

Rhovac ApS

Agern Alle 24, 1.

2970 Hørsholm

CVR No. 31159008

Annual Report 2022

23. financial year

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 31 May 2023

Claus Frisenberg Pedersen
Chairman

Rhovac ApS

Contents

Management's Statement	3
Independent Auditors' Report	4
Company Information	7
Management's Review	8
Accounting Policies	9
Income Statement	13
Balance Sheet	14
Notes	16

Rhovac ApS

Management's Statement

Today, Management has considered and adopted the Annual Report of Rhovac ApS for the financial year 1 January 2022 - 31 December 2022.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January 2022 - 31 December 2022.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

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

Hørsholm, 31 May 2023

Executive Board

Peter Buhl
Man. Director

Claus Frisenberg Pedersen
Manager

Independent Auditors' Report

To the shareholder of Rhovac ApS

Opinion

We have audited the financial statements of Rhovac ApS for the financial year 1 January 2022 - 31 December 2022, which comprise an income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2022 and of the results of its operations for the financial year 1 January 2022 - 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis of opinion

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

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management considers 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 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

Independent Auditors' Report

The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

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

- * Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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 Company's internal control.
- * Evaluate whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- * Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could cast significant doubt on the 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- * Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect the underlying transactions and events in a manner that gives a true and fair view.

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 which we identify during our audit.

Rhovac ApS

Independent Auditors' Report

Statement on Management's Review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of opinion providing assurance regarding the Management's review.

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

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Hørsholm, 31 May 2023

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR-no. 33963556

Flemming Larsen

State Authorised Public Accountant

mne27790

Rhovac ApS

Company details

Company	Rhovac ApS Agern Alle 24, 1. 2970 Hørsholm
CVR No.	31159008
Date of formation	17 December 2007
Registered office	Hørsholm
Financial year	1 January 2022 - 31 December 2022
Executive Board	Peter Buhl Claus Frisenberg Pedersen
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab Weidekampsgade 8 2300 København S CVR-no.: 33963556

Management's Review

The Company's principal activities

RhoVac is a biotechnology company that was engaged in research and development of immunotherapy, more specifically of therapeutic cancer vaccines. Immunotherapy means that the body's own immune system is used to fight the disease - in this case cancer. The company's main focus was the development of a drug with the potential to prevent or limit metastasis in metastatic cancer. The company's first program was aimed at developing its cancer vaccine - RV001 or onilcamotide - as a treatment for prostate cancer.

On May 29th, 2022 RhoVac announced that its phase IIb study in prostate cancer, BRaVac, in spite of the previous positive results related to the onilcamotide compound, failed to demonstrate superiority over placebo in preventing progression in patients with biochemical recurrence (a rise in PSA) after curative intent therapy and that the primary outcome analysis offers little hope of a license or acquisition deal based on the results of this study alone. Consequently effective May 2022, the company stopped its R&D activities, and gave notice to its employees. Since May 2022, the company has had no commercial activity. Management does not foresee to commence commercial activity in 2023.

RhoVac ApS is wholly owned by RhoVac AB, a company that is listed on the Swedish Spotlight stock exchange

Rohvac AB has issued a letter of support to Rhovac APS, in which the parent company has made a subordination agreement until 01.01.2024 for their receivables in the company

Development in activities and the financial situation

The Company's Income Statement of the financial year 1 January 2022 - 31 December 2022 shows a result of DKK -18.160.848 and the Balance Sheet at 31 December 2022 a balance sheet total of DKK 16.037.514 and an equity of DKK 891.435.

Post financial year events

On January 11 2022, an EGM for the parent company RhoVac AB decided to enter into a reverse merger with the company CHOSA Aps. CHOSA Aps was acquired by Rhovac AB taking over CHOSA Aps in a share payment transaction. Henceforth CHOSA Aps shareholders owns a majority of the total share capital in Rhovac AB.

Following the reverse merger Rhovac AB has changed name to CHOSA Oncology AB.

The acquired company CHOSA Aps is now a fully owned subsidiary of CHOSA AB, along side Rhovac Aps.

Until further notice CHOSA AB intends to keep the two subsidiaries in Denmark.

Accounting Policies

Reporting Class

The annual report of Rhovac ApS for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Reporting currency

The annual report is presented in Danish kroner.

General information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

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

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

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income statement

Gross profit/loss

The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operating income, costs for raw materials and consumables and other external expenses.

Other income

Other income include grants received regarding R&D activities

Rhovac ApS

Accounting Policies

Other external expenses

Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

Accounting Policies

Staff costs

Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc. The item is deducted from refunds from public authorities.

