BerGenBio

Developing breakthrough AXL therapeutics to improve patients' lives

Annual Report & Accounts 2022

Highlights 2022

BerGenBio (OSE:BGBIO) is a clinical stage biopharmaceutical company developing selective AXL inhibitors to treat aggressive diseases including cancer and severe respiratory infections

- New data announced in treatment of 2L NSCLC patients substantiate role of bemcentinib
  - BGBC008 (2L NSCLC) study of bemcentinib in combination with immune checkpoint inhibition
  - BGBIL005 (2L+ NSCLC) investigator led trial of bemcentinib in combination with chemotherapy
- Initiated Ph1b/2a study in 1L STK11m NSCLC patients
- Studies completed in 2022 with final data expected in 2023
  - BGBC003 (Relapsed/Refractory AML) bemcentinib + chemotherapy
  - BGBC149-102 (Serous Ovarian Cancer) tilvestamab
- ACCORD2 study of bemcentinib in hospitalized COVID-19 meets primary, key secondary endpoints
- First patient treated in Ph2b hospitalized COVID-19 study
- Significant financial commitment obtained from major investor

Chair's Statement

"I am confident that our strategy, drive and expertise have us on track to deliver value to patients and shareholders for years to come."

Dear Shareholders

It was a little over a year ago when I was presented with the opportunity to serve as the Chair of the Board of BerGenBio. It became immediately clear to me that we had a tremendous opportunity to change the lives of patients around the world suffering from life-threatening diseases. I am very proud to be able to say today that through the hard work and resolute focus of our employees, management team and board we have moved demonstrably closer to achieving that goal.

BerGenBio has been at the forefront of understanding and harnessing the receptor tyrosine kinase AXL. Mounting evidence published by third parties continues to validate our findings that AXL plays a significant role in exacerbating severe diseases. Activation of AXL not only enhances disease entry and replication, but also dampens the immune response, leading to aggressive illnesses with little to halt their attack. BerGenBio's lead compound, *bemcentinib*, a potent, potentially first-in-class selective AXL inhibitor, may hold the key to turning off this incendiary process.

Preclinical and human data evaluating *bemcentinib* across a number of indications in over 600 patients has provided us with evidence of a compelling safety profile, encouraging efficacy and an unrivaled expertise in AXL's role and *bemcentinib's* ability to inhibit it, particularly in the lungs. The plethora of data points we accumulated, along with volumes of research conducted by world-renowned experts, guided us in honing our strategy this past year, when we announced in May of 2022 our plans to concentrate our efforts on First-Line (1L) Non-Small Cell Lung Cancer (NSCLC) patients harboring STK11 mutations (STK11m) and hospitalized COVID-19 patients. As we enter 2023, we have already begun to see this new emphasis bear fruit.

NSCLC patients harboring STK11m comprise approximately 20% of non-squamous NSCLC cases, do not currently have a targeted therapy and face one of the worst prognoses. NSCLC patients with STK11m do, however, predominantly express increased levels of AXL activation resulting in the development of drug resistance, immune invasion and metastasis. The results of the topline data, announced in February 2023, from our BCBG008 trial evaluating *bemcentinib* in 2L+ NSCLC showed an impressive overall survival benefit, especially in patients with higher levels of AXL activation. We are optimistic that our Ph1a/2b study assessing *bemcentinib* in 1L STK11m NSCLC, which was initiated in October of 2022, may provide the aid to these patients that they so desperately need.

2022 was a pivotal year for BerGenBio. Data from years of toil came into focus and we were able to define needy patient populations where AXL inhibition may lead to extraordinary results. I am proud of our team for traversing a difficult capital markets environment for biopharmaceutical companies and concentrating on the task at hand: progressing *bemcentinib* into two new, promising clinical trials. I am confident that our strategy, drive and expertise have us on track to deliver value to patients and shareholders for years to come.

Anders Tullgren
Chair of the Board of Directors

Chief Executive's Statement

Dear Shareholders

I joined BerGenBio as Chief Executive Officer in September 2021 and directly set out on a mission with our team to analyze the substantial, promising early evidence that the Company had generated over the years and use it to identify specific severe diseases where selective AXL inhibition could potentially transform the treatment of these indications. As I announced during our strategy update in May of last year, we were successful in detecting two large, underserved patient populations where bemcentinib may have the greatest impact. Today, we now have scientific evidence validating the relevance of AXL as a target and bemcentinib's selective inhibition capabilities.

The activation of the receptor tyrosine kinase AXL due to oxidative stress, inflammation, hypoxia and drug treatment is a major driver of disease progression and severity. In Non-Small Cell Lung Cancer (NSCLC), AXL activation leads to an immune suppressed tumor, which allows for cancer cell survival, escape and the development of drug resistance. The inhibition of AXL by bemcentinib aims to reverse this immunosuppressive tumor microenvironment, reducing the immune evasion and drug resistance, while reactivating the innate immune response. Our recently announced topline data demonstrates that bemcentinib may enhance the effects of checkpoint inhibitors and chemotherapy in NSCLC.

In February 2023, we announced positive topline data from BGBC008, a Ph2 trial evaluating bemcentinib in combination with pembrolizumab in 2L+ NSCLC patients. The study revealed a very encouraging and clinically meaningful overall survival benefit and evidence of disease control across all cohorts, regardless of prior therapy or PD-L1 status. The data was particularly impressive in patients with an AXL tumor proportion score (TPS) > 5, comprising approximately 50% of the evaluable patients, demonstrating a statistically and clinically significant improvement in median overall survival compared to patients with AXL TPS < 5. These results strongly support the strategy we embarked on in May to target First-Line (1L) NSCLC patients harboring STK11 mutations.

AXL is expressed in approximately 80% of 1L NSCLC STK11m patients, causing a highly immunosuppressed and toxic tumor microenvironment. Due to this activity, patients currently have a lower response rate, shorter overall and progression free survival with the current standard of care, and do not have a targeted therapy available. This large subgroup makes up approximately 20% (~30,000 patients in the US and five largest EU countries) of non-squamous NSCLC cases, making it one of the largest "non-actionable" mutations. The inhibition of AXL, anti-tumor effects and modulation of the tumor microenvironment by bemcentinib shown in the BGBC008 trial makes it an extremely attractive candidate to treat STK11m NSCLC patients and enter a potentially multi-billion dollar market.

Over the past year, we transitioned from establishing a clear strategy for the Company to executing that plan. Thanks to the wisdom and dedication of our team, we now have two ongoing clinical trials evaluating bemcentinib in two highly pertinent indications for AXL inhibition: a Ph1b/2a in 1L STK11m NSCLC and a Ph2b in hospitalized COVID-19 patients. In 2022, BerGenBio separated itself once again as the leader in the development of AXL-targeted therapies. We are motivated to continue this momentum and look forward to sharing further results with you in 2023.

Martin Olin
Chief Executive Officer

Strategic Report

Contents

Our unique position

"We have successfully translated our world-leading research on AXL's biological role into two proprietary, first-in-class clinical development candidates: the highly selective, oral AXL inhibitor bemcentinib, and the novel, anti-AXL monoclonal antibody tilvestamab. We believe our clinical development candidates are well-positioned to become potential treatment modalities for aggressive diseases with high unmet medical needs."

BERGENBIO'S UNIQUE POSITION AND APPROACH IN THE BIOTECHNOLOGY FIELD

WORLD-LEADING EXPERTISE ON SELECTIVE AXL INHIBITORS AND THEIR THERAPEUTIC APPLICATIONS

BerGenBio is the only company solely focused on exploiting the potential of selective AXL inhibition for therapeutic purposes, providing it with a unique competitive position in the biopharmaceutical industry.

BerGenBio has built the world's-leading understanding of the tyrosine kinase target AXL. Since its inception, BerGenBio has explored and validated the significant role that AXL plays as a driver of cancers, severe respiratory infections and fibrotic diseases. BerGenBio has been successful in advancing its highly selective AXL tyrosine kinase inhibitors which appear to confer improved safety, while retaining potent efficacy when compared to less selective tyrosine kinase inhibitors (known as mixed tyrosine kinase inhibitors). Our approach of highly selective and potent AXL inhibition has allowed us to establish a unique position in the clinical development of AXL inhibitors, with few direct competitors.

BerGenBio has studied its product candidates across several clinical trials to inform its development plans, in both company-sponsored trials and in partnership with some of the leading academic centers in the US and Europe in Investigator Led Trials (ILTs). Data from these trials have been analyzed to identify the diseases for which selective AXL intervention has the most promise to treat patients with high unmet medical needs and for which there is competitive "white space". The unique characteristics of our highly selective AXL inhibitors have also been employed in preclinical studies by a large number of academic groups validating the role of AXL in serious diseases. These rich datasets have resulted in the Company focusing its future activities in NSCLC and severe respiratory infections (SRIs). While preclinical and clinical evidence also supports the important role of AXL in fibrotic diseases, such as Non-alcoholic Steatohepatitis (NASH) and Idiopathic Pulmonary Fibrosis (IPF), the Company believes it would be most efficient to explore this opportunity in partnership with a company specializing in fibrotic diseases. BerGenBio intends to continue to develop its lead compound bemcentinib itself and through strategic partnerships and retains all strategic options for the future commercialization of its products.

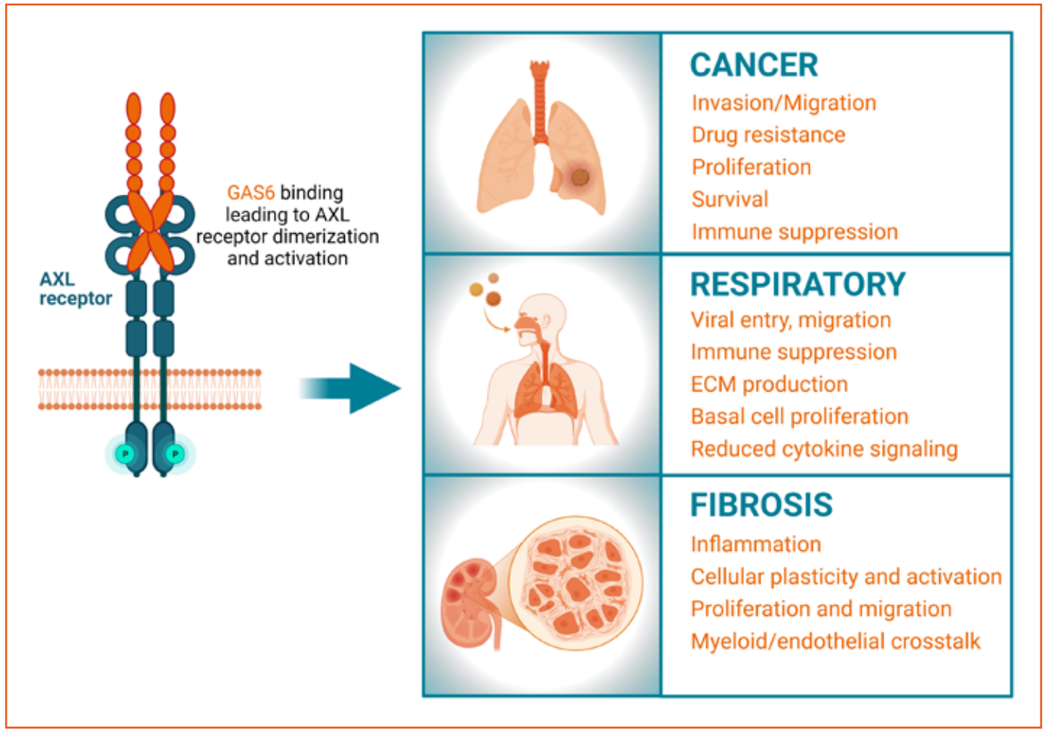
As a core part of its business model, BerGenBio continues to advance its research to identify which patients within these focus areas may benefit most from treatment with our product candidates. The availability of a clinically relevant biomarker has been shown to be an important success factor in the clinical development of oncology agents, providing insights into patient selection and confirmation of mechanism(s) of action. The availability of prognostic biomarkers may also facilitate registration and reimbursement of our novel drugs. BerGenBio is employing a development strategy that includes extensive biomarker discovery activities and potential development of a companion diagnostic in parallel.

AXL expression and activation is known to be a predictor of poor outcome in many diseases

AXL – A PROMISING TARGET TO TREAT LIFE-THREATENING DISEASES

THE TYROSINE KINASE TARGET AXL IS KNOWN TO PLAY AN IMPORTANT ROLE IN BOTH THE INNATE AND ADAPTIVE IMMUNE SYSTEMS

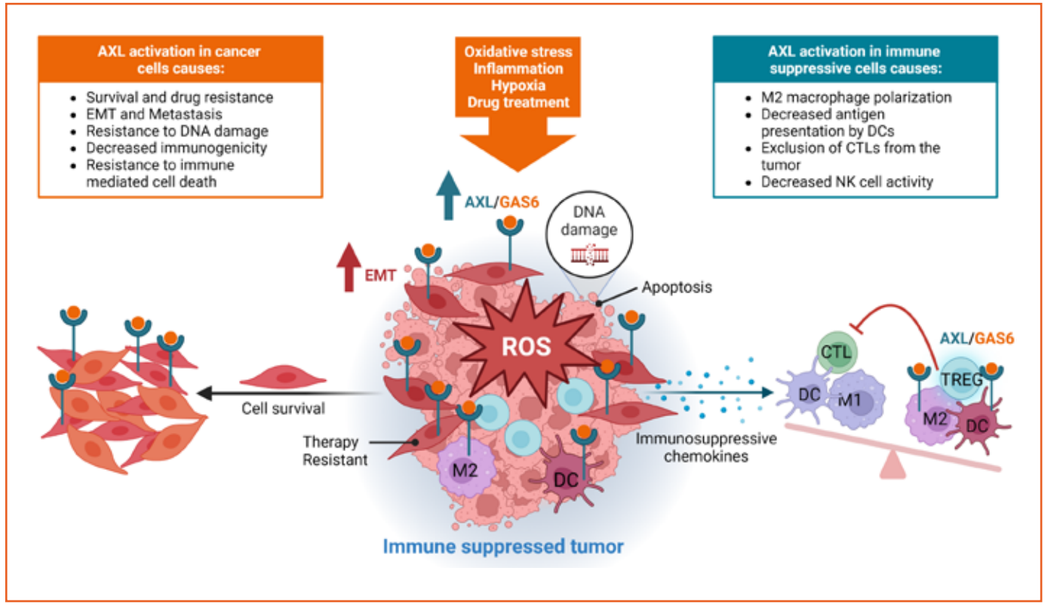
AXL is a tyrosine kinase target that mediates aggressive disease. Under normal healthy physiological conditions, there is very low activation of AXL. However, in aggressive diseases, such as cancer and severe respiratory infections, AXL signaling is activated in response to hypoxia, inflammation, cellular stress and drug treatment. The activation of AXL occurs when it binds to its ligand GAS6, resulting in overexpression and intracellular signaling. Extensive scientific literature, preclinical data and clinical point to the potential application of selective AXL inhibitors in three major diseases categories as shown to the right. BerGenBio is focusing its development activities in the areas of cancer and severe respiratory infections; while any activities to advanced fibrotic indications would be conducted in collaboration with a partner.



