OVERCOMING CANCER DRUG RESISTANCE

ANNUAL REPORT **2023**

Approved on the Annual General Meeting
on 24 April, 2024

Lise Lotte Hjerrild, Attorney-at-law
Chairman of the Meeting

SCANDION ONCOLOGY

SCANDION ONCOLOGY IN BRIEF

OUR MISSION

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

7,703
SHAREHOLDERS DECEMBER 31, 2023

27 MDKK
CASH POSITION DECEMBER 31, 2023

163 MSEK
MARKET CAP DECEMBER 31, 2023

2 CLINICAL PROGRAMS
CORIST currently in Phase IIa, (~100 subjects dosed),
PANTAX currently in Phase Ib

PIPELINE
SCO-101, SCO-201, 800 analogues

CANCER INDICATIONS
Colorectal, Pancreatic, Gastric and others

LISTED STOCK EXCHANGE
Nasdaq First North Stockholm

PEOPLE
Current staff of 4 employees as of December 31, 2023
Office in Copenhagen, Denmark

SCANDION ONCOLOGY AND THE THERAPY

THE COMPANY

Scandion Oncology is a clinical-stage biotechnology company developing first-in-class medicines aimed at treating cancer which is resistant to current treatment options.

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

The uniqueness of SCO-101 lies in its specific and dual-targeting mechanism of action. Unlike traditional single-target therapies, SCO-101 specifically targets the protein ABCG2 and the enzyme UGT1A1 simultaneously.

Cancer cells often exhibit redundancy and compensatory mechanisms and targeting only a single protein may lead to acquired resistance. SCO-101 addresses this challenge by simultaneously inhibiting a key enzyme and protein, leading to a more profound impact on exposure of cancer cells to cancer therapy.

SCO-101 represents a novel approach in targeted therapy. By concurrently addressing a key enzyme and protein important for exposure and effect of cancer therapeutics, it aims to maximize therapeutic efficacy while minimizing the risk of resistance development.

SCO-101 is currently being tested in a clinical phase Ib and a phase IIa trial in cancer patients.

Scandion Oncology has additionally other products in its pipeline targeting cancer drug resistance as future development opportunities. All with the aim to be the Cancer Drug Resistance Company.

THE THERAPY

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.

OUR VISION

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

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

The Global Cancer Chemotherapy Market Size accounted for USD 41 Billion in 2021 and is estimated to garner a market size of USD 106 Billion by 2030 rising at a CAGR of 11.5% from 2022 to 2030.

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

At Scandion Oncology we are not aware of any drugs that are registered for blocking anti-cancer drug resistance.

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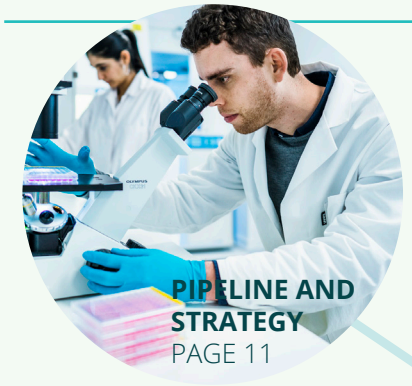

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In this document, the following definitions shall apply unless otherwise specified:
"the Company" or ***"Scandion"*** refers to **Scandion Oncology A/S**, CVR No. 38613391.
Page 2 – 31 constitute the Management Commentary.

HIGHLIGHTS 2023

Q1

JANUARY Scandion appoints Jan Stenvang, Ph.D., Chief Scientific Officer and member of Executive Management. Jan is co-founder of Scandion Oncology and has more than 20 years of experience in cancer research

JANUARY Scandion receives favourable opinion from the European Patent Office on Composition of Matter Patent-application for lead compound SCO-101. The patent would provide protection of the commercial solid form of SCO-101 until at least 2042

MARCH Scandion successfully completed the dose finding with lead compound SCO-101 in advanced pancreatic cancer patients (PANTAX phase Ib trial). The trial's primary endpoint was achieved, establishing the maximum tolerated dose of SCO-101 in combination with the standard chemotherapies gemcitabine and nab-paclitaxel in patients with advanced pancreatic cancer.

Q3

JULY The European Patent Office announced intention to grant of Composition-of-Matter patent for Scandion Oncology's lead compound SCO-101. If granted, the patent will cover the commercial solid form of SCO-101 until at least 2042.

AUGUST Data from PANTAX trial was presented at ESMO Congress 2023.

SEPTEMBER Scandion Oncology appoints Lars Damstrup, MD, Ph.D., as new Chief Medical Officer.

Q4

OCTOBER Phase Ib PANTAX Trial is successfully completed and establishes the Maximal Tolerated Dose with positive Safety Profile and Pharmacokinetic data.

NOVEMBER Final data from the Phase IIa open-label CORIST part 2 trial shows impressive Overall Survival median of 10.4 months. A subset of patients (17 out of 25) had OS median of 13.4 months. Historical median OS data for the same patient population treated with placebo or best supportive care have been reported in the range of 5-7 months.

NOVEMBER Scandion Oncology was granted new Composition of Matter-patent on lead compound SCO-101 extending its exclusivity until at least 2042.

DECEMBER Scandion Oncology identifies potentially effective treatment of gastric cancer. Pre-clinical studies have confirmed the potential of SCO-101 to revert gastric cancer cells' resistance to chemotherapy, making the therapy more effective in clinical practice.

BUILDING ON POSITIVE DATA TO MOVE TOWARDS A PIVOTAL CLINICAL TRIAL

2023 was a landmark year in which we obtained positive data showing the efficacy of our lead compound SCO-101 as a treatment for colorectal cancer. Our top priority for 2024 is to build on these achievements and advance the development program towards a randomized trial.

At Scandion, we reflect on 2023 with satisfaction and look towards 2024 and the future with optimism based on our recent achievements.

Top of the list of highlights for our company in 2023 are the very positive data reported from both part 2 and part 3 of the CORIST trial, which studies our lead compound SCO-101 as a combination treatment of metastatic colorectal cancer (mCRC). Part of what makes us unique is that we are the only oncology company working with efflux pump inhibition, a truly innovative mechanism of action.

Combined with the also positive findings from part 1 and 2 of the trial, we now hold a comprehensive data package documenting the safety and tolerability of SCO-101 as well as its efficacy by a number of different measures. The data substantiates the well understood bio-modulating mechanism of action of our lead compound SCO-101 through our ABCG2 and UGT1A1 targets. Our lead compound leads to an increase of efficacy of chemotherapy in colorectal cancer patients, and with solid data, earlier discussions with our scientific advisors and potential business partners, we have a strategy to execute in 2024.

As a targeted therapy biotech company working against drug resistance, our value creation is based on our ability to successfully carry through clinical trials and provide positive data demonstrating the potential of our molecules, in this case SCO-101. In finalizing part 3 of CORIST as well as completing the final analysis of part 2 during 2023 and obtaining a magnitude of positive data, we have the strongest scientific basis for further clinical development of SCO-101 that the company has ever had. As such, 2023 was a landmark year for Scandion in our quest of bringing to market new and better treatments to revert cancer drug resistance.

Positive data from CORIST part 2

The final data from CORIST part 2 was announced in November 2023 and showed impressive Overall Survival (OS) data with a median OS for the 25 participating

> “Completion of and very positive topline results from part 3 of the CORIST trial makes for a strong finish to 2023 and a good start to 2024. We are excited by the positive clinical data substantiating our bio-modulating mechanism of action of our lead compound SCO-101 through the ABCG2 and UGT1A1 targets”

Francois R. Martelet
CEO

patients of 10.4 months. A subgroup of 17 patients had a median OS of 13.4 months. Historical median OS data for the same patient population treated with placebo or best supportive care have been reported in the range of 5-7 months. The clinically meaningful improvement in mOS observed in CORIST part 2 is important as OS is the gold standard in oncology trials and an important regulatory endpoint. We are treating patients who are quite sick, so our primary goal is to increase the overall survival.

Another secondary endpoint in the trial was Progression Free Survival (PFS) and the median was 2.0 months with historical data having been reported in the range of 1.7-1.8 months.

The Clinical Benefit Rate (CBR), which was assessed after 16 weeks as defined in the protocol, was found to be 21%. Historical controls where CBR was evaluated after 6 weeks have been reported to be 11-16%, whereas the CBR after 8 weeks in CORIST part 2 was found to be 42%.

Further, tumor shrinkage was observed in four patients (out of 25 patients), however below the +30% threshold defined as the trial's primary endpoint. It was encouraging to see tumor reductions in four patients, a high proportion in this group of refractory hard-to-treat patients.

... and even more from CORIST part 3

Even more encouraging are the topline results from CORIST part 3, which were announced in January 2024 and show several encouraging signs of efficacy on top of what was observed in part 2.

An impressive tumor reduction of more than 30% (partial response) was observed in two out of six patients in the last trial cohort, the Median Progression Free Survival (mPFS) was 4.6 months, superior to the PFS reported in CORIST part 2 and the Clinical Benefit Rate (CBR) was 76% after eight weeks of treatment, a significant increase from the 42% CBR from CORIST Part 2. Further, the optimal dosing schedule and Maximum Tolerated Dose (MTD) was established for the 6-day schedule.

We remain very encouraged by these results, not least being able to demonstrate impressive overall survival for the participating patients and tumor shrinkage in a number of them. Obviously, the data supports further clinical development in this indication, which we are now planning to execute.

Our optimism has been further boosted by the support from leading mCRC-experts, whom we have gathered on an advisory board to present our data and considerations about next steps in clinical development. As mentioned earlier, these include both a randomized trial and the steps leading up to that. We are encouraged by the support from the advisory board and are following its guidance and advice as we plan how to best move towards a randomized clinical trial.

Let me emphasize that we will not move directly to a randomized trial, but rather expand the part 3 data by adding one or more smaller patient cohorts to potentially further optimize the dosing regimen to be applied in a larger, randomized trial. With our current cash on hand, we remain funded into Q2, 2025; more details in the financial review section.

Solid patent protection

When planning our long-term clinical development, we are comforted by the fact that we have solid protection of our intellectual property (IP), which was further enhanced during 2023 and the beginning of 2024.

In November 2023, Scandion was granted a new Composition of Matter-patent for SCO-101 by the European Patent Office. The patent covers solid crystal forms of SCO-101, including the form of the molecule that we expect to market (pending successful completion of clinical development and subsequent approval).

We expect the new patent to provide protection of the commercial solid form of SCO-101 until its expiry in

2042 or later. This puts us in the favorable and unusual position of having a molecule in phase II of clinical development with almost 20 years of exclusivity ahead of us.

Typically, a molecule in this stage of development might have 8-10 years of patent protection left. The long remaining exclusivity could allow us to expand the development of SCO-101 into new indications, as it enhances our opportunities for recouping our investments.

In January 2024, we got more good news regarding our IP as we received a Notice of Allowance from the United States Patent and Trademark Office regarding granting of a patent covering methods of using SCO-101 and any other so-called VRAC modulator to sensitize cancer cells to any anti-cancer agent or potentiate the therapeutic effect of any anti-cancer agent.

