



oncopeptides

INTERIM REPORT Q3 2020

Oncopeptides is a pharmaceutical company focused on the development of targeted therapies for difficult-to-treat hematological diseases. The lead product candidate mel-flufen, is a first in class peptide-drug conjugate that targets aminopeptidases and releases alkylating agents into tumor cells. Melflufen is in development as a new treatment for the hematological malignancy multiple myeloma and is being tested in multiple clinical studies including the pivotal phase 2 HORIZON study and the phase 3 OCEAN study. Based on the results from the HORIZON study a New Drug Application has been submitted to the U.S. Food and Drug Administration, FDA, for accelerated approval of mel-flufen in combination with dexamethasone for treatment of adult patients with triple-class refractory multiple myeloma. The FDA has granted the New Drug Application a priority review with a PDUFA date of February 28, 2021. Oncopeptides' global Headquarters is in Stockholm, Sweden and the U.S. Headquarters is situated in Boston, Mass. The company is listed in the Mid Cap segment on Nasdaq Stockholm with the ticker ONCO. More information is available on www.oncopeptides.com.

Conference call for investors, analysts and the media

The Interim Report Q3 2020 and an operational update will be presented by CEO Marty J Duvall and members of Oncopeptides Leadership team, Thursday November 19, 2020 at 14:00 (CET). The conference call will also be streamed via a link on the website: www.oncopeptides.com.

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Financial calendar

Year-end Report 2020: February 18, 2021
Annual Report 2020: Week starting with April 26, 2021
Interim Report Q1 2021: May 26, 2021
Annual General Meeting 2021: May 26, 2021

For further information

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This information is information that Oncopeptides is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, at 08:00 CET on November 19, 2020.

Melflufen is an abbreviated form of the international non-proprietary name (INN) melphalan flufenamide, an investigational product not yet approved for commercial use in any market globally.

Summary of Q3

Financial overview July 1 – September 30, 2020

- Net sales amounted to SEK 0.0 M (0.0)
- Loss for the period was SEK 383.4 M (loss: 189.8)
- Loss per share, before and after dilution, was SEK 5.71 (loss: 3.53)
- On September 30 cash and cash equivalents amounted to SEK 1,251.6 M (1,122.3)

Significant events during the period July 1 – September 30, 2020

- The FDA granted priority review of melflufen for patients with triple-class refractory multiple myeloma and set the PDUFA date to February 28, 2021
- Patient enrolment in the pivotal phase 3 OCEAN study was completed including 495 patients
- Patient enrolment for the phase 1/2 study in AL-amyloidosis began, this is the first study with melflufen in an indication outside multiple myeloma
- The phase 2 PORT study evaluating alternative administration of melflufen and dexamethasone in multiple myeloma started
- Oncopeptides further coordinated the global and US organizational structure and appointed Mohamed Ladha as General Manager of the US Business Unit

Significant events after the reporting period

- Oncopeptides announced that the company intends to submit a conditional marketing authorization application for melflufen in the EU
- Oncopeptides entered into a €40 M loan agreement with the European Investment Bank (EIB)
- An IND application was submitted to the FDA to initiate clinical studies with OPD5, Oncopeptides' second drug candidate

Financial overview of the group

SEK thousand	2020 Jul - Sep	2019 Jul - Sep	2020 Jan - Sep	2019 Jan - Sep	2019 Jan - Dec
Net sales	-	-	-	-	-
Operating loss	-383,498	-189,597	-1,079,706	-495,148	-739,392
Loss before tax	-383,784	-189,710	-1,080,653	-495,520	-739,920
Loss for the period	-383,357	-189,780	-1,081,727	-495,801	-740,705
Earnings per share before and after dilution (SEK)	-5.71	-3.53	-17.87	-9.90	-14.33
Cash flow from operating activities	-340,841	-207,774	-939,347	-473,592	-690,566
Cash and cash equivalents at the end of the period	1,251,629	1,122,297	1,251,629	1,122,297	926,186
Research & development costs/operating expenses %	50%	80%	59%	79%	74%

CEO statement

Oncopeptides New Drug Application of melflufen has been granted priority review by the FDA, and our organization is all set for a launch in the U.S.

My first quarter as CEO of Oncopeptides has been very exciting, and it has been a privilege to get the opportunity to leverage all the excellent work done by my predecessor Jakob Lindberg and his organization. During the first months I have engaged in a dialogue with more than 40 Key Opinion Leaders to get their perspectives on the treatment challenges in multiple myeloma and the benefits that melflufen potentially could bring to patients who are desperately seeking novel treatment options.

During the fall we have continued our global expansion, we have built a commercial and medical affairs organization with experienced and dedicated team members. We also reached several milestones including the granting of priority review of melflufen. In addition, we have broadened our financing options with a loan facility from the European Investment Bank (EIB), completed patient recruitment in the phase 3 OCEAN study, initiated the first clinical study outside multiple myeloma and filed an IND for OPD5, the second compound from our proprietary PDC-platform. We have also inaugurated a modern drug development facility to fully exploit the potential of the technology platform.

Organizational growth and development

Our global organization has grown considerably during the year as we have embarked on a journey to become a fully integrated commercial stage company. In the beginning of the year we were 88 dedicated coworkers, and we will get close to 250 before year end. The U.S. business unit accounts for a significant proportion of this growth. I am very pleased that Mohamed Ladha has assumed the role as General Manager to fuel the preparations for the commercial launch in the U.S., expedite decision making, and leverage the expertise in the U.S. and global organizations. I have had the opportunity to work closely together with him in a previous capacity and know that his extensive commercial leadership and launch experience will be a competitive edge for Oncopeptides.

” We are launch ready



During the last couple of months, we have attracted some of the most talented people in industry, with broad and deep background in hematology and oncology. We are now all set for a potential launch of melflufen in the first quarter of 2021.

Regulatory progress

On August 29, we announced that the FDA granted priority review for our New Drug Application of melflufen in combination with dexamethasone in adult patients with multiple myeloma. During the third quarter we have had a productive interaction with the FDA, and the review remains on track with previously communicated timelines for the priority review. The FDA has set a PDUFA-date to February 28, 2021.

In October, we informed the European Medicines Agency, EMA, about our intention to submit an application for a conditional marketing authorization of melflufen in the EU. The application will be based on the pivotal phase 2 HORIZON study in relapsed refractory multiple myeloma. The decision to submit an application for conditional approval has been grounded on an in-depth analysis of the regulatory and competitive environment and is endorsed by key European opinion leaders.

We also recently submitted an Investigational New Drug application to the FDA for OPD5, the second drug candidate coming out of our proprietary PDC-platform. OPD5 is a melflufen analogue designed to enable high dose administration. We estimate to start clinical development with OPD5 as a potential

myeloablative treatment followed by autologous stem cell transplantation in multiple myeloma patients. We plan to initiate a phase 1 study in the first half of 2021.

Increased financial flexibility

A loan agreement with the European Investment Bank was signed in October. This loan facility grants us access to up to €40 M and can be utilized to support the clinical development of melflufen, and the transition of Oncopeptides into a fully integrated global biopharmaceutical company. This gives us a highly flexible financing option with a limited dilution for the shareholders.

Expansion of our clinical program

During the third quarter we initiated two clinical studies; the phase 2 PORT study and phase 1/2 AL amyloidosis study. The PORT study is comparing peripheral versus central administration of melflufen and dexamethasone in multiple myeloma patients and may provide an additional option on how melflufen is delivered. The last patient is expected to be enrolled around year end. The AL amyloidosis study is the first study to explore the effect of melflufen outside multiple myeloma. We hope that melflufen can provide benefit for patients with AL amyloidosis, who desperately need new treatment options.

