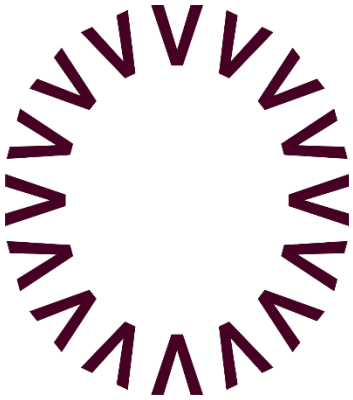


Oncology Venture

Oncology Venture A/S

Venlighedsvej 1, DK-2970 Hoersholm
CVR no. DK 28 10 63 51

Annual report for 2018

The Annual report was presented and
adopted at the Annual General Meeting of the
Company on 4 April 2019

Lars Lüthjohan Jensen
Chairman of the General Meeting

Contents

Please note with regards to use of company names in this report

Oncology Venture A/S, reg no. DK 28 10 63 51
On May 30, 2018 the company name was changed from Medical Prognosis Institute A/S to Oncology Venture A/S.

Oncology Venture A/S and Oncology Venture Sweden AB merged
as of August 21, 2018, as Oncology Venture A/S reg no. DK 28 10 63 51, is listed on Nasdaq First North Stockholm.

Oncology Venture Sweden AB, reg.no. 559016-3290
On August 31, 2018 the company was de-listed from Spotlight Stock Market.

Company information etc.

The company

Oncology Venture A/S
Venlighedsvej 1
DK-2970 Hoersholm
CVR no.: DK 28 10 63 51

Board of Directors

Duncan Moore, Chairman
Frank Knudsen, Deputy Chairman
Magnus Persson
Peter Buhl Jensen
Carani Sanjeevi
Steen Meier Knudsen

Executive Board

Peter Buhl Jensen

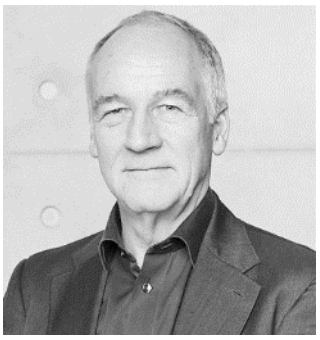
Auditors

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR-no. DK 33 77 12 31

COMMENT FROM THE CEO



In 2018, we took several strategic steps in our effort to position Oncology Venture as a ground-breaking company within oncology and precision medicine. With the merger between Medical Prognosis Institute and Oncology Venture, a new entity was created with a unique combination of a proprietary companion diagnostic tool and a broad pipeline of late-stage oncology drug candidates. We have established a compelling process for value creation, based on the in-licensing of drug candidates that have previously shown good clinical efficacy in subgroups of patients and where our innovative screening method, Drug Response Prediction (DRP®), is expected to identify the most susceptible patient population. By only including those patients that are most likely to benefit from treatment in future studies, the response rate is likely to be substantially increased. Provided positive data from such studies, Oncology Venture can apply for market approval or out-license the drug candidates at a higher value.

In line with this strategy we decided to execute a pre-negotiated license agreement with Novartis pertaining to the drug candidate dovitinib in January. The decision followed on positive results from analyses of renal cancer patient biopsies. In April we started a data mining process based on documentation from more than 2,500 patients to further document the ability of its dovitinib DRP® to track, match and treat those patients where dovitinib is a relevant therapy. This analysis is now finalized in renal cancer and in endometrial cancer, and in both cases the DRP® for dovitinib was able to identify the responders. This is a major step forward and supports further development of dovitinib as a stand-alone product and/or in combinations with immuno-oncology therapies.

Our lead project, LiPlaCis®, has developed positively during the year. LiPlaCis® is an intelligent, target controlled liposome formulation of one of the world's most widely used chemotherapies, cisplatin. The specific LiPlaCis® formulation allows delivery of the drug substance directly at the tumor site. As with all our projects, the specific LiPlaCis® DRP® selects the patients whom are expected to benefit from the treatment. In the ongoing phase 2 study in patients with metastatic breast cancer, the latest readout of the response rate was 33% (4 out of 12 patients) in the upper one third of DRP® selected patients and 40% in the upper 20% of DRP® selected patients that have not previously been treated with cisplatin and LiPlaCis® – both in terms of response rate and time to progression – is significantly better than the individual patient's previous treatment. This data continuously supports both a breakthrough therapy designation in the US and a future marketing authorization application to the FDA and the EMA. On this basis our advisors and statisticians expect that a study in less than 200 patients will be sufficient for a marketing approval of LiPlaCis® as a new treatment of breast cancer.

Since both our approach and technology are unique, the dialogue with regulatory authorities is an important part of our strategy. In the end of 2018, we got positive feed-back on our strategy from the FDA, including a confirmation of the 505(b)(2) pathway as an acceptable registration route for

LiPlaCis®. The FDA also concluded that no further toxicology studies are needed. This allows us to refer to data for a previously approved drug, which will save us significant time and resources. Our team has done a remarkable job in moving this project from an early stage to a late stage project in only two years, underpinning the strength of our processes and strategy.

In parallel, we have established a balanced strategy to secure sufficient financial resources for the continued progressing of our clinical development projects.

We have six drug candidates in our pipeline that together with DRP® has the potential to substantially improve the treatments in several cancer indications. LiPlaCis is most advanced and has now shown us that the DRP works – in practice reading in patients' tumor for innovative reusing the biopsy. This dream was born in 2004 and it works, thanks to investors. Due to the complexity of the cancer, the unmet medical need is still high in oncology. We are convinced that the future belongs to those who efficiently can find the optimal treatment for each and every individual patient.

Peter Buhl Jensen
CEO, Oncology Venture A/S

FINANCIAL HIGHLIGHTS AND RATIOS

Amounts in DKK '000	GROUP IFRS 2018	GROUP IFRS 2017	GROUP IFRS 2016	Parent DK GAAP 2015	Parent DK GAAP 2014
Key figures					
Profit/loss					
Revenue	2,147	5,145	4,384	5,838	4,315
Profit/loss before depreciation (EBITDA)	-32,258	-23,794	-13,769	-10,718	-7,003
Operating profit/loss before net financials	-32,471	-23,848	-13,814	-11,036	-7,075
Net financials	9,954	-7,132	49	-113	26
Net profit/loss for the year	-15,544	-30,390	-11,308	-8,366	-5,347
Balance sheet					
Balance sheet total	251,497	12,985	16,364	29,183	24,413
Purchase of PPE	37	0	68	40	223
Equity	181,856	2,445	11,308	25,612	22,219
Cash flows					
Cash flows from:					
Operating activities	-27,624	-8,345	-8,410	-9,752	-5,356
Investing activities	9,855	-794	-68	-1,262	-896
Financing activities	15,791	7,180	8,448	271	17,149
Ratios					
Solvency ratio	72%	19%	69%	88%	91%
Earnings per share (in DKK)	-0.44	-1.27	-0.49	-0.38	-0.24
Diluted earnings per share (in DKK)	-0.44	-1.27	-0.49	-0.38	-0.24

The nominal value per share has due to a share split been denominated from DKK 1 to DKK 0.05 in 2016, which consequently has affected the earnings per share. The effect has been corrected in the comparative figures above.

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.

FINANCIAL REVIEW

Oncology Venture A/S merged with Oncology Venture Sweden AB with effect from August 21, 2018. Therefore, the figures in the income statement from January 1 until the merger date represents Oncology Venture A/S figures and from the merger date reflects the combined company.
When comparing figures 2017 – 2018 it should be noted that it in fact is two different entities being compared.

Income statement
Revenue amounted to DKK 2,147k in 2018 (DKK 5,145k for the corresponding period in 2017). Revenue in Oncology Venture A/S primarily consisted of transactions with Oncology Venture Sweden AB. These transactions are not recognized after the merger. Revenue for Q4 2018 amounted to DKK 447k (DKK 471k for the corresponding period in 2017). Loss before depreciation amounted to DKK -32,258k of which DKK 844k is share based payments with no cash effect but accounted for due to IFRS requirement (DKK -23,794k for the corresponding period in 2017 where DKK 12,975k is share based payment with no cash effect). The solvency ratio amounted to 72% (last year 19 %).
Earnings per share was -0.44 (last year -1.27). Staff expenses amounted to DKK -8,331k (last year DKK -18,577k due to share-based payments). Staff expenses for Q4 2018 amounted to DKK -2,578k (DKK -1,301k for the corresponding period in 2017). Profit/loss before financial income and expenses showed a loss of DKK -32,471k (last year a loss of DKK -23,848k). The higher loss is due to expenses related to the development projects in Oncology Venture Product Development ApS and subsidiaries, Oncology Venture US Inc. and OV-SPV2 ApS. Loss before tax amounted to DKK -22,517 k (last year a loss of DKK -30,980k). Tax amounted to DKK 2,973k (last year DKK 590k) and relates to tax refund of the tax losses from research and development costs. The Group realized a net loss of DKK -15,544k affected by the non-cash share-based payment (last year a net loss of DKK -30,390k). Net loss for Q4 2018 amounted to DKK -15,898k (DKK -3,872k for the corresponding period in 2017).

Balance sheet
Total assets amounted to DKK 251,497k (last year DKK 12,985k) and primarily consist of development projects in progress. Total liabilities amounted to DKK 66,029k (last year DKK 10,540k) and primarily consist of the trade payables and deferred income.

Cash flows
The Group's cash flow was a negative DKK -1,978k (last year a negative DKK -1,959k).

SUMMARY OF 2018 KEY EVENTS

January

Oncology Venture decided to execute a license for dovitinib – a multi-TKI Phase 3 compound

Following positive results from analyses of renal cancer patient biopsies, Oncology Venture took the decision to execute a pre-negotiated license agreement with Novartis pertaining to the drug candidate dovitinib. No further details on the financial content of the deal were disclosed.

Oncology Venture announced positive interim results from a Phase 1/2 DRP® guided study of LiPlaCis® in heavily pretreated breast cancer patients

In the second interim report (please also see later report for up-date) from the Phase 2 part of a Phase 1/2 study, clinical response to LiPlaCis® was shown in 7 out of 10 evaluable patients with hard to treat metastatic breast cancer. Conventional cisplatin treatment of metastatic breast cancer has reported a response rate of only 10 per cent in previously conducted trials. In the third of patients identified by DRP® to be most susceptible to treatment, 5 out of 5 experienced clinical benefit. Further, 3 out of 5 heavily pretreated patients had a better response than with all prior medical therapies.

March

Merger between Oncology Venture and Medical Prognosis Institute

Oncology Venture Sweden AB (OV) and Medical Prognosis Institute A/S (MPI) announced that their respective Boards of Directors had agreed on a joint merger plan of the two companies to create a leading integrated oncology biotechnology company with a promising anticancer drug pipeline (OV) resting on a proprietary patent screening technology to predict drug response (MPI's DRP®).

Scientific journal highlights study of DRP® guided cisplatin treatment of lung cancer

The scientific journal PLOS ONE published positive study results for the diagnostics tool DRP® in lung cancer patients treated with cisplatin. Data from both a prospective, randomized clinical trial and a Danish NSCLC patient cohort were assessed with the unique DRP® tool. DRP® was able to identify which patients benefitted most from treatment with cisplatin. The overall survival of patients that were assessed as most likely treatment responders based on a DRP® evaluation had a more than three times higher survival rate compared to patients assessed as less likely to respond.

April

Oncology Venture exercised an option to in-license dovitinib – a Phase 3 Multi Tyrosine Kinase Inhibitor

Following an earlier agreement with Novartis, Oncology Venture in-licensed the global rights to develop and commercialize dovitinib (TKI258), a small molecule, multi-tyrosine kinase inhibitor. Novartis received an upfront payment and has the rights to development milestones and royalties on sales. In a Phase 3 trial in metastatic renal cell carcinoma, dovitinib achieved therapeutic equivalence with the current standard of care, sorafenib.

May

Oncology Venture and Medical Prognosis Institute adopted resolutions to implement the merger

At an extraordinary general meeting, Medical Prognosis Institute A/S and Oncology Venture Sweden AB, respectively, adopted a resolution to implement the merger with Oncology Venture Sweden AB.

Medical Prognosis Institute sold its holdings in Oncology Venture Sweden AB

Since the combined company is not allowed to hold own shares, Medical Prognosis Institute A/S sold its holdings in Oncology Venture Sweden AB. In total, MPI sold 1,168,538 shares for a total of approximately SEK 18.1 million to the average share price of SEK 15.73.

June

Clinical data on PARP inhibitor 2X-121 and DRP® presented at the world's largest cancer congress, ASCO 2018

Clinical data on Oncology Venture's PARP inhibitor 2X-121 and the DRP® response prediction technology was presented at the cancer congress ASCO 2018.

September

Updated data positions LiPlaCis® and its DRP® for an FDA Breakthrough Therapy designation application for breast cancer

Oncology Venture presented updated data from the ongoing LiPlaCis® Phase 2 study, that points to the possibility of obtaining an FDA Breakthrough Therapy Designation.