This patent offers very broad intellectual property protection until at least 2037, which will allow Scandion to potentially target also earlier lines of treatment. It enhances our patent portfolio in the US, which also includes a patent on combination therapy of resistant cancers.

Potential gamechanger

As always, I want to emphasize that – unfortunately – drug resistance remains a massive problem in cancer treatment and in the development of new medicines. If we at Scandion can fulfil our mission of reverting the resistance and make treatments work better and longer, the benefits could be game changing for patients, relatives, health care professionals and society.

Scandion is one of only a few companies worldwide with a chance of providing these benefits through new innovative treatments. We want to improve the fate of patients losing the fight to cancer because of resistance towards current conventional chemotherapies. It is a pleasure for me to lead our team in this work.

I am pleased with our achievements in 2023 and recent months, especially the positive data from CORIST, and look forward to presenting more details about our plans for further advancing the development of SCO-101.

I thank our shareholders and other stakeholders – patients, staff and partners – for your continued support.

Francois Martelet
CEO

Scandion Oncology A/S –
The Cancer Drug Resistance Company

FINANCIAL HIGHLIGHTS AND KEY FIGURES

TDKK	*IFRS* 2023	*IFRS* 2022	*IFRS* 2021	*IFRS* 2020	*Local GAAP* 2019
Income Statement					
Operating loss	-45,357	-80,166	-55,367	-23,755	-15,392
Net finance income/cost	654	-2,034	-1,846	2,233	-156
Loss before tax	-44,704	-82,200	-57,213	-21,522	-15,555
Net loss	**-39,204**	**-76,700**	**-51,705**	**-17,138**	**-12,184**
Total comprehensive loss	**-39,204**	**-76,700**	**-51,705**	**-17,138**	**-12,184**
Balance Sheet					
Total non-current assets	6,397	2,546	1,915	596	273
Total current assets	28,164	86,855	114,304	186,125	19,630
Hereof Cash and cash equivalents	*26,520*	*77,605*	*105,710*	*5,814*	*15,421*
Total Assets	34,560	89,401	116,219	186,721	19,903
Total equity	**31,122**	**70,327**	**104,541**	**155,867**	**18,338**

TDKK	*IFRS* 2023	*IFRS* 2022	*IFRS* 2021	*IFRS* 2020	*Local GAAP* 2019
Cash Flow					
Cash flow from operating activities	-50,668	-69,443	-49,798	-17,227	-9,956
Cash flow from investing activities	288	-389	-485	-46	-238
Cash flow from financing activities	-705	41,727	150,179	7,666	17,953
Net cash flow for the period	**-51,085**	**-28,105**	**99,896**	**-9,607**	**7,759**
Other key figures and ratios					
Average number of FTE (R&D)	5	11	10	5	3
Average number of FTE (G&A)	2	3	3	1	0
Number of FTE end of year (R&D)	2	8	12	8	5
Number of FTE end of year (G&A)	2	2	3	2	1
Number of registered shares	**40,707**	**40,707**	**32,136**	**32,136**	**19,052**
Equity ratio	90%	79%	90%	83%	92%
Earnings per share basic (EPS)	-0.96	-1.88	-1.61	-0.53	-0.64
Diluted earnings per share (EPS-D)	-0.96	-1.88	-1.61	-0.53	n.a.
Shareholders' equity per share	0.76	1.74	3.25	4.85	0.96

The calculation methods for the Key Ratios are explained in Note 2 on page 38.

FINANCIAL REVIEW FOR 2023

Financially, 2023 was as planned and we again executed very well on our investment plans. That also means that our cash position is as expected, and that we remain fully funded into 2025 as previously communicated.

2023, 2022, 2021 and 2020 figures are reported under IFRS. The comparative year 2019 has not been restated following the adoption of IFRS in 2021. The financial review is based on the financial information for the year ended December 31, 2023, with comparative 2022 figures in brackets.

Results of operations

Other operating income (mainly funding from Innovation Fund Denmark under the 5.5 MDKK Funding Program) amounted to 0.4 MDKK (2.1). Total operating expenses in 2023 reached 45.8 MDKK (82.2), a decrease of 36.4 MDKK compared to 2022.

Operating expenses can be divided into two main cost groups, Research & Development (R&D) and General & Administration (G&A) expenses.

R&D expenses in 2023 of 31.9 MDKK (65.1), relate primarily to the two ongoing clinical studies, CORIST and PANTAX. The decrease in costs is due to the planned development in clinical activities of both studies.

G&A expenses in 2023 of 14.0 MDKK (17.2), is driven by our continuous focus on reducing overall cost.

Operating loss for 2023 was 45.4 MDKK (80.2).

In 2023, net financial items amounted to 0.7 MDKK (-2.0), which derives from a net interest gain of 0.1 MDKK and a net currency gain of 0.6 MDKK. The company recognized a tax credit for the year 2023 of 5.5 MDKK (5.5). The tax credit has a positive effect on the liquidity in 2024.

Net loss for the year shows a loss in 2023 of 39.2 MDKK (76.7), which is in line with the company's plans and expectations.

Financial position

Total assets as of December 31, 2023, were 34.6 MDKK (89.4), of which Cash and Cash equivalents amounted to 26.5 MDKK (77.6).

Receivables amounted to 7.1 MDKK (9.3) which mainly relates to income tax receivables in the amount of 5.5 MDKK (5.5) to be received in November 2024. Other receivables and prepayments amounts to 1.6 MDKK (3.8). The equity ratio as of December 31 2023 was 90% (79%), and equity was 31.1 MDKK (70.3).

With the cash position as of December 31, 2023, Scandion Oncology is sufficiently capitalized to fund ongoing activities well into 2025.

Cash flow

Operating cash flow for 2023 was an outflow of 50.7 MDKK (outflow 69.4).

The operating cash flow is explained by the operating loss of -44.7 (-82.2), change in working capital og MDKK -12.4 (6.4) and is further explained by reversed depreciation of MDKK 0.9 (0.9) and Corporate Tax received of MDKK 5.5 (5.5). Cash flow from investing activities amounted to MDKK 0.3, mainly deriving from sale of laboratory equipment sold and no longer in use. Cash flow from financing activities was an outflow of MDKK 0.7, mainly Lease payment.

Total net cash flow for 2023 was a net cash outflow of 51.1 MDKK (28.1).

Going concern

The Board and Management is fully aware of the very challenging capital markets we have seen over the past years and are still facing, why we are actively exploring and pursuing ways to fund operations going forward. This includes engaging in partnering discussions, exploring opportunities for grants and loan structures and direct and indirect equity funding.

As per the current cash flow estimates, Scandion is currently funded into Q2, 2025.

Based on the above and the history of attracting equity financing, it is Management's assessment that the Company should be considered going concern, however that the financial situation requires carefully monitoring.

PIPELINE AND STRATEGY

CLINICAL PIPELINE

Developing First-in-class Medicines for Personalized Therapy

Scandion Oncology is currently developing a unique First-in-class lead compound SCO-101 – an oral add-on therapy to standard anti-cancer treatment. The most advanced program, CORIST, is a clinical phase IIa study for the treatment of drug resistant metastatic colorectal cancer (mCRC). The second program, PANTAX, is a clinical phase Ib study for the treatment of unresectable or metastatic pancreatic cancer.

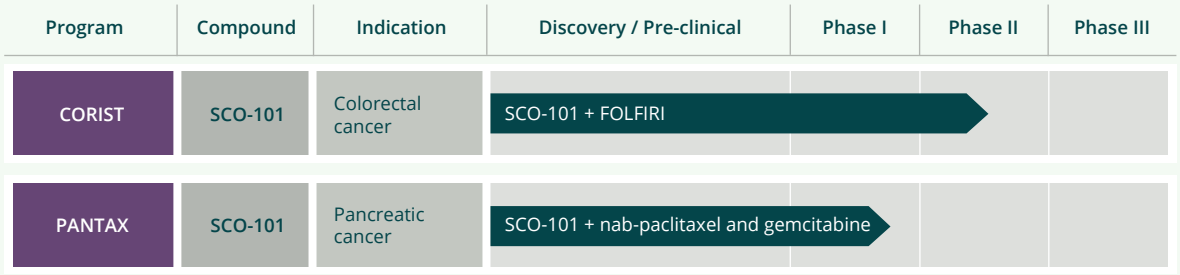
First-in-class medicine

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

Personalized therapy

Scandion Oncology is developing 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



ACHIEVED MILESTONES

- **PANTAX:** Dose finding results from phase Ib trial released Q1, 2023
- **CORIST:** Final data from the phase IIa, part 2 trial released Q4, 2023
- **CORIST:** Recruitment part 3 completed H2, 2023
- **CORIST:** Topline results from part 3 released January 2024

UPCOMING KEY EVENTS

- **CORIST:** PK and Safety data from part 3 is expected in H1, 2024
- **CORIST:** Final data from part 3 is expected in H2, 2024
- **PANTAX:** Final data including the Clinical Study Report is expected in H1, 2024

CORIST

For the Treatment of Patients with Metastatic Colorectal Cancer

In the CORIST phase IIa study, patients with chemotherapy resistant metastatic colorectal cancer (mCRC) receive SCO-101 treatment together with the standard chemotherapy drug combination FOLFIRI. All patients enrolled in the trial have previously demonstrated FOLFIRI resistance.

The first part of the CORIST phase IIa study, which aimed at establishing a safe dose of SCO-101 when given together with FOLFIRI has been successfully completed and positive interim results were presented in June 2021.

The interim results led Scandion to continue the second part of the CORIST phase IIa study (part 2) in RAS wild-type patients. This second part of the CORIST phase IIa study has completed recruitment of 25 patients, and continues the focus on safety, tolerability, and efficacy parameters, to establish initial proof-of-concept for SCO-101 in mCRC on a schedule combining SCO-101 and FOLFIRI.

Topline data from CORIST part 2 have been released end of Q3, 2022. The topline results confirmed the safety and tolerability of SCO-101 in this indication and combination. Further, tumor reductions were observed in some patients, however below the 30% threshold defined as the trial's primary endpoint. Also, indication of prolonged progression free survival and stable disease (secondary endpoints) were observed in this hard-to-treat refractory patient population.

The final results from the part 2 analysis are highly positive as data show impressive overall survival for the patients participating in the trial. Further, four out of the 25 patients had shrinkage of their tumors, and the Clinical Benefit Rate evaluated after 16 weeks was 21%. Also, a potential biomarker for identifying patients most likely to respond to the treatment was identified in the trial. As already communicated last year, the data also confirmed the safety and tolerability of SCO-101.

Specifically, the data shows a median Overall Survival (mOS) of 10.4 months in CORIST part 2 with historical data for placebo or best supportive care having been reported in the range of 5-7 months in large international, multicenter, randomized, double-blinded phase III trials. A subset of patients (17 out of 25) had mOS of 13.4 months. This impressive data from CORIST is important, since mOS is the gold standard in oncology trials and an important regulatory endpoint. It is encouraging to see tumor reductions in four patients, a high proportion in this group of refractory hard-to-treat patients.