We also completed the extended enrolment in the phase 3 OCEAN study in relapsed refractory multiple myeloma and reached the recruitment goal of 495 patients. The primary endpoint

is progression free survival, and we expect topline results in the first half of 2021.

Following the submission of our New Drug Application for melflufen, we have opened an Expanded Access Program in triple-class refractory multiple myeloma in the U.S. This enables us to provide access to melflufen as a potential treatment for eligible patients while our application is under priority review by the FDA.

Committed to drive patient access

At the upcoming virtual 62nd ASH annual meeting on December 5-8 we will be presenting a robust dataset of in total 12 presentations from our clinical and pre-clinical programs which further validate the strength of our PDC-platform. These presentations will provide a comprehensive and multi-faceted analysis of the safety and efficacy of melflufen. Collectively, the results demonstrate our continued commitment to finding a novel therapeutic approach for subgroups of high-risk, heavily treated multiple myeloma patients with a particularly poor prognosis and limited treatment options. At the ASH-meeting one of the presentations will be oral highlighting the outcome from the comparative phase 2 ANCHOR study. The ANCHOR data presented will be based on a later data cut than the online data published in the abstract book.

By the end of November, we will host a virtual Capital Markets Day. The program will provide insights on our corporate strategy, and also include clinical perspectives from three

internationally reputed physicians with significant experience of melflufen.

All in all, we have made a tremendous progress over the past few months and we have delivered on numerous milestones. We are on track in the transition to becoming a fully-fledged integrated biopharma company and I am incredibly proud of the organization's dedication and determination to get ready to bring melflufen to patients in need. In particular since this have been accomplished during a global pandemic where it has been almost impossible for us to meet in person.

Finally, we are continuing the dialogue with the FDA and are looking forward to their ultimate review of our application. Once approved, our organization is launch ready and is committed to making melflufen available for patients with multiple myeloma, who desperately need new treatment options.

November 19, 2020

Marty J Duvall
CEO, Oncopeptides AB

Oncopeptides' PDC technology platform

Oncopeptides' drug development program is based on the unique proprietary peptide-drug conjugate (PDC) technology platform. In addition to the clinical development of melflufen, we are engaged in preclinical development to generate new candidate drugs based on our technology platform. This has to date resulted in one new drug candidate, OPD5 which is expected to enter clinical development in the coming year. An Investigational New Drug application (IND) for OPD5 was recently submitted to the FDA. In June, we strengthened our preclinical organization through the takeover of an advanced drug development facility in Solna, Sweden. Now we have more than 25 scientists from 15 countries working with pre clinical drug development.

A solid foundation for research allows focus on various forms of cancer

The strength of our research lies in the technology platform and our collaborations with leading research centers around the globe.

Our core competence lies in inducing molecules to selectively concentrate in tumour cells, often by benefiting from the tumour's inherent differences in comparison to normal cells.

The technology platform: Peptide-Drug Conjugates – or PDCs

The peptide-drug conjugate platform enables concentration of a toxin in cancer cells by exploiting the differences in peptidase activity (and to some extent also esterase activity) between can-

cer cells and normal cells. By doing this, more cytotoxic activity is delivered to cancer cells while protecting healthy cells.

New drug candidates for potential new indications

Over the past years, Oncopeptides has developed several drug candidates from the PDC platform. The goal is to start clinical studies with our next clinical candidate, OPD5 for bone marrow transplantation as soon as the FDA approve our application.



Clinical strategy

Oncopeptides' clinical development of targeted therapies for difficult-to-treat hematological diseases and malignancies are based on the Company's peptide-drug conjugate platform. We are currently focusing on the development of our lead product candidate melflufen for treatment of multiple myeloma. Melflufen is a first in class peptide-drug conjugate (PDC) that targets aminopeptidases and rapidly releases alkylating agents into tumor cells. Our ongoing and future clinical studies will generate a broad set of data and information about melflufen's efficacy and favourable profile with non-haematological side effects in various patient groups.

On June 30, we submitted a New Drug Application (NDA) to the US Food & Drug Administration (FDA) for accelerated approval based on final clinical data from the HORIZON study. On August 29, FDA granted a priority review of the application and set a PDUFA date for February 28, 2021. The PDUFA date indicates when the review of the application should be completed.

The purpose of our clinical development program is to establish melflufen as a cornerstone in the treatment of relapsed refractory multiple myeloma.

Melflufen is currently evaluated in a robust clinical development program in multiple myeloma. The clinical strategy has evolved over time, based on the results from Oncopeptides' first clinical study O-12-M1, a phase 1/2 study in multiple myeloma conducted between 2013 and 2017.

We presented the final study results in patients with triple-class refractory multiple myeloma, including a high proportion patients with Extra Medullary Disease, from our pivo-

tal phase 2 study HORIZON at the European Hematology Meeting, EHA, in June. Recruitment for the phase 3 study OCEAN was completed in September with 495 patients included. The primary endpoint of the phase 3 OCEAN study is Progression Free Survival (PFS). The data will be evaluated once 339 patients have progressed in their disease, these results are expected to be available during the first half of 2021. The other ongoing studies are the phase 2 studies ANCHOR, BRIDGE and PORT and the AL-Amyloidosis study. The confirmatory phase 3 study LIGHTHOUSE is expected to start around year end.



Standard of Care after first-line treatment of multiple myeloma

Oncopeptides strategy aims to establish melflufen as a cornerstone in the treatment of multiple myeloma after the first line of therapy. To further broaden the indication base for melflufen outside multiple myeloma, the Company has recently initiated a study in patients with AL-Amyloidosis. The goal is to fully explore the benefit that melflufen can bring to patients with difficult to treat hematological disorders.

The regulatory strategy

The submission for accelerated approval of melflufen in the United States for the treatment of RRMM patients with triple-class refractory disease is the first step to establish melflufen as a potential treatment in myeloma. An eventual accelerated approval results in a marketing approval that later needs to be confirmed with clinical data from a randomized study.

Oncopeptides recently informed the European Medicines Agency (EMA) about its intention to submit an application for a conditional marketing authorization of melflufen in the EU. As the NDA submission in the U.S., the EU submission will be based on the pivotal phase 2 HORIZON study in relapsed refractory multiple myeloma (RRMM). The decision to submit an application for conditional approval has been grounded on an in-depth analysis of the regulatory environment and is endorsed by key opinion leaders in the EU.

Both OCEAN and LIGHTHOUSE can independently act as confirmatory studies. Additionally, both OCEAN and LIGHTHOUSE – assuming positive outcomes from the studies – can result in broadening of the label into earlier stages of the disease (both studies) as well as in combination with daratumumab (LIGHTHOUSE).

Oncopeptides has planned a clinical development program for melflufen in RRMM, in close dialogue and collaboration with regulatory authorities and professional bodies in Europe and the US.

Upon receiving approval of the study design of the phase 3 OCEAN study by the FDA Special Protocol Assessment in August 2016, preparations commenced for the development phase 3 program of melflufen. The program aims to fully characterize melflufen in the treatment of RRMM and thereby maximize the drug candidate's market potential.

The OCEAN study is expected to lay the foundation for applications to broaden the indication for melflufen in 2022. The application can act as a confirmatory study after a potential accelerated approval - including label extension into RRMM patients with only single class refractory disease (in addition to the potential accelerated approval for the treatment of RRMM patients with triple-class refractory disease). The study can also be used as the basis for an independent application for market authorization in other geographic markets outside the US and Europe.

In the clinical phase 3 OCEAN study, the efficacy of Oncopeptides' product candidate, melflufen, is compared with pomalidomide, both being administered in combination with the steroid dexamethasone. Pomalidomide is currently the market-leading drug for the treatment of RRMM, with sales of USD 2.5 billion in 2019. The objective of the OCEAN study is to prove that melflufen has a superior efficacy and safety profile compared with pomalidomide.

