ASCELIA PHARMA

Share ticker: ACE
Nasdaq Stockholm (small cap)

PRESENTATION OF Q2-2020 REPORT

APRIL-JUNE 2020

Present from Ascelia Pharma:
CEO Magnus Corfitzen | CFO Kristian Borbos
CMO Carl Bjartmar | CCO Julie Waras Brogren

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Dial-in webcast:
SWE: +46 850 583 57
UK: +44 333 3009 031
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ASCELIA PHARMA: ADVANCING ORPHAN ONCOLOGY

A global health burden

44 million people live with cancer; 18 million are diagnosed each year[1]

USD 150 bn spent yearly on cancer therapies alone[2]

Orphan drugs represent 12 of 15 new active substances in oncology launched in the US in 2018[2]

Dedicated to unmet needs in orphan oncology

Drugs with a clear development and market pathway

- **Advancing liver imaging** with orphan MRI contrast agent with no competition (in ongoing Phase 3)
- **Advancing chemotherapy** with novel tablet for gastric cancer (Phase 2 ready)

Capabilities to bring new compounds to market

- World class cross-functional team
- Headquartered in Malmö, Sweden
- Listed on NASDAQ STOCKHOLM in 2019 (ticker: ACE)
- Solid financial position

Sources
1) https://canceratlas.cancer.org/the-burden/the-burden-of-cancer/ (2018 figures)
2) Global Oncology Trends 2019, IQVIA (2018 figures)

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SIGNIFICANT PROGRESS IN 2020 DESPITE COVID-19

February
First patient in Mangoral Phase 3 study SPARKLE

April
Oncoral patent approved in Japan

May
First participant in Mangoral hepatic study

June
Directed share issue to fund Mangoral commercial preparations

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CLINICAL STAGE PORTFOLIO ADDRESSING CLEAR UNMET NEEDS

Drug candidate	Indication	Phase 1	Phase 2	Phase 3	Filing	Launch
Mangoral • Only non-gadolinium imaging drug • No competing drugs • $350-500M market with upside potential • De-risked Phase 3 clinical program • Orphan Drug Designation	**Visualization of focal liver lesions** • Liver metastases • Primary liver cancer • Benign lesions	✓	✓	2020 – H2-2021	H1-2022	Q4-2022 – H1-2023
Oncoral • Novel tablet chemotherapy formulation • Phase 1 completed with promising results • Gastric cancer is an Orphan indication	**Treatment of gastric cancer**	✓	2021 – 2023	Strong case for development and commercialization partnering after Phase 2		

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OUR CLINICAL PORTFOLIO

MANGORAL: LIVER CONTRAST AGENT IN PHASE 3

ONCORAL: CHEMOTHERAPY TABLET READY FOR PHASE 2

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MANGORAL – MANGANESE BASED LIVER CONTRAST AGENT

TODAY

NORMAL KIDNEY FUNCTION
Gadolinium imaging drug

POOR KIDNEY FUNCTION
NO imaging drug due to potentially deadly side-effects (black-box warning)

WARNING: NEPHROGENIC SYSTEMIC FIBROSIS (NSF)

See full prescribing information for complete boxed warning.

Gadolinium-based contrast agents (GBCAs) increase the risk for NSF among patients with impaired elimination of the drugs. Avoid use of GBCAs in these patients unless the diagnostic information is essential and not available with non-contrasted MRI or other modalities.

- **The risk for NSF appears highest among patients with:**
  - **Chronic, severe kidney disease (GFR < 30 mL/min/1.73m^2), or**
  - **Acute kidney injury.**
- **Screen patients for acute kidney injury and other conditions that may reduce renal function.**
- **For patients at risk for chronically reduced renal function (for example, age >60 years, hypertension or diabetes), estimate the glomerular filtration rate (GFR) through laboratory testing (5.1).**

TOMORROW

NORMAL KIDNEY FUNCTION
Gadolinium imaging drug

POOR KIDNEY FUNCTION
3-4% of patients
MANGORAL imaging drug
(based on manganese)

Mangoral aims to be the only standard of care liver MRI imaging drug for patients with impaired kidney function

280,000
patients with impaired kidney function in major markets

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MANGORAL – DE-RISKED PHASE 3 STUDY

