OVERCOMING CHEMOTHERAPY RESISTANCE

YEAR-END REPORT

1/1-2020 – 31/12-2020

SCANDION ONCOLOGY

SUMMARY

> *We are better positioned in terms of organization, pipeline, finances, and our international footprint in our journey to become the cancer drug resistance company.*
>
> ***Bo Rode Hansen,*** *CEO*

KEY FIGURES

DKK	Q4 2020 1/10-31/12	Q4 2019 1/10-31/12	Q1-Q4 2020 1/1-31/12	Q1-Q4 2019 1/1-31/12
Net sales	0	0	0	0
Operating profit/loss	-9,170,321	-1,165,425	-22,852,136	-15,391,686
Profit/loss for the period	-5,198,325	-107,027	-16,269,273	-12,183,591
Total assets	186,407,957	19,902,610	186,407,957	19,902,610
Cash position	5,813,779*	15,420,818	5,813,779*	15,420,818
Equity ratio	84%	92%	84%	92%
No. of shares end of the period	32,135,544	19,052,241	32,135,544	19,052,241
Average number of shares	21,293,396	19,052,241	19,610,995	15,048,130
Earnings per share	-0.24	-0.01	-0.83	-0.81

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

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 DURING Q4 2020:

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 timeline 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 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 SEK 236 million before issue costs.

HIGHLIGHTS AFTER THE 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 on Nasdaq First North was February 3, 2021.

ON JANUARY 23, Scandion Oncology announced that the Company had completed the first 12 patient cohort in the ongoing dose-range finding part of the clinical Phase II study (CORIST) with SCO-101 in combination with chemo-therapy *(FOLFIRI)* in patients with drug resistant metastatic colorectal cancer. 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 is expected to be approximately four weeks, which on top of the current impact of the COVID-19 pandemic could delay the planned readout from the study into Q4 2021.

YEAR-END REPORT
1/1-2020 – 31/12-2020

OVERCOMING CHEMOTHERAPY RESISTANCE

– Our goal at Scandion Oncology is to develop drugs that specifically target chemotherapy resistance mechanisms. Improving the outcome and quality of life for cancer patients is our mission.

In this document, the following definitions shall apply unless otherwise specified: ***"the Company"*** or ***"Scandion Oncology"*** refers to **Scandion Oncology A/S**, CVR number 38613391.

SCANDION ONCOLOGY IS POISED FOR THE FUTURE

CEO Bo Rode Hansen sums up 2020 and looks ahead

2020 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, and I can ultimately summarize 2020 as coming out strong for the Company.

The Company had 4 major goals for 2020:

1. Initiation of two clinical trials with our lead compound, SCO-101
2. Strengthen and internationalize executive management in the Company
3. Secure financing for our two planned efficacy studies with SCO-101
4. Change listing from Spotlight to Nasdaq First North, Stockholm

I am pleased to say that we achieved all of them. We are thus better positioned in terms of organization, pipeline, finances, and our international footprint in our journey to become the cancer drug resistance company.

We are looking at 2021 and the upcoming important milestones with conviction and to ensure a dedicate focus to our clinical activities, we have used the first month of the year updating Scandion Oncology's strategy and to prioritize our activities within oncology.

Increasing our International Presence

In early February 2021, I was joined by our Chairman Peter Høngaard Andersen in ringing the bell and opening the trade at Nasdaq First North. The shift from Spotlight Stock Market to Nasdaq First North Growth Market resonates with our ambition for growth and international presence for the Company.

Well Capitalized for the Future

Looking further ahead, we have built a stronger foundation for the future path. On the business side, we recently completed a SEK 236 million capital raise – the largest in the Company's history. We highly appreciate the interest and commitment from both new and existing shareholders. The proceeds leave us well positioned to deliver on our near and mid-term targets, while maintaining a risk-balanced approach. The capital will be the catalyst in our pursuit to build our business and future.

Important Clinical Milestones in 2020 de-risk the Programs

In 2020, we have managed to capture several important catalysts for the Company. We initiated two clinical trials, the colorectal cancer study, CORIST in Phase II and the pancreatic cancer study, PANTAX in Phase Ib. In both we are testing our first-in-class add-on lead candidate SCO-101 together with relevant chemotherapy.

