oncopeptides

INTERIM REPORT – Q2, 2022

Science leads the way

ONCOPEPTIDES | INTERIM REPORT JANUARY-JUNE 2022

Significant events

APRIL-JUNE

- **CHMP**, the European Medicines Agency´s Committee for Medicinal Products for Human Use, unanimously recommended the European Commission to grant a full marketing authorization approval of Pepaxti in the EU.

EVENTS AFTER THE PERIOD

- **Directed share issue** raising approximately SEK 435.6 million (USD 41.1 million) before transaction costs
- **FDA has announced an ODAC**, a public meeting with the Oncologic Drugs Advisory Committee, on September 22, to discuss benefit/risk of Pepaxto

Financial overview

APRIL-JUNE

- **Net sales** amounted to SEK 8.8 M (66.4)
- **Operating profit** was SEK -61.1 M (-344.8)
- **Net profit** amounted to SEK -59.8 M (-24.1)
- **Profit per share,** before and after dilution, amounted to SEK -0.79 (-0.32)
- **Cash balances** at the end of the period amounted to SEK 90.8 M (999.4)

JANUARI-JUNE

- **Net sales** amounted to SEK 8.8 M (85.7)
- **Operating profit** was SEK -160.0 M (-692.2)
- **Net profit** amounted to SEK -158.4 M (-258.8)
- **Profit per share,** before and after dilution, amounted to SEK -2.10 (-3.63)
- **Cash balances** at the end of the period amounted to SEK 90.8 M (999.4)

Selected Key Indicators

(TSEK)	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
Net sales	8 753	66 374	8 753	85 729	118 295
Operating profit	-61 086	-344 836	-159 951	-692 167	-1 420 917
Profit after tax	-59 827	-24 116	-158 414	-258 780	-1 430 317
Earnings per share before and after dilution (SEK)	-0,79	-0,32	-2,10	-3,63	-19.00
Cash flow from operating activities	-106 028	-346 695	-272 061	-733 409	-1 516 391
Cash at the end of the period	90 796	999 384	90 796	999 384	362 187
R&D costs/operating expenses, %	64%	41%	65%	45%	46%

This publication is a translation of the original Swedish text. In the event of inconsistency or discrepancy between the Swedish version and this publication, the Swedish language version shall prevail.

EMA´s recommendation to approve Pepaxti in EU is foundational for Oncopeptides

By the end of the second quarter 2022 the European Medicines Agency´s (EMA) Committee for Medicinal Products for Human Use (CHMP), unanimously recommended the European Commission to grant a full marketing authorization approval of Pepaxti in the EU. This is excellent news for patients and shareholders and the future development of Oncopeptides.

CHMP CONFIRMS TRUE SURVIVAL HETEROGENEITY IN OCEAN
The positive CHMP opinion of Pepaxti is an acknowledgement of our science and data and supports the recommendation of a full marketing authorization in EU without any post marketing commitments. EMA´s assessment corroborates our scientific conclusion that the overall survival result in the phase 3 OCEAN study, constitutes a case of true survival heterogeneity. In their joint assessment report, EMA emphasizes that Pepaxti has a positive benefit risk profile in the indicated population of triple class refractory multiple myeloma patients and concludes that no toxicological safety signals have been identified. This is excellent news, particularly in the light of the significant regulatory hurdles that we have experienced during the last 12 months.

OCEAN DATA MAY INFLUENCE TREATMENT PARADIGM
A year ago, following the presentation of data from the OCEAN study, we were in a dissimilar situation. OCEAN was designed to confirm the accelerated approval of Pepaxto in the US. OCEAN met the primary endpoint of progression free survival (PFS) in the head-to-head comparison between melflufen and pomalidomide, but the Overall Survival (OS) hazard ratio (HR) in the ITT population was 1.1 with very large differences in survival outcome between patient groups. Early on we gained strong confidence in the data, even though we realized that the data set was complex. Over the years we have developed an ability to look beyond data, discern patterns, and put data into a broader context. We began to apprehend that the heterogenous survival data from the OCEAN study potentially could influence the future treatment paradigm in relapsed refractory multiple myeloma. However, we underestimated the efforts that it would take us to get there.