Strong data package for Mangoral

Six phase 1 and 2 clinical studies completed

Consistent strong efficacy readout and safety profile

Blind read study of all imaging data presented at major conferences

- The study with 178 persons further underlined that Mangoral significantly improves MRI performance
- 33% more lesions were detected after Mangoral enhanced MRI
- **Mangoral significantly improved lesion visualisation**
  Delineation: p-value <0.0001
  Conspicuity: p-value <0.0001

Phase 3 registration-enabling study (study ongoing)

Number of patients	Global study in up to 200 patients
Endpoint	**Lesion visualization** • Lesion border delineation (border sharpness of lesions) • Conspicuity (lesion contrast compared to liver background)
Comparator	Unenhanced MRI + Mangoral MRI *vs.* Unenhanced MRI
Follow-up	72 hours
Randomisation	**No** – each patient at his/her own control
Validation	Phase 3 program has been discussed with FDA and EMA

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ONCORAL – NOVEL IRINOTECAN TABLET READY FOR PHASE 2

NOVEL ORAL FORMULATION

Formulated as a **tablet** for convenient dosing and health-economic benefits

Promising safety potential of oral administration

Potential for **all-tablet chemo-combination**

PHARMACEAUTICAL INGRIEDIENT HAS PROVEN EFFECT

Irinotecan shown to be effective in **killing cancer cells**

Expected to be efficacious and safe **together** with other well-recognized anti-cancer drugs

Orphan drug indication for gastric cancer by the FDA and EMA

With promising Phase 1 results, we are now preparing for Phase 2

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MANGORAL

PREPARING FOR COMMERCIALIZATION

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COMMERCIAL PREPRATIONS IN PROGRESS

PREPARE THE PRODUCT | **PREPARE THE MARKET** | **PREPARE THE LAUNCH**

2020 | **2021** | **2022**

H1-2020
ADVANCE COMMERCIAL STRATEGIES

- ✓ Pre-launch plans & decision points
- ✓ Product positioning & targeting
- ✓ Pricing & access insights

H2-2020
PROGRESS GO-TO-MARKET BLUEPRINT

- Detail US operations blueprint & rest of world partnering plan
- Advance market sizing & roll-out priorities
- Advance dialogue with payers & clinical decision makers

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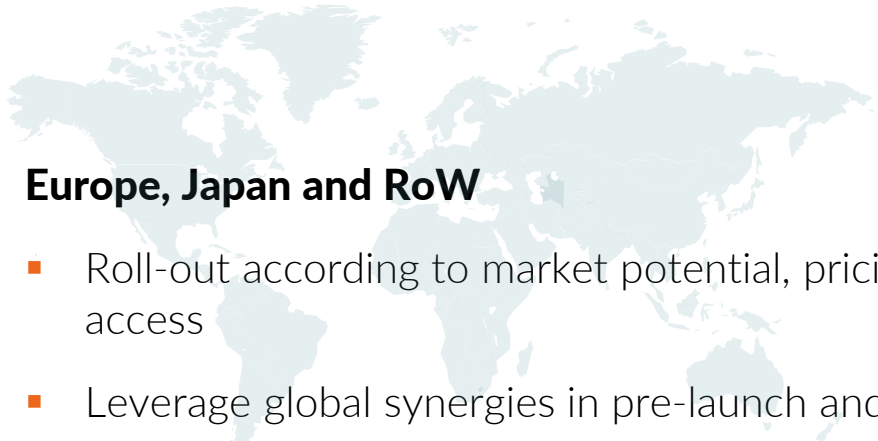
OUTLOOK FOR MARKET OPTIMAL LAUNCH STRATEGY

Strong case for own US commercialization

US operations

- Field team of 10-20 FTEs can reach 3,500-5,000 healthcare professionals
- Target major hospitals with nephrology units and independent specialist clinics
- US capability to include commercial and cross-functional support team
- Local logistics and distribution partnerships

Optimal RoW uptake with partnering



Europe, Japan and RoW

- Roll-out according to market potential, pricing and access
- Leverage global synergies in pre-launch and launch
- Ascelia Pharma vs. partner roles evaluated to maximize value