In January 2024, positive topline phase IIa data from the CORIST part 3 trial was reported, and impressive tumor reduction of more than 30% (partial response) was observed in one patient (out of 21 evaluated patients).

In March 2024 another partial response was reported in the last trial cohort, meaning that two of the six total patients have had a partial response, i.e. tumor reduction of more than 30%.

Median Progression Free Survival (PFS) of 4.6 months in Part 3, superior to the PFS reported in CORIST part 2, and Clinical Benefit Rate (CBR) was 76% after eight weeks of treatment, a significant increase from the 42% CBR from CORIST part 2.

About the CORIST phase II study

The aim of the CORIST phase II study is to investigate SCO-101 in combination with chemotherapy (FOLFIRI) in patients with mCRC. Patients enrolled in the CORIST study have failed all prior standard chemotherapy and have entered a terminal stage of their disease with little hope of either a cure or of extending life. Moreover, in most countries there are no further therapies to offer these patients.

CORIST part 1

The first part of the CORIST phase IIa study, which aimed at establishing a safe dose (maximum tolerated dose) of SCO-101 when given together with FOLFIRI has been successfully completed. SCO-101 was administered once daily on day 1 to day 6 and FOLFIRI was administered on day 5 to 7.

CORIST part 2

The second part of the CORIST phase IIa study only included patients with RAS wild-type tumors, based on

findings in CORIST part 1. Part 2 of the CORIST study has completed recruitment of 25 patients, and continues the focus on safety, tolerability, and efficacy parameters, to establish initial proof-of-concept for SCO-101 on a schedule combining SCO-101 and FOLFIRI. Topline data from CORIST part 2 were released end of Q3, 2022, and final results were released in Q4, 2023.

CORIST part 3

The third part of the CORIST phase IIa study evaluate the safety and tolerability of SCO-101 in combination with FOLFIRI when dosed according to a different schedule than in part 1 and 2 of the CORIST phase II study.

The study include 25 patients in 4 cohorts of which 21 patients were evaluable in 2 different schedules. Topline results were released in January 2024 and final results from the study are expected in H2, 2024. Final results from CORIST part 3 are expected in H2, 2024.

Based on the outcome of part 3 we will design next steps of the study – potentially an enabling study to optimize the dose of irinotecan in combination with SCO-101.

ABOUT THE DISEASE

Colorectal cancer (CRC) is one of the most common cancers worldwide with over 1.9 million new cases and 900,000 deaths estimated to occur every year. Unfortunately, a large proportion of patients diagnosed with CRC will develop metastatic disease (mCRC) despite prior adjuvant treatment and approximately 20% of newly diagnosed CRC patients have already developed metastatic disease at the time of diagnosis. The standard of care for patients with mCRC is either surgery and/or chemotherapy and targeted therapy with monoclonal antibodies.

For incurable patients, standard drugs are 5-FU and derivatives, oxaliplatin, irinotecan, bevacizumab and panitumumab or cetuximab. The anti-cancer agent irinotecan is most often prescribed in combination with 5-FU and leucovorin (FOLFIRI). One major problem in the treatment of mCRC is the frequent development of drug resistance. In practical terms, this means that the cancer continues to either grow during the anti-cancer treatment (de novo resistance) or re-grow after an initial response to the anticancer treatment (acquired resistance).

PANTAX

For the Treatment of Patients with Unresectable or Metastatic Pancreatic Cancer

In the PANTAX phase Ib study, patients with unresectable or metastatic pancreatic cancer receive SCO-101 treatment in combination with nab-paclitaxel and gemcitabine which is standard first- or second-line therapy.

The PANTAX phase Ib dose-finding study was initiated in Q4, 2020 and patients were enrolled from clinical sites in Denmark and Germany. In August 2022, Scandion announced that due to good tolerability the dosing was escalated to higher levels than expected based on the initial findings in the CORIST trial, which prompted the amendment of the PANTAX trial design communicated in January 2021. The continued dose escalation extended the PANTAX trial meaning it was expected to complete enrollment in H1, 2023.

Topline data from the PANTAX phase Ib study were given on March 31, 2023. The primary endpoint was achieved, as the maximum tolerated dose of Scandion's lead compound SCO-101 in combination with standard of care chemotherapies gemcitabine and nab-paclitaxel in patients with advanced pancreatic cancer was established at 200 milligrams given for 6 consecutive days every 2 weeks. The full analysis of all safety and efficacy outcomes will be performed after all patients have completed treatment and a follow up-period. Once the final data are available, Scandion will carefully assess and publish the final results before deciding potential next steps of development of SCO-101 as a combination treatment of pancreatic cancer.

About the PANTAX study

In the PANTAX study, patients with unresectable or metastatic pancreatic cancer receive SCO-101 treatment in combination with nab-paclitaxel and gemcitabine which is standard first- or second-line chemotherapy.

The aim of the phase Ib study is to establish a safe dose (maximum tolerated dose) of SCO-101 in combination with nab-paclitaxel and gemcitabine.

ABOUT THE DISEASE

Approximately 500,000 patients worldwide are newly diagnosed with pancreatic cancer each year. Pancreatic cancer has a very high unmet need, with poor prognosis and high treatment failure rates, leading to estimated 468,000 deaths worldwide in 2024. Despite the comparably low incidence, it is the 3rd leading cause of cancer death in the US and 7th worldwide. Approximately 70% of diagnosed patients have a life expectancy of less than 1 year without adequate treatment and patients with metastatic disease (50-55%) have a limited survival of only 3 to 6 months.

The treatment paradigm for pancreatic cancer is predominantly composed of chemotherapies, most notably FOLFIRINOX or gemcitabine and nab-paclitaxel.

Pancreatic cancer has a high frequency of primary (de novo) resistance against chemotherapy, but also fast development of secondary (acquired) resistance is a major problem. This means that most patients who initially experience a positive effect of the chemotherapy, will experience disease progression relatively fast.

PRE-CLINICAL PIPELINE

Building Future Value

Scandion Oncology's Pre-clinical Pipeline

Program	Compound	Indication	Discovery / Pre-clinical	Phase I	Phase II	Phase III
101	SCO-101	Other cancer indications	→			
201	SCO-201	Solid tumors/ HIV	⇢			

Scandion has completed pre-clinical studies confirming that the company's lead compound, SCO-101, could potentially be an effective treatment for gastric cancer. SCO-101 is currently being clinically developed as a combination treatment for metastatic colorectal cancer and pancreatic cancer, presenting gastric cancer as an appealing new opportunity for Scandion.

It has been well documented in scientific literature that the protein ABCG2 is overexpressed in gastric cancer cells and that high ABCG2-expression is associated with poor clinical outcome (i.e., survival). Scandion's pre-clinical studies have confirmed that ABCG2, which SCO-101 specifically inhibits, is overexpressed in gastric cancer cells, meaning that gastric cancer cells will be sensitive to SCO-101 treatment. SCO-101 works synergistically with chemotherapy in ABCG2-positive cells. This is similar to colorectal cancer in which we have seen impressive overall survival (OS) for patients when SCO-101 is combined with the chemotherapy.

SCO-201 is a potent anti-viral molecule blocking early stages of viral replication. The anti-viral effect has been demonstrated in vitro and in vivo for Picornaviridae, especially Rhino and Enterovirus, and in drug resistant variants. Expression of ABCG2, which is strongly inhibited by SCO-201, is correlated with sustaining HIV-infections. Moreover, there is evidence that ABCG2 and drug metabolic enzymes, may impact antiretroviral concentrations in HIV target cells. Drug resistance in HIV treatment is a serious problem as there are an annual 30 million patients worldwide that receives antiretroviral therapy and 50-90% of these patients are failing treatment due to resistance.

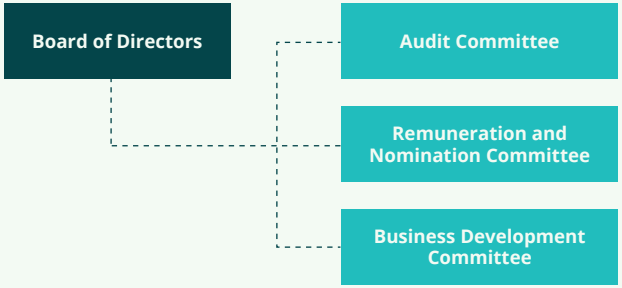
The anti-viral activities of SCO-201 opens for new and appealing opportunities for Scandion.

CORPORATE MATTERS

CORPORATE GOVERNANCE

Scandion Oncology is a Danish, limited liability company headquartered in Copenhagen, Denmark, and listed on the Stockholm Nasdaq First North Growth Market in Sweden. Scandion complies with the Nasdaq First North Growth Market Rulebook, and the EU Market Abuse Regulation. Scandion is not covered by the Danish Financial Statements Act, section 107B and therefore not applied.

Good corporate governance is an essential component of the work of generating value for the Scandion 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 three committees; the Audit Committee, the Remuneration and Nomination Committee and Business Development Committee, which all work according to procedures, established by the Board of Directors.

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:

- **Keld Flintholm Jørgensen** *(Chairman)*
- **Jørgen Bardenfleth**

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, 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 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 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 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 two members:

- **Alejandra Mørk** *(Chairman)*
- **Martin Møller**

Business Development Committee

The purpose of the Committee is to assist the Board in developing the Company's business and creating value for the Company's shareholders and other stakeholders, hereunder by:

- Supporting the strategic development in line with the vision and goals of the Company;
- Reviewing the development and implementation of the Company's growth strategies;
- Making recommendations to the Board with respect acquisitions and divestitures for which the Board's approval is required;
- Working closely with the Company's Board to develop the Company's corporate strategy.

The Business Development Committee consists of the following three members:

- **Keld Flintholm Jørgensen** *(Chairman)*
- **Martin Møller**
- **Martine van Vugt**

CORPORATE SOCIAL RESPONSIBILITY

Scandion is not covered by the Danish Financial Statements Act, section 99A, and therefore not applied.

Our Business

Scandion Oncology discovers and develops first-in-class medicines aimed at treating cancer which is resistant to current treatment options. We are at the forefront of this field, developing novel medicines that address cancer's resistance against treatment. Our aim is to make the treatment work better and longer, thereby potentially prolonging and improving the life of patients who would otherwise have a high risk of dying from their cancer.

Globally, close to 10 million patients die every year from treatment resistant cancers, and our medicines are relevant in several different cancers. This gives us the potential to provide treatment to millions of people, who today don't have effective treatment options. That makes both our medical and commercial potential significant.

Scandion is based in Copenhagen and our lead candidate, SCO-101, is currently being studied in clinical phase I and II trials.

