

OV-SPV2 ApS

Venlighedsvej 1, 2970 Hørsholm

CVR no. 38 44 59 28

Annual report 2017

(As of the establishment of the Company 13 February - 31 December 2017)

Approved at the Company's annual general meeting on 15 June 2018

Chairman:

Anders Carstensen

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of OV-SPV2 ApS for the financial year as of the establishment of the Company 13 February - 31 December 2017.


The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year as of the establishment of the Company 13 February - 31 December 2017.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Hørsholm, 15 June 2018
Executive Board:



Thomas Henrik Jensen

Board of Directors:



Peter Buhl
Chairman



Ulla Buhl



Thomas Henrik Jensen

Independent auditor's report

To the shareholders of OV-SPV2 ApS

Opinion

We have audited the financial statements of OV-SPV2 ApS for the financial year as of the establishment of the Company 13 February - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. 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 financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year as of the establishment of the company 13 February - 31 December 2017 in accordance with the Danish Financial Statements Act.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company 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 rules and requirements.

Management's responsibilities 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 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 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 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 as to 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 the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism 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.

Independent auditor's report

- ▶ 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 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 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 Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent 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 that we identify during our audit.

Statement on the 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 assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility 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 our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

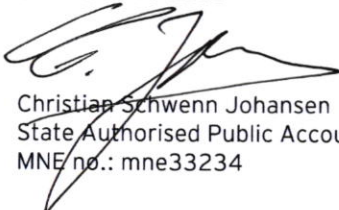
Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Report on other legal and regulatory requirements

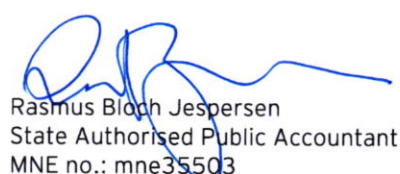
Non-compliance with the provisions of the Danish Companies Act regarding grant of loans to group entities

During 2017, the Company granted a loan to a group entity without documenting a proper credit assessment of the group entity before the loan was granted. This is a violation of the provisions of the Danish Companies Act, and Management may incur liability in this respect.

Copenhagen, 15 June 2018
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Christian Schwenn Johansen
State Authorised Public Accountant
MNE no.: mne33234



Rasmus Bloch Jespersen
State Authorised Public Accountant
MNE no.: mne35503



Management's review

Company details

Name	OV-SPV2 ApS
Address, Postal code, City	Venlighedsvej 1, 2970 Hørsholm
CVR no.	38 44 59 28
Established	13 February 2017
Financial year	13 February - 31 December 2017
Board of Directors	Peter Buhl, Chairman Ulla Buhl Thomas Henrik Jensen
Executive Board	Thomas Henrik Jensen
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvold Helmutsh Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Business review

OV-SPV2 ApS is a Danish drug development company formed in 2017 with the purpose of testing whether a substance from Big Pharma can be used in conjunction with DRP®.

OV-SPV2 ApS was founded on 13 February 2017 by Oncology Venture Aps and Medical Prognosis Institute A/S.

Financial review

The income statement for 2017 shows a profit of DKK 339, and the balance sheet at 31 December 2017 shows equity of DKK 50,339.

Events after the balance sheet date

In April 2018, the Parent Company, Oncology Venture ApS, announced that it would exercise its option to in-license Dovitinib a Phase 3 Multi Tyrosine Kinase Inhibitor (TKI).

On April 2018, Oncology Venture ApS and OV-SPV2 entered into a sub-license agreement concerning certain rights pertaining to TKI258 (Dovitinib).

In May 2018, the Company carried out a capital increase of USD 500,000 by converting other payables to equity, and Sass & Larsen ApS was registered as owner of 50% of the shares in OV-SPV2.

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements for the period 13 February - 31 December 2017**Income statement**

Note	DKK	2017 11 months
	Other external expenses	<u>-13,000</u>
	Gross margin	-13,000
2	Financial income	<u>13,427</u>
	Profit before tax	427
	Tax for the year	<u>-88</u>
	Profit for the year	<u>339</u>
	 Recommended appropriation of profit	
	Retained earnings	<u>339</u>
		<u>339</u>

Financial statements for the period 13 February - 31 December 2017

Balance sheet

Note	DKK	<u>2017</u>
	ASSETS	
	Non-fixed assets	
	Receivables	
	Receivables from group enterprises	3,188,427
	Other receivables	<u>50,617</u>
		<u>3,239,044</u>
	Total non-fixed assets	<u>3,239,044</u>
	TOTAL ASSETS	<u><u>3,239,044</u></u>
	EQUITY AND LIABILITIES	
	Equity	
	Share capital	50,000
	Retained earnings	<u>339</u>
	Total equity	<u>50,339</u>
	Liabilities other than provisions	
	Current liabilities other than provisions	
	Corporation tax payable	88
	Other payables	<u>3,188,617</u>
		<u>3,188,705</u>
	Total liabilities other than provisions	<u>3,188,705</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>3,239,044</u></u>

- 1 Accounting policies
- 3 Related parties

Financial statements for the period 13 February - 31 December 2017**Statement of changes in equity**

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Cash payments concerning formation of enterprise	50,000	0	50,000
Transfer through appropriation of profit	0	339	339
Equity at 31 December 2017	50,000	339	50,339

Financial statements for the period 13 February - 31 December 2017

Notes to the financial statements

1 Accounting policies

The annual report of OV-SPV2 ApS for 2017 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Income statement

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to administration, etc.

Financial income

Financial income are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Financial statements for the period 13 February - 31 December 2017

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Other payables

Other payables are measured at net realisable value.

	2017 11 months
DKK	
2 Financial income	
Interest receivable, group entities	13,427
	<u>13,427</u>

3 Related parties

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Oncology Venture AB	Sweden	http://mb.cision.com/Main/12685/2509500/832712.pdf