Oncology Venture

Half-year Report
2017-01-01 – 2017-06-30

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 announce the Half-yearly report for the first half 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) and OV-SPV2 ApS (40 % ownership).

Summary of Half-year Report

First Half-year (2017-01-01 – 2017-06-30)

- Revenue: 1 610 KSEK (1 478 KSEK)
- Profits for the period: -22 213 KSEK (-10 056 KSEK)
- Cash at end of period: 37 545 KSEK (20 824) KSEK
- Consolidated profit per share: -2,16 (-1,08) SEK
- Solidity: 89,8 % (98,8) %

Second Quarter (2017-04-01 – 2017-06-30)

- Revenue: 1 610 KSEK (0 KSEK)
- Profits for the period: - 10 586 KSEK (-5 191 KSEK)
- Consolidated profit per share: -1,04 (-0,56) SEK

Consolidated profit per share*: period result divided by average number of stock shares.*
Per April 1, 2017, the total number of stock shares was 10 074 794. Total number of stock shares per June 30, 2017, amounts to 10,877,007. Average number of stock shares for the period is 10,141,276. Amounts in brackets represent the equivalent period last year. Shareholder equity ratio: equity divided by assets.

Significant Events During the Second Quarter of 2017

- Oncology Venture carries out a rights issue, supplying the company with approximately 33,7 MSEK before emission costs.

- 2X Oncology extends its management group and appoints George O. Elston CEO while Marie Foegh continues as the company's CMO.

- The General Annual Meeting was held on May 8, 2017. A communique of decision made at this meeting can be found at The Company's web page, www.oncologyventure.com.

- DRP data for epirubicin in Breast Cancer treatment has been published at the web page of ASCO (American Society of Clinical Oncology). DRP was significantly associated with progression free survival, PFS, in a cohort of 137 patients suffering from metastatic Breast Cancer.

- Oncology Venture is informed by the US Patent and Trademark Office that they intend to approve a patent application concerning a Drug Response Predictor (DRP™) for the company's anti-cancer drug Irofulven.

- Oncology Venture announces a first patient has been included in the phase 1/2 study of APO010 in Multiple Myeloma (MM).

- A poster on DRP data for epirubicin in Breast Cancer treatment is presented at the poster session "Breast Cancer – Metastatic" during the annual meeting of ASCO (American Society of Clinical Oncology) on June 4, 2017, in Chicago, Illinois, USA.

- The Oncology Venture spinout, 2X Oncology, receives an American Investigational New Drug Application (IND) for 2X-111, a liposomal doxorubin for Breast and Brain Cancer.

- Oncology Venture announces data from the ongoing phase 1/2 study show how tumor response to LiPlaCis in clinical praxis can be predicted by the company's Drug Response Predictor (DRP™) regardless of tumor type, including Breast Cancer.

Events After End of This Period

- Oncology Venture announces that the Danish Medicines Agency and the Ethics Committee approve inclusion of Metastatic Breast Cancer patients in the phase 2 study of LiPlaCis already after the patient's second line of treatment. The side effect profile of LiPlaCis also allows for more vulnerable patients with low thrombocyte count and patients with decreased liver function to be included in the study.

- Oncology Venture and Eisai Inc. sign an exclusive global license agreement for the clinical oncology drug candidate PARP Inhibitor E7449 / 2X-121. E7449 has shown good efficacy already in phase 1.

- Oncology Venture and Novartis Pharma AG sign an option agreement regarding an exclusive license for a kinase inhibitor in clinical phase 3.

- Oncology Venture announces the company has made a precise DRP prediction in patients treated with 2X-121, the recently in-licensed PARP inhibitor from Eisai Inc.

- On August 23, 2017, Oncology Venture publishes a new update on their pipeline.

