

Oncology Venture

Interim Report 1

2017-01-01 – 2017-03-31

Oncology Venture Sweden AB (publ) | 559016-3290

Venlighedsvej 1, 2970 Hoersholm, Danmark

www.oncologyventure.com

The Company is listed on AktieTorget (ticker: OV)

The Board and CEO of Oncology Venture Sweden AB hereby announces the Interim Report for the first quarter of 2017.

“Oncology Venture Sweden AB” refers to Oncology Venture Sweden AB, organisation no 559016-3290.

“The Company”, or “Oncology Venture” refers to the business group, i.e. Oncology Venture Sweden AB and subsidiaries Oncology Venture ApS (100% ownership), 2X Oncology (92 % ownership share) and OV-SPV2 ApS (80 % ownership share).

Summary of Interim Report

First Quarter (2017-01-01 – 2017-03-31)

- Net sales: 0 SEK (1 478 000) SEK.
- Profits after tax: -11 626 071 SEK (-4 865 000) SEK.
- Extraordinary expenses during the quarter consisted of manufacturing of drugs of approximately 5 MSEK and legal costs for in-licensing of approximately 1 MSEK.
- Cash and bank: 19 512 000 SEK (10 915) SEK.
- Consolidated profit per share: -1,15 (-0,67) SEK.
- Solidity: 87,8 (92,2) %.

Group earnings per share: period result divided by average number of stock shares.

Per, total number of stock shares amounted to.

Total number of shares per March 2017: 10 074 794. Note that the Company has carried out a rights issue, and that 802 213 stock shares are registred at Bolagsverket. Total number of shares after end of the period is 10 877 007. Numbers in brackets is last year’s numbers.

Shareholder equity ratio: equity divided by assets.

Significant Events During the First Quarter of 2017

- Marie Foegh, MD, DrSc, is offered and accepts the position as CEO of 2X Oncology Inc. (“2X Oncology”).
- The Company reports that CE marking of the Drug Response Predictor – DRP™ – has undergone technical validation and been registered for Oncology Venture’s leading drug candidate LiPlaCis®. CE IVD (In vitro diagnostic) validation and registration allows marketing of the product within the entire EU and enables commercialisation in 32 European countries.
- On January 17, an Extraordinary General Meeting was held at Oncology Venture. A communique from this EGM can be accessed at the websites of the Company (www.oncologyventure.com) and AktieTorget (www.aktietorget.se).
- Oncology Venture reported that the DRP™ system had successfully predicted the efficacy of four Breast Cancer drugs for Personalized Medicine.
- The LiPlaCis® project has been granted a total of 963 000 euro (9,1 MSEK) via the EUROSTARS program for further development. The official grant also frees private investment funds of approximately 950 000 Euro (≈ 9,0 MSEK) from the Company’s partner Smerud Medical Research International AS. In all, received grants for the LiPlaCis® program amount to around 1,9 MEUR (18 MSEK).
- Oncology Venture published a status update regarding the Company’s pipeline containing three products within Oncology Venture, two signed term sheets and one term sheet under negotiation in 2X Oncology, and one agreed upon term sheet in OV-SPV2 ApS.
- A new version of LiPlaCis® which can be stored at 2-8°C has been developed. This product has been successfully manufactured and has passed all quality controls.
- March 1, 2017, Oncology Venture held an Extraordinary General Meeting. A communique from this EGM can be accessed at the websites of the Company (www.oncologyventure.com) and AktieTorget (www.aktietorget.se).

- Approximately 1 000 000 SEK has been injected in Oncology Venture through the exercise of warrants from the 2019 series.
- Oncology Venture publishes a new date for the 2017 Annual Meeting.
- The Danish Drug Administration (DHMA) approves the focused APO010 study in Multiple Myeloma.
- Oncology Venture and Eisai Inc. signed an agreement covering the development of a Companion Diagnostic using the Drug Response Predictor DRP™ technology platform for a drug candidate from Eisai Inc oncology portfolio. The aim is to evaluate Oncology Venture's interest in an in-licensing of the drug for further clinical development within 2X Oncology.
- Oncology Venture signs an exclusive global license agreement covering 2BBB Medicines BV's leading phase 2 product 2B3-101 for glioblastoma, hereby referred to as 2X-111.