The outcome from the OCEAN study will be analyzed by comparing PFS (Progression Free Survival) for melflufen with the PFS for pomalidomide. This comparison can simplistically result in three different outcomes i.e. that melflufen is superior, non-inferior or inferior to pomalidomide. As seen in the graphic below, the non-inferior outcome can be broken down in different scenarios with stronger or weaker data to support marketing efforts of melflufen. OCEAN has been statistically powered to show superiority of melflufen over pomalidomide based on historical data for the two compounds.

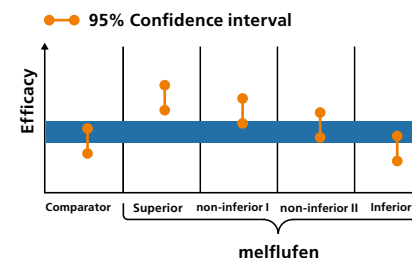
A superiority outcome is expected to result in approval both in the US and the EU. A non-inferiority result is expected to result in approval in the EU and potentially also in the US assuming that the forthcoming application for accelerated market approval based on HORIZON data is approved by the FDA.

The planned LIGHTHOUSE pivotal phase 3 study is designed to further broaden the indication for melflufen. The application can act as a

confirmatory study after a potential accelerated approval - including label extension where melflufen is approved also in combination with daratumumab for the treatment of RRMM patients – as well as act as an independent application for market authorizations across markets.

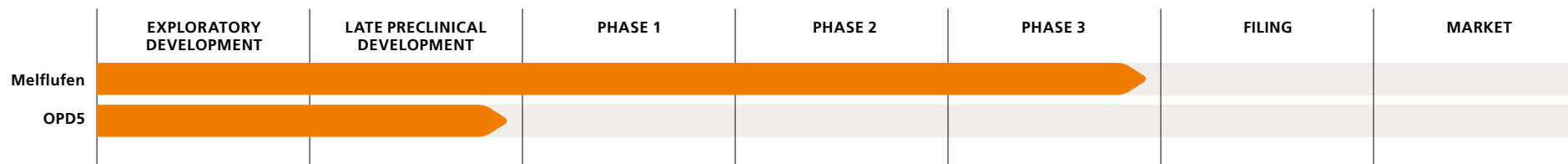
In addition, the Company has presently one drug candidate in late stage preclinical development.

Outcome scenarios for OCEAN



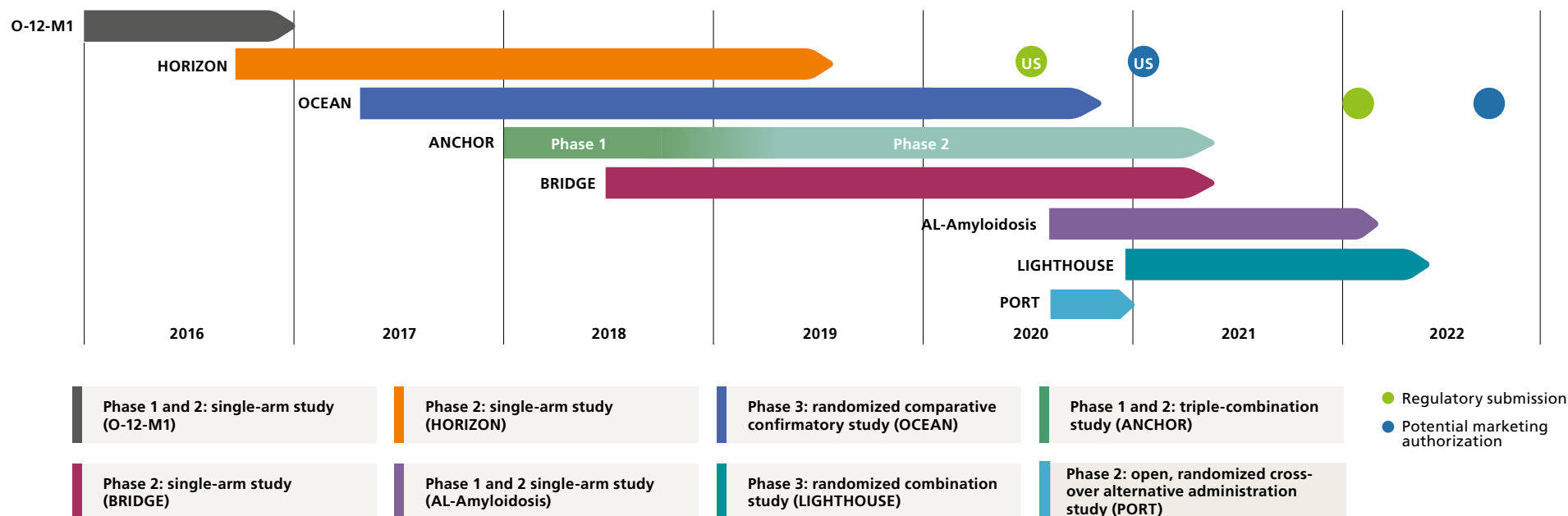
Clinical development program

Oncopeptide's development portfolio of peptide-conjugated drug candidates



Melflufen in clinical development

Provided a positive regulatory assessment, the clinical program will provide a broad set of data for different patient groups



O-12-M1

**PIVOTAL**

- Completed phase 2 study with 157 patients.
- RRMM patients with few or no remaining treatment options.
- Evaluating melflufen in combination with dexamethasone in RRMM patients.
- Patients have received ≥ 2 earlier lines of therapy with IMiDs and PIs and are resistant to pomalidomide and/or daratumumab.
- Basis for FDA submission for accelerated approval.
- Supports OCEAN for marketing authorization.
- Started in Q1 2017, data reported in 2018/2019 and follow-up in 2019/2020.

**PIVOTAL / CONFIRMATORY**

- Fully recruited with 495 patients.
- Including RRMM patients who are resistant to lenalidomide.
- Direct comparison with pomalidomide in patients treated with IMiDs and PIs, and who have become refractory to their last line of therapy.
- The study is designed to demonstrate benefit in comparison with pomalidomide.
- To obtain approval in Europe, the only requirement is to demonstrate that melflufen has similar benefit.
- Started in Q2 2017, with topline results expected to be available in the first half of 2021.

**EXPLORATIVE**

- Phase 1/2 study with up to 64 patients.
- The patients have received 1–4 earlier lines of therapy including IMiDs and PIs.
- Demonstrates how melflufen can be administered as a combination therapy with daratumumab or bortezomib.
- Explores potential of using melflufen in earlier lines of therapy.
- May significantly increase melflufen's market potential as a combination therapy.
- Started in Q2 2018, daratumumab arm is fully recruited. Recruitment to the bortezomib arm was temporarily paused during March-May 2020 due to the COVID-19 pandemic.

**SUPPORTING**

- Phase 2 study with up to 25 patients.
- Open-label, single-arm trial for patients with reduced renal function.
- Positioning study to show melflufen's treatment profile within this patient group.
- Started in Q3 2018, the study was temporarily paused during March-May 2020 due to the COVID-19 pandemic.

**CONFIRMATORY**

- Phase 3 combination study to include more than 170 patients.
- Will include patients who are refractory to an IMiD and a PI, alternatively have received at least three previous treatment lines including an IMiD and a PI.
- Confirm the efficacy and safety of combination therapy with melflufen plus daratumumab compared to daratumumab.
- The study is expected to start around year end 2020/21.

