensure that the company has a long-term, sustainable cash and equity position until the company becomes financially self-sufficient.

In addition to sales, we are heavily focused on optimizing costs by focusing on activities that maximize patient and shareholder value.

Launch success
We aspire to ensure that physicians and payers prefer Pepaxti in elderly patients with relapsed, refractory multiple myeloma (RRMM). We are in the process of launching Pepaxti with patient-focused teams, determined to bring new science to the benefit of the right patients. In addition to this model, we also seek partnerships in certain markets or regions where this provides a higher value.

Geographic expansion
We continuously analyze the market situation and develop our market access strategy based on it. Outside of Europe, China and Japan are currently the most viable markets and the company is currently looking at opportunities to either license Pepaxti or form a partnership there.

Pipeline progression
We aspire to progress the development of drug candidates for difficult to treat cancer diseases with significant unmet medical needs. The drug candidates are based on the proprietary Peptide Drug Conjugate platform, PDC, and the SPiKE platform (Small Polypeptide based Killer Engagers). For SPiKE, the first candidate selection process was initiated late in 2023, and for PDC the first drug Pepaxti is already commercialized, while next generation PDC development is at an early stage.

People and culture
We aspire to build company engagement and attraction through our vision and values. We act with an enterprise spirit and believe that the journey to becoming a strong company brand starts internally. We strive to attract, retain and develop key talents in the industry.

Financial discipline
Sustainable cash and equity position.

Launch success
Sales growth in Europe and continued market access efforts.

Geographic expansion
Explore opportunities globally.

Pipeline progression
Develop pipeline assets to realize their potential.

People and culture
Company engagement through our vision and values.

Environment, Social & Governance

Being a responsible, sustainable company is important to Oncopeptides. It permeates our business operations and our relationships with employees and stakeholders in the society at large.

Our approach
We adopt an environmental, social, and governance (ESG) approach to sustainability. We minimize our environmental footprint; we work on Human Resources and social issues with employees and in a broader societal context; and address governance issues by ensuring that we operate fairly, transparently, and to the highest ethical standards.

Oncopeptides supports the United Nations Global Compact Principles, a voluntary initiative to implement universal sustainability principles. We also support the UN's 2030 Agenda and Sustainable Development Goals (SDGs). We are focused on the goals where our ability to influence is maximized and we can help drive positive change. SDG 3: Good health and well-being – Ensure healthy lives and promote well-being for all.

Environmental Responsibilities
At Oncopeptides we continuously strive to minimize the environmental impact of our own operations and those of our suppliers. Our Environmental Policy, adopted in 2017 and which all employees are expected to follow, states that environmental impact should be part of the company's decision-making processes and that our products should not consume more natural resources than necessary. We strive to prevent pollution, reduce carbon emissions, and work actively to minimize waste, energy and water use.

Social Responsibility
Oncopeptides takes its role and responsibility in society seriously. We strive to have positive impact in the local communities where we are present, and encourage employees, suppliers, and other stakeholders to do the same.

Our ability to attract, keep and develop talented people remains vitally important. We have a good gender balance and the organization includes people with different nationalities, backgrounds, and ages. In 2022 and 2023, the Allbright Foundation acknowledged Oncopeptides as one of the most equal companies among the publicly listed enterprises in Sweden.

Responsible Governance
To ensure good governance throughout the organization, we have systems in place that control how the company takes decisions, meets its legal obligations, and achieves its operational requirements. We have an ethical, values-driven culture in which issues are addressed swiftly and transparently. We do this through a culture based on dialogue, mutual respect, and integrity.

Key policies include the Code of Conduct, Anti-corruption Policy, Corporate Governance policy, Insider Policy and Information Policy. These policies are reviewed on a regular basis.

Find more information about our ESG efforts and review our anti-corruption and code of conduct, by visiting our website:

https://oncopeptides.com/en/sustainability/

An unmet medical need

Multiple myeloma is an incurable malignant plasma cell disorder, characterized by clonal proliferation of plasma cells in the bone marrow and the production of excessive amounts of immunoglobulin.

The disease predominantly affects older patients, with a median age for onset of disease of 72 years. These patients often have many comorbidities and consequently receive multiple concomitant medications.

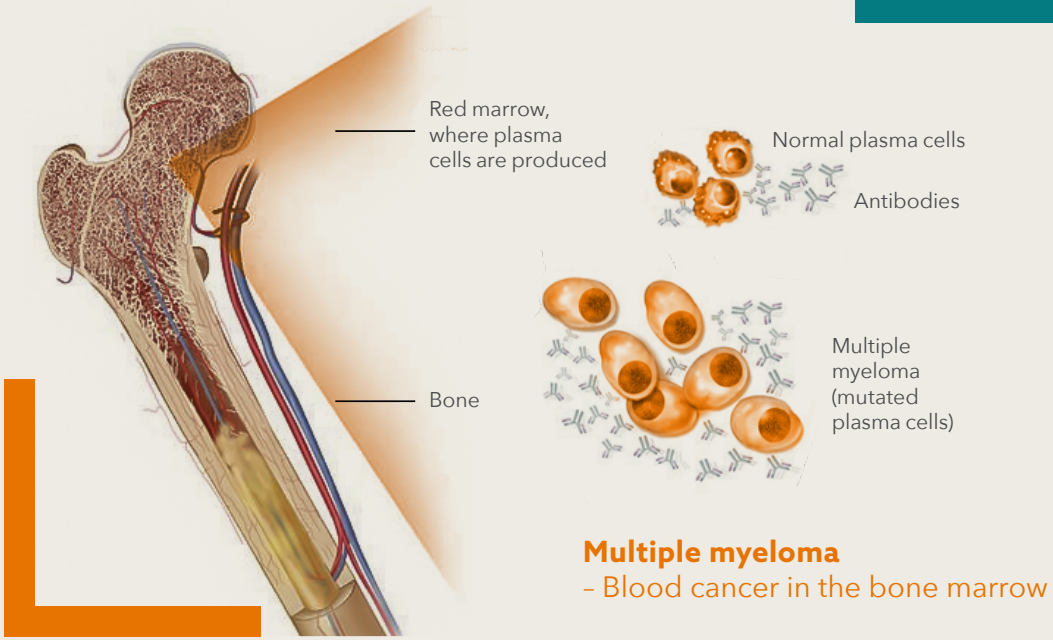
Most patients with multiple myeloma have symptoms, including bone pain, fatigue, anemia, and infections that reduce quality of life. Patients may have symptom-free periods, but the disease always relapses due to new mutations of the tumor cells, and eventually become refractory to all available treatment options.

Incidence of multiple myeloma
Multiple myeloma is the second most common hematologic disease, and accounts for approximately 1–2% of all new cancer cases, with a global incidence of 1.7 per 100,000 and an incidence of 2.1–3.4 per 100,000 in France, Germany, Italy, Spain and the UK. An estimated 50,900 patients were diagnosed in the EU in 2020, with an estimated 23,500 deaths due to the disease. Multiple myeloma is more common in men than in women.

Unmet medical need
The introduction of new drugs during the last decade has improved treatment outcomes. However, multiple myeloma is ultimately fatal, with a 5-year survival around 50 %. Patients with relapsed disease can respond to subsequent therapies, but the duration of response decreases with successive relapses until resistance is developed.

Treatment of relapsed, refractory multiple myeloma (RRMM) is challenging, since patients with myeloma-related symptoms, may have remaining side effects from previous treatment, decreased quality of life and a limited number of remaining treatment options.

Treatment of multiple myeloma
The treatment goal is ultimately to control disease progression and prolong survival. The major drug classes include steroids, alkylators, proteasome inhibitors, immunomodulatory drugs, and monoclonal antibodies. Recently, three new classes have been approved for use in triple class refractory patients, a selective inhibitor of nuclear export, anti-BCMA CAR-T cell therapies, and bispecific antibodies.



Multiple myeloma
– Blood cancer in the bone marrow

Triple-class refractory patients have a disease that is refractory to immunomodulatory drugs, proteasome inhibitors, and CD38-targeting monoclonal antibodies. The patients are therefore refractory to all major drug classes. These patients have a poor prognosis with a short expected overall survival.

None of the newly approved medicinal products has provided a cure. Ultimately patients relapse and treatment options are exhausted. There is a continued unmet need, particularly in elderly patients who require accessible treatment options.

Two unique platforms

Oncopeptides is a science and data driven company. We are innovative and curious, and committed to bringing innovation to patients with rare hematological diseases. We are passionate to make a difference for patients who have an urgent need for better treatment options.

Oncopeptides is developing innovative drug candidates for difficult to treat haematological diseases. The development is built on our two unique technology platforms for Peptide Drug Conjugates (PDC), and Small Polypeptide based Innate Killer Engagers (SPiKE), and allows us to build a robust pipeline, with potential to expand into new indications.

The SPiKE Technology Platform

This research utilizes the immune system to fight cancer. It has evolved from targeting the T-cells, such as CAR-T therapy or BiTEs (bi-specific T-cell engagers), to targeting the natural killer (NK) cells. This may reduce the often dose-limiting side-effects seen with T-cell directed therapies, such as cytokine release syndrome (CRS) and PNS/CNS symptoms, whilst achieving similar levels of clinical efficacy, even after previous exposure to and relapse after T-cell directed therapies. Oncopeptides has developed a proprietary technology platform for Small Polypeptide based innate Killer Engagers (SPiKE). The first candidate drug selection process for the SPiKE platform was initiated in late 2023.

PDC – A true innovation

Melflufen is the first PDC with an alkylating payload. The drug utilizes peptidases and esterases that are overexpressed in multiple myeloma cells, to release a toxic payload inside cells, and damage DNA and kill cancer cells.

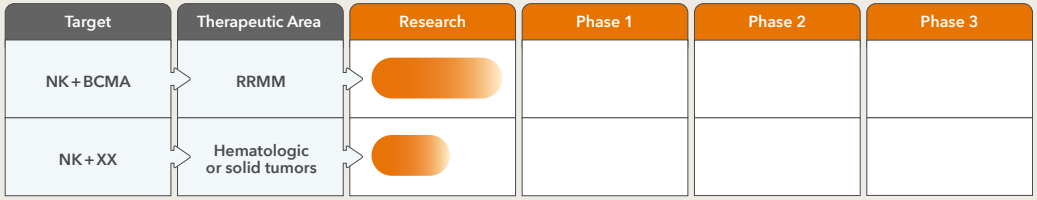
The PDC compounds are composed to enable efficient distribution in the body, enabling a wide therapeutic window (i.e. a wide margin between effective doses and doses that give unacceptable side effects), and an optimized benefit risk profile. The PDCs are designed around two components: a peptide carrier and a cytotoxic payload. The PDCs are lipophilic which allows for a rapid diffusion into cells. The peptide carrier utilizes the altered metabolism of cancer cells to hydrolyze PDC into active hydrophilic metabolites, which lead to an enrichment in cancer cells.

Oncopeptides has two candidate drugs with potential to target multiple indications:

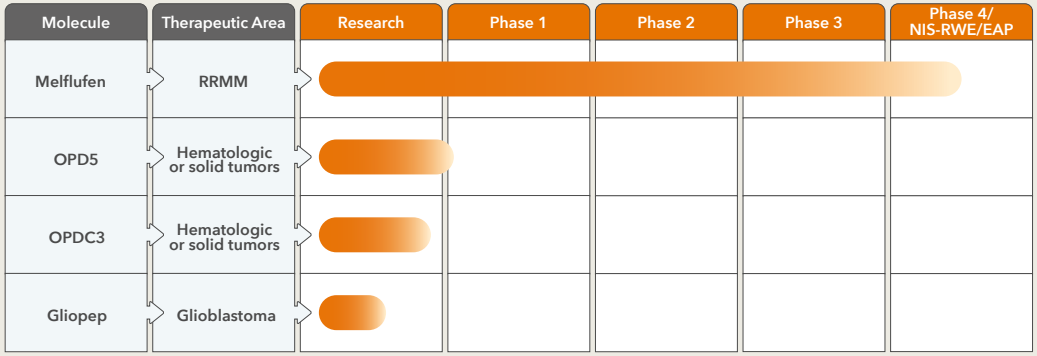
- **OPD5** - "sister" molecule to Pepaxti granted "Investigational New Drug" status by the FDA.
- **OPDC3** - building upon Pepaxti benefits with even more enhanced selectivity.

Both drugs are in an early R&D stage, approaching readiness for clinical testing.

SPiKE (Small Polypeptide based Killer Engagers) platform pipeline



PDC (Peptide-drug conjugate) platform pipeline



Patents and intellectual property

Oncopeptides has an active patent strategy, spanning from protection of the early pre-clinical portfolio to the commercial product Pepaxti. Part of the strategy encompasses protection in all major geographic markets, including the U.S., Europe, Canada, Japan, and China.

The company's intellectual property portfolio of registered rights consists of granted patents, patent applications in different stages, Supplementary Protection Certificates (SPCs) as well as trademarks. In addition, the company has important rights to clinical data and significant unregistered rights including trade secrets.

Melflufen is protected by different families of granted patents, including formulations, manufacturing processes and methods for treatment.

During 2023, eight new patents were approved, four new priority patent applications were submitted, and six patent applications were taken forward as international patent applications under the Patent Cooperation Treaty (PCT).

The market authorizations in the EU and the UK during the second half of 2022 enable us to extend the patent protection for five years via Supplementary Protection Certificates (SPCs). The possibility to extend the patent term in selected countries is investigated as new markets are entered.

Since the establishment of the drug development lab in 2020, pre-clinical R&D efforts have been intensified, resulting in an increase in filed applications over the last couple of years. These applications, some yet unpublished, provide protection of new innovations in the pre-clinical pipeline, including both the Peptide Drug Conjugate (PDC) platform and the Small Polypeptide based Killer Engagers (SPiKE) platform.

To secure high quality IP protection, Oncopeptides has a long-lasting relationship with Abel & Imray patent and trademark attorneys and their international network of attorneys around the world.

Patent	Type	Patent life: filing (expiry) date	Region	Status
Melphalan derivatives and their use as cancer chemotherapeutic drugs	Substance	2000 (USA 2022[1]; RoW 2021)	USA, EP, CA and JP	Granted and in force: US Interim Patent Term Extension in force 2024; Expired: EP, CA, JP
Lyophilized preparation of cytotoxic dipeptides	Formulation	2011 (2032[1])	AU*, BR*, CA*, CN, EP*, HK*, IL*, IN*, JP*, KR*, MX*, NZ*, RU*, US* and ZA*	Pending / At least 1 granted patent*
Lyophilized preparation of melphalan flufenamide	Formulation	2012 (USA 2032; RoW 2033)	AU*, BR*, CA*, CN*, EP*, HK*, IL*, IN*, JP*, KR*, MX*, NZ*, RU*, US* and ZA*	At least 1 granted patent*
Process for preparation of nitrogen mustard derivatives	API Process	2015 (2036)	AU*, BR, CA*, CN*, EP*, HK*, IL*, IN*, JP*, KR*, MX*, NZ, RU*, SG*, US* and ZA*	Pending / At least 1 granted patent*
Melflufen dosage regimens for cancer	Dosage	2015 (2036)	AU*, BR, CA*, EP*, HK*, IL, IN, JP*, KR*, MX*, NZ, RU*, SG*, US and ZA*	Pending / At least 1 granted patent*
Deuterated melflufen	Substance	2018 (2039)	AU, BR, CA, CN, EA*, EP*, HK*, IL, IN, JP, KR, MX*, NZ, SG, US and ZA	Pending/At least 1 granted patent*
Liquid formulation of melflufen	Formulation	2019 (2040)	AU, BR, CA, CN, EA, EP, HK, IL, IN, JP, KR, MX, NZ, SG, US and ZA	Pending
Melflufen for use in treatment of multiple myeloma	Method of treatment	2021 (2042)	CN, EP, JP, TW and US	Pending
PDC analogues	Substance	2021 (2042)	AR, AU, BR, CA, CN, EA, EP, IL, IN, JP, KR, MX, NZ, SG, TW, US and ZA	Pending
Formulation of melflufen	Formulation	2022 (2043)	PCT (national phase entry September 2024)	Pending
Novel polypeptides 1	Substance	2022 (2043)	PCT (national phase entry November 2024)	Pending
Novel polypeptides 2	Substance	2022 (2043)	PCT (national phase entry November 2024)	Pending
New invention #1	Confidential	2022 (2043)	PCT (national phase entry June 2025)	Pending
New invention #2	Confidential	2022 (2043)	PCT (national phase entry June 2025)	Pending
New invention #3	Confidential	2022 (2043)	PCT (national phase entry June 2025)	Pending
New invention #4	Confidential	2023 (2044)	Priority application in the UK is being processed	Pending
New invention #5	Confidential	2023 (2044)	Priority application in the UK is being processed	Pending
New invention #6	Confidential	2023 (2044)	Priority application in the UK is being processed	Pending
New invention #7	Confidential	2023 (2044)	Priority application in the UK is being processed	Pending

1) Without extensions of the patent time

Clinical benefit of melflufen

Melflufen (branded in Europe as Pepaxti) has been granted a full approval from the European Medicines Agency (EMA), and from the Medicines and Healthcare Products Regulatory Agency (MHRA), in the UK. The approvals are based on data from the phase 2 HORIZON study and supported by data from the confirmatory phase 3 OCEAN study.

Stefan Norin,
Chief Medical Officer

According to the European Public Assessment Overview by EMA, Pepaxti is a medicine used to treat adults with multiple myeloma when the cancer has not responded to previous treatments. It is used in combination with dexamethasone in adults who have received at least three prior therapies, and are refractory to an immunomodulatory agent, a proteasome inhibitor and an anti-CD38 antibody, and whose disease has worsened since the last treatment. For patients who have had an autologous stem cell transplantation, Pepaxti can be used if the time from transplantation to when the cancer comes back is at least three years.

The HORIZON study evaluated the efficacy of melflufen and dexamethasone in patients with relapsed and refractory multiple myeloma (RRMM), a population with an important unmet medical need. The OCEAN study compared melflufen in combination with dexamethasone versus pomalidomide and dexamethasone in patients with RRMM who had received two to four previous lines of therapy, including lenalidomide and a proteasome inhibitor, and whose disease was refractory to lenalidomide and the last line of therapy.

The European Public Assessment Overview by EMA, further states that melflufen together with dexamethasone was shown to be effective at clearing the cancer in the phase 2 HORIZON study. The trial involved 157 patients with multiple myeloma whose disease stopped responding and had been treated with two prior treatments including one immunomodulator and one proteasome inhibitor. In addition, the patients were refractory to pomalidomide and/or daratumumab. Clinically relevant results were shown for the 52 patients who have either not had a transplant or who had a transplant and whose disease progressed more than 3 years after.

For those patients, around 29% had a response on the cancer with melflufen and dexamethasone lasting around 7.6 months.

In the phase 3 OCEAN study comparing melflufen and dexamethasone with pomalidomide and dexamethasone, a beneficial effect was also seen for patients who had no prior transplantation or had a transplant and whose disease progressed more than 3 years after. Patients receiving melflufen and dexamethasone had a median of 9.3 months before their disease got worse or they died, compared with 4.6 months for patients receiving pomalidomide and dexamethasone. The median survival was 23.6 months for patients on Pepaxti and dexamethasone and 19.8 months with pomalidomide and dexamethasone.

The commercialization process of Pepaxti allows more patients across Europe to benefit from the unique mode of action of our drug.

Stefan Norin, Chief Medical Officer

Commercialization

First European milestones reached

In 2023, the teams responsible for the commercialization of Pepaxti took important steps to ensure a successful launch across Europe. Among them were slow but steadily increasing sales supported by Germany and Greece, the recruitment of a full team in Germany and the successful negotiation of a German price that reflects the innovation of our drug. We also progressed with preparations for additional European markets.

For someone unfamiliar with drug development and commercialization, it is easy to think that when a marketing authorization is received, such as the one Oncopeptides was granted for Pepaxti by the European Medicines Agency (EMA) in 2022, sales will pick up across the region over night. In reality, however, there are multiple boxes needed to be checked in each country, and sometimes even on a regional level, before sales can pick up.

First, a so called value dossier needs to be developed to provide information with supporting evidence customized for local or national payers. You also need to engage with local so called Key Opinion Leaders (KOLs), often prominent healthcare professionals considered experts in their field, as they play a crucial role in the commercialization process of new drugs. KOLs are well-respected individuals with significant impact on the position of the medicine.

Next, negotiations with payer organizations, that could be government programs or insurance providers, commence in the various markets to discuss cost effectiveness, followed by a negotiation of the price for the drug. These negotiations are often complex and takes anything from a few months up to several years.

During 2023, Oncopeptides took several markets past the value dossier stage into cost effectiveness and benefit discussions: Spain, Italy, Netherlands, Ireland, and Norway. We are confident that we will be able to share news on advancements in some of these markets during 2024.

In Germany, the process has gone all the way to uptake by healthcare professionals, with the final step, a subsidized price, achieved in September. The negotiated price for one dose of Pepaxti is 7,058 EUR. Receiving an innovative price in Germany is not something that should be taken for granted, and many drugs see their price drop significantly following price negotiations. To land on a price that reflects the innovation of Pepaxti allows Oncopeptides to continue sales of the drug at a level that supports its long-term business ambitions. The price of a drug negotiated in Germany also influences pricing in other European countries due to External Price Referencing (EPR), where countries compare drug prices with those in other markets. Given Germany's status as a key reference country in many EPR systems, a price change there sets a benchmark for other nations.

Once a product is fully approved and has a subsidized price, such as in Germany, the local team work to generate awareness and medical understanding by continuously meeting with health care professionals, attending medical congresses and in other ways ensuring that the right patients gets access to Pepaxti. This process is dependent on knowledgeable team members with in-depth hematology understanding and the needed networks to access the right physicians.

By the end of 2023, Oncopeptides finalized recruitment of a team in Germany, a key requisite for accelerating sales in this key market in 2024 and beyond.

Share development and data

Oncopeptides has been listed on Nasdaq Stockholm since 2017. The company's market capitalization at the close of 2023 was SEK 725 million compared to SEK 1,098 million by the end of 2022. Average trading volume in 2023 was about 515,636 shares per day with a peak at 4.8 million shares on March 8.

Ownership structure

HealthCap and Industrifonden remain Oncopeptides' largest owners, representing 26.1 percent (26.2) of the share capital. Redmile Group is the third largest owner, representing 6.3 percent (7.8) of the share capital. At the end of 2023, Swedish institutional owners represented 32.2 percent of the share capital, foreign institutional owners represented 6.4 percent of the share capital and private individuals represented 40.7 percent of the share capital. Oncopeptides had 24,686 (28,907) shareholders at the year end 2023.

Share price development

The closing price on the last day of trading in 2023 was SEK 7.66, corresponding to a market capitalization of SEK 724.6 million based on the number of outstanding shares. The share price peaked on January 2 at SEK 12.87 and reached a low on November 13 at SEK 6.60.

Share data

On December 31, 2023, Oncopeptides had 90,439,627 registered common shares, corresponding to the same number of votes.

Share capital

At year-end, the share capital was in total SEK 10,511,120 distributed between 90,439,627 common shares with a quotient value of SEK 0.11. As defined in the Articles of Association, the share capital may comprise a minimum of SEK 7,200,000 and a maximum of SEK 28,800,000, distributed between a minimum of 66,000,000 shares and a maximum of 264,000,000 shares. Oncopeptides' Articles of Association contains a record day provision, and the company's shares are registered with Euroclear Sweden AB, which means that Euroclear Sweden AB administers the company's share register and registers the shares of individuals and organizations. All shares are entitled to an equal share of the company's profits and a percentage of the surplus in the event of liquidation.

Dividend policy and proposed dividend

Oncopeptides will continue to focus on further developing and expanding the company's assets and project portfolio. Available financial resources and recognized profit will therefore be reinvested in the operations to finance the company's long-term business. Any future dividends will be determined based on the company's long-term growth, earnings performance, and capital requirements. Insofar as dividends are proposed, they will be considered with respect to the company's objectives, scope, and risk. Consequently, the Board of Directors does not intend to propose any dividend to shareholders until such time as the company generates sustainable profitability. The Board of Directors proposes that the Annual General Meeting resolves that no dividend shall be paid for the financial year.

Analyst coverage

Four banks and their analysts have covered Oncopeptides throughout 2023:

- ABG Sundal Collier, Gonzalo Artiach Castañón
- Carnegie, Erik Hultgård
- DNB Bank ASA, Patrik Ling
- Kempen & Co, Suzanne van Voorthuizen

20 largest shareholders as of December 31, 2023	Votes
HealthCap VI LP	13.89%
Stiftelsen Industrifonden	9.12%
Redmile Group LLC	6.58%
Oncopeptides AB	0.46%
HealthCap VIII LP	4.17%
Avanza Pension	3.58%
Handelsbanken Fonder	2.07%
SEB Fonder	1.91%
AS Clipper	1.14%
Hans Edvin Öhman	0.94%
Jakob Lindberg	0.92%
Dominik Andelic	0.69%
Nordea Liv & Pension	0.68%
Johan Zetterstedt	0.62%
Handelsbanken Liv Försäkring AB	0.57%
Nordnet Pensionsförsäkring	0.46%
Swedbank Försäkring	0.45%
Bo Nilsson	0.44%
Per Wold-Olsen	0.43%
Hasan Taspinar	0.42%

Glossary

Alkylator A broad spectrum cytotoxic therapy that is a corner stone in cancer treatment.

