OVERCOMING CHEMOTHERAPY RESISTANCE

ANNUAL REPORT 2020

SCANDION ONCOLOGY

Scandion Oncology A/S – www.scandiononcology.com – CVR No. 38613391

OUR VISION

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

SCANDION ONCOLOGY IN BRIEF

THE COMPANY

Scandion Oncology is a Danish Phase II Biotech company developing first-in-class medicines that reverse anti-cancer drug resistance.

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

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

SCO-101 is now in clinical Phase Ib and Phase II trials in cancer patients. Safety of SCO-101 has previously been established in healthy volunteers.

Scandion Oncology is currently developing their pipeline with SCO-101 in different indications. In addition, Scandion Oncology is extending the pipeline with additional compounds.

All with the aim to become **the Cancer Drug Resistance Company**.

THE THERAPY

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

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

The global market for chemotherapy has a value of 37bn USD and is estimated to grow by 12% (CAGR) annually for the next 5 years.

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

The Company is not aware of any drugs that are registered for blocking anti-cancer drug resistance.

TABLE OF CONTENTS

In this document, the following definitions shall apply unless otherwise specified:
"the Company" or ***"Scandion Oncology"*** refers to **Scandion Oncology A/S**, CVR No. 38613391.
Page 2 – 27 constitute the Management Commentary.

SCANDION ONCOLOGY IS SETTING THE PACE FOR THE FUTURE

CEO LETTER
PAGE 6

SCANDION ONCOLOGY IS PURSUING A MAJOR UNMET NEED IN CANCER TREATMENT

INTERVIEW WITH DR. RICHARD SCHILSKY
PAGE 16

THE BOARD HAS TAKEN THE INITIATIVE TO STRENGTHEN THE GOVERNANCE

CORPORATE GOVERNANCE
PAGE 20

KEY FIGURES & HIGHLIGHTS

TDKK	2020	2019
Net sales	0	0
Profit/loss before financial items (EBIT)	-22,888	-15,399
Profit/loss for the period	-16,269	-12,184
Total assets	186,408	19,902
Cash position	5,814*	15,421
Equity ratio	84%	92%
No. of shares end of the period	32,135,544	19,052,241
Average number of shares	19,610,995	15,048,130
Earnings per share (DKK)	-0.83	-0.81

** Cash position is increased in January 2021 by the net proceeds of the Rights Issue in 2020 amounting to 145.9 MDKK.*

Equity ratio: Shareholders' equity as a proportion of total assets.
Earnings per share: Profit/loss for the period divided by the average number of shares.

HIGHLIGHTS AFTER END OF THE PERIOD

ON JANUARY 19, Scandion Oncology announced that the Company had applied for and received approval for admission to trading on Nasdaq First North Growth Market Sweden. The first day of trading was February 3, 2021.

ON JANUARY 23, Scandion Oncology announced that the Company had completed the first 12 patient cohort in part 1 of the ongoing clinical Phase II study (CORIST) with SCO-101.

The Company received the green light from the Data Safety Monitoring Board to move forward with the next treatment cohorts.

ON JANUARY 28, Scandion Oncology announced that the Company had submitted an amendment to the Danish Medicines Agency regarding the PANTAX study. The amendment is based on the learnings obtained from treating the first 12 patients in the CORIST study and will contribute to an optimization of the PANTAX clinical trials.

The processing time for the amendment, on top of the current impact of the COVID-19 pandemic could delay the planned readout from the study into Q4, 2021.

HIGHLIGHTS 2020

Q4

ON OCTOBER 7, Scandion Oncology announced modified timelines for the clinical Phase II colorectal cancer study (CORIST) and the Phase Ib study for pancreatic cancer (PANTAX). The updated timelines came as a result of the spread of COVID-19.

ON OCTOBER 28, Scandion Oncology announced that its second clinical study with SCO-101 had been initiated. The Phase Ib study (PANTAX) enrolls metastatic pancreatic cancer patients who will receive SCO-101 together with 1st line standard chemotherapy (Nab-paclitaxel plus gemcitabine) in cohorts of three. The primary endpoints of this study are safety and efficacy.

ON DECEMBER 15, Scandion Oncology announced the result of its Rights Issue, which provided the Company with proceeds amounting to approximately 236 MSEK before issue costs.

Q3

ON JULY 31, Scandion Oncology reported on data from the first patients from cohort I of the first part of the clinical phase II study enrolling chemotherapy resistant colorectal cancer patients treated with SCO-101 and chemotherapy (FOLFIRI). All patients had completed at least one treatment cycle (14 days). The main observation was that a 150 mg daily oral dose SCO-101 potentiates the effects of chemotherapy (FOLFIRI).

ON SEPTEMBER 16, Scandion Oncology appointed Bo Rode Hansen as new President & CEO in order to strengthen executive leadership, and secure corporate- and pipeline development towards upcoming value inflection points for Scandion Oncology.

ON SEPTEMBER 28, Scandion Oncology announced that the Company had received final approval from the Danish Medicines Agency and Ethical Committee to initiate a clinical trial with the drug candidate SCO-101 in combination with first line chemotherapy in patients with inoperable or metastatic pancreatic cancer. This is the second clinical trial with SCO-101 that commenced in 2020.

Q2

ON MAY 27, Scandion Oncology announced that the first patient has received treatment with SCO-101 and FOLFIRI and no unexpected SCO-101-related adverse events had been observed. SCO-101 caused the expected changes of the exposure biomarker bilirubin levels, demonstrating that SCO-101 was present in the body in an effective concentration.

ON JUNE 4, Scandion Oncology announced the signing of a collaboration agreement with Alligator Bioscience AB, Sweden. The two companies have agreed to explore the anti-tumor efficacy of the CD40 antibody mitazalimab (Alligator Bioscience) in combination with SCO-101 (Scandion Oncology) as an addition to chemotherapy in resistant preclinical tumor models.

ON JUNE 9, Scandion Oncology announced that the Clinical Trial Application for a pancreatic cancer study with chemotherapy and SCO-101 has been submitted to the Danish Medicines Agency and the Ethical Committee.

Q1

ON FEBRUARY 19, Scandion Oncology announced that the Company has obtained a grant of 5 MDKK from Innovation Fund Denmark for the clinical development of SCO-101 in inoperable pancreatic cancer.

ON MARCH 9, Scandion Oncology informed about a delay in the clinical phase II study with SCO-101 in drug resistant colorectal cancer. The delay was due to external events outside the influence of Scandion Oncology and is unrelated to the treatment with SCO-101.

ON MARCH 23, Scandion Oncology together with its clinical partners at the hospitals decided to continue the colorectal cancer study with FOLFIRI resistant patients despite the COVID-19 pandemic. However, due to this pandemic, Scandion Oncology is unable to predict patient recruitment rates the next couple of months. Enrolment into the study will be solely based on the discretion of the clinical investigators.

SCANDION ONCOLOGY IS SETTING THE PACE FOR THE FUTURE

President & CEO Bo Rode Hansen sums up 2020 and looks ahead

Looking back on 2020, it was undoubtedly a historic year of change in the name of COVID-19, and we all had to accept and adapt to the situation. For Scandion Oncology's part, we managed to navigate through the crisis in the best possible way. I can ultimately summarize 2020 as coming out strong for the Company.

Last year, we met major catalysts with initiation of clinical trials, securing of financing, preparing for a list change to Nasdaq and an internationalization of the Company. We saw the first signs of activity with SCO-101 and FOLFIRI in patients in 2020. This enabled us to secure a strong financial position and to start building the organization for the future. At this point, we are expecting the first conclusive data to read out from our CORIST study in Q2, 2021 - to continue our journey towards building the Cancer Drug Resistance Company.

We will use the results from the CORIST study together with a new international positioning analysis of the broader commercial platform potential for Scandion Oncology to focus our clinical strategies going ahead – all to secure value for patients and shareholders.

Serving the patients – with platform and personalized medicine

Our clinical development is aimed at making a difference in oncology treatment. I want to extend my unconditional gratitude to the patients who are involved in our studies. One of the biggest challenges in oncology treatment is cancer drug resistance which leads to almost 9 million lost lives every year.

As an add-on to existing cancer medicine, our lead compound SCO-101 is aimed to provide a first-in-class solution to this challenge. With the use of biomarkers for patient selection and prediction of effect, we expect SCO-101 to allow for a personalized medicine approach.

CORIST read-out in Q2, 2021

We are approaching the first important interim read-out from our CORIST clinical study. The first 12-patient cohort in the ongoing study has been completed. This de-risking of the program has substantiated our understanding of SCO-101 and the green light that was given to start the next cohort gives me confidence in our aim to develop the first of its kind cancer medicine for cancer patients around the world.