PRODUCT PIPELINE

AND KEY DATES

	Drug Candidate	Indication	Activity	Activity Commenced
1	LiPlaCis®	Breast Cancer	Screening of patients (> 1300)	Ongoing
			Phase 1 part of the trial	Concluded Q2 2016
			Phase 2 part of the trial*	Commenced Q3 2016 end inclusion Q3 2017
		Breast Cancer	Randomised Phaes 2-study	To be initiated
		Skin Cancer (Cadila sponsor)	Phase 2	To be initiated
		Head&Neck (Cadila sponsor)	Phase 2	To be initiated
		Esophagus (Cadila sponsor)	Phase 2	To be initiated
		Prostate Cancer (Cadila sponsor)	Phase 2	To be initiated
		Breast Cancer (Cadila sponsor)	Pivotl/Phase 3	To be initiated
2	APO010	Immuno-oncology First indication Multiple Myeloma (Bone Marrow Cancer)	Screening of patients (approximately 150 patients)	Ongoing
			Preparing for the clinical Phase 1/2 clinical trials	Commenced Q2 2017
			Approval regarding the use of existing stocks of the drug candidate	Approved Q1 2017
			Phase 1/2 clinical trials	Ongoing
3	Irofulven	Metastatic Prostate Cancer	Screening of patients (approximately 300 patients)	Ongoing
			Preparation of Phase 2	Ongoing
			Submit the application for clinical trials	September 2017
	Concerning Special Purpose Vehicles (SPV)		Startup 2X Oncology in the US	Incorporation completed
			Seed investment of 3,5 million USD	Secured
			Series A round of approximately 25 million USD	Ongoing
4	TOP2- inhibitor - 2X-111	Glioblastoma Metastatic Breast Cancer	Liposomal doxorubicin-Glutathion Phase 2	In-licensed
5	Oral PARP inhibitor – 2X-121	Metastatic Breast Cancer Ovarian Cancer	EISAI Phase 2 PARP inhibitor (E7449)	In-licensed
6	Oral TOP1 inhibitor – 2X-131		Oral TOP1 inhibitors phase 2 for development in patients with ovarian cancer.	Term sheet under negotiation
			Phase 3 Tyrosine kinase inhibitors from Novartis Start-up of OV-SPV2 in Denmark	Ongoing
		-	Seed investment of 0,5 MUSD	Secured
7	Oral Phase 2 and Phase 3 tyrosine kinase inhibitors (OV-SPV2)		Negotiating of the final terms	Secured
			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

The time has come for me to make a summary of a particularly eventful and value creating quarter in the development of Oncology Venture. At the inception of the Company, we promised five products in three years. In just two years, we now have six products secured – ahead of plan – with a seventh on the horizon. We believe that our strong oncology pipeline positions us as a very strong global player in anti-cancer drug development. I am very happy with the performance of my team, and look forward to begin clinical studies in co-operation with our professional clinical research partner, Smerud Medical Research International, to further accelerate patient inclusion and progress in clinical results. In September, we expect the application for Irofulven to be submitted to the Danish authorities. Once it is approved, our three first Phase 2 products will all be under clinical development. Next in line will be 2X-111 and 2X-121, and I find this kind of progress characterising a company in formidable development.
The Company holds the global rights for six products, and the global rights for Drug Response Predictor - DRP™, an innovative technology for developing precision medicine for cancer patients.

We started this quarter by announcing having raised around 33.7 million SEK before emission costs through our rights issue during March, 2017. I would like to thank the investors in this rights issue – the largest one in the history of Oncology Venture - for their support, injecting new working capital in the business. Since our listing at AktieTorget a little over two years ago, Oncology Venture has rapidly created substantial value within the Company through a Phase 2 pipeline of up to seven products, two spin-out companies, and the first partner agreement with Cadila is in place. With a pipeline as substantial as this, and with the prospect of value increase, there is potential of attracting institutional long-term investors. Based on this, as formerly communicated, we strive to become listed at the main stock market Nasdaq Stockholm Small Cap.

We have reached an important scientific milestone in announcing that the efficacy of chemotherapy with epirubicin, one of the most commonly used drugs for Breast Cancer treatment, can now be predicted in accordance with DRP data we presented at the Annual Meeting of ASCO (American Society of Clinical Oncology). DRP was significantly associated with progression free survival, PFS, in a cohort of 135 patients suffering from Metastatic Breast Cancer. These are good news: our patented epirubicin DRP™ is now also validated in clinical praxis, and I am convinced we can use this powerful tool to successfully develop our epirubicin based product 2X-111 for Breast Cancer, and hopefully also for Glioblastoma (Brain Cancer).

Furthermore, we could announce in June that our spin-out company 2X Oncology received a so called Investigational New Drug (IND), i.e. permission to run clinical studies in the USA, for drug candidate 2X-111. It is of great value to have an IND in the U.S. enabling us to perform clinical studies.
During this quarter, we have also strengthened our patent portfolio. In May, we announced the US Patent and Trademark Office had informed us of their intention to approve a patent application for a Drug Response Predictor (DRP™) for our anti-cancer drug Irofulven. Protecting Irofulven and its companion diagnostic DRP™ via FDA's Orange Book is a very important part of our strategy. This secures another 20 years of patent protection. In September, the application for Irofulven is expected to be submitted to the Danish authorities. We have also communicated progress in our development of drug candidate APO010. On May 31, we announced a first patient had been included in the phase 1/2 study of APO010 in Multiple Myeloma (MM). I am happy APO010 is now in clinical use for MM.