Role of AXL

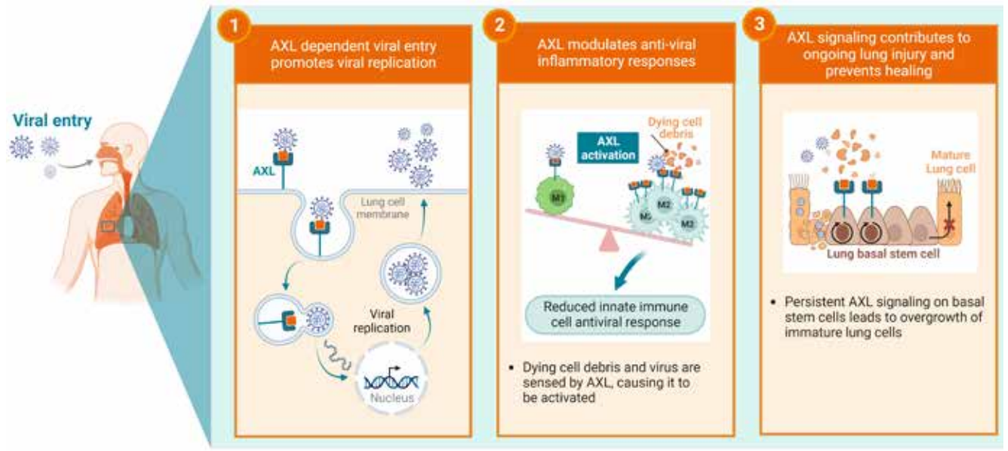
Key Roles of AXL in Cancer

When cancerous tumors develop, they employ the inherent characteristics of AXL to protect themselves, allowing them to survive and metastasize. In cancer, AXL is overexpressed/activated on two major cell types: cancer cells and immune suppressive cells. Each plays a key role in allowing tumor survival and expansion by protecting the tumor from changes in the tumor microenvironment due to the aberrant cancer cells and/or drug treatment (shown on the left below) and by suppressing the patient's natural immune response to the "foreign" cancer cells (shown on the right below). BerGenBio believes that selective and potent inhibition of AXL in cancer patients holds the potential to reverse these deleterious effects.



Key Roles of AXL in Severe Respiratory Infections

AXL plays a key role in facilitating viral entry, replication and suppression of immune responses. The Company believes bemcentinib reduces viral entry, promotes innate immunity against the infection and facilitates the repair of damaged epithelium. This combination of mechanisms makes AXL a particularly attractive target to treat several severe respiratory infections.



Our product candidates

BGB and Partner AXL Inhibitors

Bemcentinib (BGB324)

- Oral, once-a-day small molecule tyrosine kinase inhibitor
- Highly potent, selective for AXL
- Broadly studied in over 600 patients
- Favorable safety profile and indications of efficacy across several trials

Our lead molecule, bemcentinib, is in Ph2 clinical testing in patients with NSCLC and hospitalized COVID-19 in preparation for potential subsequent pivotal trials. During 2022 and early 2023 promising efficacy data from three completed clinical studies, two in NSCLC and one in hospitalized COVID-19 patients provided strong clinical rationale for the continued development of bemcentinib in these indications.

In addition, bemcentinib has been studied by the Company in hematological cancers (AML, MDS); however, due to the rapidly changing therapeutic landscape in these indications, including but not limited to the introduction of new therapies, the Company believes further development is not warranted.

As of the end of 2022, bemcentinib had been studied in over 600 patients, demonstrating its safety as a monotherapy and in combination with a variety of standard of care treatments, including chemotherapy, immune checkpoint inhibition, steroids and the anti-viral remdesivir.. This large safety database positions us well to advance the development of bemcentinib towards the market.

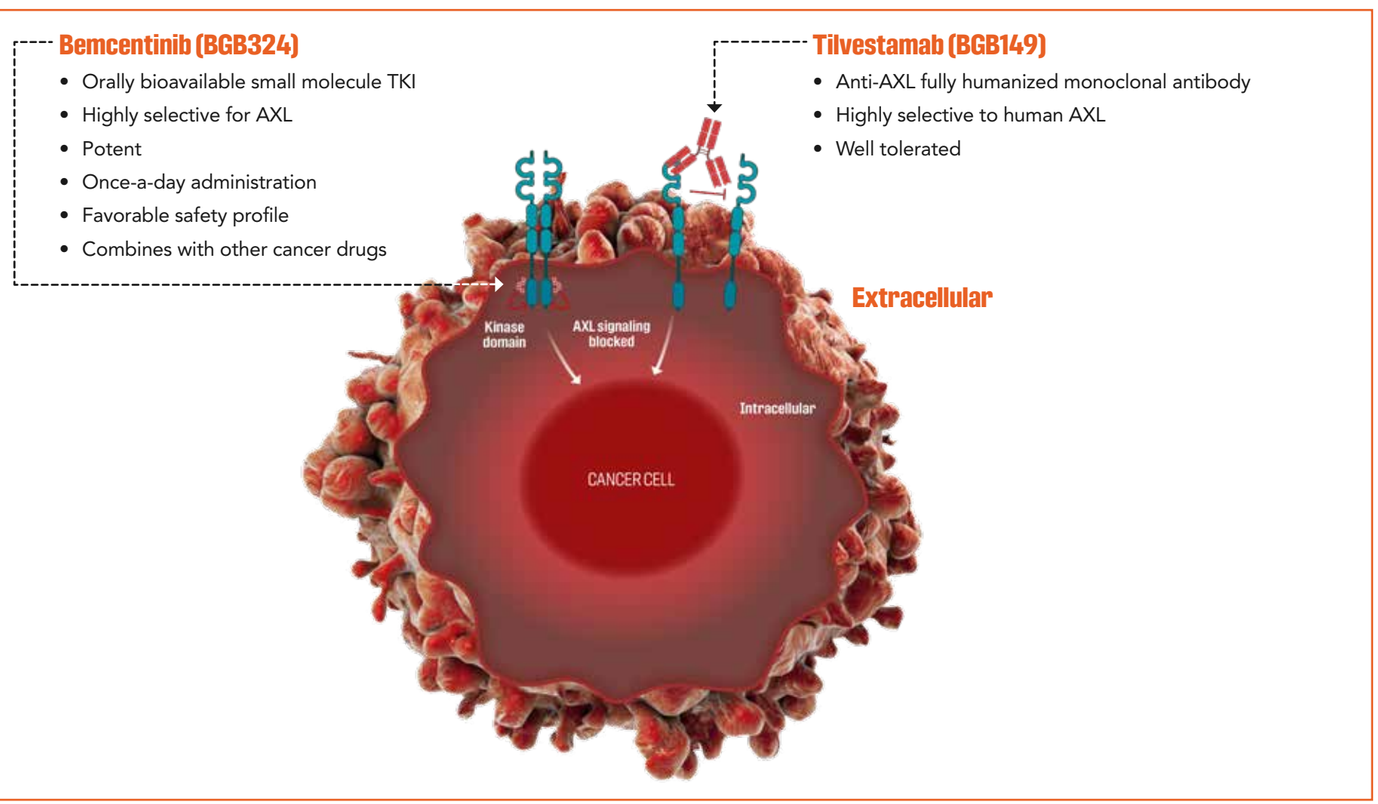
Bemcentinb was licensed from Rigel, Inc. and we hold exclusive rights to develop and commercialize the product world-wide.

Tilvestamab – AXL Selective Monoclonal Antibody in Ph1B

- Selective anti-AXL fully humanized monoclonal antibody (mAb)
- Preclinical and clinical data support mechanisms of action
- Well tolerated in PhIa and PhIb trials

In 2022, the Company successfully completed dosing of tilvestamab in a Ph1b trial designed to substantiate its immune activation properties and to evaluate fibrotic biomarker identification. In line with its strategic focus, BerGenBio is seeking a partner or licensee to advance this program into future clinical trials.

In addition to our two proprietary programs, an AXL antibody developed by BerGenBio has been licensed to ADC Therapeutics for use in an antibody-drug conjugate format. ADC Therapeutics advanced its program called ADCT-601 into a PhIb trial during 2022.



Our development focus

BerGenBio is executing on a focused development path for its lead compound bemcentinib and is working in partnership to exploit other applications AXL inhibition through commercial and academic partnerships

BerGenBio Clinical Pipeline

	Candidate	Targeted Indication	Preclinical	Phase I	Phase II	Registrational
Oncology	Bemcentinib	1L STK11m NSCLC				
	Bemcentinib	2L NSCLC				MERCK
	Bemcentinib	R/R AML				
	Mipasetamab uzoptirine	Solid Tumors			Fully out-licensed mAb	ADC THERAPEUTICS
	Tilvestamab	Ovarian Cancer				
Viral	Bemcentinib	Hospitalized COVID-19				EU SOLIDACT

Additionally, bemcentinib is being studied in Investigator Led Trials in glioblastoma, 2L lung cancer, melanoma, pancreatic cancer and mesothelioma.

Indication Highlight – 1L STK11m NSCLC

Unique opportunity to establish a large, new biomarker driven NSCLC market

The Opportunity

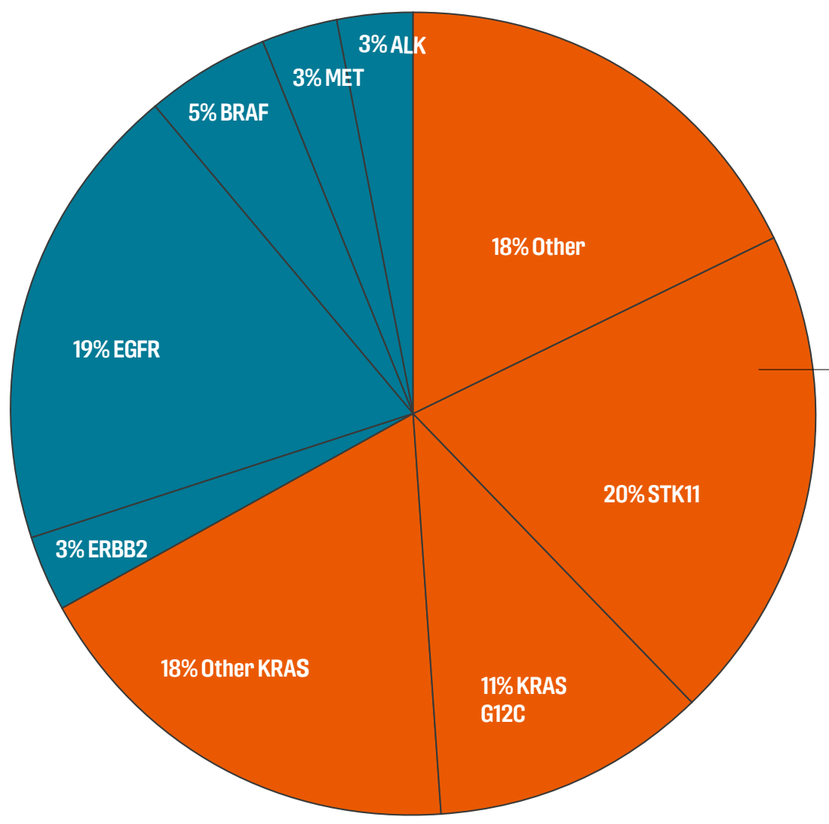
Lung cancer is the world's second most common cancer and despite recent advancements in treatment options, it remains the leading cause of cancer-related mortality exceeding 1.7 million deaths worldwide in 2020. NSCLC is the most common type of lung cancer representing approximately 85% of patients. NSCLC is generally diagnosed late and patients are frequently diagnosed with metastatic disease, limiting potential treatment options. NSCLC is a severe disease with a 5-year survival for newly diagnosed patients of just 25% (Source: SEER). The activation of AXL is a recognized negative prognostic factor and has been shown to be an important resistance mechanism in NSCLC.

Current treatment of NSCLC is biomarker driven and NSCLC patients are routinely screened for the presence of driver mutations to determine the optimal treatment approach. Mutations that can be specifically addressed with targeted therapies today include EGFR and ALK mutations. Today these targeted therapies generate sales in the billions of US dollars.

STK11 mutations (STK11m) occur in up to 20% of 1L NSCLC patients (~31,000 patients in the US and EU5) and extensive data suggest that current standard of care treatment with immune checkpoint inhibitors and chemotherapy result in a poor prognosis when compared to patients with a wild-type STK11 gene. No targeted therapies exist for this large population. The chart to the right illustrates the high frequency of STK11 mutations in NSCLC.

In late 2021, BerGenBio received a US FDA Fast Track designation for bemcentinib in NSCLC patients harboring a STK11 mutation supporting the recognition of need for this patient population.

Commonnely reported NSCLC Mutations



Sources:Oncogenic driver mutations in non-small cell lung cancer: Past, present and future, World J Clin Oncol. 2021 Apr 24; 12(4): 217–237; Prognostic Impact of KRAS Mutation Subtypes in Metastatic Lung Adenocarcinoma, J.Thor.Onc. 2015; 10(3):431-437; Global Data 2020 US, UK, IT, FR, GE, SP

** Source: Global Data estimate in US, UK, Fr, Gr, Sp, It

Indication Highlight – 1L STK11m NSCLC continued

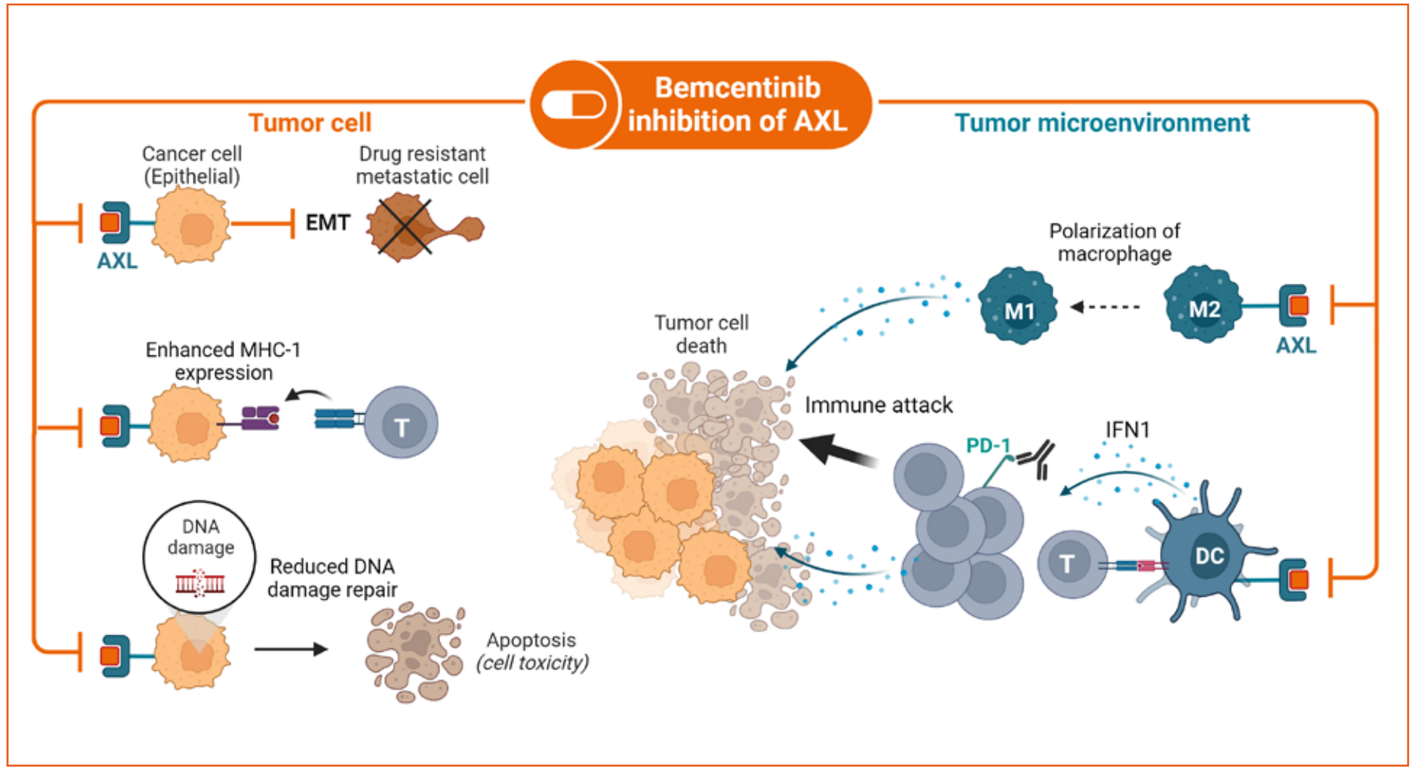
Unique Role of AXL in 1L STK11m NSCLC Patients

AXL plays a key role in a variety of cancers to ensure tumor survival and promote metastasis. Our research in 2L NSCLC patients indicates that approximately 50% of patients express AXL in their tumors or in the tumor microenvironment. Conversely, the Company's data indicate that AXL is almost universally expressed in 1L STK11m patients. STK11m appear to create a uniquely adverse tumor microenvironment (TME) which decreases the efficacy of immune checkpoint inhibition and chemotherapy. There are no specific targeted therapies available to treat these patients today.