In this first part of the CORIST study, the primary objectives are to optimize the dose for treatment of colorectal cancer with SCO-101 in combination with FOLFIRI and to understand the safety and tolerability. The study is expected to continue into the effect study part immediately after the interim data read-out.

Later in 2021, we expect to obtain results from the first part of the PANTAX study, where the objective is to optimize the dose for the treatment of pancreatic cancer with SCO-101 in combination with nab-paclitaxel and gemcitabine.

We have begun internationalizing our clinical trials to broaden the company's horizon and accommodate the commercial positioning.

In our evolution for the future, we are prioritizing the validation of clinical biomarkers to position a personalized medicine approach. The evaluation of SCO-101 in immuno-oncology is expected. Finally, the expansion of our pipeline with innovative differentiated medicines to combat cancer drug resistance can also substantiate our value.

Our People and Culture – Evolving our corporate structure

On the corporate side we have commenced several initiatives to mature good corporate governance. Board of Director committees, clear remuneration policies, code of conduct charters, transparency and diversity goals have already been set or will be ready later this year.

The executive structure has been strengthened over the past 12 months. We will continue to focus on having the right competencies for the tasks ahead. I am very happy to welcome Maj Hedtjärn, COO and Head of R&D Operations to the team. I am pleased that we recently announced that Dr. Richard Schilsky, a former executive and CMO in the American Society of Clinical Oncology (ASCO), has accepted to join our clinical advisory board.

2020 ignited the first step in the succession plan of the leadership by co-founder Nils Brünner in Scandion Oncology. Since I joined in October, we have planned for the second step to free up hours of work for Nils and for him to retire as of April 1, 2021. I want to thank Nils who throughout his career has worked tirelessly to find medical solutions for cancer that has developed resistance towards existing cancer medicine. We are very pleased that Nils will remain an active and important scientific advisor to the company.

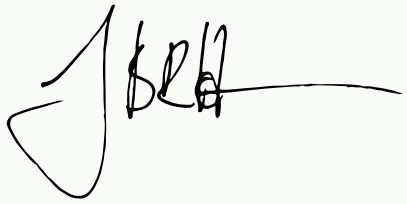
Serving the shareholders – Capital Market Day and coverage in 2021

At Scandion Oncology we used 2020 to strengthen our financial position enabling our operations into 2023. Through the completed rights issue in December, we received 145.9 MDKK which primarily will be invested in our clinical development of SCO-101. We changed our listing to Nasdaq First North Stockholm which gives us a more international outreach. I am very appreciative of the commitment from our shareholders and therefore I look very much forward to hosting the company's first capital market day in the Autumn of 2021. This year, Scandion Oncology will also get analyst coverage.

An Exciting Year Ahead of Us

From my vantage point there is a clear line of sight with data coming in 2021, a growing pipeline, a solid financial position for the years ahead, strengthened executive leadership and continued interest from investors. These important developments have poised Scandion Oncology from being a clinical stage biotech company to a company with validating data and it is setting the pace for the future evolution.

The Cancer Drug Resistance Company



Bo Rode Hansen
President & CEO

> *"We are approaching the first important interim read-out from our CORIST clinical study"*
>
> ***Bo Rode Hansen,***
> *President & CEO*

PRIORITIES 2021

CONTINUE TO INCREASE VALUE OF OUR ASSETS

- By delivering on our clinical trials
- Internationalizing our clinical footprint
- Market driven positioning of our pipeline assets

CONTINUE THE TRANSITION OF SCANDION ONCOLOGY

- By strengthening our corporate structure and governance
- By transparent and relevant communication

"In our evolution for the future, we are prioritizing the validation of clinical biomarkers to position a personalized medicine approach"

Bo Rode Hansen,
President & CEO

PIPELINE AND STRATEGY

CLINICAL PIPELINE

Developing First-in-Class Medicines for Personalized Therapy

Scandion Oncology is currently conducting two clinical trials with the first-in-class lead compound SCO-101. SCO-101 is an oral compound that is given as add-on to standard anti-cancer treatment. The most advanced program, CORIST, is in clinical Phase II studies for the treatment of drug resistant metastatic colorectal cancer. The second program, PANTAX, is in clinical Phase Ib studies for the treatment of inoperable or metastatic pancreatic cancer.

First-in-Class Medicine

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

Personalized Therapy

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

Scandion Oncology's Clinical Pipeline

PROGRAM / INDICATION	COMPOUND	PHASE	2020	2021	2022	2023
CORIST: Drug resistant metastatic colorectal cancer	SCO-101	Phase II part 1				
		Phase II part 2				
PANTAX: Inoperable or metastatic pancreatic cancer	SCO-101	Phase Ib				
		Phase II				
Biomarker development and clinical validation	SCO-101					

CLINICAL HIGHLIGHTS IN 2020

- **CORIST:** First clinical trial with SCO-101 initiated and first patient received treatment on May 27, 2020 (part 1 of Phase II study)
- **CORIST:** By measuring biomarkers in patient blood samples during treatment with SCO-101 and chemotherapy, SCO-101 was demonstrated to potentiate the effect of chemotherapy in the first cohort of patients, July 31, 2020
- **PANTAX:** Phase Ib study initiated on October 28, 2020

UPCOMING KEY EVENTS IN 2021

- **CORIST:** Data read-out from part 1 (dose range finding) of Phase II is planned for Q2, 2021
- **CORIST:** Initiation of part 2 of Phase II is planned for Q2, 2021
- **PANTAX:** Data read-out from Phase Ib is planned for Q3-Q4, 2021

CORIST

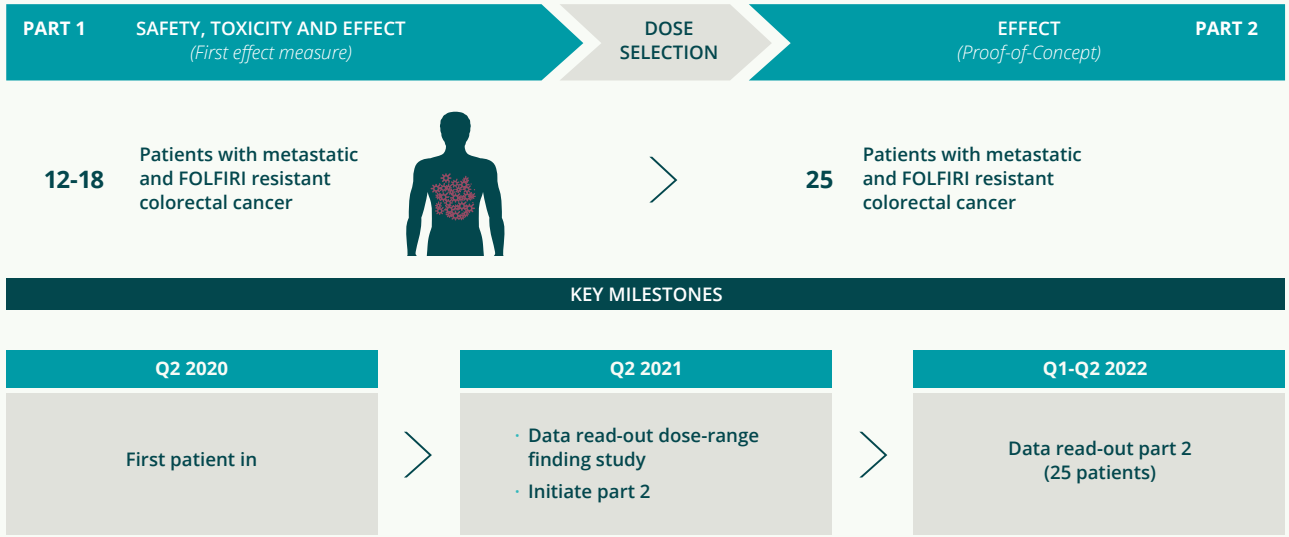
For the Treatment of Metastatic Colorectal Cancer

Scandion Oncology's first clinical study with SCO-101 is the CORIST Phase II study. In this study, patients with chemotherapy (FOLFIRI) resistant metastatic colorectal cancer receive SCO-101 treatment together with the standard chemotherapy drug combination FOLFIRI. All patients enrolled in the trial have demonstrated acquired FOLFIRI resistance.

Patients enrolled in the CORIST study have all failed prior standard chemotherapy and they have entered a terminal stage of their disease with little hope for either a cure or of extending life further. Moreover, in most countries there are no further therapies to offer these patients.

The first patient in part 1 of the CORIST Phase II study was dosed in May 2020. Scandion Oncology has completed the first 12-patient cohort in part 1 of the Phase II study. In January 2021, Scandion Oncology received the green light from the Data Safety Monitoring Board to move forward with the next treatment cohort. Read-out from part 1 of the Phase II study is planned for Q2, 2021.