The activity within Oncology Venture is continuously high. We have six phase 2 projects in Oncology Venture, all showing good safety profiles, and we have secured funding for these projects. Beyond this, we also have two spin-out companies, 2X Oncology Inc. and OV-SPV2. For the drug candidates developed within these companies, we have signed agreements with Big Pharma companies Eisai, Inc. and Novartis Pharma AG, something we are of course very proud of.
I look forward to yet another exciting quarter for Oncology Venture!

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 probably not be used although 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 drug candidates, thereby increasing the likelihood that a drug candidate will succeed in clinical studies.

Business Model in Short

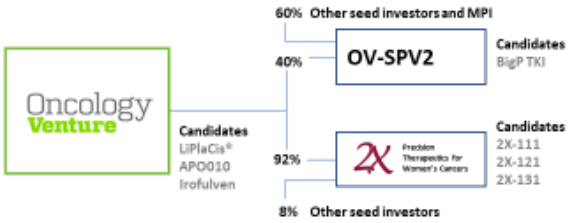
Oncology Venture's business model is built on optimizing the use of anti-cancer drugs that have shown efficacy, but have stalled in clinical development either due to insufficient response rate or due to difficulties in raising enough capital to drive the business forward. The Company works with a model 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.

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 for increasing 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. 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 the company intends to remain proactive within this field.

Company Structure and Shareholding

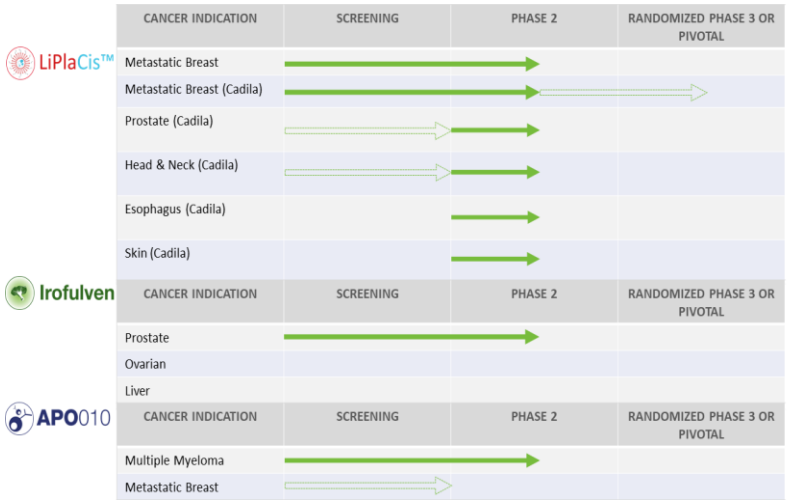
Oncology Venture Sweden AB owns 100 % of the subsidiary Oncology Venture ApS. All operations take place within the subsidiary, and the only operative procedure of Oncology Venture Sweden AB is owning the subsidiary Oncology Venture ApS. Beyond this, Oncology Venture owns 92 % of American subsidiary 2X Oncology and 40 % of spin-out company OV-SPV2 ApS. The SPVs will later be owned by Oncology Venture together with new investors – split between the parts will be negotiated and determined.



Oncology Venture's Drug Candidates

APO010

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 Medicines Agency (DHMA) approved Oncology Venture's focused study of APO010 in Multiple Myeloma. The approval means a previously manufactured stock of APO010 can be used.



APO010 is a one-FAS-receptor immuno-oncological product that kills cancer cells through the same mechanism as the T cells of the human body. Four Danish hematology sites are open, recruiting patients. So far, over 60 patients have approved to have their tumors DRP screened for sensitivity to APO010. The study started during May, 2017, when the first patient was included.

Oncology Venture holds all rights to the drug candidate. These were transferred from TopoTarget A/S (later Onxeo) during 2012. The APO010 project has received a EUROSTARS grant amounting to approximately 13.5 million SEK. Oncology Venture has acquired the DRP for APO010 from MPI, meaning the Company holds all future rights to the APO010- DRP™.