Patients with STK11m have the following hallmarks, all of which we believe result in the expression/activation of AXL:

- High oxidative stress and elevated levels of Reactive Oxygen Species (ROS)
- High levels of epithelial to mesenchymal transition (EMT) driving tumor drug resistance, immune evasion and metastasis
- Enhanced replication stress tolerance and resistance to DNA damage and apoptosis
- No/low PDL1 expression and a highly immune suppressed TME

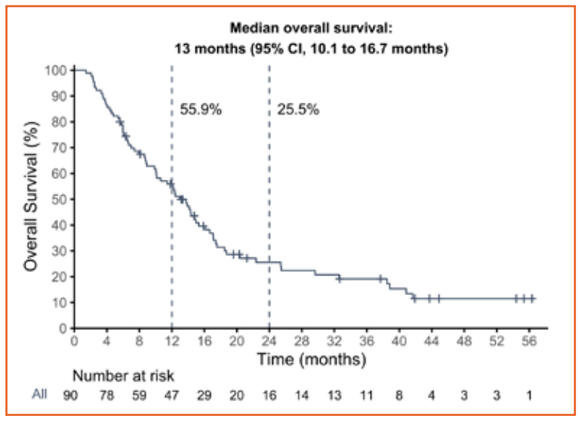
Through the use of bemcentinib, we hypothesize that its potent inhibition of AXL will provide improved response to immune checkpoint inhibition and delay/decrease of chemotherapy resistance in this highly immuno-suppressed patient phenotype.

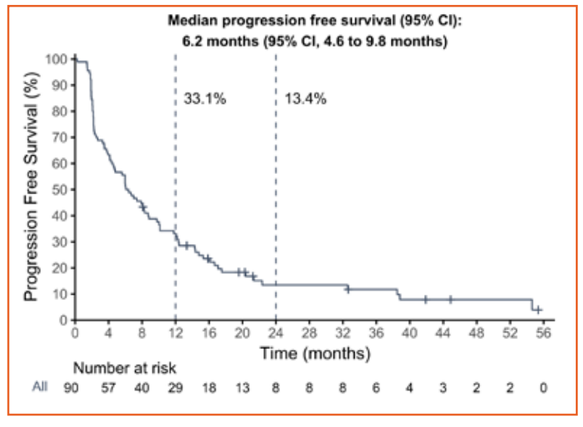


Indication Highlight – 1L STK11m NSCLC continued

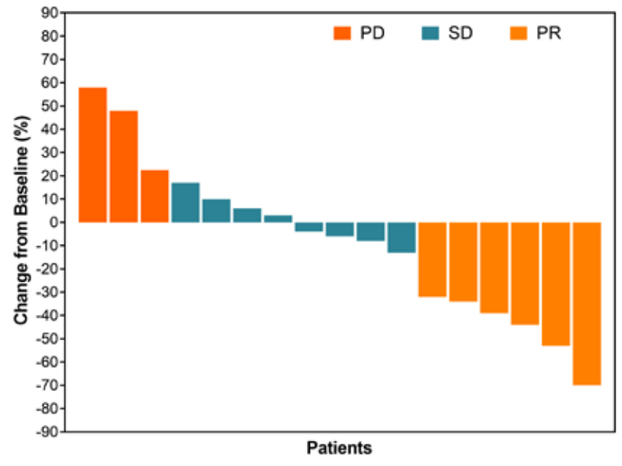
BGB's Clinical Strategy in NSCLC

In 2022, the company completed a Ph2 trial (BGBC008) of bemcentinib in combination with the immune checkpoint inhibitor pembrolizumab (KEYTRUDA®) in 2L NSCLC patients. Post the Annual reporting period, the Company announced on February 16, 2023, positive topline data from this study as shown below. The company believes that this data represent clinically meaningful outcome when compared to what is achievable with existing therapies.





In addition, a Ph1b Investigator Sponsored Trial (BGBIL005) has been completed studying bemcentinib in combination with the chemotherapy docetaxel. Again bemcentinib provided significantly improved median overall survival in comparison with historical survival achieved with docetaxel treatment alone in this patient population.



	BCBIL005
	Bemcentinib + Docetaxel
ORR	35%
PFS, mos	3.1
mOS, mos	12.3

While both studies resulted in encouraging signs of efficacy with acceptable tolerability, BerGenBio has decided to prioritize 1L NSCLC STK11m as its next step in clinical development of bemcentinib. due to the expected high level of AXL activation and unmet medical needs in this indication. Additionally, the data from the BGBC008 and BGBIL005 studies warrants further development of bemcentinib in 2L NSCLC. The Company initiated a Ph1b/2a study in 2022 to study the safety and efficacy of bemcentinib in combination with an anti-PD1 antibody and chemotherapy. The company believes that bemcentinib's unique mechanism of action works synergistically with immunotherapies (such as anti-PD1/PDL1 mAbs) to increase a cancer's ability to be recognized and targeted by the immune system, while reducing its immunosuppressive effects. In late 2021, the US FDA awarded a Fast Track designation for the use of bemcentinib in 1L STK11m NSCLC patients.

Indication Highlight – Severe Respiratory Illnesses

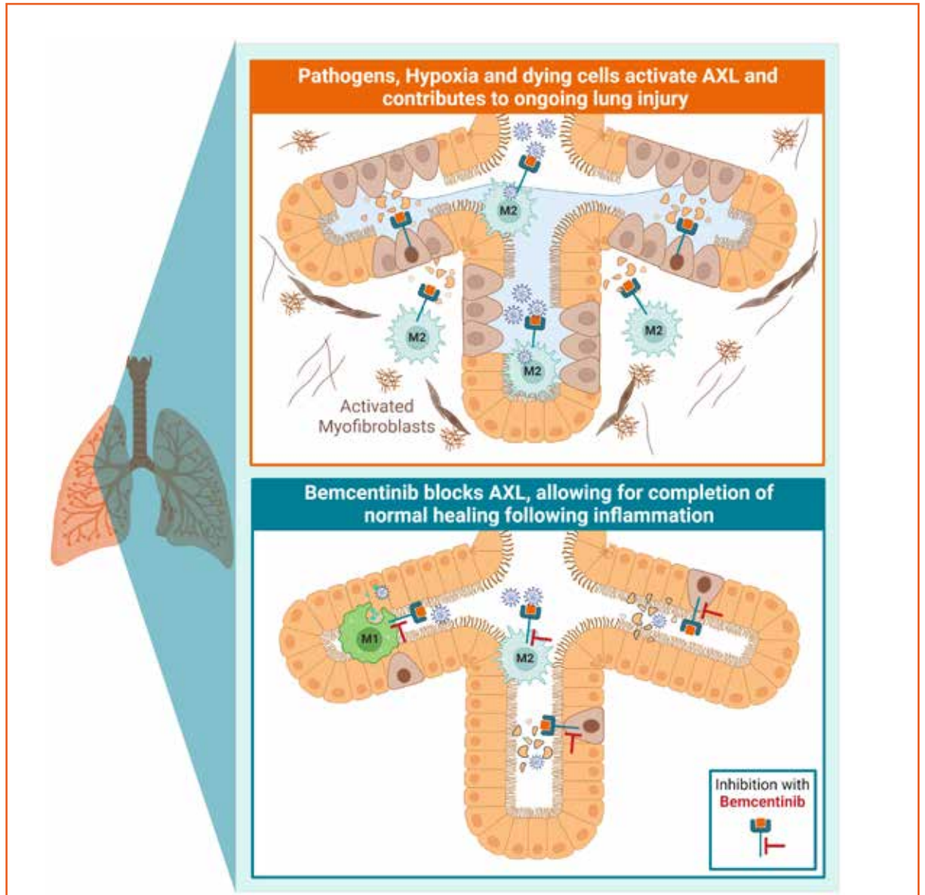
The COVID-19 pandemic provides a first step to validate bemcentinib in severe respiratory infections

Severe respiratory infections: COVID-19 and beyond

The Opportunity

2022 continued to see the evolution of the COVID-19 pandemic with the emergence of new variants and the relaxation of protections to avoid infection spread. Governments around the world continue to emphasize the need for vaccination and new therapeutics against severe respiratory illnesses. The last year has shown that in spite of vaccination efforts, a large cohort of individuals remain vulnerable to morbidity and mortality, particularly in those with pre-existing conditions and those who are immuno-compromised. In spite of the overwhelmingly large number of product candidates studied in COVID-19 patients, the majority appear to have failed in clinical trials and very few products have received Emergency Use Authorizations or full approvals in the US and EU. Thus, there remains a high unmet need for effective therapeutics for patients hospitalized with COVID-19.

The Company believes the mechanisms of action of bemcentinib in treating COVID-19 patients are directly applicable to other severe respiratory diseases including Respiratory Syncytial Virus (RSV) and influenza, both of which result in significant morbidity and mortality and are poorly treated once the infections become established in the lung. The illustration to the right describes the three distinct mechanisms of action that AXL plays in promoting severe respiratory infections:



Indication Highlight – Severe Respiratory Illnesses continued

Unique Role of AXL in Hospitalized COVID-19 Patients

Independent scientific evidence published in 2021 and 2022 by academic groups indicate that AXL plays a unique role in the promotion of SARS-CoV-2 infection. In addition to external validation, the Company's two completed hospitalized COVID-19 studies demonstrate clinical response and biomarker improvement consistent with reduced inflammatory response.

Clinical Strategy in COVID/Severe Respiratory Infections

Two completed studies of bemcentinib in combination with standard of care therapies (BGBC019 and BGBIL020) in hospitalized COVID-19 patients indicate improvement in in key endpoints relating to delayed progression of respiratory disease. These studies, which form the basis of our continued development strategy, demonstrated improvements in mortality, days of hospitalization and delay of progression. Based on these data, bemcentinib has been accepted into the EU funded EU-SolidAct Ph2b trial in hospitalized COVID-19 patients. The EU SolidAct trial – European DisCoVeRy for Solidarity: An Adaptive Pandemic and Emerging Infection Platform Trial – is part of EU-RESPONSE, a pan-European research project involved with the rapid and coordinated investigation of medications to treat COVID-19. Under the trial, bemcentinib will be studied in up to 500 hospitalized COVID-19 patients. In support of the trial, BerGenBio is providing bemcentinib drug supplies and incremental funding of costs related to the bemcentinib sub-protocol.

Patient treatment with bemcentinib under the EU-SolidAct protocol was initiated in H2 2022. In early 2023, the Company announced that it was monitoring changes in the COVID-19 pandemic that may affect trial execution. An update on the study will be provided later in H1 2023.

Environmental, Social and Governance

Environment, Social and Governance (ESG) is a key focus area for BerGenBio, and the following pages contain a summary of the key policies, initiatives and impacts related to ESG

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Introduction

For us to reach our ESG-related ambitions, we consider good governance to be of the utmost importance. Over the last two years we have taken significant steps and have raised ESG even higher on our agenda in 2022. We use the term ESG to describe our commitments as a responsible corporate citizen, and we fully support the United Nations' Sustainable Development Goals (SDGs) and Agenda 2030.

While we have gathered the central ESG-related information in this section of the report, we also refer to other parts of the report where the issues in question are explained and presented in more detail. Governance related topics are presented first before we turn to the social and environmental aspects on the following pages. In addition, we have included a table of key ESG-related indicators, combined with an index referring to the most relevant ESG-related information at the end of the annual report.

ESG at BerGenBio

We started the journey to strengthen our sustainability management in 2020, and since then these efforts have been continued and broadened, as we show in this report. Our prioritization of ESG is also reflected in our strategy and our values.

Cancer remains one of the most pressing healthcare challenges, accounting for the second most common cause of death globally. Our vision is to improve and save lives and thereby generate a positive impact for patients, society and shareholders through our work in discovering and developing novel medicines to treat aggressive diseases, including advanced, treatment-resistant cancers. ESG is therefore important to us, as it is the foundation of our activities and directly linked to our long-term success.

The CEO has the overall responsibility for ESG at BerGenBio and our ESG commitment is overseen by the Board of Directors. Our governance structure is elaborated upon in the Corporate Governance report of the annual report.

In the first phase of developing BerGenBio's sustainability strategy, we identified a set of ESG topics related to our activities and our value chain that are material for us and our stakeholders.

We have identified a set of ESG topics related to our activities and our value chain that is material for us and our stakeholders. Next, we will proceed to develop our ESG ambitions and KPIs and we will integrate these with our strategy and governance, including setting strategic ESG targets and incorporating additional metrics. We have now established a foundation which will grow with us to ensure our sustainable value-creation as our Company further develops.

Progress and status on actions and initiatives mentioned in our 2021 report:

- Our updated Code of Conduct was implemented in March 2023.
- In 2022 we completed implementation of a supplier self-assessment questionnaire based on the pharmaceutical sector standard (Pharmaceutical Supply Chain Initiative, PSCI) in our supplier management system. This questionnaire is being used as part of the selection process for new vendors as well as mapping of existing vendors.
- A whistleblower policy with independent third-party reporting channel was implemented in 2022. This provides a confidential and transparent way for staff to communicate any behavior that may involve wrongdoing, give rise to illegal activity, or contravene BerGenBio's governance standards, and cases can more easily be escalated to the right attention level within the Company.
- Action has been taken to comply with the Norwegian Transparency Act.

The Sustainable Development Goals

We are committed to building our business in line with international best practice on Environmental, Social and Governance, in particular Agenda 2030 and the Sustainable Development Goals, as formulated by the United Nations and launched in 2015.

Our vision is to develop innovative drugs for aggressive diseases, and a key focus goal for BerGenBio is consequently to innovate (SDG 9) to enable SDG 3 – healthy lives and promote wellbeing for all at all ages. While this is our end goal, we are working systematically at contributing to this goal by our efforts to enable goals 8, 12 and 17. We believe that our positive contribution to Agenda 2030 and the SDGs will be largest if we manage to be a role model for responsible production (SDG 12) – an actor working in partnerships with others (SDG 12 and SDG 17) in order to promote innovation (SDG 9), economic growth and decent work (SDG 8).

Key goals for BerGenBio

Environmental, Social and Governance continued

SDG 9 and 3

Innovation, research and development are at the center of our business. Our dedicated team and collaborators focus on gaining a thorough understanding of cellular mechanisms, therapy resistance, disease-specific attributes and clinical evidence through rigorous research with state-of-the-art technologies. Our approach to innovation and results are elaborated under the Innovation and economic performance heading of this ESG report as well as in the strategic report.

As a biopharmaceutical company aiming to provide drugs for some of our society's greatest health issues, our foundation is built on delivering innovation for improved health and well-being in line with SDG 3. The future impact of our drug candidates is potentially great, and we make efforts to also ensure that our drugs will be available for all, and we adhere to international agreements.

The safety and wellbeing of our patients is imperative for our drug candidates to deliver on BerGenBio's vision and will become even more important when we get to a commercialization phase of our Company's drug development. We embed drug-safety considerations throughout the drug development lifecycle. Our research from pre-clinical studies is evaluated and discussed with experts and regulators prior to proceeding to the clinical trial phase. Clinical trials are essential to ascertain the efficacy, safety and effectiveness of drug candidates and it is crucial that they are conducted in accordance with our high standards and regulatory requirements.

We examine the potential outcome of our trials to ensure patients are subjected to testing only when suitable. The primary consideration of all our clinical trials is to ensure the safety and effectiveness of our medicines. We conduct detailed studies on the safety profiles of our drug candidates throughout the trial and testing phase. Adverse effects and risks linked to drug candidates are recorded and reported to regulatory authorities (aligned with regulations) on a periodic basis. It is also of paramount importance to us to ensure the personal information of our patients and no claims of any data breaches were received in 2022.

SDG 8, 12 and 17

While BerGenBio is a clinical trial stage company with moderate drug manufacturing activity, we have still chosen to focus on SDG 12 and our role in supporting responsible production and consumption. Key efforts in this regard relate to our emphasis on promoting sustainability in our supply chain through our dialog and contracts with our partners and suppliers. You can read more about our efforts related to responsible sourcing under the Responsible Sourcing heading of this ESG report, and we have also initiated additional actions related to the Norwegian Transparency Act that was implemented in 2022. The new requirements related to performing due diligence, and working on fundamental human rights and decent working conditions is in line with our efforts to be a responsible actor, focusing on a responsible supply chain.