FINANCIALS

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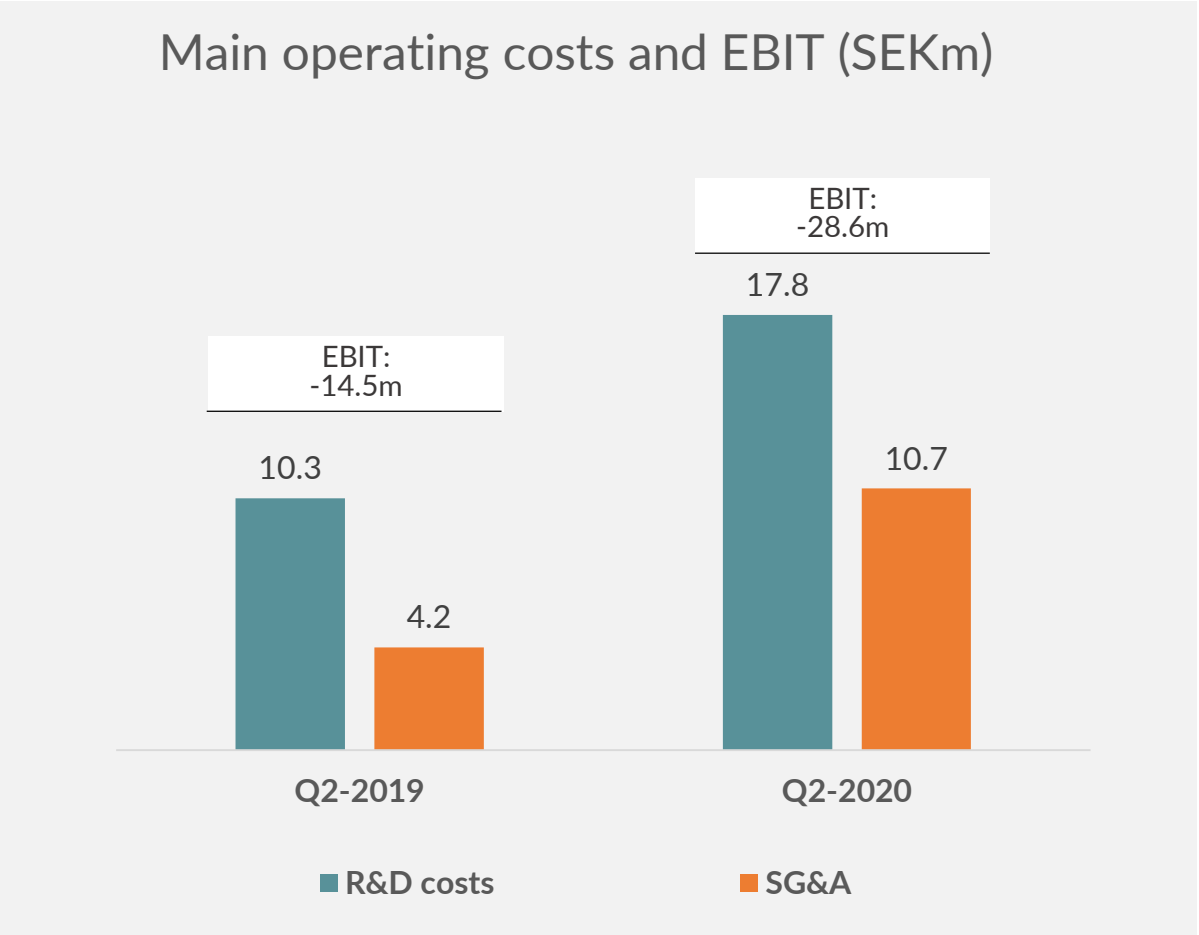
FINANCIAL HIGHLIGHTS – OPERATING RESULTS

Increased operating loss y/y mainly driven by higher R&D activity for Mangoral Phase 3 study:

- Preparing and opening of clinical study sites
- Manufacturing preparations
- Regulatory preparations

… And costs for commercial preparations for Mangoral (forming part of Selling, General & Administrative expenses)



