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Presentation of Q1 2023 - Curasight
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Corporate Participants

Ulrich Krasilnikoff - CEO

Andreas Kjær - CSO & Founder

Presentation

Moderator

Good morning everybody and welcome today's event with Curasight. With me today I have CEO Ulrich Krasilnikoff and founder and CSO Andreas Kjær and this event will be presented in English you're more than welcome to, welcome to the audience as well, and you're more than welcome to write your questions in Danish and I will pass them on to management. So with that said, I would like to hand over the word to Ulrich. Welcome Ulrich and Andreas.

Ulrich Krasilnikoff - CEO

Thank you Claus and thank you for having the opportunity to send this interim report and also give you an update on what has going on for the last past four to five months. Just a short disclaimer about the forward looking statements. What we will highlight today is the Q1 financial results and then we will give you a flavor on the highlights until now and also what is the current focus. Besides we also will share the milestones for 2023 rest of the year very shortly about the financial results. We are still a development company meaning that we don't have any net sales yet. **This means that we have an operating loss amounted around -6.2 million Danish Kroner compared to -4 million last year. If you take the bottom line of this quarter then we have a loss amount to around -4.8 million compared to -3.8 million last year.** But that reflects also the increased activities in the company. If you look at the total assets amounted to around 44 or 54 million Danish kroner compared to 74 last year and that's mainly reflected to the cash position. **The equity ratio is around 96% compared to 97% so that's very unchanged and the earnings per share has increased a little amount. Most important here is to emphasize that we have a cash position around 44 million Danish kroner compared to 63 million last year. But still very good position as what we look at in the coming year. But at least as the budget is lined up right now, this will at least meaning that we have a good position until the beginning of next year within the cash position.** Some highlights, The highlights here stated is only reflecting the official announcements from the press releases, But that does not mean that anything has happened in Curasight a lot of things has happened, unfortunately not all of the are ready to be released, but at least one major release was announced previously this month in the 1 May. **And this is the Curasight and Curium agreement that we announced that we have a global partnership for Utrace in prostate cancer and only in prostate cancer for imaging with Curium and that is really a huge step up for Curasight as this also validates and bluestamp that technology that we are able to enter in such an agreement.** As Curium is one of the leading company in the world within Radiopharmaceuticals. The agreement comprised among others that they will support us in order to obtain regular approval in EU and USA and Curium will be responsible for manufacturing and also the commercialization afterwards. **In manner of financials this is also important and a very good agreement for Curasight as we will be eligible for around 70 million US dollar in development and commercial milestones as well as a double digit royalty on the sales afterwards.** And around the sales I would say we have not put any figures on that but I will just recommend to dig into the SEB report and also hopefully other reports. But the annual peak sales is amounted to around 2.8 billion DKK when we are full in the market.

Ulrich Krasilnikoff - CEO

And then this also emphasized that we are able to conduct the strategy we announced for a year ago that we are able to go into partnerships like this and hopefully this will not be the only one, but also other partnerships will be coming up in the future. This is very briefly just to give you an flavor on who is Curium, they are a global company, They have more than 6000 global customers, They are 100% focused within radiopharmaceuticals and they are present in more than 60 countries. Besides they also have four manufacturing sites in different places in the world. Then I will hand over to Andreas who will take you through the current focus and also the milestones we are looking into in the future.