CORIST Study Design



About the CORIST study design

The aim of the CORIST study is to investigate SCO-101 in combination with chemotherapy (FOLFIRI). The primary endpoints of the first part of the study are safety and tolerability. Patients are treated with escalating doses of SCO-101 in combination with chemotherapy (FOLFIRI) until a maximum tolerable dose is reached. The goal is to establish a safe dose (Maximum Tolerable Dose) of SCO-101 when given together with FOLFIRI. Data from part 1 will define the recommended dose of SCO-101 when combined with FOLFIRI. After finalizing part 1 of the CORIST study, all data from the study will be compiled and presented, which is planned to take place in Q2, 2021.

Immediately hereafter, part 2 of the CORIST study will be initiated. In CORIST part 2, 25 patients will be treated with SCO-101 and FOLFIRI according to the recommended dose identified in part 1 of the study.

Patients will be scanned before treatment and then again with a frequency of every 8 weeks. Efficacy as determined by changes in the size of patient's tumor tissue will be the primary endpoint.

The data read-out from CORIST part 2 of Phase II is planned for Q1-Q2, 2022.

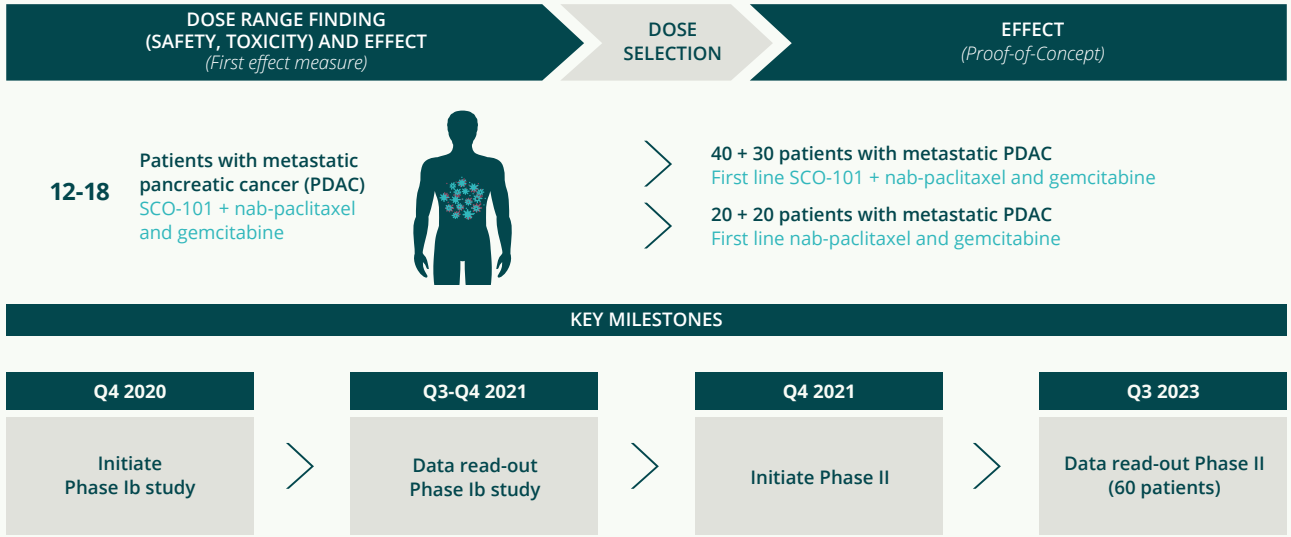
PANTAX

For the Treatment of Inoperable or Metastatic Pancreatic Cancer

Scandion Oncology's second clinical study with SCO-101 is PANTAX, a Phase Ib study. In this study, patients with inoperable or metastatic pancreatic cancer receive SCO-101 treatment in combination with standard first line chemotherapy (nab-paclitaxel and gemcitabine).

In the PANTAX clinical study, Scandion Oncology enrolls patients with inoperable or metastatic pancreatic cancer. The PANTAX study plan was amended in January 2021, to optimize the study based on learnings obtained from the treatment of the first 12 patients in the CORIST study. The time needed for approval of the amendment and uncertainties relating to the COVID-19 pandemic, which has impacted Scandion's clinical sites, has impacted the time to readout from the PANTAX Ib study. Scandion Oncology expects to have read-out from the Phase Ib study in Q3-Q4, 2021. In order to increase patient recruitment, Scandion Oncology will open additional national and international sites in the PANTAX study.

PANTAX Study Design



About the PANTAX study design

The PANTAX study consists of two parts. In the first part (Phase Ib), the Company defines the dose of SCO-101 that can be given together with standard first line chemotherapy (nab-paclitaxel and gemcitabine). The first part is expected to be finalized in Q3-Q4, 2021.

In the second part (Phase II), patients will be randomized to receive either standard chemotherapy (nab-paclitaxel and gemcitabine) (20 patients) or nab-paclitaxel and gemcitabine plus SCO-101 (40 patients). Since this study is randomized, Scandion Oncology can compare progression-free survival and overall survival between the two treatment groups. When the first 60 patients have been treated, an interim analysis is scheduled to be performed in Q3, 2023. Based on the results, it will be decided if more patients should be included in the study.

If this expanded Phase II study shows very strong data it can potentially lead to conditional approval, i.e. registration of SCO-101 as add-on therapy to standard chemotherapy treatment for metastatic or inoperable pancreatic cancer patients.

BIOMARKER STRATEGY

Predictive Biomarkers enable Personalized Medicine

Personalized medicine is the concept of tailoring health care by separating patients into different groups based on their predicted response to a given therapy. One way to separate patients is to understand the molecular basis of the patient's cancer cells. Scandion Oncology's biomarker strategy aims at establishing a potential for a personalized medicine approach with better outcomes for the patients.

Mechanism of action of SCO-101

SCO-101 blocks anti-cancer drug resistance with at least two different mechanisms of action. One mechanism is by regulating the expression of a drug efflux pump (ABCG2) that is located at the cell membrane of the cancer cells. When high levels of this pump are present, the chemotherapy is pumped out of the cells, making the cancer cells resistant to the treatment. The other mechanism is by inhibition of a specific enzyme (kinase) called SRPK1, that regulates several genes involved in cancer growth.

Predictive Biomarkers

The molecular changes in cancer cells from drug resistant cancer patients are exploited to identify patients that are the most likely to respond to treatment with SCO-101. Such molecular markers are known as predictive biomarkers.

In 2020, biomarker research by Scandion Oncology scientists together with international partners was published in a paper in the international scientific journal "Cancers". The paper describes the value of ABCG2 measurements in predicting sensitivity/resistance to adjuvant FOLFIRI treatment in patients with stage III colon cancer. It was shown that high tumor tissue levels of ABCG2 (the target for SCO-101) together with low levels of the irinotecan target (TOP1) identified patients that were resistant to irinotecan containing treatment.

Scandion Oncology is currently validating assays for several potential predictive biomarkers, including the SCO-101 targets ABCG2 and SRPK1. The ambition is to identify the "right treatment, for the right patients" for SCO-101 in combination with chemotherapy in colorectal and pancreatic cancer. The plan is to perform independent retrospective clinical validation studies and to test cancer samples obtained from patients in the CORIST and PANTAX studies to validate the biomarkers. Once validated, the biomarkers can be used in upcoming clinical studies to identify patients that will have high likelihood of responding to treatment with SCO-101.

Exposure Biomarkers

Another type of biomarkers are the "exposure biomarkers", that reveal if the therapy causes the expected biological effect in the patients. In the four completed Phase I trials with SCO-101, bilirubin was identified as an exposure biomarker of SCO-101. Scandion Oncology has previously reported that SCO-101 caused the expected changes in the level of this exposure biomarker in patients from the ongoing CORIST study. These findings demonstrate that SCO-101 was present in the patients at an effective concentration.

PRECLINICAL PIPELINE

Building Future Value

Scandion Oncology is building a preclinical pipeline of drugs that can revert anti-cancer drug resistance through different mechanisms. The aim of the Company is to increasingly broaden the offering of medicines that are able to combat anti-cancer drug resistance.

Scandion Oncology's Preclinical Pipeline

PROGRAM / INDICATION	COMPOUND	PARTNER/ FUNDING	SCREENING	PRECLINICAL
Breast cancer (**EndoRIST**)	SCO-101	eurostars™		
Immuno-oncology	SCO-101	ALLIGATOR bioscience		
Solid tumors	SCO-201			

EndoRIST

Scandion Oncology has identified endocrine (anti-estrogen) treatment of women with hormone receptor positive metastatic breast cancer as a new potential indication for SCO-101. The company has together with partners received a EUROSTARS grant that could be used to further progress work on the breast cancer indication, in a program called EndoRIST.