Other staff expenses are recognised in other external expenses.

Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

Dividends from other investments are recognised as income in the financial year in which the dividends are declared.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance sheet

Deposits

Deposits are measured at cost.

Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Accounting Policies

Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortized cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortized cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities are measured at net realisable value.

Other payables

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

Accruals and deferred income entered as liabilities

Accruals and deferred income entered as liabilities consist of payments received regarding income in the subsequent financial years.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Rhovac ApS

Income Statement

	Note	2022 kr.	2021 kr.
Gross profit		-21.919.582	-37.012.185
Employee benefits expense	2	-1.484.408	-2.125.630
Profit from ordinary operating activities		-23.403.990	-39.137.815
Other finance income	3	603.467	0
Finance expenses	4	-510.325	-228.035
Profit from ordinary activities before tax		-23.310.848	-39.365.850
Tax expense on ordinary activities	5	5.150.000	5.500.000
Profit		-18.160.848	-33.865.850
 Proposed distribution of results			
Retained earnings		-18.160.848	-33.865.850
Distribution of profit		-18.160.848	-33.865.850

Rhovac ApS

Balance Sheet as of 31 December

	Note	2022 kr.	2021 kr.
Assets			
Deposits, investments		0	10.754.280
Investments	6	0	10.754.280
Fixed assets		0	10.754.280
Short-term tax receivables		5.150.000	5.500.000
Other short-term receivables		2.894.620	1.725.737
Deferred income		0	525.494
Receivables		8.044.620	7.751.231
Cash and cash equivalents		7.992.894	16.544.698
Current assets		16.037.514	24.295.929
Assets		16.037.514	35.050.209

Rhovac ApS

Balance Sheet as of 31 December

	Note	2022 kr.	2021 kr.
Liabilities and equity			
Contributed capital	7	1.000.000	1.000.000
Retained earnings		-108.565	18.052.283
Equity		891.435	19.052.283
Trade payables		295.768	8.549.066
Payables to group enterprises		14.675.311	7.348.996
Other payables		175.000	99.864
Short-term liabilities other than provisions		15.146.079	15.997.926
Liabilities other than provisions within the business		15.146.079	15.997.926
Liabilities and equity		16.037.514	35.050.209
Contingent liabilities	8		
Collaterals and assets pledges as security	9		

Notes

	2022	2021
1. Uncertainty about going concern		
<p>On May 29th, 2022 RhoVac announced that its phase IIb study in prostate cancer, BRaVac, in spite of the previous positive results related to the onilcamotide compound, failed to demonstrate superiority over placebo in preventing progression in patients with biochemical recurrence (a rise in PSA) after curative intent therapy and that the primary outcome analysis offers little hope of a license or acquisition deal based on the results of this study alone. Consequently effective May 2022, the company stopped its R&D activities, and gave notice to its employees. Since May 2022, the company has had no commercial activity. Management does not foresee to commence i comercial activity in 2023.</p> <p>RhoVac ApS is wholly owned by RhoVac AB, a company that is listed on the Swedish Spotlight stock exchange</p> <p>Rohvac AB has issued a letter of support to Rhovac APS, in which the parent company has made a subordination agreement until 01.01.2024 for their receivebles in the company</p>		
2. Employee benefits expense		
Wages and salaries	1.330.738	2.059.469
Social security contributions	7.384	5.245
Other employee expense	146.286	60.916
	1.484.408	2.125.630
Average number of employees	<u>1</u>	<u>2</u>
3. Other finance income		
Other finance income	8	0
Exchange rate gain	603.459	
	603.467	0
4. Finance expenses		
Other finance expenses	39.440	149.216
Associated corporate interest	470.885	78.819
	510.325	228.035
5. Tax expense		
Current tax	-5.150.000	-5.500.000
	-5.150.000	-5.500.000
6. Other investment assets		
Cost at the beginning of the year	10.754.280	9.857.967
Addition during the year	0	896.313
Disposal during the year	-10.754.280	0
Cost at the end of the year	0	10.754.280
Carrying amount at the end of the year	0	10.754.280

Notes

	2022	2021
7. Contributed capital		
Balance at the beginning of the year	1.000.000	1.000.000
Balance at the end of the year	1.000.000	1.000.000

The share capital has remained unchanged for the last 5 years.

8. Contingent liabilities

The company has entered into an agreement with The Danish Cancer Society, which means that RhoVac ApS will have to pay GBP 100 thousand and future royalty payments upon receiving approval in the EU or US, for specific products included in the international patent application of December 18, 2008.

The company hold a buy-out.

9. Collaterals and securities

No securities or mortgages exist at the balance sheet date.