Andreas Kjær - CSO & Founder

Thank you very much. **And indeed as said it was quite a milestone to enter partnership with Curium.** And if we look at our pipeline the different indications as you all remember probably the target we have uPAR is expressed in almost any solid cancer. So we have the privilege or luxury of being able to pick several indications but we are for now due to the bandwidth focused on the four shown here brain cancer, prostate cancer, neuroendocrine tumors and head and neck cancer based on where the unmet need is. What we have now entered into agreement of with Curium is as Ulrich said Utrace. So the imaging in one indication prostate cancer. **So you could see at the numbers of this very attractive collaborative agreement and then you can think this is only a small corner of what Curasight actually has in the pipeline so we are very excited about that.** But this is basically where we are pursuing today. We mostly talk the main focus among these four is brain cancer and prostate cancer. Just to go a little bit back and remember everybody about the technology and why we believe it's so exciting is that what we develop on the therapeutic part is a more gentle and targeted radiotherapy. So instead of as shown on the figure on the left irradiating from the outside with accelerators, the common radiotherapy, what we are developing is an injectable radiotherapy, or so called radionuclide therapy. And it seeks out the cancer and all parts of the cancer And in that way you get treatment of the cancer, but very little radiation to the surrounding tissue. And I come back to showing that on a figure a little bit later. We do develop and that was the two colors, the green and the orange. You saw orange for Utrace and green for uTREAT. Also on the pipeline we do develop theranostics and that is a combination of therapy and diagnostics. So the same compound basically comes in two flavors. One for imaging with harmless radioactivity on for PET scans and one with harmful and efficient radio ligands bound for the local therapy. And of course the idea is that you can predict where your therapy will work. I'll come back to that. Also, the target is uPAR and this is a very validated biomarker. It's expressed in cancer cells but not almost not in normal tissue. And this is how you can get for diagnostic purposes, of course you can see the cancer, but for therapy in particular, you get the therapy directed to the cancer and not the healthy tissue. And this is how this radiotherapy will be very gentle. By the way, 50% of all patients today receive some kind of radiation therapy during their course of disease management. So the potential for injectable radiotherapy is of course, immense. It's one of the pillars of cancer therapy. So this is the target and again, it's unique in the way that it's cancer specific but not cancer type specific and this is why, once fully developed, the technology can be applied on many cancer types and this is of course a big advantage. The pairing of imaging in therapy is what we have the kind of headline on what you see is what you treat. And what you see in this image is uTRACE applied in a brain cancer patient. You can see the white tumor on the MRI scan to the left and then you can see the very hot area, the red area that uTRACE gets in there. And what this tells us is that if we then go into this patient at a later stage with uTREAT, this is where uTREAT will sit because it's the same binder, the same peptide, but just armed for therapy. And in this

way you can tailor and personalize medicine. So if this had been a patient, there are not many of them, but where we had no uptake of uTRACE it would also be a patient where you would not try to treat with uTREAT. **So this is very individualized and it also increases the likelihood of the studies we perform being successful because we only include the patients where we know the therapy will get to the tumor.** So again, a little bit just high level uTRACE, which is the imaging part, it seeks out and visualizes the cancer. It can be used in two ways. It can be used either as we want to use it in brain cancer and the other indications as a pair where we can predict whether the therapy will go to the cancer, but it can also be used as a standalone technology is what we pursue together with Curium, where uPAR is a marker of aggressiveness and therefore we can evaluate how aggressive a prostate cancer is and in that way save a lot of patients hopefully from unnecessary therapy like surgery, where a lot of the patients, 70% become impotent and or urinary incontinent. So we can predict which patients should just be followed and which should be managed aggressively through this noninvasive imaging biopsy. On the therapy side it's uTREAT the same compound with more aggressive radionuclide attached to and this sends out radiotherapy that has a range of approximately 1 mm so in this way it's not irradiating a lot of other tissue when it sits on the cancer. It's the cancer it irradiates and applicable across cancer types. And this is of course still in the preclinical development phase. Schematic demonstration just of how it works in the brain, how it's predicted to work on the left you see how will a linear accelerator normal traditional external radiation therapy is done from different angles, in that way it sums up in the red area in the tumor but all the green, yellow and orange parts of the brain you see here on the drawing, they get still a substantial amount of radiation and very often that's actually what limits how much dose you can give. On the right, an illustration of how we foresee uTREAT works when you give it, it goes into the tumor and sits there and is this just wishful thinking, the drawing on the right? We don't think so because you just saw the real life image of uTRACE with the red hotspot in the dark blue brain and this is the way it appeared. **So we are very excited about the technology, as excited as we have ever been.** And just to say very briefly what is coming up in the near future of milestones still within this first half year only being one month left.