Events After End of This Period

- Oncology Venture executed a rights issue, resulting in approximately 33,7 MSEK in new investment funds before professional fees and charges.
- 2X Oncology expands its management group and appoints George O. Elston to be the CEO. Marie Foegh continues as the Company's CMO.
- Oncology Venture holds an Annual Meeting on May 8, 2017. A communique from the meeting can be found at the Company website (www.oncologyventure.com) and at AktieTorget's website (www.aktietorget.se).
- The previously warranted abstract with DRP data for epirubicin for breast cancer has been published electronically on the website of ASCO (American Society of Clinical Oncology).

PRODUCT PIPELINE

AND KEY DATES

Drug Candidate	Indication	Activity	Activity commenced	
1 <u>LiPlaCis®</u>	Breast cancer	Phase 1/2 clinical trial	Ongoing	
		Phase 1 part of the trial	Concluded Q2 2016	
		Phase 2 part of the trial*	Commenced Q3 2016 end inclusion Q3 2017	
	Skin Cancer (Cadila)	Phase 2	To be initiated	
	Head&Neck (Cadila)	Phase 2	To be initiated	
	Esophagus (Cadila)	Phase 2	To be initiated	
	Prostate (Cadila)	Phase 2	To be initiated	
2 <u>APO010</u>	Breast Cancer (Cadila)	Pivotl/Phase 3	To be initiated	
		Immuno-oncology	Screening of patients (approximately 150 patients)	Ongoing
		First indication multiple myeloma (bone marrow cancer)	Preparing for the clinical Phase 1/2 clinical trials	Ongoing
			Approval regarding the use of existing stocks of the drug candidate	Approved Q1 2017
		Phase 1/2 clinical trials	Q2 2017	
3 <u>Irofulven</u>	Metastatic prostate cancer	Screening of patients (approximately 300 patients)	Ongoing	
		Preparation of Phase 2	Ongoing	
		Submit the application for clinical trials	Q2 2017	
Concerning Special Purpose Vehicles (SPV)		Startup 2X Oncology in the U.S.	Incorporation completed	
		Seed investment of 3,5 MUSD	Secured	
		Series A round of approximately 25 mUSD	Ongoing	
4 <u>TOP2- inhibitor</u>		TOP2- inhibitors, phase 2 liposomal GSH metastatic breast cancer and glioblastoma (brain cancer)	In-licensed	
5 <u>PARP inhibitor</u>		Big Pharma Phase 2 PARP inhibitors for metastatic breast cancer	In-licensed	
6 <u>TOP1 inhibitor</u>		TOP1 inhibitors phase 2 for development in patients with ovarian cancer.	Term sheet under negotiation	
		Start-up of OV-SPV2 in Denmark	Ongoing	
7 <u>Oral Phase 2 and Phase 3 tyrosine kinase inhibitors (OV-SPV2)</u>		Seed investment of 0,5 MUSD	Secured	
		Negotiating of the final terms	Ongoing	
		If DRP™ provides successful results, co-invest and develop in focused Phase 2 clinical trial.	Under discussion	

* Proof of concept clinical trials are expected to take approximately 12 months to complete. As the clinical trials are not blinded, interim data may be received earlier

CEO Peter Buhl Jensen comments

Oncology Venture started off 2017 at the same swift pace as at the end of 2016. Our pipeline now consists of seven phase 2 anti-cancer products with mechanisms of action ranging from the very hot research areas such as APO010 and the PARP inhibitor from Big Pharma to more modest lower risk projects in novel drug delivery of proven drugs in new indications. Oncology Venture's pipeline also characterised by known active drugs such as cisplatin (LiPlaCis) and doxorubicin (2X-111), but these drugs are delivered to the site of the tumour by smart liposomal technology thereby further improving the potential therapeutic ratio. We also have drugs that have shown good efficacy in small numbers of patients, and with the help of DRP™ these drugs can be targeted at likely responders, thus potentially allowing us to introduce new treatment alternatives for cancer patients. These drugs include: Irofulven, the TOP1 molecule and the candidate drug currently part of a special purpose vehicle OV-SPV2 ApS. In Oncology Venture and 2X Oncology Inc, we dedicatedly continue working with our products, focusing on developing precision medicine with response rates sufficient for market approval.



The new year began with reporting that the CE marking for Drug Response Predictor – DRP™ – had been successfully registered for Oncology Venture's leading drug candidate LiPlaCis®, thereby allowing marketing of the product within the entire EU. LiPlaCis® and its DRP companion diagnostic is Oncology Venture's leading product, and the first drug in a series of precision medicine we strive to develop. The CE marking has also been registered in several countries outside of the EU, and can support registration also in the territories of our partner Cadila Pharmaceuticals Ltd.