Aminopeptidases Enzymes that hydrolyze peptides. These are over-represented in cancer cells.

ASCT Autologous Stem Cell Transplantation. Stem cells are taken from the patient when the disease is in a calm stage, so-called remission. They are given back to the patient after i.e., chemotherapy.

CHMP European Medicines Agency's Committee for Medicinal Products for Human Use.

Clinical trials Studies to define doses and evaluate safety and efficacy on healthy volunteers and patients.

EEA European Economic Area, EU member countries including Iceland, Norway, and Lichtenstein.

EIB European Investment Bank.

EMA European Medicines Agency.

FDA U.S. Food and Drug Administration.

Hazard ratio (HR) A comparison between the probability of events in a treatment group, compared to a control group. A hazard ratio of 1 means that both groups are experiencing an equal number of events at any point in time.

Hematology The science of blood, blood-forming organs, and blood diseases. It includes the treatment of blood disorders and malignancies, including hemophilia, leukemia, lymphoma and multiple myeloma.

IMiDs Immunomodulating drugs.

IND Investigational New Drug.

IND-submission Application to enable clinical development of a drug candidate.

ITT Intent to Treat population, i.e. all randomized patients in a clinical trial. The population is assumed to reflect what might be seen if the treatment was used in clinical practice.

Late-stage RRMM Late-stage relapsed refractory multiple myeloma.

Lines of therapy After a cancer diagnosis and decision to treat the patient, the first treatment attempt is known as the first line of therapy, followed by a second line of therapy, etc.

Melflufen A colloquial name of melphalan flufenamide. Melflufen is the first anti-cancer PDC that utilizes peptidases and esterases, to rapidly release alkylating agents inside tumor cells.

Melphalan flufenamide INN (see above) name for melflufen.

Multiple myeloma MM Multiple myeloma. A rare blood cancer that forms in plasma cells. Cancerous plasma cells accumulate in the bone marrow and crowd out healthy blood cells.

NDA New Drug Application.

NK-cell, Natural Killer cell NK cell engager compound can be used for immune cell activation in immunotherapy.

OPDC3 A new generation of compounds based on Oncopeptides' proprietary PDC platform.

ORR Overall response rate Number of patients who have lost 50 percent or more of their tumor mass.

OS Overall survival. The length of time a patient survives from the start of the treatment.

PDC Peptide-drug conjugate. The class of agents that includes melflufen and OPDC3.

Pepaxti Registered trademark for melflufen in Europe.

Peptide A molecule compromising a chain of amino acids. A key attribute of melflufen.

Peptidases Peptidases and esterases are group of enzymes overexpressed in tumor cells, including multiple myeloma cells. The enzymes contribute to a break down of melflufen, which results in a rapid release of a toxic payload that damages DNA and kills cancer cells.

PFS, Progression-free survival. Surrogate endpoint that measures the length of time from the start of a patient's treatment until the tumor or tumor produced immunoglobulin has grown by at least 25 percent.

Phase 1, 2, 3 (studies) Various phases of clinical development.

Phase 1 A clinical study to identify appropriate doses of a drug candidate and evaluate safety in healthy volunteers.

Phase 2 A clinical study to evaluate efficacy and safety of a drug candidate in patients ahead of phase 3.

Phase 3 A clinical study that repeats phase 2 processes in larger patient groups and compares drug candidates with other treatments.

SPiKEs Small Polypeptide Based Killer Engagers. Proprietary technology platform for development of immunotherapy for treatment of cancer.

TCR Triple Class Refractory. Patients with TCR multiple myeloma are refractory to at least one proteasome inhibitor, one immunomodulatory agent and one anti-CD38 monoclonal antibody.

Contents

Remuneration Report

Introduction
This Remuneration Report provides an overview of how Oncopeptides AB's guidelines for remuneration of senior management, adopted by the Annual General Meeting (AGM) 2022, have been applied during 2023. The report also includes information on the remuneration of the CEO as well as a summary of the company's share-based and share-price-related incentive programs outstanding. The report was prepared in accordance with the Swedish Companies Act and the rules on remuneration issued by the Stock Market Self-Regulation Committee.

More information on remuneration of senior management is available in Note 10 to the 2023 Annual Report, Employees and personnel costs. Information on the work of the Remuneration Committee in 2023 can be found in the corporate governance report, which is on pages 31–38 in the 2023 Annual Report.

Remuneration to the Board of Directors is not encompassed by this report. Such remuneration is resolved by the AGM and published in Note 10 in the 2023 Annual Report.

Performance in 2023
The CEO provides a summary of the company's overall performance on pages 5–6 of the 2023 Annual Report.

Company's remuneration guidelines: Scope, purpose and deviations
Oncopeptides is a biotech company focused on the commercialization, research and development of treatments for difficult-to-treat hematological diseases.

The company uses its proprietary PDC platform to develop peptide-linked drugs that rapidly and selectively deliver chemotherapy into cancer cells.

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel. Achieving this requires that the company offer competitive remuneration. The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits.

In addition, the AGM may, independently of the guidelines for remuneration of senior management, decide on, for example, share- and share-price-related remuneration. The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. The variable cash remuneration shall be linked to predetermined and measurable criteria which can be financial or non-financial. They may be individualized, quantitative or qualitative objectives.

Total remuneration to the CEO, 2023 (SEK thousand)[1]

2023	Basic salary	Invoiced fees	Variable remuneration	Pension expenses[2]	Share-based remuneration[3]	Total	Proportion fixed/ variable remuneration[2]
CEO, Jakob Lindberg (until Jan 3)	35	–	–	478	25	538	100%/0%
CEO, Monica Shaw (Jan 4 to Aug 31)	3,914	–	–	384	–	4,298	100%/0%
CEO, Sofia Heigis (from Aug 7)	1,757	–	500	209	714	3,180	80%/20%
Total	**5,706**	**–**	**500**	**1,071**	**739**	**8,016**	**93%/7%**

1) With the exception of multi-year variable remuneration, (share-based remuneration above) the table presents remuneration that accrues for 2023. Multi-year variable remuneration is presented to the extent it vested in 2023 pursuant to that stated in the following table presenting the CEO's Option programs. This applies irrespective of whether payment has, or has not, been made in the same year.

2) Pension expenses, which are defined-contribution and pertain entirely to basic salary, have been fully recognized as fixed remuneration. Of the year's pension expense for Jakob Lindberg, SEK 478 thousand, SEK 475 thousand pertains to the 2022 fiscal year, which was retroactively expensed in 2023.

3) The value of the employee options vested during the year and thereby exercised is shown below in the CEO's Option programs table. At the vesting date, the market value of the underlying shares amounted to SEK 4,927 thousand. The exercise price for these shares was SEK 9,371 thousand.

The criteria shall be designed so as to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or promote the executive's long-term development.
These guidelines enable the company to offer senior management a competitive total remuneration. Variable cash remuneration covered by the guidelines for remuneration of senior management shall aim at promoting the company's business strategy and long-term interests, including its sustainability.

Long-term share-based incentive programs have been implemented in the company. Such programs have been resolved by the general meeting and are therefore excluded from these guidelines. The programs include senior management, Board members, founders and other personnel, and are reported under Note 27, Share-based remuneration, in the 2023 Annual Report. For more information about these programs, including the criteria determining outcomes, refer to *https://oncopeptides.com/en/company/governance/remuneration/*

The guidelines for remuneration of senior management are reported on pages 25–26 in the 2023 Annual Report. No deviations from the guidelines occurred during 2023. No claim for repayment of remuneration has been made.

For information about the guidelines applicable until the 2024 AGM, refer to the Corporate Governance Report on pages 31–38 of the 2023 Annual Report. For specific reasons, the Board of Directors decided on a deviation from the guidelines in 2023 when Jakob Lindberg changed position from CEO to CSO, whereby he retained his contractual notice period as CEO of nine months. Given Jakob Lindberg's key role in general and specifically in the ongoing appeal process with the FDA, this deviation was deemed to be in the best interest of the company.

Share-based remuneration

Share-based incentive programs outstanding

The objective of share-based incentive programs is to promote the company's long-term interests by motivating and rewarding the company's senior management, founders and other personnel. Oncopeptides currently has eight active programs encompassing management, certain Board members, founders and employees.

"Co-worker LTIP 2017" was introduced in 2017. At the 2018 AGM, the incentive program "Co-worker LTIP 2018" was introduced and at the 2019 AGM it was resolved to introduce "Co-worker LTIP 2019." At the 2021 AGM, it was resolved to introduce two incentive programs: "Board LTIP 2021" and "Co-worker LTIP 2021." At the 2022 AGM, it was resolved to introduce two incentive programs: "Board SHP 2022" and "Co-worker LTIP 2022." At the 2023 AGM, it was resolved to introduce the incentive program "Board SHP 2023."

The options are to be allotted free of charge and have a three-year vesting period calculated from the allotment date, provided that, subject to customary exceptions, the participant is still employed by/still providing services to Oncopeptides.

The share awards will be allotted free of charge to participants in the program. The share awards are vested over approximately three years and are also subject to performance-based vesting, based on the performance of Oncopeptides' share price during the period from the allotment date up to and including the final vesting date. For further information about these programs, refer to Note 27 Share-based remuneration.

Full exercise of allotted options and share awards, including warrants set aside to hedge the company's social security contributions, as of December 31, 2023 corresponded to in total 5,160,379 shares and would result in a dilution of shareholders of 5.4% based on full dilution. The full utilization of all resolved options and share awards corresponding to a total of 7,685,259 shares (including unallotted employee options and share awards as well as warrants intended for hedging of social security contributions) would result in a dilution for shareholders of 7.8% based on full dilution.

CEO's performance during the reported fiscal year: Variable cash remuneration

Description of criteria pertaining to variable remuneration	a) Measured performance and b) actual remuneration
Goals linked to launch - Applying for approval in Europe - Planning and implementing the EU launch	a) 36% b) SEK 500 thousand
Goals linked to strategy - Develop a strategy for funding - Financial discipline	

Comparative information regarding changes in remuneration and company performance during the last two reported fiscal years (SEK thousand)

	Income statement vs Income statement-1	Income statement 2023
Total remuneration to the CEO	756 (10%)	8,016
Consolidated operating result	+95,903	-253,447
Average remuneration based on the number of FTEs employed[1] in the company	408 (60%)	1,090

1) Excluding members of Group management

CEO incentive program[1, 2]

									Information for the reported fiscal year					
CEO	Program title	Subtitle	Vesting period	Allotment date	Expiry date of exercise period	Last vesting date	Exercise period	Exercise price	Options Jan 1, 2023	Allotted 2023	Exercised 2023	Revoked 2023	Options Dec 31, 2023	Vested %
Sofia Heigis	Co-worker LTIP	2019:4	2020–2023	Apr 2, 2020	Apr 2, 2027	Apr 2, 2023	Apr 2, 2023–Apr 2, 2027	107.58	24,478	–	–		24,478	100.00%
Sofia Heigis	Co-worker LTIP	2019:7	2021–2024	Jan 4, 2021	Jan 4, 2028	Jan 4, 2024	Jan 4, 2024–Jan 4, 2028	169.53	8,201				8,201	99.64%
Sofia Heigis	Co-worker LTIP	2019:9	2022–2025	Feb 18, 2022	Feb 18, 2029	Feb 18, 2025	Feb 18, 2025–Feb 18, 2029	8.93	63,853				63,853	62.17%
Sofia Heigis	Co-worker LTIP	2021:2	2022–2025	Feb 18, 2022	Feb 18, 2025	Feb 18, 2025	Feb 18, 2025–Feb 19, 2025	9.38	123,531	–	–		123,531	62.17%
Sofia Heigis	Co-worker LTIP	2022:2	2023–2026	Jan 13, 2023	Jan 13, 2026	Jan 13, 2026	Jan 13, 2026–Jan 31, 2026	12.30	–	66,798			66,798	32.18%
Sofia Heigis	Co-worker LTIP	2022:3	2023–2026	Mar 2, 2023	Mar 2, 2026	Mar 2, 2026	Mar 2, 2023–Mar 13, 2026	10.08	–	45,894			45,894	27.80%
Sofia Heigis	Co-worker LTIP	2022:5	2023–2026	Aug 23, 2023	Aug 23, 2026	Aug 23, 2026	Aug 23, 2026–Aug 31, 2026	7.52	–	310,424			310,424	11.94%
Total									**220,063**	**423,116**	**–**	**–**	**643,179**	**–**

1) The total market value of the underlying shares at the allotment date was SEK 9,102 thousand. The total exercise price was SEK 9,371 thousand. The total market value of the underlying shares according to the closing price on Nasdaq Stockholm on December 29, 2023 was SEK 4,927 thousand.

2) The total market value of the underlying shares at the allotment date in 2023 was SEK 3,434 thousand. The total exercise price for the underlying shares amounts to SEK 3,619 thousand. The total market value of the underlying shares according to the closing price on Nasdaq Stockholm on December 29, 2023 was SEK 3,241 thousand.

Directors' Report

Group and Parent Company
The Board of Directors and CEO of Oncopeptides AB (publ), corporate registration number 556596-6438, with its registered office in Stockholm, hereby present the Annual Report and consolidated financial statements for the 2023 fiscal year. Figures in parentheses pertain to the preceding year. All amounts are expressed in SEK thousand, unless otherwise indicated.

Oncopeptides' operations
Oncopeptides is a biotech company focused on the commercialization, research and development of treatments for difficult-to-treat hematological diseases. The company is listed on Nasdaq Stockholm, under the ticker symbol ONCO.

Multiple myeloma is the second most common hematological disease and accounts for around 1–2% of all new cancer cases, with a global incidence of 1.7 per 100,000 and an incidence of 2.1–3.4 per 100,000 in France, Germany, Italy, Spain and the UK. In the EU, an estimated 50,900 patients were diagnosed in 2020, with an estimated 23,500 deaths due to the disease. Multiple myeloma is more common in men than in women. Today, patients are treated with a number of drugs early in the course of their disease. Although patients with multiple myeloma will have periods without symptoms, relapses are inevitable, since the disease develops a resistance to the drugs that are administered. When the disease has reached later stages, the patient suffers from fractures and infections due to insufficient bone marrow function and an impaired immune system. At this stage of the disease, care is focused on prolonging the symptom-free periods and improving the quality of life.

During 2021, the company's clinical development was primarily focused on multiple myeloma. The phase 3 OCEAN study, which was a head-to-head study of melflufen and pomalidomide comprised the largest study. It was intended to be a confirmatory study for melflufen.

In August 2022, the European Commission approved Pepaxti for the treatment of adult patients with RRMM in the EU and EEA countries.

In February 2021, the U.S. Food and Drug Administration, FDA, granted Pepaxto (melphalan flufenamide, also known as melflufen) accelerated approval for the treatment of adult patients with relapsed or refractory multiple myeloma. In October 2021, the company voluntarily withdrew Pepaxto from the US market after it became clear that the FDA did not consider the OCEAN study to meet the criteria of a confirmatory study.
In January 2022, Oncopeptides decided to rescind the voluntary withdrawal of Pepaxto in the US, based on further review and analysis of heterogeneous survival data from OCEAN and other relevant studies. In August 2023, Oncopeptides appealed the FDA's request to withdraw Pepaxto's approval in the US, where on February 23 2024, the FDA rejected the appeal and confirmed the withdrawal.

Significant events in 2023

- **January 4,2023;** the Board of Directors appoints Dr. Monica Shaw as CEO of Oncopeptides. She replaces Jakob Lindberg who has been CEO since November 15, 2021. Lindberg assumes his previous position as Chief Scientific Officer.
- **January 11, 2023;** the company appoints Holger Lembrér as Chief Financial Officer, CFO, effective January 18.
- **March 8, 2023;** the company was informed that its CSO Jakob Lindberg had been arrested by the Swedish Economic Crime Authority for a suspected violation of the Market Abuse Act (Sw. lag om straff för marknadsmissbruk på värdepappersmarknaden). Jakob Lindberg's detention ended on March 10 and the charges were dropped on May 30.
- **March 28, 2023;** Oncopeptides receives a research grant of SEK 3 M from Vinnova to explore the PDC platform in solid tumors.
- **April 20, 2023;** the company announced that it will present new scientific data on melflufen at the European Myeloma Network meeting in Amsterdam on April 20. The data includes one abstract on health-related quality of life outcomes from the phase 3 OCEAN study, and one abstract from the phase 3 LIGHTHOUSE study.
- **May 3, 2023;** the company announced its decision to use the first tranche of EUR 10 M with a maturity of five years, within the framework of the company's loan agreement with the European Investment Bank (EIB), and resolved on an issue of warrants. In conjunction with the disbursement of the first tranche, 1,138,646 warrants (corresponding to 1.26% of the fully diluted share capital in the company) were transferred to the EIB free of charge.
- **May 11, 2023;** announced that new scientific data for melflufen has been accepted at the European Hematology Association (EHA) meeting in Frankfurt, Germany, on June 9, 2023. The data includes one clinical abstract on final efficacy and safety data from the phase 1/2 ANCHOR study, and one preclinical abstract on melflufen showing efficacy in association with decreased and mutated TP53 activity and enrichment of genes involved in DNA damage repair.
- **June 14, 2023;** announced that Holger Lembrér, Chief Financial Officer, CFO, has decided to leave the company to pursue a new role in another company but will continue in his current role until a new CFO takes office.
- **June 19, 2023;** announced that the company completed its first sales of its flagship drug Pepaxti in Greece via the named patient program. The sales were made possible through Oncopeptides' partnership with Ariti S.A., a company specialized on medical and pharmaceutical supply in Greece.
- **June 28, 2023;** announced that by virtue of the authorization by the Annual General Meeting held on May 25, 2023, to issue and immediately thereafter re-purchase a total of 219,843 class C shares. The shares are issued and re-purchased in accordance with the shareholder program which was adopted by the Annual General Meeting held on May 25, 2023 ("Board SHP 2023").
- **August 7, 2023;** announced that CEO Monica Shaw will be departing the company. Sofia Heigis will move from the CCO role to take on the CEO role.
- **August 9, 2023;** announced that the company has appointed Henrik Bergentoft as Chief Financial Officer (CFO), effective November 13.
- **August 25, 2023;** announced that more information regarding the formal request from the U.S. Food

and Drug Administration (FDA) to voluntarily withdraw Pepaxto's approval in the US has been made available by the FDA.

- **September 4, 2023;** announced that new scientific data on melflufen, marketed in Europe as Pepaxti, has been published in Haematologica, a publication that reports on important findings in hematology. The published data from two studies, ANCHOR and LIGHTHOUSE, provides additional scientific support for the clinical benefit of melflufen and dexamethasone in combination with daratumumab or bortezomib in relapsed refractory multiple myeloma (RRMM).
- **September 14, 2023;** announced that the Committee for Medicinal Products for Human Use (CHMP) of the European Medicines Agency (EMA) has, following their scientific assessment, adopted a positive opinion on Oncopeptides' application for earlier lines of treatment for patients with relapsed, refractory multiple myeloma (RRMM). The opinion from the CHMP will now be sent to the European Commission for a final decision.
- **September 26, 2023;** announced that following negotiations between Oncopeptides and the German Federal Joint Committee National Association of Statutory Health Insurance Funds (GKV-Spitzenverband), a reimbursed price for Pepaxti has been agreed on in Germany. The negotiated reimbursed price in Germany, which will also guide negotiations in other European markets, is reflective of the innovation Pepaxti brings to the market, and in line with the company's financial projections.
- **September 28, 2023;** announced its decision to opt to abandon the application process to allow Pepaxti access to earlier lines of treatment for patients with relapsed, refractory multiple myeloma (RRMM), a so-called type II variation. The decision follows an updated, comprehensive analysis of the current landscape for treatment of multiple myeloma and is made to optimize value both for patients and for shareholders. The decision does not impact the company's financial projections or the estimated market potential of Pepaxti negatively.
- **November 13, 2023;** announced that long-term outcomes from its phase 3 OCEAN study have been accepted as a poster and will be presented at the annual American Society of Hematology (ASH) Meeting and Exposition. The conference takes place in San Diego between December 9–12.
- **November 17, 2023;** announced that a new article analyzing scientific data on melflufen, marketed in Europe as Pepaxti, has been published in the European Journal of Haematology, an international journal for communication of research in hematology. The results further demonstrate efficacy and a consistent safety profile in patients with alkylator-refractory disease.
- **December 15, 2023;** announced that the European Commission has decided to formally approve the company's application to the European Medicines Agency (EMA) for an extended indication for Pepaxti into earlier lines. The previously communicated decision by Oncopeptides to opt out of the process to extend the indication remains.

Significant events after the end of the reporting period

- **On February 15** , it was announced that the company will be granted an extension of a key patent ensuring market exclusivity for melflufen, marketed in Europe as Pepaxti, in Europe until 2037, an extension of five years.
- **On February 23**, it was announced that positive progress has been made in the market access procedure in Spain.
- **On February 23**, it was announced that a decision has been received from the U.S. Food and Drug Administration reconfirming withdrawal of Pepaxto from the US market.
- **February 29** it was announced that a new article analyzing health-related quality of life in patients treated with melflufen, marketed in Europe as Pepaxti, has been published in Haematologica, a monthly peer-reviewed medical journal.
- **On March** 1, it was announced that a new article analyzing scientific data on melflufen, marketed in Europe as Pepaxti, was recently published in the peer-reviewed medical journal Clinical Lymphoma, Myeloma & Leukemia. The results provide further evidence that administration via peripheral venous catheter (PVC) is well tolerated with no local infusion-related reactions or new safety signals and may represent an alternative route of administration.
- **On March 13**, it was announced that the Board of Directors has decided to carry out a rights issue of approximately SEK 300 M, subject to approval by an extraordinary general meeting April 15, 2024.
- **March 27** , announced a collaboration with Vector Pharma FZCO to commercialize Pepaxti in the Middle East and North Africa ("MENA") region.
- **April** 4, it was announced that the company's sales for the first quarter amounted to SEK 5.1 M.
- **On April** 8, the terms of the rights issue were announced, whereby one (1) subscription right is received for each share. Three (3) subscription rights give the right to subscribe for four (4) new ordinary shares. The Rights Issue encompasses a maximum of 120,586,169 new ordinary shares. The subscription price has been set to SEK 2.60 per ordinary share which, assuming that the Rights Issue is fully subscribed, amounts to issue proceeds of approximately SEK 314 M in total before the deduction of issue costs.
- **On April 10,** it was announced that price and reimbursement approval has been obtained, allowing Oncopeptides to start commercializing Pepaxti in Spain as early as in 2024.

Sales and earnings

Sales for 2023 amounted to SEK 35.2 M (8.4), of which SEK 24.3 M (7.8) was attributable to reversal of the return reserve. This reversal was the result of revaluations following agreements with distributors.

Costs for 2023 amounted to SEK 289.7 M (357.7) and were lower mainly due to completed clinical studies and reimbursement from studies of SEK 44.6 M. Overall, this has resulted in lower costs for research and development, which amounted to SEK 106.9 M (217.7).

Marketing and distribution expenses for the year totaled SEK 119.6 M (58.1). Costs during the quarter and for the full year have been affected by ongoing commercialization activities in Europe due to the EU approval in August 2022.

Administrative expenses decreased to a total of SEK 68.9 M (84.1) mainly due to the reduction in expenses in 2022 due to the withdrawal in the US, with full effect in 2023.

Social security expenses related to share-based remuneration varied primarily due to changes in the underlying share price. The related provisions for these social security contributions are recognized as non-current and current liabilities respectively. The cost, including social security contributions, for share-based incentive programs amounted to SEK 9.5 M (19.1). The cost does not impact cash flow.

The difference compared with the previous year was partly due to a significantly reduced number of employees included in the incentive program, but also due to the decrease in the share price during the year, resulting in a decrease in the value of the provisions.

The loss for the year amounted to SEK -249.1 M (loss: -338.0). This corresponds to earnings per share before and after dilution of SEK -2.76 (-4.11).

Cash flow and investments

Cash flow from operating activities amounted to SEK -279.5 M (-420.5) for the full year.

Cash flow:

- The cash flow from investing activities was SEK -0.1 M (-2.5).
- Cash flow from financing activities amounted to SEK 108.6 M (392.4).

The previous year's positive cash flow in financing activities pertained to the new share issue conducted in the third quarter of 2022.

Multi-year summary, Group

SEK thousand	2023	2022	2021	2020	2019
Net sales	35,220	8,355	118,295	–	–
Operating loss	-253,447	-349,350	-1,420,917	-1,591,279	-739,392
Loss before tax	-248,448	-337,680	-1,421,371	-1,592,442	-739,920
Loss for the year	-249,111	-337,951	-1,430,317	-1,594,693	-740,705
Earnings per share before and after dilution (SEK)	2.76	-4.11	-19.00	-25.57	-14.33
Cash flow from operating activities	-279,494	-420,509	-1,516,391	-1,296,509	-690,566
Equity	56,780	294,293	210,868	576,897	797,013
Cash and cash equivalents at the end of the period	173,407	344,515	362,187	840,255	926,186

Financial position

On December 31, 2023, the company's cash and cash equivalents amounted to SEK 173.4 M (344.5), and equity to SEK 56.8 M (294.3).

In 2022, a loan agreement was entered into with the European Investment Bank (EIB). The agreement provides Oncopeptides with access to an unsecured loan facility of up to EUR 30 M. The loan agreement is divided into three tranches, each with a term of 5 years, which become available if the company meets certain conditions. If the company uses the loan facility, the EIB will be entitled to warrants corresponding to 2.8% of shares outstanding after dilution, in addition to interest on the loan amount.