October

Oncology Venture received authority clearance to expand an ongoing Phase 2 study of LiPlaCis® by inclusion of prostate cancer patients

The Danish Medicines Agency (DKMA) approved an application to broaden the scope of an ongoing Phase 2 study of LiPlaCis®. The authority clearance will allow inclusion of prostate cancer patients into the clinical study, which has so far been focused on evaluating the safety and efficacy of LiPlaCis® in breast cancer patients.

First prostate cancer patient included in Oncology Venture's Phase 2 study of Irofulven

Oncology Venture included the first patient in a Phase 2 study of Irofulven as a personalized treatment of prostate cancer. The study is expected to enroll 13-27 patients with an aim to demonstrate the strength of DRP® and increase the efficacy of Irofulven to provide a new treatment of prostate cancer.

November

Presentation of pathway for marketing approval of LiPlaCis®

Oncology Venture announced a plan aiming at a first marketing approval of LiPlaCis® based on a single arm pivotal study. On the basis of current favorable data, the company's advisors and statisticians expect that a clinical study in 100-200 patients will be sufficient for a marketing approval.

Oncology Venture entered into financing agreement

An agreement was reached between Oncology Venture and European High Growth Opportunities Securitization Fund (advised by Alpha Blue Ocean (ABO)) about the issuance of convertible notes and warrants. This financing agreement has not been utilized in 2018 and year-to-date 2019. The agreement has been renegotiated (please see later).

December

Oncology Venture received positive feed-back from the FDA on the approval pathway for LiPlaCis® and DRP® in the U.S.

The U.S. Food and Drug Administration, FDA, responded positively on questions posed by the company in a Pre-IND/IDE package for the approval pathway for LiPlaCis® and its companion diagnostic DRP® in metastatic breast cancer.

Subsequent events during 2019

February

Clinical update: Dovitinib DRP data mining successfully completed and new LiPlaCis data continues to support an FDA breakthrough designation strategy

Oncology Venture has finalized the data mining process for dovitinib and its companion DRP® in renal cancer and endometrial cancer. This datamining has given a precision improvement, and there is now, in both cases, an even stronger identification by the DRP® of the responders based on patient biopsy and gene expression data. The DRP gives dovitinib a strong competitive edge.

Further, Oncology Venture provides an up-date from the ongoing phase 2 study of LiPlaCis®, showing continued strong data that supports an FDA breakthrough therapy designation. The updated data shows that the efficacy of LiPlaCis® is better than competitors – both in terms of response rate and time to progression. In addition to support the US FDA strategy this new data also supports a future marketing authorization application to the EMA.

March

First patient dosed in a Phase 2 study with LiPlaCis in prostate cancer

The first patient has been dosed in a Phase 2 study with LiPlaCis® in prostate cancer. Oncology Venture has clearance from the Danish health authorities to treat up to 15 prostate cancer patients with LiPlaCis®. Just as in the ongoing Phase 2 study with LiPlaCis® in breast cancer, Oncology

Venture's drug response prediction technology, DRP®, will be used to identify the prostate cancer patients most likely to respond to the LiPlaCis®-treatment.

Oncology Venture rearranges its financing agreement with EHGOS (Alpha Blue Ocean)

New conditions of the financing agreement entered into with European High Growth Opportunities Securitization Fund, which is advised by Alpha Blue Ocean (ABO) allows Oncology Venture to solely decide the drawdown of the tranches, hence taking full control over the potential implementation of this complementary source of financing.

Oncology Venture receives guarantees and undertakings for a proposed rights issue

Considering the positive development of Oncology Venture the Board of Directors has concluded that it is favorable for the existing shareholders to have an alternative to the financing facility established with European High Growth Opportunities Securitization Fund (advised by Alpha Blue Ocean). The Board of Oncology Venture will therefore recommend the shareholders at the forthcoming annual shareholders' meeting to approve a preferential rights issue of between SEK 60 and SEK 100 million

Distribution of profit

The Board of Directors proposes that the loss for the year is transferred to retained earnings.

CAPITAL RESOURCES AND LIQUIDITY

As a development company, and like other similar companies, Oncology Venture over the years has shown negative cash flow why the company is dependent on being recapitalized until reaching the point where a positive cash flow begins. The Board of Directors and Management are constantly monitoring Oncology Ventures financial position and are prepared to take the adequate measures to secure the ongoing activities of the company.

To further optimize and secure the financial position of the company the management is continuously considering relevant improvement initiatives, e.g. partnering deals, capital increases or loan facilities. In November the Company entered into an agreement which can provide funding up to SEK 200 million via a series of directed issues of 7.5-10 million SEK, during a period of 24 months. If warrants are exercised it will bring up to additional SEK 100 million.

The Board of Directors and Management have confidence in the company as a going concern, and consequently, the Financial Statements have been prepared in accordance with the going concern principles.

Q4 - CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

Amounts in DKK '000	Q4 2018	Q4 2017
Revenue	**447**	**471**
Other operating income	-538	870
Other external expenses	-19,187	-3,289
Staff expenses, share-based payments	-122	-390
Staff expenses, other	-2,456	-911
Loss before depreciation (EBITDA)	**-21,856**	**-3,249**
Depreciation of property, plant and equipment	225	-13
Operating loss before net financials	**-21,631**	**-3,262**
Share of profit of an associate	0	-1,609
Dilution gain of an associate	0	73
Gain on the divestment of an associate	-650	0
Financial income	4,017	370
Financial expenses	-1,982	1,006
Profit/loss before tax	**-20,246**	**-3,422**
Tax on profit/loss	4,348	-450
Net profit/loss	**-15,898**	**-3,872**
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):		
Exchange differences on translation of foreign operations	1,901	-21
Other comprehensive income for the period, net of tax	**1,901**	**-21**
Total comprehensive income	**-13,997**	**-3,893**

Q4 - CONSOLIDATED CASH FLOW STATEMENT

Amounts in DKK '000	Q4 2018	Q4 2017
Loss before tax	**-20,246**	**-3,422**
Adjustment for non-cash items	-1,253	5,005
Financial income, reversed	-4,017	-370
Financial expenses, reversed	1,982	-1,006
Change in working capital	6,872	-2,760
Cash flows from operating activities before net financials	**-16,662**	**-2,553**
Financial income received	487	56
Financial expenses paid	-2,139	-45
Income tax received	6,090	2,601
Cash flows from operating activities	**-12,224**	**59**
Purchase of property, plant and equipment	-37	0
Purchase of intangible assets	-781	0
Purchase of non-controling interests	-3,305	0
Acquisition of subsidiary	-1,903	0
Sale of investments in associates	1,424	0
Cash flows from investing activities	**-4,602**	**0**
Cash capital increase	21	0
Transaction cost, capital increase	-102	-7
Loan	9,590	0
Cash flows from financing activities	**9,509**	**-7**
Total cash flows for the period	**-7,317**	**52**
Cash, beginning of period	8,738	3,387
Net foreign exchange difference	126	-113
Cash, end of period	**1,547**	**3,326**

ONCOLOGY VENTURE A/S IN BRIEF

Oncology Venture A/S was formed by two innovative and visionary persons professor emeritus Peter Buhl Jensen an expert in translational research and oncology drug development and professor emeritus Steen Knudsen an expert in systems biology and inventor of the DRP method. Oncology Venture A/S is a cross industry merged company between the drug development company Oncology Venture Sweden AB and Medical Prognosis Institute A/S an AI/Big Data company.

Cancer is no longer an enigma – it is just very complex

Today, one in two people will develop cancer at some point in their lives[1]. Over 200 different types of cancer can affect humans, altogether causing almost 10 million deaths per year[2]. The incidence of cancer is increasing as the world's population is aging[3].

It is often a complex and frustrating process to identify the optimal treatment for an individual patient. Cancer is a heterogenous disease and on a cellular level there are over 1.8 billion possible causes for tumor development. Consequently, it is a major challenge for physicians to match the right treatment to the right patient. This challenge also restricts the ability of the pharmaceutical industry to develop novel and improved therapies. If new drug candidates are evaluated in a large and heterogenous group of patients, the average efficacy may be modest – halting the development of the drug. This despite subsets of the treated patients responding well to the drug. If the drug were to be given to the most susceptible patients the effect might be overwhelming rather than modest, benefitting both patients and the drug development companies. It is worth noting that such "failed" drug candidates often have an excellent safety profile and favorable pharmacokinetics.

The concept of "precision medicine" has emerged to address these issues and Oncology Venture is with its technology and pipeline at the forefront of this development.

Oncology Venture develops cancer drugs with precision

Oncology Venture's strategy is to combine its innovative screening method and Drug Response Prediction (DRP®) with a late stage drug development pipeline. DRP® provides a genetic fingerprint that reveals weak spots of a specific tumor. Hence, DRP® screening can be used to identify those patients who are most likely to respond to a particular drug treatment.

DRP® can be used both to identify a heterogenous and susceptible patient population for inclusion in clinical trials during the drug development process, and further to select the optimal anti-cancer drug for individual patients in the clinical setting. By including only patients with sensitive tumors in the clinical trials, DRP® can dramatically improve the overall treatment response. After a drug has

[1] Cancer research UK
[2] https://www.who.int/news-room/fact-sheets/detail/cancer
[3] https://www.who.int/news-room/fact-sheets/detail/cancer

reached the market, DRP® can identify the patients that are most likely to benefit from a specific treatment.

The business model

Step 1: Identifying drug candidates with hidden potential

Oncology Venture constantly evaluate a range of drug candidates with documented safety profiles and clear signs of efficacy – but where previous clinical trials have been insufficiently precise to indicate significantly better treatment outcomes – for the possibility of in-licensing or acquisition. Such assets are far from rare – only five percent of all cancer drug projects reach the market, and the vast majority of the remaining 95 percent are shelved during development solely due to lacking efficacy in a greater heterogenous population. Oncology Venture has already been able to identify a wide range of such drug substances and managed to prove their efficacy when they have been redirected to susceptible patients through DRP® analysis.

Step 2: In-licensing of drug candidates with clear signs of efficacy and favorable safety profiles

The most promising of the identified and evaluated drug candidates are licensed or acquired. So far, Oncology Venture has in-licensed a total of six drug candidates to its portfolio, all at very favorable terms. The initial purchase price has been low or even non-existent and royalties are usually at less than 10 percent. Two of these drug candidates emanate from world-leading pharmaceutical companies, which serves as acknowledgement of the external trust placed in Oncology Venture's ability to create significant value based on drug candidates that have previously failed to be matched against an optimal patient group.

Step 3: Focused further development by Oncology Venture

After gaining control of a new drug candidate, Oncology Venture tailors the continued development to those patients who are expected to benefit most. The in-house development of already acquired or licensed drug candidates is at an advanced stage. Typically, it is sufficient to study 20 patients to document positive efficacy and final registration studies can usually be limited to between 60 and 200 patients. In the context of drug development, this is a very limited effort both in terms of cost and time.

Step 4: Out-licensing deals with significant revenue potential

In the final step of the business model, Oncology Venture out-licenses or divests drug candidates to global or regional pharmaceutical companies based on the results of phase 2 trials focused on those patients who have the greatest opportunity to benefit from the treatment. This is expected to bring substantial cash payments, as well as royalties on future sales of a registered drug.

Precision medicine is perceived as a major game changer in medical care. Due to the underlying biology, oncology treatments will lead the way. According to a forecast from MarketsandMarkets the companion diagnostics market is estimated at over USD 6.5 billion by 2022. An increasing incidence of lung cancer, a growth in genetic testing, the rising need for precision medicines and revised regulatory guidelines are expected to support the market growth[4].

[4] https://www.marketsandmarkets.com/PressReleases/companion-diagnostics.asp

Oncology Venture is well positioned for this new era. The proprietary DRP® technology is successfully being used in the in-house development of its six precision drug candidates, but also holds potential to be offered on commercial terms for stand-alone use by physicians in the clinical setting.

PROJECT DESCRIPTIONS

Oncology Venture is developing six precision medicine projects to treat different types of cancer. The drug candidates in the pipeline have been evaluated in a broad variety of different cancer types ranging from more common cancers such as breast and prostate cancer to cancer types such as glioblastoma and multiple myeloma. With its diversified project pipeline, Oncology Venture mitigates the negative impact of potential set-backs in individual projects.

LiPlaCis®

LiPlaCis® is an intelligent, target controlled liposome formulation of one of the world's most widely used chemotherapies, cisplatin. The rationale for this drug project is to enable precise and direct delivery of cisplatin to the tumor site. This is enabled by the specific formulation of the drug candidate. A previously conducted Phase 1 study showed activity in patients with breast cancer, skin cancer, esophageal cancer, head and neck cancer. A phase 2 study is now ongoing in DRP® selected patients that have been heavily pretreated for metastatic breast cancer. In the most recent interim analysis February 2019, 4 out of 12 evaluable patients had a response rate in the upper one third of DRP® selected patients. This should be compared to conventional cisplatin treatment, which usually results in a response rate of only 10 percent. The enrollment of patients is still ongoing, and the study may continue, bridging into a pivotal trial. It is expected that 100-200 patients would be sufficient in such a pivotal study, on the basis of good results in Phase 2.

In December 2018 Oncology Venture received positive feedback from the U.S. health authority, FDA, on its suggested pathway to a U.S. market approval for LiPlaCis® in breast cancer. Oncology Venture has the ambition to seek for a Breakthrough designation for LiPlaCis®, which if it is accepted would give the company an expedited development pathway and review at the FDA.