Immuno-oncology

In June 2020, Scandion Oncology announced an agreement with Alligator Bioscience AB, to explore combination therapies for chemotherapy and immuno-oncology. The agreement involves exploring the anti-tumor efficacy of Alligator's proprietary Phase II ready CD40 antibody mitazalimab in combination with SCO-101 and chemotherapy to generate an enhanced immunological response in chemotherapy-resistant preclinical tumor models. The first results from the exploratory studies are expected in Q2, 2021 and will form the basis for the strategy of SCO-101 in combination with immuno-oncology. More details on the Immuno-oncology collaboration can be found on the next page (page 15).

SCO-201

SCO-201 is an oral drug designed to reverse drug resistance by inhibition of an efflux pump. SCO- 201 is directed against solid tumors, including ovarian cancer and non-small cell lung cancer. In March 2020, Scandion Oncology reported preclinical results demonstrating that SCO-201 is a specific, potent and potentially non-toxic drug candidate for the reversal of drug resistance in cancer cells. SCO-201 is currently being assessed in Scandion Oncology's preclinical screening cascade.

UPCOMING KEY EVENTS IN 2021

- Read-out from the Alligator collaboration in Q2, 2021

IMMUNO-ONCOLOGY IN COMBINATION WITH SCO-101

Scandion Oncology is aiming to position SCO-101 in immuno-oncology. The combination of SCO-101 with immuno-oncology and chemotherapy is intended to increase the efficacy of immuno-oncology drugs.

Immuno-oncology drugs have revolutionized cancer therapy. However, still only a minority of cancer patients will benefit from immuno-oncology treatment. Increasingly, the addition of chemotherapy is being used to enhance the efficacy of immuno-oncology. The hypothesis is that the chemotherapy kills cancer cells and tumor antigens are thereby released. These tumor antigens are taken up by dendritic cells and then presented to T-cells, which are activated. Subsequently the activated T-cells infiltrate the tumor and kill remaining cancer cells. In order for this cascade to work, it is a pre-requisite that the cancer cells are sensitive to the chemotherapy.

Therefore, there is a strong scientific rationale to add SCO-101 to the combination of immuno-oncology and chemotherapy. SCO-101 is expected to sensitize cancer cells to the given chemotherapy and thereby strengthen the effect of the immuno-oncology drug. Scandion Oncology estimates that the use of SCO-101 to combat anti-cancer drug resistance has the potential to open a new and important market segment within immuno-oncology.

Scandion Oncology has engaged into a collaboration with Alligator Bioscience AB in June 2020. The collaboration is aiming at investigating the role and possible positioning of SCO-101 in immuno-oncology. This will be done by exploring the combination of SCO-101 with chemotherapy and immuno-oncology in a setting of chemotherapy resistance.

Scandion Oncology will develop and establish the relevant chemotherapy-resistant cellular models and characterize them. Alligator will conduct in vivo experiments with chemotherapy, SCO-101 and their proprietary CD40 antibody mitazalimab.

Scandion Oncology has established the chemotherapy-resistant cellular models, which have been transferred to Alligator Bioscience. The first results from the exploratory efficacy study are expected in Q2, 2021 and will form the basis for the strategy of SCO-101 in combination with immuno-oncology.

THE AGREEMENT INVOLVES THE FOLLOWING STEPS

A Establish and characterize relevant chemotherapy-resistant cellular models

B Establish an in vivo tumor model with the chemotherapy resistant cells

C Perform tolerability studies with the combination treatment (SCO-101, mitazalimab and chemotherapy)

D Explore anti-tumor efficacy of SCO-101 and mitazalimab in combination with chemotherapy to generate an enhanced immunological response in chemotherapy-resistant preclinical tumor models.

INTERVIEW WITH DR. RICHARD SCHILSKY

newly appointed member of Scandion Oncology's Clinical Advisory Board

RICHARD L. SCHILSKY, *MD, FACP, FSCT, FASCO,* ***is Professor emeritus at the University of Chicago having recently retired from his position as Executive Vice President and Chief Medical Officer (CMO) of ASCO. Dr. Schilsky is also a past President of ASCO, having served in the role during 2008-2009, and former Board member of Conquer Cancer, the ASCO Foundation. Before joining ASCO in 2013, Dr. Schilsky spent the majority of his career at the University of Chicago where he joined the faculty in 1984. He is a highly respected leader in the field of clinical oncology and specializes in new drug development and treatment of gastrointestinal cancers.***

With all the accomplishments and honoring you have received in your professional career, are you able to point out one thing that makes you the most proud?

If you ask me to identify one thing I'd have to say that what makes me most proud is the opportunities I have created to support and advance the careers of younger clinical researchers and oncologists. Whether through training medical oncology fellows at the University of Chicago, bringing together multi-disciplinary groups of clinicians and scientists in the cancer center I led at the University of Chicago, convening clinical oncology experts in the committees of the NCI-cooperative group that I chaired (CALGB), or enabling the participation of community oncologists in clinical trials like the ASCO TAPUR study, my focus has always been to provide opportunities for others to engage in clinical investigations that aim to benefit people with cancer.

How would you describe the current development in care of patients with cancer?

Progress against cancer continues to accelerate as knowledge of the biological underpinnings of cancer continues to evolve, new scientific discoveries are translated into effective therapies and effective cancer detection and prevention strategies are disseminated around the world. Cancer mortality rates in the U.S. and most developed countries have been declining 1-2% each year for the last 20 years and patients with cancer are living longer and better than ever before. That said, the global burden of cancer continues to grow and insuring that all people with cancer, wherever they are in the world, can benefit from existing effective cancer treatments remains a major need.

What role do you foresee chemotherapy medication will play in the treatment of patients with cancer in the future?

While traditional cytotoxic chemotherapy is slowly being replaced by precision targeted treatments and immune therapies, these new treatments are effective in only a minority of cancer patients so there will continue to be a need for cytotoxic chemotherapy for many years to come. We must strive to continue to develop more effective, more selective and less toxic chemotherapy drugs for the benefit of patients with cancer as well as to understand and mitigate factors that contribute to chemotherapy drug resistance.

We are very pleased and proud that you have accepted to join Scandion Oncology's Clinical Advisory Board. Why did you decide to accept to help out on the Clinical Advisory Board?

Scandion Oncology is pursuing a major unmet need in cancer treatment, that is prevention or reversal of anticancer drug resistance. The mission of the company is clear and important! The company has a strong scientific foundation and leaders with decades of experience in the successful development of new cancer drugs. I am very pleased to help however I can to advance the development of their product portfolio.

What do you look most forward to in the next chapter of your professional and personal life?

I expect to remain fully engaged in various oncology-related activities for the foreseeable future and to pursue those projects that seem to me to have greatest potential for clinical impact through novel scientific approaches.

I will continue to work with ASCO on the TAPUR clinical trial that I conceived and initiated in 2016 and will continue to participate in various not-for-profit board and editorial activities as opportunities arise. I also hope to spend more time with my wife, children and grandchildren!

FINANCIAL REVIEW FOR 2020

During 2020, Scandion Oncology's financial position has been strengthened with the Rights Issue performed in December 2020 that has provided the Company with net proceeds of 145.9 MDKK. Scandion Oncology's financial position therefore supports the ambition to invest further in progressing the Company and deliver the planned results from the clinical trials and other activities.

The financial review is based on the financial information for the year ended December 31, 2020, with comparative 2019 figures in brackets.

Revenues and results of operation

Revenue in 2020 amounted to 0 MDKK (0). Operating income in 2020 amounted to 1.0 MDKK (0.2). In 2020, operating income comprised research funding of 1.0 MDKK which primarily was received under the 5 MDKK grant from Innovation Fund Denmark in relation to the PANTAX clinical study in metastatic pancreatic cancer. In 2019, operating income comprised of small EU grants.

The company recognized operating expenses of 23.9 MDKK (15.6), an increase of 53%. External expenses amounted to 14.5 MDKK (11.4), an increase of 27%. In 2020, external expenses comprised primarily costs related to the two ongoing clinical studies for SCO-101, CORIST and PANTAX. In 2019, external expenses comprised primarily of manufacturing of SCO-101. Personnel costs amounted to 9.4 MDKK (4.2), an increase of 122% due to the strengthening of the organization during 2020.

The operating loss (EBIT) for the full year of 2020 was 22.9 MDKK (15.4). Net financial items amounted to 2.2 MDKK (-0.2). The company recognized a tax credit for the full year of 2020 of 4.4 MDKK (3.4) under the Danish R&D tax credit scheme. The loss for the full year of 2020 was 16.3 MDKK (12.2). The result for 2020 was in line with the company's plans and expectations.