People and Culture

The discovery of new medicines requires people with strong skills in multiple disciplines working closely together in a well-coordinated manner. In the composition of our team, we are looking for 'best-in-class' innovative, creative and ambitious people from all over the world who own the best skills to contribute to our mission to discover and develop first-in-class medicines aimed at treating cancer which is resistant to current treatment options.

We treat all people with kindness and respect. We support people on their journey and enable a sense of belonging.

We maintain the highest ethical standards in all that we do as we deliver and explore for patients in need.

A diverse, skilled, and healthy workforce is crucial to the success of Scandion. The health and safety of the employees is a high priority and Scandion continually works to ensure that all systems and processes live up to best practice. All employees working in the laboratories are trained in the systems, processes and mandatory, ongoing education in relation to workplace safety.

Scandion conducts mandatory Health and Safety surveys (APVs) on a regular basis to assess the working environment at the company.

We value diversity in gender, age, ethnicity, nationality, religion, education, sexual orientation, work history, opinions, and skills at all levels of our business.

The Board of Directors consists of 40% females and 60% males.

4

EMPLOYEES AS OF DECEMBER 31, 2023

100%

EMPLOYEES WITH MASTER AND PH.D DEGREES

50%

EMPLOYEES ENGAGED IN RESEARCH AND DEVELOPMENT ACTIVITIES

BOARD DIVERSITY

FEMALE 40% – MALE 60%

Whistleblower Statement

Scandion is committed to maintaining high standards of corporate governance, ethics and behaviour in all of our activities, as part of which Scandion requires, that its employees display the highest levels of professionalism in all aspects of their work to facilitate compliance with the Company's Code of Conduct and all applicable laws.

Scandion is also committed to maintaining a culture where all employees feel empowered to report misconduct and to feel safe and protected when doing so in two important areas - confidentiality and against retaliation.

This extends also to others with a connection to Scandion such as officers, directors, contractors, consultants, suppliers and service providers.

Individuals as noted above with information in relation to misconduct (including unethical, illegal, corrupt or other inappropriate conduct) are encouraged to contact the Chairman of the Board of Directors or the Chairman of the Audit Committee.

Anti-corruption & Bribery

Scandion is committed to maintaining the highest standards of conduct and will not tolerate the use of bribery or corruption to achieve its business objectives. Our policies on bribery and corruption are clearly set out in our staff handbook and are reinforced annually at staff meetings.

Employees must decline any expensive gifts, money, trips, or other such offerings from business contacts. This also includes receiving services from suppliers without paying for them.

Environment & Climate

Scandion acknowledges the challenges associated with climate change.

The company conducts its business in a highly regulated industry and climate and follows applicable rules on hazardous substances. However, considering the business of the company, Scandion's general potential impact on the environment and climate is viewed as minimal.

Scandion keeps a record of all accidents and have no records of spill of hazardous substances. The company has a highly educated staff that follows established procedures both during use and disposal of hazardous substances. As such, use of hazardous substances is connected with a very low and controlled risk.

RISK MANAGEMENT

Risk framework
Scandion's management is responsible for the ongoing risk management, including risk mapping, assessment of probabilities and impact, as well as mitigating actions. Management reports to the Board of Directors on risk management. The risks presented below are based on an assessment by Scandion of the probability of their occurrence and the expected extent of their negative impact.

Major Global Events
The Russian/Ukrainian war is not currently expected to pose a major risk to Scandion. The ongoing inflation has minor affect on Scandion.

Financing needs
Scandion has reported significant losses since the Company began operations. Scandion 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 cash flow being 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 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 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, 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 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. 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 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, therefore 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'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, because 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 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.

Suppliers/Manufacturers

Scandion 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

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 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. Scandion'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.

Key individuals and employees

The success of our company depends on our ability to attract, integrate, manage, and retain qualified personnel or key employees. Failure to do so could have a material adverse effect on the Company's business, results of operations, cash flows, financial condition, and/or prospects. The market for qualified personnel is competitive and the Company may not succeed in recruiting personnel to, or it may fail to effectively replace current personnel who depart with qualified or effective successors.

IT security

Our business depends to a large and increasing degree on reliable and secure IT systems, why cyberattacks and cyber fraud, system down-time, disruption or compromise of IT security could affect all parts of the Company's operations . Failure to adequately protect the IT infrastructure and key systems against the risk of security incidents could potentially impact critical business processes.

Additional financial risks

For additional financial risks refer to note 18 on page 49-50.

SHAREHOLDER INFORMATION

The share

The shares of Scandion Oncology A/S are listed on Nasdaq First North Growth Market Sweden.

Scandion Oncology's share capital amounts to 2,992 TDKK divided into 40,706,972 shares of nominal value 0.0735 DKK each. There is only one class of shares, and each share represents one vote.

As of December 31, 2023, the number of shares was 40,706,972 (40,706,972).

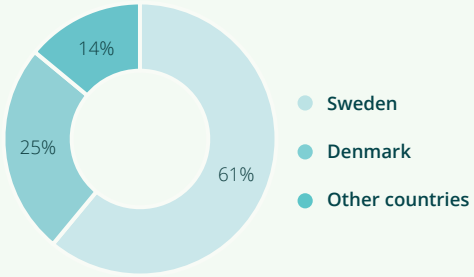
Listing	First North Growth Market Sweden
Number of shares	40,706,972 (40,706,972)
Share price (December 31, 2023)	4.00 SEK (2.80 SEK)
Market capitalization (December 31, 2023)	163 MSEK (114 MSEK)
Ticker	SCOL
ISIN	DK0061031895

Shareholders

There are no individual shareholders that own 5% or more of the shares in Scandion Oncology as of December 31, 2023.

According to the shareholder register maintained by Euroclear Sweden AB, Scandion Oncology had 7,703 (8,195) shareholders as of December 31, 2023.

Shareholders by country, December 31, 2023



Share-based incentive schemes

At the Annual General meeting on April 27, 2022 a new warrant program was approved, authorizing the Board of Directors to issue up to 4,177,620 new warrants which carry the right to subscribe for an equal number of shares in Scandion Oncology A/S.

As of December 31, 2023 a total of 417,762 warrants has been issued to the Board of Directors and a total of 1,282,033 warrants has been issued to the Executive Management and Employees – a total of 1,699,795 warrants issued.

Remaining warrants to be issued under this program is 2,477,825.

Share price

The Scandion Oncology share price on December 31, 2023 was 4.00 SEK (2.80), equivalent to a market capitalization of 163 MSEK (114 MSEK).

The share price has increased with 142.9% from 2.80 end of Q4, 2022 to 4.00 end of Q4, 2023, driven by several factors including positive data from the studies and generally improved biotech market conditions.

Relative to Q4, 2022, the average, daily turnover of Scandion Oncology shares was 0.5 MSEK compared to 0.5 MSEK in Q4, 2023 equivalent to Status Quo.

(Numbers in brackets represent the corresponding reporting period last year)

Share price development and trading volume December 31, 2022 to December 31, 2023

Source: Cision/Millistream

Forward looking statements

This annual report includes statements that are forward-looking, and actual future results may differ materially from those stated. In addition to the factors explicitly commented upon, other factors that may affect the actual future results are for example development within research programs, including development in pre-clinical and clinical trials, the impact of competing research programs, the effect of economic conditions, the effectiveness of the company's intellectual property rights and preclusions of potential second party's intellectual property rights, technological development, exchange rate and interest rate fluctuations and political risks.

Dividend Policy

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

Investor Relations

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

For further information, please contact

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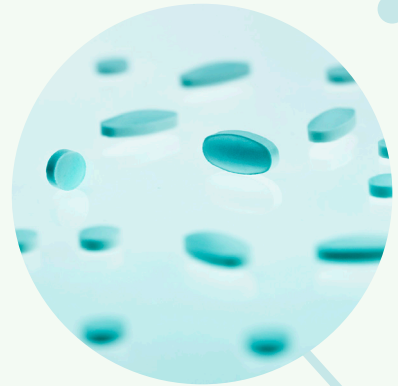
E: jos@scandiononcology.com

Certified Advisor

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



FINANCIAL CALENDAR

April 24, 2024	Annual General Meeting
May 7, 2024	Interim report Q1
August 29, 2024	Interim report Q2
November 27, 2024	Interim report Q3
February 28, 2025	Year-end report 2024

BOARD OF DIRECTORS

MARTIN MØLLER

Chairman of the Board since April 2022, member of the Board of Directors since 2021.

Education: MA in humanities from the University of Copenhagen.

Background: Worked for more than 20 years at the international management consulting firm McKinsey & Company, specializing in healthcare, biotech, pharmaceuticals and life sciences, since 2007 as a Partner and since 2013 as a Senior Partner, until 2021. In that role, he has advised companies globally on strategy, growth and transformations, including drug development and innovation.

Other ongoing assignments: Chairman Re-Zip ApS, Board member in Immunovia AB and Rehaler A/S.

Independence: Independent in relation to both the Company and executive management.

Scandion Oncology shares and warrants
6.266 shares and 128.542 warrants.

ALEJANDRA MØRK

Member of the Board of Directors since April 2022.

Education: PhD and MSc Pharm.

Background: Worked all her career in drug development. First in Nycomed Pharma for 18 years in various leadership positions in Project Management, Clinical Development, Regulatory Affairs and as overall responsible for Drug Development being part of Nycomed top-management. In 2008 Alejandra acquired KLIFO A/S to build an international drug development consultancy supporting biotech and pharma companies to progress and increase value of their product development projects. Alejandra Mørk has since 2011 been member of the Board of Danish Biotech.

Other ongoing assignments:
Board member in Danish Biotech, Epoqe Pharma ApS and member of the Danish Academy of Technical Sciences.

Independence: Independent in relation to both the Company and executive management.

Scandion Oncology shares and warrants
64.271 warrants.

JØRGEN BARDENFLETH

Deputy chairman, member of the 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 Impero A/S, Bizbrains A/S, Dubex A/S and Symbion A/S, Vice Chairman at BLOXHUB, Board member at CN3 A/S, BIM Genetics ApS, Accelerace, Jumpstory ApS, Vallø Stift, Copenhagen Capacity.

Independence: Independent in relation to both the Company and executive management.

Scandion Oncology shares and warrants
457.629 shares and 96.407 warrants
(partly owned via Lioneagle ApS).

MARTINE J. VAN VUGT

Member of the Board of Directors since April 2022.

Education: PhD

Background: +20 years of biotechnology industry experience and is a proven leader with a successful track record of leading high-performing, global cross-functional teams in a networked biotech environment. She is skilled in developing joint business value propositions, designing partnership structures and management of alliances. Martine is an expert in corporate transactional and licensing operations, including strategic partnering, in- and out-licensing as well as asset divestment and purchases. She is recognized internally and in industry for her strong leadership, communication and negotiation skills, and effectively blends analytical skills with a natural leadership style grounded in integrity and science. Martine is an inventor of Darzalex ® and Tepezza.

Other ongoing assignments:
Executive Vice President & Chief Strategy Officer at Genmab.

Independence: Independent in relation to both the Company and executive management.