AL-AMYLOIDOSIS

EXPLORATIVE

- Phase 1/2 study in approximately 40 patients.
- In patients with systemic light-chain (AL) amyloidosis who have undergone at least one prior treatment.
- The primary efficacy parameters in the phase 1 study are safety, tolerability and to find the right dose for phase 2. In phase 2, the Overall Response Rate (ORR) is measured.
- The study started in December 2019 and was temporarily paused during March-May 2020 due to the COVID-19 pandemic.

**SUPPORTING**

- Phase 2 study in 25 patients.
- An open-label, randomized, cross-over phase 2 study evaluating an alternative administration of melflufen in patients with RRMM.
- Comparing safety, tolerability and efficacy of peripheral versus central intravenous administration of melflufen in combination with dexamethasone.
- The study started in August 2020 with patient recruitment expected to be finalized around year end 2020/21.

The multiple myeloma market

The number of patients with multiple myeloma is increasing as the population ages, and new treatment regimens are introduced. Roughly 250,000 patients are living with multiple myeloma in Europe and the US, while 80,000 patients are newly diagnosed and 44,000 patients die from the disease annually.* The number of patients diagnosed with multiple myeloma is growing by nearly one percent per year, mainly due to the aging population. There is no cure for the disease, but long disease-free periods can be attained through treatment using several different pharmaceutical classes.

More treatment in early stages of the disease

The number of patients with multiple myeloma who have undergone several lines of therapy has increased dramatically, and this growth is expected to continue. The reason behind this development is attributable to changes in treatment algorithms over the past few years, with patients now treated with several pharmaceuticals earlier in their disease. Multiple myeloma remains incurable, despite therapeutic advancements. This means that more patients than ever are living with the disease and are becoming

multi-resistant, with a significant need for additional treatment options. The figure below illustrates how patient growth in the US has developed by line of therapy, during recent years.

The basis of today's treatment

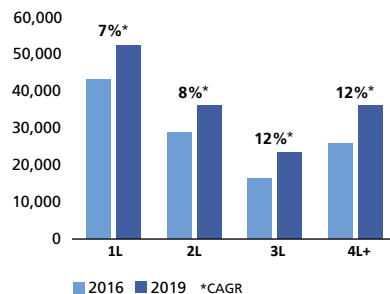
Multiple myeloma is mainly treated with drugs from four different pharmaceutical classes. The basis of all treatments is steroids. A combination of an IMiD and a proteasome inhibitor (PI) is frequently used for newly diagnosed patients.

At present, the various classes may consist of several different drugs. Within each class, the existing drugs largely share the same mode of action and resistance mechanism, which means that the value for patients lies squarely in the pharmaceutical class and not in the individual drug. If a patient stops responding – or has responded poorly – to treatment using a drug from one particular class, the patient will likely also respond poorly to treatment using the other drugs in the same class of pharmaceuticals. This phenomenon is called resistance development; patients become

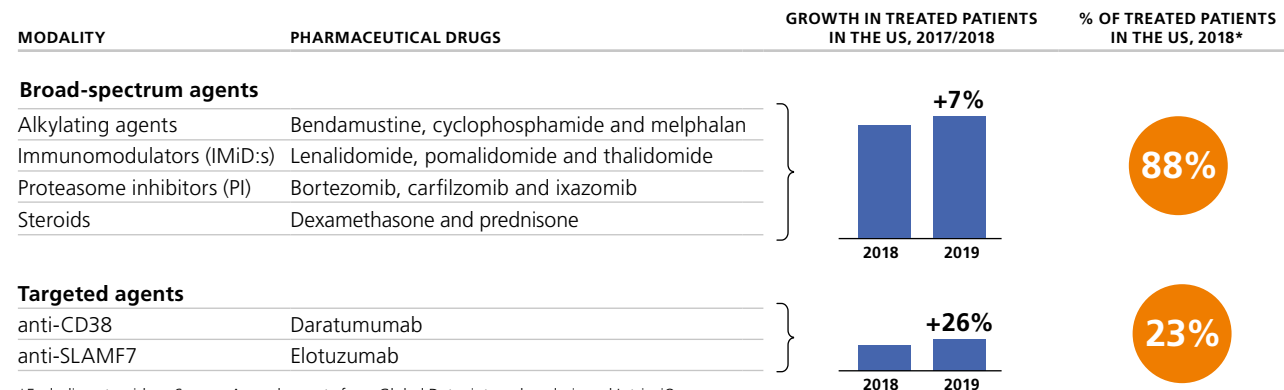
refractory to their therapy. Another problem is that other diseases associated with myeloma (so called co-morbidities) limit the use of several drugs for myeloma treatment. The most frequent problems are renal failure, cardiovascular disease and peripheral neuropathy.

*NCI SEER and WHO Globocan

Improved outcomes lead to fast growth in number of treated patients in later lines of therapy



Broad-spectrum agents used in nine out of ten myeloma therapies*



Lack of alternatives

The rapid development of resistance in myeloma and associated diseases means that the majority of myeloma patients will lack treatment alternatives upon completing their second line of therapy. This is a fragmented pharmaceutical market by the time the first line of therapy is completed. Physicians try to use other drugs from pharmaceutical classes that the patient has already built a resistance to in an attempt to control the disease, which yields varying results.

Rapidly growing market in the US

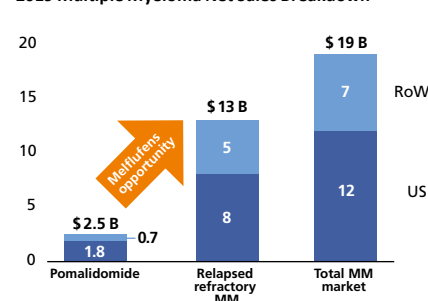
The global market for myeloma drugs amounted to USD 19 billion in 2019. Of this amount, USD 6 billion concerned first line treatment, where Revlimid (lenalidomide), an IMiD, and Velcade (bortezomib), a PI, are the predominant products. The market for the treatment of myeloma patients after the first line of therapy amounted to USD 13 billion.

Along with new drug launches, the growing number of patients in later lines of therapy is expected to continue to increase the overall number of patients treated, and thus also the value of the market. Prevailing prognoses from various analysts indicate that the market will grow to USD 23 billion by 2024. This includes several significant products, such as Pomalyst (pomalidomide), which is also an IMiD, Darzalex (daratumumab), a monoclonal antibody, and anti-CD38, an inhibitor. Other proteasome inhibitors including Kyprolis (carfilzomib) and Ninlaro (ixazomib) are significant products that are used after the first line of therapy.



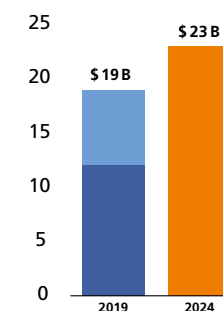
Melflufen opportunity in Relapsed Refractory Multiple Myeloma

2019 Multiple Myeloma Net Sales Breakdown



Source: EvaluatePharma, Intrinsiq, company analysis

Global growth 2019–2024



Resistance and lines of therapy

In order to analyze market data and be able to predict how the market will develop, it is important to distinguish between resistance and line of therapy. A patient undergoing therapy today can already become resistant to the two primary classes of pharmaceuticals, namely IMiDs and PIs, after the first line of therapy. If they also have been treated with an anti-CD38

inhibitor, these patients are classed as triple-class resistant (refractory) patients. This naturally varies based on the patient and their response to therapy, which has laid the foundation for highly personalized therapy after the first line based on the outcome of the therapy. Consequently, it is important to carefully

assess the resistance status of an individual patient rather than which line of therapy the patient has undergone in order to assess the market potential for a pharmaceutical with a particular treatment label. The market is extremely fragmented.