Financial position

Total assets as of December 31, 2020, were 186.4 MDKK (19.9). Cash and cash equivalents amounted to 5.8 MDKK (15.4). Receivables as of December 31, 2020, were 180.3 MDKK (4.2) of which gross proceeds in relation to the Rights Issue in December 2020 amounted to 174.3 MDKK (0). The net proceeds from the Rights Issue in December 2020 amounted to 145.9 MDKK (0), which has been paid into the company after the balance sheet date. The equity ratio was 84 % (92%) as of December 31, 2020, and equity was 155.9 MDKK (18.3).

With the current cash position and the net proceeds from the Rights Issue paid in after the balance sheet date, Scandion Oncology is sufficiently capitalized.

Cash Flow

Operating cash flow for the full year of 2020 was an outflow of 17.5 MDKK (outflow 10,0). Total net cash for the full year of 2020 was an outflow of 9,6 MDKK (inflow 7.8). In 2020, the operating cash flow is explained by the operating loss before financial items of 22.9 MDKK (15.4) and adjustment for non-cash transaction and change in working capital, which provided a cash inflow of 5.4 MDKK. The net cash for the full year of 2020 is further explained by an inflow of 7.9 MDKK from financing activities, which relates to the net proceeds of the exercise of warrants of series TO 1 in October 2020.

In 2019, the operating cash flow is explained by the operating loss before financial items of 15.4 MDKK and adjustment for non-cash transaction and change in working capital, which provided a cash inflow of 5.6 MDKK. The net cash for the full year of 2019 is further explained by an inflow of 18.0 MDKK from financing activities, which relates to the net proceeds of the rights issue in July 2019.

Events after the balance sheet date

No events have occurred since the balance sheet date which could materially affect Scandion Oncology's financial position.

RISK MANAGEMENT

Various risk factors may have an adverse impact on Scandion Oncology's operations and therefore the Company's results and financial position. The risks presented below are based on an assessment by Scandion Oncology of the probability of their occurrence and the expected extent of their negative impact.

Risk related to COVID-19

The COVID-19 pandemic disease or similar public health threat could adversely influence many sectors and companies, including Scandion Oncology. For Scandion Oncology the main operational impact is potential delays in clinical trials as sites could be restricted from patient enrolment.

The COVID-19 pandemic has during 2020 and 2021 caused modified timelines on the Company's clinical trials (see highlights from October 7, 2020 and January 28, 2021). COVID-19 has so far not had any significant effects on costs.

Financing needs

Scandion Oncology has reported significant losses since the Company began operations and for the financial year 2020, Scandion Oncology reports a loss of approximately 20.7 MDKK (15,6 MDKK) before tax. Scandion Oncology's clinical studies being active and those planned for the future will entail significant costs for the Company. There is a risk that delays in clinical trials or product development will result in that cash flow is generated later than planned or not at all. Furthermore, there is a risk that Scandion Oncology's targets will not be achieved within the timeframe determined and that it takes longer than planned to reach the milestones.

A situation may arise where Scandion Oncology may need to acquire additional capital in the future, depending on when and how much revenue, if any, the Company is able to generate in relation to its expenses.

Registration and licensing

Scandion Oncology has not yet received approval for any product candidate for commercial sale and, as a result, the Company has not yet generated any revenue. In order to be able to market and sell pharmaceutical drugs, authorization must be obtained, and registration take place at the appropriate agency/governmental authority in their respective markets, such as the Food and Drug Administration (FDA) in the U.S. and the European Medicines Agency (EMA) in Europe.

In the event Scandion Oncology, directly or via collaborative partners, fails to obtain or maintain the requisite permits, approvals and registrations from the governmental authorities, there is a risk that the Company's ability to generate revenue will be inhibited. There is also a risk that applicable rules and regulations, and the interpretation of applicable rules and regulations, may change and these changes may be material. There is a risk that this will affect the Company's prerequisites for meeting regulatory requirements.

A Company in the development phase

Scandion Oncology was formed in 2017 and has since then been engaged in research and development of new drug candidates to combat drug resistance in cancer. There can be no assurance that any drug candidates will be approved for marketing and sale and, if approved, there can be no assurance that any drugs candidates of the Company will be commercially successful or that the Company will become profitable. The board of directors has made the assessment that the two clinical trials, CORIST in colorectal cancer and PANTAX in pancreatic cancer need further progression before the out-licensing or sale of projects should be considered. It is not possible to forecast the Company's sales potential in advance, and in addition there is a risk that the Company will not be able to attract licensees or buyers for its drug projects.

Clinical trials

The pharmaceutical industry in general, and clinical trials in particular are associated with great uncertainty and risks regarding delays and the outcome of the studies. There is a risk that results from early clinical trials do not match results in more extensive clinical trials. Furthermore, there is a risk that Scandion Oncology's current and planned future clinical trials will not indicate sufficient safety and efficacy in order for the Company's product candidates to be approved or in order for the Company to be able to out-license or sell the pharmaceutical projects at a later stage. Thus, there is a risk that this leads to a reduced or a lack of funds in the Company.

Development costs
Scandion Oncology will continue to develop products within its business focus. It is not possible to predict in advance the exact time and cost aspects for the development of such products, why there is a risk, that this will lead to increased development costs and thereby a reduced operating profit for the Company.

Competitors
Some of Scandion Oncology's competitors are multinational companies with significant financial resources. Hence, there is a risk that substantial investment and product development by a competitor will result in a less favorable situation in terms of sales or revenue opportunities, due to that the competitor may develop products that outperform the Company's products, thereby taking market share from the Company. Furthermore, companies with global operations currently working within similar adjacent fields could decide to establish themselves within the Company's business area. There is a risk that increased competition will have a negative impact on sales and profits for the Company in the event competitors develop products with better function and/or better quality.

Product Liability
Within the pharmaceutical industry, there are de facto certain risks associated with product liability. Hence, there is a risk that the Company will be held liable for an eventual event in clinical trials. In the event an incident does occur in a clinical trial and if Scandion Oncology could be held liable for this, there is a risk that the Company's insurance coverage may not be sufficiently adequate to fully cover any future legal claims. There is a risk that this negatively affects the Company, both in terms of reputation as well as financially.

Insurance risk
Scandion Oncology has a business insurance, which includes product liability coverage, general liability, property damage and business interruption loss as well as legal liability. There is a risk that the Company will suffer injury or loss, or incur a liability for compensation for damages, which is not covered or only partially covered by the insurance. This poses the risk that Scandion Oncology will have to pay damages or repairs, which results in a deteriorating financial position for the Company.

Suppliers/Manufacturers
Scandion Oncology has a working relationship with suppliers and manufacturers. If one or more of the Company's suppliers or manufacturers cease their cooperation with the Company or vice versa, there is a risk that this will adversely affect the activities relating to the development of drugs and subsequently future sales and/or earnings. There is also a risk that the establishment of relationships with new suppliers or manufacturers will be more costly and/or take longer than the Company estimate. In such event, there is a risk that such an onboarding process becomes costly and may result in a decrease of the Company's operating profit.

Patents and other intellectual property rights
Scandion Oncology has applied for a patent for specific combination treatments with its drug candidates SCO-101 and SCO-201 in Europe, USA, Australia, India, and Canada (among other countries). Since patents and intellectual property rights have a limited service life, there is a risk, that the existing and/or future patent portfolio and other intellectual property rights held by the Company will not provide adequate commercial protection.

Disputes and legal claims
There is a risk that Scandion Oncology will be involved in disputes within the framework of its ordinary business activities and may also be subject to claims concerning contractual issues, product liability and alleged problems or mistakes in deliveries of the Company's products. There is a risk that such disputes and claims will be time-consuming for the Company to deal with, disturbing normal business operations, and eventually result in the incurring of significant costs. It is not possible to anticipate in advance the outcome of complex disputes, and there is thus a risk, that disputes will have a material adverse impact on the company's business operations, earnings, and financial position.

The Board has published a prospectus in November 2020. The prospectus contains a comprehensive description of risk factors (please see ***www.scandiononcology.com***).

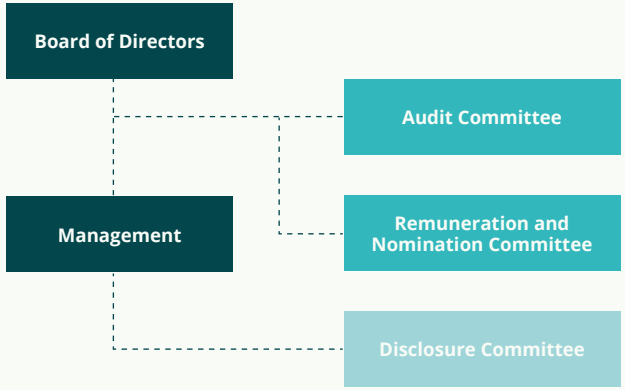
Scandion Oncology's overall strategy for risk management is to limit undesirable impact on the Company's result and financial position, to the extent it is possible.