Irofulven

Irofulven has previously undergone phase 2 and 3 studies and shown a 10% response rate (RR) in patients suffering from Prostate Cancer, 13% RR in Ovarian Cancer patients, and 7% RR in Liver Cancer. However, these levels are insufficient for obtaining authority approval. With the help of Professor Knudsen's DRP for the product, the Company aims to find patients who are likely to respond to Irofulven treatment and include these patients in a focused phase 2 study, to increase the response rate. After Q2 2017, it was announced that Irofulven has now successfully been manufactured and filled in vials for clinical studies. The last quality control (QA) before the vials are released is ongoing, and the Company is now preparing sufficient amounts of vials to run the planned study in metastatic Prostate Cancer. Oncology Venture expect to submit the trial to the authorities during September and start the studies in Denmark and Sweden, where the Company has screened >70 Prostate Cancer patients. Oncology Venture is negotiating with potential partners in China for development of Irofulven regarding Liver Cancer.

LiPlaCis®

LiPlaCis® is a liposomal formulation of the active substance cisplatin and primarily refers to the treatment of breast cancer patients. In the phase 1/2 study of LiPlaCis®, a 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. After this,the Company plans to initiate an international, randomised phase 2 multicentre study in Europe. The preparations for this are ongoing. The first DRP positive Breast Cancer patient has shown partial remission (i.e. > 30% reduction of the tumor) after treatment with LiPlaCis®. Data from the ongoing phase 1/2 study show how the tumor response to LiPlaCis® can be predicted with Oncology Venture's Drug Response Predictor (DRP™) regardless of tumor type, including Breast Cancer. These early data suggests the top third of patients predicted to be responsive to LiPlaCis® have a 67% likeliness of responding to treatment, with a median time of 18 weeks to progression.

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). According to the agreement, Cadila Pharmaceuticals has the possibility to acquire a 1/3 ownership of the drug's value, given they can prove clinical data of FDA/EMA quality from 320 patients within a certain time frame. Cadila will be using 2-4 degree Celsius product and

stability studies for this product version, which is the reason why the study takes longer than normal. The phase 2 studies are expected to begin soon, within Head and Neck, Prostate, Skin and Esophagus Cancer. The Company is also looking forward to the start of the Cadila phase 3 study in metastatic Breast Cancer. Cadila Pharmaceuticals Ltd. will invest in research and development activities regarding 320 cancer patients, and DRP screening of over 1400 patients. Oncology Venture has acquired the DRP for LiPlaCis® from MPI, meaning the Company holds all future rights for LiPlaCis®-DRP™.

Special Purpose Vehicles

2X Oncology

<u>2X-111</u>

2X-111 (previously called 2B3-101) is a liposomal formulation 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). These are 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 high likelihood of responding to the treatment. 2X Oncology will be raising new capital through 2X Oncology from American investors to finance and perform an agreed upon joint clinical development plan. When new capital is invested in 2X Oncology Inc, Oncology Venture's holding will be diluted, but the Company will remain a large shareholder in 2X Oncology Inc.

2X Oncology Inc. is currently 92% owned by OV

Product	Indication	SCREENING	PHASE 2	RANDOMIZED PHASE 3 OR PIVOTAL
2X-111 TOP2# liposomal-GSH	Metastatic Breast	→		
2X-111 TOP2# Liposomal-GSH	Brain tumors (Glioblastoma)	→		
2X- 121 PARP#	Metastatic Breast	→		
2X-131 TOP1# Under negotiation	Ovarian Cancer	→		

OV-SPV 2

OV-SPV2 Aps is currently owned by 40% by OV and 10% by MPI

Tyrosine kinase #	SCREENING	PHASE 2	RANDOMIZED PHASE 3 OR PIVOTAL
Renal cancer	DRP test in data from Phase 3 trial	→	
Liver cancer	DRP test in data from clinical trials	→	

2

<u>2X-121</u>

During the period, Oncology Venture has signed an agreement with Big Pharma company EISAI to develop companion diagnostics for an oncology therapeutic drug candidate from this company, a so called PARP inhibitor. The aim was to evaluate Oncology Venture's interest in in-licensing the drug for further clinical development within 2X Oncology, something that did happen after the end of Q2 2017. After Q2 2017, Oncology Venture could also announce having identified the responding patients. In a blinded study, Professor Knudsen's DRP analysis showed how DRP from 13 patients could accurately predict respons and overall survival with a p value of 0.07, meaning there is a 7% risk of the result being a random outcome. The Company has tablets in stock for the projects, facilitating for a quick start.