Scandion Oncology shares and warrants
64.271 warrants.

KELD FLINTHOLM JØRGENSEN

Member of the Board of Directors since April 2022.

Education: BSc in Economics & Business Administration and MSc in Business Economics & Auditing, Copenhagen Business School.

Background: +20 years of experience within the global pharma industry across different functional areas such as Business Development, Corporate Strategy, Finance and Auditing. Served in several finance leadership positions at Roche from 2000 and until 2011, where he joined Roche Strategic Partnering. From 2017 he was promoted to Global Head of Roche Strategic Partnering and a member of the Roche Pharma Late Stage Portfolio Committee. In 2019, Keld joined Lundbeck as EVP and Chief Business Officer, responsible for Corporate Strategy and Business Development. During the past +10 years in BD, Keld has executed M&A's and partnering deals worth >10 bio USD

Other ongoing assignments: SVP & Chief Business Officer of Lundbeck A/S

Independence: Independent in relation to both the Company and executive management.

Scandion Oncology shares and warrants
64.271 warrants.

EXECUTIVE MANAGEMENT

FRANCOIS MARTELET, M.D.

Chief Executive Officer

Education: Doctorate in Medicine, Dijon University of Medicine. Master's Degree in Business, Pharmaceutical Marketing, Burgundy Business School. Advanced Management Program, INSEAD. Executive education finance & management programs, Harvard Business School.

Background: Francois Martelet's career in the global pharmaceutical and biotech industry spans more than 30 years and he has more than 20 years of experience as senior level executive.

Francois Martelet has worked and held global leadership positions in large pharmaceutical companies including F. Hoffmann la Roche Ltd., Eli Lilly & Co., Novartis Pharma AG and Merck & Co., Inc. and has also been CEO and chairman of a number of biotech companies in Europe and in the US, including Topotarget A/S. Prior to joining Scandion Oncology A/S, Francois Martelet was CEO of a biotech company Vivesto AB based in Sweden.

Other ongoing assignments: Board member of Novigenix SA.

Year of commencement of the position: 2023.

Scandion Oncology shares and warrants:
11.184 shares and 600.000 warrants.

JOHNNY STILOU

Chief Financial Officer

Education: MSc in Business Economics and Auditing, Executive Management Program, INSEAD.

Background: Johnny Stilou has held numerous Executive positions as Chief Financial Officer within the biotech and pharmaceutical industry, most recently as CFO at Amgen Research Copenhagen and Nuevolution AB (acquired by Amgen). Prior to Nuevolution, he served as CFO at Veloxis Pharmaceuticals until the company was acquired by Asahi Kasei.

Other ongoing assignments: None

Year of commencement of the position: 2021

Scandion Oncology shares and warrants
13.333 shares and 482.033 warrants.

LARS DAMSTRUP

Chief Medical Officer

Education: MD, PhD with specialization in Oncology.

Background: Lars is a medical doctor and specialist in oncology and holds a Ph.D. from the University of Copenhagen. He has worked with clinical development of new cancer treatments for more than 20 years in companies like Novartis, Genmab, Debiopharm and Topotarget and been Senior Medical Director in Merck Serono and Symphogen.

Other ongoing assignments: None

Year of commencement of the position:
2023 (as Consultant).

Scandion Oncology shares and warrants
None

JAN STENVANG

Chief Scientific Officer

Education: Ph.D. in Molecular and Cellular Biology.

Background: With a master's degree and Ph.D. in Molecular and Cellular Biology, Jan Stenvang has specialized in translational cancer research particularly focusing on drug resistance and biomarker identification.

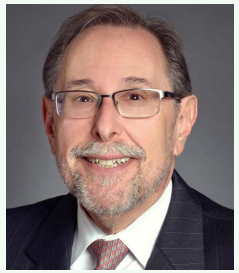
Jan Stenvang led the initial research and discoveries upon which Scandion is based and is a co-founder of the company. Before co-founding Scandion, he spent most of his career in academia as e.g. Group Leader and Associate Professor at Copenhagen University and also as Group Leader at the biotech company Santaris Pharma. Combined, Jan Stenvang has more than 20 years of experience in cancer research.

Other ongoing assignments: None.

Year of commencement of the position: 2023

Scandion Oncology shares and warrants
1,351,519 shares and 80,000 warrants.

CLINICAL ADVISORY BOARD



RICHARD L. SCHILSKY

Member of the Clinical Advisory Board since April 2021

Education: MD, FACP, FSCT, FASCO

Background: 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.

JOSEP TABERNERO

Member of the Clinical Advisory Board since September 2021

Education: MD, PhD

Background: Professor and Head of the Medical Oncology Department and Director of the Vall d'Hebron Institute of Oncology (VHIO) in Barcelona. He is a member of the Executive Board of the European Society for Medical Oncology (ESMO) having served as ESMO President in 2018 – 2019. He has been appointed as member of several Educational and Scientific Committees of ESMO, ASCO, AACR, AACR/NCI/EORTC, ASCO Gastro-intestinal, and ESMO-GI/WCGIC meetings.

ERIC VAN CUTSEM

Member of the Clinical Advisory Board since September 2021

Education: D.Sc.

Background: Professor and Division Head of Digestive Oncology at University of Leuven and University Hospitals Gasthuisberg, Leuven, Belgium and is the president of the Belgian Foundation against Cancer. Dr. Van Cutsem has received several awards, amongst others the European Society for Medical Oncology (ESMO) Award in 2019 and the European Awards in Medicine for Cancer Research. He co-founded ESMO GI/World Congress on Gastrointestinal Cancer, and is Chair of the meeting in Barcelona, Spain. He serves/served on the board or key committee of ESMO (executive board and several committees), ASCO (program committee and international affairs committee), EORTC (executive board and chair GI Cancer group), ENET (advisory board), ECCO (program committee), ESDO (president), and many others.

THOMAS SEUFFERLEIN

Member of the Clinical Advisory Board since September 2021

Education: MD

Background: Professor and Medical Director at the Department of Internal Medicine I and Deputy Director Comprehensive Cancer Center at Ulm University Hospital in Germany. Dr. Seufferlein is a member of several German and European scientific groups and organizations. He is currently President of the German Cancer Society (DKG), chairman of the committee for cancer prevention of the German Cancer Aid (DKH), the steering committee of the German Program for Oncological Guidelines of DKG, DKH and AWMF, and of the certification commission of the DKG-certified colorectal cancer centers. Editor in Chief of the German Journal of Gastroenterology.

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

TDKK	Note	2023	2022
Other operating income	7	446	2,057
Other operating R&D costs		-220	0
Research and development expenses	4,6	-31,631	-65,065
General and administration expenses	5,6	-13,952	-17,158
Operating loss		**-45,357**	**-80,166**
Financial items			
Financial income	8	1,640	932
Financial expenses	9	-987	-2,966
Loss before tax		**-44,704**	**-82,200**
Tax	10	5,500	5,500
Net loss for the year		**-39,204**	**-76,700**
Other comprehensive income for the year		**0**	**0**
Total comprehensive loss		**-39,204**	**-76,700**

TDKK	Note	2023	2022
Earnings per share basic (EPS)	11	-0,96	-1.88
Diluted earnings per share (EPS-D)		-0,96	-1.88

BALANCE SHEET

TDKK	Note	2023	2022
Assets			
Non-current assets			
Equipment	**12**	151	659
Right-of-Use assets	**12**	497	1,597
Deposits	**13**	249	290
Total non-current assets		**897**	**2,546**
Current assets			
Prepaid expenses		612	727
Other receivables		1,032	3,023
Income tax receivable	**10**	5,500	5,500
Cash and cash equivalents		26,520	77,605
Total current assets		**33,664**	**86,855**
Total assets		**34,560**	**89,401**

TDKK	Note	2023	2022
Equity and liabilities			
Equity			
Share capital	**14**	2,992	2,992
Share premium reserved		233,008	233,008
Retained earnings	**20**	-204,878	-165,673
Total equity		**31,122**	**70,327**
Non-current liabilities			
Lease liabilities	**17**	0	821
Total non-current liabilities		**0**	**821**
Current liabilities			
Lease liabilities	**17**	499	776
Account payable	**16**	1,381	4,895
Other liabilities	**16**	1,558	12,583
Total current liabilities		**3,438**	**18,254**
Total equity and liabilities		**34,560**	**89,401**

Note 15 *Allocation of the result*
Note 18 *Going Concern & Financial risk management*
Note 19 *Adjustment to cash flow statement*
Note 21 *Pledges and guarantees*
Note 22 *Contingent assets and liabilities*
Note 23 *Related parties*
Note 24 *Significant events after the balance sheet date*

EQUITY

2023 TDKK	Share capital	Share Premium	Retained earnings	Share-holders' equity
Balance at January 1, 2023	2,992	233,008	-165,673	70,327
Balance at January 1, 2023	**2,992**	**233,008**	**-165,673**	**70,327**
Comprehensive income				
Result for the year	0	0	-39,205	-39,205
Net comprehensive income	**0**	**0**	**-39,205**	**-39,205**
Transactions with owners				
Increase of Capital	0	0	0	0
Expenses related to capital increase	0	0	0	0
Share-based compensation expenses	0	0	0	0
Net transaction with owners	**0**	**0**	**0**	**0**
Balance at December 31, 2023	**2,992**	**233,008**	**-204,878**	**31,122**

2022 TDKK	Share capital	Share Premium	Retained earnings	Share-holders' equity
Balance at January 1, 2022	2,362	191,152	-88,973	104,541
Balance at January 1, 2022	**2,362**	**191,152**	**-88,973**	**104,541**
Comprehensive income				
Result for the year	0	0	-76,700	-76,700
Net comprehensive income	**0**	**0**	**-76,700**	**-76,700**
Transactions with owners				
Increase of Capital	630	52,914	0	53,544
Expenses related to capital increase	0	-11,058	0	-11,058
Share-based compensation expenses	0	0	0	0
Net transaction with owners	**630**	**41,856**	**0**	**42,486**
Balance at December 31, 2022	**2,992**	**233,008**	**-165,673**	**70,327**

CASH FLOW STATEMENT

TDKK	Note	2023	2022
Operating activities			
Result before tax		-44,704	-82,200
Adjustment for non-cash effect of the share-based payments		0	0
Financial items, reversed		-654	2,034
Depreciation, reversed		969	882
Change in working capital	**19**	-12,432	6,375
Cash flow from operating activities before financial items		**-56,821**	**-72,909**
Interest income received		1,640	932
Interest expenses paid		-987	-2,966
Corporate tax received		5,500	5,500
Cash flow from operating activities		**-50,668**	**-69,443**
Investing activities			
Equipment		0	-414
Sale, tangible assets		247	0
Financial assets		41	25
Cash flow from investing activities		**288**	**-389**
Financing activities			
Contributed capital net of costs		0	53,545
Expenses related to capital increase		0	-11,058
Lease payments		-705	-760
Cash flow from financing activities		**-705**	**41,727**
Net cash flow for the period		**-51,085**	**-28,105**
Cash and cash equivalents as of beginning of period		**77,605**	**105,710**
Cash and cash equivalents as of end of period		**26,520**	**77,605**

NOTES

NOTE 1:
GENERAL INFORMATION

Scandion Oncology A/S (the "Company"), Corporate Registration Number DK-38613391, is a limited liability company, incorporated and domiciled in Denmark. The Company is listed at Nasdaq First North Growth Market under the ticker SCOL and the ISIN code DK0061031895. The registered office is at Fruebjergvej 3, 2100 Copenhagen, Denmark.