A version of LiPlaCis® that can be stored at 2-8°C has successfully been developed. The original version needed to be stored at -80°C, and it is a great benefit that the product can now be stored and transported at normal cold chain temperature.

During 2017, we have recruited Marie Foegh and George O. Elston in 2X Oncology Inc. - an American spin-out company of Oncology Venture, focusing on development of precision medicines for cancer in women. George O. Elston is appointed CEO of 2X Oncology. Elston has a strong background within life sciences, and brings over 25 years of experience and a long list of merits when it comes to building, leading and developing companies and driving products through the process of clinical development and partnership. Marie Foegh has been hired as the CMO of 2X Oncology, she has 28 years of global experience within the drug and biotech industry. Dr Foegh has very strong American and European clinical networks, and an extensive list of achievements in the development and approval of drugs within the oncology and female health area. I believe the joint qualities of George and Marie will place 2X Oncology at the forefront of the efforts to bring precision drugs to treat cancer in women.

For 2X Oncology, we have in-licensed 2BBB Medicines BVs phase 2 product 2B3-101, hereby referred to as 2X-111. 2X-111 has shown clinical activity in a phase 2 study in patients with metastatic Breast Cancer and in patients with Glioblastoma (primary Brain Cancer), both cancer types with great medical needs. 2X-111 will be tested in two focused phase 2 studies with metastatic Breast Cancer and Glioblastoma patients within the 2X Oncology operating plan.

In addition, we are evaluating an oncology drug from Big Pharma for in-licensing to 2X Oncology. We have signed an agreement whereby OV will develop a Companion Diagnostics - DRP™. The aim is to refine Oncology Venture's interest in an in-licensing deal for the drug for further clinical development. The drug is in a phase 2 stage, and is an example of a targeted small molecule inhibitor which has demonstrated promising application in a number of human cancer forms.

During the period, the Danish Health Authorities (DHMA) approved the focused APO010 study in Multiple Myeloma. DRP™ screening to identify patients sensitive to immuno-oncology drug APO010 is ongoing at four medical centers. We aim to treat 15 patients pre-screened to be high likelihood responders to treatment with APO010 according to our DRP™ technology. The approval from the DHMA means previously manufactured APO010 can be used. This not only cuts the cost of completing the study but also lowers the timescale in which we expect to see results. The study will begin during May 2017.

I would like to finish by directing my warm thanks to all who signed for our rights issue during March 2017. Through this rights issue, the company received approximately 33,7 MSEK before professional costs. LiPlaCis is well on its way, and another six products are now lined up to be initiated. I believe an exciting journey lays ahead of us, and I look forward to the times to come.

Peter Buhl Jensen
CEO, Oncology Venture Sweden AB

About Oncology Venture

Many anti-cancer drugs are only beneficial to a minor part of a patient group, and there is currently no way of identifying which patient will respond to a certain treatment. This is forcing oncologists to treat many patients blindly, and if the number of patients responding to a certain drug is too low, the drug candidates will mostly not be used even though they may in fact be well suited for some patients.

The same problem occurs in medical studies of drug candidates. Insufficient efficacy has become the most common reason for clinical failures within drug development. A great part of these failures cannot be attributed to the drug as such, but are instead a consequence of difficulties performing clinical studies in an adequate way, i.e. with a satisfactory, well-defined patient group.

The operating subsidiary Oncology Venture ApS holds a license from Medical Prognosis Institute A/S (MPI) to use the technology Drug Response Predictor (DRP™). Since June 2016, MPI is listed at Nasdaq First North, Stockholm. The DRP™ technology platform enables the identification of patients who will respond to a certain experimental drug candidates, thereby increasing the likelihood that a drug candidate will succeed in clinical studies.

Oncology Venture's business model is built on optimizing the use of anti-cancer drugs that have shown efficacy, but have stalled in clinical development either due to insufficient response rate or due to difficulties in raising enough capital to drive the business forward. The Company works with a model that betters the odds compared to traditional drug development. Instead of treating all patients suffering from a specific type of cancer, the patients are first screened, and only those likely to respond to treatment with the specific drug will then be treated. With a more well-defined patient group, the use of the drug is optimized, and risks and costs are reduced. At the same time, both treatment and development become more efficient.