Through our work we are also contributing to SDG 8 – decent work and economic growth, SDG 9 – industry, innovation and infrastructure, and SDG 17 – partnerships for the goals. Decent work relates to the aforementioned efforts to secure human rights and decent working conditions. BerGenBio contributes economically to society through our investments in research and development, and our sound economic performance sets the foundation for our future contribution, as we further develop our Company towards production and commercialization. Our performance is disclosed in our financial statements.

BerGenBio intends to develop its drug candidates itself and through strategic partnerships in multiple indications, and retains all strategic options for the future commercialization of its products. While the research and development strategy is designed in-house, the Company leverages its network of external contract research organizations (CROs) to execute its development strategy. BerGenBio also collaborates with academic institutions to extend research in areas of interest for the Company. This approach allows BerGenBio to react quickly and nimbly to industry changes.

SUSTAINABLE DEVELOPMENT GOALS

Environmental, Social and Governance continued

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

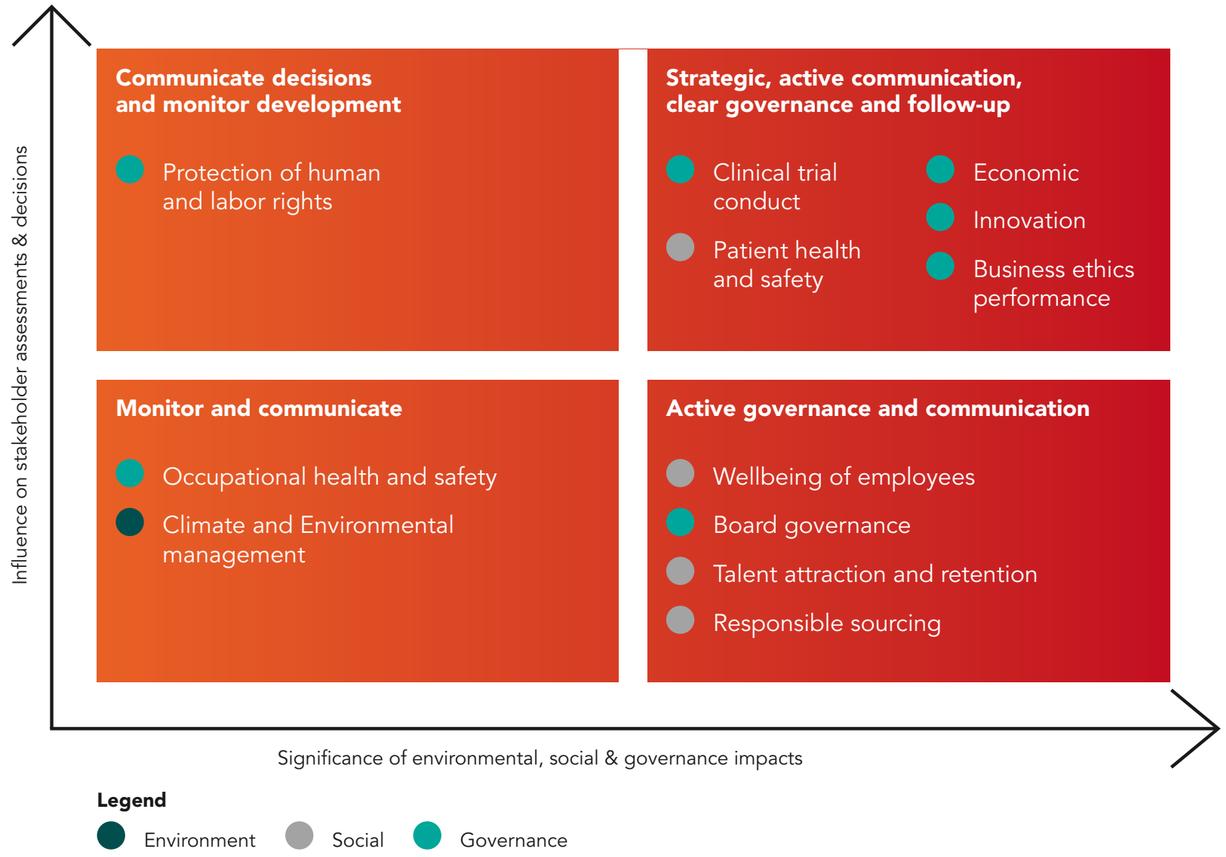
FINANCIAL STATEMENTS
50-81

Material topics

To ensure that our commitment towards sustainability results in activities that positively impact our key sustainability targets, we have performed a materiality analysis. This analysis involved mapping our value chain, as well as reviewing industry standards, organizations, and peers. More importantly, it has led us to engage with key stakeholders and consulted ESG experts, to gain insight into which topics are most important to them, as well as their expectations of us. These key stakeholders include: our patients and their families, our employees, investors, regulators, suppliers, and other business partners such as research organizations and academic institutions.

This resulted in a mapping of the ESG topics that are deemed as important for our long-term sustained value creation. The matrix to the right provides an overview of these topics, arranged according to the significance of their ESG impacts, and the topics' influence on stakeholder assessments and decisions.

The topics in the top right corner are those which are of most strategic importance to BerGenBio and these are given detailed descriptions in this report. A reference index of the reporting is provided on page 78 for ease of location.



Environmental, Social and Governance continued

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Governance

Business ethics

To ensure that patients, research and development partners, employees, shareholders and other stakeholders feel confident about our commitment to operate in accordance with responsible, ethical and sound corporate and business principles, the Comapny has established a set of ethical guidelines that are presented in its Code of Conduct policy.

The newly implemented Code of Conduct, replacing the CSR policy, has been strengthened by including additional topics such as conflicts of interest, marketing practices and fair competition, data privacy and integrity, supplier conduct and a patient first approach.

The Code of Conduct reflects our commitment to sustainability and the guidelines provide a framework for what the Company considers responsible conduct, and defines the individual responsibilities of all employees and Board members through a combination of broad principles and specific requirements.

The Code of Conduct has been distributed to all employees, managers and Board members and is available on the Company's website.

BerGenBio takes a zero-tolerance stance towards corruption, money laundering and insider trading. All employees are encouraged to report any breaches of the Company's regulation. No incidents were reported in 2022.

Board governance

For BerGenBio it is important that the Board reflects the diversity of their Company's stakeholders to be more aware of their needs. This will enable the Board to assist the Company in making robust strategic decisions, in addition to controlling risks and ensuring legal compliance. Furthermore, this enables us to be well-positioned to deliver long-term value for shareholders and stakeholders. Our Board consists of five non-executive members of which two are women. All of the members are independent. The members of the Board reflect different nationalities and a breadth of competencies, including health, medicine, pharmacy, research, finance and ESG.

Further information is provided in Section 8: Board of Directors and Independence, which can be found in the Corporate Governance report.

Clinical trials

BerGenBio ensures strict conformity with international, regional and local regulatory requirements in all our sponsored studies. All our clinical studies comply with the principles elucidated in the Declaration of Helsinki, the International Council for Harmonization of Technical Requirements for Pharmaceuticals for Human Use, including Good Clinical Practice guidelines E6 (R2) and International Ethical Guidelines for Health-related Research Involving Humans. In 2022, we had no critical inspection findings from any of our regulators and no monetary claims were received.

We make periodic disclosures of clinical trial data in line with EFPIA-PhRMA Principles for Responsible Clinical Trial Data Sharing. We share information on the outcomes of our clinical trial studies here and through EUDRaCT, ClinicalTrials.gov and other registries in accordance with international legislation. We also support academia by sharing clinical data upon request pursuant to relevant regulations and protocols.

Patient health and safety

As discussed in relation to SDG 3, the safety and wellbeing of our patients is imperative for our drug candidates to deliver on BerGenBio's vision and will become even more important when we get to the production and commercialization phase of our Company development. We embed drug-safety considerations throughout the drug development lifecycle. Our research from the pre-clinical studies are evaluated and discussed with experts and regulators, prior to proceeding to the clinical trial phase. We examine the potential outcome of our trials to ensure patients are subjected to testing only when suitable. The primary consideration of all our clinical trials is to ensure the safety and effectiveness of our medicines. We conduct detailed studies on the safety profiles of our drug candidates throughout the trial and testing phase. Adverse effects and risks linked to drug candidates are recorded and reported to regulatory authorities (aligned with regulations) on a periodic basis. It is also of paramount importance to us to ensure the personal information of our patients, and no claims of any breaches were received in 2022.

Environmental, Social and Governance continued

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Responsible sourcing

We rely on third parties for clinical studies (Contract Research Organizations), supply of medicinal products, office supplies and housekeeping services. We currently have 11 key suppliers. We consider engaging with the right vendors and suppliers as critical, and therefore seek to only partner with third parties who share our values of business ethics, social and environmental consciousness.

We strengthened our responsible supply-chain management by developing a s supplier self-assessment questionnaire. The questionnaire is based on a recognized pharmaceutical sector standard (Pharmaceutical Supply Chain Initiative, PSCI) and has been implemented into our existing supplier management system. In 2022 we started to establish routines for meeting the new Transparency Act, which entails routines for due diligence with a focus on risks of human rights violations in our value chain. This is also discussed in the next section.

Our Chief Operating Officer is responsible for procurement and supply chain management-linked activities, oversees effective implementation of management systems and our vendor selection and management process to evaluate vendors on ESG criteria. Under the process we conduct an analysis to determine our critical suppliers based on risks and opportunities linked with each vendor. Going forward, we will administer the self-assessment questionnaire to existing prioritized vendors and to potential new vendors, as part of the vendor selection process. The vendor self-assessment process will enable us to appraise our partners based on their adherence to regulatory norms as well as social and environmental standards. It will also provide insights into our vendors' practices in terms of ethics, labor management, environmental conservation and employee health and safety management. The outcome of the self-assessment exercise will guide us in engaging with them to strengthen their performance on identified improvement areas.

Protection of human and labor rights

We are committed to the protection of human and labor rights in all our operational endeavors. We recognize the universal and fundamental nature of human rights, and align all our operations with the Universal convention on Human Rights and conventions of the International Labor Organization (ILO). Our commitment to human rights protection has been emphasized in our new Code of Conduct that have been implemented in March 2023.

Whilst having robust systems to ensure the protection of human rights within our operational bounds, we also expect all our suppliers and value-chain partners to strictly comply with relevant norms on human rights protection. We have zero tolerance to child labor, forced labor, discrimination of any form and direct or indirect violation of human rights. We have established grievance redressal mechanisms to ensure timely resolutions of any breaches in this regard. We are not aware of any cases of discrimination or any other human rights breaches in our operations during 2022.

Innovation and economic performance

BerGenBio´s goal is to have a positive impact on the lives of patients with aggressive diseases, including immune-evasive, drug-resistant and metastatic cancers. Through cutting-edge technologies, partnerships and scientific expertise we seek to transform the lives of such patients. Over the years, our organization has gained a deep insight into AXL biology to bring value for patients by tailoring transformative drugs targeting AXL signaling pathways.

BerGenBio have made substantial research & development (R&D) investments to strengthen our pipeline and identify new therapeutic opportunities. Our greatest R&D assets are our scientists and collaborators, and the scientific know-how they represent. For 2022, we have one peer-reviewed publication and 12 presentations that stand as testament to our organizational knowledge-base.

Over the years, we have strategically expanded our capabilities and our sphere of impact by engaging in partnerships with industry leaders. This has made it possible for us to accelerate our innovation-linked pursuits. We have partnered with leading academic institutions, pharmaceutical companies and clinical research organizations for advancement of our R&D efforts.

Environmental, Social and Governance continued

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Social

Our approach to social sustainability is reflected in BerGenBio's relationships with people, communities, and society. Hence, activities that improve social conditions are important for us. By discovering and developing novel medicines to treat aggressive diseases, including advanced, treatment-resistant cancers, we aim to improve and save lives, which creates value for patients, society, and shareholders. Therefore, sustainability is a foundation of our activities and directly linked to our long-term success.

We also seek to maintain and improve the social conditions at both BerGenBio and in our partnering companies. Following the results of our materiality analysis, we especially focus on activities that affects the topics: diversity and inclusion, pay equality and wage level, talent attraction and retention, skills for the future, wellbeing of employees, and occupational safety.

Diversity and inclusion

We value and encourage the development of a diverse and inclusive work environment. BerGenBio promotes an open and strong corporate culture with a healthy, safe and fair work environment that enables free exchange of ideas and fosters collaboration. We are committed to being an equal-opportunity employer and to fair treatment for each of our employees throughout their tenure with BerGenBio. We strictly prohibit discrimination of any form based on gender, age, race, ethnic background and sexual orientation, among other diversity metrics.

BerGenBio recruits from environments where the number of women and men is relatively equally represented. At year-end, we employed 29 people, of which 62% are women. Three out of seven executives in the management team are women while two out of the five members of our Board of Directors are women. Our team represents 12 nationalities, and their different backgrounds enhance our ability to innovate and strengthen our work environment. Our team of highly-educated employees includes 14 colleagues with PhDs. We make provisions to cater to the diverse needs and aspirations of our employees. We also support each of our employees with their individual challenges depending on their personal circumstances.

Pay equality and wage level

BerGenBio's Remuneration Policy aims to support both the purpose and sustainability of the Company, as well as the delivery of our strategic priorities. With remuneration components aligned with the interests of shareholders and other stakeholders, BerGenBio wants to attract, motivate, and retain members of the Board of Directors and the Executive Management Team. The Remuneration Policy also intends to reward members of the Executive Management Team in line with corporate and individual performance.

Our current remuneration policies are based on the following principles: market competitiveness, "pay for performance", transparency, business alignment and consistency, and shareholder alignment.

In order to ensure the policy's market competitiveness, it is benchmarked with an appropriate peer group of companies. This is a key component in the process of reviewing our Remuneration Policy. The current Remuneration Policy was approved by the Annual General Meeting 19 March 2021 and is available at the Company's website under the Corporate Governance section. The policy was not materially changed in 2021 but updated to reflect the new formal requirements effective from 1 October 2021.

Environmental, Social and Governance continued

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Talent attraction and retention

Our employees are at the core of BerGenBio's growth story. We aim to engender an organizational culture which appeals to employees with varied talent and experience. Enabling the all-round development and growth of our employees plays a vital role in attracting and retaining promising talent. Our hiring process focuses on creating a diverse employee pool in terms of culture, educational background and skillsets, among other considerations.

In 2022 we welcomed 6 new colleagues to our team (including 1 intern), of which 83.5% were women. Currently we have two PhD students employed. All employees receive regular performance and development evaluation.

Skills for the future

Growing our employees and ensuring they are developing themselves, and providing the right skills to support BerGenBio is an important part of the annual development process for employees.

All employees have development discussions with their line managers as part of the annual review cycle to support the development and growth of each team member.

During the year our employees have attended conferences (whether in person or online) and are encouraged to discuss their continued development with their line manager and to request any appropriate training which may assist in the advancement of their skills which can be applied in their role.

We provide various training and development programs for our employees in the areas of Good Clinical Practice (GCP) and Good Manufacturing Practice (GMP), as well as a mandatory basic course in the General Data Protection Regulation (GDPR). We also encourage our employees to enroll in external accredited learning programs with relevant professional bodies such as The Organization for Professionals in Regulatory Affairs (TOPRA) and The Institute of Clinical Research (ICR). In order to support the career growth of our employees, we engage with them through periodic performance appraisals to help them reflect on their progress and set professional goals.
The appraisal process also helps in aligning an employee's career aspirations with BerGenBio's goals. We also provide long term incentives through our stock option program to support long-term association of employees with BerGenBio.

Wellbeing of employees

Employee wellbeing is important to boost workplace satisfaction and productivity levels. To ensure the wellbeing of our employees, we consider it important to focus on job satisfaction, financial security, a healthy work environment and overall engagement in organizational activities. When the global pandemic during 2020 and 2021 required continued changes in working arrangements with working from home and sustained focus on wellbeing of employees, we introduced a hybrid working model in 2022 and involved employee representatives in wellbeing and social activites for the entire team.