In the **CORIST study** our agility allowed us to navigate with slight deviations from the initial timelines and provided us with the very first anecdotal data showing that SCO-101 potentiates the given chemotherapy as predicted from our preclinical data. We recently followed up by announcing that we have completed the first 12-patient cohort in the ongoing dose-range finding part of the CORIST clinical Phase II study with SCO-101 combined with FOLFIRI in patients with drug resistant metastatic colorectal cancer.

This de-risking of the program has substantiated our understanding of SCO-101 and the green light given by The Data Safety Monitoring Board to move to 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 Ultimo September 2020, we announced that Scandion Oncology had received final approval from the Danish Medicines Agency and Ethical Committee to commence the **PANTAX study**. The sites were initiated in October to examine the effects of SCO-101 in combination with chemo-therapy in pancreatic cancer patients who have a high degree of resistance and a tough prognosis.

An Exciting Year Ahead of Us

As we now move into 2021, we can look forward to key upcoming milestones in both of our SCO-101 studies. In Q2 2021, we have the planned readout from the first part of the CORIST Phase II study, followed by readout from the PANTAX Ib study later in the year. In order to increase the patient recruit-ments, our strategy is to open additional sites and internationalize the PANTAX trials.

> *"As we now move into 2021, we can look forward to key upcoming milestones in both of our SCO-101 studies."*
>
> ***Bo Rode Hansen**, CEO*

Our People and Culture

A company's performance must, however, be boiled down to its people. Therefore, I would like to extend a special thanks to all colleagues and partners for their efforts this past year. I also want to extend my gratitude to the patients who have been involved in our studies. Their participation is crucial, as we tirelessly continue our research efforts to benefit cancer patients around the world who experience tumor resistance to chemotherapy.

Finally, combining all of this with a clear line of sight, strategy, a strong pipeline, advancing clinical trials, solid financial position for the years ahead, improved executive leadership and continued interest from investors – has poised Scandion Oncology from a clinical stage biotech company, to a company with validating data and a sustainable strategy for future growth.

The Cancer Drug Resistance Company

Bo Rode Hansen
CEO

PIPELINE AND STRATEGY

In 2020, Scandion Oncology emerged as a clinical stage company with our lead candidate SCO-101: An oral first-in-class compound directed against resistance towards cancer therapy.

- The **Phase II study CORIST's** first expected data read-out is in Q2 2021 and the **Phase Ib study PANTAX** is internationalizing its recruitment and the first read-out from PANTAX is expected in Q3-Q4, 2021.
- Our **biomarker** work continues and aims at establishing a potential for a personalized therapy with better outcomes for the patients.
- The pipeline has evolved in 2020 and together with our partner, Alligator Bioscience, the area of **immuno-oncology** in combination with chemotherapy and SCO-101 is being tested and is expected to deliver the first results in Q2 2021.

Scandion Oncology has a strong financial position securing operations into 2023 with a primary focus on the clinical trials. The cash position as of December 31, 2020 was DKK 5,8 million which in January 2021 is increased by the net proceeds of the Rights Issue performed in December 2020 amounting to DKK 147,4 million.

ABOUT SCANDION ONCOLOGY

Scandion Oncology is a Danish Phase II Biotech company developing first-in-class medicines that block 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 has been documented in preclinical studies to reverse resistance towards some of the most commonly used anti-cancer drugs.

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

We are currently developing our pipeline with SCO-101 in different indications and with predictive biomarkers. In addition, our pipeline is extended with additional compounds. All with the aim to become **the Cancer Drug Resistance Company.**

ABOUT 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.

OUR CLINICAL PIPELINE:
Developing First-in-Class Medicines for Personalized Therapy

Scandion Oncology has two programs in clinical development with our first-in-class lead compound SCO-101. The most advanced program, CORIST, for the treatment of drug resistant metastatic colorectal cancer is in clinical Phase II studies. The second program, PANTAX, for the treatment of inoperable or metastatic pancreatic cancer is in clinical Phase Ib studies.