Questions and Answers

Moderator

Theres a couple of questions about your capital needs listing on different stock exchanges. Maybe you could address that until Andreas is back already.

Ulrich Krasilnikoff - CEO

Yeah, right now we are pursuing two tracks. First of all, we of course try to leverage our strategy like we did with the curium by getting nondiluting funding through partnerships. But we don't know when we have those agreements in place. So in parallel, we also seeks to get some heavy investors on board and of course we will need to secure the funding also for the next year activities. So what we are planning for is to see how we can get new funding by the second part of this year. **Even that we have a very good cash position but funding is mentioned essential for also for companies like Curasight definitely as the stock market is right now.**

Moderator

Yeah, as you mentioned Ulrich, the Curium agreement is specific regarding prostate and you mentioned early on before this deal that that you were seeking out capital in this year beginning 2024 and there's nothing new in relation to that?

Ulrich Krasilnikoff - CEO

No as I mentioned before that you cannot rely on one track. You have to pursue both options and of course this curium deal is derisking the case considerably both for financial perspective but also investor perspective. **So we are achieving quite a good interest into look deeper into Curasight So this is definitely important step for this agreement.** But for financial we did that also for years back. You always need to look for to secure the finances for the activities going forward but the timing also had to be right in place when you need to get the new capital increase. But what we are going for is right now by the end of this year hopefully, but how much we don't know anything yet because it also depends on what would happen. Will we be able to close another partnership agreement or whatever, I cannot say anything about that yet.

Moderator

No, that's fair enough. And Ulrich, you mentioned in the beginning that Nordic Investment Bank made a research report on you and you talked about peak sales. Is that peak sales for this indication the Prostate is that the good, and when is the peak year? Because there's a question here about how does financials look in five years and that's of course a very good question. But we could.

Ulrich Krasilnikoff - CEO

Hopefully within five years we will be a cash positive company with a very good position. We will have different partnerships agreement based on the royalties. **So I think we will be a profitable company within five years.** But again, it's five years ahead so a lot of things can happen. There are also the risk that we will get an offer from one of the big Pharma because they are also considering this technology as the technology of both diagnosing and also as radiate for cancer treatment be the methods for tomorrow. **So we have not showed how the market is expected to increase but it actually is expected to increase sixfold within the coming eight to ten years.** That is due among others due to the new tracers like uTRACE and uTREAT and also the wider use of radio nuclear medicine in general within cancer treatment. So we are in the right place right now, I'll say, but also there's the risk that will come and offer for takeover for sure.

Moderator

Good. Thanks a lot and nice to have you back Andreas So please carry on from where you live.

Andreas Kjær - CSO & Founder

Yeah, I will. I understand, what's the last slide you saw?

Moderator

The last slide was actually the one with the two greens. Yes, this one?

Andreas Kjær - CSO & Founder

Yeah, this one. Is that correct?

Moderator

Yeah, that's correct.

Andreas Kjær - CSO & Founder

Yeah. Okay, I just have to see are you seeing it now?

Ulrich Krasilnikoff - CEO

Yes.