During the second quarter of 2023, Oncopeptides utilized Tranche A of this loan facility, which added EUR 10 M in liquid funds to the company. Prior to the disbursement of this tranche, warrants corresponding to 1.26% of shares outstanding after dilution were transferred to the EIB free of charge. The loan amount has increased the company's flexibility and is used to finance the ongoing commercialization in Europe as well as the development of the research portfolio.

Share-based incentive programs

The objective of share-based incentive programs is to promote the company's long-term value creation by motivating and rewarding the company's senior management, founders and other personnel in line with shareholders' interests. Oncopeptides currently has eight programs encompassing management, certain Board members, founders and employees.

The company had the following active programs at the end of the period:

- **2017:** "Co-worker LTIP 2017"
- **2018:** "Co-worker LTIP 2018"
- **2019:** "Co-worker LTIP 2019"
- **2021:** "Co-worker LTIP 2021" and "Board LTIP 2021"
- **2022:** "Co-worker LTIP 2022" and "Board SHP 2022"
- **2023:** "Board SHP 2023"

For information about these programs, refer to Note 27 Share-based remuneration.

In 2023, 2,593,015 share awards were allotted. A total of 184,883 options and 1,052,424 share awards were revoked. 54,000 options have been exercised. Allotted options and share awards as of December 31, 2023 corresponded to a total of 5,160,379 shares.

Parent Company

The Group's Parent Company is Oncopeptides AB. Since the operations of the Parent Company are consistent with those of the Group in all material respects, the comments for the Group are also largely relevant for the Parent Company.

Other information

Environment

Oncopeptides works proactively to reduce the company's negative environmental impact and to develop as a sustainable company. As the company has limited sales during the year, its products do not have a significant environmental impact.

Oncopeptides' areas of environmental impact pertain instead to the purchase of goods and services, energy consumption and transportation. The company's objective is to contribute to sustainable development, and it thus works proactively to improve its environmental performance insofar as this is economically feasible.

Share capital and ownership structure
Oncopeptides' share capital totaled SEK 10,511,120, distributed among 94,600,077 shares with a quotient value of about SEK 0.11. The total number of shares outstanding on December 31, 2023 amounted to 90,439,627 common shares with one vote each and 4,160,450 class C shares related to the Company's LTI programs. On December 31, 2023, HealthCap was the largest shareholder with 16,405,387 shares, corresponding to 18.1% of the votes and 17.3% of the capital. Stiftelsen Industrifonden was the second largest shareholder with 8,285,258 shares, representing 9.1% of the votes and 8.8% of the capital.

Co-workers
Oncopeptides' organization consists of people (employees and consultants) with key expertise in all areas from research and development to commercialization. At year-end, the total number of employees was 57 (41). The average number of employees during the year was 52 (57).

The Board's guidelines for remuneration of Senior management
The CEO and the other members of senior management fall within the provisions of these guidelines. The guidelines are forward-looking, i.e., they are applicable to remuneration agreed, and amendments to remuneration already agreed.

The guidelines do not apply to any remuneration decided or approved by the general meeting. For specific reasons, the Board of Directors decided on a deviation from the guidelines in 2023 when Jakob Lindberg changed position from CEO to CSO, whereby he retained his contractual notice period as CEO of nine months. Given Jakob Lindberg's key role in general and specifically in the ongoing appeal process with the FDA, this deviation was deemed to be in the best interest of the company.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability
Oncopeptides is a biotech company focused on the commercialization, research and development of treatments for difficult-to-treat hematological diseases.

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel. To this end, it is necessary that the company offers competitive remuneration. These guidelines enable the company to offer senior management a competitive total remuneration. Long-term share-based incentive programs have been implemented in the company. Such programs have been resolved by the general meeting and are therefore excluded from these guidelines. The programs encompass management, Board members, founders and other personnel.

For more information about these programs, including the criteria determining outcomes, refer to the corporate governance report on pages 31–38.

Variable cash remuneration covered by these guidelines shall aim at promoting the company's business strategy and long-term interests, including its sustainability.

Forms of remuneration etc.
The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. Additionally, the general meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. The variable cash remuneration consists of a target-based variable remuneration corresponding to 25–50% of the fixed annual cash salary with a maximum level of 1.5 times the target-based remuneration for the CEO and other members of senior management.

For the CEO and other members of senior management, pension benefits, including health insurance, shall be defined-contribution. Variable cash remuneration is not pensionable. The pension premiums for defined-contribution pensions shall amount to not more than 24% of the fixed annual cash salary.

Other benefits may include, for example, life insurance, medical insurance, etc. Such benefits may amount to not more than 2% of the fixed annual cash salary.

Termination of employment
If notice is given by the company, the period of notice must not exceed nine months. Fixed cash salaries during the period of notice and severance pay may not collectively exceed an amount corresponding to the fixed cash salary during the period of notice for the CEO and six months for other members of senior management. If notice is given by the employee, the period of notice must not exceed six months, and there is no right to severance pay. Additionally, remuneration for potential non-competition clauses can be payable. Such remuneration is to compensate for potential loss of income and is only payable insofar as the former employee lacks any right to severance pay. Remuneration should be based on the fixed cash salary at the time of termination, unless mandatory collective provisions dictate otherwise, and is payable over the duration of the non-competition clause, which may not exceed 12 months after the termination of employment.

Criteria for awarding variable cash remuneration, etc.
The variable cash remuneration shall be linked to predetermined and measurable criteria which can be financial or non-financial. They may be individualized, quantitative or qualitative objectives. The criteria shall be designed so as to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or promote the executive's long-term development.

To which extent the criteria for awarding variable cash remuneration has been satisfied is determined when the measurement period has ended. The Remuneration Committee is responsible for the evaluation so far as it concerns variable remuneration of the CEO. For variable cash remuneration of other executives, the CEO is responsible for the evaluation. For financial objectives, the evaluation shall be based on the latest financial information made public by the company.

Salary and employment conditions for employees
In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employ-

ment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the Remuneration Committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

The decision-making process to determine, review and implement the guidelines

The Board of Directors has established a Remuneration Committee.

The Committee's tasks include preparing the Board of Director's decision to propose guidelines for remuneration of senior management. The Remuneration Committee has, with the help of external consultants Deloitte and PWC, carried out a comparative analysis of levels of remuneration and components thereof for individuals who are included in the management team.

The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the AGM. The guidelines shall be in force until new guidelines are adopted by the general meeting.

The Remuneration Committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for remuneration of senior management as well as the current remuneration structures and compensation levels in the company.

The members of the Remuneration Committee are independent of the company and its executive management. The CEO and the other members of the executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines

The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters.

Description of material changes to the guidelines and how the shareholders' have been taken into consideration

Variable remuneration to the CEO, which previously amounted to 50% of the fixed cash remuneration with a maximum level of 200%, has been adjusted to a maximum of 1.5 times the target-based remuneration.

The notice period from the company is adjusted from 24 months to 9 months for the CEO. Severance pay may not exceed the equivalent of the fixed cash salary during the notice period.

Pension provision in the 401K is replaced by a defined-contribution pension provision amounting to a maximum of 24% of fixed annual cash remuneration.

Risks

Oncopeptides' operations are impacted by a number of factors whose effects on the company's earnings and financial position are, in certain respects, entirely or partly beyond the company's control. When evaluating the company's future performance, it is important to factor in these risks alongside its potential earnings growth.

The following is a description of significant risks and uncertainties (not in order of priority) deemed to be most critical to the company's future development. The list below does not claim to be exhaustive and the company recognizes that even risks that are currently considered minor, or are not yet known, may affect the company in the same negative way as those identified. Such risks could lead to a number of negative effects for the company, including, but not limited to, reduced or, in the worst case, eliminated revenue potential, increased costs, reduced value of the product portfolio, or increased capital acquisition costs.

Should one or more of the currently known or unknown risks materialize, the company's operations, financial position, assets, or future value may directly or indirectly lead to Oncopeptides' ability to continue to operate in its current form being limited, or that the company is forced to cease its operations or is declared bankrupt.

Dependence on a specific product

There are several risks associated with the company's dependence on a specific product. For example, the company has received marketing authorization for Pepaxti in combination with dexamethasone, for the treatment of adult patients with multiple myeloma who have received at least three prior lines of therapy, whose disease is resistant to at least one proteasome inhibitor, an immunomodulatory drug and a monoclonal antibody directed against CD38, and who have experienced disease progression at or after the last treatment. For patients with previous autologous stem cell transplantation, the time to progression should be at least three years from transplantation. Pepaxti has received full marketing authorization in the EU and in countries within the European Economic Area (EEA), which includes Iceland, Lichtenstein and Norway. The product is also approved for sale in the UK. However, sale is subject to the approval of the authorities in each country regarding pricing, subsidy and discounting processes, which may take a long time. In that case, it could lead to a delay in potential future revenues, which could have an adverse effect on the company's operations and financial position.

In addition, barriers to entry in the pharmaceutical market are high, especially for new entrants. The company considers the healthcare sector to be a conservative and slow-moving sector. Extensive demands on pharmaceutical manufacturers and suppliers can mean that the time from the initial contact with relevant buyers or recipients of a product to the company being able to enter into a contract and receive remuneration can be very long. Even after a drug is approved, the risk remains that the drug will not be included in national treatment guidelines and will not achieve the desired level of market acceptance by prescribers, hospitals, patients and payers, which could prevent or make it difficult for the company to generate revenue or achieve profitability. The market acceptance of the company's product depends, inter alia, on the acceptance of the drug as a safe and effective treatment, relative ease of use, the incidence and severity of side effects, the cost of the treatment in relation to alternative measures or treatments or warnings contained in the drug's approved summary of product characteristics. Lack of market acceptance

would adversely affect demand for the company's products and may also impede the commercial success of current and future products, which could have a material adverse effect on the company's revenue potential.

There may be a risk that the psychological impact or perception among prescribers and investors remains negative following the FDA's decision as of July 8, 2021 to stop enrolling patients in ongoing studies with melflufen, the safety alert announced by the FDA on July 28, 2021, and the subsequent recall of the product in the US on October 22, 2021. The safety alert was based on the FDA's interpretation of the results of the Phase 3 OCEAN study.

Creating full access to the product for all indicated patients requires prescribers to embrace new data and not remain stuck in old treatment patterns. If so, there is a risk that revenues will not increase at the rate that could be expected given the population of the indication, which affects the company's revenue potential.

Increased market acceptance may also entail a risk of public blame or discrediting of the company and of competitors initiating legal proceedings to hinder Oncopeptides' activities. Facing such potential negative publicity/action could mean that revenue does not increase at the rate that could be expected given the population of the indication. In addition, the company has conducted a thorough analysis of the survival results from the OCEAN study and other relevant studies with so-called immunomodulatory drugs (IMiDs), in order to better interpret the results of the OCEAN study. Since Oncopeptides has made statements about the risk-benefit profile of IMiDs, which are marketed by companies other than Oncopeptides, there is a risk that the company will be publicly blamed and possibly involved in legal disputes that could potentially be costly for the company.

Each country (including within the EU and other countries covered by an EU approval) requires tailored documentation to be prepared in the local language and follow local rules. The processes involve requirements for product development, clinical studies, registration, approval, labeling and distribution. All regulatory processes have set timelines but can be delayed and thus make further development and commercialization of a product more expensive, for example as a result of authorities changing their assessments in the light of new scientific evidence. When authorities assess individual, and often changing, market-specific rules such as applications and procedures, there is a risk that required authorizations or registrations are not obtained or are delayed, resulting in significant costs or disruption. A setback in the development of melflufen in the form of, for example, delayed regulatory decisions, rejections, unclear decisions, or lower than expected sales within the approved indication, could have a negative impact on the company's business, financial position and results.

Reliance on one market

There are several risks associated with the company's ability to obtain market authorization outside the EU. For example, additional clinical studies, beyond those already conducted, may be required for the approval of Pepaxto/Pepaxti or other drug candidates. Furthermore, clinical studies that may be required for approval may be canceled or delayed due to circumstances beyond the company's control, and the results of the clinical studies may be unsatisfactory. Relevant studies could include, but are not limited to, dose defining studies through phase 3 trials. Such studies could lead to significantly increased costs, significantly delayed registration with regulatory authorities, result in the company being forced to focus on a more limited indication or cause Oncopeptides to refrain from commercializing Pepaxto/Pepaxti or other potential future drug candidates.

Product liability

There are several risks associated with the commercialization of the company's drug candidate melflufen and future potential products, including market acceptance. For example, the company's planned expansion into new markets may involve risks related to increased product liability and/or stricter liability for incorrect or inadequate personal data management or other information, which could lead to reduced sales of the company's products and a poorer revenue potential as a result. Thus, even after the company's product is approved, there is a risk that the company cannot demonstrate a sufficiently safe product and personal data processing capability, which could affect the desired level of market acceptance by prescribers, hospitals, patients and payers.

Clinical studies for not-yet-approved candidates on the PDC platform

Prior to launching a product candidate in the market, Oncopeptides must carry out preclinical and clinical studies to document and prove that the product gives rise to significant efficacy and has an acceptable safety profile. Oncopeptides is unable to predict with any certainty when planned clinical studies can be started or when ongoing studies can be completed since these are circumstances that are affected by numerous factors that are beyond Oncopeptides' direct control, for example, regulatory approval, ethical review, access to patients and clinical study units, and the implementation of the clinical study at the study unit. It is also difficult to accurately predict the costs associated with clinical trials, which means that the actual costs of conducting a study may significantly exceed estimated and budgeted costs.

Clinical trials may also produce results that do not support the intended efficacy or an acceptable safety profile due to undesirable side effects or an unfavorable risk-benefit profile when assessing the product, which may result in the discontinuation of the clinical studies by potential partners, institutional review boards and/or regulatory authorities. If a clinical study is discontinued, it may lead to a decrease in the value of the company's project portfolio and a reduced revenue potential for the specific project, as well as an impairment of the company's assets.

Reliance on key individuals

Oncopeptides is reliant on several key individuals in a range of fields. The ability to attract, recruit and retain qualified co-workers is of material importance to ensure the level of expertise in the company.

Regulatory approvals and acceptance of reimbursement and subsidy schemes

Oncopeptides is exposed to regulatory decisions such as the permits required to commercialize pharmaceuticals and regulatory changes with regard to pricing, reimbursement and discounting of pharmaceuticals, or altered conditions for prescribing a particular pharmaceutical product.

An important factor for successful commercialization is the reimbursement that can be obtained for the product from private insurance companies, governments and other payers of healthcare products and services. If healthcare payers do not offer physicians, hospitals and other healthcare facilities adequate reimbursement levels for treatments involving Oncopeptides' products, or if reimbursement from healthcare payers for such products is significantly reduced, or if the price of the product is considered too high, it may lead to a reluctance to use the company's products. There is also a risk that the product will not be reimbursed by private and publicly funded healthcare programs, or that reimbursement will be lower than expected.

Oncopeptides' remuneration and current remuneration schemes may also be affected by the outcome of competitors' patents. When patents expire, the price of the drug usually drops, which means that competition in the market changes. Patent expiries for market-leading immunomodulatory drugs can thus lead to price pressure, with the implication that the company needs to reduce the price of its product in order to retain the subsidy. This means lower revenue and may lead the company to refrain from introducing the drug to the market. This could be the case if authorities consider that melflufen is no different from melphalan.

Even after a product has been approved, Oncopeptides must meet certain regulatory requirements to maintain the current market authorization. Medicines distributed or manufactured under an FDA or EMA approval are subject to extensive and continuously updated regulations. There is a risk that both the company's unapproved drug candidates and already approved drugs do not meet the regulatory requirements. In case of non-compliance with the regulatory requirements, or if there are patient safety-related problems with the product in the market, the competent authority may take regulatory action including, but not limited to, suspension or withdrawal of the marketing authorization or other restrictions. The competent authority may also decide to withdraw the product (or specific batches) from the market if the company is subject to such regulatory measures as a result of the competent authority finding that any of the company's product candidates do not meet the requirements or determining that a previously authorized medicinal product no longer meets the requirements.

Production and agreements with sub-suppliers and partners

Since Oncopeptides has no proprietary production facilities, the company is dependent on sub-suppliers for the production of pharmaceuticals. Substances and products must be produced in sufficient quantities and be of adequate quality. Although none of the company's current manufacturers are sufficiently important to be considered indispensable, the company is dependent on them, since switching manufacturers could be costly and time consuming. There is a risk the company may not find suitable manufacturers who offer the same quality and quantity at terms and conditions that are acceptable to the company.

In addition, the company has outsourced manufacturing, packaging, labeling and distribution as well as the conduct of clinical trials to sub-suppliers. It is therefore dependent on maintaining its subcontracting arrangements and would be further affected if the cost of such services were to increase significantly over time.

Oncopeptides also relies on its sub-suppliers to comply with the rules applicable to different product manufacturing steps such as sampling, quality control and documentation. Sub-suppliers are obliged to comply with existing laws and regulations, such as good manufacturing practice, good distribution practice, and good clinical practice. Production facilities must be approved by regulatory authorities and may be inspected on an ongoing basis and, if the sub-supplier does not comply with EMA or other relevant authority requirements, this may lead to complaints and new production requirements, which in turn may lead to production interruptions and disruptions that may affect product supply and distribution.

Competition and commercialization

Oncopeptides' competitors include international pharmaceutical companies and biotech companies. Some competitors have substantial financial, technical and staffing resources as well as considerable manufacturing, distribution, sales and marketing capacities. There are several risks associated with competition. One such risk is that competitors develop products faster and/or more efficiently and achieve broader market acceptance, which could cause the company to discontinue any sales, resulting in reduced, or no, revenue.

There is also a risk that Oncopeptides' products may be subject to competition from entirely new product concepts that provide greater added value to patients.

In addition, successful commercialization of pharmaceutical products depends on operational factors such as effective marketing. Thus, there is a risk that demand will not reach expected levels despite a competitive product profile.

Intellectual property rights and patents

There are several risks associated with the intellectual property of other parties. For example, there is a risk that Oncopeptides will be involved in litigation or other legal proceedings for alleged infringement of rights, which could lead to the company being forced to pay damages or be prohibited from using its product, resulting in reduced revenue potential for the company or the specific drug candidate.

In addition, there are several risks associated with the company's patent protection. For example, there is a risk that the company's future products, uses and formulation methods cannot be protected by patents, that the company's granted patents do not provide adequate protection or are subject to invalidity proceedings.

There is a risk that any future improvements, compositions, drugs or methods developed by Oncopeptides will not be patentable, that Oncopeptides will be unable to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner, or that approved patents will not be sufficient to protect Oncopeptides' position in the market. Since patent applications are confidential for a certain period after filing and approved individual claims are confidential until the patent has been granted in full, there may be a risk that Oncopeptides becomes aware of third party positions at a late stage. In this context, Oncopeptides' potential future patent applications may not have priority over third-party applications.

Furthermore, there is a risk that Oncopeptides' patent, even if granted, may be subject to invalidity proceedings, which may affect the validity of the patent and the possibility to enforce the patent against third

parties. Oncopeptides has not been subject to any invalidity proceedings as of the balance-sheet date.

Currency risks
The company's reporting and functional currency is SEK. The company's development costs for melflufen are mainly in USD and EUR.

Therefore, the company is exposed to exchange-rate risks with respect to payment flows within and beyond Sweden and the eurozone, such as fluctuations where the exchange rate in effect when payment is due deviates from the contractually agreed amount at the time of agreement. In accordance with the company's policy for financial risk, the company exchanges cash into USD and EUR at a level of 70–100% of the expected cash flow in each currency.

Credit risks
Oncopeptides' credit risk is managed at the Group level and arises through cash and cash equivalents and deposits with banks and financial institutions, and through credit exposures to customers, including outstanding receivables and agreed transactions. Trade receivables arise once an item has been delivered and invoiced and are recognized in the amount expected to be received. The impairment requirements for trade receivables are continuously evaluated as they approach their due dates. For more information on credit risk, refer to Note 3 Financial risk management.

Financing
There are several risks associated with the company's negative operating results and financing needs. For example, there is a risk that the company's commercialization strategies and efforts will be unsuccessful or misdirected, with the result that the company's revenue may prove insufficient to finance its operations or undertakings. Disruption and uncertainty in credit and capital markets may also limit the availability of additional capital. If the company is unable to obtain new capital, it may have a negative impact on the company's financial position, which may force the company to limit its development or cease its activities.

Taxes
There are several risks associated with Oncopeptides' tax situation. For example, the handling of tax issues within Oncopeptides is based on interpretations of the applicable tax law in the countries concerned. If the company's current handling of tax issues is called into question, for example as a result of the company's incorrect interpretation of national regulations, this could lead to an increased tax cost, including penalties and interest.

IT security
The company's ability to effectively and securely manage its business depends on the security, reliability, functionality, maintenance and operation of its IT systems. The company has no proprietary systems but relies on large, widely used systems. With multiple suppliers, there is a greater risk of computer viruses, leaks and intrusions, among other things. The company is not aware of any IT-related incidents at the balance-sheet date.

The risks to which the company's IT system is exposed include computer viruses, leaks and intrusions. There is also a risk that the company's backup system will not work. Problems with and disruptions to the company's IT system can lead to the business not being able to operate as planned for a certain period of time, for example as a result of production interruptions or because access to information is made more difficult or completely restricted. The extent of the damage that may occur depends mainly on the scale and duration of the disruption. In the event that the company would be exposed to such problems and disruptions in the company's IT system, the company assesses that it would constitute a risk for the company's drug development in the form of significant disruptions in operations, increased costs and a deterioration in the reputation and reliability of the company as a drug development company.

Oncopeptides is dependent on the ability of the sub-suppliers contracted to conduct clinical studies on behalf of the company to securely manage and store results, reports and other data from the studies through efficient and well-functioning IT systems and related processes. There is a risk that such systems, which are beyond the company's control, may be disrupted by, for example, software and hardware problems, computer viruses, hacker attacks or physical damage. In the event that the company would be exposed to such problems and disruptions in such IT systems, the company assesses that it would pose a risk to the company's drug development in the form of significantly reduced reputation, disruptions in the business and increased costs.

COVID-19 and other potential global pandemics
COVID-19 had a decreasing impact on the company, as restrictions were relaxed in the countries where the company operates. The company's assessment is therefore that the COVID-19 pandemic no longer has a material impact on the company's accounts. However, if restrictions are reintroduced or further pandemics occur, the company may experience disruptions that could have a material adverse effect on the company's operations and clinical trials. Overall, however, pandemics can have several negative consequences for the company, such as a less successful launch of existing products in new markets and new products, which could ultimately lead to a reduced value of the company and a reduced revenue potential for the company's product candidate portfolio.

Global conflicts
Oncopeptides and its sub-suppliers depend on stable supplies of raw materials, packaging materials and other components needed to manufacture the company's products. Wars and conflicts between or within countries can lead to a risk of deterioration in the ability of the company, partners, or sub-suppliers to produce or deliver according to demand. Wars and conflicts between or within countries may also lead to difficulties in recruiting patients for possible future studies or in continuing ongoing clinical studies. As a result of price changes, inflation, other financial impacts or restrictions on the availability of markets as a result of wars and conflicts, there is a risk that the company will suffer increased costs in relation to the product, which may lead to reduced demand, or increased costs in relation to studies, or difficulties in gaining access to the market and thus loss of revenue.

Disputes and legal proceedings
As of the balance-sheet date, the company has not been a party to any governmental, legal or arbitration proceedings (including any pending matters or those

that the Board of Directors of the company is aware may arise) during the past twelve months that could have a material effect on the company's financial position or profitability. There is a risk that the company may in the future be involved in such proceedings that are directly or indirectly related to its activities. Such proceedings may concern, inter alia, alleged infringements of intellectual property rights, the validity of certain patents, alleged or actual personal injury or malpractice, and appeals against decisions of regulatory authorities or commercial issues. Should claims be brought against Oncopeptides, resulting in the establishment of significant legal liability or the loss of intellectual property rights, the claims could result in a significant financial loss for Oncopeptides or cause significant damage to Oncopeptides' brand and reputation, which could harm Oncopeptides' ability to raise new capital or continue its drug development.

Oncopeptides may be subject to litigation if it infringes intellectual property rights or if third parties, rightly or wrongly, consider that it is infringing intellectual property rights. A third party may also attempt to exploit or infringe the company's intellectual property rights, which may require the company to defend its intellectual property rights through litigation. See section "Risks related to intellectual property rights of other parties" for more information on intellectual property rights. The company has also commented on other companies' drugs and the risk-benefit profile of such drugs in connection with the regulatory discussions with the FDA. There is therefore a risk that a company on which Oncopeptides has made statements will take legal action against Oncopeptides.

There is a risk that the regulatory discussions with the FDA in the US lead to a situation where Oncopeptides may have to defend its rights through a process in the US court system.

Legal proceedings can be costly and time-consuming for Oncopeptides. There is also a risk that Oncopeptides may have to pay legal costs, damages and/or other costs regardless of the outcome of such proceedings. There is a risk that such legal costs, damages and/or other costs are so large that it negatively affects Oncopeptides' ability to continue to operate in its current form or that the company is forced to cease its operations or is declared bankrupt. Legal processes can also lead to the company being forced to discontinue the commercialization of product candidates, which could lead to the company discontinuing any sales with reduced, or completely absent, revenue as a result, or a significantly reduced revenue potential for the company or the specific product candidate. Even if legal liability is not established, Oncopeptides' brand and reputation could be damaged, which could have a negative impact on Oncopeptides' ability to raise new capital or continue commercialization.