Market growth in the US driven by longer treatment time

In the US market, growth of patients treated in the second or later lines of therapy is higher than in the first line. This applies to the number of patients treated. The value of the treatment, in turn, is connected to the number of treatment cycles carried out in the various lines, which is connected to the degree of resistance and the patient's health status. To

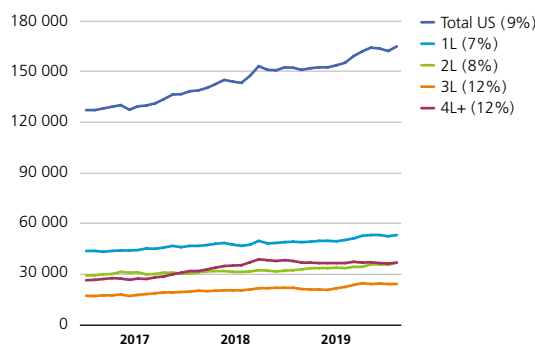
simplify this, we can say that a newly diagnosed patient undergoes 12 treatment cycles or more, while a triple class refractory patient undergoes perhaps four to six cycles.

In the US, the bulk of growth has historically occurred in the number of patients treated in the second or later lines of therapy. It is also important to understand that new products are a supplement to existing ones, and that all products help broadening the number of tools that can be used by doctors over the long term. The share of patients treated with Revlimid and Velcade, the predominant products used in first line therapy, has been stable over the past three years, during which time the treatment algorithm has been changed.

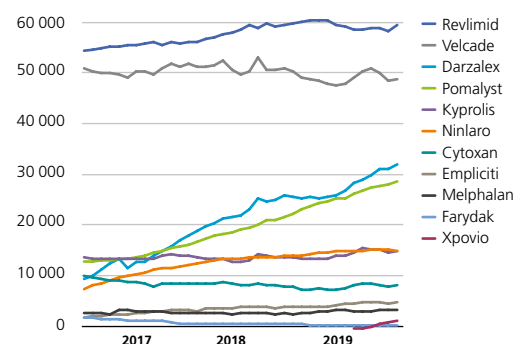
However, the growth in the market is the result of the introduction of new products. This is logical given that they represent a new addition to the therapy arsenal, but also because some products belong to new classes of pharmaceuticals or have a new mode of action, thereby providing the patient with extra benefits assuming that they respond to treatment.

The figures below provide a graphical overview of these facts, showing that second or later lines of therapy are growing most rapidly, that new products are being used in addition to older ones and that new products are driving market growth in the US.

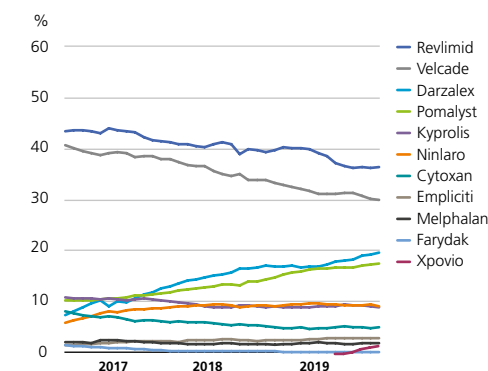
MM patient growth driven by later lines of therapy



Newer products used in addition to older products as survival improves



New pharmaceuticals are driving market growth



Melflufen's role

As Oncopeptides has generated new data or interpreted changes to the treatment algorithm, Oncopeptides' clinical development program has been supplemented to be able to potentially offer as many multiple myeloma patients as possible a treatment. Melflufen is a first in class peptide-drug conjugate (PDC) that targets aminopeptidases and rapidly releases alkylating agents into tumor cells. The study results, both from monotherapy and combination studies with melflufen, are showing a good efficacy and safety profile.

Based on these clinical results, a clinical strategy for commercialization has been developed. The figures below illustrate how we are addressing the market and its various seg-

ments. The first step is to obtain accelerated approval in the US for triple-class refractory patients.

The market for triple-class refractory patients has grown and continues to grow substantially. In the US, there are approximately 20,000 patients in various lines of therapy, as illustrated in the figure below. In the US, there are approximately 18,000 myeloma patients with metastatic cancer (EMD). The HORIZON study included a large number of patients with EMD.

Oncopeptide's application to the FDA for an accelerated approval of melflufen, may lead to a marketing approval in late 2020 or early 2021.

Data from the OCEAN study can potentially lead to a broader indication base, provided that the study demonstrates improved efficacy compared with Pomalyst. The ANCHOR exploratory study has provided guidance for the upcoming LIGHTHOUSE phase 3 study, which will establish the necessary conditions for expanded use of melflufen into earlier lines of treatment.

Target

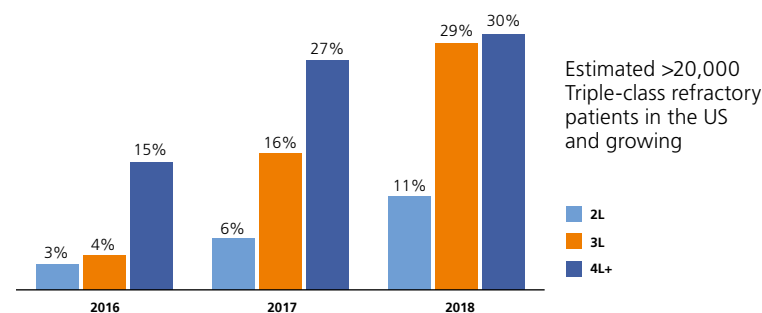
The overarching target for melflufen is to address a market that in 2019 amounted to USD 13 billion. Refer to the figure under the heading "Rapidly growing market in the US". There are several properties indicating that

melflufen could become an attractive treatment option. Its novel Mode of Action offers an alternative, both individually and when combined. Melflufen has a clinically manageable safety profile and a low incidence of severe non-hematological side-effects. A vital aspect of melflufen as studies has shown synergistic effects with other pharmaceuticals in other classes. In terms of efficacy, melflufen has shown encouraging results, making a difference for the patients treated. The drug is simple to administrate and can conveniently be provided by both specialist and general care clinics.

Different market segments addressed by the clinical programs



Initial indication for melflufen may address the growing segment of triple-class refractory myeloma



Source: Company analysis of IQVIA patient data

Financial overview

Revenue

Net sales amounted to SEK 0.0 M (0.0) during the third quarter and to SEK 0.0 M (0.0) for the first nine months of the year.

Operating expenses

Operating expenses for the third quarter amounted to SEK 383.5 M (189.6) and to SEK 1,079.7 M (495.1) for the first nine months.

Research and development costs

During the third quarter, research and development costs increased to SEK 193.4 M (152.0) and to SEK 634.8 M (391.4) for the first nine months. The increase is mainly explained by a rise in clinical costs due to increased activity in the ongoing pivotal studies OCEAN and HORIZON.

The costs for share-based incentive programs related to R&D amounted to SEK 6.1 M (neg: 3.5) for the third quarter and to SEK 19.9 M (4.2) for the first nine months.

Marketing and distribution costs

Marketing and distribution costs for the third quarter amounted to SEK 134.0 M (26.9) and to SEK 282.9 M (71.2) for the first nine months. The main reason for the cost increase is the continued expansion of the medical affairs and commercial functions ahead of the expected launch of melflufen in the US.

The costs for share-based incentive programs related to marketing and distribution amounted to SEK 1.4 M (neg: 4.1) for the third quarter and to SEK 3.9 M (0.1) for the first nine months.

Administration expenses

During the third quarter, administration expenses amounted to SEK 49.8 M (26.8) and to SEK 137.0 M (54.1) for the first nine months. The increase is due to the company's continued high business activity level and growing organization, in particular in the US.

The costs for share-based incentive programs related to administration amounted to SEK 4.9 M (13.7) for the third quarter and to SEK 14.5 M (19.7) for the first nine months.