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 working on a strategy for the development of predictive biomarkers in conjunction with the ongoing CORIST and PANTAX studies, to enable a personalized medicine approach for the treatment with 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**

Scandion Oncology has completed the first 12-patient cohort in part 1 of the CORIST Phase II study and received the green light from the Data Safety Monitoring Board in January 2021 to move forward with the next treatment cohorts.

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**

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					

SCO-101 Clinical Studies in Cancer Patients

Scandion Oncology is performing two clinical trials with SCO-101, where SCO-101 is given as an add-on to current standard chemotherapy.

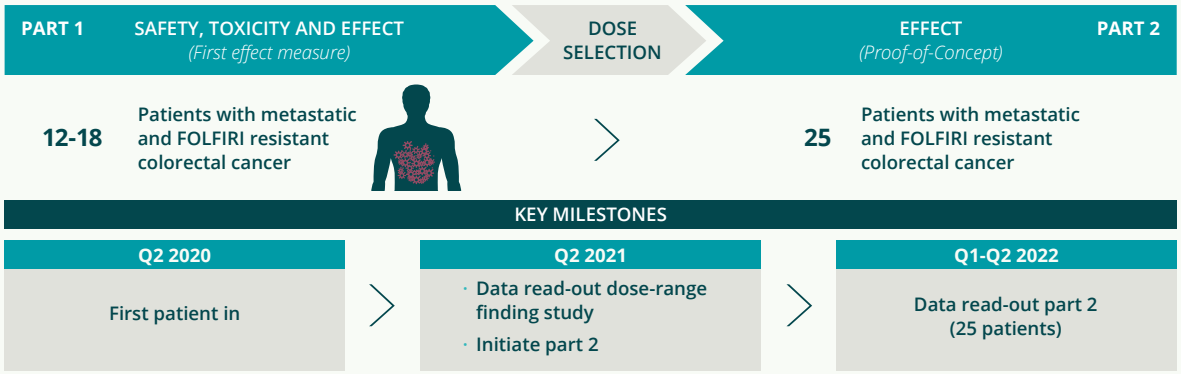
In CORIST, the first clinical trial, for the treatment of patients with drug resistant metastatic colorectal cancer, the first patient received treatment in May 2020. The second clinical trial named PANTAX, for the treatment of inoperable or metastatic pancreatic cancer, was initiated in October 2020.

About CORIST

CORIST, Scandion Oncology's first clinical study with SCO-101 is a Phase II study. In this study, patients with chemotherapy (FOLFIRI) resistant and 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.

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

PRIMARY EFFICACY ENDPOINT: OBJECTIVE RESPONSE RATE



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 many countries, including Denmark, there are no further therapies to offer these patients.

In the CORIST colorectal cancer study part 1, safety and tolerability are investigated combining SCO-101 with chemotherapy. 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 part 2 of CORIST, 25 patients will be treated with SCO-101 and FOLFIRI according to the recommended dose for Phase II identified in part 1 of the CORIST 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 the patient's tumor tissue will be the primary endpoint. After the treatment of these first 25 patients, which is expected in Q1-Q2 2022, there will be a decision on how to proceed with CORIST.

About PANTAX

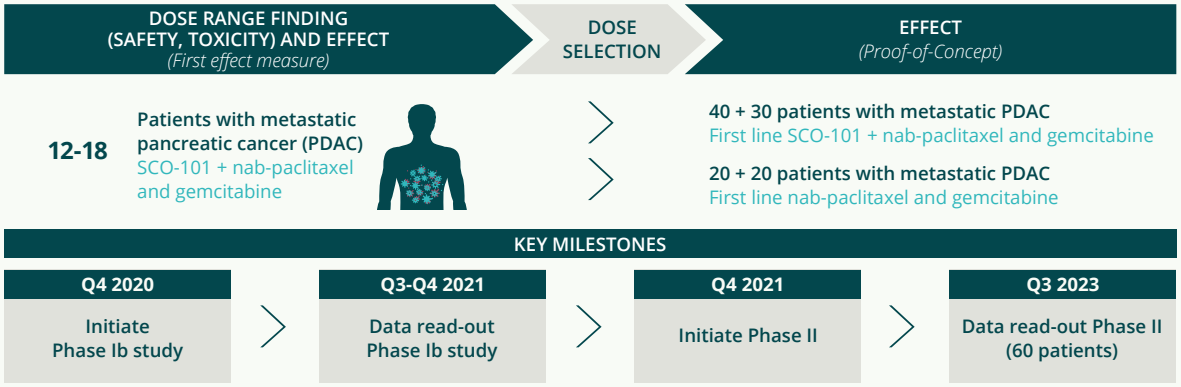
Scandion Oncology's second clinical study with SCO-101 is a Phase Ib study named PANTAX. In this study patients with inoperable or metastatic pancreatic cancer receive SCO-101 treatment in combination with standard first line chemotherapy (Nab-paclitaxel and gemcitabine).