The company's share

The development of the company's share price depends on a number of factors. The transaction frequency and volume levels of trading in the company's ordinary shares fluctuate over time and there is a risk that the company's ordinary shares will become illiquid and that there will be no buyers if investors wish to sell shares in the company at any given time or that a sale will have to be conducted at a lower price than normal due to low liquidity. The price of Oncopeptides' shares could then become volatile and the share price could fall significantly without the company announcing any news, and investors could lose significant value. During the period from July 2018 to December 2023, the share price has varied from SEK 207 per share to SEK 3.72 per share.

If Oncopeptides issues new shares in a cash issue, the shareholders have, as a general rule, preferential rights to subscribe for new shares in proportion to the number of shares held before the issue. To the extent that Oncopeptides' shareholders in jurisdictions outside Sweden cannot exercise their rights to subscribe for new shares in any rights issues, their proportional ownership in the company will be diluted.

If the company decides to raise additional capital, for example through a new share issue or other securities, this may lead to a dilution of ownership for shareholders who cannot participate in such an issue or who choose not to exercise their right to subscribe for shares. Furthermore, the company has issued options within the framework of incentive programs for the company's Board of Directors, management, employees and consultants, for which the delivery of shares to the participants and social security expenses have been secured with warrants and class C shares. The exercise of these options and/or the issue of class C shares, when and if it occurs, will be dilutive for other shareholders. There is also a risk that the number of warrants and class C shares issued to ensure delivery of shares and social security expenses are insufficient, which could result in a significantly increased cost for the company.

Oncopeptides has a large number of shareholders based outside Sweden, including in the US. The company's share is listed in SEK and any future dividends will be distributed in SEK. A weakening of the Swedish krona in relation to foreign currencies may therefore, when converted to local currency, mean that the value of foreign shareholders' shareholdings and dividends may be adversely affected.

Going concern status

On March 13, 2024, Oncopeptides announced a SEK 300 M rights issue to raise proceeds that will take the company to profitability and positive cash flow by the end of 2026. The Board of Directors and the CEO continuously assess the Group's liquidity and financial resources both in the short term and in the long term. The annual report has been prepared with the assumption that the company has the ability to continue operations for the next 12 months, in line with the going concern assumption.

Proposed appropriation of profits for the 2023 fiscal year

The following amounts are at the disposal of the AGM (SEK)	
Share premium reserve	5,277,847,605
Retained earnings	-4,984,458,788
Loss for the year	-253,939,879
	39,448,938
The Board of Directors proposes to carry forward	39,448,938

Introduction
Oncopeptides is a Swedish public limited liability company with its registered office in Stockholm, Sweden. The company's share has been listed on Nasdaq Stockholm since February 22, 2017 and is traded under the ticker symbol ONCO. In addition to the rules laid down by law or other regulations, Oncopeptides applies the Swedish Corporate Governance Code (the "Code") with no exceptions.

Oncopeptides' corporate governance
The purpose of Oncopeptides' corporate governance is to create a clear allocation of roles and responsibilities among the owners, the Board of Directors and management. Corporate governance, management and control of Oncopeptides are allotted among the general meeting, the Board of Directors, its elected committees and the CEO.

Examples of external regulations that affect corporate governance
- The Swedish Companies Act
- Regulatory framework for external statements
- Nasdaq Stockholm's Rule Book for Issuers
- Swedish Corporate Governance Code
- Other applicable regulations and recommendations

Examples of internal regulations that are significant to corporate governance
- Articles of Association
- Board of Directors' rules of procedure, including instructions to Board committees
- Instructions for the CEO
- Guidelines for remuneration of senior management
- Code of Conduct
- Financial manual
- IT policy
- Information policy
- Insider policy
- Anti-corruption policy

Shareholders and the share
Oncopeptides had 24,686 shareholders at year-end 2023. The number of registered ordinary shares admitted to trading amounted to 90,439,627. The number of registered class C shares for LTI programs amounted to 4,160,450 shares. The total number of registered shares thus amounted to 94,600,077 shares at the end of the period. Each ordinary share carries one vote at the AGM, while class C shares carry one tenth of a vote. Ordinary shares and class C shares have equal rights to share in the company's assets and profits. However, class C shares do not entitle the holder to dividends. If the company is dissolved, class C shares entitle the holder to an equal share of the company's assets as other shares, but not to an amount greater than the share's quotient value.

On December 31, 2023, HealthCap was the largest shareholder with 16,405,387 shares, corresponding to 18.1% of the votes and 17.3% of the capital. Stiftelsen Industrifonden was the second largest shareholder with 8,285,258 shares, representing 9.1% of the votes and 8.8% of the capital. No shareholder other than HealthCap VI LP has a direct or indirect shareholding that represents more than one-tenth of the voting rights of all shares in the company. Further information about shareholders and the Oncopeptides share is presented under the heading "The share" in the 2023 Annual Report.

General meetings of shareholders
The company's highest decision-making body is the general meeting of shareholders. At the general meeting, shareholders can exercise their influence in the company. The AGM is to be held within six (6) months of the end of the fiscal year. The AGM resolves, for example, on the election of the Board of Directors and, where appropriate, the auditors as well as the principles for the appointment of the Nomination Committee, and discharge from liability for the Board of Directors and the CEO for the preceding year. Other issues to be resolved include the adoption of the Annual Report, the appropriation of profit or loss, directors' and auditors' fees, guidelines for remuneration of the CEO and other members of senior management, and incentive programs for co-workers and the Board of Directors.

The Articles of Association state that the AGM is to be held in Stockholm. Shareholders who wish to attend the general meeting, in person or by proxy, must notify the company in accordance with the invitation. Official notice of general meetings is to be made in the form of an announcement in Post- och Inrikes Tidningar and on the company's website (*oncopeptides.se*). Information regarding the notice shall also be advertised in Dagens Industri.

2023 AGM
The AGM for 2023 was held on May 25, 2023 in Stockholm. Attorney Johan Winnerblad was elected chairman of the meeting. The AGM passed resolutions including the following:

- Per Wold-Olsen, Brian Stuglik, Cecilia Daun Wennborg, Jarl Ulf Jungnelius, Per Samuelsson and Jennifer Jackson were re-elected as Board members. Per Wold-Olsen was re-elected as Chairman of the Board.
- Ernst & Young AB was re-elected as the company's auditor, with Anna Svanberg as auditor in charge.
- Remuneration of the Chairman of the Board and Board members elected by the AGM, and the auditor was established.
- It was resolved to approve the Board of Directors' remuneration report.
- It was resolved to implement a long-term shareholder program, Board SHP 2023, for members of the Board.
- It was resolved to authorize the Board of Directors to resolve on new issues of shares, warrants and/or convertibles with or without preferential rights for shareholders. The authorization may be exercised on one or more occasions up until the 2024 AGM and the number of shares issued under the authorization may not, after full exercise of the authorization, correspond to a dilution of more than 20% of the total number of shares outstanding at the Annual General Meeting's resolution on the proposed authorization.
- Adoption of the income statement and balance sheet and of the consolidated income statement and consolidated balance sheet.
- Resolution on the appropriation of the company's profit/loss according to the adopted balance sheet.
- Discharge from liability for the Board of Directors and the CEO with regard to the 2022 fiscal year.

The minutes and information from the AGM are available at *oncopeptides.com*.

2024 AGM

The 2024 AGM will be held on Friday, May 31 in Stockholm. For further information and the right to participate, see page 76 of Oncopeptides' 2023 Annual Report or visit *oncopeptides.se*.

The minutes of the AGM will be available at *oncopeptides.com*.

Nomination Committee

The Nomination Committee represents the company's shareholders and is charged with preparing the AGM's resolutions on election and remuneration matters. The Nomination Committee consists of four members, three of whom are to represent the three largest shareholders in the company on the last business day in September 2023, according to statistics from Euroclear Sweden AB. If any of the three largest shareholders chooses to waive their right to appoint a member of the Nomination Committee, this right passes to the shareholder with the next largest shareholding after these shareholders. The fourth person is to be the Chairman of the Board of Directors. The composition of the Nomination Committee is to be publicly announced no later than six months prior to the AGM.

The Nomination Committee observes the rules governing the independence of Board members according to the Swedish Corporate Governance Code.

The Nomination Committee jointly represents approximately 29% of the number of shares and votes in the company based on shareholder information at the time of appointment.

Representatives	Shareholders
Staffan Lindstrand, Chairman	HealthCap VI L.P.
Patrik Sobocki	Stiftelsen Industrifonden
Caroline Mebius	Handelsbanken Fonder
Per Wold-Olsen	Chairman of the Board of Oncopeptides AB

Board of Directors

Composition and independence

According to Oncopeptides' Articles of Association, the Board of Directors is to consist of no fewer than three and no more than eight members elected by the AGM for the term until the end of the next AGM. Six Board members were elected at the 2023 AGM. According to the Swedish Corporate Governance Code, the majority of the Board members elected by the general meeting are to be independent of the company and its management. All Board members are considered independent in relation to the company and its management. Five of the Board members, including the Chairman of the Board, are also considered independent in relation to major shareholders. Accordingly, Oncopeptides fulfills the Code's requirement with regard to independence.

At the end of the fiscal year, Oncopeptides' Board of Directors comprised six Board members: Chairman of the Board Per Wold-Olsen and Board members Cecilia Daun Wennborg, Jarl Ulf Jungnelius, Per Samuelsson, Brian Stuglik and Jennifer Jackson. For further information about the Board of Directors, see more under the heading "Board of Directors" or visit *oncopeptides.com*.

Responsibility and duties of the Board of Directors

After the general meeting, the Board of Directors is the company's highest decision-making body. The Board of Directors is to be responsible for the organization and management of the company's affairs, for example, by establishing targets and strategies, ensuring that procedures and systems are in place for monitoring set targets, continuously assessing the company's financial position and evaluating its operational management.

Furthermore, the Board of Directors is responsible for ensuring that correct information is given to the company's stakeholders, that the company complies with laws and regulations and that the company prepares and implements internal policies and ethical guidelines. The Board of Directors also appoints the company's CEO and determines his or her salary and other remuneration on the basis of the guidelines adopted by the general meeting.

The Board of Directors adheres to written rules of procedure which are reviewed annually and adopted at the statutory Board meeting. The rules of procedure govern, inter alia, the practices and tasks of the Board of Directors, decision-making within the company, the Board's meeting agenda, the Chairman's duties and the allocation of responsibilities between the Board of Directors and the CEO.

Instructions for financial reporting and instructions for the CEO are also determined in connection with the statutory Board meeting.

The Board of Directors' work is also carried out based on a yearly meeting schedule that fulfills the Board's need for information. In addition to Board meetings, the Chairman and the CEO maintain an ongoing dialog regarding the management of the company.

The Board of Directors meets according to a predetermined annual schedule and at least five ordinary Board meetings are to be held between each AGM. In addition to these meetings, extra meetings can be arranged to address matters which cannot be deferred to any of the scheduled meetings.

In 2023, an evaluation of the Board's work was conducted in the form of individual interviews between the Chairman of the Board and the other Board members. The results will be taken into consideration for the Board's work in 2024.

Board of Directors' work and significant events in 2023

The Board met on 14 occasions during the year.

The Board of Directors has mainly dealt with and made decisions in matters related to the company's strategic direction, the possibility of approval in Europe, organizational changes, and external reporting and cash flow forecasts.

Board committees
The company's Board of Directors has established three committees: the Audit Committee, the Remuneration Committee and the Scientific Committee, which all work according to the Board's established procedures.

Audit Committee
The Audit Committee's role is primarily to monitor the company's financial position, and the effectiveness of the company's internal control and risk management. The committee is to remain informed about the audit of the Annual Report and consolidated financial statements, and to review and monitor the auditor's impartiality and independence. The Audit Committee also assists the Nomination Committee in preparing proposals for resolution on the election and remuneration of the auditors. The Audit Committee continues to consist of the following members since the AGM on May 25, 2023:

- Cecilia Daun Wennborg (Chairperson)
- Per Samuelsson
- Per Wold-Olsen

The committee was convened 13 times in 2023. Oncopeptides' auditors participated in four of these meetings, at which the topics discussed included the auditors' planning of the audit, observations and examination of the company and its financial statements. Other meetings mainly addressed cash flow forecasts and cost savings.

Remuneration Committee
The Remuneration Committee's role is primarily to prepare matters for recommendation to the Board regarding remuneration and other terms of employment for the CEO and CFO and to review with the CEO the plans for remuneration of other members of senior management. The Remuneration Committee also formulates the CEO's bonus plan, monitors ongoing and completed variable remuneration for company management, and monitors and evaluates the application of the guidelines for remuneration of senior management adopted by the AGM. Following the AGM on May 25, 2023, the Remuneration Committee consists of the following members:

- Per Wold-Olsen (Chairman)
- Brian Stuglik
- Per Samuelsson

The Remuneration Committee was convened six times in 2023. At these meetings, the Committee discussed the company's existing remuneration systems and proposed guidelines for the remuneration of the CEO and members of senior management as well as the aims, terms and conditions of the incentive programs adopted by the AGM on May 25, 2023.

Scientific Committee
The role of the Scientific Committee is to provide advice on scientific matters. As part of its responsibilities, the Committee evaluates research strategies, clinical development plans, regulatory pathways and strategies, and reviews and reports to the Board on new areas of science.

The Scientific Committee is composed of:

- Jennifer Jackson (Chair)
- Brian Stuglik
- Jarl Ulf Jungnelius

The Scientific Committee met informally twice in 2023. At these meetings the Committee discussed the company's scientific development.

CEO and management
The role of the CEO is subordinate to the Board of Directors. The CEO's main task is to carry out the company's ongoing management and the daily activities of the company. The rules of procedure for the Board of Directors and the instructions for the CEO stipulate which matters the Board is to resolve upon, and which matters fall within the CEO's area of responsibility. Furthermore, the CEO is responsible for preparing reports and necessary information for decision-making prior to Board meetings and presenting the material at Board meetings.

Oncopeptides' management team consisted, as per December 31, 2023 of seven individuals. In addition to the CEO, management comprises the company's Chief Financial Officer, Chief Operating Officer, Chief Medical Officer, Global Head of Corporate Communications, Chief Scientific Officer and Head of HR. For information on the management team, see more under the heading "Management" or *oncopeptides.com*.

Remuneration of the Board of Directors and members of senior management

Remuneration of Board members
The AGM on May 25, 2023 resolved that regular fixed fees to Board members for the period up to and including the end of the 2024 AGM should comprise SEK 1,500,000 to the Chairman of the Board and SEK 600,000 to each of the other Board members. It was further decided that 50% of the ordinary fixed fee consists of share awards in the shareholder program Board SHP 2023. In addition to fees for regular Board work, it was resolved that each Board member residing in the US should receive an extra fee of SEK 100,000 and that each Board member residing in Europe outside the Nordic region should receive an extra fee of SEK 50,000.

As remuneration for committee work, it was resolved that the Chairman of the Audit Committee would receive SEK 82,500 and other members of the Audit Committee
SEK 27,500 each. It was also resolved that the Chairman of the Remuneration Committee would receive SEK 55,000 while the other members of the Remuneration Committee would receive SEK 27,500 each. It was also resolved that the Chairman of the Scientific Committee would receive SEK 55,000 while the other members of the Scientific Committee would receive SEK 27,500 each.

The fees paid in 2023 to Board members elected by the AGM are shown in the table on the following page.

	Independent in relation to			Remuneration, SEK thousand[1]					Attendance[2]			
Board member	Function	The company & its management	Larger shareholders	Board of Directors' fees	Audit Committee	Remuneration Committee	Scientific Committee	Total	Board of Directors[3]	Audit Committee[3]	Remuneration Committee[3]	Scientific Committee[3]
Per Wold-Olsen	Chairman	Yes	Yes	1,550	27.5	55	–	1,632.5	14/14	13/13	6/6	–
Cecilia Daun Wennborg	Board member	Yes	Yes	600	82.5	–	–	682.5	12/14	13/13	–	–
Per Samuelsson	Board member	Yes	No	300	27.5	27.5	–	355	14/14	13/13	6/6	–
Jarl Ulf Jungnelius	Board member	Yes	Yes	600	–	–	27.5	627.5	14/14	–	–	2/2
Brian Stuglik	Board member	Yes	Yes	700	–	27.5	27.5	755	14/14	–	6/6	2/2
Jennifer Jackson	Board member	Yes	Yes	700	–	–	55	755	14/14	–	–	2/2
Total				**4,450**	**137.5**	**110**	**110**	**4,807.5**				

1) Fees decided by the AGM, excluding social security contributions, for the fiscal year May 2023–May 2024, where the period for the fiscal year is a full year.

2) Figures in table show the total number of meetings attended/total number of meetings.

3) Excluding per capsulam meetings.

Guidelines for remuneration of senior management
Issues pertaining to remuneration of members of senior management are addressed by the Board's Remuneration Committee.

The Board decides on the CEO's remuneration based on the proposal presented by the Remuneration Committee. Remuneration and terms for members of senior management are to be based on market conditions and consist of a balanced mix of fixed salary, variable remuneration, pension benefits and terms upon termination. For the 2023 fiscal year, the CEO and other members of senior management received salary and other remuneration as set out in Note 10.

Guidelines were adopted at the 2023 AGM valid for the period up to the closing of the 2024 AGM.
The main points were as follows:

Oncopeptides' starting point is that salary and other terms and conditions should always enable Oncopeptides to attract and retain qualified members of senior management at a reasonable cost for the company. Remuneration of senior management is to be decided in accordance with Oncopeptides' remuneration policy, which is adopted annually by the Board and comprises a supplement to the guidelines.

Remuneration of senior management consists of a fixed salary, variable remuneration, pension and other benefits. To avoid unnecessary risks being taken by members of Oncopeptides' senior management, there must be a fundamental balance between fixed and variable remuneration. Furthermore, Oncopeptides' AGM may, if so ordered, offer long-term incentive programs, such as share- or share-price-related incentive programs.

Each member of senior management is to be offered a market-level fixed salary based on the degree of difficulty of the work and the individual's responsibilities, experience and performance. In addition, each member of senior management may, from time to time, be offered variable remuneration (bonus) to be paid in cash. The variable cash remuneration shall be linked to predetermined and measurable criteria which can be financial or non-financial. They may be individualized, quantitative or qualitative objectives. The criteria shall be designed so as to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or promote the executive's long-term development.

These guidelines enable the company to offer senior management a competitive total remuneration. Variable cash remuneration covered by these guidelines shall aim at promoting the company's business strategy and long-term interests, including its sustainability. Long-term share-based incentive programs have been implemented in the company. Such programs have been resolved by the general meeting and are therefore excluded from these guidelines. The programs include senior management, Board members, founders and other personnel, and are reported under Note 27, Share-based remuneration.

The performance criteria for variable remuneration to the CEO were chosen to help realize the company's strategy and to encourage ownership aligned with the company's long-term interests. The strategic goals together with the short- and long-term business priorities for 2023 were considered when selecting the performance criteria. Moreover, the non-financial performance criteria contribute to sustainability adaptation and to the company's values.

The fixed salary during the notice period, together with severance pay, may not exceed nine months' fixed salary for senior management according to the guidelines.

The Board of Directors is entitled to deviate from the guidelines in individual cases should there be special reasons for doing so. Before every AGM, the Board of Directors is to consider whether or not additional share- or share-price-related incentive programs should be proposed to the general meeting.

It is the general meeting that resolves upon such incentive programs. Incentive programs are to promote long-term value growth and align the interests of participating members of senior management with those of the shareholders.

New share issues and transfers of securities resolved upon by the general meeting in accordance with the rules of Chapter 16 of the Swedish Companies Act are not covered by the guidelines insofar as the AGM has taken, or will take, such decisions.

Share-based incentive programs
Oncopeptides currently has eight active programs encompassing management, certain Board members, founders and employees. At the 2017 AGM, the incentive program "Co-worker LTIP 2017" was introduced. At the 2018 AGM, the incentive program "Co-worker LTIP 2018" was introduced. At the 2019 AGM, the incentive program "Co-worker LTIP 2019" was introduced. At the general meeting in May 2021, it was resolved to introduce the programs "Board LTIP 2021" and "Co-worker LTIP 2021." At the June 2022 AGM, two incentive programs were established: "Co-worker LTIP 2022" and "Board SHP 2022." At the May 2023 AGM, it was resolved to introduce the incentive program "Board SHP 2023."

All options have been transferred at market prices according to independently determined valuation and are subject to customary conversion terms. A brief description of the active programs follows below. See Note 27 Share-based remuneration for further information on the incentive programs.

Co-worker LTIP 2017
The options were allotted free of charge to participants of the program. The options have a three-year vesting period calculated from the allotment date, provided that, with customary exceptions, the participants remain as employees of, or continue to provide services to, Oncopeptides. Once the options are vested, they can be exercised within a four-year period.

Each vested option entitles the holder to acquire one share in the company at a predetermined price. The price per share is to be equivalent to the weighted average price that the company's shares were traded for on Nasdaq Stockholm during the five trading days preceding the allotment date.

Co-worker LTIP 2018
The options were allotted free of charge to participants of the program. The options have a three-year vesting period calculated from the allotment date, provided that, with customary exceptions, the participants remain as employees of, or continue to provide services to, Oncopeptides. Once the options are vested, they can be exercised within a four-year period. Each vested option entitles the holder to acquire one share in the company at a predetermined price. The price per share is to be equivalent to the weighted average price that the company's shares were traded for on Nasdaq Stockholm during the five trading days preceding the allotment date.

Co-worker LTIP 2019
The options were allotted free of charge to participants of the program. The options have a three-year vesting period calculated from the allotment date, provided

that, with customary exceptions, the participants remain as employees of, or continue to provide services to, Oncopeptides. Once the options are vested, they can be exercised within a four-year period. Each vested option entitles the holder to acquire one share in the company at a predetermined price. The price per share is to be equivalent to the weighted average price that the company's shares were traded for on Nasdaq Stockholm during the five trading days preceding the allotment date.

Co-worker LTIP 2021
The options were allotted free of charge to participants of the program. The options have a three-year vesting period calculated from the allotment date, provided that, with customary exceptions, the participants remain as employees of, or continue to provide services to, Oncopeptides. Once the options are vested, they can be exercised within a four-year period. Each vested option entitles the holder to acquire one share in the company at a predetermined price. The price per share is to be equivalent to the weighted average price that the company's shares were traded for on Nasdaq Stockholm during the five trading days preceding the allotment date.

Co-worker LTIP 2022
The program is share-based and aimed at employees and consultants. Co-worker LTIP 2022 is a program under which the participants will be allotted, free of charge, performance share awards ("Share Awards") entitling to a maximum of 3,860,849 ordinary shares in Oncopeptides. The number of share awards to be granted to each participant shall correspond to the annual allotment (which is a percentage of the base salary) divided by the volume-weighted average price of the Oncopeptides share on Nasdaq Stockholm during ten trading days prior to the grant date. The share awards are subject to performance-based vesting based on the development of the share price of the company's share during the period from the date of allotment of the share awards (the "Allotment Date") up to and including the third anniversary of the Allotment Date (the "Vesting Date"). Each vested share award grants the right to receive one share in Oncopeptides free of charge, provided that the holder is still employed at Oncopeptides on the final vesting date.

Board LTIP 2021
The program is share-based and is aimed at the main shareholder-independent Board members of the company. In total, the program comprises a maximum of 35,000 share awards and the number of share awards to be allotted to each participant shall correspond to a certain amount (SEK 1,500,000 to the Chairman of the Board and SEK 600,000 to each of the other main shareholder-independent Board members) divided by the volume-weighted average price of the company's share on Nasdaq Stockholm during ten trading days prior to the allotment date. The share awards are subject to performance-based vesting based on the development of the share price for the company's share during the period from the date of allotment until the earlier of (i) the 2024 AGM or (ii) June 1, 2024. Each vested share award entitles the holder to obtain one share in the company free of charge, provided that the holder is still a member of the Board of the company at the relevant vesting dates. For the issued share awards, it was decided not to issue any warrants.

Board SHP 2022
The program is share-based and is aimed at the main shareholder-independent Board members of the company. Board SHP 2022 is a program under which the participants will be allotted share awards ("Share Awards") entitling to a maximum of 245,000 ordinary shares in Oncopeptides. The number of share awards to be allotted to each participant shall correspond to 50% of the fee for ordinary board work divided by the volume-weighted average price of Oncopeptides' share on Nasdaq Stockholm during ten trading days prior to the allotment date. The number of share awards shall correspond to a certain amount (SEK 750,000 to the Chairman of the Board and SEK 300,000 to each of the other main shareholder-independent Board members). Share awards shall be allotted to participants as soon as practicable after the Annual General Meeting (the "Allotment Date"). The share awards will vest after approximately one year (corresponding to one mandate year as Board member), corresponding to the earlier of the day before (i) the 2023 AGM or (ii) July 1, 2023 (the "Vesting Date") provided that the participant is still a Board member of Oncopeptides on that date. Each vested share award grants the right to receive one share in the company free of charge as soon as practicable three years after the allotment date. Supply of C shares is hedged by C-class shares owned by Oncopeptides.