ANALYSES OF SURVIVAL DATA CONFIRM OUR FINDINGS
In July 2021 the US Food and Drug Administration (FDA) raised significant concerns based on the OS HR ratio of 1.1 favoring pomalidomide in the OCEAN study. We responded swiftly and shared scientific data emphasizing that a toxicological safety signal related to the OS differences could not be verified, the benefit risk profile of both melflufen and pomalidomide varied significantly across pre-specified subgroups, and we saw that the OS of pomalidomide changes with age, and thus influences the OS HR. The FDA did not assess the data this way. The agency requested a partial clinical hold of our trials and issued a safety alert for Pepaxto. During the fall of 2021, the FDA sent a clear signal that they did not accept OCEAN as a confirmatory study, which ultimately led to a voluntary withdrawal of Pepaxto from the US market. Since we had continued confidence in our data, we initiated comprehensive analyses of survival data from OCEAN and other relevant studies. All analyses confirmed our findings from the OCEAN study and led to the decision to rescind the voluntary withdrawal of Pepaxto in the US. The analyses were shared with the regulatory agencies in the US and Europe in the beginning of 2022.

PATH FORWARD IN THE US
Based on the positive scientific assessment by the EMA, the dialogue with the FDA was intensified.
The FDA has announced a public advisory meeting of the Oncologic Drugs Advisory Committee (ODAC) on September 22, to discuss the benefit/risk of Pepaxto. We look forward to sharing comprehensive data in public that confirm the true heterogeneity of the OS result in the OCEAN study.

CAPITAL RAISE WITH KNOWLEDGABLE INVESTORS
In July 2022, Oncopeptides carried out a directed share issue with knowledgeable specialist investors from Sweden and the US, including new investors such as Redmile Group, HealthCap VIII and Adrigo Asset Management, as well as the existing shareholders HealthCap VI, Industrifonden and Swedbank Robur Fonder, raising approximately SEK 435.6 million (USD 41.1 million) before related transaction costs.

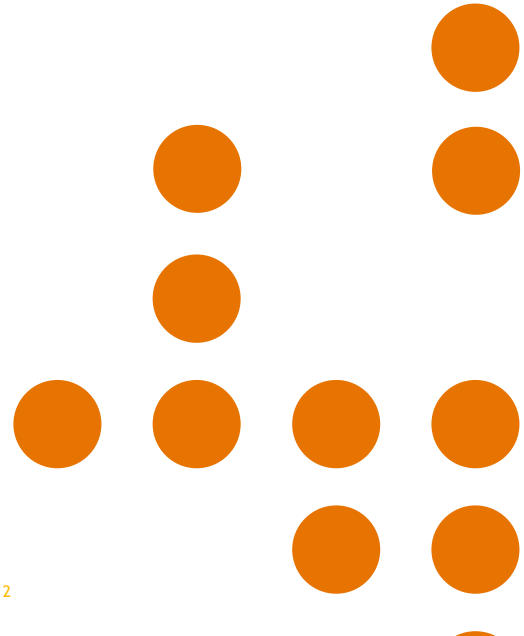
The raise was made at market price, which signals a tremendous strength and shows that Oncopeptides has taken significant steps to regain market trust.

COMMERCIALIZATION AND PRIORITIES AHEAD

The capital will be used to strengthen our financial position, initiate commercialization of Pepaxti in Europe, support the EMA application for market approval of Pepaxti in earlier treatment lines, and create a foundation for the marketing of Pepaxto in the US ahead of a potential agreement with FDA. The capital will also support the development of new candidate drugs based on our proprietary technology platforms, including an expansion into other indications. We have come a long way from where we were in October, and this would not have been possible if not for all the hard and dedicated work from all our employees, and the continued support from key opinion leaders and shareholders.