Business Model in Short

Oncology Venture shall in-licence (or buy) drug candidates that have been stopped in clinical development, and thereafter perform new clinical studies based on extended knowledge of which patients are likely to respond to a specific drug candidate. The ambition is to in-license effective drug candidates where the Company's DRP-technology can be used to increase precision and thereafter perform focused phase 2 studies on a population that is well-defined, based on relevant bio markers.

It is also part of Oncology Venture's business model to create SPVs, i.e. privately owned spin-out companies, thereby becoming the owner of several projects and exporting technology to other countries. This way, more capital can be raised from different types of investors including venture capital, business angels and private family businesses around the world without intention to invest in listed companies (more shots on goal to attract capital). 4 million USD has already been raised for 2X Oncology and OV-SPV2. The model was approved in co-operation with Oncology Venture's shareholders at the general meeting in January 2017, where an unanimous decision was made to create two spin-outs, 2X Oncology and OV-SPV2 ApS. After completing clinical studies, Oncology Venture will out-license (or sell) drug candidates with a high response rate linked to a DRP™ test. A deal in this phase typically includes incomes at the time of out-licensing (up-front) plus milestone and royalty incomes. Oncology Venture has also been able to attract public financing for several projects, and intends to remain proactive within this field.

Oncology Venture's Drug Candidates

Oncology Venture holds the exclusive global rights for the drug candidate **APO010**, which is currently in phase 1/2 development. In March 2017, the Danish Health Authorities (DHMA) approved Oncology Venture's focused study of APO010 in Multiple Myeloma. The approval from the DHMA means previously manufactured APO010 can be used. The study will begin during May 2017.

The Company holds all rights for this candidate, rights that were transferred from TopoTarget A/S (later Onxeo) during 2012. An initial payment for the license was made to TopoTarget A/S (Onxeo), thereafter royalties are being paid dependent on milestone agreements. The license was originally valid for three years, but after an agreement with Onxeo it has been prolonged to be valid through 2016 without further payments. The agreement will thereafter be extended one year at a time, given the circumstances Oncology Venture can present a yearly minimal investment for development of APO010. As mentioned above, an agreement in accordance with customary market terms has been made regarding royalty payments to

Onxeo from Oncology Venture on future incomes from APO010. Oncology Venture has acquired all rights for the APO010-DRP.

Oncology Venture signed an in-licensing agreement with Lantern Pharma LLC regarding the drug candidate **Irofulven**. This agreement runs for three years, with a possible extension of another three years. Oncology Venture has acquired the DRP™ for Irofulven from MPI which means Oncology Venture owns all rights for Irofulven DRP™. Irofulven has undergone phase 2 and 3 studies and has shown a 10% response rate (RR) in patients suffering from Prostate Cancer, 13% RR in Ovarian Cancer patients, and 7% RR regarding Liver Cancer. Irofulven is now in a phase 2 study estimated to be handed in during the second quarter of 2017. Before handing in the application for a clinical study, robust product manufacturing including optimised exchange of manufacturing needs to be secured. Sufficient amounts of Irofulven will be manufactured for three clinical phase 2 trials. Oncology Venture is negotiating with potential partners in China for development of Irofulven regarding Liver Cancer.

Oncology Venture has in-licensed **LiPlaCis®** from the Danish drug company LiPlasome Pharma ApS. Oncology Venture is not paying LiPlasome Pharma ApS any direct or advance payment for the in-licensing. LiPlaCis® is a liposomal formulation of the active ingredient cisplatin, and is aimed first and foremost for treatment of Breast Cancer patients. In the phase 1/2 study of LiPlaCis®, the phase 1 dose escalation phase among patients with advanced tumors has been performed. The phase 1 part is finished, and the phase 2 part of the study is estimated to end during the third quarter of 2017. The first DRP positive Breast Cancer patient has shown partial remission (i.e. > 30% reduction of the tumor) after treatment with LiPlaCis®.

Beyond this, Oncology Venture signed a development agreement with Cadila Pharmaceuticals Ltd regarding joint development of LiPlaCis® in combination with its Drug Response Predictor. The aim is to evaluate the effect of LiPlaCis® in several different indications, and to perform a randomized phase 3 study as a base for and important part of the data package for market approval by the FDA, EMA and CDSCO (Central Drugs Standard Control Organisation of India). Cadila Pharmaceuticals Ltd. will invest in the form of research and development activities regarding 310 cancer patients and DRP screening of over 1400 patients. Oncology Venture owns all rights for the LiPlaCis®DRP.