Board SHP 2023
The program is share-based and is aimed at the main shareholder-independent Board members of the company. Board SHP 2023 is a program under which the participants will be allotted share awards ("Share Awards") entitling to a maximum of 245,000 ordinary shares in Oncopeptides. The number of share awards to be allotted to each participant shall correspond to 50% of the fee for ordinary board work divided by the volume-weighted average price of Oncopeptides' share on Nasdaq Stockholm during ten trading days prior to the allotment date. The number of share awards shall correspond to a certain amount (SEK 750,000 to the Chairman of the Board and SEK 300,000 to each of the other main shareholder-independent Board members). The share awards will vest after approximately one year (corresponding to one mandate year as Board member), corresponding to the earlier of the day before (i) the 2024 AGM or (ii) July 1, 2024 (the "Vesting Date") provided that the participant is still a Board member of Oncopeptides on that date. Each vested share award grants the right to receive one share in the company free of charge as soon as practicable three years after the allotment date.

The table on the following page is a summary of the total number of shares to which allotted employee options and share awards may entitle the holder on December 31, 2023.

To ensure the delivery of shares to participants in the company's incentive programs as well as to cover social security contributions when options, share awards and employee options are exercised, the Parent Company has issued warrants to its subsidiary Oncopeptides Incentive AB, which entitle holders to subscribe for a total of 2,584,169 shares in the Parent Company, and has also issued class C shares that are held by Oncopeptides AB.

The full utilization of granted options and share awards, including warrants for hedging of social security contributions (but excluding the warrants pertaining to the EIB as of December 31, 2023) corresponded to 5,160,379 shares, which would result in a dilution of 5.4%. The full utilization of all resolved options and share awards corresponding to a total of 7,685,259 shares (including unallotted employee options and share awards as well as warrants intended for hedging social security contributions, but excluding the warrants pertaining to the EIB) would result in a dilution of 7.8%.

Number of shares to which granted instruments may entitle the holder to as per December 31, 2023	
– Co-worker LTIP 2017	1,228,582
– Co-worker LTIP 2018	119,594
– Co-worker LTIP 2019	794,640
Total number of shares to which granted employee options may entitle the holder	**2,142,816**
– Board LTIP 2021	35,000
– Board SHP 2022	44,758
– Board SHP 2023	219,843
– Co-worker LTIP 2021	1,132,693
– Co-worker LTIP 2022	1,335,969
Total number of shares to which allotted share awards may entitle the holder	**2,768,263**
Total number of shares to which granted employee options and share awards may entitle the holder	**4,911,079**

External auditor

Oncopeptides' auditor is the accounting firm Ernst & Young AB (EY), with authorized public accountant Anna Svanberg as auditor in charge. At the 2023 AGM, EY was re-elected as the auditor for Oncopeptides.

The auditor performs a review engagement of the quarterly report for the third quarter, and audits the annual and consolidated financial statements. The auditor also comments on whether this Corporate Governance Report has been prepared and whether certain information herein is consistent with the annual and consolidated financial statements. The auditor reports on the results of its audit of the Annual Report and consolidated financial statements and review of the Corporate Governance Report via the Auditor's Report as well as a separate opinion on the compliance with guidelines for remuneration of senior management, which the auditor submits to the AGM. In addition, the auditor issues detailed statements on the audits performed to the Audit Committee two times per year as well as to the Board in its entirety once per year. The fees invoiced by the auditor in the last two fiscal years are disclosed in Note 8 of the 2023 Annual Report.

Internal control and risk management

The Board of Directors' responsibility for internal control is governed by the Swedish Companies Act and the Swedish Corporate Governance Code. Internal control primarily consists of the following five components: control environment, risk assessment, control activities, information and communication, and monitoring activities.

Among other tasks, the Board is responsible for ensuring that Oncopeptides has sufficient internal control and formalized procedures to ensure that established principles for financial reporting and internal control are adhered to and that there are appropriate systems in place to monitor and control the company's operations and the risks associated with the company and its operations.

The overall purpose of the internal control is to ensure that the company's operating strategies and targets are monitored and that the owners' investments are protected, to a reasonable degree. Furthermore, the internal control is to ensure, with reasonable certainty, that the external financial reporting is reliable and prepared in accordance with generally accepted accounting principles, that applicable laws and regulations are followed, and that the requirements imposed on listed companies are complied with.

In addition to the aforementioned internal control, there is also an internal, business-specific control of data as regards research and development as well as quality control including systematic monitoring and evaluation of the company's development and manufacturing operations and the company's products.

Control environment

In order to create and maintain a functioning control environment, the Board has adopted a number of policies and steering documents governing financial reporting. These documents primarily comprise

the rules of procedure for the Board of Directors, instructions for the CEO and instructions for financial reporting.

The Board has also adopted special authorization procedures and a financial policy. The company also has a financial manual which contains principles, guidelines and process descriptions for accounting and financial reporting.

Furthermore, the Audit Committee's main task is to monitor the company's financial position and the effectiveness of the company's internal control, internal audit and risk management, to remain informed about the audit of the Annual Report and consolidated financial statements, and to review and monitor the auditor's impartiality and independence. Responsibility for the ongoing work of the internal control over financial reporting has been delegated to the company's CEO. The CEO regularly reports to the Board of Directors in accordance with the established instructions for the CEO and the instructions for financial reporting. The Board also receives reports from the company's auditor.

Risk assessment

Risk assessment includes identifying risks that may arise if the basic requirements for the financial reporting of the company are not met. Oncopeptides' management team has, in a specific risk assessment document, identified and evaluated the risks that arise in the company's operations, and has assessed how these risks can be managed. Within the Board of Directors, the Audit Committee is primarily responsible for continuously assessing the company's risk situation as it related to the company's financial reporting. The Board also conducts an annual review of risks.

Control activities

Control activities limit identified risks and ensure accurate and reliable financial reporting. The Board of Directors is responsible for the internal control and monitoring of the company's management. This is done through both internal and external control activities, and through examination and monitoring of the company's steering documents related to risk management. The effectiveness of the control activities is assessed annually and the results from these assessments are reported to the Board of Directors and the Audit Committee. In agreements with sub-suppliers, the company has secured the right to audit each respective sub-supplier's fulfillment of relevant services, including quality aspects.

Information and communication

The company has information and communication channels to promote the accuracy of the financial reporting and to facilitate reporting and feedback from the operations to the Board and senior management, for example, by making corporate governance documents, such as internal policies, guidelines and instructions regarding the financial reporting, available to the co-workers concerned and ensuring the co-workers are familiar with them. The Board of Directors has also adopted an information policy governing Oncopeptides' disclosure of information.

Monitoring, evaluation and reporting

Compliance with and effectiveness of the internal controls are constantly monitored. The CEO ensures that the Board of Directors continuously receives reports on the development of the company's activities, including the development of the company's earnings and financial position, as well as information on important events, such as research results and important contracts. The CEO reports on these matters at each Board meeting. The company's compliance with all relevant steering documents and guidelines is assessed annually. The results from these assessments are compiled by the company's CFO and then reported to the Board of Directors and the Audit Committee.

The Board deems that the internal controls are effective in all material respects and, on this basis, has determined that there is no need to establish a special internal-audit function.

External audit

The company's auditor is appointed by the AGM for the period until the end of the next AGM. The auditor examines the Annual Report and accounts as well as the Board of Directors' and the CEO's fulfillment of their fiduciary duties and responsibilities. Following each fiscal year, the auditor submits an Auditor's Report to the general meeting. Each year, the company's auditor reports his observations from the audit and his assessment of the company's internal control to the Board of Directors.

Consolidated statement of comprehensive income

SEK thousand	Note	2023	2022
Net sales	5	35,220	8,355
Cost of goods sold	7	1,079	-6
Gross profit		**36,299**	**8,349**
Operating expenses			
Research and development expenses	7, 9, 10	-106,948	-217,657
Marketing and distribution expenses	7, 9, 10	-119,601	-58,102
Administrative expenses	7, 8, 9, 10	-68,878	-84,093
Other operating income	6	5,681	6,035
Other operating expenses	6, 7	–	-3,882
Total operating expenses		**-289,746**	**-357,699**
EBIT, operating loss		**-253,447**	**-349,350**
Financial income	11	10,785	12,553
Financial expenses	11	-5,785	-883
EBT, loss before tax		**-248,447**	**-337,680**
Income tax	12	-664	-271
Loss for the year		**-249,111**	**-337,951**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Translation differences from restatement of foreign operations		98	-1,380
Other comprehensive income for the year after tax		**98**	**-1,380**
Comprehensive income for the year	**22**	**-249,013**	**-339,331**
The loss for the year is fully attributable to Parent Company shareholders.			
Earnings per share before and after dilution (SEK)	23	-2.76	-4.11

Consolidated statement of financial position

SEK thousand	Note	Dec 31, 2023	Dec 31, 2022
ASSETS			
Non-current assets	**17**		
Intangible fixed assets	13	–	–
Property, plant and equipment	14	8,178	10,501
Right-of-use assets	9	26,448	9,937
Financial non-current assets	15	852	851
Total non-current assets		**35,478**	**21,289**
Current assets	**17**		
Inventory	19	2,425	–
Trade receivables	3	2,194	674
Other current receivables	20	15,711	16,594
Prepaid expenses and accrued revenue	21	9,163	2,251
Cash and cash equivalents	22	173,407	344,515
Total current assets		**202,900**	**364,034**
TOTAL ASSETS		**238,378**	**385,323**

SEK thousand	Note	Dec 31, 2023	Dec 31, 2022
EQUITY AND LIABILITIES			
Equity	**23**		
Share capital		10,511	10,479
Additional paid-in capital		5,414,455	5,402,525
Translation reserve		-2,199	-2,297
Retained earnings (including loss for the year)		-5,365,987	-5,116,414
Total equity attributable to Parent Company shareholders		**56,780**	**294,293**
Long-term liabilities	**17**		
Liabilities to credit institutions		106,487	–
Other long-term liabilities	9, 18, 26, 27	30,178	5,358
Total long-term liabilities		**136,665**	**5,358**
Current liabilities	**17**		
Trade payables	3, 17	15,025	28,219
Other current liabilities	25, 26, 27	14,206	38,665
Accrued expenses and deferred income	26	15,702	18,788
Total current liabilities		**44,933**	**85,672**
Total liabilities		**181,598**	**91,030**
TOTAL EQUITY AND LIABILITIES		**238,378**	**385,323**

Consolidated statement of changes in equity

SEK thousand	Note	Share capital	Additional paid-in capital	Trans-lation reserves	Retained earnings (incl. loss for the period)	Total equity
Opening balance on January 1, 2022		**8,366**	**4,981,883**	**-918**	**-4,778,463**	**210,868**
Loss for the year		–	–		-337,951	-337,951
Other comprehensive income for the year		–	–	-1,380	–	-1,380
Comprehensive income for the year		**–**	**–**	**-1380**	**-337,951**	**-339,331**
Transactions with shareholders						
New share issue	23	2,111	433,904	–	–	436,015
Repurchase of shares		–	–	–	-438	-438
Issue costs		–	-27,667	–	–	-27,667
Value of service by participants in the incentive programs	23, 27	–	14,812	–	–	14,812
Exercise of warrants under the company's incentive program	23, 27	2	32	–	–	34
Total transactions with shareholders		**2,113**	**421,081**	**–**	**-438**	**422,756**
Closing balance on December 31, 2022	**22**	**10,479**	**5,402,964**	**-2,298**	**-5,116,852**	**294,293**
Opening balance on January 1, 2023		**10,479**	**5,402,964**	**-2,298**	**-5,116,852**	**294,293**
Loss for the year		–	–	–	-249,111	-249,111
Other comprehensive income for the year		–	–	98	–	98
Comprehensive income for the year		**–**	**–**	**98**	**-249,111**	**-249,013**
Transactions with shareholders						
New share issue	23	24	–	–	–	24
Repurchase of shares					-24	-24
Issue costs		–	–	–	–	–
Value of service by participants in the incentive programs	23, 27	–	11,499	–	–	11,499
Exercise of warrants under the company's incentive program incl. issue costs	23, 27	8	-8	–	–	–
Total transactions with shareholders		**32**	**11,491**	**–**	**-24**	**11,499**
Closing balance on December 31, 2023	**22**	**10,511**	**5,414,455**	**-2,199**	**-5,365,987**	**56,780**

Consolidated statement of cash flow

SEK thousand	Note	2023	2022
Operating activities			
Operating loss		-253,447	-349,350
Adjustment for non-cash items	22	20,258	36,379
Interest received		8,580	2,616
Interest paid		-570	-883
Tax paid		1,654	-38
Cash flow from operating activities before change in working capital		**-223,526**	**-311,276**
Change in working capital			
Increase/decrease in inventory		-1,334	–
Increase/decrease in operating receivables		-16,020	53,174
Increase/decrease in trade payables		-13,194	-22,887
Increase/decrease in other operating liabilities		-25,419	-139,520
Total change in working capital		**-55,967**	**-109,233**
Cash flow from operating activities		**-279,493**	**-420,509**
Investing activities			
Investments in property, plant and equipment	14	-116	-2,507
Investments in financial non-current assets	15	-1	–
Cash flow from investing activities		**-116**	**-2,507**
Cash flow from financing activities			
New share issue	23	–	436,015
Exercise of warrants and repurchase of class C shares		–	-404
Proceeds from borrowings		116,024	–
Issue costs		–	-27,667
Repayment of lease liabilities		-9,135	-15,542
Cash flow from financing activities		**106,889**	**392,402**
Cash flow for the period		**-172,721**	**-30,614**
Cash and cash equivalents at beginning of period		344,515	362,187
Change in cash and cash equivalents		-172,721	-30,614
Translation difference in cash and cash equivalents		1,613	12,942
Cash and cash equivalents at end of year	**22**	**173,407**	**344,515**

Parent Company income statement

SEK thousand	Note	2023	2022
Net sales	5	10,890	559
Cost of goods sold	7	1,079	-6
Gross profit		**11,969**	**553**
Research and development expenses	7, 9, 10	-107,111	-217,164
Marketing and distribution expenses	7, 9, 10	-100,289	-58,919
Administrative expenses	7, 8, 9, 10	-68,984	-77,328
Other operating income	6	12,227	3,816
Other operating expenses	6	–	-3,882
EBIT, operating loss		**-252,188**	**-352,924**
Financial income	11	10,455	28,826
Financial expenses	11	-5,232	-1
Loss after financial items		**-246,964**	**-324,099**
Appropriations			
Group contributions paid		-6,976	-700
EBT, loss before tax		**-253,940**	**-324,799**
Income tax	12	–	–
Loss for the year		**-253,940**	**-324,799**

Parent Company statement of comprehensive income

SEK thousand	Note	2023	2022
Loss for the year		-253,940	-324,799
Other comprehensive income		–	–
Other comprehensive income for the year after tax		**-253,940**	**-324,799**
Comprehensive income for the year		**-253,940**	**-324,799**

Parent Company balance sheet

SEK thousand	Note	Dec 31, 2023	Dec 31, 2022
ASSETS			
Non-current assets			
Intangible assets	**13**		
Other intangible fixed assets		–	–
Total intangible fixed assets		**–**	**–**
Property, plant and equipment	**14**		
Machinery and equipment		8,172	10,491
Total property, plant and equipment		**8,172**	**10,491**
Financial non-current assets			
Participations in subsidiaries	16	445	329
Other non-current receivables	15	852	851
Total financial non-current assets		**1,297**	**1,180**
Total non-current assets		**9,469**	**11,671**
Current assets			
Inventory	19	2,425	0
Trade receivables	3	2,194	674
Receivables with Group companies	20	34,463	8,910
Other current receivables	20	3,331	3,829
Prepaid expenses and accrued revenue	21	11,143	4,084
Cash and cash equivalents	22	158,756	328,537
Total current assets		**212,311**	**346,034**
TOTAL ASSETS		**221,780**	**357,705**

SEK thousand	Note	Dec 31, 2023	Dec 31, 2022
EQUITY AND LIABILITIES			
Equity	**23**		
Restricted equity			
Share capital		10,511	10,479
Statutory reserve		10,209	10,209
Total restricted equity		**20,720**	**20,688**
Non-restricted equity			
Share premium reserve		5,277,848	5,277,417
Retained earnings		-4,984,459	-4,670,696
Loss for the year		-253,940	-324,799
Total non-restricted equity		**39,449**	**281,922**
Total equity		**60,169**	**302,610**
Long-term liabilities			
Liabilities to credit institutions	18	106,487	–
Other long-term liabilities		10,509	1,815
Total current liabilities		**116,996**	**1,815**
Current liabilities			
Trade payables		12,912	26,277
Liabilities to Group companies		9,891	2,185
Other current liabilities	25	7,999	9,030
Accrued expenses and deferred income	26	13,813	15,788
Total current liabilities		**44,615**	**53,280**
Total liabilities		**161,611**	**55,095**
TOTAL EQUITY AND LIABILITIES		**221,780**	**357,705**

Parent Company statement of changes in equity

		Restricted equity		Non-restricted equity			
SEK thousand	Note	Share capital	Statutory reserve	Share premium reserve	Retained earnings	Loss for the year	Total equity
Opening balance on January 1, 2022	**22**	**8,366**	**10,209**	**4,871,586**	**-3,256,969**	**-1,428,539**	**204,653**
Appropriation in accordance with AGM					-1,428,539	1,428,539	
Loss for the year						-324,799	-324,799
Other comprehensive income for the year		–	–	–	–	–	–
Comprehensive income for the year		**–**	**–**	**–**	**–**	**-324,799**	**-324,799**
Transactions with shareholders							
New share issue	23	2,111	–	433,903		–	436,014
Repurchase of shares					-438		-438
Issue costs		–	–	-27,667	–	–	-27,667
Value of service by participants in the incentive programs	23.27	–	–		14,812	–	14,812
Exercise of warrants under the company's incentive program	23.27	2	–	32	–	–	34
Total transactions with shareholders		**2,113**	**–**	**406,268**	**14,374**	**–**	**422,755**
Closing balance on December 31, 2022		**10,479**	**10,209**	**5,277,855**	**-4,671,134**	**-324,799**	**302,610**
Opening balance on January 1, 2023		**10,479**	**10,209**	**5,277,855**	**-4,671,134**	**-324,799**	**302,610**
Appropriation in accordance with AGM		–	–	–	-324,799	324,799	
Loss for the year		–	–	–	–	-253,940	-253,940
Other comprehensive income for the year		–	–	–	–	–	–
Comprehensive income for the year		**–**	**–**	**–**	**–**	**-253,940**	**-253,940**
Transactions with shareholders	**23**						
New share issue		24	–	–		–	24
Repurchase of shares					-24		-24
Issue costs		–	–	–	–	–	–
Value of service by participants in the incentive programs	23, 27	–	–		11,499	–	11,499
Exercise of warrants under the company's incentive program incl. issue costs	23, 27	8	–	-8	–	–	–
Total transactions with shareholders		**32**	**–**	**-8**	**11,475**	**–**	**11,499**
Closing balance on December 31, 2023	**22**	**10,511**	**10,209**	**5,277,848**	**-4,984,459**	**-253,940**	**60,169**

Parent Company statement of cash flow

SEK thousand	Note	2023	2022
Operating activities			
Loss before financial items		-252,188	-352,924
Adjustment for non-cash items	22	11,554	23,075
Interest received		8,250	2,620
Interest paid		-17	-1
Cash flow from operating activities before change in working capital		**-232,401**	**-327,229**
Change in working capital			
Increase/decrease in inventory		-1,334	–
Increase/decrease in operating receivables		-34,240	45,334
Increase/decrease in trade payables		-13,365	-24,002
Increase/decrease in other current operating liabilities		-741	-99,390
Total change in working capital		**-49,680**	**-78,059**
Cash flow from operating activities		**-282,081**	**-405,288**
Investing activities			
Investments in property, plant and equipment	14	-116	-2,498
Investments in financial non-current assets	15	-118	-1,138
Disposals of financial non-current assets		1	–
Loans provided to Group companies in the year		-3,492	–
Cash flow from investing activities		**-3,725**	**-3,636**
Cash flow from financing activities			
New share issue	23	–	436,015
Exercise of warrants under the company's incentive program		–	-404
Proceeds from borrowings	18	116,024	–
Issue costs		–	-27,667
Cash flow from financing activities		**116,024**	**407,944**
Cash flow for the period		**-169,782**	**-980**
Cash and cash equivalents at beginning of period		328,537	321,832
Change in cash and cash equivalents		-169,781	-980
Translation difference in cash and cash equivalents			7,685
Cash and cash equivalents at end of year	**22**	**158,756**	**328,537**

Note 1
General information

Oncopeptides AB (publ), corporate registration number 556596-6438, is the Parent Company of the Oncopeptides Group ("Oncopeptides"). Oncopeptides AB (publ) has its registered office in Stockholm at Luntmakargatan 46, SE-111 37 Stockholm, Sweden. The company's share has been listed on Nasdaq Stockholm since February 22, 2017. The Group's principal operation is the development of pharmaceutical drugs.

On April 17, 2024, the Board approved this Annual Report and consolidated financial statements, that will be proposed for adoption at the AGM on May 31, 2024.

Note 2
Summary of material accounting policies

The most significant accounting policies applied in the preparation of this year's consolidated financial statements are described below. Unless otherwise stated, these policies were applied consistently for all years presented.

All amounts are reported in SEK and rounded to the nearest thousand (SEK thousand), unless otherwise stated. Figures in parentheses refer to the preceding year. All notes refer to both the Parent Company and the Group, unless otherwise specified.

2.1 Basis of presentation of financial statements

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. Management is also required to make certain judgments in applying the Group's accounting policies. Areas that involve a high degree of judgment, are complex or where assumptions and estimates have a material impact on the consolidated financial statements are described in Note 4.

The Parent Company applies the Swedish Annual Accounts Act and Recommendation RFR 2 Accounting for Legal Entities of the Swedish Financial Reporting Board.

Amendments to accounting policies and disclosures

No changes during the year have had any significant impact on the financial reporting for the Group or the Parent Company. Amendments to IAS 1 requiring the disclosure of material accounting policies to ensure that material information is not obscured have resulted in some sections being reworded or deleted. No new or amended IFRS have been applied early.

Future standards and new interpretations

None of the changes that have been published are assessed to have any material impact on the financial reporting for the Group or the Parent Company. Other new or altered standards or interpretations that the IASB has published are not expected to have any significant impact on the financial statements for the Group or the Parent Company.

Financial statements

The company applies a functional income statement where costs are primarily allocated according to the company's main functions: Research and development expenses, Marketing and distribution expenses, and Administrative expenses.

2.2 Consolidation

Subsidiaries

All companies over which the Group exercises a controlling influence are classified as subsidiaries. The Group controls a company when it is exposed to or has the right to a variable return on its interest in the company and is able to influence the return through its interest in the company.

2.3 Translation of foreign currency

Functional currency and presentation currency

The Parent Company's functional currency is the Swedish krona (SEK), which is also the Group's presentation currency. This means that the financial statements are presented in SEK. All amounts, unless otherwise specified, are stated and rounded to the nearest thousand (SEK thousand).

Transactions and balance-sheet items

Exchange gains or losses in operating receivables, cash and cash equivalents, and operating liabilities are recognized in operating profit/loss, while exchange gains or losses on financial receivables and liabilities are recognized as financial items.

Translation of foreign operations

Assets and liabilities in foreign operations are translated from the foreign operation's functional currency to the Group's presentation currency, SEK, at the exchange rate prevailing on the balance-sheet date. Income and expenses in foreign operations are translated to SEK using an average exchange rate that is an approximation of the exchange rates prevailing on each individual transaction date. Translation differences that arise in currency translations of foreign operations are recognized in "Other comprehensive income" and accrued in a separate equity component, called the translation reserve.

2.4 Intangible assets

Other intangible assets

The Group's intangible assets comprise computer software and licenses for computer software. Intangible assets with a determinable useful life are recognized at cost less accumulated amortization and any impairment losses.

Intangible assets are amortized systematically over the asset's assessed useful life. The useful life is reviewed at the end of each fiscal year and adjusted if necessary. When the amortization for the asset is determined, the asset's residual value is taken into account if applicable.

Development costs

The Group conducts the research and development of pharmaceutical drugs. The overall risk associated with ongoing development projects is high. Risks include technical and production-related risks, safety and effect-based risks that could arise in clinical studies, regulatory risks relating to applications for approval of clinical studies and marketing authorization as well as intellectual property risks related to approval of patent applications and the maintenance of patents. All development work is deemed to be research (as the work does not meet the criteria listed below) until the product has received marketing authorization. Expenditure for research is expensed as incurred.

Expenses directly attributable to the development and testing of identifiable and unique products that are controlled by the Group are recognized as intangible assets when the following criteria are met:

- it is technically feasible to complete the product so that it will be available for use;
- the company intends to complete the product for use or sale;
- there is reason to expect that the company will be able to use or sell the product;
- it can be shown that the product will generate probable future economic benefits; and
- adequate technical, financial and other resources are available for completing the development and for using or selling the product, and the costs attributable to the product during its development can be reliably measured.

Capitalized assets that have met the above capitalization criteria have a limited useful life and are recognized at cost less accumulated amortization. Assets are amortized from the day when they are ready for use. Straight-line amortization is used to distribute the cost of the in-house developed intangible assets over their estimated useful life, which is the same as the remaining patent term for the product. Directly attributable expenditure that is capitalized includes development expenditure as well as expenditure for employees plus a reasonable portion of indirect costs. Other development expenditure that does not meet the above criteria is expensed as incurred. Previously expensed development expenditure is not capitalized in later periods.