Recruitment timelines of the pivotal Phase 3 study will be updated following the FDA approval of the Investigational New Drug Application (IND) and the Investigational Device Exemption (IDE), expectedly in the first half of 2019.

Oncology Venture's development partner Cadila Pharmaceuticals plans to start Phase 2 studies in a variety of cancers, as well as a Phase 3 study in breast cancer patients.

The commercial potential of innovative drugs against breast cancer is enormous - the total market is estimated to reach almost SEK 150 billion in 2022.

2X-121

2X-121 is an oral drug candidate with a unique dual-action ability to inhibit the enzymes PARP 1/2 and tankyrase 1/2. Activity with PARP inhibitors has been shown in metastatic breast cancer, prostate cancer and ovarian cancer. The drug substance is able to cross the blood brain barrier, thereby having potential to treat brain metastasis and primary brain tumors. 2X-121 has been licensed from the global pharmaceutical company Eisai based on available efficacy and safety data from a Phase 1 study.

PARP inhibitors are becoming an increasingly important class of drugs for treatment of breast cancer. Three PARP inhibitor drugs have been approved on the U.S. market for treatment of this indication. All competitor PARP inhibitor approvals are linked to a subgroup of patients with BRCA mutated tumors. BRCA mutation accounts for less than 10 per cent of all breast cancers.

In June 2018, Oncology Venture initiated a Phase 2 study in DRP® selected patients with metastatic breast cancer. A first efficacy read-out will be reported in time when patients have been treated long enough to demonstrate results. Further, the US Food and Drug Administration (FDA) has approved initiation of a Phase 2 study in DRP® selected patients with advanced ovarian cancer (IND/IDE). The ovarian cancer studies are expected to commence in the first quarter of 2019.

In recent years, three similar pharmaceutical projects have been sold or out-licensed at total contract values exceeding SEK 4 billion each.

Irofulven

Irofulven is a synthetic drug candidate based on a naturally occurring substance. It is similar in action to a PARP inhibitor and exploits a deficiency in the DNA repair mechanism of cancer cells. So far irofulven has been studied in 19 clinical trials. Activity has been demonstrated in prostate tumors, ovarian tumors and liver tumors. At the time when Oncology Venture in-licensed irofulven, Phase 3 data was already available.

During the last quarter of 2018 Oncology Venture started a Phase 2 study. The aim of the study is to demonstrate that its patented DRP® technology can be used to track, match and guide treatment of prostate cancer patients with irofulven. In previous studies, irofulven treatment has resulted in a response rate of 10 per cent in prostate cancer. If the response rate could be doubled to 20 per cent, it would facilitate a marketing approval route.

The global prostate cancer market is estimated to exceed SEK 60 billion in 2022. In recent years two similar products were sold at contract values of approximately SEK 8 billion each.

Dovitinib

Dovitinib is a multi-tyrosine kinase inhibitor that has displayed clinically relevant efficacy in kidney cancer and breast cancer, as well as good efficacy in certain other types of tumors. Oncology Venture's subsidiary OV-SPV2 ApS has entered into an exclusive license agreement for dovitinib with its originator, the global pharmaceutical company Novartis. The drug candidate has been evaluated in 2,500 patients, and Phase 3 data for the treatment of renal cancer was available at the time of signing the licensing agreement with Novartis.

Oncology Venture has validated its DRP® biomarker for dovitinib against anonymous biopsy data from Novartis' Phase 3 study in renal cancer. A consistent signal was identified, indicating the ability of DRP® to predict the clinical benefit of the drug candidate on an individual level.

Dovitinib, in combination with DRP®, has the potential to become an important player in the significant market for tyrosine kinase inhibitors by offering the opportunity to target treatment only to those patients who can benefit from it. The top-selling tyrosine kinase inhibitors have annual global sales figures of between SEK 5.7 and 9.0 billion. Dovitinib has demonstrated comparable efficacy and safety to one of these market-approved drugs.

APO010

APO010 is an immuno-oncology drug candidate. The substance has shown pro-apoptotic features, enabling programmed cell death where a certain type of white blood cells kills cancer cells. APO010 was licensed from TopoTarget based on results of a completed Phase 1 study, and the further development is partly financed by EUROSTARS and the contract research company Smerud Medical Research.

Oncology Venture is currently running a Phase 1/2 study in multiple myeloma patients. No responders have so far been identified in the trial. APO010 could potentially be developed to enhance the efficacy of PD-1 inhibitors like the blockbuster drug Keytruda.

Since many immune-oncology drugs have failed to show a sufficient tumor response in monotherapy, combination therapies are being investigated increasingly as a way to improve treatment outcomes.

In recent years, two similar products have been sold at contract values of approximately SEK 8 billion each.

2X-111

2X-111 is a liposomal formulation of doxorubicin, which is capable of passing the blood-brain barrier. In a previous Phase 2 study, 2X-111 has shown activity in glioblastoma - a malignant form of brain tumor - and in metastatic breast cancer. There is a robust manufacturing procedure in place

and Oncology Venture is aiming to develop this product once contract negotiations on product manufacturing are in place.

FDA has granted 2X-111 an orphan drug designation, opening up for a seven-year market exclusivity.

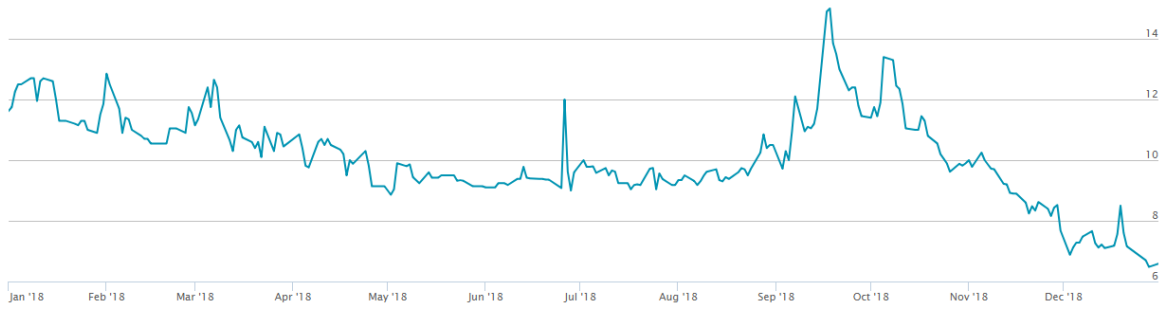
In recent years, two similar liposomal cancer products have been sold at total contract values of approximately SEK 4 billion and SEK 12 billion respectively.

SHARE INFORMATION

Oncology Venture's share is traded on Nasdaq First North Stockholm. ISIN code: DK0060732477. Ticker: OV. The Company is the result of a merger between Oncology Venture Sweden AB and Medical Prognosis Institute A/S (MPI), which was completed on August 21, 2018. Prior to the merger, Oncology Venture Sweden AB:s share was traded at AktieTorget (now Spotlight). MPI was originally listed at Nasdaq First North Copenhagen in October 2013. The listing was moved to Nasdaq First North Stockholm on June 27, 2016.

Share price trend

In 2018, the share price decreased 44.9 percent, from SEK 11.75 to SEK 6.48. The highest price paid in 2018 was SEK 17,5 and the lowest price was SEK 6,07. At year-end, the market capitalization was SEK 326 million, based on a closing price of SEK 6,48. During the year 10.117.535 Oncology Venture shares were traded for a value of SEK 109.875.841. This corresponds to a rate of turnover of 33.4 percent.



Share data

There is only one class of stock. Each share carries one vote at the Annual General Meeting and all shares carry equal right to a share in the assets and profits of the Company. At December 31, 2018, Oncology Venture had 50,311,278 registered ordinary shares, corresponding to 50,311,278 votes.

Ownership structure

Oncology Venture had 2,375 shareholders at year-end 2018. The Board of Directors and Management of the Company holds 23.1% percent of the shares.

Name	Number of shares	Percentage of voting right and capital (%)
Sass & Larsen Aps	8.690.524	17.3%
MPI Holding ApS *	6.168.680	12,3%
Buhl Krone Holding Aps **	5.187.516	10.3%
BNY MELLON SA/NV (FORMER BNY), W8IMY	2.494.995	5.0%
Others	27.769.563	55,2%
	50.311.278	**100.0%**
*MPI Holding is fuly owned by Steen Knudsens shareholding of 6.168.680 shares		
** Buhl Krone Holding ApS is owned 20 % by Ulla Hald Buhl (COO & Chief IR & Communications Officer) and 80 % by Peter Buhl Jensen (CEO)		

Share capital

At year-end, the share capital totaled SEK 2.515.563,90, distributed between 50,311,278 shares with a quotient value of DKK 0,05. As per the same date, there were 3.309.040 outstanding warrants, which if fully exercised will represent a dilution equivalent to around 6.6 percent of the shares in the Company.

Dividend policy and proposed dividend

Oncology Venture will continue to focus on the development and expansion of its drug development projects. Available financial resources and recognized profit are therefore to be reinvested in the operations to finance the Company's long-term strategy. Accordingly, the Board of Directors does not intend to propose any dividend to shareholders until such time as the Company generates sustainable profitability. The Board of Directors proposes that the Annual General Meeting resolve not to issue a dividend for the financial year.

Certified Adviser

Oncology Venture's Certified Adviser is Sedermera Fondkommission, Norra Vallgatan 64, SE-211 22 Malmö. Phone: +46 (0) 40-615 14 10.

Financial calendar 2019

Annual General Meeting	April
Interim Report January-March	May 31
Interim Report January-June	August 30
Interim Report January-September	November 29

Annual General Meeting

Oncology Venture's Annual General Meeting 2019 will be held April -, 2019. For information, please see the Notice on www.oncologyventure.com. The minutes from the meeting will be made available at the same webpage.

BOARD OF DIRECTORS

Duncan Moore

Chairman since 2018. Born 1959.
Other assignments: Partner in East West Capital Partners. Chairman of Lamellar Biomedical. Deputy Chairman of Braidlock. Board director of Forward Pharma A/S.
Previous assignments: Global Head of Healthcare Research at Morgan Stanley.
Independent in relation to the Company and its management and the Company's major shareholders.
Holdings in Oncology Venture: 260,651 shares.
Duncan Moore was holder of 20,000 warrants in Oncology Venture Sweden AB (publ) and thereby entitled to compensation warrants in Oncology Venture pursuant to the authorisation in clause 6.5 of the Company's Articles of Association. This authorisation has not yet been used.

Frank Knudsen

Vice chairman. Board member since 2015. Born 1958.
Other assignments: -
Previous assignments: Chairman of Oncology Venture A/S 2015-2018. Director of finance and administration in Glycom A/S. Investment Director at SEED Capital Denmark.
Independent in relation to the Company and its management and the Company's major shareholders.
Holdings in Oncology Venture: 8,000 shares and 100,000 warrants.

Peter Buhl Jensen

Board member since 2012. MD, Dr Med Sci and professor emeritus in clinical oncology and expert in translational research and drug development. Born 1955.
Other assignments: CEO of Oncology Venture since 2012, Co-Founder of Oncology Venture A/S, Founder of Oncology Venture Sweden AB and Buhl Oncology.

Previous assignments: Adjunct Professor at Copenhagen University, Chairman of WntResearch. Board member of Aprea Therapeutics, Pledpharma, Symbion A/S and Vecata A/S. CEO and Founder of TopoTarget A/S.
Holdings in Oncology Venture: 5,187,516 shares owned by Buhl Krone Holding (80% owned by Peter Buhl), 315,000 warrants.

Steen Knudsen

Board member since 2004. Founder of Medical Prognosis Institute, Co-Founder of Oncology Venture A/S and the inventor of DRP®. Professor emeritus of Systems Biology. Born 1961.
Other assignments: Chief Scientific Officer of Oncology Venture since 2012.
Previous assignments: Professor at Technical University of Denmark.
Holdings in Oncology Venture: 6,168,680 shares.
Steen Knudsen was holder of 10,000 warrants in Oncology Venture Sweden AB (publ) and thereby entitled to compensation warrants in Oncology Venture pursuant to the authorisation in clause 6.5 of the Company's Articles of Association. This authorisation has not yet been used.

Magnus Persson

Board member since 2014. Born 1960.
Other assignments: Chairman of Galecto Biotech and Cantargia AB. Board member of Gyros Protein Technologies and Immunicum.
Previous assignments: Chairman of BioWorks AB. Managing Partner at The Column Group, Partner at HealthCap. Co-founder of Aerocrine AB. CEO at Karolinska Institutet Holding AB.
Independent in relation to the Company and its management and the Company's major shareholders.
Holdings in Oncology Venture: 135,360 warrants.

Carani Sanjeevi

Board member since 2018. Born 1958.
Other assignments: Professor and works at Karolinska Institute. Member of the Scientific Advisory Boards of Diamyd Medical and Seraxis.

Previous assignments: Board member of Oncology Venture Sweden AB (publ) and Cadila Pharma Sweden AB. Head of the Molecular Immunogenetics Research Group at Center for Molecular Medicine, Karolinska University Hospital in Stockholm. Received 'Pravasi Bharathiya Samman Award' (PBSA) from the President of India in January 2017.