Andreas Kjær - CSO & Founder

Okay. Yeah. So what you see is what you treat. Basically we can see there's an uptake with the tracer in the tumor that glows red and therefore we also know that the therapy will get there. So just to wrap up on uTRACE it's for imaging as a pairing to predict in Glioblastoma, for instance, whether the therapy will go there, as I just explained. But it can also be used as a standalone technology, which is what we pursue together with Curium, because it's a market of aggressiveness. So this is this non invasive biopsy in prostate cancer where we can actually see who should be operated on or who shouldn't. And as you might remember, operation is not trivial because 70% will become impotent and or urinary incontinent. So we want to save the patient. That should not -- And this is actually the goal together with Curium. On the therapeutic side, we arm the same compound with radiation that has a penetrance of 1. In that way, it only treats the cancer where it sits on and not really the surrounding tissue. So much more gentle way and a way where also spread disease can be treated, which is not possible with external radiation therapy. And this is basically a drawing of the difference on the left, how you do radiation therapy today, you irradiate from different angles And yes, you get the most radiation in the tumor, which is red, but you can see all the green, yellow and orange areas. That's healthy brain tissue that becomes irradiated and normally irradiation of the healthy tissue will set the limit for how much dose you can deliver. On the right, you see a drawing, how it works and how we predict it works with uTREAT when you inject it And is this just a thing, wishful thinking that we believe? No, because I just showed you the uTRACE image of a real patient with a dark blue brain and the red hotspot. So it's actually how it works. It goes to the tumor, but doesn't sit in the rest of the cancer. **So we're still very excited, very convinced about the technology, getting new data on it all the time, all the imaging data.** And in the near future, some exciting things will happen. Still expected to be in H1 So that's a month to go yet. The top line results of the phase 2b studying glioplastoma and also the treatment study in Glioplastoma with uTREAT in the animal models of human cancer. And then in the second half, we expect results from therapy studies in additional cancer type. And then on the regulatory side, filing of applications both in the EU and the US for the prostate cancer study. Yeah, so with that, I hope sorry, for the technical issues, but I hope you got the whole presentation.

Moderator

Thanks a lot, Andreas. And thanks a lot, Ulrich. And let's take a couple of questions. There's actually a lot of questions. So if we start chop down with the pipeline, there's

some questions about both indications, whether you see any delays or extension and also if you see any other indications of interest for your uPAR and uTREAT projects, maybe you could take that.

Andreas Kjær - CSO & Founder

Yeah, no, we don't see it as a delay really. I mean we started out with Glioblastoma, we are still pursuing that. That was in the last part the capital raise was for and then now we have accelerated prostate cancer with this collaboration with Curium, of course. So that is pretty much as we planned it. And then yes, other indications In theory many, but we picked new endocrine tumors and head and neck cancer. And when we pick indications it's always based on unmet needs. So cancers where the therapy works, let's say relatively well, there's not a challenge, will not be as obvious as the ones where there are really sales to fill, where something better is needed and that is the reason for those indications. But we also know from preclinical studies that uTREAT works in colorectal cancer, so that might be another cancer to pursue. And also there's ongoing an imaging study in lung cancer. So that's also a potential indication down the road. But with our bandwidth and financial position, we go for the four indications as a step one that was shown on the pipeline slide.

Moderator

Thanks a lot Andreas. And we then dive a little into the uTRACE and the phase 3 study. Could you elaborate a little on how many patients are you going to roll in in the two studies? A little about cost and timing. When do you expect to see some kind of readout on phase 3? It's of course depending on the study, but could you elaborate a little on that Andreas?

Andreas Kjær - CSO & Founder

Yeah, we are talking about the uTRACE in prostate cancer.

Moderator

Yes, both brain cancer and prostate cancer.

Andreas Kjær - CSO & Founder

The interesting thing, and I don't know whether Ulrich covered that while I was away, people might have overlooked or, an important part of our press release Of course it was nice with Curium and to get some milestone payment, but what was not less important in the press release was actually that it also stated that we had had a pre-IND meeting with the FDA, so where we filed a very extensive briefing package and got their response and their view on our development plan. **So this means that there's a relatively clear way to hopefully get to approval in prostate cancer.** And exactly how much is needed until you really get the approval is not, that depends of course, on the data you get on your way. But the study that is planned to start that we will file the application for end of the year will be a study of approximately 150 patients in Glioblastoma. We have not had the interaction with the FDA, we are drafting the protocol so we have our own view on how that should be positioned and it's likely that it can integrate hopefully imaging and therapy and it will on the therapeutic part be a smaller study. These studies are typically, because it's also an earlier stage study and such a study is likely to be 30 to 40 patients. But there's also built in dose escalation, so you increase the dose to see how effective it is on the different steps and let's say a very

low early dosing is effective, then you end up having included less patients than if you have to go through many steps. And it's of course a safety issue that you cannot just start out with what you think is the final dose you have to be cautious. On imaging there's no side effects of the therapy of the imaging. So there you don't have to go in these steps to see what is tolerated.