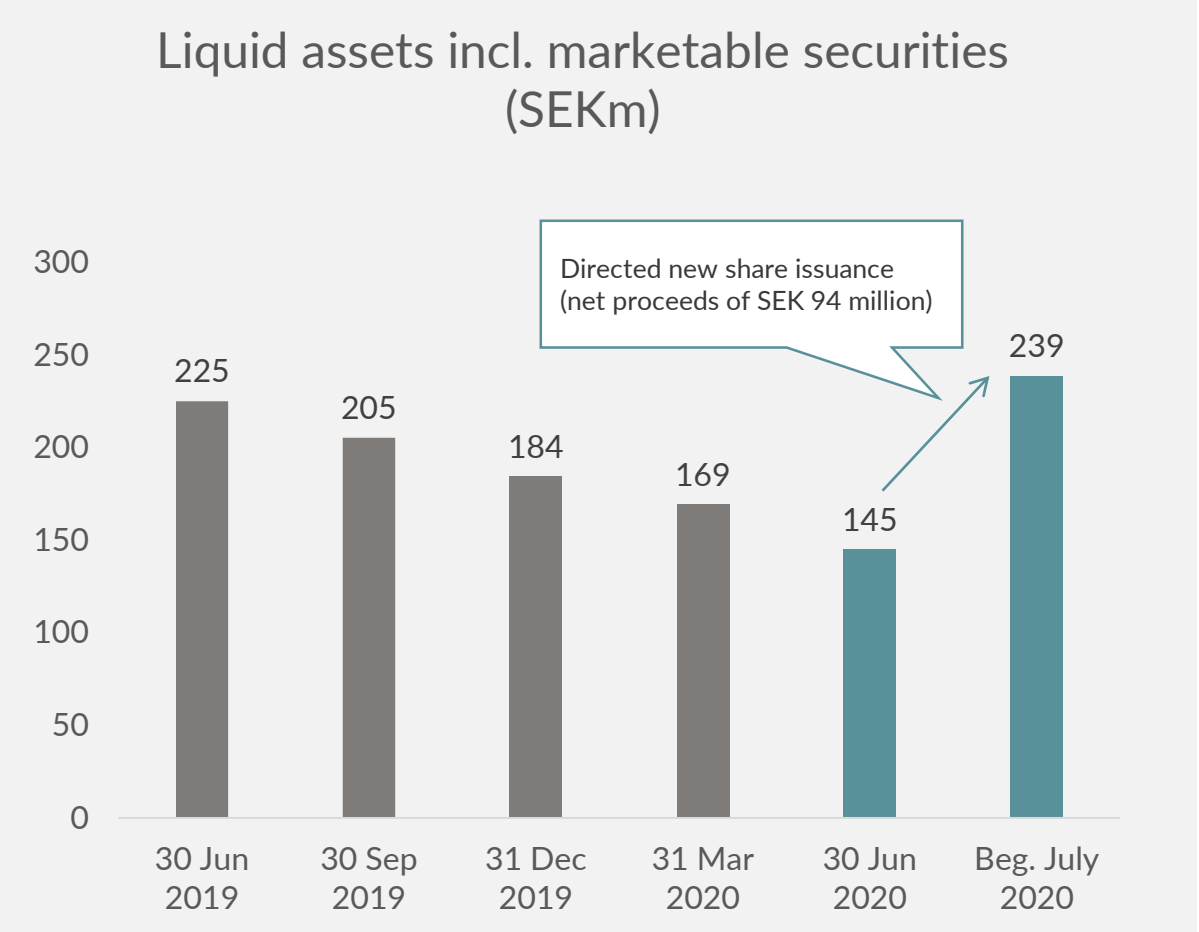
FINANCIAL HIGHLIGHTS – LIQUIDITY POSITION

Solid liquidity position:

- Liquid assets incl. marketable securities of SEK 145 million per 30 June 2020

Directed new share issuance at the end of June:

- Gross proceeds of SEK 99 million
- Highly acknowledged participated including:
  - Existing long-term shareholders AP4 and Handelsbanken Fonder
  - New investors including Healthinvest Partners, Länsförsäkringar Fondförvaltning, Unionen and OstVast Capital Management
- Proceeds received beginning of July taking the liquidity position to SEK 239 million