Stockholm, August 11, 2022

Jakob Lindberg
CEO



Financial Overview

REVENUE
Net sales for the quarter amounted to SEK 8.8 M (66.4) and to SEK 8.8 M (85.7) year to date, and pertain, in its entirety to the reversal of reserves following agreements with distributors during the quarter. See note 5.
Cost of goods sold for the quarter amounted to SEK 0 M (-2.8) and to SEK 0 M (-3.2) year to date.
Gross profit for the quarter amounted to SEK 8.8 M (63.6) and to SEK 8.8 M (82.6) year to date.

OPERATING EXPENSES
Operating expenses, excluding cost of goods sold, for the quarter amounted to SEK 69.8 M (408.4) and to SEK 168.7 M (774.7) year to date.

RESEARCH AND DEVELOPMENT EXPENSES
Research and development expenses amounted to SEK 44.4 M (167.3) for the quarter and to SEK 110.2 M (345.8) year to date.

MARKETING AND SALES EXPENSES
Marketing and sales expenses amounted to SEK 10.4 M (202.4) for the quarter and to SEK 20.5 M (382.6) year to date. The expenses relate, primarily, to the EMA-filing application process.

GENERAL AND ADMINISTRATIVE EXPENSES
General and administrative expenses amounted to SEK 17.7 M (40.8) for the quarter and to SEK 40.9 M (88.4) year to date.

EXPENSES FOR SHARE BASED INCENTIVE PROGRAMS
Expenses relating to provisions for social security costs vary with changes in the underlying share price, and are reported under long- and short-term liabilities.

The costs for share based related incentive programs amounted to SEK 2.2 M (0.4) for the quarter and to SEK 9.5 M (5.8) year to date; of which provisions and payments for social security related expenses amounted to SEK 2.6 M (-31.0), and expenses relating to share-based remuneration amounted to SEK 6.9 M (36.8). The expenses have no cash impact. See note 8.

EFFECTS OF COVID-19
The effects of Covid-19 are not deemed to have any material effects on the financial statements.

THE WAR IN UKRAINE
The situation in the Ukraine is not deemed to have any material effects on the financial statements.

TAX AND EARNINGS
Net profit amounted to SEK -59.8 M (-24.1) for the quarter and to SEK -158.4 M (-258.8) year to date; corresponding to a loss per share, before and after dilution, of SEK -0.79 (-0.32) for the quarter and to SEK –2.10 (-3.63) year to date.

CASH FLOW, INVESTMENTS AND FINANCIAL POSITION
Cash flow from operating activities amounted to SEK -106.0 M (-346.7) for the quarter and to SEK -272.1 M (-733.4) for the first half of the year.
Cash flow from

- Investment activities amounted to SEK 0.0 M (0.4) for the quarter and to SEK 0.0 M (-0.3) year to date.
- Financing activities amounted to SEK -4.1 M (1,035.4) for the quarter and to SEK -8.1 M (1,038.9) year to date and refers to the interest components related to IFRS 16, leasing agreements.

Cashflow for the quarter amounted to SEK -110.2 M (-689.1) and to SEK -280.2 M (305.1) year to date.

Cash balances at the end of the period amounted to SEK 90.8 M (999.4).

The Company has an unutilized loan facility of EUR 40 M with EIB. The terms enabling draw down of the facility are under renegotiation.

Equity amounted to SEK 58.3 M (1,376.1) at the end of the period.

FINANCING AND GOING CONCERN
Following the positive CHMP opinion for full EU approval of Pepaxti® on June 23, and the successful directed share issue on July 14 of this year, the Board of Directors and CEO assume that the Group will have the funds required to continue operations for at least the coming twelve months.
For additional risks, please see Oncopeptides Annual Report 2021.

EMPLOYEES
At the end of the period, the Company had 44 (246) employees of which 37 were active.

PARENT COMPANY
Parent company operations are aligned with those of the Group, why the comments for the Group are also relevant for the Parent company.

ONCOPEPTIDES SHARE
The number of registered shares and votes at the end of the period amounted to 75,307,217.

EVENTS AFTER THE PERIOD
On July 14, Oncopeptides completed a directed share issue of 15,061,443 new shares, which raised approximately SEK 435.6 million (approximately USD 41.1 million) before transaction costs.