CORPORATE GOVERNANCE

Scandion Oncology A/S is a Danish, limited liability company headquartered in Copenhagen, Denmark, and listed on the Stockholm Nasdaq First North Growth Market

Scandion Oncology A/S complies with the Danish Recommendations on Corporate Governance, the Nasdaq First North Growth Market Rulebook, and the EU Market Abuse Regulation.

Good corporate governance is an essential component of the work of generating value for the Scandion Oncology A/S shareholders. The objective is to create sound prospects for the Shareholders as well as external Partners, a well-balanced division of responsibility between the Board of Directors and Management and transparency towards the capital markets, employees, and society at large.



The Board of Directors has set up two committees; the Audit Committee and the Remuneration and Nomination Committee, which both work according to procedures, established by the Board of Directors. In addition, Management has set up a Disclosure Committee to ensure compliance with disclosure and insider information obligations and procedures.

Audit Committee

The purpose of the Committee is to assist the Board of Directors in discharging the Board's duties in respect of continuous review and assessment of the Company's auditor, internal audit control, risk management systems, the financial reporting, the insurance coverage, the security procedures and control functions and the Company's whistleblower scheme.

The Audit Committee consists of the following two members:

- **Thomas Feldthus** *(Chairman)*
- **Jørgen Bardenfleth**

"The Board has taken the initiative to strengthen the Governance to support the professionalization of Scandion Oncology as a clinical Phase II biotechnology company"

Peter Høngaard Andersen
Chairman of the Board

Remuneration and Nomination Committee

The purpose of the Committee is to assist the Board of Directors in discharging the Board's obligations vis-à-vis shareholders, employees, and other stakeholders of the Company. The Committee's assistance comprises ensuring:

- That a HR, diversity and other relevant policies and procedures supporting the Company's objectives and strategy are duly implemented
- That the remuneration of the Board of Directors, the Management and other key employees of the Company is competitive and appropriate, considering the nature, activities, and market position of the Company
- That the Board of Directors and the Management possesses the professional competencies, skills and experience required for discharging the obligations of the Board of Directors and Management, respectively, nominating members of the Board of Directors and the Management
- That the Company's remuneration policy is appropriately balanced between shareholder interests, the Company's strategy and long-term growth and attractive remuneration terms

The Committee also assists in preparing an annual evaluation of the performance of the Board of Directors and the Management, and ensuring, that the matters covered by the Committee are appropriately reflected in the Company's annual report in accordance with applicable law.

The Remuneration and Nomination Committee consists of the following four members:

- **Peter Høngaard Andersen** *(Chairman)*
- **Jørgen Bardenfleth**
- **Carl Borrebaeck**
- **Bo Rode Hansen**

Disclosure Committee

The purpose of the Committee is to ensure compliance with the Company's disclosure obligations and other obligations in relation to Inside Information.

Annual General Meeting

Scandion Oncology's Annual General Meeting will be held on May 26, 2021. The Board of Directors has proposed that no dividend is paid for the fiscal year January 1, 2020 – December 31, 2020.

BOARD OF DIRECTORS

PETER HØNGAARD ANDERSEN

Chairman of the Board, Scandion Oncology and member of Board of Directors since June 2019.

Education: Holds degrees in Chemistry, Biochemistry and Medicine.

Background: Extensive drug discovery and development experience from Novo Nordisk and Lundbeck latest as EVP and Head of Research and Corporate Patents. Founder of Innovation Fund Denmark and Managing Director until May 2019 Chairing Innovative Medicines Initiative (IMI) from 2009 – 2014. Co-founder of e.g. Acadia Pharmaceuticals, Zealand Pharma, Glycom, Epitherapeutics, Prexton Therapeutics.

Other ongoing assignments: Board member in Immunovia AB, Monsenso A/S, Venture Partner in Ysios Capital and member of the Scientific Advisory Board in Eir Ventures.

Independence: Independent in relation to both the Company and executive management as well as larger shareholders.

Scandion Oncology shares and warrants
53,065 shares and 80,377 warrants

JØRGEN BARDENFLETH

Vice-Chairman of the Board, Scandion Oncology and member of Board of Directors since 2018.

Education: MSc in Engineering from the Technical University of Denmark (DTU) and a MBA from the University of California, Los Angeles.

Background: Professional board member since 2013, prior General Manager in high tech companies Microsoft, Intel and Hewlett-Packard 1989-2013. Board and steering committee work in Danish Science Parks, Innovationsfonden and Innovation Technology consortias.

Other ongoing assignments: Chairman of the Board in Lyngsoe Systems, Dubex, Symbion, Medical Technology Innovation Consortium (MTIC), COBIS and Impero. Boardmember in Bizbrains, Minerva, Accelerace, BLOXHUB (vice chair), CataCap et al.

Independence: Independent in relation to both the Company and executive management as well as larger shareholders.

Scandion Oncology shares and warrants
410,629 shares and 53,585 warrants
(*Partly owned via Lioneagle ApS*)

CARL BORREBAECK

Member of the Board of Directors since 2017.

Education: D.Sc.

Background: Professor Lund University. Co-founder of Immunovia AB, Senzagen AB, BioInvent International AB, Alligator Bioscience AB.

Other ongoing assignments: Chairman of the Board in Immunovia AB, SenzaGen AB and PainDrainer AB. Boardmember in Alligator Bioscience AB and PainDrainer AB.

Independence: Independent in relation to both the Company and executive management as well as larger shareholders.

Scandion Oncology shares and warrants
112,165 shares and 26,792 warrants
(Partly owned via CB Ocean Capital AB)

CHRISTIAN VINDING THOMSEN

Member of the Board of Directors since 2017.

Education: Holds a law degree (*Cand.jur.*) from the University of Copenhagen's Faculty of Law.

Background: Partner, attorney-at-law, Bech-Bruun Law Firm P/S. Life Science specialist (*M&A and regulatory*). Professional board member.

Other ongoing assignments: Chairman of the board in KT Stålindustri A/S and vice chairman at Medicoindustriens Udredningspanel.

Independence: Independent in relation to both the Company and executive management as well as larger shareholders.

Scandion Oncology shares and warrants
26,792 warrants

THOMAS FELDTHUS

Member of the Board of Directors since 2018.

Education: MSc in Engineering from the Technical University of Denmark (DTU), MSc in Management and Economics from the University of London, and a Fellow of the London Business School Sloan Program.

Background: Previously, vVD, CFO and co-founder of Saniona and also CFO and co-founder of Symphogen A/S.

Other ongoing assignments:
CEO of Fertilizer Invest ApS.

Independence: Independent in relation to both the Company and executive management as well as larger shareholders.

Scandion Oncology shares and warrants
18,182 shares and 26,792 warrants

BO RODE HANSEN

President & CEO and member of the Board of Directors since May 2020

Education: MSc, Ph.D., MBA

Background: Previously, President and CEO of Genevant Sciences Inc.; Global Head of Roche RNA Therapeutics & General Manager of Roche Innovation Center Copenhagen; Executive, VP & Head of Drug Discovery & Alliance at Santaris (*acquired by Roche*).

Other ongoing assignments:
Advisor for Novo Seeds

Independence: Not independent in relation to the Company and executive management but independent in relation to larger shareholders.

Scandion Oncology shares and warrants
25,173 shares and 1,071,688 warrants

ANNIE RASMUSSEN

Member of the Board of Directors (employee representative) since 2020.

Education: RN, Master of Public Health

Background: Extensive Oncology Clinical Research & Operational experience from Oncology Clinics & Research Units, Smithkline Beecham and Biotech Companies since 1982. Former President of the Danish Oncology Nursing Society, Previous Co-founder & CCO of Topotarget A/S & EVP Clinical Operations Oncology Venture A/S. Founder of HealthCreationDK and CancerGuidesDK.

Other ongoing assignments:
Board Member of North Star Group A/S.

Independence: Not independent in relation to the Company and executive management but independent in relation to larger shareholders.

Scandion Oncology shares and warrants
18,795 shares and 53,585 warrants

MANAGEMENT

BO RODE HANSEN

President & Chief Executive Officer

Education: MSc, Ph.D., MBA

Background: President and CEO of Genevant Sciences Inc.; Global Head of Roche RNA Therapeutics & General Manager of Roche Innovation Center Copenhagen; Executive, VP & Head of Drug Discovery & Alliance at Santaris (acquired by Roche).

Other ongoing assignments:
Advisor for Novo Seeds

Scandion Oncology shares and warrants
25,173 shares and 1,071,688 warrants

MAJ HEDTJÄRN

Chief Operating Officer and Head of R&D Operations

Education: MSc, PhD.