We periodically capture our workforce's sentiment and feedback through employee engagement surveys.
An employee engagement survey was conducted in 2021, and the feedback that we receive from our employees helped us to update our policies and design interventions to enhance employee engagement and satisfaction. We provide competitive compensation for all our employees which is commensurate with their level of experience, qualification and expertise.

We had a sick-leave of 2.3% in 2022 compared to 1.4% in 2021.

All employees can take advantage of our flexible hours and we have shower facilities to enable our employees to exercise comfortably around their working day.

Occupational health and safety

We encourage our employees to embrace a proactive approach to managing their health. We focus holistically on the physical, emotional and mental wellbeing of our employees and provide them assistance to cope with identified ailments.

All staff have access to private medical care and we have employee assistance programs which offer support with health (physical and mental) and on general topics such as advice and recommendation with finances. In response to the global pandemic we continually assessed risks to ensure a safe return to work and continued our workstation assessments to ensure our employees have safe work spaces and the right equipment to work virtually as and when required.

We believe that safe working conditions are a fundamental right of each employee. We ensure alignment of our occupational safety management systems with globally recognized standards and guidelines. Our laboratory safety management systems conform to the requirements of ISO 15190:2003 and OSHA 3404 laboratory safety guidelines.
A systematic protocol is in place to record and investigate any untoward incidents. In 2022, no occupational safety-linked incident occurred at any of our facilities.

Environmental, Social and Governance continued

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Environmental

BerGenBio has a relatively low environmental impact at the current stage of the Company. Nevertheless, we take our impact seriously and have taken measures to start measuring our impact in order to properly manage environmental risks as we grow.

Greenhouse gas emissions (GHG)

We recognize the importance of corporate engagement in environmental conservation and climate action. Our approach to carbon management currently focuses on tracking our energy consumption and corresponding emissions.

As we are currently not engaged in any commercial supply manufacturing activities, our direct environmental footprint stems primarily from the resources consumed in our office spaces. In addition, we also account for the footprint arising out of our indirect business activities such as employee travels. We are conscious of the impact of waste that we generate, specifically bio-hazardous waste and managing this risk is is an important aspect of our chain management. Currently we do not measure the environmental footprint of these activities conducted by third parties. We are also cognizant of the impact of pharmaceuticals in the environment and are developing systems to manage this risk. Furthermore, we consider it imperative to have stringent systems and initiatives in place to address our future needs in terms of safe and responsible waste management.

In 2021 we started mapping our GHG-emissions to develop baselines for setting emission targets. We consider this a first but crucial step for understanding our carbon footprint and for identifying appropriate actions for reducing this footprint. Our emissions are reported according to the Greenhouse Gas Protocol's standard for carbon accounting, which categorizes emissions in three categories called Scopes. Scope 1 represents direct emissions, Scope 2 covers indirect emissions from purchased energy, and Scope 3 includes indirect emissions from upstream and downstream activities.

Our total emissions in 2022 was 54,63 tons CO_2e (2021: 17,54 tons CO_2e). The results of our initial mapping of direct and indirect emissions confirm that business travel is where we have our largest impact, representing 90% (2021: 66%) of our total emissions. Travel activities have been heavily reduced during the COVID-19 pandemic. In order to secure the development of our projects, some level of travel is required externally and between our Norway and UK offices. We will, in general continue to conduct digital meetings when possible, to limit travel.

	2022		2021	
Source	**tCO_2e**	**Share of emissions**	**tCO_2e**	**Share of emissions**
Scope 2				
Total electricity and heat	**5,64**	**10%**	**5,89**	**34%**
Scope 3				
Total flights	**49,00**	**90%**	**11,65**	**66%**
Total	**54,63**	**100%**	**17,54**	**100%**

BerGenBio does not own or lease any vehicles and no other fossil fuels or greenhouse gases are consumed in our direct business activities, hence no Scope 1 emission sources are reported. Within our offices in Norway and the UK, use of electricity and district heating represent 10% (34%) of our total emissions. The scope 3 numbers recorded in 2021 were significant affected by travel restriction caused by the pandemic and therefore represent an historic low.

We acknowledge that a large part of the emissions within our business are found in Scope 3. In 2023, we take further steps to identify the most relevant sources to develop our carbon account. A first step in this work will be to initiate conversations with our suppliers in order to collect data on our indirect emissions generated by our impact on activities represented by our partners' operations.

ESG actions for 2023

In 2023 we will seek to improve our sustainability performance and enhance our ESG reputation with stakeholders by continuing our work to:

1) integrate ESG into our business strategy,

2) implement a waste minimization plan to identify opportunities to reduce waste from our operations that will take into account where in our value chain we generate waste, types of waste and how waste is handled, and

3) complete the work to align our business with the Norwegian Transparency Act and report as required.

Governance Report

Contents

Board of Directors

ANDERS TULLGREN

Independent Chair

Anders Tullgren has over 35 years of global experience in both large pharmaceutical and small/mid-size biotech environments, with senior leadership roles in the United States, Germany, France, the United Kingdom and the Nordic region. He spent over 20 years at Bristol Myers Squibb, most recently as President Intercontinental Region. Anders has in his career worked with several oncology products and was leading the successful launch of BMS immunooncology portfolio in the intercontinental region. Mr Tullgren is an experienced Non-Executive Director with several international Board and Chair positions. He holds an MSc in Pharmaceutical Studies from Uppsala University (Sweden) and a Diploma in Marketing & Business Administration from MIS (Sweden).

Mr. Tullgren joined the Board of Directors on 6 January 2022 as Chairman. He is a Swedish citizen and resides in Portugal. He attended 16 Board meetings in 2022.

SVEINUNG HOLE

Non-Executive Director

Sveinung Hole holds a number of Board positions amongst others at Sarsia investment funds, ICON Capital VII, Scale Leap Capital and Prophylix Pharma AS. He also headed the Health & Care21 Strategy Council appointed by the Norwegian Minister of Health (2019–2021). Formerly he was the CEO of Trond Mohn Foundation and Stiftelsen Kristian Gerhard Jebsen, CEO of Sarsia Seed AS, Board Member of Norwegian Venture Capital Association and Bergen Hospital Trust (Helse Bergen). Hole has also held various top management positions in the Nordic and US. Hole holds a Master of International Management from BI Norwegian Business School.

Mr. Hole joined the Board of Directors on 1 September 2010 and served as Chairman from 13 March 2019 to 6 January 2022. He is a Norwegian citizen and resides in Norway. He attended 17 Board meetings in 2022.

DR DEBRA BARKER

Independent Non-Executive Director

Debra Barker is a seasoned clinical development executive with experience from Novartis, Roche, Smithkline Beecham and Knoll and served until recently as the Chief Medical and Development Officer at Polyphor Ltd. Dr Barker has a Diploma in Pharmaceutical Medicine and received a MSc in immunology from King's College in London and a medical degree from Queens College, Cambridge.

Dr Barker joined the Board of Directors on 13 March 2019. She is a UK citizen and resides in Switzerland. She attended 15 Board meetings in 2022.

DR SALLY BENNETT

Independent Non-Executive Director

Dr Sally Bennett has a career spanning medicine, equity & capital markets and investment management. She brings 25 years industry experience in senior roles across the financial sector within the life science and biopharmaceutical space. She currently serves as a Senior Advisor to Catalio Capital Management, having spent 15 years as a senior member of the investment team at HealthCor. Prior to HealthCor she spent a decade in senior analyst roles at ING Financial Markets and latterly Piper Jaffray. She currently serves on the Board of several other publicly listed and private biotech companies. She is a member of the Institute of Directors (IoD) and has been awarded the CertIoD qualification. Dr Bennett received a BSc in Anatomical Sciences and a Medical Degree, awarded with Honours, both from the University of Manchester.

Dr Bennett joined the Board of Directors on 9 December 2020. She is a UK citizen and resides in the UK. She attended 17 Board meetings in 2022.

DR FRANÇOIS THOMAS

Independent Non-Executive Director

Francois Thomas has more than 25 years of experience in the life sciences sector and is currently a Operating Partner in Quadrille Capital. He was previously Venture Partner at Sofimac, responsible for management of the Inserm Transfert Initiative portfolio. Prior to this he was the CEO of Cytheris, a private biotech company, and has held management positions at Ipsen (VP Clinical Development), Genset (VP Licensing and Pharmacogenomics), led the healthcare corporate finance at Bryan Garnier and was a Venture Partner at Atlas Ventures. He has been on the Board of Directors of more than 20 biotech companies in the EU and North America, and has been involved in the development of multiple HemOnc drugs during his professional career. Dr Thomas is a French-certified medical oncologist, a former assistant professor at the Gustave Roussy Institute, and received an MSc in cancer biology and an MBA in management from Paris University and MIT (Boston), respectively.

Mr Thomas joined the Board of Directors on 9 December 2020. He is a French citizen and resides in France. He attended 17 Board meetings in 2022.

Management Team

MARTIN OLIN

Chief Executive Officer

Martin Olin joined BerGenBio as Chief Executive Officer in 2021. Mr Olin has more than 20 years of experience as an executive in the pharmaceutical and biotechnology industries. He previously served as CEO of Symphogen, a biotechnology company focused on the development of protein drugs based on recombinant monoclonal antibody mixtures, acquired by Servier in 2020. Before joining Symphogen in 2012, Mr. Olin was a senior partner with SLS Invest, a Scandinavian-based healthcare-focused private equity fund. During his career he has held managerial positions in Novo Nordisk including Finance Director, EMEA. Prior to joining BerGenBio he served as Managing Partner of Nordic Eye, a Copenhagen-based Venture Capital Firm.

NIGEL McCRACKEN MSC, PHD

Chief Scientific Officer

Dr Nigel McCracken joined BerGenBio as Chief Scientific Officer in 2021. He has more than 25 years of experience across Pharma, Biotech and CRO companies, most recently as the Chief Operating Officer, concurrently holding the position as Senior VP Discovery and Early Development, at NuCana plc. Prior to this he was an Executive Board Member and Vice President of Translational Medicine at Debiopharm International. Dr McCracken has worked in senior roles in the US and Europe, covering both preclinical and clinical development within a number of therapeutic areas such as cardiovascular, respiratory, rare disease, oncology, anti-infectives, metabolic disease, neuroscience, hamatology and GI with both small and large molecules. He has broad experience recognizing and evaluating high-quality science and also has a deep business and regulatory understanding and has spent the last eight years working primarily in oncology with a focus on developing drug candidates in the area of targeted therapy and targeted delivery. Dr McCracken has a BSc in Biochemistry and Pharmacology as well as a PhD in Biochemical Toxicology and an MSc in Clinical Pharmacology.

CRISTINA OLIVA

Chief Medical Officer

Cristina Oliva, MD, joined BerGenBio as Chief Medical Officer in 2022. Cristina brings over 20 years of senior clinical development experience across large pharmaceutical, biotechnology and Clinical Research Organizations (CROs). Most recently Cristina was Vice President, Oncology and Head of Oncology Centre of Excellence at IQVIA Ltd, where shesupported customers with their oncology development plans and established and led the IQVIA Oncology Global Scientific Advisory Board. Prior to her role at IQVIA, Cristina held senior positions leading oncology development programs for Nordic Nanovector, Takeda Pharmaceuticals, GlaxoSmithKline and Eli Lilly. Cristina is a Board-certified oncologist and has global experience in drug development in oncology and onco-haematology compounds.

RUNE SKEIE

Chief Financial Officer

Rune Skeie joined BerGenBio as Chief Financial Officer in 2018. He has over 20 years of financial management, corporate development, corporate governance and advisory experience with public and private companies across multiple industry sectors. The majority of his career was spent at EY (formerly Ernst & Young), where he held the role of Executive Director, before joining REMA Franchise Norge AS, the multinational supermarket business. Mr Skeie has been awarded as Registered Accountant and a State Authorized Public Accountant.

JAMES BARNES PHD

Chief Operating Officer

Dr James Barnes joined BerGenBio in 2019 and is now Chief Operating Officer. He has 15 years' experience across a wide range of business functions and therapeutic areas, including oncology. His early and late stage development experience, recently focused on innovative breakthrough products for rare diseases, has been gained from both pharmaceutical and consultancy roles. He has a Cellular & Molecular Biology PhD from the University of Bristol in the field of colorectal cancer and held a Postdoctoral Research position in Human Embryonic Stem Cells at the University of Sheffield.

GAYLE MILLS

Chief Business Officer

Gayle Mills joined BerGenBio as Chief Business Officer in 2021. Ms Mills has held a variety of positions at senior levels in both major pharmaceutical and biotechnology firms. Her most recent position was as Chief Business Officer at Symphogen A/S, where she executed major collaborators with Merck KGaA and Baxalta. Prior to Symphogen she was in senior business development positions at Abgenix, Inc., Roche Bioscience and Syntex USA. In addition to leading the execution and management of significant partnerships with several major pharmaceutical firms, she has been actively involved in the negotiation and execution of the acquisitions of Symphogen A/S, ROXRO Pharma and Abgenix, Inc.

Remuneration Report

The Board of Directors has cautiously applied its remuneration practices, while retaining the ability to develop the business, recruit and retain key personnel to pursue our strategic goals.

1. Chairman's letter

With this report, we are providing greater insight and transparency into the remuneration outcomes for 2022 and our Executive remuneration practices. In 2021 and 2022, the Remuneration Committee engaged external assistance to ensure our policies are compliant and that their application serves our business needs. Our remuneration policy has not materially changed but is updated and reflecting the formal requirements, such as the Shareholder Rights Directive (SRD II), as they materialize.

I joined as Chair of the Board of Directors and Remuneration Committee in January 2022 replacing Sveinung Hole who remains as Board member, member of the Remuneration Committee and the Audit Committee.

Our core focus is inhibition of AXL, which is known to play a central role in the mediation of aggressive diseases. Our strategic priorities are diseases in which the scientific rationale, pre-clinical and clinical data confers a clear rationale for advancing our two highly selective AXL inhibitors, bemcentinib and tilvestamab, towards potential treatment modalities addressing unmet medical needs.

In May 2022 the Company announced a focused strategy where the following activities and indications will be prioritized:

- 1 line NSCLC STK11m (Ph1b/2a)
- Severe respiratory infections including COVID-19 (Ph2)

This also included a rightsizing of the organization.

The Board of Directors has cautiously applied its remuneration practices, while retaining the ability to develop the business, recruit and retain key personnel to pursue our strategic goals.

This statement regarding remuneration of the management of BerGenBio ASA has been adopted by the Board of Directors of BerGenBio ASA pursuant to section 6–16a of the Norwegian Public Limited Companies Act.

Anders Tullgren
Chairman of the Remuneration Committee
28 April 2023

Remuneration Report CONTINUED

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

2. Introduction

2.1 Remuneration policy and objectives

The remuneration principles for the Board and Executive Management are governed by our Remuneration Policy, which has been adopted at the Annual General Meeting held on 19 March 2021. The Remuneration Policy is available in the Corporate Governance section at www.bergenbio.com.

The objective of the remuneration principles for the Board and Executive Management are to;

- Support the purpose and sustainability of BerGenBio;
- Align the remuneration components with the interests of our stakeholders;
- Support delivery of BerGenBio's strategic priorities;
- Attract, motivate and retain members of the Board of Directors and the Executive Management Team of the appropriate calibre, given the size and complexity of the business; and
- Reward members of the Executive Management Team in line with corporate and individual performance.

This Remuneration Report discloses all the Group's remuneration of members of the Board of Directors of BerGenBio ASA ("the Company"), inclusive of remuneration received from the subsidiary BerGenBio Limited, and of the Executive Management of BerGenBio in 2022.

The disclosures are primarily derived from the audited financial statements, which are available at www.bergenbio.com in the Investor/Financial report section. The Remuneration Report has been compiled in accordance with section 6–16a of the Norwegian Public Limited Companies Act and to align with the amended Shareholder Rights Directive.

2.2 Nomination and Remuneration Committees

The Board has established both a Nomination Committee and a Remuneration Committee to assist the Board with all matters related to establishing, implementing, and executing the principles set out in the Remuneration Policy.

