

Q4



Scandinavian ChemoTech AB (publ) Year-End Report January – December 2020 **Executive Summary**

Fourth quarter

- Net sales amounted to kSEK 0 (72)
- Profit before tax amounted to kSEK -2 792 (-4 663)
- Earnings per share amounted to SEK -0,46 SEK (-1,37)
- Cash flow from operating activities totalled to kSEK -2 794 (-3 159)
- The Order book amounted to kSEK 422 at the end of the fourth quarter

Important events during the quarter

- ChemoTech receives a final notice from the European Patent Office that the patent for the Company's innovation for its technical platform for dynamic electroporation, the functionality of the handset and the unique treatment kits will be granted.

Period 1 January - 31 December

- Net sales amounted to kSEK 131 (484)
- Profit before tax amounted to kSEK -8 872 (-7 655)
- Earnings per share amounted to SEK -1,95 (-2,35)
- Cash flow from operating activities totalled to kSEK -8 701 (-8 066)

Important events during the quarter

- ChemoTech received approximately MSEK 13.6 before issue costs through a 98% exercise of the warrants of series TO1 and TO2.
- ChemoTech receives a final notice from the European Patent Office that the patent for the Company's innovation for TSE treatment of secondary bone cancer and deep-seated tumours will be granted.

SUMMARY

Despite a year with a world economy that has been strongly affected by COVID-19, ChemoTech has had a quite successful year in the form of strategic agreements with new distributors, international hospitals / groups and new granted patents. ChemoTech's board, which took office almost a year ago, is now, together with the management, ready to lead ChemoTech into a new phase.

The year 2020 started strongly with many treatment kits sold and treatments completed. Despite the increase taking place from relatively low levels, the more treatment-focused strategy that we introduced at the end of 2019 had the intended effect. The number of treatments sold during the first weeks of the year was higher compared with the entire first quarter of the previous year.

The result, which was sharply adjusted due to pandemic, during the last quarter was kSEK -2,792 and met our expectations. During the full year, sales were significantly lower for the same reason and amounted to kSEK 131.

The successful rights issue was heavily oversubscribed and provided the company with kSEK 11,560. The redemption of the warrants carried out in January 2021 provided the company with an additional kSEK 13,445.

During the past year, together with our control body, we have reviewed our application in detail and received good consultation to increase our opportunities to reach goals in this project within the framework of the current regulations.

After Vetiqure AB's first order the market processing has continued in Sweden and Scandinavia. We completed an extensive market research and analysis of the rest of Europe, in preparation for a broader launch, where initial contacts have also been made with potential customers. Our goal is to complete the recruitment of a product specialist during 2021, which will increase our marketing efforts, primarily in Scandinavia.

In addition to conceptually ensuring that deep-seated tumours can be treated with IQwave™, we have recently received the announcement that our patent application for this innovation will be approved in Europe. This approval is an important milestone and can also have positive effects on our Horizon application, where competition is very fierce but which can result in a grant worth approximately MEUR 3.

We have been in contact with several research doctors who have expressed interest in investigating Tumour Specific Electroporation (TSE) in several different cancer indications, where the tumours are deeply seated inside the body. The company's management will undergo changes to strengthen our ability to analyse and prioritize the efforts where our unique dynamic and selective technologies, which to a greater extent spare healthy tissue, blood vessels and nerves, contribute to the greatest clinical benefit.

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Scandinavian ChemoTech AB (publ)

ChemoTech is a Swedish medical technology company based in Lund that has developed a patented technology platform to offer cancer patients access to a new treatment alternative, tumour specific electroporation, available for treatment of both for humans and animals. There are a large number of cancer patients whose tumours for various reasons cannot be treated by conventional methods but where tumour specific electroporation can be a solution. Therefore, the company continuously evaluates new opportunities and areas of application for the technology. ChemoTech's shares (CMOTEC B) are listed on Nasdaq First North Growth Market in Stockholm and Erik Penser Bank is the company's Certified Adviser. Read more at: www.chemotech.se.

The full version of the Q4 report was published in Swedish March 8th 2021 at 08.30.