Background: Dr. Maj Hedtjärn has held numerous leadership positions within R&D in biotech and pharma (Roche, Santaris Pharma and Lundbeck), most recently as VP, Head of Drug Discovery, RNA Therapeutics Research at Roche. Maj has extensive experience in drug discovery & development, program leadership, building portfolios across different disease areas, big pharma partnerships, alliance management, executive leadership and developing and implementing scientific and business strategies.

Other ongoing assignments: Scientific Advisor for Lipigon Pharmaceuticals AB

Scandion Oncology shares and warrants
None

CARIT JACQUES ANDERSEN

Chief Financial Officer

Education: MSc (Econ.)

Background: 20+ years of experience in financial roles such as CFO from life sciences and health care sectors.

Other ongoing assignments: Chairman of the board of directors of Scantron A/S. External lecturer, University of Southern Denmark.

Scandion Oncology shares and warrants
65,360 shares and 53,584 warrants (*Partly owned via Decisionconsult Holding ApS*)

JAN STENVANG

Chief Technology Officer

Education: MSc, PhD.

Background: Co-founder of Scandion Oncology. Associate Professor at the University of Copenhagen since 2013. Researcher at the Danish Cancer Society concerning gene regulation and anti-estrogen-resistant breast cancer. Jan has authored 89 publications, most of which relate to translational cancer research, biomarkers and drug resistance.

Other ongoing assignments: Associate Professor, University of Copenhagen. Co-founder of Scandion Oncology A/S.

Scandion Oncology shares and warrants
1,391,519 shares

PETER MICHAEL VESTLEV

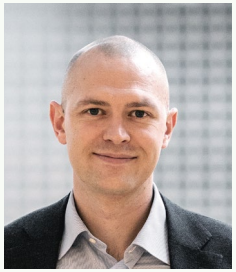
Chief Medical Officer

Education: MD, CBA, MPP.

Background: Chief Physician, Oncologist, Region Zealand and Capital Region. Previously, Head of Radiotherapy unit, Herlev Hospital, Head of Cooperating Cancer Departments, Head of research unit Roskilde Hospital, consultant for the Danish Medicines Agency, Chief Oncologist Capital Region.

Other ongoing assignments: External lecturer at Roskilde University. Consultant Region Zealand department of oncology.

Scandion Oncology shares and warrants
140,297 shares and 53,584 warrants



NICKLAS LINDLAND ROEST

Chief Regulatory Officer

Education: MSc. Pharm.

Background: Project manager and regulatory/CMC specialist within the pharmaceutical and biotech industry.

Other ongoing assignments: None

Scandion Oncology shares and warrants
30,688 shares and 53,585 warrants (*Partly owned via Lindland Roest Holding ApS*)

ANNIE RASMUSSEN

Chief Clinical Officer

Education: RN, Master of Public Health

Background: Extensive Oncology Clinical Research & Operational experience from Oncology Clinics & Research Units, Smithkline Beecham and Biotech Companies since 1982. Former President of the Danish Oncology Nursing Society, Previous Co-founder & CCO of Topotarget A/S & EVP Clinical Operations Oncology Venture A/S. Founder of Health-CreationDK and CancerGuidesDK.

Other ongoing assignments: Board Member of North Star Group A/S.

Scandion Oncology shares and warrants
18,795 shares and 53,585 warrants

SHAREHOLDER INFORMATION

The share

The shares of Scandion Oncology A/S are listed on Nasdaq First North Growth Market Sweden as of February 3, 2021. The Company was prior to that listed on Spotlight Stock Market Sweden.

Listing	First North Growth Market Sweden
Number of shares	32,135,544 (19,052,241)
Share price (Dec. 31, 2020)	19.85 SEK (10.76 SEK)
Market capitalization (Dec. 31, 2020)	637.9 MSEK (205.0 MSEK)
Ticker	SCOL
ISIN	DK0061031895

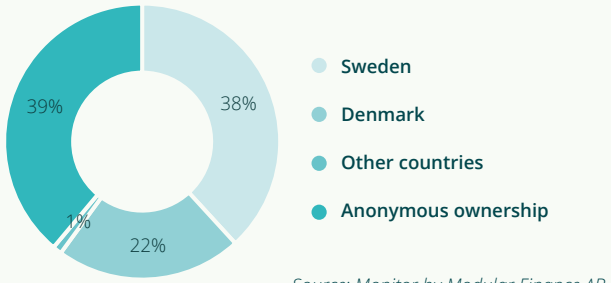
Scandion Oncology's share capital amounts to 2,361 TDKK divided into 32,135,544 shares of 0,0735 DKK each. There is only one class of shares, and each share represents one vote. As of December 31, 2020, the number of shares was 32,135,544 (19,052,241). The increase of 13,083,303 shares in 2020 is explained by the issuing of 2,371,455 shares as a result of the exercise of warrants of series TO1 in October 2020 and the issuing of 10,711,848 shares as a result of the Rights Issue in December 2020.

Shareholders

There are no individual shareholders that own 5% or more of the shares in Scandion Oncology as of December 31, 2020.

According to the shareholder register maintained by Euroclear Sweden AB, Scandion Oncology had 7,220 shareholders (1,690) as of December 31, 2020.

Shareholders by country, December 31, 2020



Source: Monitor by Modular Finance AB.

Share-based incentive schemes

Scandion Oncology A/S implemented warrant programs in 2020 for the board of directors, the CEO and the key employees consisting of 1,500,364 warrants, which carry the right to subscribe for an equal number of newly issued shares in Scandion Oncology A/S. The warrants have been granted free of charge.

Share price

The official share price on December 31, 2020 was 19.85 SEK, equal to a market capitalization of 638 MSEK. The Scandion Oncology share price rose by 84% in 2020. Relative to 2019, the average daily turnover of Scandion Oncology shares on Spotlight rose by 906% to 5.0 MSEK.

Share price development and trading volume 2020

Source: Data from stock exchange

Dividend Policy

Scandion Oncology is currently in a development phase and potential surplus is planned to be invested in the development of the Company.

Investor Relations

Scandion Oncology strives to maintain an open dialogue with our shareholders and potential investors. Scandion Oncology recommend all shareholders to sign up for Scandion Oncology's news service on our website:
www.scandiononcology.com

For further information, please contact

Bo Rode Hansen, President & CEO
P: +45 38 10 20 17
E: info@scandiononcology.com

Certified Advisor

Västra Hamnen Corporate Finance
P: +46 (0) 40 200 250
E: ca@vhcorp.se

FINANCIAL CALENDAR

May 20, 2021	Q1 2021 report
May 26, 2021	Annual General Meeting
August 19, 2021	Half-year report 2021
November 18, 2021	Q3 2021 report
February 17, 2022	Year-end report 2021

FINANCIAL STATEMENTS

FINANCIAL STATEMENT

INCOME STATEMENT

TDKK	Note	2020	2019
Net sales		0	0
Other operating income		1,003	205
Other external expenses		-14,459	-11,366
Staff costs	1	-9,396	-4,231
Depreciation / amortization of tangible and intangible fixed assets		-36	-7
Operational costs		**-23,891**	**-15,604**
Profit/loss before financial items (EBIT)		**-22,888**	**-15,399**
Financial income/costs		2,235	-156
Profit/loss before tax (EBT)		**-20,653**	**-15,555**
Tax on profit/loss for the year	2	4,384	3,371
Profit/loss for the period		**-16,269**	**-12,184**
Proposed distribution of profit/loss			
Retained earnings		**-16,269**	**-12,184**

BALANCE SHEET – 1 : 2

TDKK	Note	2020	2019
Assets			
Other fixtures and fittings, tools and equipment		136	171
Property, plant and equipment	**3**	**136**	**171**
Deposits		147	101
Other financial asset	**4**	**147**	**101**
Fixed Assets		**283**	**272**
Other receivables		1,414	590
Income tax receivable	**5**	4,384	3,379
Contributed capital in arrears	**6**	174,318	0
Prepayments		195	240
Receivables		**180,311**	**4,209**
Cash		5,814	15,421
Current assets		**186,125**	**19,630**
Assets		**186,408**	**19,902**

BALANCE SHEET – 2 : 2

TDKK	Note	2020	2019
Equity and liabilities			
Share capital		2,362	1,400
Share premium		191,151	38,317
Retained earnings		-37,648	-21,379
Equity		**155,865**	**18,338**
Deferred tax		8	8
Provisions		**8**	**8**
Other payabless		509	97
Non-current liabilities other than provisions	**7**	**509**	**97**
Bank loan		0	1
Trade payables		26,064	961
Other payables		3,962	497
Current liabilities other than provisions		**30,026**	**1,459**
Equity and liabilities		**186,408**	**19,902**
Unrecognized rental and lease commitments	**8**		

EQUITY

2019 TDKK	Contributed capital	Share premium	Retained earnings	Total
Equity beginning of year	875	20,890	-9,195	12,570
Increase of capital	525	20,167		20,692
Other entries on equity		-2,741		-2,741
Profit/Loss for the year			-12,184	-12,184
Equity end of year	**1,400**	**38,317**	**-21,379**	**18,338**

2020 TDKK	Contributed capital	Share premium	Retained earnings	Total
Equity beginning of year	1,400	38,317	-21,379	18,338
Increase of capital	962	178,966		179,928
Exchange rate adjustments		919		919
Other entries on equity*		-27,051		-27,051
Profit/Loss for the year			-16,269	-16,269
Equity end of year	**2,362**	**191,151**	**-37,648**	**155,865**

**Other entries on equity are costs related to this year's increase of capital.*

The financial statements have been prepared in accordance with the same accounting policies as those applied last year. The comparative figures for the Company's equity have been reclassified between the Share premium and Retained earnings, meaning that Share premium reflects the total capital increasing over time (less costs associated with this) and the Retained earnings reflects the overall results since the Company's inception in 2017.