Besides the above, we are evaluating an oncology drug from Big Pharma for in-licensing to 2X Oncology. We have signed an agreement where Oncology Venture will develop a Companion Diagnostic (by using its Drug Response Predictor DRP™ technology) for a drug candidate from Big Pharma. The aim is to evaluate Oncology Venture's interest in an in-licensing of the drug for further clinical development within 2X Oncology. The drug is in a phase 2 stage, and targeted small molecule inhibitors have promising applications in a number of human cancer forms. If the DRP™ evaluation is successful, Oncology Venture may exclusively in-license the drug for further development into 2X Oncology. The drug specific DRP™ could then potentially be utilized to select patients with the highest likelihood of responding to treatment in a clinical phase 2 study. If the DRP™ can be successfully developed, Oncology Venture will acquire the DRP for the PARP compound from MPI, meaning Oncology Venture will own all rights for the PARP DRP.

Oncology Venture and 2-BBB Medicines BV have entered an exclusive global license agreement on 2-BBB Medicines' leading phase 2 product 2B3-101, from now on referred to as **2X-111**. The drug is a liposomal formula of doxorubin, using so called G technology which enables the drug to pass the blood-brain barrier to better the treatment of brain metastases and primary brain tumors. 2X-111 has shown clinical activity in a phase 2 study with patients suffering from metastatic Breast Cancer and in patients with Glioblastoma (primary brain cancer) – both hard-to-treat cancers with great medical needs. 2X-111 will be combined with its Drug Response Predictor (DRP™) as companion diagnostics in DRP™ focused phase 2 studies for patients with its Drug Response Predictor (DRP™) as companion diagnostics in DRP™ focused phase 2 studies for patients with high likelihood of responding to the treatment. Oncology Venture currently owns 92% of 2X Oncology, and will be raising new capital through 2X Oncology from American investors in order to finance and perform an agreed upon joint clinical development plan. With new capital being invested in 2X Oncology Inc, Oncology Venture's owner's share will be diluted, but Oncology Venture will remain a large shareholder in 2X Oncology Inc.

Oncology Venture's pipeline will also include a TOP-1 inhibitor referred to as **2X-131** to be developed for patients with Ovarian Cancer. The future plan is to test the drug candidate in a focused phase 2 study in combination with the Company's DRP™, to increase the response rate.

OV-SPV2

In 2017, Oncology Venture formed an additional oncology therapeutic spin-out for the development of a specific drug against cancer utilizing DRP™, OV-SPV2. OV-SPV2 intends to test and potentially develop an oral tyrosine kinase inhibitor from a Big Pharma company that owns the worldwide rights to the anticancer drug. The final terms of transactions between Oncology Venture ApS and the Big Pharma company are currently being negotiated. The drug candidate has been tested in Phase 2 and Phase 3 studies. Biopsies and results are available from the studies. Oncology Venture ApS has the possibility to implement a fast DRP™ test on available patient biopsies in order to assess if the DRP™ tool can identify respondents from the clinical trials. Oncology Venture has secured external funding totaling USD 0.5 million for OV-SPV2.

Company Structure and Shareholding

Oncology Venture Sweden AB owns 100 % of the subsidiary Oncology Venture ApS. All operations take place within the subsidiary, and the only operative procedure of Oncology Venture Sweden AB is owning the subsidiary Oncology Venture ApS. Beyond this, Oncology Venture owns 92 % of American subsidiary 2X Oncology and 80 % of spin-out company OV-SPV2 ApS. The SPVs will later be owned by Oncology Venture together with new investors - a split between the parts will be negotiated and determined.

Risks and Uncertainties Related to Company Operations

In short, the risks and uncertainties applicable to Oncology Venture's company operations relate to drug development, competition, technology development, patents, authority requirements, capital needs, currencies and interest rates. During the current period, no major changes in risks or uncertainty factors have occurred. For a more detailed presentation of risks and uncertainties, we kindly refer you to a previous prospect published in March 2017.

Development in Numbers During the First Quarter of 2017

Revenue

Net revenue for the quarter amounted to 0 (1 478 000) SEK.

Result

The Company's result after taxes for the quarter amounted to -11 626 071 (-4 865 000) SEK and was first and foremost influenced by operating costs, mainly consisting of -14 454 000 SEK. Extraordinary expenses during the quarter consisted of manufacturing of drugs of approximately 5 MSEK and legal costs for in-licensing of approximately 1 MSEK.