The PANTAX study plan was amended in January 2021 to optimize the study based on the learnings obtained from the treatment of the first 12 patients in the CORIST study.

The additional 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 study. Scandion Oncology expects to have readout from the Phase Ib study in Q3-Q4 2021.

Scandion Oncology is planning to include more national and international oncology centers in the PANTAX study.

ENDPOINTS: SAFETY, PFS, OS AND CLINICAL BENEFIT RATE



In the PANTAX clinical study, Scandion Oncology enrols patients with inoperable or metastatic pancreatic cancer. This study also consists of two parts: part 1 (Phase Ib), where the Company defines the dose of SCO-101 that can be given together with standard first line chemotherapy (Nab-paclitaxel plus gemcitabine). The first part is expected to be finalized in Q3-Q4, 2021.

In part 2 (Phase II), patients will be randomized to receive either standard chemotherapy (Nab-paclitaxel plus gemcitabine) (20 patients) or the same chemotherapy 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 will be performed in Q3 2023. Based on these results it will be decided if more patients should be included in the study. In case 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 pancreatic cancer patients.

Biomarker Strategy: Clinical Predictive Biomarkers enable Personalized Medicine

It is the strategy of Scandion Oncology also to develop predictive biomarkers in conjunction with the drug development. Scandion Oncology already has an active biomarker program.

For all drugs it would be of great advantage if one could select the "right treatment for the right patients" – so-called personalized medicine. Such an approach would not only mean that a lot of patients would be spared unnecessary side effects by ineffective drugs but also that fewer patients would be needed to enter the clinical trials.

At present and together with our partners, an analytical validation of three potential biomarkers for SCO-101 is taking place. These biomarkers are so-called predictive biomarkers, which means that they are intended to be used to select patients for SCO-101 combination treatment.

Biomarker positive patients will be those with the highest likelihood of a beneficial effect of SCO-101 add-on treatment. The plan is to perform independent retrospective clinical validation studies and to test cancer samples obtained from patients in the CORIST and PANTAX studies.

OUR PRECLINICAL PIPELINE:
Building Future Value

Scandion Oncology is building a preclinical pipeline of drugs that can revert anti-cancer drug resistance through different mechanisms, to increasingly broaden the offering of medicines able to combat additional kinds of anti-cancer drug resistance. The pipeline section is representing the primary focus of Scandion Oncology's preclinical activities, according to our strategy.

Upcoming Key Events in 2021

- Read out from the Alligator collaboration in Q2, 2021

SCANDION ONCOLOGY'S PRECLINICAL PIPELINE

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

EndoRIST

In preclinical studies, Scandion Oncology has identified endocrine (anti-estrogen) treatment of women with hormone receptor positive metastatic breast cancer as a new indication where add-on treatment with SCO-101 to current standard therapy is expected to increase treatment efficacy. Scandion Oncology together with partners has received a EUROSTARS grant that could be used to further progress work on the breast cancer indication, in a program called EndoRIST. The breast cancer study is planned to be initiated with a Phase Ib study to determine the maximal tolerable dose of SCO-101 when combined with the anti-estrogen fulvestrant.

Strategic Partnership in Immuno-oncology

In June 2020, Scandion Oncology announced an agreement to explore combination therapies for chemo-therapy and immuno-oncology with Alligator Bioscience AB, Sweden. 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 study is expected to demonstrate that SCO-101 reverts chemotherapy resistance, thereby further strengthening the anti-tumor effects of mitazalimab given together with chemotherapy. 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.