Oncopeptides' expenditure for drug development was not deemed to meet the criteria for capitalization and has therefore been charged to expenses.

Amortization methods
Intangible fixed assets are amortized from the day when they are ready for use. Amortization is applied on a straight-line basis as follows: Other intangible assets – 5 years

2.5 Property, plant and equipment
Property, plant and equipment are recognized at cost less accumulated depreciation and any impairment losses. Assets are depreciated on a straight-line basis over their expected useful lives.

Depreciation is applied on a straight-line basis as follows:
Research equipment and computers – 5 years,
Machinery – 10 years.

Gains and losses on the disposal of property, plant and equipment are determined by comparing the sale proceeds with the carrying amount of the asset value
and are recognized under other operating income and other operating expenses in the income statement.

2.6 Financial instruments
The Group classifies its financial instruments into the following categories:

- Financial assets recognized at amortized cost; and
- Financial liabilities recognized at amortized cost.

The Group does not conduct active trading with financial instruments that are not related to the Group's commercial operations. Therefore, the financial assets and liabilities recognized in the balance sheet are primarily cash and cash equivalents, trade payables and accrued expenses pertaining to the Group's suppliers. During the fiscal year or the comparable year, the Group has not held any financial instruments measured at fair value, whether it be through profit or loss or other comprehensive income.

Assets classified at amortized cost are held in accordance with the business model to collect contractual cash flows, which consist solely of payments of principal and interest on the principal amount outstanding. Expected credit losses are assessed as negligible, since the company's financial assets essentially consist of bank deposits at banks with high credit ratings.

Financial liabilities recognized at amortized cost are initially measured at fair value including transaction costs. After initial recognition, they are measured at amortized cost in accordance with the effective interest method.

2.7 Inventory
Inventory is recognized as the lower of the acquisition cost and the estimated net realizable value. The acquisition cost for completed goods and goods being manufactured comprises raw materials and other direct costs and applicable indirect manufacturing costs (based on normal manufacturing capacity). The net realizable value is the estimated sale price in operating activities. By continuously monitoring inventory, we ensure that it is dispatched based on shelf life. When necessary, impairment of inventory is performed within the frame of normal business operations and is recognized in costs of goods sold.

2.8 Revenue recognition
Revenue is recognized at the transaction price for goods sold, excluding value added tax, discounts and returns. Revenue is recognized at the time of delivery, when the control of the products are transferred to the customer. Customers are defined as resellers who sell the products, at an intermediate stage, to the final user of the products.

Since the final price is related to the discount which is paid to the patients' insurance companies, the transaction price is not known upon delivery. This is regulated by booking a provision for the estimated discount in the Group, based on the calculation models, taking into account statistical sales data in relation to the discount agreements entered into in various discount programs.

Government grants
Government grants are recognized at fair value when there is reasonable assurance that the grant will be received and that the company will meet all of the associated terms and conditions. Government grants that relate to expected costs are recognized as deferred income. The grant is recognized as income in the period during which the costs arise that the government grant is intended to compensate.

2.9 Cash and cash equivalents
Cash and cash equivalents comprise available bank deposits.

2.10 Equity
Ordinary shares are classified as equity. Transaction costs which are directly attributable to the issue of new ordinary shares or warrants are recognized, net of tax, in equity as a deduction from the proceeds of

the issue. When warrants are exercised, the company issues new shares. Payments received are credited to share capital (based on quotient value) and additional paid-in capital.

2.11 Current and deferred tax

The tax expense for the period comprises current and deferred tax. The current tax expense is calculated based on the tax rules that have been enacted by the balance-sheet date.

Deferred tax is recognized, in accordance with the balance sheet liability method, for all temporary differences between the carrying amounts and tax bases of assets and liabilities in the consolidated financial statements. Deferred income tax is calculated by applying tax rates that have been enacted or announced at the balance-sheet date and that are expected to apply when the deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets arising from loss carry-forwards are recognized to the extent that it is probable that future taxable profits will be available against which the tax losses can be used.

Deferred tax assets and liabilities are offset when there is a legally enforceable right of set-off for the tax assets and tax liabilities concerned, the deferred tax assets and tax liabilities relate to income taxes levied by the same taxation authority and refer to either the same taxable entity or different taxable entities and there is an intention to settle the balances on a net basis.

2.12 Employee benefits

Retirement benefit obligations

The Group has defined-contribution pension plans. Defined-contribution pension plans are post-employment benefit plans under which the Group pays fixed contributions to a separate legal entity. The Group has no legal or informal obligations to pay additional contributions if this legal entity does not have sufficient assets to pay all the benefits to employees that relate to the employees' services during the present or previous periods.

2.13 Share-based remuneration

The Group has a number of share-based remuneration plans. The cost for the remuneration that is recognized in a period is dependent on the original valuation that was made on the date on which the contracts with the participants in the incentive programs were concluded, the number of months of service required for vesting of their options (accruals are made over this period), the number of options that are expected to be vested under the terms of the plans and a continuous reassessment of the value of the tax benefits for the participants under the plans (for determining provisions for social security expenses). The estimates which affect the cost in a period and the corresponding increase in equity are the primary inputs for the valuation of the options.

Vested options are settled in newly issued shares. This means that the company issues new shares when the options are exercised. Payments received, after deduction for any directly attributable transaction costs, are credited to the share capital and additional paid-in equity.

2.14 Interest income

Interest income is recognized by applying the effective interest method. When the value of a receivable in the financial assets at cost category has been impaired, the Group writes down the carrying amount to the recoverable amount, which is defined as the estimated future cash flow discounted by the original effective interest rate for the instrument and continues to eliminate the effect of discounting as interest income.

2.15 Leases

Leases in the Group recognized as assets and liabilities in the balance sheet comprise rented premises. Other leases are classified as short-term leases or low-value leases.

When entering an agreement, the Group determines whether the agreement comprises, or contains, a lease, that is to say if the agreement includes the right to control the use of an identified asset for a fixed time in exchange for compensation.

The Group recognizes lease liabilities for future remaining lease payments and right-of-use assets that represent the right to use underlying assets.

Right-of-use assets

The Group recognizes right-of-use assets on the commencement date of the lease, at the time that the underlying asset is available for use. Right-of-use assets are valued at cost less accumulated depreciation and any impairment losses, and are adjusted for any revaluation of lease liabilities. The cost of right-of-use assets includes an amount for recognized lease liabilities, initial direct expenses and lease payments that are paid at or before the commencement date, after deductions for any benefits that are received in conjunction with signing the lease.

Right-of-use assets are depreciated on a straight-line basis over the asset's expected lease term.

Lease liabilities

The Group recognizes lease liabilities as the expected present value of all remaining lease payments over the expected lease term. Lease payments comprise fixed fees minus any lease incentives that can be received and variable lease payments linked to an index or an interest rate. When calculating the present value of all remaining lease payments, the Group uses its incremental borrowing rate. The recognized value of lease liabilities is remeasured upon any changes to the lease term or lease payments (including indexation).

Short-term and low-value leases

The Group applies an exception for leases with a lease term less than 12 months (short-term leases) and low-value leases. Low-value leases in the Group are essentially those concerning office equipment. Short-term and low-value leases are recognized as a straight-line cost over the lease term.

2.16 Statement of cash flows

The statement of cash flows has been prepared using the indirect method. The recognized cash flow only includes transactions involving incoming or outgoing payments.

2.17 Segment information

The financial information that is reported to the chief operating decision maker, and used as a basis for the distribution of resources and the assessment of the Group's results, is not broken down by operating segment. The Group thus constitutes a single operating segment.

2.18 Accounting policies of the Parent Company
The Parent Company applies other accounting policies than the Group in the cases indicated below. The annual accounts for the Parent Company have been prepared in accordance with RFR 2 Financial Reporting for Legal Entities and the Swedish Annual Accounts Act. This Annual Report has been prepared in accordance with the cost method.

Preparing financial statements in compliance with RFR 2 requires the use of critical accounting estimates. Management is also required to make certain judgments in applying the Parent Company's accounting policies. Areas which involve a high degree of assessment, are complex or where assumptions and estimates have a material impact on the annual accounts are described in Note 4 of the consolidated financial statements.

Through its operations, the Parent Company is exposed to various types of financial risk: market risk (currency risk), credit risk and liquidity risk. The Parent Company's overall risk management policy is focused on the unpredictability of financial markets and strives to minimize potential adverse effects on the Group's financial results. For more information about financial risks, see Note 3 of the consolidated financial statements.

The Parent Company applies accounting policies that differ from those of the Group in the cases indicated below:

Presentation formats
The format of the income statement and balance sheet are compliant with the Swedish Annual Accounts Act. While the statement of changes in equity is compliant with the Group's format, it also includes the columns stipulated by the Swedish Annual Accounts Act. This also entails a difference in terminology, compared with the consolidated financial statements, mainly with respect to financial income and expense, and equity.

Participations in subsidiaries
Participations in subsidiaries are recognized at cost less any impairment. When there is an indication that participations in subsidiaries are impaired, an estimate is made of the recoverable amount. If the recoverable amount is less than the carrying amount, an impairment loss is recognized. Impairment losses on participations in subsidiaries are recognized in the item "Financial expenses."

Shareholder contributions and Group contributions
Group contributions from the Parent Company to subsidiaries and Group contributions received by the Parent Company from subsidiaries are recognized as appropriations. Shareholder contributions paid are recognized as an increase in the carrying amount of the interest in the Parent Company.

Leases
The Parent Company applies the exemption that exists in RFR 2 for Legal Entities and reports all leases as a linear cost over the lease term.

Financial instruments
IFRS 9 is not applied in the Parent Company and financial instruments are measured at cost In subsequent periods, financial assets that have been acquired with the intention of being held for the short term are recognized at the lower of cost or net realizable value.

In the calculation of net realizable value of receivables that are recognized as current assets, the principles for impairment testing and loss risk provisions in IFRS 9 are applied. When assessing and calculating impairment requirements for financial assets recognized as non-current assets, the principles for impairment testing and loss risk provisions in IFRS 9 are applied.

Note 3
Financial risk management

Since its start, Oncopeptides has reported negative earnings. The company's commercialization strategies may prove unsuccessful or misdirected, which could result in the company's revenue proving insufficient to finance undertakings. Even if the company were to report positive earnings in the future, a risk exists that this will take a long period of time to occur.

3.1 Financial risk factors
Through its operations, the Group is exposed to various types of financial risk: market risk (currency risk), credit risk and liquidity risk. The Group has decided not to manage its risks actively through the use of derivatives or by other means.

All three risk categories are monitored on an ongoing basis in the Group. The dominant risk for the Group is liquidity risk, which is managed in dialog among management, the Board and the owners.

a) Market risk
The most significant risk for the Group with respect to market risk is currency risk, which is addressed in a separate section below. The interest rate risk is limited within the Group, since the Group has no long-term borrowing or long-term interest-bearing investments.

(b) Currency risk
Transaction exposure
Currency risks arise when future business transactions are expressed in a currency that is not the functional currency of the company. The company is impacted by currency risk due to payments for development and commercialization expenses largely being made in EUR and USD.
Transaction exposure shall be minimized in the first instance by internal measures such as the matching of flows and the choice of billing currency. Currency clauses can be used if it is contractually transparent and possible to follow up to ensure that the Group is not exposed to any hidden currency risks. Secondly, financial instruments are to be used to reduce currency risks. No currency hedging is necessary if the net exposure to any single currency corresponds to less than SEK 5 M on an annual basis. The Group's policy is to hedge 70–100% of such transaction exposure in each currency.

Translation exposure
The Group does not hedge translation exposure.

(c) Credit risk
Credit risk arises through cash and cash equivalents and deposits with banks and financial institutions, and through credit exposures to customers, including receivables outstanding and agreed transactions. The credit risk is deemed to be low, as only banks and financial institutions which have been assigned a credit rating of "AA-" by Standard & Poor are accepted.

For further information about the company's cash and cash equivalents, refer to Note 22.

Credit risk in trade receivables
The terms of payment amount to 30–150 days depending on the counterparty. The age analysis for past due, but unimpaired receivables on the balance- sheet date is presented in the table below. The credit quality of receivables that are not past due or impaired is deemed to be good. Also refer to Note 5 Revenue from contracts with customers.

(d) Financing risk
In the event of the failure or delay of the company's commercialization strategies, or if the company is unsuccessful in renegotiating the credit facility with the EIB, the company may be forced to enter new financing arrangements to continue operating in accordance with the growth rate and the objectives set by the company. Such financing arrangements may concern new share issues, the raising of loans from banks or existing shareholders, and other public or private financing options.

In addition, market conditions, the general availability of credit, the company's credit ratings, and uncertainty and/or disturbances in the capital and credit markets may affect the company's ability to raise, and the availability of, such funding.

There is a risk that new capital cannot be raised when necessary, that new capital can only be raised on terms and conditions that are unsatisfactory for the company, or that available capital is insufficient for the company's development plans and objectives. The realization of one or more risks may have significant negative effects on the company's financial position in the form of, for example, a significantly increased debt/equity ratio, increased expenses for loans and other financing.

	Group		Parent Company	
Trade receivables	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
Trade receivables, gross	2,194	674	2,194	674
Provision for expected credit losses	–	–	–	–
Trade receivables, net	**2,194**	**674**	**2,194**	**674**
Maturity structure of trade receivables				
Current trade receivables	2,194	674	2,194	674
Carrying amount	**2,194**	**674**	**2,194**	**674**
Provisions, trade receivables				
Opening carrying amount	–	-1,234	–	–
Reversal of previous provisions	–	-1,234	–	–
Provisions for the year	–	–	–	–
Closing balance, provisions, trade receivables	**–**	**–**	**–**	**–**

(e) Liquidity risk
Liquidity risk refers to the risk that it will be impossible to fulfill payment obligations due to insufficient liquidity. Cash flow forecasts are prepared by the Group's operating companies. The Group finance function carefully monitors rolling forecasts for the Group's liquidity reserve to ensure that the Group has sufficient cash assets to meet its operational requirements.

The following table shows an analysis of the Group's financial liabilities by remaining maturity on the balance-sheet date. The amounts presented in the table are the contractual, undiscounted cash flows.

As of December 31, 2023	Less than 3 months	Between 3 months & and 1 year
Trade payables	15,025	–
Other current liabilities	8,618	5,131
Accrued expenses	15,702	–

As of December 31, 2022	Less than 3 months	Between 3 months and 1 year
Trade payables	28,219	–
Other current liabilities	31,672	4,499
Accrued expenses	18,788	–

3.2 Management of capital
The Group's goal in respect of capital structure is to secure the Group's ability to continue its operations with a view to generating a return for the shareholders and benefits for other stakeholders, and to maintain an optimal capital structure in order to keep the costs for capital down.

Financial measures cannot be used to assess shareholder return. The company's ability to generate a return is dependent on the quality and value of generated research results. The value and quality of the company's R&D activities are evaluated on an ongoing basis by management and the Board of Directors.

Note 4
Critical accounting estimates and judgments

Estimates and judgments are evaluated continuously and based on historical experiences and other factors, including expectations of future events that are deemed reasonable under existing circumstances.

Group management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next fiscal year are addressed below.

Timing for the capitalization of intangible assets
The Group capitalizes expenditure for the development of drugs to the extent that such expenditure is deemed to meet the criteria of IAS 38 on page 57. As of December 31, 2023, Oncopeptides' expenditure for drug development was not deemed to meet the criteria for capitalization and has therefore been charged to expenses. Drug development expenditure is capitalized at the earliest in connection with marketing approval being obtained from the authorities. The reason is that prior to this it is much too uncertain whether the expenditure will generate future economic benefits and because the financing for the completion of the asset has not been secured.

Incentive programs
The Group has a number of share-based remuneration plans. The applicable accounting policies are described in Note 2.13. The cost for the remuneration that is recognized in a period is dependent on the original valuation that was made on the date on which the contract with the option holders was concluded, the number of months of service required for vesting of their options (accruals are made over this period), the number of options that are expected to be vested under the terms of the plans and a continuous reassessment of the value of the tax benefits for the participants under the plans (for determining provisions for social security expenses). Those estimates which affect the cost in a period and the corresponding increase in equity are the primary inputs for the valuation of the options. The Black-Scholes model and Monte Carlo simulation are used in valuations and calculations. Significant assumptions in these valuations are described in Note 27. Apart from the valuations, the cost in a period is affected by an estimate of the number of individuals whose options are expected to vest. Through the human resources activities that are described in other parts of the Annual Report and historical staff turnover rates, management has a very good basis for estimating the number of participants that will complete the programs.

Going concern status
On March 13, 2024, Oncopeptides announced a SEK 300 M rights issue to raise proceeds that will take the company to profitability and positive cash flow by the end of 2026. The Board of Directors and the CEO continuously assess the Group's liquidity and financial resources both in the short term and in the long term. The annual report has been prepared with the assumption that the company has the ability to continue operations for the next 12 months, in line with the going concern assumption. For further information on the going concern status, refer to Note 32.

Loss carry-forwards
The Group's loss carry-forwards have not been valued and have not been recognized as a deferred tax asset. These loss carry-forwards will be valued only when the Group has established a level of earnings which management is confident will lead to taxable profits. For more information, refer to Note 12.

Inventory valuation
The valuation of the inventory and assessment of the risk for potential impairment based on continually updated sales forecasts and known and expected data concerning the durability of semi-completed and completed products. The durability of semi-completed and completed products is based on documented stability studies.

All completed inventory is valued continually taking into regard the limitations of the products' shelf life. The shelf life of the products in the inventory can vary over time. This can lead to an increased risk of obsolescence when a sharp change in demand for a product or a changed shelf life leads to impairment. Products that do not pass a quality control check are expensed immediately.

Revenue recognition and returns
Revenue is recognized at the time of delivery, when Oncopeptides has fulfilled its performance commitment, and the control of the products are transferred to the customer. The price of the goods is defined in contracts for the US market and in country-specific price lists for the European market. To some extent, remuneration is variable prior to deductions pursuant to discounts defined by contracts, market and returns. Where returns cannot be determined with certainty, an assessment is made and a provision booked in the balance sheet. Customers are defined as hospitals and/or clinics and resellers who sell the products, at an intermediate stage. Since the final price is related to the discount which is paid to the patients' insurance companies, the transaction price is not known upon delivery. This is regulated by booking a provision for the estimated discount in the Group, based on the calculation models, taking into account statistical sales data in relation to the discount agreements entered into in various discount programs.

Note 5
Group revenue

Revenue recognition
Revenue is impacted by the fact that the provision for expected returns, related to the withdrawal of Pepaxto from the US market in 2021, had been fully dissolved at the end of 2023, since the period open for returns according to agreement ended in July 2023. The estimation is that there are no significant risks for returns related to the goods sold in Europe during the period.

	Group		Parent Company	
SEK thousand	**2023**	**2022**	**2023**	**2022**
Revenue from contracts with customers				
Goods	10,890	560	10,890	559
Reversal of return reserve	24,330	7,795	–	–
Total net sales	**35,220**	**8,355**	**10,890**	**559**
Geographic market				
USA	24,330	7,795	–	–
Europe	10,890	560	10,890	559
Total net sales	**35,220**	**8,355**	**10,890**	**559**

Note 6
Other operating income and expenses

	Group		Parent Company	
	2023	**2022**	**2023**	**2022**
Onward invoiced costs	–	–	7,015	1,384
Rental income	1,754	3,760	1,348	1,625
Government grants	4,584	807	4,584	807
Exchange-rate effects	-658	1,468	-719	–
Total other operating income	**5,681**	**6,035**	**12,227**	**3,816**

	Group		Parent Company	
	2023	**2022**	**2023**	**2022**
Loss on disposal of equipment	–	-1,440	–	-1,440
Exchange-rate effects	–	-2,442	–	-2,442
Total other operating expenses	**-**	**-3,882**	**-**	**-3,882**

Note 7
Consolidated operating expenses by type of cost

Operating expenses are presented in the statement of comprehensive income with a classification based on the Cost of materials pertaining to the cost of goods sold and on the functions of "Research and development expenses," "Marketing and distribution expenses" and "Administrative expenses." The total expenses classified by function are distributed in the following cost categories.

	Group		Parent Company	
	2023	**2022**	**2023**	**2022**
Cost of materials	1,079	-6	1,079	-6
Other external expenses	-165,592	-233,849	-176,601	-247,385
Personnel costs	-118,794	-108,824	-97,349	-103,703
Depreciation and amortization	-11,040	-17,182	-2,434	-2,323
Other operating expenses	–	-3,879	–	-3,882
Total	**-294,347**	**-363,740**	**-275,305**	**-357,299**

Note 8
Audit fees

	Group		Parent Company	
	2023	**2022**	**2023**	**2022**
Audit engagement	2,520	1,003	2,520	1,003
Audit activities beyond audit engagement	368	142	368	142
Tax advisory services	28	17	28	17
Total	**2,916**	**1,162**	**2,916**	**1,162**

Note 9
Leases

	Group	
Right-of-use assets	**Dec 31, 2023**	**Dec 31, 2022**
Opening balance	**43,402**	**44,018**
Revaluation, agreements	25,701	11,293
Completed contracts	-19,190	-13,672
Translation differences	-166	1,763
Closing accumulated cost	**49,747**	**43,402**
Opening depreciation/amortization	-33,465	-29,622
Depreciation/amortization for the year	-8,602	-14,838
Completed contracts	19,190	12,599
Translation differences	-422	-1,604
Closing accumulated depreciation/amortization	**-23,299**	**-33,465**
Closing carrying amount	**26,448**	**9,937**

Depreciation of right-of-use assets is included in the income statement in the sub-items Research and development expenses SEK 2,296 thousand (5,272), Marketing and distribution expenses SEK 4,827 thousand (5,464) and Administrative expenses SEK 1,479 thousand (4,102).

The Group's leases that comprise right-of-use assets pertain to office premises. Leases extend for three years and are subject to automatic renewal for a further three years unless any of the parties gives notice on the lease at least nine months prior. During the year, one rental agreement for office space in subsidiaries was terminated and two agreements were extended. Rent levels in leases increase according to an index or with a fixed annual rental increase specified in the lease. Indexation is included in lease liabilities when it enters force and is adjusted at that time against right-of-use assets.

	Group	
Lease liabilities	**Dec 31, 2023**	**Dec 31, 2022**
Long-term	19,669	3,543
Current	5,131	5,999
Total	**24,800**	**9,542**

Lease liabilities are included in the balance sheet under other long-term liabilities and other current liabilities. Changes to Lease liabilities, refer to Note 22 concerning reconciliation of liabilities from financing activities.

	Group	
Maturity analysis, future lease payments	**Dec 31, 2023**	**Dec 31, 2022**
<12 months	8,029	5,600
1–2 years	8,029	3,543
>2 years	15,028	–
	31,086	**9,143**

Future lease payments in accordance with the above are undiscounted.

	Group	
	2023	**2022**
Interest expenses attributable to lease liabilities	518	882
Expenses attributable to short-term leases	–	–
Expenses attributable to leases where the underlying asset is of a low value	60	64
Expenses attributable to variable lease payments that are not included in lease liabilities	–	1,301
The year's lease payments in the Group	9,135	16,424

Parent Company Leases

Future total minimum lease payments for non-cancellable leases are as follows in the Parent Company. Rental agreements in the Parent Company pertain essentially to office premises and a laboratory.

	Parent Company	
Future costs for leases (basic rent)	**2023**	**2022**
<12 months	8,029	5,891
1–2 years	8,029	5,090
>2 years	15,028	–
Total	**31,086**	**10,981**
Lease expenses for the year for leases in the Parent Company amount to:	6,351	10,652

Not 10
Employees and personnel costs

	Group		Parent Company	
Salaries and other remuneration	**2023**	**2022**	**2023**	**2022**
Board of Directors and members of senior management	37,260	44,880	37,260	44,880
Other employees	50,162	34,090	33,224	29,466
Total	**87,422**	**78,970**	**70,484**	**74,346**

	Group		Parent Company	
Social security expenses and pension expenses	**2023**	**2022**	**2023**	**2022**
Pension expenses for the Board of Directors and members of senior management	3,548	3,497	3,548	3,497
Pension expenses for other employees	6,096	8,888	6,095	8,888
Social security expenses	14,299	19,465	12,138	18,998
Total	**23,943**	**31,849**	**21,781**	**31,383**

Recognized payroll expenses and social security contributions pertaining to share-based remuneration amounted to SEK 9,490 thousand (19,146), where SEK -2,009 thousand (4,282) pertained to social security contributions. Social security contributions include both provisions and actual payments for the utilization of granted options.

Average number of employees	2023 Total	2023 Of whom, men	2022 Total	2022 Of whom, men
Parent Company				
Sweden	42	13	55	16
Subsidiaries				
Germany	10	6	2	1
Group total	**52**	**19**	**57**	**17**

At the balance-sheet date, the number of employees was 57 (41).