Share-based payments

The costs for social security contributions related to share-based incentive programs vary from quarter to quarter due to the change in the underlying share price. Related provisions are reported as long- and short-term liabilities.

The total costs for the share-based incentive programs in the third quarter amounted to SEK 12.4 M (6.3) and to SEK 38.3 M (24.1) for the first nine months, out of which SEK 12.2 M (1.3) was provisions and payments of social security contributions, and SEK 26.1 M (22.8) was costs for share-based payments. These costs have no cash impact. The company has issued warrants that are exercised to cover social security contributions exceeding the paid premiums that may arise from the exercise of granted employee stock options. See note 6.

Impact of COVID-19

In March the company decided to temporarily pause patient recruitment to some ongoing

explorative clinical trials and initiation of some new clinical trials was postponed. In May patient recruitment was resumed in the paused clinical trials. COVID-19 had no significant other effects on the financial result during the quarter. The company may be affected by the current pandemic in the future.

Earnings

The loss for the third quarter was SEK 383.4 M (189.8) for the third quarter and the loss for the first nine months was SEK 1,081.7 M (495.8). This corresponds to a loss per share, before and after dilution, of SEK 5.71 (3.53) for the third quarter and SEK 17.87 (9.90) for the first nine months.

Cash flow, investments and financial position

Cash flow from operating activities amounted to a negative SEK 340.8 M (neg: 207.8) for the third quarter and to a negative SEK 939.3 M (473.6) for the first nine months. The continued negative cash flow is according to plan and is explained by the company's expansion of clinical programs as well as activities within the company's medical affairs and commercial functions.

Cash flow from investing activities was a negative SEK 6.8 M (neg: 0.2) for the third quarter and to a negative SEK 15.6 M (neg: 0.2) for the first nine months.

Cash flow from financing activities amounted to SEK 670.9 M (685.5) for the third quarter and to SEK 1,319.8 M (1,198.6) for the

first nine months. In January 2019 the company completed a directed share issue raising SEK 546.2 M before issue costs amounting to SEK 31.4 M. In July 2019 a second directed share issue was completed, raising SEK 727.2 M before issue costs amounting to SEK 44.3 M. In May 2020 it was resolved to make a directed share issue that was completed in two tranches in May and July 2020. This share issue raised SEK 1,413.9 M before issue costs of SEK 85.2 M.

Cash flow for the third quarter was SEK 323.3 M (neg: 477.5) and cash flow for the first nine months was SEK 364.8 M (724.8). As of September 30, 2020, cash and cash equivalents amounted to SEK 1,251.6 M (1,122.3). Equity amounted to SEK 1,071.5 M (993.4).

In October, Oncopeptides entered into a loan agreement with the European Investment Bank (EIB), granting the company access to an unsecured loan facility of up to €40 M. The loan facility is divided into three tranches, each with a maturity of up to five years, which will become available provided that the company reaches certain milestones related to the commercialization of melflufen in the U.S. and the EU, respectively. If the company utilizes the facility, the EIB will be entitled to a predetermined number of warrants in Oncopeptides, in excess of interest on the loan amount. The warrants are divided into three tranches and assuming full drawdown under the loan facility, the EIB will be entitled to warrants corresponding to 0.7 percent of the total number of shares in the company on a fully diluted basis.

Other information

Co-workers

As of September 30, 2020, the number of co-workers amounted to 232 (73). The increase is mainly attributable to the build-up of the US sales organization ahead of the potential launch of melflufen.

Parent company

Since the operations of the parent company are consistent with those of the group in all material respects, the comments for the group are also largely relevant for the parent company.

The Oncopeptides share

As of September 30, 2020, the number of registered shares and votes in Oncopeptides amounted to 67,770,683.

Events after the end of the report period

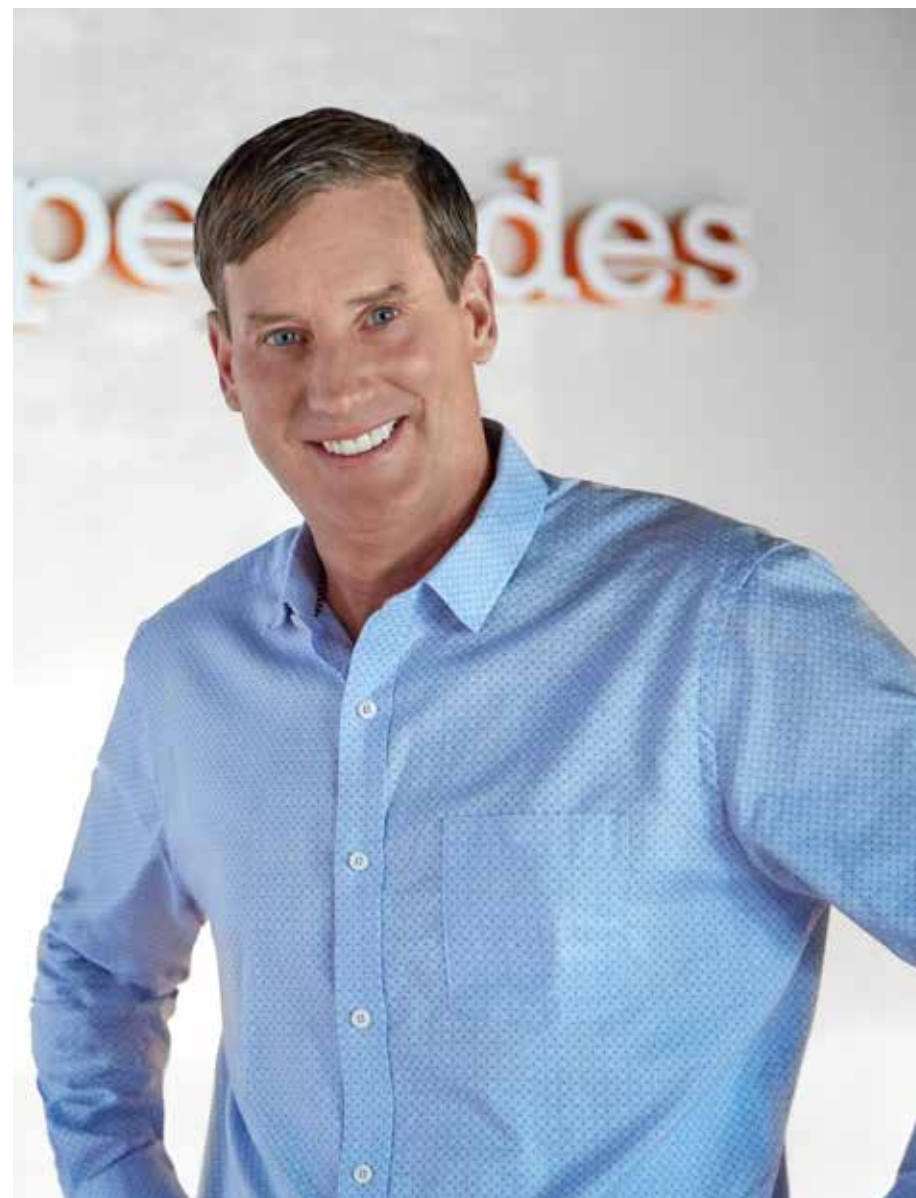
Oncopeptides announced that the company intends to submit a conditional marketing authorization application for melflufen in the EU.

Oncopeptides entered into a €40 M loan agreement with the European Investment Bank (EIB), see Cash flow, investments and financial position.

An IND application was submitted to the FDA to initiate clinical studies with OPD5, Oncopeptides' second drug candidate.

November 19, 2020

Marty J Duvall
CEO



Auditor's report

Oncopeptides AB (publ) corp. reg. no. 556596-6438

Introduction

We have reviewed the condensed interim financial information (interim report) for Oncopeptides AB (publ) and its subsidiaries as of 30 September 2020 and for the nine-month period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of the condensed interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries,

primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden.