Cash and Bank

Per March 31, 2017, the cash and bank of Oncology Venture (incl. 2X Oncology) was 19 512 000 (10 915 000) SEK. Besides this, Oncology Venture has short-term receivables of 10 495 000 SEK, consisting of receivables and other prepaid costs. Beyond this, Oncology Venture has tax receivables of 10 491 386 SEK since the Danish government has reimbursed 22% of all expenses referred to research and development.

The Stock Share

The shares of Oncology Venture Sweden AB were listed on AktieTorget on July 22, 2015. The short name/ticker is OV, and the ISIN code is SE0007157409. AktieTorget is a secondary name of ATS Finans AB, which is a securities company under supervision of the Swedish Financial Supervisory Authority (Finansinspektionen). AktieTorget runs a trading platform (MTF), which is a non-regulated market. Per March 31, 2017, the number of shares was 10 074 794. Note that the Company has carried out a rights issue, and 802 213 stock shares are currently under registration. The Company has one class of shares. Every stock share equals the same rights to The Company's assets and result.

List of Share Holders Owning Over 5% per 2017-03-31

Namn	Andel av röster och kapital (%)
Sass & Larsen ApS	14,08
Buhl Krone Holding ApS*	12,20
Medical Prognosis Institute A/S**	10,61
Bny Mellon Sa/nv	8,38
Bnymsanv Re Jyske Bank General Sett	5,64
Övriga aktieägare	49,09

Totalt	100,00
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* 80 % owned by Peter Buhl Jensen (CEO of Oncology Venture Sweden AB). The other 20 % owned by Ulla Hald Buhl, board member of Oncology Venture Sweden AB, and married to Peter Buhl Jensen.

** 10,52 % owned by Peter Buhl Jensen (CEO of Oncology Venture Sweden AB) and spouse.

Warrants

At an Extraordinary General Meeting on June 28, 2015, a decision was made to introduce three stock option programs for The Company's employees and board members. The option programs contain a total of 325 000 warrants.

Warrant Program 1

This program consists of 170 000 warrants, and is directed to key employees who worked with the stock share introduction of Oncology Venture Sweden AB. The warrants were received free of charge, and can be subscribed to during a period that expires on August 22, 2018. Each warrant entitles subscription to one new share in Oncology Venture Sweden AB at a rate of 7.40 SEK per share. The warrants have a lock-up period of one year, which is transferred to stock shares if the warrants are used during the first year. Holders of these warrants will not be able to partake in any other warrant program.

Name	Number of warrants
Nikolaj Jensen	100 000
Sune Hansen	40 000
Thomas Jensen	30 000
Total	170 000

Warrant Program 2

Consists of 125 000 warrants received free of charge, and is directed to employees of The Company, among these board member Ulla Hald Buhl, Chief Science Officer Nils Brünner, and board member Steen Knudsen, who all received 10 000 warrants each. One third of the warrants can be subscribed to at a rate of 8,14 SEK per share between August 1, 2016 and August 22, 2018. Another third can be subscribed to at a rate of 8,954 SEK per share between August 1, 2017 and August 22, 2018. The remaining third of the warrants can be subscribed to at a rate of 9,849 SEK per share during August 1-22, 2018. Each warrant entitles subscription to one new share in The Company. Should a warrant holder leave his or her employment before the end of the first subscription period, all warrants will return to The Company. If an employee leaves after the end of the first subscription period, two thirds of his/her warrants will return to The Company. If leaving after the second subscription period, one third of the employee's warrants will return to The Company.

Warrant Program 3

Consists of 30 000 warrants and is directed to Duncan Moore and Sanjeevi Carani, board members of Oncology Venture. Each warrant entitles subscription to one new share in Oncology Venture Sweden AB at a rate of 15,00 SEK per share. The warrants can be subscribed to August 1-22, 2018. Moore and Carani are offered warrants at a price of 1,15 SEK per warrant.

Name	Number of warrants
Duncan Moore	20 000
Sanjeevi Carani	10 000
Total	30 000

Warrants as consideration for exclusive license from MPI

As consideration for the extended exclusive license, MPI has received a total of 302 243 warrants, entitling the signing of stock shares in Oncology Venture Sweden AB. The warrants entitle signing of one share per warrant at a subscription rate of 10 SEK per stock share. The warrants will be useful until December 31, 2019. At full usage of the warrants, the total dilution will be approximately 2.8% (based on the 10 877 007 stock shares currently outstanding in Oncology Venture, but excluding those stock shares that would be added when/if current outstanding warrants in Oncology Venture Sweden AB are utilized). Per the date of this document, MPI has utilized 100 000 of above mentioned warrants. Through utilizing the warrants, Oncology Venture approximately 1 000 000 SEK is added to the Company. After this utilization, MPI holds 202 243 outstanding warrants.

