

Chat with Management OncoArendi 14/12

<p>The meeting will start on Monday, December 14, 2020 at 10:00. We already encourage you to ask questions via the form below.</p> <p>If you want to ask several questions, please ask them one at a time and click the "Send" button each time. This will make it easier for company representatives to answer questions.</p>	
<p>OncoArendi</p>	
<p>We warmly welcome all chat participants. The entire management board is present and we will do our best to answer as many of your questions as possible. We have an hour scheduled for replies, and I hope we will be able to answer most of them. We encourage you to ask questions on-line, which the moderator will gradually forward to us.</p>	
<p>hubert.wilk</p>	
<p>What does obtaining a US patent for OATD-02 mean?</p>	
<p>OncoArendi</p>	
<p>The company obtained a patent protecting the OATD-02 compound in the US in August 2019, which we already informed about then. The current patent concerns a new series of compounds from the arginase inhibitors family, which allows for a wider protection of the patent space due to the fact that the development of arginase inhibitors is an area of interest for a number of large pharmaceutical companies, as evidenced by the recent numerous publications of patent applications by other companies.</p>	
<p>hubert.wilk</p>	
<p>Does the company intend to pay dividends?</p>	
<p>OncoArendi</p>	
<p>This will ultimately be decided by the AGM. OncoArendi's goal over the next few years is to reinvest profits. We position ourselves as a growth company, not a dividend company. The growth is to be a derivative of the development of research programs, the implementation of the assumed milestones resulting in the payment of milestones and the conclusion of subsequent partnering agreements. In the longer term, of course, the payment of dividends cannot be ruled out, especially when we sign further high-value partnering agreements.</p>	
<p>hubert.wilk</p>	
<p>Will the company enter NADAQ?</p>	
<p>OncoArendi</p>	
<p>We do not exclude this possibility in the future. If OncoArendi reaches a stage where it has another commercialization of the project or at least one potential drug in the final phase of clinical trials, then the company could be listed on the NASDAQ. However, we are already starting cooperation with large investment banks in the US and industry analysts to be well prepared for such an eventuality.</p>	
<p>Guest</p>	

Hello. What is the potential for oatd2 molecule to be commercialized? I understand that it is greater than oatd1? Can you provide an approximate contract value that will encourage you to sign a partnering contract?

OncoArendi

Following the Galapagos transaction, OATD-02 is our most advanced project. OATD-02 is an arginase inhibitor to be used in anti-cancer immunotherapy.

In the case of potential immuno-oncological drugs, in the first phase of clinical trials, the molecule is administered immediately to the sick, and not to healthy volunteers, as in other cases.

This means that data on the initial effectiveness of the molecule can be obtained faster, which in turn translates into earlier commercialization potential than in the case of OATD-01. We want to have advanced talks on this matter in 2022, but at this stage it is too early to talk about the potential value of the agreement. Much depends on the characteristics of the market and the strategies of the pharmaceutical companies that are most active in immuno-oncology.

Artur Krakowiak

Hello, To whom were the shares sold in the so-called block transactions?

OncoArendi

The sale was organized by the broker in the form of a block trade in response to the strong direct interest of institutional investors.

Guest

Why is information about the results of proceedings or obtaining a patent not sent through ESPI, but you often have to browse the company's website to find this type of information? In my opinion, despite several articles in the press, communication with the market leaves much to be desired, the company is absolutely undervalued, I am waiting for specific moves from the management board. I have already emphasized on a webinar once that we live in a time when we should fight for an investor, because the companies' exposure is very high.

OncoArendi

The MAR regulation requires the company to inform about events that meet certain criteria of confidential information (i.e. the precise nature of this information and the significance of its potential impact on the prices of financial instruments). In addition to the reports submitted by the ESPI system, the company shares with investors additional information which, in its opinion, does not meet the criteria of confidential information, but may also be interesting for investors. For this purpose, we use our profiles on social media. Please follow OncoArendi on Twitter, LinkedIn and Facebook.

Bartosz

Hello,

Ladies and Gentlemen, so far the company's results have been negative due to the specificity of activities and continuous development, while thanks to the finale of works and the contract with Galapagos, this will most likely allow 2020 to close in a huge positive, or do you plan to allocate, for example, some of the profits earned to pay dividends next year and what will be the policy in this matter in the coming years?

Best wishes.