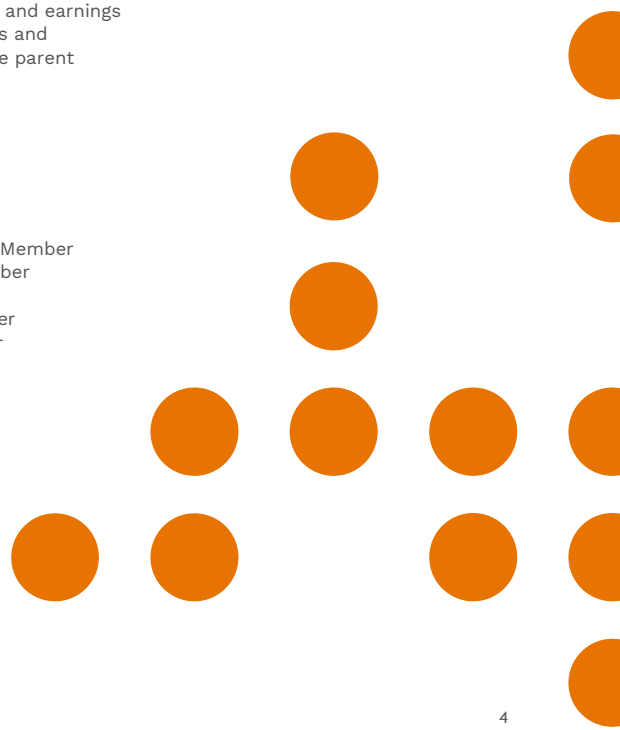
AUDIT
This report has not been reviewed by the company's auditor.

SIGNATURES
The Board of Directors and the CEO confirm that the interim report provides a true and fair overview of the group's and the parent company's operations, position and earnings and describes the material risks and uncertainty factors faced by the parent company and the companies within the group.

Stockholm, August 11, 2022

Per Wold-Olsen Chairman
Cecilia Daun Wennborg Board Member
Jarl Ulf Jungnelius Board Member
Brian Stuglik Board Member
Jennifer Jackson Board Member
Per Samuelsson Board Member

Jakob Lindberg CEO



Condensed consolidated statement of comprehensive income

SEK thousand	Note	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
Net sales	5	8 753	66 374	8 753	85 729	118 295[1]
Cost of Goods Sold		-	-2 822	-	-3 150	-53 121
Gross profit		**8 753**	**63 552**	**8 753**	**82 579**	**65 174**
Research and development expenses		-44 404	-167 308	-110 232	-345 840	-679 926
Marketing and distribution expenses		-10 437	-204 421	-20 484	-382 619	-698 346
Administrative expenses		-17 742	-40 767	-40 948	-88 397	-175 459
Other operating income/expenses[2]		2 743	4 108	2 960	42 110	67 640
Total operating expenses		**-69 840**	**-408 388**	**-168 705**	**-774 746**	**-1 486 091**
EBIT; Operating profit/loss		**-61 086**	**-344 836**	**-159 951**	**-692 167**	**-1 420 917**
Net financial items		1 536	-624	1 803	-1 145	-455
EBT; Earnings before taxes		**-59 550**	**-345 460**	**-158 149**	**-693 312**	**-1 421 372**
Income tax		-277	321 345	-265	434 533	-8 946
Net profit		**-59 827**	**-24 116**	**-158 414**	**-258 780**	**-1 430 317**
Other comprehensive income						
Items to be reclassified as profit or loss						
Translation variances		-754	-2 917	-1 048	-24 803	624
Other comprehensive income after tax		**-754**	**-2 917**	**-1 048**	**-24 803**	**624**
Total comprehensive income[3]		**-60 581**	**-27 033**	**-159 462**	**-283 583**	**-1 429 693**
Earnings per share before/after dilution (SEK)		**-0,79**	**-0,32**	**-2,10**	**-3,63**	**-19,00**

1) Including provisions for expected returns of SEK -48.6 M
2) Exchange rate differences on assets and liabilities in operational activities.
2) Losses for the period are in its entirety attributable to parent company shareholders.