Warrants of the 2017/2020 series

Category	Number of participants	Warrants per participant
Chairman	1	50 002
Board Members	2	22 722
CEO	1	50 002
Key Members	16	22 722
Key Consultants	5	10 000
Total	25	559 000

At the Annual Meeting of Oncology Venture on May 8, 2017 decision was made to issue a maximum of 559 000 warrants to the Company's chairman, board members, CEO, key members and key consultants as follows:

Signing of warrants shall be done through signing a subscription list during the period of May 8, 2017 through August 8, 2017. Award decision is made as soon as possible after the signing period ends, and is communicated to the signing parties around August 11, 2017. Warrants are not issued versus payment. Option holders have the right to sign one (1) new stock share in the Company for each warrant at a subscription rate of 39,95 SEK during the period of August 10, 2020 through August 24, 2020. The subscription rate is equivalent to the average volume related stock share rate for the Company's stock shares at AktieTorget during the period of March 22, 2017 through April 4, 2017. At full utilization of the warrants, the total dilution will be approximately 5.1 % (based on the 10 877 007 stock shares currently outstanding in Oncology Venture, but excluding those stock shares that would be added when/if current outstanding warrants in Oncology Venture Sweden AB are utilized).

Auditor's Review

In accordance with AktieTorget's regulations, the interim report has not been reviewed by The Company's auditor.

Principles for The Interim Report

The interim report has been made in accordance with Swedish jurisdiction for Annual Accounts, and following General Advice of the Swedish National Board of Accounting 2012:01, Annual Accounts and Consolidated Accounts ("K3" and in accordance with "BFNAR 2007:1 Voluntary Interim Reporting"). For further information on accounting principles, we refer to the Annual Accounts of Oncology Venture for 2016.

Future Financial Reports

Half-yearly Report, 2017	25.08.2017
Interim Report 3, 2017	23.11.2017
Year-end Report, 2017	09.02.2018

The Board and CEO hereby certify that the interim report gives an accurate overview of The Company's operations.

Hoersholm, May 19, 2017
Oncology Venture Sweden AB
The Board and CEO

For further information regarding Oncology Venture, kindly contact:

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This is information which Oncology Venture is obliged to publish in accordance with EU regulations against market abuse & laws regarding the securities market. The information was provided by efforts of the contact person above, to be published on May 19, 2017.

Financial Overview

Summary of Profit and Loss Account – Business Group

(KSEK)	2017-01-01 2017-03-31	2016-01-01 2016-03-31	2016-01-01 2016-12-31	2015-06-04 2015-12-31
Revenue	0	1 478	3 243	1 784
Operating costs	-14 454	-5 657	-44 838	-6 769
Depreciation and impairment losses on tangible and intangible assets	-513	-619	-2 538	-1 648
Sum of operating costs	-14 967	-6 276	-47 376	-8 417
Operating profit	-14 967	-4 798	-44 133	-6 633
Financial items	-184	-67	291	-450
Profit before tax	-15 150	-4 865	-43 841	-7 083
Tax	3 524 286	0	7 065	0
Profit for the period	-11 626 071	-4 865	-36 776	-7 083
Basic and diluted earnings per share, based on average number of shares	-1,15	-0,67	-3,65	-0,98

Summary of Balance Sheet - Business Group

(KSEK)	2017-03-31	2016-12-31	2015-12-31
Balance			
Intangible assets (note 1)			
Goodwill	20 516	20 516	20 516
Depreciations, goodwill	-3 591	-3 078	-1 026
Rights and patents	6 908	1 357	1 691
Tangible fixed assets	712	624	0
Financial fixed assets	761	47	
Stock	315	316	
Tax liabilities	10 491	7 065	
Receivables	10 495	10 994	4 691
Cash and bank	19 512	18 867	16 786
Assets	66 120	56 709	42 658
Share capital	1 410	1 410	1 013
Share premium	96 755	96 782	46 269
Share capital not registred	22 232		
Retained earnings	-51 924	-16 703	0
Period earnings	-11 626	-36 776	-7 740
Non-controlling interests	1 202		
Equity	58 049	44 713	39 542
Other liabilities	8 071	11 994	3 116
Current liabilities	8 071	11 996	3 116
Total equity, provisions and liabilities	62 596	56 709	42 658