<u>2X-131</u>

Oncology Venture is currently negotiating a possible inclusion of a TOP-1 inhibitor – hereby referred to as 2X-131 - to be developed for patients with Ovarian Cancer. The plan is to test the drug candidate in a focused phase 2 study in combination with the Company's DRP™, aiming to increase the response rate.

OV-SPV2

During 2017, Oncology Venture has 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 (TKI) from Novartis Pharma AG, currently holding the worldwide rights to this anticancer drug. Analysis setup from previous phase 3 studies of the TKI product is ongoing. The Company is currently investigating together with FDA and EMA regulatory experts in evaluating the possibility to discuss a potential fast approval from the regulatory authorities. Final terms of transactions between Oncology Venture ApS and Novartis Pharma AG have been negotiated. The drug candidate has been tested in phase 2 and phase 3 studies, and biopsies and results are available from these trials. Oncology Venture ApS has the possibility to implement a fast DRP™ test on available data from patient biopsies to assess if the DRP™ tool can identify responders from the clinical trials. Oncology Venture has secured external funding totaling USD 0.5 million for OV-SPV2.

Development in Numbers During the Second Quarter of 2017

Revenue
Revenue for the quarter amounted to 1 610 (0) KSEK.

Result
The Company's result after taxes for the quarter amounted to -10 586 (-5 191) KSEK, and was mainly influenced by The Company's operating costs, amounting to 12 804 KSEK. Cirka 4 300 KSEK of this is production cost of Irofulven and LiPlaCis®.

Cash and Bank
Per June 30, 2017, the cash and bank of Oncology Venture 37 545 (20 824) KSEK. Besides this, Oncology Venture holds short-term receivables of 11 531 KSEK (5 840 KSEK), consisting of receivables and other prepaid costs.

The Stock Share

The stock 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 June 30, 2017, the number of shares was 10 877 007. Each stock share equals the same rights to The Company's assets and result.

List of Share Holders Owning Over 5% per 2017-06-30

Name	Share of Votes And Capital(%)
Sass & Larsen ApS	14,54
Buhl Krone Holding ApS*	11,48
Medical Prognosis Institute A/S**	10,65
Bny Mellon Sa/nv	7,77
Bnymsanv Re Jyske Bank General Sett	6,01
Other shareholders	49,55
Total	**100,00**

** 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 6,88 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 7,58 SEK per share between August 1, 2016 and August 22, 2018. Another third can be subscribed to at a rate of 8,34 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 9,16 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 13,96 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, 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

At the Annual Meeting of Oncology Venture on May 8, 2017, a 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:

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**

Signing of warrants was done through signing a subscription list during the period of May 8, 2017, through August 8, 2017. The board shall have the right to extend the subscription period. Award decision was made after the end of the signing period, and communicated to the signing parties on 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).

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.

Auditor's Review

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

Principles for The Half-year Report

The Half-yearly 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

Interim Report 3, 2017	23.11.2017
Year-end Report, 2017	28.02.2018

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

Hoersholm, August 25, 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 August 25, 2017.

Financial Overview

Summary of Profit and Loss Account – Business Group

(KSEK)	01-04-2017 30-06-2017	01-01-2017 30-06-2017	01-04-2016 30-06-2016	01-01-2016 30-06-2016
Revenue	1.610	1.610	0	1 478
Operating costs	-12.804	-27.258	-7 107	-12 764
Depreciation and impairment losses on tangible and intangible assets	-3.108	-3.621	-608	-1 226
Sum of operating costs	-15.912	-30.879	-7 715	-13 991
Operating profit	-14.302	-29.269	-7 715	-12 512
Financial items	1.434	1.250	71	4
Profit before tax	-12.868	-28.019	-7 644	-12 508
Tax	2.282	5.806	2 452	2 452
Profit for the period	-10.586	-22.213	-5 191	-10 056
Basic and diluted earnings per share, based on average number of shares	-1,01 SEK	2,16 SEK	-0,56 SEK	-1,08 SEK

Summary of Balance Sheet - Business Group

(KSEK)	30-06-2017	30-06-2016
Balance		
Intangible assets (note 1)		
Goodwill	20.516	20.516
Depreciations, goodwill	-4.103	-2.051
Rights and patents	17.493	1.536
Tangible fixed assets	552	36
Financial fixed assets	260	0
Stock	13.039	0
Tax liabilities	12.895	2.452
Receivables	11.531	5.840
Cash and bank	37.545	20.824
Assets	109.729	49.153
Share capital	1.523	1.302
Share premium	128.722	66.621
Share capital not registred	12.165	0
Retained earnings	-35.125	-9.320
Period earnings	-10.586	-10.056
Non-controlling interests	1.824	
Equity	98.522	48.547
Other liabilities	11.207	606
Current liabilities	11.207	606
Total equity, provisions and liabilities	109.729	49.153