Condensed consolidated statement of financial position

SEK thousand	Note	2022-06-30	2021-06-30	2021-12-31
ASSETS				
Non-current assets		26 603	489 400	27 003
Total non-current assets		**26 603**	**489 400**	**27 003**
Current assets				
Inventory		-	22 214	-
Current receivables		31 736	128 840	50 186
Cash		90 796	999 384	362 187
Total current assets		**122 532**	**1 150 438**	**412 373**
TOTAL ASSETS		**149 135**	**1 639 838**	**439 376**
EQUITY AND LIABILITIES				
Equity		58 334	1 376 085	210 868
Total Equity[1]		**58 334**	**1 376 085**	**210 868**
Long-term liabilities[2]		6 467	3 929	3 219
Total long-term liabilities		**6 467**	**3 929**	**3 219**
Current liabilities				
Trad payables		10 065	46 527	35 702
Other current liabilities[3]		74 269	213 297	189 587
Total current liabilities		**84 334**	**259 824**	**225 289**
TOTAL EQUITY AND LIABILITIES		**149 135**	**1 639 838**	**439 376**

1) Equity is in its entirety attributable to parent company shareholders.
2) The increase pertains to changes in share-based incentive programs.
3) Includes provision for expected returns of SEK 48.6 M per 21-12-31 and SEK 22.7 M per 22-06-30.

Condensed consolidated statement of changes in equity

SEK thousand	Note	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
Opening Balance		**119 128**	**347 192**	**210 868**	**576 897**	**576 897**
Net profit		-59 827	-24 116	-158 414	-258 780	-1 430 317
Other comprehensive income		-754	-2 917	-1 048	-24 803	624
Total comprehensive income		**-60 581**	**-27 033**	**-159 462**	**-283 583**	**-1 429 693**
Transactions with owners						
New directed share issue		-	1 106 000	-	1 106 000	1 106 000
Costs related to directed share issue		-	-67 053	-	-67 053	-67 053
Share based compensation		-213	16 956	6 893	36 829	14 229
Exercised warrants		-	23	34	6 995	10 488
Total transactions with owners		**-213**	**1 055 925**	**6 927**	**1 082 771**	**1 063 664**
Ending balance		**58 334**	**1 376 085**	**58 334**	**1 376 085**	**210 868**

Condensed consolidated statement of cash flow

SEK thousand	Note	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
Operating activities						
Operating profit/loss		-61 086	-344 836	-159 951	-692 167	-1 420 917
Adjustment for non-cash items[1)]		2 558	51 442	11 124	92 454	-44 325
Interest received		-	5	-	5	96
Interest paid		-207	-277	-466	-587	-948
Taxes paid		-277	-11 931	-271	-11 931	-12 216
Cash-flow from operating activities before change in working capital		**-59 012**	**-305 597**	**-149 564**	**-612 226**	**-1 478 309**
Change in working capital		-47 016	-41 097	-122 497	-121 182	-38 082
Cash-flow from operating activities		**-106 028**	**-346 695**	**-272 061**	**-733 409**	**-1 516 391**
Cash-flow from investment activities		-	401	-	-339	-339
Cash-flow from financing activities		-4 134	1 035 387	-8 093	1 038 894	1 034 030
Cash-flow for the period		**-110 162**	**689 093**	**-280 154**	**305 146**	**-482 701**
Cash at the beginning of the period		194 315	372 453	362 187	840 255	840 255
Change in cash		-110 162	689 093	-280 154	305 146	-482 701
Effect of exchange rate changes on cash		6 643	-62 162	8 763	-146 017	4 633
Cash at the end of the period		**90 796**	**999 384**	**90 796**	**999 384**	**362 187**

1) Pertains mainly to changes in share-based remuneration programs including social security contributions and exchange rate differences as well as depreciation and impairment.