The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm November 19, 2020

Ernst & Young AB

Anna Svanberg
Authorized Public Accountant

Condensed consolidated income statement

SEK thousand	2020 Jul - Sep	2019 Jul - Sep	2020 Jan - Sep	2019 Jan - Sep	2019 Jan - Dec
Net sales	–	–	–	–	–
Gross profit	–	–	–	–	–
Operating expenses					
Research and development costs	-193,433	-152,009	-634,798	-391,383	-548,273
Marketing and distribution costs	-134,024	-26,924	-282,918	-71,219	-127,409
Administrative expenses	-49,811	-26,750	-136,965	-54,111	-72,046
Other operating income/expenses ¹⁾	-6,230	16,086	-25,025	21,565	8,336
Total operating expenses	-383,498	-189,597	-1,079,706	-495,148	-739,392
Operating loss	-383,498	-189,597	-1,079,706	-495,148	-739,392
Net financial items	-286	-113	-947	-372	-528
Loss before tax	-383,784	-189,710	-1,080,653	-495,520	-739,920
Tax	427	-70	-1,074	-281	-785
Loss for the period²⁾	-383,357	-189,780	-1,081,727	-495,801	-740,705
Earnings per share before and after dilution (SEK)	-5.71	-3.53	-17.87	-9.90	-14.33

Condensed consolidated statement of comprehensive income

SEK thousand	2020 Jul - Sep	2019 Jul - Sep	2020 Jan - Sep	2019 Jan - Sep	2019 Jan - Dec
Loss for the period	-383,357	-189,780	-1,081,727	-495,801	-740,705
Other comprehensive income					
<i>Items to be reclassified to profit or loss</i>					
Translation differences from foreign operations	54	127	-118	147	-
Total other comprehensive income, net of tax	54	127	-118	147	-20
Total comprehensive loss for the period	-383,303	-189,653	-1,081,845	-495,654	-740,725

1) Exchange rate differences on assets and liabilities in operational activities.

2) Loss for the period is in total attributable to parent company shareholders

Condensed consolidated statement of financial position

SEK thousand	Sep 30th 2020	Sep 30th 2019	Dec 31st 2019
Assets			
Non-current assets			
Intangible fixed assets	1,971	-	2,111
Property, plant and equipment	14,078	2,339	2,499
Right-of-use assets	25,756	6,903	14,693
Financial non-current assets	3,914	1,045	1,035
Deferred tax assets	2,871	-	2,262
Total non-current assets	48,590	10,287	22,600
Current assets			
Other current receivables	15,276	4,546	6,976
Prepaid expenses	6,173	6,989	37,726
Cash and cash equivalents	1,251,629	1,122,297	926,186
Total current assets	1,273,078	1,133,832	970,888
Total assets	1,321,668	1,144,119	993,488
Equity and liabilities			
Equity			
Share capital	7,530	6,135	6,157
Additional paid-in capital	3,899,237	2,495,609	2,544,306
Retained earnings (including net profit/loss for the period)	-2,835,296	-1,508,379	-1,753,450
Total equity¹⁾	1,071,471	993,365	797,013
Long term liabilities			
Provision for social security contributions, share based incentive program	14,423	18,894	23,052
Other long term liabilities	9,890	3,120	8,243
Total long term liabilities	24,313	22,014	31,295
Current liabilities			
Provision for social security contributions, share based incentive program	30,074	13,411	10,733
Trade payables	67,807	33,193	80,986
Other current liabilities	17,779	8,409	12,319
Accrued expenses	110,224	73,727	61,142
Total current liabilities	225,884	128,740	165,180
Total equity and liabilities	1,321,668	1,144,119	993,488

1) Equity is in total attributable to parent company shareholders

Condensed consolidated statement of changes in equity

SEK thousand	2020 Jul - Sep	2019 Jul - Sep	2020 Jan - Sep	2019 Jan - Sep	2019 Jan - Dec
Opening balance	769,909	487,801	797,013	265,004	265,004
Profit/loss of the period	-383,357	-189,780	-1,081,727	-495,801	-740,705
Other comprehensive income	54	127	-118	147	-20
Comprehensive income (loss) for the period	-383,303	-189,653	-1,081,845	-495,654	-740,725
Transaction with owners					
New issue of ordinary shares	716,450	727,175	1,413,925	1,273,425	1,273,425
Cost attributable to new share issue	-42,987	-44,253	-85,228	-75,662	-76,595
Share based payments	9,578	8,814	25,780	22,771	32,493
Exercise of warrants	1,824	3,481	1,826	3,481	43,411
Total transaction with owners	684,865	695,217	1,356,303	1,224,015	1,272,735
Closing balance	1,071,471	993,365	1,071,471	993,365	797,013

Condensed consolidated statement of cash flow

SEK thousand	2020 Jul - Sep	2019 Jul - Sep	2020 Jan - Sep	2019 Jan - Sep	2019 Jan - Dec
Operating loss	-383,498	-189,597	-1,079,706	-495,148	-739,392
Adjustment for non-cash-items ¹⁾	22,650	-51,021	83,378	-35,145	-8,187
Interest received	202	-	202	-	-
Interest paid	-389	-113	-1,149	-372	-528
Tax paid	-174	-	-3,472	-293	-1,158
Cash flow from operating activities before change in working capital	-361,209	-240,731	-1,000,747	-530,958	-749,265
Cash flow from changes in working capital	20,368	32,957	61,400	57,366	58,699
Cash flow from operating activities	-340,841	-207,774	-939,347	-473,592	-690,566
Cash flow from investing activities	-6,745	-191	-15,631	-233	-2,628
Cash flow from financing activities	670,860	685,467	1,319,790	1,198,580	1,236,285
Cash flow for the period	323,274	477,502	364,812	724,755	543,091
Cash and cash equivalents at beginning of period	937,773	626,799	926,186	375,617	375,617
Change in cash and cash equivalents	323,274	477,502	364,812	724,755	543,091
Foreign exchange difference in cash and cash equivalents	-9,418	17,996	-39,369	21,925	7,478
Cash and cash equivalents at the end of period	1,251,629	1,122,297	1,251,629	1,122,297	926,186

1) Pertains mainly to costs of employee stock option program including social security contributions and exchange rate differences

Condensed parent company income statement

SEK thousand	2020 Jul - Sep	2019 Jul - Sep	2020 Jan - Sep	2019 Jan - Sep	2019 Jan - Dec
Net sales	–	–	–	–	–
Gross profit	–	–	–	–	–
Operating expenses					
Research and development costs	-193,503	-152,040	-635,077	-391,479	-548,419
Marketing and distribution costs	-132,567	-27,915	-286,261	-73,680	-131,992
Administrative expenses	-49,079	-26,763	-138,722	-54,147	-72,104
Other operating income/expenses ¹⁾	-6,230	16,086	-25,025	21,565	8,336
Total operating expenses	-381,379	-190,632	-1,085,085	-497,741	-744,179
Operating loss	-381,379	-190,632	-1,085,085	-497,741	-744,179
Net financial items	106	9	229	29	41
Loss before tax	-381,273	-190,623	-1,084,856	-497,712	-744,138
Tax	–	–	–	–	–
Loss for the period	-381,273	-190,623	-1,084,856	-497,712	-744,138

Condensed parent company statement of comprehensive income

SEK thousand	2020 Jul - Sep	2019 Jul - Sep	2020 Jan - Sep	2019 Jan - Sep	2019 Jan - Dec
Loss for the period	-381,273	-190,623	-1,084,856	-497,712	-744,138
Other comprehensive income					
Total other comprehensive income, net of tax	–	–	–	–	–
Total comprehensive loss for the period	-381,273	-190,623	-1,084,856	-497,712	-744,138