Independent in relation to the Company and its management and the Company's major shareholders.

Carani Sanjeevi was holder of 10,000 warrants in Oncology Venture Sweden AB (publ) and thereby entitled to compensation warrants in Oncology Venture pursuant to the authorisation in clause 6.5 of the Company's Articles of Association. This authorisation has not yet been used.

MANAGEMENT TEAM

Peter Buhl Jensen

Board member since 2012. MD, Dr Med Sci and professor emeritus in clinical oncology and expert in translational research and drug development. Born 1955.
Other assignments: CEO of Oncology Venture since 2012, Co-Founder of Oncology Venture A/S, Founder of Oncology Venture Sweden AB and Buhl Oncology.
Previous assignments: Adjunct Professor at Copenhagen University, Chairman of WntResearch. Board member of Aprea Therapeutics, Pledpharma, Symbion A/S and Vecata A/S. CEO and Founder of TopoTarget A/S.
Holdings in Oncology Venture: 5,187,516 shares owned by Buhl Krone Holding (80% owned by Peter Buhl), 315,000 warrants.

Ulla Hald Buhl

Chief Operating Officer since 2012. Born 1964.
Other assignments: BoD in Oncology Venture US, INC., Co-Founder of Oncology Venture Sweden AB, Founder and CEO of Buhl Oncology.
Previous assignments: BoD in Oncology Venture Sweden AB, CCO & IR at WntResearch AB, Head of investor relations and regulatory department and in management at TopoTarget A/S. National team leader responsible for clinical trials in oncology at AstraZeneca A/S.
Holdings in Oncology Venture: 5,187,516 shares owned by Buhl Krone Holding (20% owned by Ulla Hald Buhl), 104,180 warrants.
Ulla Hald Buhl was holder of 10,000 warrants in Oncology Venture Sweden AB (publ) and thereby entitled to compensation warrants in Oncology Venture pursuant to the authorisation in clause 6.5 of the Company's Articles of Association. This authorisation has not yet been used.

Thomas Jensen

Chief Technology Officer Oncology Venture A/S since 2006 and CEO OV-SPV2 ApS. Born 1978.
Other assignments: Co-Founder of Medical Prognosis Institute A/S, Co-founder of XRGenomics.
Previous assignments: -
Holdings in Oncology Venture: 713,620 shares and 920,520 warrants.
Thomas Jensen was holder of 30,000 warrants in Oncology Venture Sweden AB (publ) and thereby entitled to compensation warrants in Oncology Venture pursuant to the authorisation in clause 6.5 of the Company's Articles of Association. This authorisation has not yet been used.

Steen Knudsen

Board member of Oncology Venture since 2004. Chief Scientific Officer since 2013. Co-Founder of Oncology Venture A/S and the inventor of DRP®. Professor emeritus of Systems Biology. Born 1961.
Other assignments: Founder of Medical Prognosis Institute A/S.
Previous assignments: Professor at Technical University of Denmark.
Holdings in Oncology Venture: 6,168,680 shares.
Steen Knudsen was holder of 10,000 warrants in Oncology Venture Sweden AB (publ) and thereby entitled to compensation warrants in Oncology Venture pursuant to the authorisation in clause 6.5 of the Company's Articles of Association. This authorisation has not yet been used.

Niels Laursen

Chief Financial Officer since 2014. Born 1956.
Other assignments: -
Previous assignments: Owner of the strategic consulting company DWork, Healthcare Innovation Manager at Blue Ocean Robotics. Vice President, HR at SSP Technology A/S. Director, HR at TopoTarget A/S and member of the management team.
Holdings in Oncology Venture: 75,281 shares and 149,820 warrants.
Niels Laursen was holder of 10,000 warrants in Oncology Venture Sweden AB (publ) and thereby entitled to compensation warrants in Oncology Venture pursuant to the authorisation in clause 6.5 of the Company's Articles of Association. This authorisation has not yet been used.

Claus Frisenberg Pedersen

Chief Commercial Officer Oncology Venture A/S and CEO Oncology Venture U.S. Inc.
Other assignments:
Previous assignments: CEO of ECCO shoes brand in Northern Europe. Partner in the strategy consulting firm Qvartz.
Holdings in Oncology Venture: 622,385 shares.

Statement by the Board of Directors and the Executive Board on the annual report

The Board of Directors and the Executive Board have today considered and adopted the Annual Report of Oncology Venture A/S for the financial year January 1 – December 31, 2018.

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act, and the Parent Company Financial Statements have been prepared in accordance with the Danish Financial Statements Act. Management's Review has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position at December 31, 2018 of the Group and the Parent Company and of the results of the Group and Parent Company operations and consolidated cash flows for the financial year January 1 - December 31, 2018.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Group and the Parent Company, of the results for the year and of the financial position of the Group and the Parent Company as well as a description of the most significant risks and elements of uncertainty facing the Group and the Parent Company.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Hoersholm, Denmark, March 20 2019

Executive Board

Peter Buhl Jensen

Board of Directors

Duncan Moore Chairman	Frank Knudsen Vice chairman	Peter Buhl Jensen
Steen Knudsen	Magnus Persson	Carani Sanjeevi

Independent auditor's report

To the shareholders of Oncology Venture A/S

Opinion

In our opinion, the Consolidated Financial Statements give a true and fair view of the Group's financial position at December 31, 2018 and of the results of the Group's operations and cash flows for the financial year January 1 to December 31, 2018 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

Moreover, in our opinion, the Parent Company Financial Statements give a true and fair view of the Parent Company's financial position at December 31, 2018 and of the results of the Parent Company's operations for the financial year January 1 to December 31, 2018 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Oncology Venture A/S for the financial year January 1 - December 31, 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as statement of comprehensive income and cash flow statement for the Group ("financial statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act and for the preparation of Parent Company Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Non-compliance with the Danish Tax at Source Act in respect of A tax

The CEO and 3 consultants are hired by Oncology Venture A/S and/or Oncology Venture Product Development ApS as consultants. After the merger on August 21, 2018, the two companies are to be seen as one group, why the consultancy contracts should have been converted to employment contracts. Because of the consultancy contracts, the Company and Oncology Venture Product Development ApS have not withheld and reported A tax at source to the Danish Tax Authorities for paying fees to the CEO and the 3 consultants for the period August 21, 2018 – February 2019, by which Management may incur liability.

Hellerup, March 20, 2019
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Torben Jensen
State Authorised Public Accountant
Mne18651

Thomas Lauritsen
State Authorised Public Accountant
Mne34342

Consolidated income statement and statement of comprehensive income

Note	Amounts in DKK '000	2018	2017
4	**Revenue**	**2,147**	**5,145**
5	Other operating income	7,370	3,908
	Other external expenses	-33,444	-14,270
6, 7	Staff expenses, share-based payments *	-844	-12,975
6	Staff expenses, other	-7,487	-5,602
	Loss before depreciation (EBITDA)	**-32,258**	**-23,794**
	Depreciation of property, plant and equipment	-213	-54
	Operating loss before net financials	**-32,471**	**-23,848**
14	Share of profit of an associate	-1,283	-4,141
	Dilution gain of an associate	0	3,185
	Gain on the divestment of an associate	10,146	0
8	Financial income	4,490	404
9	Financial expenses	-3,399	-6,580
	Profit/loss before tax	**-22,517**	**-30,980**
10	Tax on profit/loss	6,973	590
	Net profit/loss	**-15,544**	**-30,390**
	Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):		
	Exchange differences on translation of foreign operations	199	-111
	Other comprehensive income for the year, net of tax	**199**	**-111**
	Total comprehensive income	**-15,345**	**-30,501**

*) Staff expenses are low because the company uses consultants in certain areas

**) Oncology Venture A/S sale of shares in Oncology Venture Sweden AB as disclosed when merging

***) It is IFRS requirement to recognize the Black-Scholes value of share-based payments as staff expense over the service period. The share-based payment (2018: DKK 0.8 million and 2017: DKK 12.9 million) has accounting effect but have no cash outflow for the company. The share-based payment in 2017 is reflecting an extraordinary granting of warrants to board members and CEO to compensate for the cancellation of the same numbers of warrants issued in 2014 and 2016.

Share based payment is a common tool in biotech companies as a remuneration tool to attract and maintain key personnel.

Consolidated income statement and statement of comprehensive income

Note	Amounts in DKK '000	2018	2017
	Net profit/loss attributable to:		
	Owners of the parent company	-14,939	-30,390
	Non-controlling interests	-605	0
	Total	**-15,544**	**-30,390**
	Total comprehensive income attributable to:		
	Owners of the parent company	-14,891	-30,501
	Non-controlling interests	-454	0
	Total	**-15,345**	**-30,501**
11	**Earnings per share**		
	Earnings per share (in DKK)	-0.44	-1.27
	Diluted earnings per share (in DKK)	-0.44	-1.27

Consolidated balance sheet

ASSETS

Note	Amounts in DKK '000	31/12/2018	31/12/2017
12	Plant and machinery	363	135
13	Acquired patents	1,212	0
13	Development projects in progress	235,521	0
14	Investment in associates	0	3,416
	Warrants in associates	0	1,008
	Other investments	0	324
	Total non-current assets	**237,096**	**4,883**
	Inventories	0	1,048
	Receivables from associates	0	2,249
15	Trade receivables	0	281
10	Income tax receivable	5,514	680
	Other receivables	5,262	518
	Prepayments	2,078	0
	Cash	1,547	3,326
	Total current assets	**14,401**	**8,102**
	Total assets	**251,497**	**12,985**

Consolidated balance sheet

EQUITY AND LIABILITIES

Note	Amounts in DKK '000	31/12/2018	31/12/2017
	Share capital	2,516	1,215
	Share premium	213,554	45,224
	Retained earnings	-61,040	-43,916
	Currency translation reserve	121	-78
	Non-controling interests	26,705	0
16	**Total equity**	**181,856**	**2,445**
10	Deferred tax	34,234	0
	Non-current liabilities	**34,234**	**0**
	Payables to associates	0	421
	Loan	18,892	0
	Trade payables	12,656	2,510
10	Income tax payable	0	0
	Other payables	3,555	412
	Deferred income	304	7,197
	Current liabilities	**35,407**	**10,540**
	Total liabilities	**69,641**	**10,540**
	Total equity and liabilities	**251,497**	**12,985**

Consolidated statement of changes in equity

Amounts in DKK '000	Share capital	Share premium	Retained earnings	Currency translation reserve	Non-controlling interest	Total equity
Equity as at 01/01/2018	1,215	45,224	-43,916	-78	0	2,445
Profit/loss for the year			-14,939		-605	-15,544
Other comprehensive income				199		199
Total comprehensive income	0	0	-14,939	199	-605	-15,345
Capital increase, merger	1,282	171,450			24,636	197,368
Costs of capital increase		-3,299				-3,299
Share based payment award, merger			1,689			1,689
Exercise of warrants	19	179				198
Acquisition/disposal, non-controlling interests			-5,269		2,674	-2,595
Share-based payments			1,395			1,395
Equity as at 31/12/2018	**2,516**	**213,554**	**-61,040**	**121**	**26,705**	**181,856**
Equity as at 01/01/2017	1,168	38,091	-27,984	33	0	11,308
Loss for the year			-30,390			-30,390
Other comprehensive income				-111		-111
Total comprehensive income	0	0	-30,390	-111	0	-30,501
Cash capital increase	35	7,313				7,348
Exercise of warrants	12	118				130
Costs of capital increase		-298				-298
Share-based payments			14,458			14,458
Equity as at 31/12/2017	**1,215**	**45,224**	**-43,916**	**-78**	**0**	**2,445**

Consolidated cash flow statement

Note	Amounts in DKK '000	2018	2017
	Loss before tax	**-22,517**	**-30,980**
18	Adjustment for non-cash items	-7,255	6,281
	Financial income, reversed	-4,490	-404
	Financial expenses, reversed	3,399	6,580
19	Change in working capital	-1,370	7,731
	Cash flows from operating activities before net financials	**-32,233**	**-10,792**
8	Financial income received	841	90
9	Financial expenses paid	-2,391	-170
	Income tax received	6,159	2,527
	Income tax paid	0	0
	Cash flows from operating activities	**-27,624**	**-8,345**
	Purchase of property, plant and equipment	-37	0
	Purchase of intangible assets	-781	0
	Purchase of non-controling interests	-3,305	0
	Acquisition of subsidiary	2,599	0
	Purchase of investments in associates	0	-784
	Sale of investments in associates	11,379	0
	Purchase of other investments	0	-10
	Cash flows from investing activities	**9,855**	**-794**
	Cash capital increase	198	7,478
	Transaction cost, capital increase	-3,299	-298
	Loan	18,892	0
	Cash flows from financing activities	**15,791**	**7,180**
	Total cash flows for the year	**-1,978**	**-1,959**
	Cash, beginning of year	3,326	5,488
	Net foreign exchange difference	199	-203
	Cash, end of year	**1,547**	**3,326**

Consolidated notes

1. Accounting policies

Oncology Venture A/S is a limited liability company domiciled in Denmark. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

Danish kroner (DKK) is the group's presentation currency and the functional currency of the parent company. The consolidated financial statements are presented in Danish kroner (DKK) rounded off to the nearest DKK 1,000.

