Oncology Venture

Press release

Oncology Venture signs agreement to out-license two pipeline assets as part of prioritized portfolio strategy

Hørsholm, Denmark (29 June 2020) – Oncology Venture A/S ("OV" or the "Company") today announced that it has signed a definitive agreement out-licensing two clinical pipeline assets, LiPlaCis® and 2X-111, to Smerud Medical Research International for further clinical and commercial development. Under the terms of the agreement, OV will receive regulatory milestone fees of nearly US $30M plus royalties on sales for each drug payable to OV if all the milestones are met. OV also terminated its prior license agreement with Cadila Pharmaceuticals for the development of LiPlaCis® in India.

In September 2019, OV announced a significant restructuring, including a new executive management team and a streamlined, prioritized focus on advancing its top three clinical-stage oncology programs towards approval and commercialization. The Company has worked towards establishing partnerships to advance the portfolio while monetizing the value for the Company as part of this ongoing effort.

Smerud Medical Research International AS ("SMERUD") is a leading European-based clinical contract research organization (CRO) with expertise in the development of precision cancer drugs. SMERUD has previously worked with OV on its LiPlaCis® program as well as several other clinical programs. Under their new agreement, SMERUD will advance the specific development of LiPlaCis® in late stage metastatic breast cancer and 2X-111 in glioblastoma multiforme, in connection with each program's DRP® companion diagnostic.

Steve Carchedi, CEO of Oncology Venture, stated, "*Partnering with SMERUD allows us to continue development of these two clinical therapeutics together with their DRP® companion diagnostics, and to monetize our clinical assets for the benefit of our Company and our shareholders. We remain enthusiastic about the therapeutic potential of both LiPlaCis® and 2X-111 together with their DRP® companion diagnostics, and we are very pleased to reach this important step towards value creation with these two portfolio assets, and, if all milestones are met, will bring us more than US $30M in regulatory milestone fees plus royalties on future drug sales. Furthermore, this provides us with the opportunity to focus on driving our most advanced programs towards commercialization*."

Knut Smerud, CEO of Smerud Medical Research, stated, "*Over the past few years, we have been closely involved in advancing the LiPlaCis® clinical trial in Denmark through a joint EUROSTARS grant obtained together with OV, and we have seen the benefits that the DRP® technology can bring to drug development and, most importantly, to patients. It is not often we get the chance to take over both the full financial and operational responsibility of an ongoing clinical development program, which has already shown very promising interim data, and which addresses the needs of a very high number of patients across the world. Our expectation is that 2X-111 will be just as exciting as LiPlaCis®, and therefore we are very enthusiastic about now having the chance to lead the advancement of both of these unique personalized cancer treatments*."

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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.

About Smerud Medical Research International AS

The Smerud Medical Research Group (SMERUD) was incorporated in Oslo, Norway in 1993, and has since then managed more than 1,000 clinical trials, mainly in the North-West of Europe with a home market in the Nordic Area. The core competency of the organization is expert consulting and full-service operations of complex clinical proof-of-concept trials and full development programs, especially for orphan drugs and personalized medicines, mainly within cancer. SMERUD has substantial experience and expertise in obtaining EU grants for clinical trials, and has been a coordinator and beneficiary partner in several Eurostars and FP7/Horizon2020 projects. In addition to its underlying CRO business, SMERUD is now acting more as a drug/device developer providing cash from its service business units to allow investing into internal R&D projects. Through this dual business model, SMERUD has – together with its associated venture firm Scandinavian Biotech Venture AS – become one of the largest private biotech investors in the Nordic countries with an accumulated investment of > 90m€.

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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 June 29, 2020.