Scandion is a biopharmaceutical company, established to address one of the most important problems in modern oncology: the treatment of cancers that have developed resistance to chemotherapy. Scandion has two promising compounds in the pipeline. SCO-101, our most advanced lead candidate, is in clinical Phase I and II studies and SCO-201 is in preclinical testing. We expect to deliver proof-of-concept with SCO-101 in 2024. Scandion is building a pipeline of drugs that can revert anti-cancer drug resistance through different mechanisms.

The aim is to increasingly broaden the offering of medicines able to combat anti-cancer drug resistance. Our first-in-class lead compound SCO-101 has been shown to enhance the effect of certain standard chemotherapies when given in combination.

Scandion has two programs in clinical development with 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.

The financial statements for the year ended 31 December 2023 have been approved by the Board of Directors and the CEO on 15 March, 2024 and will be submitted to the Annual General Meeting on 24 April, 2024 for approval.

NOTE 2:

ACCOUNTING POLICIES

The financial statements have been prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act, Class B.

This note sets out the accounting policies that relate to the financial statements as a whole. Where an accounting policy is specific to one financial statement item, the policy is described in the note to which it relates.

Basis for Preparation

The Financial statements are presented in Danish kroner (DKK) as Scandion Oncology A/S is registered in Denmark and has DKK as functional currency. All values are presented in thousand DKK and all amounts are rounded to the nearest thousand DKK.

The Financial Statements have been prepared on a going concern basis and in accordance with the historical cost convention, except where IFRS explicitly requires use of other values.

For the purpose of clarity, the Financial Statements and the notes to the Financial Statements are prepared using the concepts of materiality and relevance. This means that line items not considered material in terms of quantitative and qualitative measures or relevant to financial statement users are aggregated and presented together with other items in the Financial Statements. Similarly, information not considered material is not presented in the notes.

The accounting policies, except as described below, have been applied consistently during the financial year and for the comparative figures.

New standards & interpretations

There are no Standards and interpretations issued before 31 December 2023 of relevance for the Company, which are expected to change current accounting regulation significantly.

Foreign currency translation

On initial recognition, foreign currency transactions are translated at the exchange rate at the transaction date. Receivables, liabilities and other monetary items denominated in foreign currency that have not been settled at the balance sheet date are translated at closing rates.

Foreign exchange differences between the rate of exchange at the date of the transaction and the rate of exchange at the date of payment or the balance sheet date, respectively, are recognised in the income statement under financial items.

Definitions

Earnings per share (EPS) and diluted earnings per share (EPS-D) are calculated in accordance with IAS 33.

Other key ratios are calculated in accordance with the online version of "Recommendations and Ratios " issued by The Danish Finance Society and CFA Society Denmark.

EQUITY RATIO:

$$\frac{\text{Equity (end of year)} * 100}{\text{Total assets}}$$

EARNINGS PER SHARE BASIC (EPS):

$$\frac{\text{Net result}}{\text{Average number of shares in circulation}}$$

DILUTED EARNINGS PER SHARE (EPS-D):

$$\frac{\text{Net result}}{\text{Diluted average number of shares in circulation}}$$

SHAREHOLDERS' EQUITY PER SHARE:

$$\frac{\text{Equity}}{\text{Number of shares, year end}}$$

NOTE 3:

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the annual consolidated financial statements, management makes various accounting judgements and estimates and define assumptions, which form the basis of recognition, measurement and presentation of the company's assets and liabilities.

The estimates and assumptions applied are based on historical experience, the most recent information available at the reporting date, and other factors that management considers reasonable under the circumstances.

The basis for judgements and information can by nature be inaccurate or incomplete, and the Company is subject to uncertainties, which can result in an actual outcome that deviates from estimates and defined assumptions. It may be necessary in the future to change previous estimates and judgements as a result of supplementary information, additional knowledge and experience or subsequent events.

In applying the Company's accounting policies described in note 2, management has exercised critical accounting judgements and estimates, which significantly influence on the amounts recognized in the consolidated financial statements. The accounting estimates or judgements which are relevant to the Executive Management in the preparation of the financial statements are described in note 4, 10 and 20.

All research and development activities are carried out by Scandion.

NOTE 4:

RESEARCH AND DEVELOPMENT EXPENSES

TDKK	2023	2022
Employee benefit expenses	-6,550	-21,355
External R&D	-24,875	-32,863
Other external expenses	-896	-10,106
Disposals	1,388	0
Depreciation	-698	-741
Total	**-31,631**	**-65,065**

Accounting Policy

Research and development expenses are incurred in the company due to numerous research and development collaborations with third parties.

Research and development expenses mainly comprise the costs for active ingredient discovery, clinical studies, research and development activities in the areas of application technology and engineering, field trials, regulatory approvals and approval extensions. In addition, research and development expenses also include wages and salaries, share-based compensation, and other employee related cost, cost of premises, lawyer, depreciation etc. related to the research and development.

For accounting purposes, research expenses are defined as costs incurred for current or planned investigations undertaken with the prospect of gaining new scientific or technical knowledge and understanding. Development expenses are defined as costs incurred for the application of research findings or specialist knowledge to plans or designs for the production, provision or development of new or substantially improved products, services or processes, respectively, prior to the commencement of commercial production or use. All research and development expenses are recognized in the income statement in the period in which they are incurred.

Management's judgements and estimates

Research costs cannot be capitalized. The conditions for capitalization of development costs are closely defined: an intangible asset must be recognized if, and only if, there is reasonable certainty of receiving future cash flows that will cover an asset's carrying amount. Since the company's development projects are often subject to regulatory approval procedures and other uncertainties, the conditions for the capitalization of costs incurred before receipt of approvals are not normally satisfied.

Management assess on a continuous basis, whether there is reasonable certainty of receiving future cash flows that will cover the development costs incurred regarding the company's development projects. As the currently ongoing projects are subject to regulatory approval procedures and other uncertainties, the conditions for the capitalization of costs have not been satisfied as at 31 December 2023 and comparative periods.

NOTE 5:
GENERAL AND ADMINISTRATION EXPENSES

TDKK	2023	2022
Employee benefit expenses	-8,753	-10,006
External expenses	-5,580	-7,011
Disposals	433	0
Depreciation	-52	-141
Total	**-13,952**	**-17,158**

Accounting Policy
General and administrative expenses include wages and salaries, share-based compensation, and other personnel related expenses, office costs, cost of premises, audit, lawyer, depreciation etc. related to management, sales, human resources, information technology, and the finance departments.

NOTE 6:

STAFF EXPENSES

TDKK	2023	2022
Wages & Salaries	-9,884	-21,915
Bonus	-3,447	-3,297
Other Bonus Program *(one-off)*	-496	-4,194
Share-based payment *(see also note 20)*	0	0
Pension *(Defined contribution)*	-1,289	-1,655
Other social security costs	-76	-120
Other staff costs	-111	-181
Total	**-15,303**	**-31,361**
Staff costs are recognized as follows:		
Research and development expenses	-6,550	-21,355
Sales, general and administration expenses	-8,753	-10,006
Total staff cost	**-15,303**	**-31,361**
Board of directors *(remuneration)*	-1,043	-1,205
Board of directors and Executive Management *(Shared-based payment)*	0	0
Executive Management *(Salaries)*	-9,617	-8,165
Executive Management *(Bonus)*	-2,887	-3,586
Other Executive Management *(Shared-based payment)*	0	0
Management *(Pension – defined contribution)*	-428	-177
Management *(Other social security costs)*	-7	-7
Management Severence Agreement	0	-3,771
Total Board and Management	**-13,982**	**-16,911**

TDKK	2023	2022
Employees		
Average number of FTE *(R&D)*	5	11
Average number of FTE *(G&A)*	2	3
Number of FTE end of year (*R&D)*	2	8
Number of FTE end of year *(G&A)*	2	2

All employees are engaged in Denmark.

Members of the Company management have contracts of employment containing standard terms for members of Company management of Danish listed companies, including the periods of notice that both parties are required to give and competition clauses. If a contract of employment of a member of Company management is terminated by the company without misconduct on the part of such member, the member of the Company management is entitled to compensation, which, depending on the circumstances, may amount to a maximum of 6-12 months' remuneration. In the event of a change of control the compensation can amount up to 18 months' remuneration.

REMUNERATION OF BOARD OF DIRECTORS AND MANAGEMENT

1/1-2023 – 31/12-2023 TDKK	Directors' fee/ Base salary	Bonus	Share-based payments	Pension costs – defined contribution	Other social security costs	Total
Board of Directors	-1,043	0	0	0	0	-1,043
CEO	-3,200	-640	0	-320	-2	-4,162
Other Executive Management *)	-6,417	-2,247	0	-108	-5	-8,777
Total	**-10,660**	**-2,887**	**0**	**-428**	**-7**	**-13,982**

1/1-2022 – 31/12-2022 TDKK	Directors' fee/ Base salary	Bonus	Share-based payments	Pension costs – defined contribution	Other social security costs	Total
Board of Directors	-1,205	0	0	0	0	-1,205
CEO **)	-6,396	-1,312	0	-79	-2	-7,789
Other Executive Management ***)	-5,540	-2,274	0	-98	-5	-7,917
Total	**-13,141**	**-3,586**	**0**	**-177**	**-7**	**-16,911**

**) hereof CMO Consultants, TDKK -2,870 in total.*
***) hereof TDKK -3,771 in total as Severence Agreement to former CEO.*
****) hereof CMO Consultants, TDKK -2,131 in total.*

Accounting Policy

Staff expenses

Staff expenses comprise wages and salaries for staff engaged in research, development, administration and management. The item also comprises all staff-related costs.

Share-based payments

Share-based incentive programs, under which management and employees may choose to buy shares in the company (equity schemes), are measured at fair value of equity instruments at grant date and recognized in the income statement over the period of the employee's earning the right to buy the shares. The balancing item is recognized directly in shareholder equity. The fair value of the share-based payment is determined using the Black-Scholes model.

Please refer to Note 20 for further details.

NOTE 7:

OTHER OPERATING INCOME

TDKK	2023	2022
Government grant	446	2,057
Total	**446**	**2,057**

Accounting Policy

Other operating income comprises research funding from government grant. Research funding is recognized in the period when the research activities have been performed and when there is reasonable assurance that the grants will be received. Grants for research and development costs, which are recognized directly in the income statement are recognized under other operating income as the grants are considered to be cost refunds and not as such revenue.