New financial reporting requirements

A number of changes to accounting standards are effective from 1 January 2018 and adopted by the EU. Those of relevance to the Group are:

- IFRS 15 Revenue from contracts with customers
- IFRS 9 Financial instruments

Transition to IFRS 9

The group has adopted IFRS 9 on financial instruments. Adoption of IFRS 9 has had no significant impact on the Group’s consolidated financial statements.

Transition to IFRS 15

The group has adopted IFRS 15 on revenue recognition using the full retrospective method of transition to the new standard. Adoption of IFRS 15 has had no significant impact on the Group’s consolidated financial statements, however more extensive disclosures on the Group’s revenue transactions has been applied.

Business combinations

Newly acquired or newly founded companies are recognized in the consolidated financial statements as from the time of acquisition and the time of foundation, respectively. The time of acquisition is the time at which control of the company is actually obtained. Divested or discontinued companies are recognized in the consolidated statement of comprehensive income up until the time when control ceases.

When new companies are acquired and the group obtains control of an acquired company, it is recognized in accordance with the acquisition method, according to which the newly acquired company's identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition.

The acquisition price of a company is the fair value of the price paid for the acquired company. Expenses relating to the acquisition are recognized in the income statement when paid.

1. Accounting policies - continued -

Positive differences (goodwill) between the acquisition price of the acquired company on the one hand and the fair value of the assets, liabilities and contingent liabilities acquired on the other are recognized as goodwill and tested for impairment at least once a year.

Alternative performance measures (APMs)

The consolidated financial statements refers to certain key performance indicators, which Oncology Venture and others use when evaluating the performance of Oncology Venture. These are referred to as alternative performance measures (APMs) and are not defined under IFRS. The figures give management and investors important information to enable them to fully analyze the Oncology Venture business and trends. The APMs are not meant to replace but to complement the performance measures defined under IFRS.

Consolidated financial statements

The consolidated financial statements comprise Oncology Venture A/S (parent company) and the companies (subsidiaries) controlled by the parent company. A company is regarded as controlled by the parent company when the parent company is exposed or entitled to variable returns on its involvement in the company, and has the ability to affect those returns through its power over the company.

The consolidated financial statements are prepared based on the financial statements of Oncology Venture A/S and its subsidiaries. The consolidated financial statements are prepared by combining items of a uniform nature calculated in accordance with the group's accounting policies, eliminating intercompany income and expenditure, intercompany balances and dividends as well as gains and losses on transactions between the consolidated companies.

Foreign currency translation

On initial recognition, transactions in currencies other than the functional currency of the individual company are recognized at the exchange rate applicable at the transaction date. Receivables, payables and other monetary items denominated in foreign currency not settled at the balance sheet date are translated using the exchange rate applicable at the balance sheet date.

Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment and the balance sheet date, respectively, are recognized in the income statement as net financials. Property, plant and equipment and intangible assets, inventories and other non-monetary assets purchased in foreign currency and measured based on historical cost are translated at the exchange rate applicable at the transaction date.

1. Accounting policies - continued -

Leases

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognized in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an approximated value as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group.

The remaining lease obligation is capitalized and recognized in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognized in the income statement on a straight-line basis over the lease term.

Tax

Tax for the year, consisting of current tax and changes in deferred tax, is recognized in the income statement with the portion attributable to tax on the profit or loss for the year, and directly in equity or in other comprehensive income with the portion attributable to amounts recognized directly in equity or in other comprehensive income, respectively.

Current tax payables and receivables are recognized in the balance sheet as tax computed on the basis of the taxable income for the year and taxes paid or refunded.

Current tax for the year is computed based on the tax rules and tax rates applicable at the balance sheet date.

Deferred tax is recognized using the balance sheet liability method on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities, except for deferred tax on temporary differences due to either initial recognition of goodwill or initial recognition of a transaction that is not a business combination, and where the temporary difference ascertained at the time of initial recognition does not affect either the tax results or the taxable income. The deferred tax is calculated based on the planned use of the individual asset or settlement of the individual liability.

Deferred tax is measured applying the tax rules and tax rates expected to be applicable when the deferred tax is expected to crystallize as current tax. Any change in deferred tax as a result of changes in tax rules or rates is recognized in the income statement, unless the deferred tax is attributable to transactions that have previously been recognized directly in equity or in other comprehensive income. In the latter case, the change is recognized directly in equity or in other comprehensive income, respectively.

1. Accounting policies - continued -

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognized in the balance sheet at the expected realizable value, either through offsetting against deferred tax liabilities or as a net tax asset for offsetting against future positive taxable incomes. An assessment is made on each balance sheet date of whether it is probable that sufficient taxable income will be generated in future to enable utilization of the deferred tax asset.

Grants

Grants are recognized when the conditions for receipt are met and there is reasonable assurance that the grant will be received.

Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

STATEMENT OF COMPREHENSIVE INCOME

Revenue

Revenue comprises the fair value of the consideration received or receivable for services. Revenue from services are recognized over time in line with the execution and delivery of the work. The revenue is recognized when it is probable that future economic benefits will flow to the Group and these benefits can be measured reliably and when any significant risks and rewards right to the services are transferred and the Group no longer retains managerial responsibility for services sold.

Revenue is measured net of value added tax, duties, etc. collected on behalf of a third party and discounts.

Other operating income

Other income comprises income of a secondary nature in relation to the group's activities, including grants and license income. Income from licenses that do not transfer the right of ownership to an intangible asset are recognized over time in accordance with the substance of the agreements.

Other external expenses

Other external expenses comprise expenses relating to marketing, administrative expenses, costs of premises, bad debts, operating leases etc.

1. Accounting policies - continued -

Staff expenses

Staff expenses comprise wages and salaries as well as social security expenses, pensions for group staff, other staff-related expenses and share-based payment compensation.

Share-based payments

Share-based payments of the Group are equity-settled share options granted to employees, for which an option pricing model is used to estimate the fair value at grant date. That fair value is charged on a straight-line basis as an expense in the consolidated statement of profit or loss over the period that the employee becomes unconditionally entitled to the options (vesting period), with a corresponding increase in equity.

Equity is also increased by the proceeds received, as and when employees choose to exercise their options.

Net financials

Net financials comprise interest income and expenses, realized and unrealized gains and losses on transactions in foreign currency and realized and unrealized gains and losses on other financial assets.

Amortization of capital losses and borrowing costs relating to financial liabilities is recognized on an ongoing basis as part of the interest expenses.

Earnings per share

Basic net result per share is calculated as the net result for the year divided by the weighted average number of outstanding ordinary shares, excluding treasury shares.

Diluted net result per share is calculated as the net result for the year divided by the weighted average number of outstanding ordinary shares, excluding treasury shares adjusted for the dilutive effect of share equivalents. As the income statement shows a net loss, no adjustments has been made for the dilutive effect.

1. Accounting policies - continued -

BALANCE SHEET

Development projects

Internally generated development projects

Costs incurred in relation to individual development projects are capitalized only when the future economic benefit of the project is probable and the following main conditions are met: (i) the development costs can be measured reliably, (ii) the technical feasibility of the product has been ascertained and (iii) Management has the intention and ability to complete the intangible asset and use or sell it.

Development projects acquired in a business combination

Development projects acquired as part of a business combination are initially recognized separately from goodwill if the asset's fair value can be measured reliably, irrespective of whether the asset had been recognized by the acquiree before the business combination. An intangible asset is considered identifiable only if it is separable or if it arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

After initial recognition, intangible assets acquired as part of a business combination follow the accounting policies of internally generated development projects as stated above.

Acquired patents

Acquired patents are measured in the balance sheet at the lower of cost less accumulated amortisation and recoverable amount.

Cost comprises the acquisition price, costs directly related to the acquisition and costs for preparation of the asset until such time as the asset is ready for use. The depreciation period is usually 6 years with no residual value. Depreciation methods, useful lives and residual values are reviewed every year.

Property, plant and equipment

Property, plant and equipment are measured in the balance sheet at the lower of cost less accumulated depreciation and recoverable amount.

Cost comprises the acquisition price, costs directly related to the acquisition and costs for preparation of the asset until such time as the asset is ready for use. The depreciation period is usually 3-5 years with no residual value. Depreciation methods, useful lives and residual values are reviewed every year.

1. Accounting policies - continued -

Gains and losses on the disposal of property, plant and equipment are recognized in the income statement as other operating income or other operating expenses, respectively.

Equity investments in associates

Equity investments in associates are recognized and measured according to the equity method, meaning that these equity investments are measured at the proportionate share of the enterprises' equity value, determined according to the accounting policies of the group, adjusted for the remaining value of positive or negative goodwill and gains and losses on transactions with the enterprises in question.

Other investments

Other equity investments including warrants in associates are measured at fair value in the balance sheet. For equity investments that are traded in an active market, fair value is equivalent to the market value at the balance sheet date. Other equity investments for which fair value cannot be determined reliably are measured at cost.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortization and depreciation.

If so, the asset is written down to its lower recoverable amount.

Inventories

Inventories are measured at cost calculated according to the FIFO principle. Inventories are written down to the lower of cost and net realizable value.

The net realizable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

Receivables

Receivables comprise trade receivables and other receivables. Receivables are included in the category loans and receivables, which are financial assets with fixed or determinable payments that are not listed in an active market and are not derivative financial instruments.

1. Accounting policies - continued -

On initial recognition, receivables are measured at fair value and subsequently at amortized cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Any write-downs for bad debts are determined on the basis of an individual assessment of the individual receivable.

Cash

Cash includes deposits in bank accounts as well as operating cash.

Equity

Direct and incremental costs associated with capital increases are accounted for as a reduction in the proceeds from the capital increase and recognized in shareholders' equity.

The translation reserve in the consolidated financial statements comprises foreign-exchange differences arising on translation of financial statements of Group entities from their local foreign currencies to the presentation currency used by the Group (DKK). On the disposal, entirely or partially, of a Group entity, the exchange-rate adjustment is recognized in profit or loss as a portion of the gain/loss on the sale.

Liabilities

Non-current liabilities comprise other credit institutions. Payables to credit institutions are measured at cost at the time of contracting such payables (raising of loans). Subsequently, the liabilities are measured at amortized cost, meaning that the difference between the proceeds from the loan and the repayable amount is recognized in the income statement over the period of the loan as a financial expense according to the effective interest method.

Other financial liabilities comprise bank debt, trade payables, other payables to public authorities and other liabilities. On initial recognition, other financial liabilities are measured at fair value less any transaction costs. Subsequently, the liabilities are measured at amortized cost according to the effective interest method, so that the difference between the proceeds and the nominal value is recognized in the income statement as a financial expense over the period of the loan.

Deferred income

Deferred income comprises payments received in respect of income in subsequent financial years. Deferred income are measured at cost.

1. Accounting policies - continued -

CASH FLOW STATEMENT

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash at the beginning and end of the year. Cash flows from operating activities are presented in accordance with the indirect method and are determined as the operating profit or loss adjusted for non-cash operating items, changes in working capital and paid financial income, financial expenses and income tax.

Cash flows from investing activities comprise payments in connection with the acquisition and sale of companies and financial assets as well as the purchase, development, improvement and sale of property, plant and equipment and intangible assets.

Cash flows from financing activities comprise changes in the parent company's share capital and associated costs as well as the raising and repayment of loans, the repayment of interest-bearing debt, the purchase and sale of treasury shares and the payment of dividends.

Cash flows in currencies other than the functional currency are recognized in the cash flow statement using average exchange rates, unless they deviate significantly from the actual exchange rates at the transaction dates.

Cash and cash equivalents comprise cash less overdraft facilities that are an integrated part of the cash management.

FINANCIAL HIGHLIGHTS

Explanation of financial ratios:

$$\text{Solvency ratio} : \frac{\text{Equity at year end x 100}}{\text{Total assets at year end}}$$

$$\text{Earnings per share} : \frac{\text{Net profit/loss for the year x 100}}{\text{Average number of shares}}$$

2. Significant accounting estimates and assessments

In connection with the preparation of the consolidated financial statements, the management makes a number of accounting estimates and assessments that affect the recognized values of assets, liabilities, income, expenses and cash flows as well as their presentation.

Accounting estimates reflect the management's best estimates in terms of amounts where the measurement is subject to uncertainty, typically because the estimate is based on assumptions concerning future events. The accounting estimates are based on historical experience and other assumptions deemed relevant, but the actual results may, naturally, deviate from the estimates made. The estimates are regularly reassessed, and the effect of changes is recognized in the consolidated financial statements.

Accounting judgements reflect decisions made by the management as to how the accounting policies are applied in specific situations where the accounting treatment depends on qualitative assessments. Examples could be when the risk passes or how a certain transaction or item is best presented to provide reliable and relevant information.

The following accounting estimates and judgements have had significant impact on the consolidated financial statements for 2018:

Development projects acquired in a business combination

On August 21, 2018 the merger with Oncology Venture Sweden AB was finally approved. Oncology Venture Sweden AB and its subsidiaries will be recognized in the consolidated financial statements as from the acquisition date. Please refer to note 23 for a specification of the fair values of the identifiable assets and liabilities of Oncology Venture Sweden AB as at the date of acquisition.

