PRESS RELEASE

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Ascelia Pharma significantly reduces organization to reach SPARKLE headline results

Ascelia Pharma AB (publ) (ticker: ACE), a biotech focused on improving the life of people living with rare cancer conditions, today announced a significant organizational reduction following the early August announcement that a re-evaluation of SPARKLE images is required for reaching headline results of the pivotal study with the liver imaging candidate drug Orviglance®. This immediate action has been taken to reduce costs.

As a key step to reach the ambition to complete the re-evaluation with existing funding, Ascelia Pharma needs to focus resources on this task. This means that progress on the regulatory filing and launch preparations are not the primary focus and that a significant reduction of the organization is required. The reorganization means that the Ascelia Pharma team will now consist of 13 employees, with the skills and commitment focused on completing the re-evaluation of SPARKLE images and reaching headline results, while maintaining the ability to ramp-up in all functional areas in the future. This means unfortunately that 12 employees will leave the company.

As part of these organizational changes, a full-time CFO position will not be required, and Déspina Georgiadou will therefore leave Ascelia Pharma. The duties of the CFO will be assumed by the Deputy CEO, Julie Waras Brogren.

As previously communicated, an update on the timelines and financial implications of the re-evaluation of the SPARKLE images will be announced in mid-September.

“This is a very difficult decision for us to take. The dedication and ambition that we have all shared have defined Ascelia Pharma, and it is therefore very regrettable that many of our valued colleagues must leave the company. Unfortunately, these steps are necessary to pursue our ambition to reach SPARKLE headline results with our existing funding. I want to thank all Ascelia Pharma colleagues for their invaluable work and contributions in creating and shaping our company,” said Magnus Corfitzen, CEO of Ascelia Pharma.

“Our confidence in Orviglance is unchanged, and we continue to be dedicated to making Orviglance available for cancer patients with kidney impairment,” he continued.

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About Us

Ascelia Pharma is a biotech company focused on orphan oncology treatments. We develop and commercialize novel drugs that address unmet medical needs and have a clear development and market pathway. The company has two drug candidates – Orviglance (previously referred to as Mangoral) and Oncoral – in clinical development. Ascelia Pharma has global headquarters in Malmö, Sweden, and is listed on Nasdaq Stockholm (ticker: ACE). For more information, please visit http://www.ascelia.com.

About Orviglance (previously referred to as Mangoral)
Orviglance (manganese chloride tetrahydrate) is a novel oral contrast agent for MR-imaging developed to improve the detection and visualization of focal liver lesions (including liver metastases and primary tumors) in patients with reduced kidney function. These patients are at risk of serious side effects from the currently available class of gadolinium-based contrast agents. Orviglance, has been granted an Orphan Drug Designation by the US Food and Drug Administration (FDA). A clinical program of nine studies, including the pivotal global Phase 3 study SPARKLE, has been completed. Results from the Phase 3 study are not yet available.

About Oncoral
Oncoral is a novel irinotecan chemotherapy tablet developed initially for the treatment of gastric cancer. Irinotecan chemotherapy has an established potent anti-tumor effect. Oncoral is a daily tablet with the potential to offer better patient outcomes with improved safety following the daily dosing at home compared to intravenous high-dose infusions at the hospital. Following successful Phase 1 results, Oncoral is now prepared for Phase 2 clinical development.

Attachments

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