OncoArendi

We have already answered the question about the dividend. We want to be a growth company, and it is characteristic of innovative companies, so now we want to allocate profits to the development of OncoArendi and further building of the company's value for its shareholders. In the long term, it is possible that we will recommend a dividend payment.

Michael

Good morning

congratulations on the success of 1 molecule - fingers crossed for the next

Question - at what stage are the work on the 2nd molecule?

Did an injection of money from a molecule already sold accelerate other jobs / acquisitions / employment? please give specific answers?

Did you have an offer to buy the company?

Is anyone from the management board or supervisory board planning any further redemption of shares?

OncoArendi

Thank you for the words of appreciation. Support from investors additionally motivates and adds positive energy. In the case of OATD-02, thanks to the funds obtained from the Galapagos agreement, we will be able to accelerate the work on introducing OATD-02 into clinical trials, increasing the commercial attractiveness of this molecule. We also plan to hire a group of specialists from all over the world, both those who would like to return to Poland and those who have not worked in Poland yet. We want to create an even more attractive work environment for international talent. In the first place, we will strengthen the team with bioinformatics, geneticists and structural biologists.

We did not have a proposal to buy back the entire company, which would be inconsistent with OncoArendi Therapeutics' long-term development strategy.

The board of directors recently sold a small stake, and we can only be responsible for the board that we have no plans to sell our own OncoArendi stock.

irek

Hello,

Congratulations on your contract with Galapagos!

I would like to expand on the topic of potential payments for further milestones.

I am specifically interested in developmental milestones.

Will the possible payment be made after the end of the entire process of the next stages of clinical trials, or will it be broken down at the successful completion of their subsequent stages, i.e. for the 2nd and 2nd phase.

OncoArendi

Thank you for congratulations. The contribution of the entire OncoArendi team to the signing of the Galapagos contract.

From Galapagos, the company's account has already received money from the initial payment and the right of priority in negotiations for subsequent ones. They will allow for acceleration of work on the existing projects and the commencement of work in new areas. We cannot disclose specific milestones and their values, but they do not deviate from the industry standard. We expect another one in the next several months.

Tomek

Will the company want to invest the earned money in a larger laboratory, or will it want to open branches outside the country?

OncoArendi

We will increase the laboratory area, but by renting additional space and not purchasing real estate. Next year, we plan to move to a new laboratory in Łódź, which the developer will adapt to our needs, but it will be a long-term lease agreement. We currently have a subsidiary in the USA that conducts research on our molecules in cooperation with American universities. We are not planning to start another one.

Guest

Will Galapagos research be conducted in an accelerated manner due to the molecule's action on Covid 19 ???? Best regards and good luck Marcin Grzeszczuk, shareholder of OAT

OncoArendi

A strategic priority for Galapagos is the development of OATD-01 towards the treatment of pulmonary fibrosis and other fibrotic diseases. Galapagos declares that it wants to build the position of a world leader in this area. At this stage, we do not know in what form GLPG can benefit from the GLPG-4716 orphan designation in the IPF.

Paweł Biedrzycki

Hello,

Last week, Galapagos announced the progress of the second phase of the PINTA trial in the indication of IPF. What does this mean for OncOrendi and the OATD01 project?

OncoArendi

First of all, it shows the effectiveness of conducting clinical trials in this indication, which is not easy. This gives hope that similar results will be obtained in study GLPG4716 (former OATD-01). The studied molecule, i.e. GLPG1205, showed activity in a small group of patients, while the OATD-01 study is planned on a larger population (approx. 200 patients).

Mario

Hello, is the company going to expand the pipeline with new molecules? If so, what is the time perspective?