The most significant assets acquired as part of the merger is development projects. As no active market exists for the majority of acquired assets, the fair value is based on Management’s projections and estimates. The methods applied are based on the present value of future cash flows related to the specific asset. Estimates of fair value are associated with uncertainty and may be adjusted subsequently.

Development costs

The conditions for capitalization of development costs are closely defined: an intangible asset must be recognized if, and only if, there is reasonable certainty of receiving future cash flows that will cover an asset’s carrying amount. Since our development projects are often subject to regulatory approval procedures and other uncertainties, the conditions for the capitalization of costs incurred before receipt of approvals are not normally satisfied.

2. Significant accounting estimates and assessments - continued -

Management assess on a continuous basis, whether there is reasonable certainty of receiving future cash flows that will cover the development costs incurred regarding our own development projects. As the currently ongoing projects are subject to regulatory approval procedures and other uncertainties, the conditions for the capitalization of costs have not been satisfied as at December 31, 2018 and comparative periods.

Valuation of warrants

The calculated fair value and subsequent compensation expenses for share-based compensation are subject to significant assumptions and estimates. The fair value of each warrant granted during the year is calculated using the Black-Scholes pricing model. This pricing model requires the input of subjective assumptions such as:

- The expected stock price volatility: The group has estimated the fair value of its warrants by using the historic volatility of the shares
- The risk-free interest rate, which is based on the Danish government bonds (bullet issues) having a yield with a maturity equal to the expected term of the option in effect at the time of grant.
- The expected life of warrants, which is based on vesting terms, expected rate of exercise and life terms in the current warrant program.

3. Segment information

Oncology Venture is still at an early commercial phase with a limited revenue generating activities. Accordingly, Oncology Venture only has one operating segment, which is also the only reportable segment. Information on profit/loss and total assets for the segment can be found in the consolidated income statement and the consolidated balance sheet.

Oncology Venture is domiciled in Denmark. Oncology Venture has neither revenues from external customers outside Denmark, nor non-current assets in other geographical areas than Denmark. Information on revenues from external customers and non-current assets in Denmark can be found in the consolidated income statement and the consolidated balance sheet. Non-current assets consist of property, plant and equipment and financial assets.

Income from transactions with one major customer recognized under “Revenue” and “Other operating income” amount to DKK 8.3 mio. in 2018, which is more than 10% of total income (2017: DKK 8.8 mio).

Amounts in DKK '000	2018	2017

4. Revenue

Revenue is distributed as follows:

Rendering of services	2,147	5,145
Total	2,147	5,145

5. Other operating income

Grants	149	-554
License income	6,346	2,841
Other services	875	1,621
Total	7,370	3,908

Grants received in previous periods, DKK 858k, was repaid in 2017.

6. Staff expenses

Wages and salaries	7,356	5,543
Pensions	95	28
Other social security costs	36	31
Share-based payment expense	844	12,975
Total	8,331	18,577

Average number of employees during the year	12	7

Key management personnel comprise the CEO and the Board of Directors.

Compensation for key management personnel of the Group:

Short-term employee benefits	2,364	2,286
Post-employment benefits	0	0
Termination benefits	0	0
Share-based payment	741	12,699
Total	2,718	14,985

7. Share-based payment

In connection to the merger with Oncology Venture AB, the Group is obliged to issue warrants to holders of Oncology Venture AB warrants as compensation for the waived Oncology Venture AB warrants. The warrants are expected to be issued during 2019. Refer to note 24 for further information on the merger with Oncology Venture AB.

Warrants has been granted to members of the executive management, members of the board of directors, employees and external consultants.

Warrant plan #5

On February 24, 2017 an equity-settled stock option plan was approved at an extraordinary general meeting, which provides board of directors and members of the executive management of the Group with the option to purchase ordinary shares of Oncology Venture A/S at a fixed price. Warrants was granted with either immediately vesting upon granting, or with a monthly vesting of 1/36 until July 1, 2019 provided they remain within the Group's employment. Vested warrants are exercisable over a fixed period of time from grant date up to and including July 1, 2021.

Warrant plan #4

On February 18, 2016, the Board of Directors approved an equity-settled stock option plan, which provides key management personnel with the option to purchase ordinary shares of Oncology Venture A/S at a fixed price. Warrants was granted with a monthly vesting of 1/36 from July 1, 2016 until July 1, 2019, provided they remain within the Group's employment. Vested warrants are exercisable over a fixed period of time from grant date up to and including July 1, 2021.

Warrant plan #3

On December 17, 2014, the Board of Directors approved an equity-settled stock option plan, which provides key management personnel and with the option to purchase ordinary shares of Oncology Venture A/S at a fixed price. Warrants was granted with 50% immediately vesting upon granting, 25% vesting on December 17, 2015 and 25% vesting on July 3, 2016, provided they remain within the Group's employment. Vested warrants are exercisable over a fixed period of time from grant date up to and including July 1, 2021.

During 2018, the total charge to profit or loss amounted to DKK 1,395k (2017: DKK 14,458k) of which DKK 844k (2017: 12,975k) are recognized as staff expenses, and DKK 551k (2017: DKK 1,483k) are recognized as other external expenses.

The table below summarizes the number of options that were outstanding, their weighted average exercise price (WAEP) as at 31 December, as well as the movements during the period.

7. Share-based payment - continued -

	2018		2017	
	Number	WAEP in DKK	Number	WAEP in DKK
Outstanding at January 1	3,689,040	0.52	3,243,360	0.52
Granted	0	-	696,220	0.52
Forfeited	0	-	0	-
Exercised	-380,000	0.52	-250,540	0.52
Expired	0	-	0	-
Outstanding at December 31	3,309,040	0.52	3,689,040	0.52
Exercisable at 31 December 31	3,159,040	0.52	3,239,040	0.52

The weighted average share price at the date of exercise of exercised warrants in 2018 was DKK 10.11 (2017: DKK 20.60). The weighted average remaining contractual life for the warrants outstanding as at December 31, 2018 was 2.5 years (December 31, 2017: 3.50 years).

The exercise prices for warrants outstanding at the end of the year is DKK 0.52 (2017: DKK 0.52).

The weighted average fair value of warrants granted during 2017 was DKK 19.43. No warrants were granted in 2018.

The estimate of the grant date fair value of each warrant issued is based on a Black Scholes model. Inputs to the model included the following:

	Plan #3	Plan #4	Plan #5
Grant date	17/12/2014	18/02/2016	24/02/2017
Weighted average share price	12.03	7.69	19.90
Exercise price in DKK	0.52	0.52	0.52
Historical and expected volatility	125.40%	62.50%	91.20%
Option life (months)	78.5	64.5	52.0
Expected dividends	0	0	0
Risk-free interest rate	0	0	0

Expected volatility was determined taking into consideration the volatility of the company's share price over a 12-month period prior to each award date.

Amounts in DKK '000	2018	2017

8. Financial income

Interest income on assets measured at amortized cost	333	0
Exchange rate gains, net	307	85
Change in fair value of other investments	3,649	314
Other	201	5
Total	4,490	404

9. Financial expenses

Interest expenses on liabilities measured at amortized cost	1,853	15
Exchange rate loss, net	489	82
Change in fair value of warrants in associates	1,008	6,410
Other	49	73
Total	3,399	6,580

10. Tax

Tax on profit/loss for the year:

Current tax	0	5
Change in deferred tax	-4,000	0
Adjustment of tax concerning previous years	1	0
Tax received under the tax credit scheme	-2,974	-595
Tax on profit/loss for the year	-6,973	-590

Amounts in DKK '000	2018	2017

10. Tax - continued -

Reconciliation of effective tax rate:

Tax computed on the loss before tax at a tax rate of 22.0%	-4,954	-6,816
Effect of different tax rate in subsidiaries	54	-2
Tax value of the result in associate	-3,039	283
Tax value of non-deductible expenses, share-based payments	307	3,181
Tax value of non-deductible expenses, other	8	5
Tax adjustment on loss on warrants in associates	222	1,410
Tax adjustment on deferred income	0	1,396
Other adjustments	754	-47
Utilisation of previously unrecognised deferred tax assets	-1,756	0
Adjustment of tax conxerning previous years	1	0
Non-recognised tax asset	1,430	0
Effective tax rate (31.0% / 1.9%)	-6,973	-590

Amounts in DKK '000	31/12/2018	31/12/2017

Deferred tax is made up as follows:

Property, plant and equipment	83	17
Accounts receivable	13	13
Warrants in associates	0	1,396
Deferred Income	67	330
Intangible assets	-44,674	330
Tax losses carried forward	11,707	4,663
Total deferred tax	-32,804	6,749
Write down to assessed value	-1,430	-6,749
Carrying amount	-34,234	0

which is distributed as follows:

Deferred tax assets	0	0
Deferred tax liabilities	34,234	0
Total	34,234	0

Tax losses carried forward can be carried forward indefinitely.
Deferred tax has been provided at 22% corresponding to the current tax rate.

	2018	2017
11. Earnings per share		
Earnings per share (basic)		
Profit/loss for the year attributable to the owners of the parent company (in DKK '000)	-14,939	-30,390
Average number of shares in circulation	33,821,011	23,949,877
Earnings per share (in DKK)	-0.44	-1.27
Diluted earnings per share		
Diluted average number of shares in circulation	33,821,011	23,949,877
Diluted earnings per share (in DKK)	-0.44	-1.27

No dilution where the warrants are anti-dilutive.

Instruments (including contingently issuable shares) that could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share because they are antidilutive for the periods presented	3,442,245	3,623,176

Amounts in DKK '000	Plant and machinery
12. Property, plant and equipment	
Cost as at 01/01/2018	1,801
Additions relating to merger	291
Additions during the year	37
Disposals during the year	0
Cost as at 31/12/2018	2,129
Depreciation and impairment losses as at 01/01/2018	1,666
Impairment losses during the year	0
Depreciation during the year	100
Reversal of depreciation of and impairment losses on disposed assets	0
Depreciation and impairment losses as at 31/12/2018	1,766
Carrying amount as at 31/12/2018	**363**
Cost as at 01/01/2017	1,801
Additions during the year	0
Disposals during the year	0
Cost as at 31/12/2017	1,801
Depreciation and impairment losses as at 01/01/2017	1,612
Impairment losses during the year	0
Depreciation during the year	54
Reversal of depreciation of and impairment losses on disposed assets	0
Depreciation and impairment losses as at 31/12/2017	1,666
Carrying amount as at 31/12/2017	**135**

Amounts in DKK '000	Acquired patents	Develop-ment projects in progress	Total
13. Intangible assets			
Cost as at 01/01/2018	0	0	0
Additions relating to merger	543	235,521	236,064
Additions during the year	781	0	781
Disposals during the year	0	0	0
Cost as at 31/12/2018	1,324	235,521	236,845
Amortisation and impairment losses as at 01/01/2018	0	0	0
Impairment losses during the year	0	0	0
Amortisation during the year	112	0	112
Reversal of amortisation of and impairment losses on disposed assets	0	0	0
Amortisation and impairment losses as at 31/12/2018	112	0	112
Carrying amount as at 31/12/2018	**1,212**	**235,521**	**236,733**

Amounts in DKK '000	31/12/2018	31/12/2017
Individually material development projects in progress		
LiPlaCis	58,851	0
2X-111	39,759	0
2X-121	40,863	0
Dovitinib	55,309	0
Irofulven	40,739	0
Total	235,521	0

Remaining amortization period

All abovementioned intangible assets are development projects in progress.

Expensed research and development costs

Research and development costs that are not eligible for capitalization have been expensed in the period incurred in 2018, this was DKK 39,395k (2017: DKK 15,941k)), and they are recognized in other external expenses and staff expenses.

14. Investments in associates

On 31 December 2017, the Group had a 10.6% interest in Oncology Venture AB. As part of the merger with Oncology Venture AB, the combined company was not allowed to hold own shares, and therefor the group sold its holdings in Oncology Venture Sweden AB during June 2018. Refer to note 24 for further information on the merger with Oncology Venture AB.

The group has no equity investments in associates on December 31, 2018. Valuation of equity investments in associates measured at the latest quoted market price (level 1 in fair value hierarchy) on December 31, 2017 amounts to DKK 14,229k.

The Group's interest in Oncology Venture AB is accounted for using the equity method in the consolidated financial statements. The below table illustrates the summarized financial information of the Group's investment in Oncology Venture AB. Summarized financial information represent amounts in the associate's financial statements prepared in accordance with IFRS, adjusted to reflect adjustment made by Oncology Venture A/S Group for equity accounting purposes.