The Nomination Committee of BerGenBio ASA consist of three members: Hans Peter Bøhn (Chairman), Ann-Tove Kongsnes and Shantrez Miller Gillebo. The Nomination Committee shall recommend candidates for the election of member and Chairman to the Board of Directors; and remuneration for the Board of Directors. The Nomination Committee issues a report to the Annual General Meeting on the work of the Nomination Committee and the recommendation of remuneration of the Board of Directors and Committees.

The objective is to act as a preparatory and advisory body in relation to the Company's remuneration of Executive Management. The Remuneration Committee shall review the remuneration and benefits strategy, review the performance and prepare matters relating to other material employment issues in respect of the Executive Management, including STI and LTI principles.

In 2022, the Remuneration Committee held six meetings and consisted of three members: Andes Tullgren (Chairman), Sveinung Hole and Debra Barker.

The Remuneration Committee reviews the approach to remuneration based on the following principles:

Principles	Summary
Market competitive remuneration	BerGenBio offers market-competitive remuneration opportunities to attract, retain, and motivate the talent needed to achieve BerGenBio's vision, business strategy and other Company objectives. BerGenBio shall balance the need to provide competitive levels of reward against a desire to be cost effective when determining reasonable and responsible reward outcomes.
Pay for performance	A proportion of the remuneration package, the short-term incentive program, is performance based to link remuneration outcomes with the achievement of key financial and non-financial targets that are aligned with BerGenBio's strategy. Each element of remuneration is weighted to ensure continuous and further positive development of BerGenBio.
Transparency	Remuneration programs are designed and communicated in a manner that reinforces the link between vision, business objectives and culture.
Business alignment and consistency	Remuneration decisions are made to ensure local practices are aligned and consistent with BerGenBio´s principles and policies. The remuneration practices will remain flexible enough to evolve as BerGenBio's business priorities change.
Shareholder and strategic alignment	The remuneration programs will align the interests of all employees in driving value creation for shareholders. BerGenBio's strategy is focused on developing novel medicines for aggressive diseases. To sustain BerGenBio's position as a world leader in this field, BerGenBio's strategy hinges upon actionable strategic priorities. Each of these strategic priorities consists of several themes where BerGenBio has defined specific financial and non-financial goals and related actions to execute over time.

Remuneration Report CONTINUED

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

3. Overall Company financial performance in 2022

In 2022 BerGenBio sharpened its strategy to focus on NSCLC STK11m and severe respiratory infections including COVID-19 for its lead compound bemcentinib. In addition the Company has continued and completed clinical trials of bemcentinib in 2L NSCLC and AML, and tilvestamab in Ovarian cancer. BerGenBio's EBIT in 2022 was a loss of NOK 306 million against a loss of NOK 314 million in 2021. Revenue stood at NOK 0.4 million (2021: NOK 0.8 million). Revenue in 2022 and 2021 is refund of patent-cost from a license agreement with ADCT.

4. Remuneration of the Board of Directors

The Nomination Committee, as defined in the Corporate Governance section of BerGenBio's website, reviews Board fees at least annually. Fees are evaluated relative to Nordic and UK companies of comparable size and complexity to BerGenBio. The work of the Board of Directors and committees are covered in section 8 and 9 in the Corporate Governance Report in the Annual Report.

The Nomination Committee prepares recommendations for remuneration of the Board of Directors. The recommendations are put before shareholders for approval before they come into effect. The Board of Directors' remuneration is approved by the shareholders as a separate item on the agenda at the Annual General Meeting.

The Chairman and each member of the Board of Directors receives a fixed annual fee. The Chairman or Board members who participate in the Audit Committee, Remuneration Committee or Clinical Committee receive separate compensation for this.

As relevant, Board members not domiciled in Norway are also entitled to compensation for travelling time within business hours to and from Board meetings.

Additional fees or benefits may be provided to reflect, for example, accommodation, office, transport and other business-related expenses incurred while carrying out their role.

Board members are not eligible to participate in any incentive arrangements operated by BerGenBio.

The remuneration of Board members is not linked to the Company's performance and does not contain option elements.

4.1 Remuneration of individual members of the Board of Directors in 2022

Table 4.1 Remuneration of individual members of the Board of Directors in 2022

in '1,000 NOK		Committee fees					
Name	Position 2022	Base Board fee	Audit Committee	Remuneration Committee	Clinical Committee	Other benefits[1]	Total fees
Anders Tullgren[2]	Chair of the board, Chair of Remuneration Committee and member of Audit Committee	650	27	45		393	1,115
Sveinung Hole[3]	Non-executive member of the Board of Directors, member of Remuneration Committee and member of Audit Committee	294	27	24			345
Stener Kvinnsland[4]	Non-executive member of the Board of Directors and member of the Clinical Committee to 6 January 2022	21			3		24
Debra Barker	Non-executive member of the Board of Directors, member of Remuneration Committee and member of Clinical Committee	272		24	32	21	353
Sally Bennett[5]	Non-executive member of the Board of Directors, Chair of the Audit Committee and member of the Clinical Committee	272	51	2	32	21	378
Francois Thomas[6]	Non-executive member of the Board of Directors, Chair of Clinical committee and member of the Audit Committee	272	2		62	13	349
Total remuneration		**1,781**	**107**	**95**	**129**	**452**	**2,564**

1) Other benefits include compensation for traveling hours related to board meetings and one-off bonus for the new Chair of the Board representing the after tax value of 25,000 shares in BerGenBio.
2) Anders Tullgren was elected to the Chair of the Board 6 January 2022 and as Chair of Remuneration Committee and member of the Board of Directors from the same time.
3) Sveinung Hole has as of 6 January 2022 changed his position to non-executive member of the Board of Directors, member of the Remuneration Committee and member of Audit Committee.
4) Stener Kvinnsland has as of 6 January 2022 resigned his position as member of the Board of Directors and member of the Clinical Committee.
5) Sally Bennett has as of 6 January 2022 resigned as a member of the Remuneration Committee and joined as member of the Clinical Committee.
6) Francois Thomas has as of 6 January 2022 resigned as a member of the Audit Committee.

Remuneration Report CONTINUED

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

4.2 Board of Directors shareholdings

The table illustrates shares purchased and sold by Board members in 2022.

Table 4.2 Board of Directors shareholdings

Name	Shares at 1 January 2022	Additions during the year	Sold during the year	Shares at 31 December 2022
Anders Tullgren[1)]	25,000	25,000		50,000
Sveinung Hole	107,394			107,394
Stener Kvinnsland[2)]	104,444			N/A 2)
Debra Barker				
Sally Bennett				
Francois Thomas				
Total	**236,838**	**25,000**		**157,394**

1) Anders Tullgren was elected as Chairman of the Board of Directors as of 6 January 2022. At time of election, he held 25,000 shares in BerGenBio and an additional 25,000 shares was purchased in 2022 as part of his one-time bonus on his appointment as Chairman of the Board.

2) Stener Kvinnsland resigned from the position as Non-executive director of the Board 6 January 2022 and shareholding after his resignation is not included.

5. Remuneration of the Executive Management

Remuneration for the CEO is proposed by the Remuneration Committee and subsequently approved by the Board of Directors annually, in line with the policy. Remuneration for other members of the Executive Management is proposed by the CEO to the Remuneration Committee for their approval in line with the policy.

The remuneration arrangements for the BerGenBio Executive Management comprise the following elements:

Remuneration	Description
Base salary	Enables BerGenBio to attract, engage and retain talent needed to drive long-term value creation. It is an annual market-consistent remuneration that is fixed based on skills, performance, experience, scope of work and responsibility, taking into consideration the rate of pay rise for executives and other employees.
Short-term incentive (STI)	Enables BerGenBio to incentivize delivery of its short-term objectives and ensure a clear link with value creation. Performance measures and targets are normally set annually by the Board of Directors. The Board sets the individual objectives of the CEO and the overall objectives for the executive team. The Committee, in discussion with the CEO, reviews the level of performance achieved and the amount of STI earned by the members of the Executive Management. The Board of Directors determines pay-outs based on performance against the targets and to ensure that the outcome is fair in the context of overall performance of BerGenBio and the individual. Awards are normally paid out in cash. The target award for CEO is 50%, with a maximum award in any financial year up to 75% of base salary. For other executives the target award is 30%, with a maximum award in any financial year up to 45% of base salary.
Long-term incentive (LTI) program	Enables BerGenBio to incentivize and reward long-term value creation and align with shareholders' interest. Award of share options is not dependent on achieving specific targets; however, their values are linked to BerGenBio's share price and its development. Share options vest over three years from time of grant and expire eight years after grant.
Other benefits	Enables BerGenBio to provide market competitive and cost-effective benefits. Benefits may include, but are not limited to healthcare, life and accident insurance on customary terms, house allowance. Specific benefit provision may be subject to minor change from time to time. Additional benefits may be provided on recruitment or to support relocation.
Pension	Encourages planning for retirement and long-term saving. BerGenBio ASA has a defined contribution pension plan according to the mandatory requirements in the Norwegian Law. BerGenBio Limited has a defined contribution pension plan according to the requirements in the UK. Company-paid pension contributions are set considering the wider workforce rate and market practice in the country in which the executive resides.

Terms and conditions for indemnity for the members of the Board of Directors

BerGenBio has a Directors and Officers' liability insurance and indemnification for the members of the Board of Directors. It is the policy of BerGenBio to indemnify Directors and Officer's against claims for damages of up to NOK 100 million. In 2022, no claims were reported and BerGenBio did not indemnify its Directors and Officers against claims for damages.

5.1 Executive Management remuneration benchmark

Executive Management remuneration is evaluated annually against relevant benchmarks of Nordic general industry companies and European biotech companies, similar to BerGenBio in size, complexity, and market capitalization. After the 2020 update, the BerGenBio Comparator Peer Group consists of 19 companies from the Nordic countries (13) and the UK (6) with number of employees, revenue, R&D expense and market capitalization spanning from well below to well above the relevant metrics for BerGenBio. The peer group is used for a benchmarking of the Executive Management Team to assess the market positioning of the remuneration packages.

Remuneration Report CONTINUED

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

5.2 Remuneration of individual members of the Executive Management in 2022

Table 5.2.1 Remuneration of individual members of the Executive Management in 2022

Table 5.2.1 and 5.2.2 is presented individual in the currency the remuneration is nominated in.

in '1,000 NOK				Fixed remuneration						Variable remuneration					
Name	Joined/ Departed	Currency	Year	Base salary	Pension	Severance pay	Other benefits[1]	Total fixed remuneration	% out of total remuneration	Short-term incentive	One-off bonus[2]	Total granted fair value of share options	Total variable remuneration	% out of total remuneration	Total
Martin Olin[3] (CEO)	Joined 8 Sep 2021	GBP	2022	414	63		42	519	56%	178		229	407	44%	**926**
		GBP	2021	124	20			143	43%	60	127		186	57%	**330**
Rune Skeie[4] (CFO)		NOK	2022	1,876	192		19	2,086	73%	472		286	758	27%	**2,844**
		NOK	2021	1,896	180		14	2,090	64%	394		787	1,181	36%	**3,271**
Nigel McCracken (CSO)	Joined 1 Mar 2021	GBP	2022	227	23			249	68%	51		66	117	32%	**367**
		GBP	2021	183	18			202	86%	33			33	14%	**235**
James Barnes (COO)		GBP	2022	198	20			218	74%	51		27	78	26%	**296**
		GBP	2021	178	18			196	63%	35		79	113	37%	**309**
Cristina Oliva (CMO)	Joined 25 April 2022	GBP	2022	189	19			207	69%	47		48	95	31%	**303**
		GBP	2021												**0**
Other Executives[5]		NOK	2022	458	94	588		1,140	100%				0	0%	**1,140**
		NOK	2021	7,239	531	5,145	434	13,350	68%	1,479		4,948	6,427	32%	**19,776**

1) Other benefits include housing allowance, insurances, expenses to mobile, internet, newspapers, and other business-related expenses.
2) Martin Olin received a sign-on bonus of NOK 1.500k (GBP 127k) in 2021.
3) Martin Olin has been remunerated as CEO from 8 September 2021.
4) Rune Skeie has been interim CEO in the period 22 August to 8 September 2021. Compensation included in base salary in 2021.
5) Other Executives are: (2022) Alison Messom. (2021) Richard Godfrey, Alison Messom, Hani Gabra, Gro Gausdal and Endre Kjarland.

Remuneration Report CONTINUED

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Table 5.2.2 Remuneration of individual members of the Executive Management engaged as contractors

in '1,000			Remuneration
Name	**Joined/ Resigned**	**Year**	**Invoiced fee**
Gayle Mills[1] (CBO)	Joined 8 Oct 2021	2022	346 (USD)
		2021	63 (USD)
Gwyn Thomas[2] (Interim Head of Clinical Development)	Left 30 April 2022	2022	99 (GBP)
	Joined 28 Jun 2021	2021	111 (GBP)
Debbie Molyneux[2] (CPO)		2022	227 (GBP)
		2021	203 (GBP)

1) Gayle Mills has joined the Executive Management from 8 October 2021. Gayle Mills is contracted through a consultancy agreement with a fixed monthly fee and eligible for an incentive fee on partnering deals.
2) Debbie Molyneux is and Gwyn Thomas was contracted through individual consultancy agreements.

5.3 Short-term incentive of the Executive Management in 2022

BerGenBio Executive Management participate in a short-term incentive scheme in line with the Remuneration Policy. Target STI level for CEO is 50% of base salary and 30% of base salary for all other Executives. Individual STI is dependent on performance and achievement of goals. Goals for 2022 consisted of specific development goals of bemcentinib and organization development. Overall achievement of corporate goals for 2022 ended on 75% with an average individual performance achievement between 100% and 113%.

Short-term incentive for Executive Management for 2022 amounted in total NOK 4.3 million.

Category	Measures	Overall achievements 2022
Financials	• Secure additional capital to fund activities beyond 2022	
Development of bemcentinib	• Initiate clinical studies in COVID-19 Ph2b, NSCLC STK11m Ph1b/2a and Human ADME. • Conduct formulation and manufacturing activities to support further development.	
Organization development	• Organization design to support strategy. • Financial strategy. • Pursue relevant partnership and licence opportunities. • Corporate compliance and inspection readiness.	
Total		**75%**

5.4 Long-term incentive (LTI) programme

To promote and achieve long-term goals and strategies for BerGenBio, as well as sustainability, and thereby contribute to BerGenBio´s development and growth, incentive remuneration in the form of share option is offered to the Executive Management and the wider team.

Share options normally vest over three years by one third per annum. The maximum award in respect of a financial year is 100% of annual base salary for the CEO and 50% for all other executives calculated according to the Black-Scholes model. Options are awarded at an exercise price identical to the fair value of the shares at the time of the initial grant, which is to be determined when the initial grant is made. In addition to the exercise price, the participant shall pay to the Company an amount that covers any payroll tax payable as a result of exercising the options. Individual share option awards are determined by considering the overall performance, potential, competitiveness of the employment terms, position responsibility, need for retention, and the overall long-term organization need. Exercise is not subject to performance measures, but the value of the options will be measured based on development in share price. Vested share options can be exercised partly or fully at four specified points per year in connection with the release of financial results. In addition, the Board of Directors may allow exercise at other suitable times during the year.