OncoArendi	
<p>We are constantly looking for the possibility of extending our internal pipeline with interesting innovative molecules, but it cannot be the "me-too drug" that larger companies are already developing in advanced clinical trials. We are also looking at new drug technologies and new therapeutic targets. In the new strategy that will be announced in the first quarter of 2021, we will cover these plans in detail.</p>	
Guest	
<p>When can we expect the announced new strategy to be announced?</p>	
OncoArendi	
<p>We plan to announce the new strategy in the first quarter of 2021, most likely at the turn of February and March. Then we will say a lot more about new research programs and directions.</p>	
Robert23	10:3
<p>In which year can the OATD02 partnering agreement be expected? Are there discussions with stakeholders?</p>	
OncoArendi	10:3
<p>OATD-02 is another project that has a chance of a transaction with a similar structure to the Galapagos agreement. OATD-02's potential is due to the fact that it is an immuno-oncological molecule that can be great in combination therapies. In 2022, we want to conduct advanced talks on the commercialization of OATD-02.</p>	
Guest	
<p>Hello, is the increase in the value of the contract signed with Galapagos related to new molecules or is it about extending the therapeutic possibilities for further diseases within the OATD-01 molecule? What are the values, will it be double the amount without an up-fornt?</p>	
OncoArendi	
<p>Galapagos will focus on the development of OATD-01 on the IPF as this is their strategic direction of development. The contract also provides for other directions related to lung diseases with elements of fibrosis, including sarcoidosis. In parallel with the main indication, and the largest phase 2 trial in IPF, Galapagos wants to conduct other smaller trials over time in patients with other interstitial lung diseases. If they are other particles than OATD-01, the payment value will be exactly the same as for OATD-01. We cannot provide a division between the indications.</p>	
Guest	
<p>Based on the report for Q1-Q3, as well as announcements and contracts, it appears that after the report for 2020 P / E for the company will amount to approx. 10. According to stockwatch.com, currently the lowest value in the sector is 11.37, the average is 28.56 and the highest is 42, 94. Could you please refer to this valuation? What is wrong that the market does not discount the company's development, what can be improved and what actions do you intend to take to bring the value closer to the sector average?</p>	

OncoArendi	
It seems to us that the investors have not yet fully appreciated the potential of the Galapagos partnering agreement, as well as our further projects in the R&D pipeline, the most advanced of which is OATD-02. Revenue in the biotechnology industry from partnering contracts is not regular, so this ratio is very volatile.	
Mario	
Could you please tell me a bit about the potential of the deubiquitinase inhibitor project?	
OncoArendi	
DUBs are a completely new group of therapeutic targets that allow the modulation of previously unattainable signaling pathways in oncology. Our project is at an early stage of development (discovery) and we hope that the compounds to be discovered will soon demonstrate efficacy in preclinical cancer models, which will significantly increase the value of this project.	
Rudolf	
<ol style="list-style-type: none"> 1) Are there any advanced talks underway to commercialize OAT-D2? 2) Is another share issue planned / considered? 3) Is the sale of the Company (as a whole) planned / considered to an investor? 4) What% of payments from Galapagos was / will be allocated to the development of the company / investments and which to bonuses for the Board / Directors? 	
OncoArendi	
<p>We have already answered the question about the commercialization of OATD-02.</p> <p>We have no plans to issue shares. Our current financial situation is very good. At the end of November, the company had PLN 140 million at its disposal. These measures allow us to implement all our ideas that we have planned. Especially since some of them can be co-implemented by the Galapagos or supported by grants.</p> <p>We are not considering selling the company. We are working on the goal of introducing the first Polish innovative drug to the world market.</p>	
piotr_p	
Hello. Congratulations on your success. Can Galapagos, on a paid cooperation basis, give you its own molecules for research? Have you talked about this possibility? Will you possibly take up such a challenge?	
OncoArendi	
It is more likely that Galapagos will commission us to further develop dual chitinase inhibitors (other than OATD-01).	
Adam	
How will the safety and effectiveness of the drug's impact be measured?	
OncoArendi	

Preclinical and clinical trials are tightly regulated with regard to the safety of investigational drugs, and the company adheres to all requirements. The same applies to the assessment of efficacy in clinical trials with patients. There is more freedom in preclinical experiments and the potential for drug efficacy in multiple disease models in different animal species can be tested.

Peter

How much interest did institutional entities have in the company's shares?

OncoArendi

The interest was so great that the group of current shareholders of the company was not able to meet the demand reported by institutional investors.

Skimix

Do you see any chances for a merger with any Polish company, eg Ryvu? Mr. Paweł is a Cossack and you would be even stronger together!

OncoArendi

Such a merger would have to have a specific business goal, the implementation of which will translate into an increase in the company's value for our shareholders. We are currently not conducting any talks in this direction.

We appreciate the Ryvu company and support them very much, although in a friendly way, we compete with each other.

And we also compete with Paweł (friendly) on the ski slopes :)

oldfan

At what stage is work on the YKL40?