Government grants is presented as "Other operating income" in the Income Statement, as government grants does not meet the characteristics of revenue from customers.

NOTE 8:

FINANCIAL INCOME

TDKK	2023	2022
Interest income	132	1
Foreign exchange gain	1,508	931
Total	**1,640**	**932**

Accounting Policy

Financial income include interest income, realized and unrealized gains on transactions in foreign currencies. Financial income are recognized in the income statement at the amounts that relate to the reporting period.

NOTE 9:

FINANCIAL EXPENSES

TDKK	2023	2022
Interest expenses	-17	-488
Leasing interest – IFRS 16	-21	-7
Foreign exchange loss	-949	-2,471
Total	**-987**	**-2,966**

Accounting Policy

Financial expenses include interest expenses, interest expenses relating to finance lease payments and realized and unrealized losses on transactions in foreign currencies. Financial expenses are recognized in the income statement at the amounts that relate to the reporting period.

NOTE 10:

CORPORATE AND DEFERRED TAX

TAXATION – INCOME STATEMENT TDKK	2023	2022
Result before tax	-44,704	-82,200
Corporate income tax rate in Denmark	22.0%	22.0%
Tax on result for the period	5,500	5,500
Adjustment of deferred tax	0	0
Total	**5,500**	**5,500**

Tax credit scheme

Income tax for the year includes a tax credit for research and development at the applicable tax rate under the Danish Corporate Income Tax Act.

The tax credit under the Danish Corporate Tax Act has a maximum of 5,500 TDKK per year, why the reconciliation of the effective tax rate is omitted from this presentation.

As presented, the Company has in present and in previous years generated tax losses. As it is still uncertain whether the deferred tax asset can be utilized, the tax asset has not been recognized in the annual report.

According to current tax legislation, tax losses carry-forward can be carried forward indefinitely.

Income tax receivable recognized in the balance sheet relates to the application of the tax credit scheme under section 8X of the Danish Tax Assessment Act, whereby the company can be paid the tax value of tax losses arising from research and development costs.

Based on the review of the criteria for application of the scheme, management is of the opinion that the company is eligible to apply the scheme and the recognition has been made on the basis of this assessment. However, whether the criteria for applying the plan are met is based on a judgmental assessment.

As a result, there may be a risk that the tax authorities assess that the criteria are not met. If so, the receivable will have to be fully or partially reversed through the income statement in subsequent financial years.

Accounting Policy

Tax for the year, which includes current tax on the year's taxable income and the year's deferred tax adjustments, is recognized in the income statement as regards the portion that relates to the net result for the year and is taken directly to equity as regards the portion that relates to entries directly in equity or other comprehensive income, respectively.

The current tax payable or receivable is recognized in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax. The Company recognizes tax credits relating to research and development costs in accordance with the Danish Corporate Tax Act at the corporate income tax rate (22% for both 2023 and 2022) based on total research and development cost of up to DKK 25 million.

Scandion has an income tax year following the calendar year.

In assessing current tax for the year, the applicable tax rates and legislation on the statement of financial position date are used.

Deferred tax is measured according to the statement of balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

The deferred tax is stated based on the planned utilization of the individual asset and the settlement of the individual liability, respectively.

Deferred tax assets, including the tax value of tax losses carry-forwards, are recognized in the balance sheet at the value at which they are expected to be utilized, either through elimination against tax on future earnings or through a set-off against deferred tax liabilities.

Management's judgements and estimates

The Company recognizes deferred tax assets relating to tax losses carried forward when management assess that these tax assets can be offset against positive taxable income in the foreseeable future. The assessment is made at the reporting date and is based on relevant information, taking into account any impact from restrictions in utilization in local tax legislation.

The assessment of future taxable income is based on financial budgets approved by management as well as management's expectations regarding the operational development in the following years. Based upon this assessment no deferred tax assets relating to tax losses carried forward have been recognized as at 31 December 2023.

TAX LOSS CARRIED FORWARD TDKK	2023	2022
Loss carried forward, 1 January	-137,508	-55,523
Additions, Current year	-23,229	-81,985
Loss carried forward, 31 December	**-160,737**	**-137,508**

TAX AMOUNT (TAX ASSET, NOT RECOGNIZED) TDKK	2023	2022
Loss carried forward, 31 December	**-160,737**	**-137,508**
Corporate income tax rate in Denmark	22.0%	22.0%
Tax amount carried forward	**-35,362**	**-30,252**

NOTE 11:

EARNINGS PER SHARE

TDKK and shares in '000	2023	2022
Net result	-39,204	-76,700
Average number of shares	**40,707**	**40,707**
Average number of shares-based instruments *(warrants)*, dilution	1,700	2,221
Average number of shares, diluted	**42,407**	**42,928**
Basic earnings per share *(EPS)*, DKK	-0.96	-1.88
Diluted earnings per share *(EPS-D)*, DKK	-0.96	-1.88

Accounting Policy
Earnings per share (EPS) and diluted earnings per share (EPS-D) are calculated according to IAS 33.

Basic Net earnings per share (EPS) *Basic net earnings per share is calculated as the net result for the year divided by the weighted average number of outstanding shares.*

Diluted net earnings per share (EPS-D) *Diluted net earnings per share is calculated as net result for the year divided by the weighted average number of outstanding shares adjusted for the dilutive effect of warrants.*

NOTE 12:

PROPERTY AND EQUIPMENT

TDKK	Equipment	Right-of-Use assets	Total fixed assets
Cost at 1 January 2023	**911**	**2,581**	**3,492**
Additions	0	0	0
Disposals	-652	-1,919	-2,571
Cost at 31 December 2023	**259**	**662**	**921**
Depreciation and impairment at 1 January 2023	**-252**	**-984**	**-1,236**
Depreciation and impairment for the period	-52	-698	-749
Disposals	196	1,516	1,712
Depreciation and impairment at 31 December 2023	**-107**	**-165**	**-273**
Carrying amount at 31 December 2023	**151**	**497**	**648**
Depreciation and impairment expenses are recognized as follows:			
Research and development expenses	-76	-118	-195
General and administration expenses	-31	-47	-78
Total depreciation and impairment expenses	**-107**	**-165**	**-273**

TDKK	Equipment	Right-of-Use assets	Total fixed assets
Cost at 1 January 2022	**497**	**1,458**	**1,954**
Additions	414	1,123	1,537
Disposals	0	0	0
Cost at 31 December 2022	**911**	**2,581**	**3,492**
Depreciation and impairment at 1 January 2022	**-111**	**-243**	**-354**
Depreciation and impairment for the period	-141	-741	-882
Disposals	0	0	0
Depreciation and impairment at 31 December 2022	**-252**	**-984**	**-1,236**
Carrying amount at 31 December 2022	**659**	**1,597**	**2,256**
Depreciation and impairment expenses are recognized as follows:			
Research and development expenses	-201	-784	-985
General and administration expenses	-51	-200	-251
Total depreciation and impairment expenses	**-252**	**-984**	**-1,236**

Accounting Policy

Equipment

Equipment is measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price, costs directly allocated to the acquisition, and costs for preparation until the date when the asset is available for use.

Depreciation is calculated on a straight-line basis based on the following expected useful life:

Year	
Equipment	*3-5*

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Impairment of fixed assets

If circumstances or changes in Scandion's operation indicate that the carrying amount of property, plant and equipment in a cash-generating unit may not be recoverable, management reviews the property, plant and equipment for impairment.

The basis for the review is the recoverable amount of the assets, determined as the greater of the fair value less cost to sell or its value in use. Value in use is calculated as the net present value of future cash inflow generated from the asset. If the carrying amount of an asset is greater than the recoverable amount.

An impairment loss is recognized in the income statement when the impairment is identified.

IFRS 16 – Lease

Capitalized leased assets are amortized over the lease term, and payments are allocated between instalments on the lease liabilities and interest expense, classified as financial items.

NOTE 13:
LEASEHOLD DEPOSITS

TDKK	31/12 2023	31/12 2022
Deposit, rental of office facilities	249	290
Total	**249**	**290**

Accounting Policy

Other non-current financial receivables are initially measured at fair value, and subsequently at amortized cost using the effective interest method less impairment.

NOTE 14:

SHARE CAPITAL

TDKK	No. of shares	Share capital
Balance at 1 January 2023	40,706,972	2,992
New share issue	0	0
Balance at 31 December 2023	**40,706,972**	**2,992**
Balance at 1 January 2022	40,706,972	2,992
Balance at 31 December 2022	**40,706,972**	**2,992**

Accounting Policy

The share capital consists of 40,706,972 shares of DKK 0,0735 nominal value each. No shares carry any special rights. The share capital is fully paid up.

New share issue 2023

None

NOTE 15:

ALLOCATION OF THE RESULT

TDKK	31/12 2023	31/12 2022
Loss for the period	-39,204	-76,700
Total	**-39,204**	**-76,700**

The Board of Directors proposes that the deficit available for distribution and unrestricted reserves be allocated to retaines earnings.

NOTE 16:

TRADE PAYABLES AND OTHER CURRENT LIABILITIES

TDKK	31/12 2023	31/12 2022
Trade payables	1,381	4,895
Other current liabilities *)	1,558	12,583
Total	**2,939**	**17,478**

**) The decrease in Other current liabilities is in all material aspect due to provision of severance agreement with former management from 2022 paid out in 2023.*

Accounting Policy

Trade payables are initially measured at fair value, and subsequently at amortized cost using the effective interest method. Carrying amount for Trade payables are presumed to correspond to the fair value since it is by nature short-term.

Other liabilities are measured at amortized cost, which usually corresponds to the nominal value. Present value adjustment is not performed since the duration is short.

NOTE 17:

LEASE LIABILITIES

The Company has financial leases for various items of tangible assets. Futures minimum lease payments under leases together with the present value of the net minimum lease payments are as follows:

TDKK	31/12 2023	31/12 2022
Non-current lease liabilities	0	821
Current portion of long-term lease liabilities	499	776
Total	**499**	**1,597**

Financial lease obligations

TDKK	2023 Present value of payments	2022 Present value of payments
0-1 year	499	706
1-5 years	0	548
> 1-5 years	0	0
Total	**499**	**1,254**

The Company has entered into lease contracts, which all can be terminated at a maximum of 3 months notice.

It is management's assessment that the Company's current operations will be accommodated within the current lease within the next 12 months.

Rental needs are assessed on an ongoing basis

Accounting Policy

Financial lease liabilities regarding assets held under financial leases are recognized in the statement of financial position as liabilities and measured, at the inception of the lease, at the lower of fair value and present value of future lease payments, calculated by reference to the interest rate implicit in each lease.

On subsequent recognition, lease liabilities are measures at amortized cost. The difference between present value and nominal value of lease payments is recognized in the statement of comprehensive income over the term of the lease as a financial expense.