Summary of Change in Equity - Business Group

(KSEK)	2017-01-01	2016-01-01	2016-01-01	2015-06-04
	2017-03-31	2016-03-31	2016-12-31	2015-12-31
Shareholder's equity at beginning of period	44 713	39 542	39 542	0
Translation difference (OV APS)	79	18	48	0
Correction at start	0	2 092	2 361	
Capital increase	22 090	0	41 816	47 282
Issue expenses	-1 059	0	-2 293	0
Net income	-11 626	-4 865	-36 762	-7 740
Shareholder's equity at end of period	58 049	34 695	44 713	39 542

Summary, Cash Flow - Business Group

(KSEK)	2017-01-01	2016-01-01	2016-01-01	2015-06-04
	2017-03-31	2016-03-31	2016-12-31	2015-12-31
Profit before tax	-14 966	-4 865	-43 841	-892
Depreciation	513	619	2 538	87
Working capital change	-1 503	-1 625	2 545	-284
Adjustment of working capital	-80			
Cash-flow from operating activities	-16 036	-5 871	-38 758	-1 089
Interest income	0	0	291	0
Interest paid	-184	0	0	0
Paid taxes	0	0	0	0
Cash-flow from operations	-16 220	-5 871	-38 467	-1 089
Investments in intangible fixed assets	-5 039	0	0	0
Investments in tangible fixed assets	2	0	1 067	0
Investments in financial fixed assets	0	0	0	0
Adjustment of assets	-170			
Acquisition of subsidiary	0	0	0	9 494
Cash-flow from investment activities	-5 207	0	1 067	9 494
Loans	0	0	0	0
Capital increase	22 232	0	39 523	0
Cash-flow from investment activities	22 232	0	39 523	0
Total cash-flow for the period	805	-5 871	2 123	-8 405
Cash at start of period	18 872	16 786	16 786	0
Adjustment of cash at start of period	-165		-42	
Cash at end of period	19 512	10 915	18 867	8 405

Note 1:

Issue for non-cash consideration in conjunction with establishing the Swedish AB (30.904 KSEK) led to the expected IPO rate (7,40 SEK). It is the management's assessment that this value reflects the market value of The Company's intangible assets.

In May 2016, The Company made a rights issue of 2 066 624 stock shares at the expected issue price of 10 SEK/share. It is the management's assessment that this value reflects the market value of The Company's intangible assets.

In October 2017, the Company undertook a rights issue of 774 984 stock shares at the expected issue price of 29 SEK per share. It is the management's assessment that this value reflects the market value of The Company's intangible assets

Non-tangible assets are classified as goodwill, and are depreciated over a period of ten years.

Summary of Profit and Loss Account - Parent Company

(KSEK)	2017-01-01	2016-01-01	2016-01-01	2015-06-04
	2017-03-31	2016-03-31	2016-12-31	2015-12-31
Revenue	0	0	0	0
Operating costs	-819	-56	-2 455	-190
Depreciation and impairment losses on tangible and intangible assets	0	0	0	0
Operating profit	-819	-56	-2 455	-190
Financial items	-1	46	315	46
Profit before tax	-820	-10	-2 139	-144
Tax	0	0	0	0
Profit for the period	-820	-10	-2 139	-144

Summary of Balance Sheet - Parent Company

(KSEK)	2017-03-31	2016-12-31	2015-12-31
Balance			
Financial fixed assets	28 644	28 644	28 644
Receivables	359	56	137
Receivables from business group	56 207	56 984	18 361
Assets	85 210	85 685	47 142
Share capital	1 410	1 410	1 013
Premium fund	86 32	85 322	46 197
Invested capital, not registered			
Retained earnings	-2 237	-97	0
Period earnings	-820	-2 139	-98
Equity	84 675	84 495	47 112
Accrued expenses and prepaid income	535	1 189	30
Short-term receivables	535	1 189	30
Total equity, provisions and liabilities	85 210	85 685	47 142

Summary of Change in Equity - Parent Company

(KSEK)	2017-01-01	2016-01-01	2016-01-01	2015-06-04
	2017-03-31	2016-03-31	2016-12-31	2015-12-31
Shareholder's equity at beginning of period	84 495	47 112	47 112	47 832
Capital increase	1 000	0	39 523	-623
Issue expenses	0		0	0
Net income	-820	-10	-2 139	-98
Shareholder's equity at end of period	84 675	47 102	84 496	47 112

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