Remuneration Report CONTINUED

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Table 5.4 Long-term incentive (LTI) program

Name	Program	Grant date	Earliest vesting date	Exercise price	No. of share options Beginning of the year	No. of share options granted	No. of share options cancelled	No. of share options exercised	No. of share options end of the year	Fair value of share options at grant (1'000 NOK)[3]
Martin Olin (CEO)[1]	2022	23.11.2022	08.09.2022	7.59	0	950,000			950,000	2,714
Rune Skeie (CFO)	2022	23.11.2022	23.11.2023	7.59		100,000			100,000	286
	2021	06.05.2021	06.05.2022	28.55	54,340				54,340	787
	2020	08.04.2020	08.04.2021	15.00	146,667				146,667	1,100
	2019	17.04.2019	17.04.2020	25.00	52,000				52,000	650
	2018	31.10.2018	31.10.2019	28.50	20,000				20,000	285
	2018	22.05.2018	22.05.2019	46.70	24,090				24,090	563
James Barnes (COO)	2022	23.11.2022	23.11.2023	7.59		110,000			110,000	314
	2021	06.05.2021	06.05.2022	28.55	64,122				64,122	929
	2020	08.04.2020	08.04.2021	15.00	178,000				178,000	1,335
	2019	17.04.2019	17.04.2020	25.00	59,400				59,400	743
Nigel McCracken (CSO)[2]	2022	23.11.2022	01.03.2022	7.59	0	275,000			275,000	786
Cristina Oliva (CMO)	2022	23.11.2022	25.04.2023	7.59	0	200,000			200,000	571
Other executives[3]	2022									
	2021	06.05.2021	06.05.2022	28.55	61,068		(61,268)			885
	2020	08.04.2020	08.04.2021	15.00	383,778		(316,001)	(67,777)	146,667	5,470
	2019	17.04.2019	17.04.2020	25.00	157,867		(157,867)		52,000	2,960
	2018	31.10.2018	31.10.2019	28.50	33,333		(33,333)		20,000	713
	2018	22.05.2018	22.05.2019	46.70	122,484		(122,484)		24,090	2,860
	2016	19.12.2016	19.12.2017	24.00	100,000		(100,000)			
	2015	22.05.2015	22.05.2016	16.01	137,500			(137,500)		

1) Fair value of total share options at grant date is based on Black Scholes fair value calculation (from 2021 program).
2) 2022 grant includes initial grant from 2021.
3) Other Executives are Richard Godfrey, Alison Messom and Hani Gabra.

Remuneration Report CONTINUED

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

5.5 Executive Management Shareholdings

Shares purchased and sold by Executive members in 2022.

Table 5.5 Executive Management shareholdings

Name	Shares at 1 January 2022	Additions during the year	Sold during the year	Reclassification	Shares at 31 December 2022
Martin Olin (CEO)	0	37,100			37,100
Total shares	**0**	**37,100**			**37,100**

6. Terms of termination and termination benefits

BerGenBio does not apply a standard notice policy. The normal notice period for the Executive Management Team is three months by the executive or the Company. The CEO has a notice period of six months by the CEO and six months by the Company. If the CEO's employment is terminated without cause by the Company, the CEO is entitled to receive a severance payment equal to 12 months remuneration excluding short term incentive. If the CEO's contract is terminated within 18 months of a change of control (or change of ownership), the CEO will be compensated with 18 months' remuneration.

Severance payments for executives will normally be made up of salary, benefits, pension contributions and short term incentive (where eligible) and would reflect the notice period of the contract. The Board of Directors reserves the right to make any other payments in connection with a member of the Executive Management stepping down/ceasing employment where the payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation) or by way of settlement of any claim arising in connection with the individual stepping down/ceasing employment. Any termination payments, including payment during the notice period, may not exceed a total value of the equivalent to 12 months' remuneration. This maximum severance amount includes all components of remuneration, both fixed and variable elements.

7. Comparison of remuneration and financial performance figures

BerGenBio will build up five years of comparative figures for the annual change in remuneration, in Company performance, and in average remuneration based on full-time equivalents ("FTEs") of employees other than Executive Management members. 2021 was the first year of reporting and BerGenBio has chosen to only include relevant comparative figures from 2020.

Table 7.1 Comparison of total remuneration and financial performance figures

Executive Management total remuneration include base salary, pension, other remuneration, short-term incentive and total calculated fair value of granted options. Table 7.1 is presented in NOK. NOK/GBP average exchange rates used for conversion are: 2022: 11.85, 2021: 11.83 and 2020: 12.05.

In '1,000 NOK	2022	Change, %	2021	Change, %	2020
Executive Management – remuneration					
Martin Olin[1)]	10,974	181.5%	3,898		0
Rune Skeie	2,844	-13.0%	3,271	2.5%	3,190
Nigel McCracken[2)]	4,343	56.5%	2,775		0
James Barnes	3,502	-4.1%	3,653	-10.3%	4,071
Cristina Oliva[3)]	3,586		0		0
Other employed executives[4)]	1,140	-94.2%	17,776	-22.4%	25,475
Board of Directors – remuneration					
Anders Tullgren[5)]	1,115		0		0
Sveinung Hole	345	-31.9	506	7.7%	470
Sally Bennet[6)]	378	20.2	315	1,201.6%	24
Debra Barker	353	10.3	320	26.4%	253
François Thomas[7)]	349	-4.7	366	1,251.5%	27
Stener Kvinnsland, to 6 January 2022	24	-91.6	285	22.8%	232

The calculation of average fixed and variable remuneration is very sensitive to the relatively low number of FTEs involved and is further impacted due to a significant change of FTEs during 2022 as part of the announced focused strategy in May 2022 compared to 2021 and 2020. Average increase of fixed remuneration from 2021 to 2022 was 4% on Group level.

1) Martin Olin joined as CEO from 8 September 2021.
2) Nigel McCracken joined as CSO from 1 March 2021.
3) Cristina Oliva joined as CMO 25 April 2022.
4) Other executives includes 2022: Alison Messom. 2021 and 2020: Richard Godfrey, James B. Lorens, Alison Messom, Hani Gabra, Gro Gausdal and Endre Kjærland.
5) Anders Tullgren joined as Chairman of the Board of Directors from 6 January 2022.
6) Sally Bennett joined as member of Board of Directors from 9 December 2020.
7) Francois Thomas joined as member of Board of Directors from 9 December 2020.

Remuneration Report CONTINUED

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

	2022	Change, %	2021	Change, %	2020
Financial performance figures					
Employees – average remuneration based on FTE:					
Number of FTE's (excl. Executive Management) – Group	31.3	-15.8%	37.2	47.1%	25.3
Average total remuneration for Group employees (1'000 NOK)[1) 10)]	1,258	-8.3%	1,371	25.9%	1,089
Average fixed remuneration for Group employees (1'000 NOK)[2)]	1,074	10.5%	972	12.9%	861
Average variable remuneration for Group employees (1'000 NOK)[3)]	184	-53.9%	399	75.2%	228
Number of FTE's (excl. Executive Management) – Parent	12.0	-2.9%	12.4	15.9%	10.7
Average total remuneration for parent company employees (1'000 NOK)[8) 10)]	1,094	-4.2%	1,142	40.2%	815
Average fixed remuneration for parent company employees (1'000 NOK)[9)]	956	23.5%	774	8.1%	716
Average variable remuneration for parent company employees (1'000 NOK)[10)]	138	-62.4%	368	271.6%	99
Group financial results:					
Revenue of BerGenBio ('1.000 NOK)	389	-49.7%	774	28.8%	601
Research & Development (R&D) costs ('1.000 NOK)	252,600]	-0.4%	253,700	22.6%	206,857

1) Average total remuneration for Group employees and Parent Company employees is calculated as total remuneration (salary, pension and short-term incentive for all employees (excluding Executive Management) including fair value of granted options divided by total FTEs (excluding Executive Management).
2) Average fixed remuneration for Group employees and Parent Company employees is calculated as fixed remuneration (salary and pension for all employees (excluding Executive Management) excluding short-term incentive and fair value of granted options divided by total FTEs (excluding Executive Management).
3) Variable remuneration include introduction of STI and LTI scheme for additional employees from 2021.

8. Compliance with the remuneration policy

The remuneration of members of the Board of Directors and Executive Management for 2022 is consistent with the scope of the Remuneration Policy. There has been no deviation or derogation from the framework provided by the Remuneration Policy.

9. Statement by the Board of Directors

The Board of Directors has today considered and approved the Remuneration Report of BerGenBio for the financial year 1 January to 31 December 2022.

The Remuneration Report is presented in accordance with section 6–16a of the Norwegian Public Limited Companies Act.

In our opinion, the Remuneration Report is in accordance with the Company's Remuneration Policy, which has been adopted at the Company's Annual General Meeting, and is free of material misstatement, whether due to fraud or error.

We recommend the Remuneration Report for advisory vote at the Company's Annual General Meeting.

Bergen, 28 April 2023

Board of Directors

Anders Tullgren
Chairman

Dr. François Thomas
Non-Executive Director

Sveinung Hole
Non-Executive Director

Dr. Sally Bennett
Non-Executive Director

Dr. Debra Barker
Non-Executive Director

Remuneration Report CONTINUED

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Statsautoriserte revisorer
Ernst & Young AS

Thormøhlens gate 53 D, 5006 Bergen
Postboks 6163, 5892 Bergen

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

www.ey.no
Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON REMUNERATION REPORT

To the General Meeting of BerGenBio ASA

Opinion

We have performed an assurance engagement to obtain reasonable assurance that BerGenBio ASA's report on salary and other remuneration to directors (the remuneration report) for the financial year ended 31 December 2022 has been prepared in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

In our opinion, the remuneration report has been prepared, in all material respects, in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

Board of directors' responsibilities

The board of directors is responsible for the preparation of the remuneration report and that it contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and for such internal control as the board of directors determines is necessary for the preparation of a remuneration report that is free from material misstatements, whether due to fraud or error.

Our independence and quality control

We are independent of the company in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. Our firm applies International Standard on Quality Control 1 (ISQC 1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibilities

Our responsibility is to express an opinion on whether the remuneration report contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and that the information in the remuneration report is free from material misstatements. We conducted our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information".

We obtained an understanding of the remuneration policy approved by the general meeting. Our procedures included obtaining an understanding of the internal control relevant to the preparation of the remuneration report in order to design 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. Further we performed procedures to ensure completeness and accuracy of the information provided in the remuneration report, including whether it contains the information required by the law and accompanying regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Bergen, 28 April 2023
ERNST & YOUNG AS

Truls Nesslin
State Authorised Public Accountant (Norway)

Corporate Governance Report

1. Corporate Governance in BerGenBio

BerGenBio considers good corporate governance to be a prerequisite for value creation and trustworthiness, and for access to capital. In order to secure strong and sustainable corporate governance, it is important that BerGenBio ensures good and healthy business practices, reliable financial reporting and an environment of compliance with legislation and regulations.

BerGenBio is incorporated and registered in Norway and is subject to Norwegian law. The Company's shares are listed on Oslo Stock Exchange (Oslo Børs) under the ticker BGBIO, and thus subject to the requirement to prepare an annual statement of its principles and practices for corporate governance. The Company endorses the Norwegian Code of Practice for Corporate Governance, issued by the Norwegian Corporate Governance Board (the "Code"). Compliance with the Code is based on the "comply or explain" principle, which means that the Company must either comply with the individual items in the Code or explain why they have chosen an alternative solution.

Implementation and reporting of corporate governance

BerGenBio has governance documents setting out principles for how business should be conducted. References to more specific policies are included in this corporate governance report where relevant. The BerGenBio governance regime is approved by the Board of Directors in the Company.

BerGenBio believes good corporate governance involves openness and trustful cooperation between the Company and all its stakeholders. By practicing good corporate governance, the Company's Board of Directors and management will contribute to achieving the Company's objectives of openness, independence, equal treatment, and control and management.

The following sections provide a discussion of the Company's corporate governance in relation to each section of the Code.

According to the Company's own evaluation, the Company deviates from the Code on the following points:

- Formulation of Company takeover policy (section 14)
- Formulation of guidelines for use of the auditor for services other than auditing (section 15).

Values and ethical policies

The Company's main values and ethical principles form the basis for the Code of Conduct. The Code of Conduct is distributed to all employees, management and Board members, and published on the Company's website.

The Company's Code of Conduct rules set forth the basic principles for business practices and personal behavior for BerGenBio and apply to all employees, as well as persons/entities related to the Company, including hired consultants acting on behalf of the Group. They comprise the Company's main principles on issues such as human and labor rights, health and safety, business ethics, legal compliance, insider trading, whistleblowing and other relevant issues related to the Company's operations.

Material breaches of the ethical guidelines may result in termination of employment/engagements.

2. Business

BerGenBio is a clinical-stage biopharmaceutical Company focused on developing novel medicines for aggressive diseases, including advanced, treatment-resistant cancers.

The Company's operations comply with the business objective set forth in its articles of associations section 3:

"The company's objective is to undertake research and development in biotechnology with a focus on new pharmaceutical therapeutics".

The Company has developed clear goals and strategies which are further described in the Annual Report for 2022.

3. Equity and Dividends

Capital adequacy

BerGenBio's total equity as of 31 December 2022 was NOK 88.5 million, corresponding to an equity ratio of 53.1%. The Company cash position as of 31 December 2022 was NOK 150.8 million. In addition, the Company secured a shareholder loan facility of up to NOK 100 million from Meteva AS in October 2022. The facility is available from Q2 2023 and up to the earlier of 31 March 2024 and completion of an equity issue. In April 2023 the Company announced an equity funding, a partly guaranteed and underwritten right issue, with a minimum proceed of NOK 175 million. The equity issue is subject to AGM approval and publication of an approved prospectus. The cash position in combination with expected proceeds from the equity funding will fund the planned activities to end of Q2 2024 on a going concern basis. The Board of Directors considers this to be an adequate level, relative to the risk and scope of operations based on the Company's internal estimated capital requirements.

Corporate Governance Report CONTINUED

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Dividend policy

BerGenBio has not developed any dividend policy. The Company is focusing on the development of novel pharmaceutical products and does not anticipate paying any cash dividend until sustainable profitability is achieved. The Company has not previously distributed any dividends to its shareholders.

Authorizations to the Board of Directors

At the Company's Annual General Meeting, on 28 April 2022, the Board of Directors was granted the following authorization:

- Authorization to increase the Company's share capital by up to NOK 886,605 in connection with its existing share option scheme. The authorization is effective until the earlier of the AGM in 2022 and 30 June 2023.
- Authorization to increase the Company share capital by up to NOK 1,773,210 by subscription of new shares, which constitute approximately 20% of the Company´s outstanding shares. The purpose of the authorization is to permit the issue of new shares to strengthen the Company equity and to increase the liquidity and/or to broaden the Company's shareholder base. The authorization is effective until the earliest of the AGM in 2022 and 30 June 2023.

For supplementary information on the authorizations, reference is made to the minutes of the Annual General Meeting held on 28 April 2022, available from the Company's website.

4. Equal treatment of shareholders and transactions with close associates

BerGenBio has only one class of shares. Each share in the Company carries one vote, and all shares carry equal rights, including the right to participate in General Meetings. All shareholders shall be treated on an equal basis, unless there is just cause for treating them differently.

Share issues without preferential rights for existing shareholders

In the event of a share capital increase through the issue of new shares, a decision to waive the existing shareholders' preferential rights to subscribe for shares shall be justified. Where the Board of Directors resolves to issue shares, and waive the preferential rights of existing shareholders pursuant to an authorization granted to the Board of Directors by the general meeting, the justification will be publicly disclosed in a stock exchange announcement issued in connection with the shares issuance. There were no such transactions in 2022.

Transactions in treasury shares

Any transactions in treasury shares shall be carried out through Oslo Stock Exchange, and in any case to prevailing stock exchange prices. In the event that there is limited liquidity in the Company's shares, the Company will consider other ways to cater for equal treatment of shareholders. There were no such transactions in 2022.

Approval of agreements with shareholders and close associates

For transactions that are considered to be not immaterial between the Company and its closely related parties, the Board of Directors will arrange for an independent third-party valuation. Members of the Board of Directors and executive personnel are required to notify the Board of Directors when such members have any significant, direct or indirect, interest in a transaction carried out by the Company. There were no such transactions in 2022.

In October 2022 the Company secured a shareholder loan facility agreement with Meteva AS, holding 27% of the shares in the Company. The contribution from the Company are comittment fee of 1.5% on any undrawn amount and interest of 6% of any drawn amount. The maximum contribution from the Company, consisting of commitment fee and interest, are below the threshold in the Norwegian Public Limited Liability Companies Act section 3-10 which require approval by the General Meeting. The Company also consider the terms in the loan agreement to be favorable compared to alternative similar financing solutions.

5. Freely Negotiable Shares

The shares of the Company are freely negotiable, and the Company's articles of association do not place any restrictions on the negotiability of shares.