Solid tumors/SCO-201

SCO-201 is an oral formulation 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 our preclinical screening cascade.

Scandion Oncology is building its Pipeline through Several Approaches

DEN-50R

An important instrument in the early characterization of potential pipeline candidates is Scandion Oncology's proprietary DEN-50R screening platform. The DEN-50R screening platform contains pairs of drug-sensitive and drug-resistant patient-derived cancer cell lines for various cancer indications and anti-cancer drugs.

Scandion Oncology is currently expanding the DEN-50R screening platform to cover strategically defined anti-cancer drugs and cancer indications that are not included in the present platform. The pairs of cell lines in the DEN-50R platform are not only used to screen drugs but also to study the molecular mechanisms underlying the specific drug resistance, which is important not only when developing the drugs but also for biomarker development.

Identifying New Cancer Indications for SCO-101

The DEN-50R platform will be used to identify new cancer indications where add-on treatment with SCO-101 to current standard chemotherapy is expected to increase treatment efficacy.

Identifying New Compounds for the Pipeline

Based on strategically defined mechanisms of interest, novel candidates will be identified and tested in the DEN-50R platform to evaluate if the desired reversal of drug resistance can be achieved. For candidates that show the desired profile, additional preclinical activities will be performed before advancing the compounds to non-clinical safety studies.

Repurposing of Drugs

History shows that many drugs initially developed for a specific purpose also have biological effects against cancer. Scandion Oncology is using the DEN-50R screening platform to identify such drugs and one such example is SCO-101. One major advantage with repurposing drugs is that the drugs have already passed early clinical trials when brought into new indications which lowers the risk and reduces the overall development time and costs.

How does the Therapy work: Mechanisms of Action of SCO-101

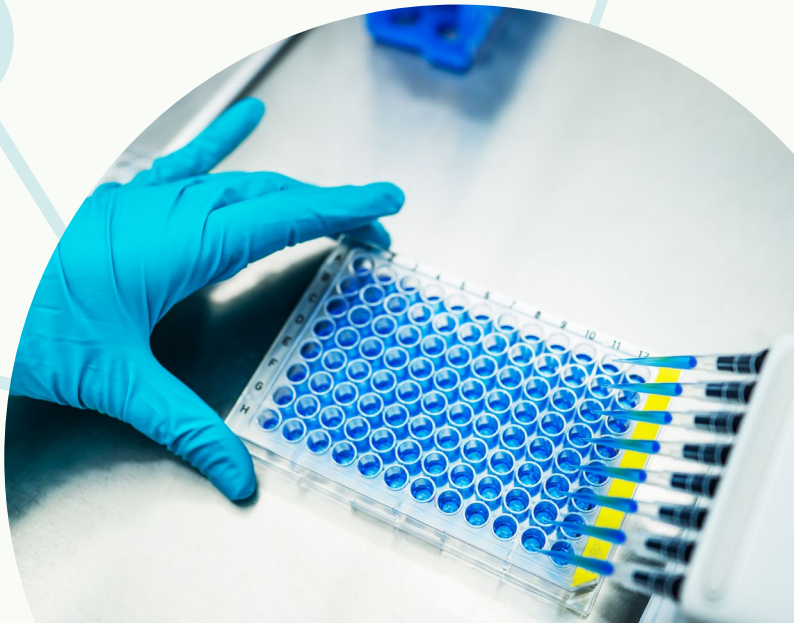
SCO-101 blocks anti-cancer drug resistance with at least two different mechanisms of action. One being the inhibition of a specific enzyme (kinase) regulating several genes involved in cancer growth. The other being a mechanism, which regulates so-called drug efflux pumps located to the cell membrane of the cancer cells. These pumps can prevent chemotherapy from entering the cancer cells.

BUSINESS MODEL:
Preparing for Market Presence

Based on our belief in the value of cancer resistance drugs and our platform, Scandion Oncology is escalating the efforts in business development to increase awareness towards relevant pharmaceutical- and investor communities.

Scandion Oncology sees opportunities for both early exploratory relationships involving the Company's unique platform and knowhow and also discussions of our pipeline assets. 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 a commercial structure leading to an acceleration towards FDA and EMA approvals.

