

Press release

Oncology Venture establishes a convertible note program of 100 million SEK

Hørsholm, Denmark (31 March 2020) – Oncology Venture A/S (“OV” or the “Company”) today announced that it has established a convertible note program of 100 Million SEK. The issuance of the convertible bonds is in the full control of Oncology Venture.

The convertible note agreement is with Negma Group LTD and Park Partners GP (the “Investor”) in order to support Oncology Venture's development and commercialization of its prioritized pipeline of cancer drugs. If Oncology Venture fully utilizes the convertible note program, the company will have sufficient financing to fund its planned activities for 2020.

“I am really happy that we have been able to establish such a flexible and relatively simple financing, where Oncology Venture is in full control of the facility and can solely decide when to exercise. The convertible note program also gives the company the necessary liquidity, so we can focus on bringing our 3 prioritized development programs forward in 2020 to the planned value inflection points,” said Steve Carchedi, CEO.

“We are excited to enter into this agreement with Oncology Venture, as we have carefully analysed the investment case and have found both the current valuation and timing to constitute a great opportunity. We are convinced that Oncology Venture will maintain its current fast-phased momentum on its path towards commercialization, and we are proud to fuel the company's important mission to develop precision treatments for cancer patients,” say in a joint statement Elaf Gassam, Chairman of Negma Group and Aurora Lidman, Executive Sales Scandinavia of Park Partners GP.

The main conditions and structure of the program are:

- The convertible note program runs for 24 months, during which time Oncology Venture can solely decide to call in 10 tranches of 10 million SEK against issuing convertible notes to the Investor.
- The Investors will have the right to convert their convertible notes within a 12-month period following the registration of the notes with the Danish Business Authority. In case of an event of default, the Investor will have the right to request the reimbursement of the convertible notes in cash and/or or refuse to subscribe for additional tranches.
- The convertible notes are a zero coupon note and will be issued at a subscription price corresponding to their par value (i.e. SEK 100,000).
- The conversion price will be determined as 95% of the lowest closing volume weighted average (VWAP) share price of the 7 consecutive trading days prior the receipt of a conversion request.
- No collateral is attached to the convertible notes.
- The costs for Oncology Venture are 10 % of the total commitment of SEK 100 million, excluding legal and administrative costs.

The issuance of shares in connection with the convertible notes will require an authorization from the shareholders of Oncology Venture planned to be resolved at the Annual general meeting on April 22, 2020.

For further information, please contact:

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About Oncology Venture A/S

Oncology Venture A/S (Nasdaq First North Growth Market Stockholm: OV.ST) develops drugs for personalized treatment of cancer guided by its proprietary drug response predictor technology, DRP®. The company has a mature portfolio of six drug candidates, including compounds in the pre-registration stage. The product portfolio includes: 2X-121, a PARP inhibitor in Phase 2 for Ovarian cancer; Dovitinib, a pan-TKI in post-Phase 3 for Renal Cell Carcinoma; IXEMPRA® (Ixabepilone), a microtubulin inhibitor approved in the U.S. for the treatment of breast cancer; LiPlaCis®, a liposomal formulation of cisplatin in Phase 2 trials for breast and prostate cancer; 2X-111, a liposomal formulation of doxorubicin under manufacturing for Phase 2 in breast cancer; and Irofulven, a DNA damaging agent in Phase 2 for prostate cancer.

About the Drug Response Predictor – DRP® Companion Diagnostic

Oncology Venture uses its drug specific DRP® to select those patients who, by the genetic signature of their cancer, are found to have a high likelihood of responding to the specific drug. By screening patients before treatment the response rate can be significantly increased. The DRP® method builds on the comparison of sensitive vs. resistant human cancer cell lines, including genomic information from cell lines combined with clinical tumor biology and prior clinical trial outcomes. DRP® is based on messenger RNA from the patient's biopsies. DRP® has proven its ability to provide a statistically significant prediction of the clinical outcome from drug treatment in cancer patients in nearly 40 clinical studies that were examined, including an ongoing, prospective Phase 2 trial. The DRP® platform can be used in all cancer types and is patented for more than 70 anti-cancer drugs in the U.S.

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Forward-looking statements

This announcement includes forward-looking statements that involve risks, uncertainties and other factors, many of which are outside of OV's control and which could cause actual results to differ materially from the results discussed in the forward-looking statements. Forward-looking statements include statements concerning OV's plans, objectives, goals, future events, performance and/or other information that is not historical information. All such forward-looking statements are expressly qualified by these cautionary statements and any other cautionary statements which may accompany the forward-looking statements. OV undertakes no obligation to publicly update or revise forward-looking statements to reflect subsequent events or circumstances after the date made, except as required by law.

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This information is information that Oncology Venture A/S is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication on March 31, 2020.