The changes have no effect on results.

Scandion Oncology's increase in capital amounted to 961,623 DKK in 2020 which is explained by increase in capital of 787,321 DKK as a result of the Rights Issue in December 2020 and a further increase in capital of 174,302 DKK as a result of the exercise of warrants of series TO 1 in October 2020.

CASH FLOW STATEMENT

TDKK	2020	2019
Profit/loss before financial items	-22,888	-15,399
Depreciation	36	7
Working capital changes	5,405	5,598
Cash flow from ordinary operating activities	**-17,447**	**-9,793**
Net financial income recieved (paid)	-4	-156
Cash flows from operating activities	**-17,451**	**-9,949**
Acquisition of fixed asset investments	-46	-245
Cash flows from investing activities	**-46**	**-245**
Cash increase of capital	7,892	17,952
Loan	-1	1
Cash flows from financing activities	**7,890**	**17,953**
Cash flow for the period	**-9,607**	**7,759**
Cash and cash equivalents beginning of the period	**15,421**	**7,662**
Cash and cash equivalents end of the period	**5,814**	**15,421**
Change in working capital		
Increase/decrease in receivables	2,600	5,036
Increase/decrease in trade payables etc.	2,805	562
Working capital changes	**5,405**	**5,598**

Net proceeds in relation to the Rights Issue in December 2020 which has been paid into the company after the balance sheet date have been omitted from the Cash Flow statement 2020 and will therefore be included in the Cash Flow statement in 2021.

NOTES

1. STAFF COSTS

TDKK	2020	2019
Wages and salaries	8,807	3,858
Pension costs	571	324
Other social security costs	32	22
Other staff costs	-14	27
	9,396	**4,231**
Average number of full-time employees	**6**	**3**

**** Share-based incentive***

2. TAX ON PROFIT/LOSS FOR THE YEAR

TDKK	2020	2019
Current tax	-4,384	-3,379
Change in deferred tax	0	8
	-4,384	**-3,371**

3. PROPERTY, PLANT AND EQUIPMENT

TDKK	OTHER FIXTURES AND FITTINGS, TOOLS AND EQUIPMENT, 2020
Cost beginning of year	179
Cost end of year	**179**
Depreciation and impairment losses beginning of year	-7
Depreciation for the year	-36
Depreciation and impairment losses end of year	**- 43**
Carrying amount end of year	**136**

**** Share-based incentive***

In 2020, Scandion Oncology A/S implemented warrant programs for the board of directors, the CEO and the key employees consisting of 1,500,364 warrants, which carry the right to subscribe for an equal number of newly issued shares in Scandion Oncology A/S. The warrants have been granted free of charge.

The purpose of the warrant programs is to retain and incentivize the warrant holders by offering a long-term ownership engagement.

The warrants are divided into Retention Warrants and Event Warrants. The board of directors only holds Retention Warrants. The CEO and the key employees hold Retention Warrants (3/5) and Event Warrants (2/5).

Retention warrants vest over 3 years and can be exercised until October 1, 2025. Event Warrants vest in case of a Qualified Exit Event or after 10 years and can therefore be exercised during the period from October 1, 2030 until October 22, 2030 at the latest.

The exercise price of the Retention Warrants is 37.94 SEK, and 49.20 SEK for the Event Warrants.

According to the accounting standards, which apply to Scandion Oncology A/S under the Danish Financial Statements Act, the warrant programs do not result in any salary costs in Scandion Oncology A/S' profit and loss statement. The costs related to the warrant programs will hence only be composed of limited costs for implementation and administration of the programs.

4. FINANCIAL ASSETS

TDKK	DEPOSITS, 2020
Cost beginning of year	101
Additions	**112**
Disposals	-66
Cost end of year	**147**
Carrying amount end of year	**147**

5. INCOME TAX RECEIVABLE

TDKK	2020	2019
Income tax receivable	-4,384	-3,379
	-4,384	**-3,379**

6. CONTRIBUTED CAPITAL IN ARREARS *

TDKK	2020	2019
Contributed capital in arrears	174,318	0
	174,318	**0**

**** Note 6*** *– Contributed capital in arrears is related to the gross proceeds in relation to the rights issue in December 2020. The net proceeds from the rights issue in December 2020 amounted to 145.9 MDKK, which has been paid into the company after the balance sheet date.*

7. NON-CURRENT LIABILITIES OTHER THAN PROVISIONS **

TDKK **DUE AFTER MORE THAN 12 MONTHS**	2020
Other payables	509
Other payables	**509**

Debt due after 5 years of the balance sheet date: 0 DKK

***** Note 7*** *– Other payables is related to frozen funds in connection with the new Danish Holiday Act. It is the Company's intention to settle the frozen funds in 2021.*

8. UNRECOGNIZED RENTAL AND LEASE COMMITMENTS

TDKK	2020	2019
Liabilities under rental or lease agreements until maturity in total	148	101

Unrecognized rental and lease commitments relates to the company's premises.

ACCOUNTING POLICIES

Reporting class
This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

The comparative figures for the Company's equity have been reclassified between the Share premium and Retained earnings, meaning that Share premium reflects the total capital increasing over time (less costs associated with this) and the Retained earnings reflects the overall results since the Company's inception in 2017.

The changes have no effect on results.

Recognition and measurement
Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is affected as described below for each financial statement item. Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

INCOME STATEMENT

Gross profit or loss
Gross profit or loss comprises of other operating income and external expenses.

Other operating income
Other operating income comprises income from funding.

Other external expenses
Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for research and development, premises, stationery and office supplies, marketing costs, etc.

Staff costs
Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses
Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year.

Other financial income
Other financial income comprises interest income, including interest income on payables and transactions in foreign currencies etc.

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on payables and transactions in foreign currencies etc.

Tax on profit/loss for the year
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

BALANCE SHEET

Property, plant and equipment
Plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	*3-5 years*

Estimated useful lives and residual values are reassessed annually. Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Contributed capital in arrears consists
Contributed capital in arrears consists of capital subscribed, but not paid up, which is recognised as a separate amount receivable in assets. The amount receivable is measured at amortised cost.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

Income tax payable or receivable
Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash
Cash comprises cash in hand and bank deposits.

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value ofassets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other financial liabilities
Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The Board of Directors and the Executive Board have today considered and approved the annual report of Scandion Oncology A/S for the financial year January 1, 2020 – December 31, 2020.

The annual report is presented in accordance with the Danish Financial Statements Act. In our opinion, the financial statements give a true and fair view of the Entity's financial position at December 31, 2020 and of the results of its operations and cash flows for the financial year January 1, 2020 – December 31, 2020.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein. We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, April 29, 2021

Executive Board

Bo Rode Hansen
President & Chief Executive Officer

Board of Directors

Peter Høngaard Andersen
Chairman of the Board

Jørgen Bardenfleth
Vice-Chairman of the Board

Carl Borrebaeck
Member of the Board

Christian Vinding Thomsen
Member of the Board

Thomas Feldthus
Member of the Board

Bo Rode Hansen
President & Chief Executive Officer
Member of the Board

Annie Rasmussen
Member of the Board
(employee representative)

AUDITOR'S REPORT

Opinion

We have audited the financial statements of Scandion Oncology A/S for the financial year 01.01.2020 – 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act. In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 – 31.12.2020 accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other 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 opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark 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 financial statements.

Opinion

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 opinion. 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 internal control relevant to the 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 Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 financial statements or, if such disclosures are inadequate, to modify our opinion. 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 the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act. Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, April 29, 2021

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Thomas Hermann
State Authorised Public Accountant
Identification No (MNE) mne26740

Scandion Oncology A/S
Symbion Fruebjergvej 3
DK 2100 Copenhagen
Denmark

E: info@scandiononcology.com
P: +45 38 10 20 17

CVR No. 38613391

www.scandiononcology.com

SCANDION ONCOLOGY