Moderator

And it's fair to say, Andreas, that prostate is a much bigger cancer type than brain cancer.

Andreas Kjær - CSO & Founder

Exactly. There are more than half a million new cases in the US and EU every year. And if you go for high grade for the Glioblastoma there are around 30,000 new cases a year. So it's a different game. But of course it's also Glioblastoma, as you might remember, is a very severe disease with expected survival of one year only from diagnosis. So there's really a need where we hope to be able to help these patients that today have such a poor outlook and even 10% of the patients being children.

Moderator

Now, you mentioned that the two studies and if we talk about uTREAT in brain cancer and in prostate cancer and the stepwise approach you're going to choose, but is there any difference in the substance itself or is it the same substance you use?

Andreas Kjær - CSO & Founder

No, that's actually the beauty. I think from a company point of view and also from a patient point of view, it is exactly the same compound. It's not tweaked or done in any way. It might be that in imaging it's exactly the same dosing, it's the same compound. It might be for therapy in different indications, it might be that the dosing ends up being a little bit different, but that will still be dosing with exactly the same compound.

Moderator

Yes, that's quite important then, a small question, it could be you Andreas but maybe Ulrich as well. So how far do you expect to take uTREAT before you start working on potential partners? Of course, the longer you can drive it on your own book, the higher value you get. That's normally the businessmanship, but are you already in negotiations or could you elaborate a little on that?

Ulrich Krasilnikoff - CEO

Yeah, I would say that this Curium deal definitely have --, We have got some awareness also and definitely also on the uTREAT part. **Of course we will gain more more value if we first enter into a partnership when we have the first dose in patient, but we have some interesting discussions with different partners.** But that's all what we can say right now.

Andreas Kjær - CSO & Founder

And I think on a general level you can say that, yes, it's advantageous to take it a later step, but you still need to keep potential partners aware of what is happening. Even if they are not jumping or you don't want them to jump on right away. You have to kind of keep them informed so they are ready when we are ready.

Moderator

Thanks a lot. Thanks a lot, I don't know if there's any more questions. The time is 11:00 now, but if there's any final questions for management in Curasight, doesn't seem like there are small questions coming up. So by that said, both Ulrich and Andreas, thanks a lot for participating in this event and we will probably very soon meet you again because you have some milestones coming up. Let me see that's Just one question coming in here. Let's see. Okay, that's maybe a good question about radio nuclear nucleide therapies. There's some more competitions coming in. How do you think your potential market share will be? I hope it's all right. I put this question in the end.

Andreas Kjær - CSO & Founder

I think there will be many radionuclide therapies. This is the new big wave. Personally, I think it will replace all external radiation therapy maybe over the next ten years. There's plenty of room. **Not everybody will be treated with uTREAT So I actually see it as an advantage for the whole field.** And the two drugs that are out there right now, both are limited to a single indication because they go for a market only expressed on one cancer. So I think just as you have many types of chemotherapy, I think there's plenty of room. I think we have something that is unique because it goes for this aggressiveness marker that is not limited to one cancer type. I don't guess you expect us to put numbers on the market.

Moderator

And then there actually is a final question coming up for Ulrich I think we already answered this question, but just judge it again. Are you looking for dual listing? What are you thinking right now in terms of other markets?

Ulrich Krasilnikoff - CEO

Yeah, of course, that is something we are considering when the time is right. **We are very satisfied to be on Spotlight right now.** But when we also want to strengthen Institutional Investor base, then we have to look into the Nasdaq platform other the First North or the main market. But that will not be right now because you have to plan that in advance when you're conducted. But definitely that is also something we will look into. But when? I cannot say that yet.

Moderator

Thanks a lot, Ulrich. You got the final word there. And with that said, once again, thanks a lot, Ulrich, Andreas, for being here with us today. And thanks a lot to the audience for all the very good questions. So with that said, I would close the event and hope everybody will have a sunny day. Thanks a lot.

Andreas Kjær - CSO & Founder

Thank you. And thank you for having us. Thanks.