OncoArendi

We have selected a selective lead compound with properties allowing for in-vivo research, which is currently underway. Early next year, we expect key results from these experiments.

Peter

Hello, when can you expect the next tranche of money from the galapagos company from the signed contract?

OncoArendi

So far, payments from Galapagos have been received: an initial € 25 million and € 2 million for priority rights in the negotiations. The next potential payments from Galapagos are associated with the achievement of further milestones, the first of which may take place in the next several months. We cannot indicate exactly what these milestones and payments are, but they are within the industry standard.

Christopher

Why does the Galapagos agreement not include the YKL40?

OncoArendi

<p>The Galapagos agreement includes the YKL-40 program under a priority negotiation agreement. This allows us complete freedom of action in this area and can generate another license agreement with a separate up-front and stream of milestones and royalties.</p>	
<p>Lama</p>	
<p>Can you already say something about the timings of the start of the phase 2B study?</p>	
<p>OncoArendi</p>	
<p>Based on the discussions with Galapagos and publicly available presentations this study should start in about a year from now.</p>	
<p>piotr_p</p>	
<p>Thanks for your answer and I have another question. For how long the normal operation of the company is enough cash of PLN 140 million, which you are talking about, assuming that the commercialization of OATD-02 will be postponed in time for various reasons. Thanks in advance for your honest answer.</p>	
<p>OncoArendi</p>	
<p>We are in the process of building a strategy for 2021-2025. With the programs currently in progress and the expected payments from the Galapagos contract, money for this period will certainly be enough.</p>	
<p>Kris</p>	
<p>Were you able to address the problem of metabolite that appeared during the OATD-2 research?</p>	
<p>OncoArendi</p>	
<p>Based on the obtained results, we were able to characterize this metabolite much better. Currently, it does not pose a threat to the further development of OATD-02.</p>	
<p>oldfan</p>	
<p>At what stage are the activities related to the determination of OATD-02 bioavailability?</p>	
<p>OncoArendi</p>	
<p>We have made great progress in this regard. OATD-02 is a more complex chemical than OATD-01, which requires specialist consultation with external experts. The updated Phase I clinical trial design will also allow us to be more flexible in the selection of the therapeutic dose.</p>	
<p>Investor</p>	
<p>Hello, if a company seeks to further NCBR funding? Is the cash level at the moment sufficient for the nearest plans and assumptions? will a detailed strategy be presented?</p>	
<p>OncoArendi</p>	
<p>The company will certainly try to finance the development of new pipeline projects under the new EU perspective. We hope that the sources of financing will be slightly better suited to the needs of our sector (biotech).</p>	
<p>Andrew</p>	

Good morning, congratulations on your success so far and I wish you more in the future. Question: where are you planning to conduct your own clinical trials in the future in terms of geographic region? (Poland, other EU countries, Europe outside the EU, USA, others). Thank you and best regards!

OncoArendi

Certainly the EU, whenever possible, we will also try to include centers in Poland.

Kamil Szymczak

what is the biggest challenge for you in the near future?

OncoArendi

Successful start of the first phase for OATD-02 - from the existing pipeline and in new programs to build expertise and enter completely new areas of drug development technology (although still based on the use of small molecules).

Gyver

Good morning!

I know it's futurology. But I am very interested in how do you see your company in 5 years? What is the vision of the optimum and what is the minimum? ;)

OncoArendi

In five years we want to be the leading and most innovative biotech company in PL. We want to be a leader in new drug development technologies based on the latest trends and research methods, which will allow us to fully use the potential of the human genome. This will open up opportunities for faster (at an earlier stage of development) and larger partnering agreements.

Mario

I have a more general question. In the opinion of the management board, does the Polish biotechnology sector have a chance to break out globally, just like Polish gaming?

OncoArendi

Yes. We would like to make a strong contribution to this. Recently, we have seen new promising companies flourish, including those trying their hand at "technologies of the future". Contrary to apparent differences, there are many similarities between gaming and biotechnology. The drug discovered in Poland on the global market is like The Witcher 3 squared!

OncoArendi

Ladies and gentlemen,

[Thank you for being extremely numerous and active in the chat. We tried to address all the issues raised, although there were many of them. If you have any other questions, please contact the investor relations department: https://oncoarendi.com/relacje-inwestorskie/](https://oncoarendi.com/relacje-inwestorskie/)

Best regards,

Marcin, Rafał and Sławek