Amounts in DKK '000	31/12/18	31/12/17
Current assets	0	26,504
Non-current assets	0	16,594
Current liabilities	0	-10,873
Non-current liabilities	0	0
Equity	0	32,225
Group's carrying amount of the investment	0	3,416

Reconciliation of the above summarized financial information to carrying amount of the interest in Oncology Venture AB recognized in the consolidated financial statements:		
Net assets of the associate	0	32,225
Proportion of the Group's ownership interest	0.0%	10.6%
Goodwill	0	0
Other adjustments	0	0
Group's carrying amount of the investment	0	3,416

14. Investments in associates - continued -

Amounts in DKK '000	2018	2017
Revenue	375	1,615
Costs	-14,759	-49,116
Finance costs	-206	2,935
Loss before tax	-14,590	-44,566
Income tax	2,486	5,494
Loss for the period	-12,104	-39,072
Total comprehensive income for the period	-12,104	-39,072
Group's share of profit for the period	-1,283	-4,141

Amounts in DKK '000	31/12/2018	31/12/2017
15. Trade receivables		
Gross receivable	58	339
Provision for losses	-58	-58
Total	0	281
Due receivables not written down:		
Overdue, less than 30 days	0	281
Overdue, more than 30 days	0	0
Total	0	281

There is no material difference between the fair value of receivables and their carrying amount.

16. Equity

Share capital

The share capital consists of 50,311,278 shares of DKK 0.05 each (2017: 24,307,555 shares of DKK 0.05 each). The shares are fully paid in. The shares are not divided into classes, and no shares enjoy special rights.

Information relating to the share-based payments Plan, including details of warrants issued, exercised and lapsed during the financial year and warrants outstanding at the end of the reporting period, is set out in note 7.

Shares issued and fully paid

	2018	2017
Shares issued at 01/01	24,307,555	23,362,300
Cash capital increase on 19/04/2018	340,000	
Capital increase on 21/08/2018, merger	25,623,723	
Cash capital increase on 16/10/2018	40,000	
Cash capital increase on 03/07/2017		447,162
Cash capital increase on 01/06/2017		247,553
Cash capital increase on 20/04/2017		123,800
Cash capital increase on 05/01/2017		126,740
Shares issued at 31/12	50,311,278	24,307,555

Capital management

The group aims to ensure structural and financial flexibility as well as competitive strength. For that purpose, the group regularly assesses what the appropriate capital structure for the group is.

Dividend

It is proposed that no dividend are paid.

17. Operating lease commitments

The group has concluded operating leases in respect of office premises. The leases are based on fixed lease payments, which are index-adjusted once every year. The leases are non-terminable.

Amounts in DKK '000	31/12/2018	31/12/2017
The total, future minimum lease payments are distributed as follows:		
Within 1 year	422	293
1-5 year(s)	0	59
After 5 years	0	0
Total	422	352
Operating lease payments recognised in the income statement amount to	771	492

Amounts in DKK '000	2018	2017
18. Adjustment for non-cash items		
Depreciation, amortization and impairment losses	213	54
Share-based payment expenses	1,395	14,458
Share of profit of an associate	1,283	4,473
Dilution gain of an associate	0	-3,185
Received warrants in an associate	0	-9,519
Gain on the divestment of an associate	-10,146	0
Total	-7,255	6,281

Amounts in DKK '000	2018	2017
19. Change in working capital		
Change in inventories	1,048	-385
Change in trade receivables	833	31
Change in receivable from associates	331	1,377
Change in other receivables	-1,230	572
Change in prepayments	-2,078	0
Change in trade payables	4,360	866
Change in payables to associates	-421	-862
Change in other payables	3,330	289
Change in deferred income	-7,543	5,843
Total	-1,370	7,731

20. Financial risks and financial instruments

Risk management policy

The group's financial risks are managed by the Executive Board. The group has not prepared policies for the identification and handling of risks. The management of the group's risks is included in the Executive Board's day-to-day monitoring of the group.

Interest rate risk

The group is not subject to material interest rate risks.

Currency risk

The group is not subject to material currency risks.

Credit risk

The maximum credit risk relating to receivables corresponds to the carrying amount. Information about trade receivables due appears from note 15. The group is not subject to material credit risks.

20. Financial risks and financial instruments - continued -

Liquidity risk

The group's liquidity risk covers the risk that the group is not able to meet its liabilities as they fall due.

As a development group, and like other similar groups, OV over the years have shown negative cash flow why the group is dependent on being recapitalized until reaching the point where a positive cash flow begins.

The Board of Directors and Management are constantly monitoring OV's financial position to be prepared to take adequate measures to secure the group. Several options are possible such as partnering deals, service agreements and increase the capital in the company.

In November the Company entered into an agreement which can provide funding up to SEK 200 million via a series of directed issues of 7.5-10 million SEK, during a period of 24 months. If warrants are exercised it will bring up to additional SEK 100 million.

The Board of Directors and Management have confidence in the group as a going concern.

The maturities of financial liabilities appear from the tables below. All amounts are contractual cash flows, i.e. inclusive of interest.

Amounts in DKK '000	Within 1 year	1 - 2 year(s)	2 - 5 years	Over 5 years	Total
As at 31/12/2018					
Loan	20,592	0	0	0	20,592
Payables to associates	0	0	0	0	0
Trade payables	12,656	0	0	0	12,656
Other payables	3,555	0	0	0	3,555
Total	36,803	0	0	0	36,803
As at 31/12/2017					
Payables to associates	421	0	0	0	421
Trade payables	2,510	0	0	0	2,510
Other payables	412	0	0	0	412
Total	3,343	0	0	0	3,343

21. Fair value

Financial instruments
The carrying value of financial assets and financial liabilities measured at amortized cost is considered not to differ significantly from fair value.

There were no assets nor liabilities measured at fair value as at December 31, 2018.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities as at December 31, 2017.

Amounts in DKK '000	Date of valuation	TOTAL	*Level 1* Quoted prices in active markets	*Level 2* Significant observable inputs	*Level 3* Significant unobserv-able inputs
Assets measured at fair value					
Warrants in associates	31/12/2017	1,008		1,008	
Other investment	31/12/2017	324			324

There were no transfers between Level 1 and Level 2 during 2017.

Fair value measurement of warrants in associates

The warrants in Oncology Venture AB was cancelled before the merger with Oncology Venture AB was finally approved on August 21, 2018.

The calculated fair value for warrants in associates on December 31, 2017 was calculated using the Black-Scholes pricing model. This pricing model requires the input of significant observable inputs; quoted price of the shares of Oncology Venture AB.

The pricing model also requires the input of subjective assumptions such as:

- The expected stock price volatility: The group has estimated the fair value of warrants in associate by using the historic volatility of the shares in Oncology Venture AB
- The risk-free interest rate, which is based on the Danish government bonds having a yield with a maturity equal to the expected term of the option in effect at the time of grant
- The expected life of warrants, which is based on vesting terms, expected rate of exercise and life terms.

22. Related parties

Ownership

No party exercises control of Oncology Venture A/S

Transactions with related parties

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial period. The Group acquired through a merger Oncology Venture Sweden AB and its subsidiaries as of August 21, 2018 as described in note 23. Until June 2018 Oncology Venture Sweden AB was an associate. Hence, transactions with Oncology Venture Sweden AB and its subsidiaries are included in the below table until June 2018.

Amounts in DKK '000		Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
Associate:					
Services provided	2018		563		0
	2017		2,604		421
Rendering of services	2018	1,756		0	
	2017	6,031		2,249	
License agreement *)	2017	9,519			
Other related parties:					
Services provided	2018		2,141		239
	2017		1,806		75

**) License agreement with associate*

Oncology Venture A/S (OV) has in January 2017 entered into a license agreement with the associate Oncology Venture AB (OV AB) where OV - for a period of three years – grants OV AB exclusive rights to use OV's Drug Response Prediction technology (DRP®) directly or in spinouts in Special Purpose Vehicles. As consideration for the exclusive license, OV has received 302,243 warrants entitling to subscription of shares in OV AB. The warrants entitle to subscription of one share per warrant at a subscription price of SEK 10 and was exercisable until December 31, 2019. The fair value of the consideration was DKK 9,519k calculated using the Black-Scholes pricing model. Information about valuation of warrants at fair value appears from note 21. License income was measured at fair value of the warrants received in January 2017 and was originally recognized as other operating income over the period of three years. However, the license agreement ceased as a consequence of the merger on August 21, 2018, and the remaining contractual amount was recognized as other operating income.

Transactions with key management personnel

Remuneration for the management is disclosed in note 6.

23. Business combinations

The merger with Oncology Venture Sweden AB, in which Oncology Venture A/S (formerly Medical Prognosis Institute A/S), obtained control of Oncology Venture Sweden AB, was finally approved at August 21, 2018 (the acquisition date).

The Group obtained, at the acquisition date, control of 100% shares and voting interests of Oncology Venture Sweden AB, a company based in Sweden, listed on Spotlight, Stockholm, Sweden and specializing in the research and development of anti-cancer drugs via its wholly owned Danish subsidiary, Oncology Venture ApS. Oncology Venture Sweden AB and its subsidiaries will be recognized in the consolidated financial statements as from the acquisition date.

The purpose of the Merger is to create a new leader within complicated treatable oncological diseases with a strong late-stage and diversified pipeline, which includes own Companion Diagnostic Drug Response Predictor - DRP®, addressing significant unmet medical needs.

Identifiable assets acquired and liabilities assumed

The interim report for Q3 presented provisional fair values recognized on acquisition on August 21, 2018. The provisional fair values, adjustments and the adjusted provisional fair values of the identifiable assets and liabilities of Oncology Venture Sweden AB as at the date of acquisition are presented in the table below:

Amounts in DKK '000	Provisional fair values recognized on acquisition	Adjustments	Adjusted provisional fair values recognized on acquisition
Development projects in progress and patents	205,533	30,532	236,065
Property, plant and equipment	290		290
Trade receivables	552		552
Other receivables	8,963	1,022	9,985
Inventories	7,518	-7,518	0
Cash	4,502	-1,903	2,599
Put option liability	-10,864	6,181	-4,683
Other liabilities	-7,517		-7,517
Deferred tax liability	-32,391	-5,843	-38,234
Total identifiable net assets at fair value	**176,586**	**22,471**	**199,057**
Non-controlling interests	-2,654	-21,982	-24,636
Goodwill arising on acquisition	0		0
Purchase consideration transferred	**173,932**	**489**	**174,421**

23. Business combinations - continued -

Receivables

The fair value and the gross amount of the trade receivables amounts to DKK 552k and the other receivables amounts to DKK 9,985k. It is expected that the full contractual amounts can be collected.

Non-controlling interests

The Group has elected to measure the non-controlling interests in the acquiree at the present ownership instruments' proportionate share in the recognized amounts of the acquiree's identifiable net assets.

Purchase consideration transferred

The acquisition date fair value of consideration transferred consist of shares issued at fair value, DKK 172.7m, and share based payment compensation awards, DKK 1.7m.

The Group issued 25.623.723 new ordinary shares of nominal DKK 0.05 in OV A/S at a stock price of DKK 6.8 per share (SEK 9.74) on 21 August 2018.

Cash flows on acquisition

No cash flows on acquisition except net cash acquired with the subsidiary (included in cash flows from investing activities) and acquisition related costs. Purchase consideration are in own shares and share based payment compensation awards.

Acquisition related costs

The group incurred acquisition related costs of DKK 337k on legal fees and due diligence costs. These costs have been included in other external expenses.

Revenue and profit contribution

The acquired business contributed revenues of DKK 0k and net profit of DKK -21,352k (loss) to the group for the period from August 21 to December 31, 2018.

If the acquisition had occurred on January 1,2018, consolidated pro-forma revenue and profit for the year ended December 31, 2018 would have been DKK 2,147k and DKK -46,390k (loss) respectively. These amounts have been calculated using the subsidiary’s results and adjusting them for differences in the accounting policies between the group and the subsidiary.

24. Material partly-owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests:

Name	Principal place of business	31/12/2018	31/12/2017
2X Oncology Inc.	USA	16.09%	0.00%
OV-SPV2 ApS	Denmark	45.00%	0.00%

Amounts in DKK '000	31/12/2018	31/12/2017
Accumulated balances of material non-controlling interest:		
2X Oncology Inc.	9,229	0
OV-SPV2 ApS	17,476	0
Profit allocated to material non-controlling interest:		
2X Oncology Inc.	-454	0
OV-SPV2 ApS	-151	0
Dividends paid to non-controlling interests		
2X Oncology Inc.	0	0
OV-SPV2 ApS	0	0

Summarised financial information

The summarised financial information of these subsidiaries is provided below. This information is based on amounts before inter-company eliminations.

Amounts in DKK '000	2X Oncology Inc.	OV-SPV2 ApS
Non-current assets	69,081	55,581
Current assets	4,838	219
Non-current liabilities	15,198	10,134
Current liabilities	1,371	6,830
Revenue	0	0
Net loss	-5,648	-324
Total comprehensive income	-5,648	-324
Total cash flow for the year	-544	0

25. Contingent liabilities

Goodwill, fixtures and equipment, claims and inventory have been placed as security with one of the Group's credit institutes, up to a maximum amount of DKK 500k. Debt to the credit institute at 31 December 2018 amounts to DKK 0.

26. Events occurring after the balance sheet date

No events have occurred after the balance sheet date which have an effect on the financial statements for 2018.

27. Adoption of the annual report for publication

At the board meeting on March 20, 2019, the Board of Directors adopted this annual report for publication. The annual report will be presented to Oncology Venture A/S's shareholders for approval at the annual general meeting on April -, 2019.

28. New accounting regulation

IASB has published a number of new and changed accounting standards and interpretations, which are not mandatory for the preparation of the consolidated financial statements for 2018.