Summary of Change in Equity - Business Group

(KSEK)	01-04-2017 30-06-2017	01-01-2017 30-06-2017	01-04-2016 30-06-2016	01-01-2016 30-06-2016
Equity at beginning of period	58.049	47.363	39.542	39 542
Correction at start	0	0	0	0
Translation difference (OV APS, 2XO, OV-SPV2)	-1.122	-1.043	41	41
Issuance of warrants in connection with acquisition of intangible right	12.165	12.165	0	0
Capital increase	42.141	64.231	20.667	20 667
Issue expenses	-2.747	-3.806	-1.647	-1 647
Changes in non-controlling interests	622	1.824		
Net income	-10.586	-22.212	-10.056	-10 056
Equity at end of period	98.522	98.522	48.547	48 547

Summary, Cash Flow - Business Group

(KSEK)	01-04-2017 30-06-2017	01-01-2017 30-06-2017	01-04-2016 30-06-2016	01-01-2016 30-06-2016
Profit before tax	-14.302	-29.268	-7 643	-12 508
Depriciation	3.108	3.621	608	1 226
Working capital change	-10.125	-11.628	-2 033	-3 658
Adjustment of working capital	-191	-271	-	-
Cash-flow from operating activities	-21.509	-37.545	-9 068	-14 939
Interest income	1.434	1.434	0	0
Interest paid	0	-184	0	0
Paid taxes	0	0	0	0
Cash-flow from operations	-20.075	-36.295	-9 068	-14 939
Investments in intangible fixed assets	-13.180	-18.219	0	0
Investments in tangible fixed assets	160	162	0	0
Investments in financial fixed assets	0	0	0	0
Afdjustment of assets	-108	-278		
Acquisition of subsidiary	0	0	0	0
Cash-flow from investment activities	-13.128	-18.335	0	0
Loans	0	0	20 667	20 667
Capital increase	39.394	61.626	-1 647	-1 647
Issuance of warrants in connection with acquisition of intangible right	12.165	12.165	0	0
Cash-flow from investment activities	51.559	73.791	19 020	19 020
Total cash-flow for the period	18.356	19.161	9 952	-4 080
Cash at start of period	19.512	18.872	10 915	16 786
Adjustment of cash at start of period	-323	-488	-42	-42
Cash at end of period	37.545	37.545	20 824	20 824

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 2016 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.

In March 2017, the Company undertook a rights issue of 802 213 stock shares at the issue price of 42 SEK per share.

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)	01-04-2017 30-06-2017	01-01-2017 30-06-2017	01-04-2016 30-06-2016	01-01-2016 30-06-2016
Revenue	0	0	0	0
Operating costs	-678	-1.497	-215	-271
Depreciation and impairment losses on tangible and intangible assets	-1.690	-1.690	0	0
Operating profit	-2.368	-3.187	-215	-271
Financial items	-118	-119	46	92
Profit before tax	-2.486	-3.306	-169	-179
Tax	-		0	0
Profit for the period	-2.486	-3.306	-169	-179

Summary of Balance Sheet - Parent Company

(KSEK)	30-06-2017	30-06-2016
Balance		
Patents and rights	10.476	
Financial fixed assets	28.644	28 644
Receivables		137
Receivables from business group	86.498	37 259
Assets	125.618	66 040
Share capital	1.523	1 302
Premium fund	117.156	66 621
Invested capital, not registrered	12.165	
Retained earnings	-3.057	-1 791
Period earnings	-2.486	-179
Equity	125.301	65 953
Accrued expenses and prepaid income		87
Short-term receivables	317	87
Total equity, provisions and liabilities	125.618	66 040

Summary of Change in Equity - Parent Company

(KSEK)	01-04-2017 30-06-2017	01-01-2017 30-06-2017	30-04-2016 30-06-2016	01-01-2016 30-06-2016
Equity at beginning of period	84.675	84.495	47.112	47 112
Capital increase	33.693	34.693	20.667	20 667
Issue expenses	-2.747	-2.747	-1.647	-1 647
Issuance of warrants in connection with acquisition of intangible right	12.165	12.165		
Net income	-2.486	-3.306	-179	-179
Equity at end of period	125.301	125.301	65.953	65 953

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