1) Exchange rate differences on assets and liabilities in operational activities

Parent company balance sheet

SEK thousand	Sep 30th 2020	Sep 30th 2019	Dec 31st 2019
Assets			
Non-current assets			
Intangible fixed assets	1,971	–	2,111
Property, plant and equipment	8,397	2,304	2,472
Financial non-current assets	5,309	901	901
Total non-current assets	15,677	3,205	5,485
Current assets			
Other current receivables	13,194	4,546	6,914
Prepaid expenses	4,725	6,430	37,192
Cash and cash equivalents	1,203,324	1,120,144	921,535
Total current assets	1,221,243	1,131,120	965,641
Total assets	1,236,920	1,134,325	971,126
Equity and liabilities			
Restricted equity			
Share capital	7,530	6,135	6,157
Statutory reserve	10,209	10,209	10,209
Non-restricted equity			
Share premium account	3,815,786	2,447,661	2,486,636
Retained earnings (including net profit/loss for the period)	-2,769,050	-1,473,272	-1,709,975
Total equity	1,064,475	990,733	793,027
Long term liabilities			
Provision for social security contributions, share based incentive program	14,209	18,894	23,052
Total long term liabilities	14,209	18,894	23,052
Current liabilities			
Provision for social security contributions, share based incentive program	30,074	13,411	10,733
Trade payables	45,435	32,214	79,864
Other current liabilities	28,000	6,790	13,430
Accrued expenses	54,727	72,283	51,020
Total current liabilities	158,236	124,698	155,047
Total equity and liabilities	1,236,920	1,134,325	971,126

Notes

Note 1 General information

This report covers the Swedish parent company Oncopeptides AB (publ), Swedish corporate identity no. 556596-6438 and its subsidiary Oncopeptides Incentive AB 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 third quarter 2020 was approved for publication on November 19, 2020.

Note 2 Accounting policies

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 53-58 of the Annual Report for 2019.

No new or amended standards that became effective January 1, 2020, 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 in the group and the parent company

Operational risks

Research and drug development up to approved registration is subject to considerable risk and is a capital-intensive process. The majority of all initiated projects will never reach market registration due to the technological risk such as the risk for insufficiency efficacy, intolerable side effects or manufacturing problems. If competing pharmaceuticals capture market share or reach the market faster, or if competing research projects achieve better product profile, the future value of the product portfolio may be lower than expected. The operations may also be impacted negatively by regulatory decisions, such as approvals and price changes. External factors such as COVID-19 may also impact the company negatively by hampering the company's possibilities to conduct clinical trials, get necessary regulatory approvals or conduct sales related activities. A more detailed description of the company's risk exposure and risk management can be found in the Annual Report for 2019 on pages 38-39.

Financial risk management

Oncopeptides' financial policy governing the management of financial risks has been designed by the board of directors and represents the framework of guidelines and rules in the form of

risk mandated and limits for financial activities. The company is primarily affected by foreign exchange risk since the development costs for melflufen are mainly paid in USD and EUR. In accordance with the company's policy for financial risk, the company exchanges cash into USD and EUR in line with entered agreements in order to manage currency exposure. For more information about the group and parent company's financial risk management see note 3 on page 58-59 in the Annual Report for 2019.

Note 4 Estimates and judgements

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 results. There are also external conditions, e.g. the economic climate, political changes and competing research projects that may affect Oncopeptides results.

Note 5 Related-party transactions

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

Note 6 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.

In 2016 the program "Employee option program 2016/2023" was implemented. In 2017 "Co-worker LTIP 2017" was established. At the AGM in May 2018, two additional incentive programs were adopted: "Co-worker LTIP 2018" and "Board LTIP 2018". An Extraordi-

nary General Meeting in December 2018 resolved to implement the program "Board LTIP 2018.2" and the Annual General Meeting 2019 resolved to implement two additional programs: "Co-worker LTIP 2019" and "Board LTIP 2019". For more information about these programs see note 26 in the Annual Report 2019. The Annual General meeting 2020 resolved to implement the program "Board LTIP 2020". For further information about this program, see the minutes of the Annual General Meeting 2019 published on the company's website, www.oncopeptides.com.

Full utilization of granted options and share awards per September 30, 2020, corresponding to 2,932,866 shares, would result in a dilution

for shareholders of 4.1 percent. Full utilization of all options and share awards, corresponding to 4,868,112 shares (i.e. including non-granted employee options and warrants set off as hedge for social security contributions), would result in a dilution for shareholders of 6.7 percent.

Below follows a summary of the changes in existing incentive programs during the first six months and the total number of shares that granted employee stock options and share awards may entitle to as of September 30, 2020.

**Changes in existing incentive programs during the first nine months 2020
(number of shares)**

Granted instruments	
- Co-worker LTIP 2019	775,572
- Board LTIP 2020	26,931
Exercised instruments	
- Co-worker LTIP 2017	-41,000
- Board LTIP 2017	-21,266
Lapsed instruments	
- Co-worker LTIP 2017	-94,006
- Co-worker LTIP 2018	-101,894
- Co-worker LTIP 2019	-180,648
Total change	363,689

**Number of shares allocated employee stock options may entitle to as of
September 30, 2020**

- Employee option program 2016/2023	276,300
- Co-worker LTIP 2017	1,483,933
- Co-worker LTIP 2018	328,649
- Co-worker LTIP 2019	760,941
Total number of shares employee stock options may entitle to	2,849,823
- Board LTIP 2018	30,451
- Board LTIP 2018.2	2,170
- Board LTIP 2019	23,491
- Board LTIP 2020	29,931
Total number of shares allocated share awards may entitle to	86,043
Total number of shares employee stock options and share awards may entitle to	2,932,866

Key performance measures

The company presents in this report certain key performance measures, including one measure that is not defined under IFRS, namely expenses relating to research and development / operating expenses %. The company believes that this ratio is an important complement because it allows for a better evaluation of the company's economic trends. This financial performance measure should not be viewed in isolation or be considered to

replace the performance indicators that have been prepared in accordance with IFRS. In addition, such performance measure as the company has defined it should not be compared with other performance measures with similar names used by other companies. This is because the above-mentioned performance measure is not always defined in the same manner, and other companies may calculate the differently to Oncopeptides.

Key performance measures, shares

	2020 Jul - Sep	2019 Jul - Sep	2020 Jan - Sep	2019 Jan - Sep	2019 Jan - Dec
Total registered shares at the beginning of period	61,499,683	48,841,921	55,413,417	44,091,921	44,091,921
Total registered shares at the end of period	67,770,683	55,212,008	67,770,683	55,212,008	55,413,417
Number of shares that the outstanding employee options entitle to	2,932,866	2,643,150	2,932,866	2,643,150	2,569,177
Share capital at the end of period, SEK thousand	7,530	6,135	7,530	6,135	6,157
Equity at the end of period, SEK thousand	1,071,471	993,365	1,071,471	993,365	797,013
Earnings per share before and after dilution, SEK ¹⁾	-5.71	-3.53	-17.87	-9.90	-14.33
Operating expenses, SEK thousand	-383,498	-189,597	-1,079,706	-495,148	-739,392
Research and development costs, SEK thousand	-193,433	-152,009	-634,798	-391,383	-548,273
Research & development costs/operating expenses % ²⁾	50%	80%	59%	79%	74%

1) 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 for the employee stock option program, as earnings for the periods have been negative.

2) Defined by dividing the research and development costs with total operating expenses. The key performance measure helps the users of the financial statements to get a quick opinion on the proportion of the company's expenses that are attributable to the company's core business.



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