Gender distribution in the Group (including subsidiaries) for Board members and other members of senior management

	2023 Total	2023 Of whom, men	2022 Total	2022 Of whom, men
Board members	6	4	6	4
Other members of senior management	6	4	6	2
CEO	1	–	1	1
Group total	**13**	**8**	**13**	**7**

Salaries, remuneration and fees to the CEO, Board of Directors and members of senior management

2023	Basic salary board fees[1]	Severance pay	Variable remu-neration	Pension expenses	Share-based remune-ration	Total
Chairman of the Board						
Per Wold-Olsen	883	–	–	–	920	1,803
Board members						
Brian Stuglik	455	–	–	–	368	823
Cecilia Daun Wennborg	383	–	–	–	368	751
Jennifer Jackson	455	–	–	–	368	823
Per Samuelsson	355	–	–	–	–	355
Jarl Ulf Jungnelius	328	–	–	–	368	696
CEO, Jakob Lindberg (until Jan 3, 2023)	35	–	–	478	25	538
CEO, Monica Shaw (Jan 4, 2023–Aug 6, 2023)	3,914	–	–	384		4,298
CEO, Sofia Heigis (from Aug 1, 2023)	1,757	–	500	209	714	3,180
Other members of senior management	17,539	650	751	2,477	6,125	27,542
Of which, subsidiaries	–	–	–	–	–	–
Total	**26,104**	**650**	**1,251**	**3,548**	**9,256**	**40,809**

1) AGM resolved Board fees excluding social security contributions for the May 2023 to May 2024 fiscal year, including remuneration of Board committee work and country-based fees.

Remuneration of members of senior management

Remuneration to the CEO and members of senior management consists of a basic salary, pension benefits, variable remuneration and participation in incentive programs. Some of the Group's senior management invoice their remuneration. In these cases, social security expenses are included in the recognized salary amount, which is why total remuneration reported in Note 10 exceeds personnel costs for employees in the income statement. Such remuneration is recognized under "Basic salary" in the table above. The agreements are based on customary costs and commercial terms. On the balance-sheet date, other members of senior management are the 7 (6) persons who, together with the CEO, comprise Group management. Other members of senior management refer to the Chief Financial Officer, Chief Operating Officer, Chief Medical Officer, Chief Scientific Officer, Director of Corporate Affairs and Head of Human Resources. During the year, some members of senior management have periodically worked in parallel, resulting in double salaries and remuneration.

2022	Basic salary Board fee[1]	Variable remunera-tion	Pension expenses	Share-based remunera-tion	Total
Chairman of the Board					
Per Wold-Olsen	862	–	–	678	1,539
Board members					
Brian Stuglik	438	–	–	271	709
Cecilia Daun Wennborg	374	–	–	271	645
Jennifer Jackson	428	–	–	275	703
Per Samuelsson	347	–	–	–	347
Jarl Ulf Jungnelius	310	–	–	271	581
CEO, Jakob Lindberg	4,207	2,058	995	3,856	11,115
Other members of senior management	18,188	4,280	2,502	7,767	32,738
Of which, subsidiaries	–	–	–	–	–
Total	**25,153**	**6,339**	**3,497**	**13,388**	**48,377**

1) AGM resolved Board fees excluding social security contributions for the May 2022 to May 2023 fiscal year, including remuneration of Board committee work and country-based fees.

Pensions
All pension undertakings are defined-contribution plans. The age of retirement for the CEO is 67. The pension premium amounts to 19% of the CEO's pensionable salary. The pension commitments for other members of senior management are in accordance with the company's pension policy, and for foreign members of senior management, with the market-based terms of their respective countries. The age of retirement is 67 for other members of senior management. Pensionable salary refers to basic salary.

Variable remuneration
Variable remuneration refers to variable bonuses based on the fixed portion of basic salary. The result is based on a vesting period of one year and is subject to a combination of predetermined personal targets and the company's targets. The maximum outcome for the CEO amounts to not more than 50% of the basic salary and for other members of senior management to not more than 25–50% of the basic salary.

Share-based remuneration
The Group's incentive programs are aimed at creating a long-term commitment to Oncopeptides, creating opportunities to attract and retain expertise, and delivering long-term shareholder value. Participants are allotted warrants that will only be earned on condition that specific performance requirements are fulfilled. Participation in a program is decided by the Board of Directors and no individual is contractually entitled to participate in the plan or receive any guaranteed benefits. At year-end 2023, Oncopeptides had eight active programs covering the company's management, certain Board members, founders and other employees. For a description of the programs, refer to Note 27.

Severance pay
If notice is given by the company, the period of notice must not exceed nine months. Fixed cash salaries during the period of notice and severance pay may not collectively exceed an amount corresponding to the fixed cash salary for a period of nine months for the CEO and six months for other members of senior management. If notice is given by the employee, the period of notice must not exceed six months, and there is no right to severance pay. The notice period for members of senior management is nine months.

Additionally, remuneration for potential non-competition clauses can be payable. Such remuneration is to compensate for potential loss of income and is only payable insofar as the former employee lacks any right to severance pay. Remuneration should be based on the fixed cash salary at the time of termination, unless mandatory collective provisions dictate otherwise, and is payable over the duration of the non-competition clause, which may not exceed 12 months after the termination of employment.

Note 11
Financial income and expenses

	Group		Parent Company	
	2023	**2022**	**2023**	**2022**
Reversal of impairment of participations and receivables from Group companies	–	–	–	16,269
Translation differences	2,193	9,937	2,193	9,937
Interest income	8,592	2,616	8,262	2,620
Total financial income	**10,785**	**12,553**	**10,455**	**28,826**
Of which, interest income from Group companies	–	–	*12*	*6*
Impairment of participations and receivables from Group companies				
Interest expenses for lease liabilities	-518	-882	–	–
Interest expense, loans	-5,215		-5,215	
Other interest expenses	-52	-1	-17	-1
Total financial expenses	**-5,785**	**-883**	**-5,232**	**-1**

Note 12
Tax on profit for the year

	Group		Parent Company	
	2023	**2022**	**2023**	**2022**
Current tax	-664	-271	–	–
Deferred tax	–	–	–	–
Recognized tax	**-664**	**-271**	**–**	**–**
Reconciliation of effective tax rate				
Loss before tax	-248,448	-337,680	-253,940	-324,799
Tax according to applicable tax rate for the Parent Company 20.6%	51,180	69,562	52,312	66,909
Tax on deferred tax receivables not charged to profit or loss	-49,533	-75,842	-49,890	-75,843
Non-taxable income	12	8,762	12	11,814
Non-deductible expenses	-2,434	-2,787	-2,434	-2,880
Effect of other tax rates on foreign subsidiaries	111	34	–	–
Tax attributable to previous years	–	–	–	–
Total	**-664**	**-271**	**–**	**–**

The Group has tax items pertaining to issue costs that are recognized directly in equity; the tax effect amounted to SEK 0 thousand (5,699).

There are loss carry-forwards for which no deferred tax assets have been recognized in the balance sheet, totaling SEK 5,509,953 thousand (5,267,770), and which are not subject to time limits. Deferred tax assets have not been recognized for these items, since the Group does not have taxable profits. The recognized tax expense is fully attributable to foreign subsidiaries.

Not 13
Intangible fixed assets

	Group		Parent Company	
Other intangible assets	**Dec 31, 2023**	**Dec 31, 2022**	**Dec 31, 2023**	**Dec 31, 2022**
Cost at beginning of year	–	2,111	–	2,111
Sales/disposals for the year	–	-2,111	–	-2,111
Closing accumulated cost	**–**	**–**	**–**	**–**
Opening depreciation/amortization	–	-703	–	-703
Sales/disposals for the year	–	1,020	–	1,020
Depreciation/amortization for the year	–	-317	–	-317
Closing accumulated depreciation/amortization	**–**	**–**	**–**	**–**
Closing carrying amount	**–**	**–**	**–**	**–**

Not 14
Property, plant and equipment

	Group		Parent Company	
Equipment	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
Cost at beginning of year	8,512	6,940	8,479	6,940
Purchases over the year	–	2,446	–	2,413
Sales/disposals	–	-874	–	-874
Currency effect	–	–	–	–
Closing accumulated cost	**8,512**	**8,512**	**8,479**	**8,479**
Opening depreciation	-2,755	-2,085	-2,732	-2,085
Depreciation for the year	-1,671	-1,278	-1,668	-1,257
Sales/disposals	–	609	–	610
Currency effect	-1	-1	–	–
Closing accumulated depreciation	**-4,427**	**-2,755**	**-4,400**	**-2,732**
Machinery				
Cost at beginning of year	7,475	7,475	7,475	7,475
Purchases over the year	116	–	116	–
Closing accumulated cost	**7,591**	**7,475**	**7,591**	**7,475**
Opening depreciation	-2,731	-1,982	-2,731	-1,982
Depreciation for the year	-767	-749	-767	-749
Closing accumulated depreciation	**-3,498**	**-2,731**	**-3,498**	**-2,731**
Closing carrying amount	**8,178**	**10,501**	**8,172**	**10,491**

Amortization and depreciation are included in the consolidated income statement in the sub-items Research and development expenses SEK 943 thousand (1,477), Marketing and distribution expenses SEK 887 thousand (388) and Administrative expenses SEK 608 thousand (509). Property, plant and equipment are attributable to Swedish companies SEK 8,172 thousand (10,491) and companies in Germany SEK 6 thousand (10).

Note 15
Financial non-current assets

	Group		Parent Company	
Non-current receivables	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
Opening cost	851	3,622	851	851
Reclassification	–	-3,077	–	–
Disposals	-1	–	-1	–
Interest	2	–	2	–
Currency effect	–	306	–	–
Total non-current receivables	**852**	**851**	**852**	**851**

Financial non-current assets pertain to restricted bank deposits SEK 800 thousand (800) and Euroclear SEK 50 thousand.

Note 16
Participations in subsidiaries, Parent Company

	Parent Company	
	Dec 31, 2023	Dec 31, 2022
Cost at beginning of year	329	304
Purchases	116	25
Closing carrying amount	**445**	**329**

Name	Registered office	Corp. Reg. No.	No. of shares	Percentage of ordinary shares owned by the Parent Company	Share of the votes	Carrying amount Dec 31, 2023	Carrying amount Dec 31, 2022
Directly owned							
Oncopeptides Incentive AB	Stockholm, Sweden	556931-5491	50,000	100%	100%	50	50
Oncopeptides Innovation AB	Stockholm, Sweden	559379-8795	25,000	100%	100%	25	25
Oncopeptides GmbH	Munich, Germany	HRB 263916	25,000	100%	100%	254	254
Oncopeptides, Inc	Delaware, USA	82-5207809	1,000	100%	100%	–	–
Oncopeptides, SRL	Rome, Italy	MI-2713141	1	100%	100%	116	–
						445	**329**

Note 17

Financial instruments by category, Group

For all financial assets and liabilities, the fair value is deemed to be substantially the same as the carrying amount.

Financial assets and liabilities as of December 31, 2023	Financial assets recognized at amortized cost	Non-financial assets	Total carrying amount
Other non-current assets	–	34,626	34,626
Financial non-current assets	852	–	852
Inventory		2,425	2,425
Trade receivables	2,194	–	2,194
Other current receivables	32	15,679	15,711
Prepaid expenses	–	9,163	9,163
Cash and cash equivalents	173,407	–	173,407
Total	**176,485**	**61,893**	**238,379**

Financial liabilities as of December 31, 2023	Financial liabilities recognized at amortized cost	Non-financial liabilities	Total carrying amount
Long-term liability for social security contributions, incentive programs	–	1,843	1,843
Liabilities to credit institutions	106,487	–	106,487
Long-term lease liabilities	19,669	–	19,669
Other long-term liabilities	8,666	–	8,666
Current liability for social security contributions, incentive programs	–	457	457
Trade payables	15,025	–	15,025
Other current liabilities	5,131	8,618	13,749
Accrued expenses and deferred income	9,588	6,113	15,702
Total	**164,566**	**17,031**	**181,598**

Financial assets as of December 31, 2022	Financial assets recognized at amortized cost	Non-financial assets	Total carrying amount
Other non-current assets	–	20,438	20,438
Financial non-current assets	851	–	851
Trade receivables	674	–	674
Other current receivables	348	16,246	16,594
Prepaid expenses	–	2,251	2,251
Cash and cash equivalents	344,515	–	344,515
Total	**346,388**	**38,935**	**385,323**

Financial liabilities as of December 31, 2022	Financial liabilities recognized at amortized cost	Non-financial liabilities	Total carrying amount
Long-term liability for social security contributions, incentive programs	–	1,815	1,815
Long-term lease liabilities	3,543	–	3,543
Trade payables	28,219	–	28,219
Current liability for social security contributions, incentive programs	–	2,494	2,494
Other current liabilities	5,999	30,172	36,171
Accrued expenses and deferred income	12,445	6,343	18,788
Total	**50,206**	**40,824**	**91,030**

Note 18
Liabilities to credit institutions

	Group		Parent Company	
	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
Long-term liabilities to banks and credit institutions, EUR	106,487	-	106,487	-
Total	**106,487**	**-**	**106,487**	**-**

The liability pertains to the EUR-denominated loan from the EIB, which is interest only until June 16, 2028 when it falls due in full.
Interest is accumulated and capitalized over the term of the loan, and falls due at the same time as the loan. The contractual interest rate is 7% for the entire term. The effective interest rate is calculated at 10.8%, including arrangement costs and the initial market value of the transferred warrants allocated during the term of the loan. In conjunction with signing the agreement, 2,829,231 warrants were issued, of which 1,138,646 warrants representing 1.26% of the shares outstanding after dilution were transferred to the EIB free of charge. The remaining warrants are held by the company and may be transferred to the EIB in connection with a possible utilization of the remaining tranches under the loan agreement. The EIB has the right to subscribe for shares at the quotient value. The warrants may be exercised at any time for a period of 20 years, in full or in part, by the warrant holder. Under certain circumstances and in connection to the repayment of the loan, the EIB has the right to demand that Oncopeptides acquire the warrants at fair value in a situation when it is not possible to transfer the warrants to a third party.

Note 19
Inventory

	Group		Parent Company	
	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
Raw materials and supplies	2,411	-	2,411	-
Completed goods	14	-	14	-
Total	**2,425**	**-**	**2,425**	**-**

Note 20
Other current receivables

	Group		Parent Company	
	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
Current tax assets	8,572	10,612	-	-
VAT receivables	4,848	3,971	1,709	3,014
Short-term deposits	32	348	-	-
Receivables with Group companies	-	-	34,463	8,910
Other receivables	2,259	1,663	1,622	815
Total	**15,711**	**16,594**	**37,794**	**12,739**

Note 21
Prepaid expenses and accrued income

	Group		Parent Company	
	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
Prepaid expenses for research and development	3,732	537	3,732	537
Prepaid marketing and distribution expenses	321	1,703	311	1,426
Other prepaid expenses	5,110	11	7,100	2,121
Total	**9,163**	**2,251**	**11,143**	**4,084**

Note 22
Cash and cash equivalents

Cash and cash equivalents, in the balance sheet and in the statement of cash flows, consist of the following:

	Group		Parent Company	
	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
Bank balances	173,407	344,515	158,756	328,537
Total	**173,407**	**344,515**	**158,756**	**328,537**

As of December 31, 2023, cash and cash equivalents in the Group pertain to bank deposits, breaking down as SEK 17,859 thousand in USD, SEK 38,111 thousand in EUR and SEK 117,435 thousand in SEK.

	Group		Parent Company	
Cash flow, non-cash items	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
Depreciation and amortization	11,040	17,161	2,434	2,323
Reversal of inventory impairment	-1,090	-1,456	-1,090	–
Translation differences	818	250	720	250
Value of service by participants in the incentive programs	11,499	14,811	11,499	14,811
Liability for social security contributions, incentive programs	-2,009	4,251	-2,009	4,251
Other items	–	1,362	–	1,440
Total	**20,258**	**36,379**	**11,554**	**23,075**

			Non-cash items			
Reconciliation of liabilities from financing activities	Jan 1, 2023	Cash flow	Change in leases	Interest incl. transaction costs	Currency effect	Dec 31, 2023
Proceeds from borrowings	–	116,024	–	-4,473	-5,064	106,487
Lease liabilities	9,542	-9,135	22,669	–	–	23,076
Total	**9,542**	**106,889**	**22,669**	**-4,473**	**-5,064**	**129,563**

			Non-cash items		
Reconciliation of liabilities from financing activities	Jan 1, 2022	Cash flow	Change in leases	Currency effect	Dec 31, 2022
Lease liabilities	14,193	-15,542	11,293	-402	9,542
Total	**14,193**	**-15,542**	**11,293**	**-402**	**9,542**

Note 23
Share capital and additional paid-in capital

	No. of shares	Share capital	Additional paid-in capital	Total
As of January 1, 2022	**75,291,841**	**8,366**	**4,981,883**	**4,990,249**
New share issue resolution passed in June 2022	15,061,443	1,673	406,237	407,910
New issue of class C shares passed in October 2022	3,940,607	438		438
Value of service by participants in the incentive programs	–	–	14,812	14,812
Exercise of warrants under the company's incentive program	15,376	2	32	34
As of December 31, 2022	**94,309,267**	**10,479**	**5,402,964**	**5,413,442**
New issue of class C shares passed in June 2022	219,843	24	–	24
Value of service by participants in the incentive programs	–	–	11,499	11,499
Exercise of warrants under the company's incentive program incl. issue costs	70,967	8	-8	–
As of December 31, 2023	**94,600,077**	**10,511**	**5,414,454**	**5,424,965**

Equity is in its entirety attributable to the Parent Company's shareholders

Share capital and share class

The share capital comprises 90,439,627 shares with a quotient value of approximately SEK 0.11. Each share carries one vote. All shares issued by the Parent Company are fully paid up.

Warrants and class C shares

To ensure delivery of the company's and the Group's incentive programs, warrants and class C shares have been issued to the wholly owned subsidiary Oncopeptides Incentive AB. For these purposes, as of December 31, 2023, there were a total of 5,160,379 warrants entitling the holders to a total of 5,160,379 shares. Of these, instruments corresponding to 4,911,079 warrants entitling the holders to a total of 4,911,079 shares were allotted, and the remaining 249,300 warrants entitling the holders to 249,300 shares were allotted as a hedge to cover social security contributions.

Unallotted class C shares as of December 31, 2023, amounted to a total of 2,524,880 shares entitling to a total of 2,524,880 share awards.

In conjunction with taking the loan with the EIB, 2,829,231 warrants were issued. Of these, 1,138,646 warrants were transferred to the EIB free of charge, pursuant to the loan agreement, which entitle to 1,138,646 shares. The remaining warrants, that is 1,690,585 warrants entitling to a total of 1,690,585 shares, are held by the company and may be transferred to the EIB in connection with a possible utilization of the remaining tranches under the loan agreement. The EIB has the right to subscribe for shares at the quotient value. The warrants may be exercised at any time for a period of 20 years, in full or in part, by the warrant holder. Under certain circumstances and in connection to the repayment of the loan, the EIB has the right to demand that Oncopeptides acquire the warrants at fair value in a situation when it is not possible to transfer the warrants to a third party.

Translation reserve

Reserves refer in their entirety to translation reserves. The translation reserve includes all translation differences arising from the translation of the financial statements of the Group's foreign operations.

	Dec 31, 2023	Dec 31, 2022
Opening carrying amount	-2,298	-918
Change for the year	98	-1,380
Closing carrying amount	**-2,199**	**-2,298**

Dividend

At the AGM in May 2024, it will be proposed that no dividend be distributed with respect to the 2023 fiscal year.

Note 24
Earnings per share

Earnings per share before dilution are calculated by dividing earnings attributable to Parent Company shareholders by the weighted average number of shares outstanding during the period. There is no dilution effect for the employee stock option program, as earnings for the periods have been negative.

Earnings per share before and after dilution	2023	2022
Profit/loss for the year (SEK thousand) attributable to the Parent Company's shareholders	-249,111	-337,951
Average number of ordinary shares outstanding (thousand)	90,389	82,320
Earnings per share (SEK)	**-2.76**	**-4.11**

Note 25
Other current liabilities

	Group		Parent Company	
	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
Current lease liabilities	5,131	5,999	–	–
Current tax liabilities	579	302	93	110
Employee-related taxes and levies	5,175	6,476	4,597	6,285
Expected returns	–	22,887	–	–
Other current liabilities	3,322	3,001	3,310	2,635
Total	**14,206**	**38,665**	**7,999**	**9,030**

Note 26
Accrued expenses and deferred income

	Group		Parent Company	
	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
Employee-related accrued expenses	6,113	6,343	5,394	6,251
Accrued expenses for research and development	1,914	8,026	1,914	8,026
Accrued expenses to suppliers, other	7,175	3,744	6,004	1,511
Other accrued expenses	–	675	–	–
Deferred income	500	–	500	–
Total	**15,702**	**18,788**	**13,813**	**15,788**

Not 27
Share-based remuneration

The Group's incentive programs are aimed at creating a long-term commitment to Oncopeptides, creating opportunities to attract and retain expertise, and delivering long-term shareholder value. Participants are allotted warrants that will only be earned on condition that specific performance requirements are fulfilled. Participation in a program is decided by the Board of Directors and no individual is contractually entitled to participate in the plan or receive any guaranteed benefits.

At year-end, Oncopeptides had eight active programs encompassing management, certain Board members, founders and employees. The incentive program "Co-worker LTIP 2017" was introduced in 2017. At the 2018 AGM, the incentive program "Co-worker LTIP 2018" was introduced and at the 2019 AGM it was resolved to introduce the incentive program "Co-worker LTIP 2019." At the 2021 AGM, it was resolved to introduce the incentive programs "Co-worker LTIP 2021" and "Board LTIP 2021." At the 2022 AGM, it was resolved to introduce the incentive programs "Co-worker LTIP 2022" and "Board SHP 2022." At the 2023 AGM, it was resolved to introduce the incentive program "Board SHP 2023".

- **Co-worker LTIP 2017**
- **Co-worker LTIP 2018**
- **Co-worker LTIP 2019**

All options were allotted free of charge to participants of the program. The options have a three-year vesting period calculated from the allotment date, provided that, with customary exceptions, the participants remain as employees of, or continue to provide services to, Oncopeptides. Once the options are vested, they can be exercised within a four-year period.

Each vested option entitles the holder to acquire one share in the company at a predetermined price. The price per share is to be equivalent to the weighted average price that the company's shares were traded for on Nasdaq Stockholm during the five trading days preceding the allotment date.

- **Board LTIP 2021**
  Share awards are vested over approximately three years until either the 2023 AGM or June 1, 2023 (whichever occurs first) with one-third per year during the period from one AGM to the date immediately before the next AGM or the final vesting date. For the issued share awards, it was decided not to issue any warrants.

- **Board SHP 2022**
  The share awards were allotted to participants free of charge. The share awards vest after approximately one year until the earlier of either the day before the AGM 2023, or July 1, 2022, provided that the participant is still a Board member of Oncopeptides on that day. The share awards are also subject to performance-based vesting, based on the performance of Oncopeptides' share price during the period from the allotment date up to and including the day before the final vesting date. The share price's performance will be measured as the volume-weighted average price of the company's share ten trading days immediately after the allotment date and ten trading days immediately before the final vesting date. Vested share awards can be exercised on the final vesting date at the earliest.

- **Board SHP 2023**
  Board SHP 2023 is a one-year incentive program based on share awards for the company's Board members. The vesting period runs from the date of the Board member's election until the earlier of the day before the 2024 AGM or July 1, 2024. The share awards must be exercised by the earlier of 90 days following the last day of service as a Board member or six years after allocation.

- **Co-worker LTIP 2021**
  The share awards were allotted to participants free of charge and entitle the holder to shares in Oncopeptides. All share awards were allotted to participants free of charge and are also subject to performance-based vesting, based on the performance of Oncopeptides' share price during the period from the allotment date up to and including the day before the final vesting date. The share price's performance will be measured as the volume-weighted average price of the company's share ten trading days immediately after the allotment date and ten trading days immediately before the final vesting date. If Oncopeptides' share price has then increased by over 60%, 100% of the share awards will be vested, and if the share price has increased by 20%, 33% of the share awards will be vested. In the event of a 20–60% increase in the share price, the share awards will be vested in a linear manner. If the share price increases less than 20%, there will be no vesting. Each time-based and performance-based vested share award entitles the holder to receive one share in Oncopeptides free of charge. In certain customary exceptional cases, vesting is possible even if the participant is no longer employed at Oncopeptides on the final vesting date. Vested share awards are automatically exercised the day after the final vesting date.

• **Co-worker LTIP 2022**

The share awards were allotted to participants free of charge and entitle the holder to shares in Oncopeptides.

The share awards are subject to performance-based vesting, based on the performance of Oncopeptides' share price during the period from the allotment date up to and including the third anniversary day calculated from the allotment date. The share price's performance will be measured as the volume-weighted average price of the company's share ten trading days immediately after the allotment date and ten trading days immediately before the final vesting date.

If Oncopeptides' share price has then increased by over 60%, 100% of the share awards will be vested, and if the share price has increased by 20%, 33% of the share awards will be vested. In the event of a 20–60% increase in the share price, the share awards will be vested in a linear manner. If the share price increases less than 20%, there will be no vesting. Each vested share award entitles the holder to receive one share in Oncopeptides free of charge, provided that the holder, is still employed at Oncopeptides on the final vesting date. In certain customary exceptional cases, vesting is possible even if the participant is no longer employed at Oncopeptides on the final vesting date.