PRIORITIES 2020 AND SUMMARY

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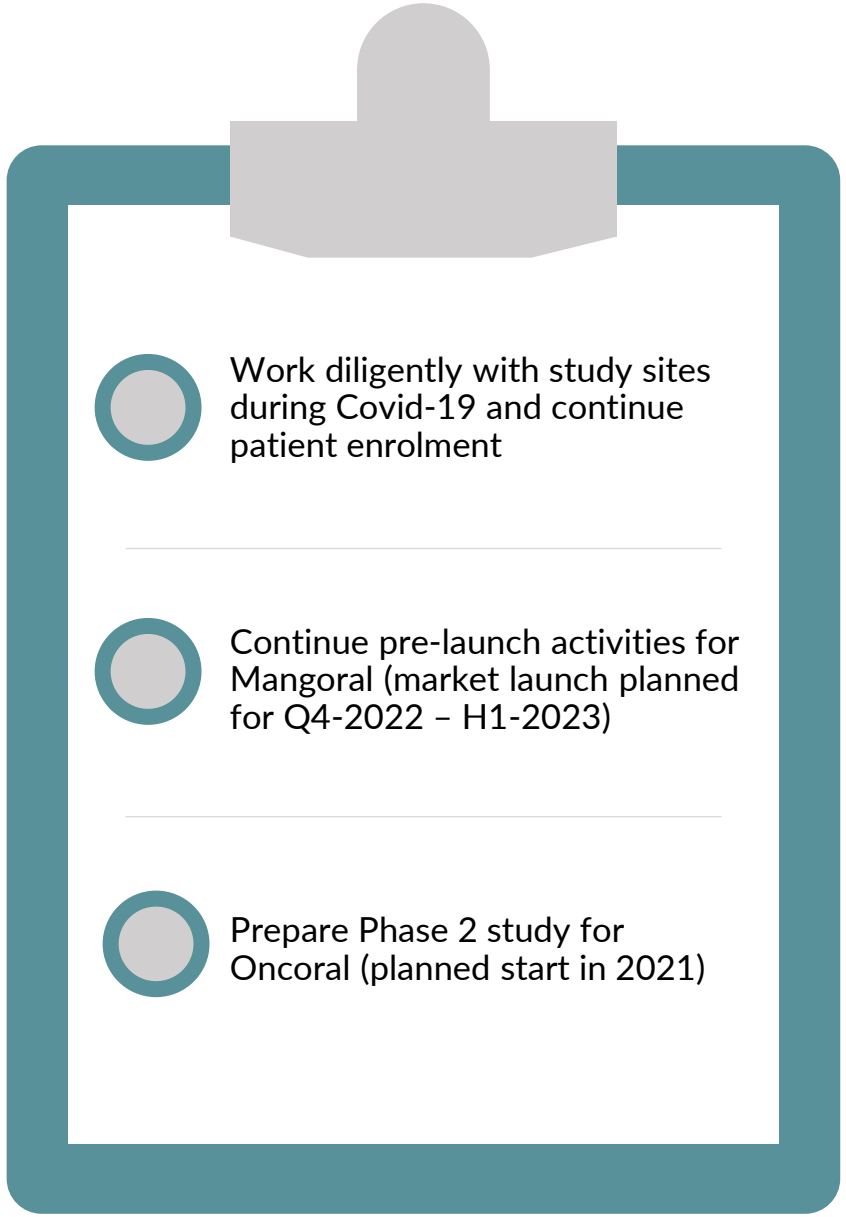
Priorities in H2-2020



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ASCELIA PHARMA IN SUMMARY

Ascelia Pharma (ticker: ACE) – Advancing orphan oncology

- Drugs targeting unmet medical needs with a clear development and market pathway
- Solid financial position

Mangoral – Phase 3 non-gadolinium liver imaging drug

- $350-500 million annual addressable market
- No competing drugs
- Ongoing Phase 3 program with high likelihood of success – study results expected in H2-2021
- Orphan Drug Designation

Oncoral – Phase 2 ready oral chemotherapy for gastric cancer

- Novel tablet formulation with significant patient and hospital benefits
- Effective molecule for killing cancer
- Promising Phase 1 results and preparing for Phase 2

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