Scandion Oncology is planning to internationalize the Company starting with clinical trials in several countries.



FINANCIAL REVIEW

Income Statement

Operating loss for the fourth quarter of 2020 was DKK thousand -9,170 (-1,165) and DKK thousand -22,852 (-15,392) for the twelve months of 2020.

External expenses for the fourth quarter of 2020 were DKK thousand -5,953 (-18) and staff costs were DKK thousand - 3,793 (-1,223). External expenses for the twelve months of 2020 were DKK thousand -14,459 (-11,366) and staff costs were DKK thousand -9,396 (-4,231). External expenses comprise manufacturing costs, clinical expenses, patent expenses, and business expenses. The increase in staff costs reflect the strengthening of the organisation during 2020. The COVID-19 pandemic has during 2020 and 2021 caused modified timelines on the Company's clinical trials. COVID-19 has not had any significant effects on costs.

Costs and losses for the fourth quarter of 2020 and for the twelve months of 2020 were in line with plans and expectations.

Balance Sheet

Total assets as of December 31, 2020, were DKK thousand 186,408 (19,903) of which cash was DKK thousand 5,814 (15,421). Current liabilities as of December 31, 2020, were DKK thousand 30,026 (1,459).

The increase in total assets is primarily due to the Rights Issue performed in December 2020 where the contributed capital is in arrears. The increase in liabilities is accordingly primarily due to the payable costs associated with the Rights Issue. Net proceeds of the Rights Issue performed in December 2020 is received January 2021 and amount to DKK thousand 147,424.

Equity as of December 31, 2020, was DKK thousand 155,865 (18,338) and the equity ratio was of 84% (92%).

Cash Flow and increase of capital

The cash flow from operating activities for the twelve months of 2020 was a cash outflow of DKK thousand -17,451 (-9,949). Operating cash flow for the twelve months of 2020 is explained by the operating loss before financial items of DKK thousand -22,888 (-15,399) during the period and a decrease in working capital (decrease in working capital).

The total cash flow for the twelve months of 2020 was an outflow of DKK thousand -9,607 (inflow of 7,759) which is explained by a cash outflow from operating activities of DKK thousand -17,451 (-9,949), a cash outflow from investments of DKK thousand -46 (-245) and a cash inflow from net proceeds of the exercise of warrants of series TO 1 in October 2020 of DKK thousand 7,892.

The Company's cash position as of December 31, 2020, was DKK thousand 5,814 (15,421).

The net proceeds from the Rights Issue represent a receivable capital totalling DKK thousand 145,904 including exchange rate gain of DKK thousand 2,239. The capital was fully paid in January 2021.

Share-based incentive

On October 1, 2020 Scandion Oncology A/S implemented warrant programs for the board of directors, CEO and 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 background for the warrant programs is to retain and incentivize the warrant holders by offering a long-term ownership engagement. Such ownership engagement will contribute to an alignment of interests between Scandion Oncology, the warrant holders and the shareholders and promote a long-term commitment to Scandion Oncology.

The warrants are divided into (1) Retention Warrants, which can be exercised during the period from October 1, 2021 (1/3 of the Retention Warrants), October 1, 2022 (2/3 of the Retention Warrants) and October 1, 2023 (all of the Retention Warrants) until October 1, 2025, and (2) Event Warrants, which can be exercised during the period from October 1, 2030 until October 22, 2030.

All warrants can be exercised in case of a Qualified Exit Event which is certain commercial events where the consideration exceeds three (3) times the market value of Scandion Oncology A/S in the 10 trading days on an average basis after the extraordinary general meeting on October 1, 2020.

The board of directors only holds Retention Warrants. The CEO and the key employees hold Retention Warrants (3/5) and Event Warrants (2/5). Exercise price/strike price for the warrants was initially SEK 49.99. As a result of the Rights Issue performed in December 2020 the exercise price/strike price of the warrants have been re-calculated in accordance with the terms. The exercise price/strike price of the Retention Warrants are hereafter SEK 37.94 and for the Event Warrants SEK 49.20.

According to the accounting standards that 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.