Condensed Parent Company income statement

SEK thousand	Note	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
Net sales[1]		-	1 385 437	-	1 863 546	97 577
Cost of Goods Sold		-	-9 820	-	-12 071	-12 182
Gross profit		**-**	**1 375 617**	**-**	**1 851 475**	**85 395**
Research and development expenses		-44 401	-166 463	-110 331	-344 847	-676 375
Marketing and distribution expenses		-5 547	-212 302	-20 887	-394 894	-728 382
Administrative expenses		-15 984	-45 873	-36 375	-93 735	-161 814
Other operating income/expenses[2]		3 129	4 107	2 580	42 219	71 362
Total operating expenses		**-62 803**	**-420 532**	**-165 013**	**-791 258**	**-1 495 209**
EBIT; Operating profit/loss		**-62 803**	**955 085**	**-165 013**	**1 060 217**	**-1 409 814**
Net financial items[3]		13 688	-336	18 417	-521	-18 725
EBT; Earnings before taxes		**-49 115**	**954 749**	**-146 596**	**1 059 696**	**-1 428 539**
Tax		-	-	-	-	-
EBT; Earnings before taxes		**-49 115**	**954 749**	**-146 596**	**1 059 696**	**-1 428 539**

1) Solely attributable to intra group revenues including credit of unsold units in Q4-2021.
2) Exchange rate differences on assets and liabilities in operational activities.
3) Pertains primarily to subsidiary holdings.

Condensed Parent Company statement of comprehensive income

TSEK	Note	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
EBT; Earnings before taxes		-49 115	954 749	-146 596	1 059 696	-1 428 539
Other comprehensive income						
-						
Other comprehensive income after tax		-	-	-	-	-
Net profits		**-49 115**	**954 749**	**-146 596**	**1 059 696**	**-1 428 539**

Parent Company balance sheet

SEK thousand	Note	2022-06-30	2021-06-30	2021-12-31
ASSETS				
Subscribed, not yet paid in capital		-	3 499	-
Non-current assets		11 398	32 163	12 910
Total non-current assets		**11 398**	**32 163**	**12 910**
Current assets				
Inventory		-	9 717	-
Current receivables		39 464	1 924 280	28 752
Cash		67 540	912 065	321 832
Total current assets		**107 004**	**2 846 062**	**350 584**
TOTAL ASSETS		**118 403**	**2 881 724**	**363 495**
EQUITY AND LIABILITIES				
Restricted equity		18 609	18 580	18 575
Non-restricted capital		46 376	2 696 915	186 078
Total Equity		**64 985**	**2 715 495**	**204 653**
Long-term liabilities[1]		1 578	2 106	13
Total long-term liabilities		**1 578**	**2 106**	**13**
Current liabilities				
Trade payables		9 715	44 469	34 875
Other current liabilities		42 124	119 655	123 954
Total current liabilities		**51 840**	**164 124**	**158 829**
TOTAL EQUITY AND LIABILITIES		**118 403**	**2 881 724**	**363 495**

1) Pertains to provisions for social security contributions in share-based remuneration programs.

NOTE 1 - GENERAL INFORMATION

This interim report covers the Swedish parent company Oncopeptides AB (publ), Swedish corporate identity no. 556596-6438 and its subsidiary Oncopeptides Incentive AB, Oncopeptides GmbH, Germany and Oncopeptides Inc, USA. The parent company is a Swedish public limited company registered in and with its registered office in Stockholm. Numbers in parentheses in the report refer to the figures for the corresponding period the previous year. The interim report for the second quarter 2022 was approved for publication on August 11, 2022.

NOTE 2 - ACCOUNTING PRINCIPLES

The interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting. The parent company applies the Swedish Financial Reporting Board recommendation RFR2 Accounting for legal entities. Oncopeptides applies, except as described below, the same accounting principles as in the last Annual Report. Relevant accounting and valuation principles could be found on pages 60-63 of the Annual Report for 2021.

No new or amended standards that became effective January 1, 2022, have had a significant impact on the company's financial reporting.

Oncopeptides applies ESMA's (European Securities and Markets Authority) guidelines on alternative performance measures.

