SCANDION ONCOLOGY

Dear shareholder

I hereby invite you to exercise your warrant of series TO 1, an important addition to Scandion Oncology's continued development in combating drug resistance and thereby improving survival and quality of life of cancer patients.

Scandion Oncology has despite the ongoing COVID-19 pandemic managed to continue its operations and been able to produce several successful and important achievements. I am proud of what we have achieved so far, and it is a testamony of the strength of the company's operations and drug pipeline.

Our clinical phase II study with SCO-101 combined with FOLFIRI chemotherapy in patients with metastatic and FOLFIRI resistant disease has developed positive and the first observations with the oral dose of 150 mg SCO-101 have shown that: 1) the exposure biomarker bilirubin demonstrated that the patients had received an effective dose of SCO101; 2) combined with chemotherapy induced SCO-101 appears to be biologically active as measured by potentiating a decrease in white blood cells; 3) SCO-101 reduces the blood level of the liver enzymes ASAT and ALAT and 4) by SCO-101 plus FOLFIRI inducing stable cancer disease in the first patient. The second patient also showed stable liver metastases but a new lung metastasis had appeared.

Alltogether, these results give us a clearer picture of the drug candidate's potential and give us a strong motivation to continue our studies. The ongoing phase II clinical trial now continues with patients being treated with escalating doses of SCO-101 in combination with chemotherapy. Our primary goal of the first part of the phase II trial is to establish a safe dose (Maximum Tolerable Dose) of SCO-101 when given together with a standard dose of chemotherapy and the data from part one will define the recommended dose of SCO-101 to be used in the second part of the phase II study where efficacy is the primary end-point. We are very excited about the continued development of the phase II study and are now working purposefully to ensure that it continues in the same promising direction. In addition, Scandion Oncology expects to initiate a pancreatic cancer study with SCO-101 in combination with chemotherapy this fall.

The fact that Scandion Oncology has a promising pipeline has also been reflected in our other assets. Our antibiotic resistance drug SOM-001 has in experiments shown the same effect as the antibiotic drug Vancomycin, in killing MRSA bacteria. The market for antibiotics is significant and growing but is plagued by antibiotic resistance, a huge problem that is rising all over the world. It is therefore satisfying that SOM-001, in our data obtained so far, shows that it can overcome antibiotic resistance. We are now performing additional Proof of Concept pre-clinical studies and expect to have the results from these studies late 2020 or early 2021. In addition, our drug candidate SCO-201 has shown important preclinical results that show that it is a specific and potent drug that can block the effects of a protein that leads to drug resistance in cancer cells.

In parallel with our drug development, we work intensively with business development and we have already experienced interest from major Pharma companies for Scandion Oncology's lead compound SCO-101. A partnership with a pharmaceutical company could involve several attractive commercial opportunities for Scandion Oncology, such as e.g. common preclinical development, a joint Phase II/ III clinical trial with SCO-101, or commercial structure leading to an acceleration towards FDA and EMA approval. We recently announced that we have entered into a preclinical collaboration with Alligator Bioscience to explore combination therapies for chemotherapy and immuno-oncology. We have agreed to explore the anti-tumor efficacy of the CD40 antibody mitazalimab (Alligator Bioscience) in combination with SCO-101 as an addition to chemotherapy in chemotherapy resistant preclinical tumor models. The expectation is that SCO-101 will revert chemotherapy resistance and thereby further strengthen the anti-tumor effects of mitazalimab. This is further evidence by the versatility of SCO-101 in combination therapies, which further strengthen the commercial value of our pipeline.

In 2019, we carried out a successful rights issue of units and we are seeking the same support when we are now facing the exercise period of warrants of series TO 1.

Nils Brünner
CEO, Scandion Oncology A/S

For instructions on how to exercise your warrants - please read the teaser which is available on www.sedermera.se