Summary of the Group's total cost for incentive programs

	2023	2022
IFRS 2-related salary costs	11,499	14,864
Provision for social security contributions, incentive programs	-2,009	4,248
Social security contributions for the utilization of allotted options	–	34
Total	**9,490**	**19,146**

Summary of provisions for social security contributions for share-based remuneration

	Group		Parent Company	
Long-term liabilities	**Dec 31, 2023**	**Dec 31, 2022**	**Dec 31, 2023**	**Dec 31, 2022**
Social security contributions concerning share-based remuneration				
Amount at the start of the year	1,815	13	1,815	13
Change for the year	306	1,813	306	1,813
Reversals over the year	-40	-3	-40	-3
Reclassification of current liabilities	-238	-8	-238	-8
Total non-current provisions	**1,843**	**1,815**	**1,843**	**1,815**

	Group		Parent Company	
Current liabilities	**Dec 31, 2023**	**Dec 31, 2022**	**Dec 31, 2023**	**Dec 31, 2022**
Social security contributions concerning share-based remuneration				
Amount at the start of the year	2,494	45	2,494	45
Reclassification from long-term liabilities	238	8	238	8
Change for the year	-1,858	2,479	-1,858	2,479
Amounts claimed for the year	-204	-34	-204	-34
Reversals over the year	-214	-4	-214	-4
Total current provisions	**456**	**2,494**	**456**	**2,494**
Total provisions	**2,299**	**4,309**	**2,299**	**4,309**

Social security expenses vary as a result of changes in the underlying market price. Related provisions are recognized as current and non-current liabilities. Instruments allotted to employees for whom employment has been terminated will be revoked and forfeited.

Summary of allotted options and share awards according to plan

Employee Option Programs	2023 No. of shares covered by the programs	2022 No. of shares covered by the programs
As of January 1	2,381,699	2,152,376
Allotted	–	532,110
Forfeited	-184,883	-291,087
Exercised	-54,000	-11,700
As of December 31	**2,142,816**	**2,381,699**

Share award program (Co-worker LTIP)	2023 No. of shares covered by the programs	2022 No. of shares covered by the programs
As of January 1	1,147,914	14,489
Allotted	2,373,172	1,279,271
Forfeited	-1,052,424	-145,846
Exercised	–	–
As of December 31	**2,468,662**	**1,147,914**

Class C shares for share award programs (unallocated)	2023 No. of shares covered by the programs	2022 No. of shares covered by the programs
As of January 1	3,845,628	–
Unallocated	–	3,860,849
Allotted	-2,373,172	-15,221
Reversed	1,052,424	–
As of December 31	**2,524,880**	**3,845,628**

Share awards program (Board LTIP)	2023 No. of shares covered by the programs	2022 No. of shares covered by the programs
As of January 1	106,689	87,592
Allotted	219,843	44,758
Forfeited	–	–
Exercised	–	–
Expired	-26,931	-25,661
As of December 31	**299,601**	**106,689**

Calculation of fair value of employee option programs

The fair value on the allotment date was calculated using an adapted version of the Black-Scholes valuation model, which takes into consideration the exercise price, the term of the options, share price on the allotment date and expected volatility in the share price, and risk-free interest for the term of the options.

Employee Option Programs	Allotment date/start date	Maturity date	Fair value upon issue of the option program, SEK	Exercise price, SEK	Volatility	No. of shares covered by option programs as of December 31, 2023	Vested
Co-worker LTIP 2017:1	May 18, 2017	May 18, 2024	9.32	44.48	20.72%	481,000	100.00%
Co-worker LTIP 2017:2	October 5, 2017	October 5, 2024	14.17	63.95	20.72%	116,000	100.00%
Co-worker LTIP 2017:3	February 21, 2018	February 21, 2025	33.37	79.77	41.40%	104,687	100.00%
Co-worker LTIP 2017:4	July 12, 2018	July 12, 2025	94.63	197.48	47.00%	271,895	100.00%
Co-worker LTIP 2017:5	August 30, 2018	August 30, 2025	70.83	149.47	48.40%	20,000	100.00%
Co-worker LTIP 2017:6	October 1, 2018	October 1, 2025	83.37	155.15	50.20%	235,000	100.00%
Co-worker LTIP 2018:2	May 3, 2019	May 3, 2026	71.51	126.09	56.10%	119,594	100.00%
Co-worker LTIP 2019:3	January 2, 2020	January 2, 2027	59.66	128.68	47.50%	122,804	100.00%
Co-worker LTIP 2019:4	April 2, 2020	April 2, 2027	61.28	107.58	63.70%	31,394	100.00%
Co-worker LTIP 2019:7	January 4, 2021	January 4, 2028	111.20	169.53	71.80%	142,401	99.64%
Co-worker LTIP 2019:8	March 17, 2021	March 17, 2028	83.34	161.54	58.39%	8,500	92.98%
Co-worker LTIP 2019:9	February 18, 2022	February 18, 2029	7.08	8.93	114.27%	489,541	62.17%
						2,142,816	

Calculation of fair value of share award programs (Board LTIP 2021, Board SHP 2022 and Board SHP 2023)
The fair value on the allotment date was calculated using a Monte Carlo simulation of future share price development. The simulated share price development has then been used to calculate the outcome of the program and the value of each share at the acquisition date (present value adjusted to the allotment date).

	Allotment date	Maturity date	Fair value upon issue of the option program, SEK	No. of shares covered by option programs as of December 31, 2023	Vested
Board LTIP 2021	September 2, 2021	June 30, 2024	34.64	35,000	94.92%
Board SHP 2022	August 25, 2022	August 25, 2025	35.31	44,758	100.00%
Board SHP 2023	June 22, 2023	June 22, 2029	9.99	219,843	51.33%
				299,601	

Calculation of fair value of share award programs (Co-worker LTIP 2021 and Co-worker LTIP 2022)
The fair value on the allotment date was calculated using a Monte Carlo simulation of future share price development. The simulated share price development has then been used to calculate the outcome of the program and the value of each share at the acquisition date (present value adjusted to the allotment date).

	Allotment date	Maturity date	Fair value upon issue of the option program, SEK	No. of shares covered by option programs as of December 31, 2023	Vested
Co-worker LTIP 2021:1	September 2, 2021	September 2, 2024	33.84	5,133	77.58%
Co-worker LTIP 2021:2	February 18, 2022	February 19, 2025	7.87	1,127,560	62.17%
Co-worker LTIP 2022:1	December 9, 2022	December 31, 2025	9.65	15,221	35.37%
Co-worker LTIP 2022:2	January 13, 2023	January 31, 2026	10.43	816,099	32.18%
Co-worker LTIP 2022:3	March 2, 2023	March 13, 2026	8.63	103,297	27.80%
Co-worker LTIP 2022:4	June 22, 2023	June 30, 2026	8.67	90,928	17.59%
Co-worker LTIP 2022:5	August 23, 2023	August 31, 2026	5.89	310,424	11.94%
				2,468,662	

Note 28

Related-party transactions

Information about transactions between the Group and other related parties is presented below.
For remuneration of senior management and the Board of Directors, refer to Note 10.

	Parent Company	
	2023	**2022**
Purchases from subsidiaries	28,405	25,866
Total	**28,405**	**25,866**
Sales to subsidiaries	7,015	838
Total	**7,015**	**838**

Recognition of allotted options and share awards issued through the company's performance-based incentive programs to related parties as of December 31, 2023

	Co-worker LTIP 2017:1		**Co-worker LTIP 2017:3**		**Co-worker LTIP 2017:4**		**Co-worker LTIP 2018:2**		**Co-worker LTIP 2019:3**		**Co-worker LTIP 2019:4**		**Co-worker LTIP 2019:7**		**Co-worker LTIP 2019:9**		**Co-worker LTIP 2021:2**		**Co-worker LTIP 2022:2**		**Co-worker LTIP 2022:3**		**Co-worker LTIP 2022:5**	
	No. of shares that the option programs		No. of shares that the option programs		No. of shares that the option programs		No. of shares that the option programs		No. of shares that the option programs		No. of shares that the option programs		No. of shares that the option programs		No. of shares that the option programs		No. of shares that the option programs		No. of shares that the option programs		No. of shares that the option programs		No. of shares that the option programs	
	Correspond to	**Vested**	**Correspond to**	**Vested**	**Correspond to**	**Vested**	**Correspond to**	**Vested**	**Correspond to**	**Vested**	**Correspond to**	**Vested**	**Correspond to**	**Vested**	**Correspond to**	**Vested**	**Correspond to**	**Vested**	**Correspond to**	**Vested**	**Correspond to**	**Vested**	**Correspond to**	**Vested**
CEO, Sofia Heigis	–	–	–	–	–	–	–	–	–	–	24,478	100.0%	8,201	99.6%	63,853	62.2%	123,531	62.2%	66,798	32.2%	45,894	27.8%	310,424	11.9%
Other members of senior management	272,000	100.0%	34,785	100.0%	5,000	100.00%	67,748	100.0%	83,443	100.0%	–	–	64,283	99.6%	383,119	62.2%	306,595	62.2%	320,258	32.2%	–	–	–	–
	272,000		**34,785**		**5,000**		**67,748**		**83,443**		**24,478**		**72,484**		**446,972**		**430,126**		**387,056**		**45,894**		**310,424**	

Recognition of granted share awards issued through the company's performance-based incentive programs to related parties as of December 31, 2023

	Board LTIP 2021		**Board SHP 2022**		**Board SHP 2023**	
	No. of shares covered by the share award program	**Vested**	**No. of shares covered by the share award program**	**Vested**	**No. of shares covered by the share award program**	**Vested**
Chairman of the Board, Per Wold-Olsen	13,460	94.9%	17,214	100.0%	84,555	51.3%
Board member, Cecilia Daun Wennborg	5,385	94.9%	6,886	100.0%	33,822	51.3%
Board member, Jarl Ulf Jungnelius	5,385	94.9%	6,886	100.0%	33,822	51.3%
Board member, Brian Stuglik	5,385	94.9%	6,886	100.0%	33,822	51.3%
Board member, Jennifer Jackson	5,385	94.9%	6,886	100.0%	33,822	51.3%
Total	**35,000**		**44,758**		**219,843**	

Note 29
Pledged assets

	Group		Parent Company	
	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
Shares of LFF Service AB	–	1	–	1
Pledged bank guarantees	850	850	850	850
Total	**850**	**851**	**850**	**851**

Pledged bank guarantees, refer to Note 15 Non-current receivables.

Note 30
Contingent liabilities

The Group and Parent Company had no contingent liabilities as of December 31, 2023.

Note 31
Events after the end of the reporting period

- **On February 15** , it was announced that the company will be granted an extension of a key patent ensuring market exclusivity for melflufen, marketed in Europe as Pepaxti, in Europe until 2037, an extension of five years.
- **On February 23,** it was announced that positive progress has been made in the market access procedure in Spain.
- **On February 23,** it was announced that a decision has been received from the U.S. Food and Drug Administration reconfirming withdrawal of Pepaxto from the US market.
- **February 29** it was announced that a new article analyzing health-related quality of life in patients treated with melflufen, marketed in Europe as Pepaxti, has been published in Haematologica, a monthly peer-reviewed medical journal.
- **On March 1,** it was announced that a new article analyzing scientific data on melflufen, marketed in Europe as Pepaxti, was recently published in the peer-reviewed medical journal Clinical Lymphoma, Myeloma & Leukemia. The results provide further evidence that administration via peripheral venous catheter (PVC) is well tolerated with no local infusion-related reactions or new safety signals and may represent an alternative route of administration.
- **On March 13,** it was announced that the Board of Directors has decided to carry out a rights issue of approximately SEK 300 M, subject to approval by an extraordinary general meeting April 15, 2024.
- **March 27,** announced a collaboration with Vector Pharma FZCO to commercialize Pepaxti in the Middle East and North Africa ("MENA") region.
- **April 4,** it was announced that the company's sales for the first quarter amounted to SEK 5.1 M.
- **On April 8,** the terms of the rights issue were announced, whereby one (1) subscription right is received for each share. Three (3) subscription rights give the right to subscribe for four (4) new ordinary shares. The Rights Issue encompasses a maximum of 120,586,169 new ordinary shares. The subscription price has been set to SEK 2.60 per ordinary share which, assuming that the Rights Issue is fully subscribed, amounts to issue proceeds of approximately SEK 314 M in total before the deduction of issue costs.
- **On April 10,** it was announced that price and reimbursement approval has been obtained, allowing Oncopeptides to start commercializing Pepaxti in Spain as early as in 2024.

Note 32
Going concern status

On March 13, 2024, Oncopeptides announced a SEK 300 M rights issue to raise proceeds that will take the company to profitability and positive cash flow by the end of 2026. The Board of Directors and the CEO continuously assess the Group's liquidity and financial resources both in the short term and in the long term. The annual report has been prepared with the assumption that the company has the ability to continue operations for the next 12 months, in line with the going concern assumption.

Certification

The undersigned affirm that the annual accounts have been prepared in accordance with generally accepted accounting principles in Sweden, and that the consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU. The annual accounts and the consolidated financial statements provide a true and fair view of the Parent Company's and the Group's financial position and results. The Directors' Report for the Parent Company and the Group gives a true and fair overview of the development of the Parent Company's and the Group's activities, financial position and results, and describes the significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

Stockholm, April 17, 2024

Per Wold-Olsen
Chairman of the Board

Jennifer Jackson
Board member

Brian Stuglik
Board member

Jarl Ulf Jungnelius
Board member

Sofia Heigis
CEO

Per Samuelsson
Board member

Cecilia Daun Wennborg
Board member

Our auditor's report was submitted on the date shown by our electronic signature.

Ernst & Young AB

Anna Svanberg
Authorized public accountant

Auditor's Report

To the general meeting of the shareholders of Oncopeptides AB, corporate identity number 556596-6438

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Oncopeptides AB except for the corporate governance statement on pages 31–38 for the year 2023. The annual accounts and consolidated accounts of the company are included on pages 22–68 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 31-38. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. We have determined that there are no key audit matters that need to be communicated in the auditor's report.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–21 and 73–75. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance

with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Report on the audit of the administration and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Oncopeptides AB for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated (loss be dealt with) in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Oncopeptides AB for the financial year 2023.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the ESEF report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Oncopeptides AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with professional ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated accounts. The procedures selected depend on

the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 31–38 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR´s standard RevR 16 The auditor´s examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Ernst & Young AB, Hamngatan 26, 111 47 Stockholm, was appointed auditor of Oncopeptides AB by the general meeting of the shareholders on the 25 May 2023 and has been the company's auditor since the 21 May 2019.

Stockholm the day of our electronical signature.

Ernst & Young AB

Anna Svanberg
Authorized Public Accountant

Board of Directors

Per Wold-Olsen, MBA

Chairman of the Board | Elected in 2018.

Per has extensive experience in the pharmaceutical industry and has held many different positions at Merck & Co., Inc. He served on Merck's executive management team from 1994 to 2006. Since 2006, he has served on several boards in the life science sector including Lundbeck, Pharmaset, Royal Dutch Numico, Amarin, Gilead Sciences and GN Store Nord.

Education: Per holds an MBA in Economics and Administration from Handelshøyskolen BI and an MBA in Management and Marketing from the University of Wisconsin.

Born: 1947.

Board committees: Chairman of the Remuneration Committee, and member of the Audit Committee and Nomination Committee.

Holdings in Oncopeptides:
389,385 shares and 32,854 share awards.

Other current positions:
Board member of Forepont Capital Partners.

Independent in relation to the company and its management and in relation to major shareholders.

Brian Stuglik, B.Pharm

Board member | Elected in 2018.

Brian has a long and broad experience from the pharmaceutical industry. He has spent 30 years in different positions within Eli Lilly, including American as well as global roles and responsibilities. Over the past 25 years, his work has been focused on product strategy and commercialization for oncology products.

Education: Brian holds a Bachelor of Pharmacy from Purdue University, USA.

Born: 1959.

Board committees: Member of the Remuneration Committee and the Scientific Committee.

Holdings in Oncopeptides:
13,142 share awards.

Other current positions:
CEO of Verastem Inc. Board member of Puma Biotechnology, founder of Proventus Health Solutions LLC. Member of the American Society of Clinical Oncology, the American Association for Cancer Research and the International Association for Lung Cancer Studies.

Independent in relation to the company and its management and in relation to major shareholders.

Cecilia Daun Wennborg, BSc

Board member | Elected in 2017.

Cecilia has 20 years of experience from board positions in listed companies and from operational positions in the insurance, bank, and care and healthcare sectors, inter alia, as CFO and CEO of Skandia Link, Head of Skandia Sverige, CFO of Carema Vård & Omsorg AB and Ambea AB, CEO of Carema Vård & Omsorg AB and Deputy CEO of Ambea AB.

Education: Cecilia holds a Bachelor in Economics from Stockholm University.

Born: 1963.

Board committees: Chairman of the Audit Committee.

Holdings in Oncopeptides:
11,800 shares and 13,142 share awards.

Other current positions: Chairman of the Board of Almi AB, Board member of Getinge AB, Bravida Holding AB, Loomis AB, Atvexa AB, Hotel Diplomat AB and CDW Konsult AB. Member of the Swedish Securities Council.

Independent in relation to the company and its management and in relation to major shareholders.

Jarl Ulf Jungnelius, MD, PhD

Board member | Elected in 2011.

Ulf is a licensed medical practitioner and a specialist in several areas, including oncology. He has published several scientific articles and has more than 25 years of experience from leadership positions both in large academic and in corporate institutions. He has been instrumental in the development and registration of gemcitabine (Gemzar), premetrexed (Alimta), Sunitinib (Sutent), lenalidomide (Revlimid) and the albumin bound nanoparticle paclitaxel (Abraxane).

Education: Doctor of Medicine, Karolinska Institutet, Stockholm.

Born: 1951.

Board committees: Member of the Scientific Committee.

Holdings in Oncopeptides:
57,750 shares and 13,142 share awards.

Other current positions:
CEO of CarpoNovum Clinics AB. Senior oncology advisor for NOXXON Pharma. Board member of Biovica International AB, Ryvu Therapeutics, HealthCom GmbH and CarpoNovum Clinics AB.

Independent in relation to the company and its management and in relation to major shareholders.

Jennifer Jackson, PhD

Board member | Elected in 2018.

Jennifer has more than 30 years of experience in global clinical development and market registration of small molecules and biologics across multiple therapeutic areas including oncology. Most recently she was Senior Vice President of Regulatory Affairs and Quality Assurance and a member of the executive leadership team at Tesaro. Prior to that Jennifer has had several senior roles at Cubist Pharmaceuticals, Biogen, Vertex and Bristol-Myers Squibb.

Education: Jennifer earned her Ph.D. in Genetics at Cornell University and did her postdoctoral work at Massachusetts Institute of Technology. Member of the American Society of Clinical Oncology.

Born: 1953.

Board committees: Chairman of the Scientific Committee.

Holdings in Oncopeptides:
15,312 share awards.

Other current positions: –

Independent in relation to the company and its management and in relation to major shareholders.

Per Samuelsson, MSc

Board member | Elected in 2012.

Per is a partner at HealthCap, a life sciences venture capital business. Per has 22 years of experience from investing venture capital in the life science sector. Per has also gained over 15 years of investment banking experience, mainly with Aros Securities as Director in the corporate finance department where he specialized in merger transactions, initial public offerings and equity incentive programs. Per also held the role of Head of Research at Aros Securities.

Education: MSc in Engineering from the Institute of Technology at Linköping University.

Born: 1961.

Board committees: Member of the Audit Committee and the Remuneration Committee.

Holdings in Oncopeptides: –

Other current positions: Board Member of Ariceum Therapeutics GmbH, Cantando AB, Cantando Holding AB, HealthCap AB, HealthCap Annex Fund I-II GP AB, Pretzel Therapeutics, Inc., Skipjack AB.

Independent in relation to the company and its senior management, but not in relation to major shareholders. Partner in HealthCap and holder of directorships in several companies in the HealthCap Group.

Management

Sofia Heigis, MSc

CEO

Sofia was appointed CEO in August 2023. Sofia joined Oncopeptides in August 2020 as Senior Vice President and Global Head Medical Affairs. She was appointed Chief Commercial Officer and Managing Director Germany in 2022. Sofia was engaged in the preparation and launch of Pepaxto in the USA, and has led the preparations of the commercialization of Pepaxti in Europe. She has been a member of the Leadership Team since November 2021.

Sofia brings broad experience from leading international roles in Medical Affairs, Regulatory Affairs, Market Ethics, Pharmacovigilance, Real World Evidence as well as several Marketing and Sales roles at Astra Zeneca, and has been engaged in both global and local product launches.

Education: Sofia holds a Master of Pharmacology from the University of Gothenburg, including a Master Thesis in Pharmacology from Bond University. She has an Executive Master in Strategy, and is a member of the business network for female leaders, Ruter Dam.

Born: 1980.

Holdings in Oncopeptides:
20,104 shares, 236,223 share awards and 96,532 options.

Other current positions: –

Eva Nordström, MSc Pharm

Chief Operating Officer (COO) and Deputy Managing Director

Eva Nordström was appointed as Head of Clinical Development in 2012, Chief Operating Officer 2020 and Deputy Managing Director 2021. Eva is responsible for strategic and operational deliveries in Biometrics, CMC, Clinical Operations, Global Drug Supply and Preclinical Operations.

Previous positions Eva has held include Global Product Director and Vice President roles at Pharmacia and AstraZeneca based both in Sweden and the USA. She has led international cross-functional teams through all phases of drug development, including phase III and product launches. Eva has been responsible for individual project strategies including their implementation as well as disease area strategies, portfolio management and in-licensing.

Education: Eva holds an MSc Pharm from Uppsala University and an Executive MBA from Stockholm School of Economics.

Born: 1970.

Holdings in Oncopeptides:
120,200 shares, 158,369 share awards and 284,113 options.

Other current positions: Board member of Oxcia AB, Alternate Director of Utilica AB.

Henrik Bergentoft, MSc

Chief Financial Officer (CFO)

Henrik was appointed CFO in 2023 and is responsible for Finance, Legal, IT and administration.

Henrik brings broad experience from several CFO-positions in listed companies: RaySearch Laboratories, C-RAD, MSAB, Nordkom, Aerocrine and Contextvision. He started his career as auditor with Andersen/Deloitte.

Education: Henrik has a Master of science in Business Administration from the University of Uppsala.

Born: 1974.

Holdings in Oncopeptides:
10,000 shares.

Other current positions: –

David Augustsson

Director of Corporate Affairs

David Augustsson joined the company as Director of Corporate Affairs in 2023 and is responsible for corporate strategy, brand and communication.

David has a broad background from leading strategic communication in international, listed companies both as a consultant and in-house. Between 2016 and 2023 he worked for global fintech company Nasdaq, where he during the last three years was responsible for the company's European communication, including seven national stock exchanges, as well as its global efforts within market technology and carbon removal. He has also worked as a consultant at agencies including Prime WeberShandwick and Hill+Knowlton.

Education: David holds a Master in Science in International Business and Management from Uppsala University and Wirtschaftsuniversität Wien.

Born: 1984.

Holdings in Oncopeptides:
7,000 shares.

Other current positions: –

Jakob Lindberg, Med Lic

Chief Scientific Officer (CSO)

Jakob Lindberg was appointed CSO in 2023. Jakob Lindberg was the CEO of Oncopeptides from the restart of the company in 2011, until June 2020, as well as from November 2021 until January 2023. During July 2020 until November 2021, he was the CSO of Oncopeptides. His previous roles include being an analyst at Merrill Lynch & Co and a consultant at McKinsey & Co. Jakob was co-founder of Cellectricon, a provider of cell-based screening services to accelerate drug discovery, where he also served as CEO.

Education: Jakob has studied medicine at Karolina Institute. He gained a Med Lic in Molecular Immunology and a MSc in pre-clinical medicine. He also has a BA in Finance and Administration from the Stockholm University.

Born: 1972.

Holdings in Oncopeptides:
868,331 shares (853,031 directly owned, 15,300 indirectly owned through Lindberg Life-Science AB), 391,922 share awards and 605,081 options.

Other current positions:
CEO of Oncopeptides, Inc, director of Oncopeptides Incentive AB, director of Affibody Medical AB, Camurus AB and Lindberg Life-Science AB. CEO of Lindberg Life-Science AB.

Sara Svärdgren

Head of Human Resources

Sara joined Oncopeptides in May 2018 as Head of Human Resources. Since May 2022, she is a member of the company's leadership team.

Sara has a broad experience of HR and has held managerial positions in HR during the past 10 years. Before joining Oncopeptides, she worked in the financial industry at Neonet Securities AB.

Education: Sara has studied the Human Resources program with a major in psychology at Örebro University and Stockholm University.

Born: 1979.

Holdings in Oncopeptides:
85 shares, 36,476 share awards* and 9,498 options.

Other current positions: –

Stefan Norin, MD, PhD

Chief Medical Officer (CMO)

Stefan was appointed as Chief Medical Officer in September 2023.

Stefan joined Oncopeptides in March 2019, as Clinical Study Physician, appointed Global Clinical Lead in 2020, Head of Clinical Development in 2022 and Head of Clinical Science in 2023.

In his role, he is responsible for Research & Development and Pharmacovigilance.

Stefan has a background as a specialist in Internal Medicine and Hematology and has 20 years of clinical experience.

Previous roles include Associate Director, Clinical R&D at Medivir AB and Head of Lymphoma Division, Department of Hematology at Karolinska University Hospital.

Education: He has a PhD from Karolinska Institute.

Born: 1972.

Holdings in Oncopeptides:
2,000 shares, 40,086 share awards and 11,686 options.

Other current positions:–

2024 AGM

Oncopeptides' annual general meeting will be held on Friday, May 31, 2024 in Stockholm. For more information on the Annual general Meeting see the company website: *oncopeptides.com*.

Calendar

May 30, 2024 Q1 interim report

May 31, 2024 AGM

August 14, 2024 Q2 interim report

November 7, 2024 Q3 interim report

Contact

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