NOTE 3 - RISKS AND UNCERTAINTIES

Oncopeptides is exposed to numerous amount of risk in its day-to-day operation. The management of these risk is in line with the business strategy and with the long-term interest of the company in mind, including sustainability. The Company has identified a number of important risk areas: Regulatory, operational, financial, and credit risks. For more information on risks, see Oncopeptides Annual report 2021.

NOTE 4 - ESTIMATES AND CONSIDERATIONS

This report includes forward looking statements. Actual outcomes may deviate from what has been stated. Internal factors such as successful management of research projects, and intellectual property rights may affect future financial outcomes. There are also external conditions, e.g., the economic climate, political changes and competing research projects that may affect Oncopeptides net profit. For more information see the Oncopeptides Annual report 2021.

NOTE 5 - REVENUE RECOGNITION

Revenue is reported at the transaction value of goods sold excluding VAT, discounts and returns. At the time of delivery, when the ownership of the goods passes to the customer, the revenue is reported in full. Customers are defined as the retailers, who act as middlemen and in turn sell the goods to the end user.

As the final price is related to the discount granted the patients' insurance company, the transaction price is not known upon delivery. A provision has been made based on models considering statistical sales data and relevant discount programs.

In addition, the Company reports a provision for additional expected returns related to the withdrawal of Pepaxto from the US market. After agreement with distributors, part of the reserve has been reversed and is reported under Net sales in the income statement. The remaining provision is stated in the consolidated balance sheet under Other current liabilities and amounted to SEK 22.7 M at the end of the quarter.

The Company has no further performance obligations.

Group Revenue SEK thousand	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
Net sales					
Goods[1)]	8 753	66 374	8 753	85 729	118 295
Total net revenue	**8 753**	**66 374**	**8 753**	**85 729**	**118 295**
Geographic market					
North America[2)]	8 753	66 374	8 753	85 729	118 295

1) PEPAXTO (melphalan flufenamide, also known as melflufen), in combination with dexamethasone, is used for the treatment of adult patients with relapsed or refractory multiple myeloma. The turnover in 2022 is referrable to the partial reversal of a reserve after settlement with distributors during the second quarter.
2) Approval was only obtained in the United States, which explains why all revenue refers to one market.

Parent Company Revenue SEK thousand	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
Net sales					
Goods	-	1 385 437	-	1 863 546[1)]	97 577
Total net revenue	**-**	**1 385 437**	**-**	**1 863 546**	**97 577**
Geographic market					
North America[2)]	-	1 385 437	-	1 863 546	97 577

1) Refers to reversed intra-group sales of inventories.
2) Refers to intra-group sales to the subsidiary in the USA.

NOTE 6 - SEGMENT REPORTING

The financial information reported to the chief operating decision maker and used as a basis for the distribution of resources and the assessment of the Group's results, is not split across operating segment. Hence, the Group is reported as one single operating segment.

NOTE 7 - RELATED PARTY TRANSACTIONS

Remuneration to senior management has been paid in accordance with current policies. No other transactions with related parties occurred during the period.

NOTE 8 - SHARE BASED INCENTIVE PROGRAMS

The purpose of share-based incentive programs is to promote the company's long-term interests by motivating and rewarding the company's senior management, founders, and other co-workers in line with the interest of the shareholders. Oncopeptides has currently eight active programs that include the management team, certain board members, founders and employees.

Program
- 2016; "Employee option program 2016/2023".
- 2017; "Co-worker LTIP 2017"
- 2018; "Co-worker LTIP 2018"
- 2019; "Co-worker LTIP 2019" and "Board LTIP 2019"
- 2020; "Board LTIP 2020"
- 2021; "Board LTIP 2021" and "Co-worker LTIP 2021"

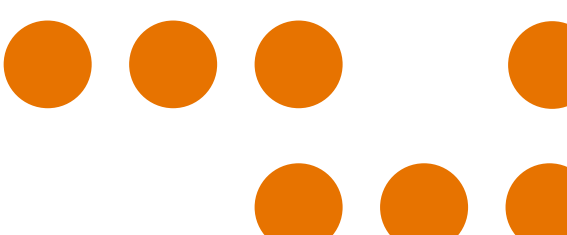
For more information on the programs see Note 27 in the Annual report 2021 and Agendas and Minutes from the relevant Annual General Meetings on the company's website www.oncopeptides.com.