The warrants for the board of directors, CEO and the key employees do not have a market value since they are not transferable. However, the board of directors has calculated a theoretical value of the Warrants at the time of allocation in accordance with the Black Scholes formula. The calculations have been based on a share price of SEK 36.5 per share, an assumed volatility of 50%, and an assumed 3-year period to maturity. In accordance with this valuation, the value of the Warrants is approximately SEK 5.99 per warrant. Limitations in the disposal rights have not been taken into consideration in the valuation.

THE SHARE

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. The short name/ticker is SCOL and the ISIN code is DK0061031895.

As per December 31, 2020, the number of shares was 32,135,544 which is an increase of 13,083,303 shares from December 31, 2019 where the number of shares was 19,052,241.

The increase of 13,083,303 shares is explained by 10,711,848 shares as a result of the Rights Issue in December 2020 and a further increased by 2,371,455 shares as a result of the exercise of warrants of series TO 1 in October 2020.

Shareholders

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

Risks

A number of risk factors may have an adverse impact on Scandion Oncology's operations. It is therefore important to thoroughly analyze the risk factors which are deemed to be of importance to Scandion Oncology.

The Board has published a prospectus in November 2020. The prospectus contains a description of risk factors that are specific to Scandion Oncology and its securities.

The assessment of the materiality of each risk factor is based on the probability of their occurrence and the expected extent of their negative impact.

Auditor´s review

The interim report has not been reviewed by the Company's auditor.

Financial Calender

April 29, 2021	Annual report 2020
May 20, 2021	Q1 2021 report
August 19, 2021	Half-year report 2021
November 18, 2021	Q3 2021 report
February 16, 2022	Year-end report 2021

Annual General Meeting

Scandion Oncologys Annual General Meeting will be held on **May 26, 2021**.

The Board and the CEO have proposed that no dividend is paid for the fiscal year **January 1, 2020 – December 31, 2020**.

For further information, please contact

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This information is information that Scandion Oncology A/S is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on February 18, at 8:30 a.m.

Certified Advisor

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STATEMENT BY THE BOARD OF DIRECTORS

The Board of Directors provides their assurance that the interim report provides a fair and true overview of the Company's operations, financial position, and results.

Copenhagen, February 18, 2021
The Board of Directors of Scandion Oncology A/S

Peter Høngaard Andersen	*Chairman of the Board*
Jørgen Bardenfleth	*Vice-Chairman of the Board*
Carl Borrebaeck	*Member of the Board of Directors*
Christian Vinding Thomsen	*Member of the Board of Directors*
Thomas Feldthus	*Member of the Board of Directors*
Bo Rode Hansen	*Member of the Board of Directors*
Annie Rasmussen	*Employee elected member of the Board of Directors*

FINANCIAL STATEMENTS

INCOME STATEMENT

DKK	Q4 2020 1/10-31/12	Q4 2019 1/10-31/12	Q1-Q4 2020 1/1-31/12	Q1-Q4 2019 1/1-31/12
Net sales	0	0	0	0
Other operating income	576,097	75,000	1,002,987	205,444
Total operating income	**576,097**	**75,000**	**1,002,987**	**205,444**
Other external expenses	-5,953,437	-17,704	-14,459,209	-11,366,188
Gross profit/loss	**-5,377,340**	**57,296**	**-13,456,222**	**-11,160,744**
Staff costs	-3,792,981	-1,222,720	-9,395,914	-4,230,941
Operating profit/loss	**-9,170,321**	**-1,165,425**	**-22,852,136**	**-15,391,686**
Depreciation / amortization of tangible and intangible fixed assets	-8,929	-7,142	-35,714	-7,142
Profit/loss before financial items	**-9,179,249**	**-1,172,567**	**-22,887,850**	**-15,398,828**
Financial income/costs	2,629,062	288,108	2,234,545	-155,723
Profit/loss before taxes	**-6,550,188**	**-884,458**	**-20,653,306**	**-15,554,551**
Tax on profit/loss for the year	1,351,862	777,431	4,384,033	3,370,959
Profit/loss for the period	**-5,198,325**	**-107,027**	**-16,269,273**	**-12,183,591**
Proposed distribution of profit/loss				
Retained earnings	-5,198,325	-107,027	-16,269,273	-12,183,591