Assessment of the impact of IFRS 16 (effective date January 1, 2019) on the future financial reporting are provided below. The other standards and interpretations are not expected to have any significant impact on the group.

IFRS 16 Leases

The Standard replaces IAS 17 and its Interpretations. It is effective for annual periods beginning on or after January 1, 2019. The main change introduced is that almost all leases will be brought onto lessees' balance sheets under a single model (except leases of less than 12 months and leases of low-value assets), eliminating the distinction between operating and finance leases. The Group will adopt the new standard on the required effective date by using the modified retrospective approach.

The Group has performed a detailed impact assessment of IFRS 16. Upon implementation on January 1, 2019, the Group is expected to recognize a liability to make lease payments (i.e. the lease liability) of approximately DKK 2.5 million and an asset representing the right to use the underlying asset during the lease term (i.e. the right to use asset) of approximately DKK 2.5 million. The expected accumulated effect on equity and total assets at January 1, 2019 approximates DKK 0 million and DKK 2.5 million, respectively. Following the implementation, the Group will separately recognize the interest expense from the lease liability and the depreciation on the right to use the asset.

Parent company income statement

Note	Amounts in DKK '000	2018	2017
	Revenue	**4,627**	**5,145**
	Other operating income	6,495	2,619
	Other external expenses	-17,486	-14,442
2	Staff expenses	-2,773	-2,356
	Profit/loss before depreciation, amortization and impairment (EBITDA)	**-9,137**	**-9,034**
	Depreciation, amortization and impairment of intangible and tangible assets	-673	-670
	Operating profit/loss before net financials	**-9,810**	**-9,704**
3	Financial income	6,680	404
4	Financial expenses	-4,336	-6,580
	Profit/loss before tax	**-7,466**	**-15,880**
	Tax on profit/loss	1,699	595
	Net profit/loss	**-5,767**	**-15,285**
	Net profit/loss attributable to:		
	Proposed dividend for the year	0	0
	Retained earnings	-5,767	-15,285
	Total	**-5,767**	**-15,285**

Parent company balance sheet

ASSETS

Note	Amounts in DKK '000	31/12/2018	31/12/2017
	Development projects	1,437	1,646
	Acquired patents	742	1,149
	Intangible assets	**2,179**	**2,795**
	Plant and machinery	115	135
	Property, plant and equipment	**115**	**135**
5	Investment in subsidiaries	82,835	6
6	Investment in associates	0	14,229
	Warrants in associates	0	1,008
	Other investments	0	324
	Financial assets	**82,835**	**15,567**
	Total fixed assets	**85,129**	**18,497**
	Inventories	0	1,048
	Receivables from subsidiaries	114,437	0
	Receivables from associates	0	1,918
	Trade receivables	0	281
	Income tax receivable	1,701	595
	Other receivables	2,511	518
	Prepayments	1,391	0
	Cash and cash equivalents	909	2,977
	Total current assets	**120,949**	**7,337**
	Total assets	**206,078**	**25,834**

Parent company balance sheet

EQUITY AND LIABILITIES

Note	Amounts in DKK '000	31/12/2018	31/12/2017
	Share capital	2,516	1,215
	Share premium	213,554	45,224
	Revaluation reserve	0	10,550
	Retained earnings	-35,929	-42,401
	Total equity	**180,141**	**14,588**
	Payables to subsidiaries	116	77
	Payables to associates	0	421
	Loan	18,892	0
	Trade payables	6,210	2,498
	Other payables	415	403
	Deferred income	304	7,847
	Current liabilities	**25,937**	**11,246**
	Total liabilities	**25,937**	**11,246**
	Total equity and liabilities	**206,078**	**25,834**

7 Contingent assets, liabilities and other financial obligations

Parent company statement of changes in equity

Amounts in DKK '000	Share capital	Share premium	Reva-luation reserve	Retained earnings	Total equity
Equity as at 01/01/2018	1,215	45,224	10,550	-42,401	14,588
Capital increase, merger	1,282	171,450			172,732
Cash capital increase, exercise of warrants	19	179			198
Costs of capital increase		-3,299			-3,299
Share based payment award, merger				1,689	1,689
Revaluation reversed			-10,550	10,550	0
Loss for the year				-5,767	-5,767
Equity as at 31/12/2018	**2,516**	**213,554**	**0**	**-35,929**	**180,141**
Equity as at 01/01/2017	1,168	38,091	36,391	-27,116	48,534
Cash capital increase	35	7,313			7,348
Cash capital increase, exercise of warrants	12	118			130
Costs of capital increase		-298			-298
Revaluation of the year			-25,841		-25,841
Loss for the year				-15,285	-15,285
Equity as at 31/12/2017	**1,215**	**45,224**	**10,550**	**-42,401**	**14,588**

1. Capital resources and liquidity

As a development company, and like other similar companies, Oncology Venture (OV) over the years has shown negative cash flow why the company is dependent on being recapitalized until reaching the point where a positive cash flow begins. The Board of Directors and Management are constantly monitoring OV's financial position and are prepared to take the adequate measures to secure the ongoing activities of the company.

To further optimize and secure the financial position of the company the management is continuously considering relevant improvement initiatives, e.g. partnering deals, capital increases or loan facilities. The Board of Directors and Management have confidence in the company as a going concern, and consequently, the Financial Statements have been prepared in accordance with the going concern principles.

Amounts in DKK '000	2018	2017
2. Staff expenses		
Wages and salaries	2,682	2,297
Pensions	62	28
Other social security costs	29	31
Total	2,773	2,356
Average number of employees during the year	6	5
3. Financial income		
Interest income on assets measured at amortized cost	523	0
Exchange rate gains, net	2,307	85
Change in fair value of other investments	3,649	314
Other	201	5
Total	6,680	404

Amounts in DKK '000	2018	2017

4. Financial expenses

Interest expenses on liabilities measured at amortized cost	1,696	15
Exchange rate loss, net	284	82
Change in fair value of warrants	1,008	6,410
Loss on the divestment of an associate	1,299	0
Other	49	73
Total	4,336	6,580

5. Investment in subsidiaries

Cost as at 01/01	6	6
Additions relating to merger	78,856	0
Transfer from Other investments	3,973	0
Cost as at 31/12	82,835	6
Value adjustments as at 01/01	0	0
Revaluation for the year	0	0
Value adjustments as at 31/12	0	0
Carrying amount as at 31/12	**82,835**	**6**

Amounts in DKK '000	2018	2017
6. Investment in associates		
Cost as at 01/01	3,678	793
Additions during the year	0	2,885
Disposals during the year	-3,678	0
Cost as at 31/12	0	3,678
Value adjustments as at 01/01	10,550	36,391
Revaluation for the year	0	-25,841
Reversal of value adjustments on disposed assets	-10,550	0
Value adjustments as at 31/12	0	10,550
Carrying amount as at 31/12	**0**	**14,229**
Carrying amount in the balance sheet if revaluation to fair value had not been carried out, as at 31/12	0	3,678

Amounts in DKK '000	31/12/2018	31/12/2017

7. Contingent assets, liabilities and other financial obligations

Rental lease obligations

Rental obligations under operating leases, total future payments		
Within 1 year	183	174
1-5 year(s)	0	0
After 5 years	0	0
Total	183	174

Letter of subordination

The Company has issued a letter of subordination in favor of Oncology Venture Product Development ApS and OV-SPV2 ApS' other creditors, applying until May 31 2020. Both Companies are subsidiaries of Oncology Venture A/S.

Securities

Goodwill, fixtures and equipment, claims and inventory have been placed as security with one of the Group's credit institutes, up to a maximum amount of DKK 500k. Debt to the credit institute at 31 December 2018 amounts to DKK 0.

8. Accounting policies

Basis of Preparation

The Annual Report of Oncology Venture A/S for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

Financial Statements for 2018 are presented in DKK.

Recognition and measurement

Revenues are recognized in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortized cost are recognized. Moreover, all expenses incurred to achieve the earnings for the year are recognized in the income statement, including depreciations, write-downs, provisions and reversals as a result of changes in accounting estimates which has been recognized in the income statement in prior financial statements.

Assets are recognized in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognized in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an approximated value as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalized and recognized in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognized in the income statement on a straight-line basis over the lease term.

8. Accounting policies - continued -

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognized in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognized directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognized in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Tax

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognized in the income statement, whereas the tax attributable to equity transactions is recognized directly in equity. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Current tax liabilities and receivables are recognized in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognized in the income statement in financial income and expenses.

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realized, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallize as current tax. Any changes in deferred tax due to changes to tax rates are recognized in the income statement.

8. Accounting policies - continued -

Grants

Grants are recognized when the conditions for receipt are met and there is reasonable assurance that the grant will be received.

Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

INCOME STATEMENT

Revenue

Revenue comprises the fair value of the consideration received or receivable for services. Revenue from services are recognized over time in line with the execution and delivery of the work. The revenue is recognized when it is probable that future economic benefits will flow to the Group and these benefits can be measured reliably and when any significant risks and rewards right to the services are transferred and the Group no longer retains managerial responsibility for services sold.

Revenue is measured net of value added tax, duties, etc. collected on behalf of a third party and discounts.

Other operating income

Other external income comprises income of a secondary nature in relation to the group's activities, including grants and license income. Income from licenses that do not transfer the right of ownership to an intangible asset are recognized over time in accordance with the substance of the agreements.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Staff expenses

Staff expenses comprise wages and salaries as well as social security expenses, pensions for group staff and other staff-related expenses.

8. Accounting policies - continued -

Depreciation, amortization and impairment losses

Depreciation, amortization and impairment losses comprise amortization, depreciation and impairment of intangible assets and property, plant and equipment.

Income from investments in subsidiaries and associates

Dividends from subsidiaries and associates are recognized as income in the income statement when adopted at the General Meeting of the companies. However, dividends relating to earnings in the companies before they were acquired by the Parent Company are set off against the cost of the companies.

Net financials

Net financials comprise interest income and expenses, realized and unrealized gains and losses on transactions in foreign currency and realized and unrealized gains and losses on other financial assets.

Amortization of capital losses and borrowing costs relating to financial liabilities is recognized on an ongoing basis as part of the interest expenses.

BALANCE SHEET

Intangible assets

Acquired patents

Patents are measured at the lower of cost less accumulated amortization and recoverable amount. Patents are amortized over the remaining patent period.

Development projects

Development projects are recognized in the balance sheet where the project aims at developing a specific product or a specific process, intended to be produced or used, respectively, by the company in its production process. On initial recognition, development projects are measured at cost. Cost comprises the purchase price plus expenses resulting directly from the purchase, including wages and salaries directly attributable to the development projects until the asset is ready for use. Interest on loans arranged to finance development projects in the development period is not included in the cost. Other development projects and development costs are recognized in the income statement in the year in which they are incurred.

Development projects in progress are transferred to completed development projects when the asset is ready for use.

8. Accounting policies - continued -

Development projects are subsequently measured in the balance sheet at cost less accumulated amortization and impairment losses.

Intangible assets are amortized using the straight-line method based on the following expected useful lives and no residual values:

Development projects	10 years
Acquired patents	5 years

Amortization period and residual value are reassessed annually.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3 - 5 years

Depreciation period and residual value are reassessed annually.

Fixed asset investments

Equity investments in associates

Equity investments in associates, which consist of listed shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

Equity investments in subsidiaries

Equity investments in subsidiaries are measured in the balance sheet at cost less any impairment losses.

8. Accounting policies - continued -

Other investments

Other equity investments including warrants in associates are measured at fair value in the balance sheet. For equity investments that are traded in an active market, fair value is equivalent to the market value at the balance sheet date. Other equity investments for which fair value cannot be determined reliably are measured at cost.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortization and depreciation.

If so, the asset is written down to its lower recoverable amount.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realizable value.

The net realizable value of inventories is calculated at the amount expected to be generated by sale in the process of normal operations with deduction of selling expenses and costs of completion. The net realizable value is determined allowing for marketability, obsolescence and development in expected sales sum.

The cost of goods for resale, raw materials and consumables equals landed cost.

Receivables

Receivables are measured in the balance sheet at the lower of amortized cost and net realizable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Prepayments comprise costs incurred in respect of subsequent financial years.

Cash

Cash includes deposits in bank accounts as well as operating cash.

8. Accounting policies - continued -

EQUITY

Equity

Direct and incremental costs associated with capital increases are accounted for as a reduction in the proceeds from the capital increase and recognized in shareholders' equity.

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Financial debts

Loans, such as mortgage loans and loans from credit institutions, are recognized initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortized cost; the difference between the proceeds and the nominal value is recognized as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortized cost, which for cash loans corresponds to the remaining loan. Amortized cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortized cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

Abbreviations

Terminology and abbreviations	Definition
Cisplatin	Cisplatin is one of the most used cancer drugs
DRP	Drug Response Prediction, OV's gene analysis to predict which patients will respond to a given cancer drug
Indication	Here a cancer type or cancer disease
Response Prediction	Predicting the effect of a cancer drug. Effect can be measured in a variety of ways for example is the cancer tumor shrinking (response), - how long does it take before the cancer disease progresses (progression free survival) or the most important parameter, - how long the patient survives (survival)