Full utilization of granted options and share awards at the end of the period, corresponding to 3,689,847 shares, would result in a dilution for shareholders of 4.6 percent. Full utilization of all options and share awards, corresponding to 4,023,556 shares (i.e., including non-granted employee options and warrants set off as hedge for social security contributions), would result in a dilution of 5.0 percent.

At the 2022 Annual General Meeting, a decision was made to issue 35,000 new share rights for previously decided Board LTIP 2021. Full utilization of all options and share-awards, including the 35,000 share rights decided at the Annual General Meeting, corresponding to 4,058,556 shares would result in a dilution of 5.1 percent.

NOTE 9 - SIGNIFICANT EVENTS AFTER THE PERIOD

On July 14, Oncopeptides completed a directed share issue, of 15,061,443 new shares, which raised approximately SEK 435.6 million (approximately $ 41.1 million) before transaction related costs.



Key performance measures

In this report, certain key performance measures are presented, including measures that are not defined under IFRS,

- Research and development / operating expenses, %,
- Gross margin, MSEK, %.

The company believes that these measurements provides valuable additional information when evaluating the company's economic trends. These financial performance measures should not be viewed in isolation, nor be considered in replacement of performance indicators that are prepared in accordance with IFRS.

Further, such performance measures, as the company has defined them, should not be compared with other performance measures with similar names used by other companies since definitions and calculation methods may vary between companies.

SEK Thousand	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
Net sales	8 753	66 374	8 753	85 729	118 295
Gross profit[1)]	8 753	63 552	8 753	82 579	65 174
Gross margin[2)]	N/A	96%	N/A	96%	55%
Registered shares; beginning of period	75 307 217	68 084 855	75 291 841	67 939 715	67 939 715
Registered shares; end of period	75 307 217	75 291 841	75 307 217	75 291 841	75 291 841
Shares; outstanding incentive programs	3 689 847	3 617 880	3 689 847	3 617 880	2 254 457
Share capital at the end of period	8 400	8 366	8 400	8 366	8 366
Equity at the end of period	58 334	1 376 085	58 334	1 376 085	210 868
Earnings per share before/after dilution, SEK[3)]	-0,79	-0,32	-2,10	-3,63	-19,00
Operating loss	-61 086	-344 836	-159 951	-692 167	-1 420 917
Research and development expenses	-44 404	-167 308	-110 232	-345 840	-679 926
R&D costs/operating expenses, %[4)]	64%	41%	65%	45%	46%

1) Defined by subtracting cost of goods sold from total sales. The key figure shows the gross profitability of cost of goods sold in absolute numbers.
2) Defined by dividing the sum of the company's gross profit by total sales. The key figure aims to clarify the relative profitability of goods sold.
3) Earnings per share before dilution are calculated by dividing earnings attributable to shareholders of the Parent Company by a weighted average number of outstanding shares during the period. There is no dilution effect driven by the employee stock option program, as earnings for the periods have been negative.
4) Defined by dividing the research and development costs with total operating expenses. The key performance measure provides an indication of the proportion of expenses that are attributable to the company's core business.

Telephone conference

The Interim report for the quarter and an operational update will be presented by CEO Jakob Lindberg and members of Oncopeptides Leadership team, Thursday August 11, 2022, at 14:00 (CET).

The conference call will be streamed via a link on the website: www.oncopeptides.com.

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+1 631 913 14 22,
PIN (USA only): 76766319#

Financial Calendar

Report	Datum
Interim report Q3, 2022	9 November, 2022
Year End report, 2022	16 February, 2023

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Thesaurus

EMA	European Medicines Agency
CHMP	The European Medicines Agency's Committee for Medicinal Products for Human Use