BALANCE SHEET IN COMPARISON

DKK	Q4 2020 1/10-31/12	Q4 2019 1/10-31/12
Assets		
Laboratory equipment	135,712	171,426
Property, plant and equipment	**135,712**	**171,426**
Deposits	147,765	101,431
Other financial asset	**147,765**	**101,431**
Fixed Assets	**283,477**	**272,857**
Other receivables	1,413,875	589,516
Income tax receivable	4,383,961	3,379,209
Contributed capital in arrears	174,318,187	–
Prepayments	194,678	240,211
Receivables	**180,310,701**	**4,208,936**
Cash	5,813,779	15,420,818
Current assets	**186,124,480**	**19,629,754**
Assets	**186,407,957**	**19,902,610**
Equity and liabilities		
Share capital	2,361,963	1,400,340
Share premium	191,151,488	38,316,926
Retained earnings	-37,648,259	-21,378,986
Equity	**155,865,192**	**18,338,280**
Deferred tax	7,759	8,250
Provisions	**7,759**	**8,250**
Other payabless	508,902	96,694
Non-current liabilities other than provisions	**508,902**	**96,694**
Bank loan	–	1,422
Trade payables	26,064,482	960,902
Other payables	3,961,622	497,062
Current liabilities other than provisions	**30,026,104**	**1,459,386**
Equity and liabilities	**186,407,957**	**19,902,610**

EQUITY

2019 DKK	Contributed capital	Share premium	Retained earnings	Total
Equity beginning of year	875,212	20,890,289	-9,195,394	12,570,107
Increase of capital	525,127	20,167,321		20,692,449
Other entries on equity		-2,740,684		-2,740,684
Profit/Loss for the year			-12,183,591	-12,183,591
Equity end of year	**1,400,340**	**38,316,926**	**-21,378,986**	**18,338,280**

1/1-2020 – 31/12-2020 DKK	Contributed capital	Share premium	Retained earnings	Total
Equity beginning of year	1,400,340	38,316,926	-21,378,986	18,338,280
Increase of capital	961,623	178,966,455		179,928,078
Exchange rate adjustments		919,077		919,077
Other entries on equity*		-27,050,970		-27,050,970
Profit/Loss for the period			-16,269,273	-16,269,273
Equity end of period	**2,361,963**	**191,151,488**	**-37,648,259**	**155,865,192**

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

CASH FLOW STATEMENT

DKK	Q4 2020 1/10-31/12	Q4 2019 1/10-31/12	Q1-Q4 2020 1/1-31/12	Q1-Q4 2019 1/1-31/12
Profit/loss before financial items	-9,179,249	-1,172,567	-22,887,850	-15,398,828
Depreciation	8,929	7,142	35,714	7,142
Working capital changes	-756,198	1,187,582	5,405,328	5,598,340
Cash flow from ordinary operating activities	**-9,926,518**	**22,157**	**-17,446,808**	**-9,793,345**
Net financial income recieved (paid)	390,286	288,108	-4,232	-155,723
Cash flows from operating activities	**-9,536,232**	**310,265**	**-17,451,040**	**-9,949,068**
Acquisition of fixed asset investments	-46,334	-178,568	-46,334	-245,421
Cash flows from investing activities	**-46,334**	**-178,568**	**-46,334**	**-245,421**
Cash increase of capital	7,891,757	-2,740,684	7,891,757	17,951,764
Loan	–	1,422	-1,422	1,422
Cash flows from financing activities	**7,891,757**	**-2,739,263**	**7,890,335**	**17,953,186**
Cash flow for the period	**-1,690,810**	**-2,607,565**	**-9,607,039**	**7,758,697**
Cash and cash equivalents beginning of the period	7,504,589	18,028,383	15,420,818	7,662,120
Cash and cash equivalents end of the period	**5,813,779**	**15,420,818**	**5,813,779**	**15,420,818**
Change in working capital				
Increase/decrease in receivables	-1,053,438	1,603,930	2,599,964	5,036,325
Increase/decrease in trade payables etc.	297,240	-416,348	2,805,364	562,015
	-756,198	**1,187,582**	**5,405,328**	**5,598,340**

SCANDION ONCOLOGY

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