NOTE 18:

GOING CONCERN & FINANCIAL RISK MANAGEMENT

Going concern

The Board and Management is fully aware of the very challenging capital markets we have seen over the past years and are still facing, why we are actively exploring and pursuing ways to fund operations going forward. This includes engaging in partnering discussions, exploring opportunities for grants and loan structures and direct and indirect equity funding.

As per the current cash flow estimates, Scandion is currently funded into Q2, 2025.

Based on the above and the history of attracting equity financing, it is Management's assessment that the Company should be considered going concern, however that the financial situation requires carefully monitoring.

Financial Risk Management

The Company's activities expose it to a number of financial risks whereby future events, which can be outside the control of the company, could have a material effect on its financial position and results of operations. The known risks include foreign currency, interest and credit risk and there could be other risks currently unknown to Management. The company has not historically hedged its financial risks.

The objective of Scandion's financial management policy is to reduce the company's risk to fluctuations in currency exchange rates, interest rate risk and credit risk. The Board of Directors is responsible for the Company's long-term financing strategy as well as any acquisition of capital. The management of financial risks in the day-to-day operations is handled by the CFO together with the CEO.

Liquidity and financing risk

At December 31, 2023, the company's liquidity risk was assessed to be medium. Management continuously assesses the company's capital structure in order to evaluate whether its liquidity reserves allow it to achieve its business objectives. Scandion's working capital as at December 31, 2023 is sufficient to support the Company's operating cash flow needs for at least the 12 months following the date of these financial statements.

Foreign Currency risk

The company's foreign currency risk is assessed to be medium. The company conducts cross border transactions where the functional currency of the respective company entity is not always used.

Accordingly, future changes in the exchange rates of the DKK against the USD, the SEK and/or the GBP will expose the company to currency gains or losses that will impact the reported amounts of assets, liabilities, income and expenses and the impact could be material. However, the exchange rate risk between DKK and EUR is considered low, as Denmark has a fixed exchange rate policy, where the exchange rate against the euro is kept close to the ratio of DKK 746.038 per EUR 100.

The most significant cash flows are in DKK, EUR, SEK and USD. Overall, Scandion Oncology hedges its currency exposure primarily by

matching expenses in the same currency. In addition, Scandion Oncology is not using hedging instruments such as derivatives or future contracts.

Interest Rate Risks

The company's interest rate risk is assessed to be low. The company has no interest bearing borrowings or other credit facilities.

Based on the amount of assets and liabilities denominated in mainly DKK, EUR, SEK and USD as of December 31, 2023, the below impact of change in exchange rate is presented:

TDKK	Cash position	Liabilities	Net exposure	Percentage change in exchange rate*	Impact of change in exchange rate
31/12-2023					
DKK	2,642	-548	2,094	0%	0
GBP	0	-68	-68	10%	-7
NOK	0	-1	-1	10%	0
SEK	292	-231	61	10%	6
EUR	22,569	-350	22,219	1%	222
USD	1,017	-71	946	10%	95
Total	**26,520**	**-1,269**	**25,251**		**316**
31/12-2022					
DKK	32,426	-1,549	30,877	0%	0
GBP	0	-73	-73	10%	-7
NOK	0	-3	-3	10%	0
SEK	5,116	-1,591	3,525	10%	353
EUR	37,471	-880	36,591	1%	366
USD	2,592	-137	2,455	10%	246
Total	**77,605**	**-4,233**	**73,372**		**958**

**) The analysis assumes that all other variables, in particular interest rates, remain constant.*

Credit Risk

The company's risk is assessed to be low. The company is exposed to credit risk and losses on our bank deposits. The credit risk related to financial and other receivables is not significant.

To reduce credit risk on our bank deposits, Scandion Oncology only places its cash deposits with highly rated financial institution. Scandion Oncology is currently using a financial institution with a short-term (Issuer Credit) rating from S&P of at least A-1.

The total value of bank deposits amounts to TDKK 26,520 as of 31 December 2023 compared to TDKK 77,605 as of 31 December 2022.

NOTE 19:
ADJUSTMENT TO CASH FLOW STATEMENT

TDKK	31/12 2023	31/12 2022
Change in working capital		
Accounts receivables	2,106	-657
Accounts payables	-14,538	7,032
Total	**-12,432**	**6,375**

Accounting Policy
The cash flow statement is presented using the indirect method and shows cash flows from operating, investing, and financing activities for the year as well as the Company's cash and cash equivalents at the beginning and end of the financial year.

***Cash flows from operating activities** are calculated based on operating profit/loss, adjusted for the cash flow effect of non-cash operating items, working capital changes, net financial items paid, and income tax received.*

***Cash flows from investing activities** comprise payments in connection with the acquisition and sale of non-current intangible assets, property, plant and equipment, and financial assets.*

***Cash flows from financing activities** comprise payments arising from changes in the size or composition of the share capital.*

***Cash and cash equivalents** comprise cash at bank and in hand.*

NOTE 20:
SHARE BASED PAYMENTS

Warrant Program
Scandion has a warrant program totaling 1,699,795 outstanding warrants, granted from the 2022 warrant program. As of December 31, 2023 a total of 417,762 warrants has been issued to the Board of Directors and a total of 1,282,033 warrants has been issued to the Executive Management and Employees. Exercise price/strike price for the warrants is SEK 22.00. The fair value of the warrant program is zero and calculated in accordance with the Black-Scholes option pricing model.

Assumptions for fair value assessment:

	Time Based	Event based	Total
Outstanding at 1 January 2023	**2,221**	**0**	**2,221**
Cancelled	-1,121	0	-1,121
Granted	600	0	600
Outstanding at 31 December 2023	**1,700**	**0**	**1,700**
Outstanding at 31 December 2022	**2,221**	**0**	**2,221**

Recognized amount in the income statement is an expense of TDKK 0. The fair value of granted warrants is recognized in the income statement and is set off against equity in the respective financial years.

The fair value of the warrants issued is measured at calculated market price at the grant date based on Black-Scholes option pricing model. The calculation is based on the following assumptions at the grant date:

Assumptions for fair value assessment:

Weighted average fair value of warrants granted	0
An option life of	3 years
A volatility of	36%
A dividend pay-out ratio of	0%
A risk-free interest rate of	2,4%
A weighted average share price of	2.29

Remaining warrants to be issued under the 2022 program is 2,477,825. Beside the 2022 warrant program, the Company has no other outstanding incentive programs.

Effect on income statement
The fair value of warrants programs effects the income statement as follows:

TDKK	1/1-2023 – 31/12-2023	1/1-2022 – 31/12-2022
The fair value are recognized as follows:		
Research and development expenses	0	0
Sales, general and administration expenses	0	0
Total	**0**	**0**
Costs (if any) are set-off against equity.		

Accounting Policy

Employees (including Board of Directors and Executive Management) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognized in employee benefits expense as presented in either research and development expenses or sales, general and administrative expenses, together with a corresponding increase in equity over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest.

Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

The fair value of the warrants is estimated at the grant date using a binomial option pricing model, taking into account the terms and conditions on which the warrants were granted.

Management's judgements and estimates

Estimating fair value for the Company's share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the respective grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the warrants, volatility dividend pay-out ratio and risk-free interest rate and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses the Black-Scholes model for the warrant program.

The assumptions and models used for estimating fair value for share-based payment transactions are discussed further above in the note.

NOTE 21:
PLEDGES AND GUARANTEES

Scandion has not assumed any obligations or given any guarantees.

NOTE 22:
CONTINGENT ASSETS AND LIABILITIES

Contingent liabilities

Scandion has entered into contractual agreements with it's CRO's for the Company's research programs. As per 31. December 2023 the contracts runs into mid of 2024 with a total cost of finalizing the current research programs of 4.740 thousand DKK.

License and Collaboration Agreements

Scandion own all rights to assets but are not yet entitled to potential milestone payments and royalties on successful commercialization of products developed under license and collaboration agreements with potential partners.

Pending commercial litigation

Scandion is not involved in commercial litigations arising out of the normal conduct of its business.

Accounting Policy

Contingent assets and liabilities are assets and liabilities that arose from past events but whose existence will only be confirmed by the occurrence or non-occurrence of future events that are beyond Scandion's control.

Contingent assets and liabilities are not to be recognized in the financial statements, but are disclosed in the notes.

NOTE 23:
RELATED PARTIES

No major shareholders have significant influence over Scandion. There are no related parties with controlling influence over the Company.

Scandion's related parties comprise the Company's board of Directors and Management as well as relatives to theses persons. Related parties also comprise companies in which the individuals mentioned above have material interests.

Related parties furthermore comprise subsidiaries of which Scandion has none at the balance day.

Apart from salaries and warrants (see note 6 and 20) , there were no significant transactions with Executive Management or Board of Directors.

NOTE 24:
SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

On January 5, *Scandion Oncology received Notice of Allowance for patent to enhance US patent exclusivity on SCO-101. When granted, the patent will offer a very broad intellectual protection until at least 2037.*

On January 31, *Positive topline Phase IIa data from the CORIST Part 3 trial was reported, and impressive tumor reduction of more than 30% (partial response) was observed in one patient (out of 21 evaluated patients). Median Progression Free Survival (PFS) of 4.6 months in Part 3, superior to the PFS reported in CORIST part 2, and Clinical Benefit Rate (CBR) was 76% after eight weeks of treatment, a significant increase from the 46% CBR from CORIST Part 2.*

On March 7, *Scandion reported a second confirmed partial response in the Phase IIa CORIST Part 3 trial. In the last trial cohort, two of the six total patients now have had a partial response, i.e. tumor reduction of more than 30%, which is considered an important measurement of the effect of cancer treatments.*

Besides this, no other significant events have occurred after the end of the reporting period.

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, 2023 – December 31, 2023.

Thefinancial statements have been prepared in accordance with the IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act. Management's review has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position on December 31, 2023 and of the Company's operations and cash flows for the financial year 2023. 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, March 15, 2024

Executive Board

Francois Regis Martelet
Chief Executive Officer

Board of Directors

Martin Brygger Møller
Chairman of the Board

Keld Flintholm Jørgensen
Member of the Board

Jørgen Vilhelm Løvenørn Bardenfleth
Deputy Chairman of the Board

Alejandra Maria Cristina Bonifacini Mørk
Member of the Board

Martine Jannigje van Vugt
Member of the Board

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF SCANDION ONCOLOGY A/S

Opinion

We have audited the financial statements of Scandion Oncology A/S for the financial year 01.01.2023 – 31.12.2023, which comprise the statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including material accounting policy information. The financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations and cash flows for the financial year 01.01.2023 – 31.12.2023 in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of 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 for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 by relevant laws and regulations.

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 information required by relevant laws and regulations. We did not identify any material misstatement of the management commentary.

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 IFRS Accounting Standards as adopted by the EU and additional requirements of 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.

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.

Copenhagen, March 15, 2024

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Henrik Wolff Mikkelsen
State Authorised Public Accountant
Identification No (MNE) mne33747

Anders Rødgaard Østdal
State Authorised Public Accountant
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SCANDION ONCOLOGY