Corporate Governance Report CONTINUED

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

6. General Meetings

The General Meeting is open to all shareholders, and BerGenBio encourages all shareholders to participate and exercise their rights in connection with the Company's General Meetings. The right to participate and vote at the general meeting can only be exercised for shares registered in the shareholders' register by the fifth business day prior to the day of the General Meeting.

Notice of a General Meeting and any supporting documents, including the recommendation by the Nomination Committee and other information on the resolutions to be considered, shall be made available on the Company's website no later than 21 days prior to the date of the General Meeting. In accordance with the Company's articles of association, documents that are to be considered by the General Meeting are not required to be sent to the shareholders if they have been made available on the Company's website. The deadline for registration will be set as close to the meeting as possible, and all the necessary registration information will be described in the notice.

Shareholders unable to attend may vote by proxy. Whenever possible, the Company will prepare a proxy form that will allow separate votes for the items that are to be considered in the General Meeting.

The agenda for the Annual General Meeting is stipulated by the articles of association, and the main topics to be considered include the approval of the annual accounts and the Directors' report, including distribution of dividend, and remuneration of leading personnel.

If the Board Chairman is the chair for the General Meeting and there is disagreement on individual items for which the Board Chairman belongs to one of the factions, or is not regarded as being impartial for other reasons, another chairperson will be appointed to ensure impartiality regarding the items to be considered.

The Board Chairman and the CEO will be present at General Meetings, together with representatives of the Board. Representatives of the Nomination Committee, the Remuneration Committee and the Audit Committee, as well as the auditor, should be present at General Meetings where matters of relevance for such committees/persons are on the agenda.

Minutes from the General Meetings will be published in accordance with the stock exchange regulations and made available on the Company's website.

In 2022, BerGenBio held its Annual General Meeting on 28 April 2022.

7. Nomination Committee

The Nomination Committee of BerGenBio consists of three members, elected pursuant to section 9 of the Company's Articles of Association.

The Nomination Committee is responsible for recommending candidates for the election of members and Chairman of the Board of Directors, candidates for the election of members and Chairman of the Nomination Committee, and remuneration of the Board of Directors, Board subcommittees and the Nomination Committee.

The objectives, responsibilities and functions of the Committee are further described in the "Instructions for the Nomination Committee", which were adopted by the General Meeting at the AGM in 2017. The instructions are available from the Company's website.

The current Nomination Committee consists of:

- Hans Peter Bøhn (Chair) – elected at the Annual General Meeting 22 March 2017
- Ann-Tove Kongsnes – elected at the Annual General Meeting 19 June 2014
- Shantrez Miller Gillebo – elected at the Extraordinary General Meeting 9 December 2020

All members are elected with a term until the Annual General Meeting in 2023. All members are considered independent of the Company's Board of Directors and Executive Management.

All shareholders are entitled to nominate candidates to the Board, and contact information for proposing candidates can be found on the Company's website.

Corporate Governance Report CONTINUED

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

8. Board of Directors; Composition and Independence

Pursuant to the articles of association section 5, the Company's Board of Directors shall consist of three to seven members. As of 31 December 2022, the Board of Directors consisted of five members, of which two are women:

- Anders Tullgren (Chair) – elected at the Extraordinary General Meeting (EGM) 6 January 2022 and re-elected at the AGM in 2022 up to the AGM in 2024
- Sveinung Hole – elected at the Annual General Meeting (AGM) in 2010 and re-elected annually, last time at the AGM on 28 April 2022 up to the AGM in 2024
- Debra Barker – elected at the Annual General Meeting on 13 March 2019 and re-elected up to the Annual General Meeting in 2023
- Sally Bennett – elected at the Extraordinary General Meeting on 9 December 2020 and re-elected up to the Annual General Meeting in 2023
- Francois Thomas – elected at the Extraordinary General Meeting on 9 December 2020 and re-elected up to the Annual General Meeting in 2023

In an Extraordinary General Meeting 6 January 2022, Anders Tullgren was elected as Chairman of the Board, Sveinung Hole was reconfirmed as Board member and Stener Kvinnsland resigned from the Board. He has continued in a senior advisory position.

The composition of the Board of Directors is in compliance with the independence requirements of the Norwegian Code of Practice for Corporate Governance, (the "Corporate Governance Code"), meaning that (i) the majority of the shareholder-elected Board Members are independent of the Company's Executive Management and material business contacts, (ii) at least two of the shareholder-elected Board Members are independent of the Company's main shareholders (shareholders holding more than 10% of the shares in the Company), and (iii) no members of the Company's Management serve on the Board of Directors. Furthermore, pursuant to the Norwegian Public Limited Companies Act, if the Board of Directors of a Norwegian Public Limited Liability Company consists of four to five members, then each gender shall be represented by at least two members.

All board members are independent of the Company's significant business relations and large shareholders (shareholders holding more than 10% of the shares in the Company) and of the Management.

Board members are not part of the share option program in the Company but are encouraged to own shares in BerGenBio. The following shares are held by the Board as of 31 December 2022:

Name	Position	Considered independent	Served since	Term expires	Board meeting attendance 2022	Shares
Anders Tullgren	Chair	Yes	06.01.2022	AGM 2024	16	50,000
Sveinung Hole	Board member	Yes	01.09.2010	AGM 2024	17	107,394[1)]
Debra Barker	Board member	Yes	13.03.2019	AGM 2023	15	0
Sally Bennett	Board member	Yes	09.12.2020	AGM 2023	17	0
Francois Thomas	Board member	Yes	09.12.2020	AGM 2023	17	0

1) Sveinung Hole holds 104,444 shares in the Company through Svev AS, a wholly-owned company of Sveinung Hole, and 2,950 shares directly.

Corporate Governance Report CONTINUED

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

9. The work of the Board of Directors

The Board of Directors is responsible for the management of the Company, including the appointment of the Chief Executive Officer (CEO), convening and preparing for General Meetings and supervising the daily management and the activities of the Company in general.

The Board of Directors has implemented instructions for the Board and the Executive Management, with focus on allocation of internal responsibilities and duties. The objectives, responsibilities and functions of the Board of Directors and the CEO are in compliance with rules and standards applicable to the Company and are described in the Company's "Instructions for the Board of Directors" and "Instructions for the CEO".

The Board of Directors will produce an annual schedule for its work, with particular focus on objectives, strategy and implementation. The CEO is responsible for keeping the Board of Directors informed and provides regular reports to the Board of Directors about the Company's activities, position and financial and operational developments. During 2022, the Board of Directors held 17 meetings.

The Board of Directors' consideration of material matters in which the Chairman of the Board is, or has been, personally involved, shall be chaired by another member of the Board.

The Board of Directors shall annually evaluate its performance and expertise in the previous year. The evaluation is made available to the Nomination Committee.

Audit Committee

The Board of Directors established an Audit Committee on 28 February 2017, which is a sub committee of the Board of Directors. Its main duties are to assess the Company's financial reporting and internal control, monitor statutory audit and report outcome of the audit to the Board of Directors. The Audit Committee also supports the Board in the administration and exercise of its responsibility for supervision in accordance with applicable rules and legislations. From 2021 pre-approval of non-audit services delivered by the independent auditor is required from the Audit Committee. The Company's Audit Committee is governed by the Norwegian Public Limited Liability Companies Act and a separate instruction adopted by the Board of Directors. The Audit Committee has held five meetings in 2022, and met with the Auditor, EY, separately without the Executive Management present.

The members of the Audit Committee are elected by and amongst the members of the Board of Directors for a term of up to two years. The current members of the Audit Committee are:

- Sally Bennett (Chair)
- Sveinung Hole
- Anders Tullgren, from 6 January 2022

Francois Thomas served as Audit Committee member up to 6 January 2022.

Clinical Committee

The Board of Directors established a Clinical Committee in December 2020 as a preparatory and advisory committee for the Board of Directors, to address questions relating to clinical development and trials.

The members of the Clinical Committee are elected by and amongst the members of the Board of Directors. The current members of the Clinical Committee are;

- Francois Thomas (Chair)
- Debra Barker
- Sally Bennett (from 6 January 2022)

Stener Kvinnsland served as Clinical Committee member up to 6 January 2022.

Remuneration Committee

The Board of Directors has established a Remuneration Committee as a preparatory and advisory committee for the Board of Directors, to address questions relating to remuneration of the Company's Executive Management.

The duties are described in the Company's "Instructions for the Remuneration Committee". The main duties include the responsibility to review the remuneration and benefits strategy of the members of the Executive Management; review the performance of the Executive Management vs. the adopted objectives and recruitment policies, career planning and management development plans; and prepare matters related to other material employment issues in respect of the Executive Management. The Remuneration Committee meets as often as deemed necessary. In 2022 the committee held six meetings.

The members of the Remuneration Committee are elected by and amongst the members of the Board of Directors for a term of up to two years and shall be independent of the Company's Executive Management. The current members of the Remuneration Committee are:

- Anders Tullgren (Chair), from 6 January 2022
- Sveinung Hole, Chair up to 6 January 2022
- Debra Barker

Sally Bennett served as Remuneration Committee member up to 6 January 2022.

Corporate Governance Report CONTINUED

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

10. Risk Management and Internal Control

The Board of Directors of BerGenBio are responsible for ensuring that the Company has sound and appropriate risk management and internal control systems in accordance with the regulations that apply to its business activities.

The Company has implemented a comprehensive set of relevant corporate manuals and procedures, which provide detailed descriptions of procedures covering all aspects of managing its operations, including the development of clinical data and financial performance. The procedures and manuals are continuously revised to reflect best practice derived from experience or adopted through regulations.

The Board of Directors receives reports from the management on developments and results related to strategy, finance, KPIs, risk management, clinical studies, challenges and plans for the coming periods. In addition, quarterly and annual reports are prepared in accordance with the listing requirements and recommendations of Oslo Børs, and they are reviewed by the Audit Committee prior to the Board's approval and subsequent publication.

BerGenBio prepares its financial accounts in accordance with the international accounting standard IFRS, which aims to provide a true and fair overview of the Company's assets, financial obligations, financial position and operating profit. For information on the Company's financial risk and risk management, reference is made to the Board of Directors' report and Note 20 in the 2022 annual report.

11. Remuneration of the Board of Directors

The remuneration of the Board of Directors is determined by the shareholders at the Annual General Meeting of the Company based on the proposal from the Nomination Committee. Guidelines are set out in the Remuneration policy approved by the AGM 19 March 2021. The level of the remuneration is based on remuneration of Board members for comparable companies and reflects the Board of Directors'responsibility, expertise, the complexity of the Company, as well as time spent and the level of activity in both the Board of Directors and any Board Committees.

The remuneration of Board members is not linked to the Company's performance and does not contain option elements. Board members who participate in the Audit Committee, Remuneration Committee or Clinical Committee receive separate compensation for this.

Detailed information on the remuneration of the Board of Directors can be found in the Remuneration Report for 2022.

Members of the Board of Directors, or companies with which they are associated, should not engage in specific assignments for the Company in addition to their appointment as members of the Board, but if they do, this shall be fully disclosed to the Board of Directors. The remuneration for such additional duties will be approved by the Board of Directors and specifically identified in the annual report.

12. Remuneration of Executive Management Team

The Remuneration Policy sets out the main principles for remuneration of BerGenBio's Executive Management Team, and was approved by the AGM on 19 March 2021.

The overall objectives of the Remuneration Policy are to:

- Support the purpose and sustainability of the Company
- Align the remuneration components with the interests of shareholders and other stakeholders relevant to the above
- Support delivery of BerGenBio's strategic priorities
- Attract, motivate, and retain members of the Board of Directors and the Executive Management Team of the appropriate caliber given the size and complexity of the business; and
- Reward members of the Executive Management Team in line with corporate and individual performance

Detailed information on the remuneration of the Executive Management Team can be found in the Remuneration Report for 2022.

Corporate Governance Report CONTINUED

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

13. Information and Communications

BerGenBio complies with Oslo Børs' Code of Practice for IR. The Board of Directors has adopted an investor relations (IR) policy, to clarify roles and responsibilities related to financial reporting, regulate contact with shareholders and the investor market and ensure that the principles of openness and equal treatment of market participants are followed. The IR policy is available from the Company's website. In addition, the Board has adopted separate instructions for financial reporting and the handling of inside information in line with the EU's Market Abuse Regulation and the Norwegian Securities Trading Act.

The Company will each year publish a financial calendar, providing an overview of the dates for major events such as its Annual General Meeting and publication of interim financial reports and annual report. Interim reports are published on a quarterly basis, in line with Oslo Børs' recommendations. The Company will give open presentations in connection with its interim financial reporting.

All financial and other IR information is provided in English. All information is distributed to the Company's shareholders by postings on the Company's website at the same time as it is sent to Oslo Børs through its information system www.newsweb.no.

14. Take-Overs

There are no defense mechanisms against take-over bids in the Company's articles of association, nor have other measures been implemented to specifically hinder acquisitions of shares in the Company.

In the event of a take-over process, the Board of Directors and the Executive Management will ensure that the Company's shareholders are treated equally and that the Company's activities are not unnecessarily interrupted. The Board of Directors has a special responsibility in ensuring that the shareholders have sufficient information and time to assess the offer. In addition to complying with relevant legislation and regulations, the Board of Directors will seek to comply with the recommendations in the Code, including a valuation from an independent third party. On this basis, the Board of Directors will make a recommendation as to whether the shareholders should accept the bid.

The Board of Directors has not established any other written guidelines for procedures to be followed in the event of a take-over bid, as such situations normally are characterized by specific and one-off situations which makes guidelines challenging to prepare.

15. Auditor

The Company's auditor is EY and is regarded as independent in relation to BerGenBio ASA. The Audit Committee and Board of Directors receives an annual confirmation from the auditor that the requirements regarding independence and objectivity have been satisfied.

The auditor prepares an annual plan for carrying out the auditing work, which is made known to the Audit Committee.

The Audit Committee have annual meetings with the auditor to discuss the annual accounts, accounting principles, assessment of any important accounting estimates and matters of importance on which there has been disagreement between the auditor and the Company's Executive Management.
At least once per year, the auditor will present to the Audit Committee a review of the Company's internal control procedures, including identification of weaknesses and proposals for improvement. These meetings will also be held with an opportunity for a review with the auditor, without the Company's day-to-day management being present.
No separate guidelines have been prepared for use of the auditor for services other than auditing, but from 2021 pre-approval is required from the Audit Committee for non-audit services.

The Board of Directors will disclose the remuneration paid to the auditor, to the shareholders, at the Annual General Meeting, including a break-down of the fee paid for audit work and fees paid for other specific assignments, if any. The Audit Committee has reviewed the work of the auditor and recommend to the General Meeting to retain EY as the Company's auditor.

The auditor will participate at the Annual General Meeting.

Board of Directors' Report

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Strategy

BerGenBio ASA ("the Company") and its subsidiary (together "the Group") is a biopharmaceutical Company developing novel medicines for patients with severe unmet medical needs, with a focus on cancer and severe respiratory infections. The Company is a world-leader in understanding the potential applications of AXL inhibition in mediating aggressive diseases.

The Company has two key clinical assets targeting the receptor tyrosine kinase AXL. The Company's lead asset bemcentinib is currently in development in a Ph1b/2a study in 1L NSCLC and in an Investigator Led Ph2b trial in hospitalized COVID-19 patients.

In NSCLC, the Company is investigating bemcentinib as a potential combination treatment for STK11 mutated advanced/metastatic NSCLC and received FDA Fast Track designation in November 2021.

In early 2023, the Company announced positive topline Ph2 data (BGBC008) studying bemcentinib in combination with the immune checkpoint pembrolizumab in 2L NSCLC. Further encouraging data from the Investigator Led Ph1b study (BGBIL005) of bemcentinib in combination with the chemotherapy docetaxel was also reported. The Company believes both data sets provide encouraging clinical and scientific rationale which substantiate our near-term strategy of conduct of 1L STK11m NSCLC Ph1b/2a (BGB016) study of bemcentinib in combination with imune checkpoint inhibition and doublet chemotherapy.

In severe respiratory infections, our initial focus has been the study of bemcentinib in hospitalized, COVID-19 patients. In April 2022, BerGenBio announced that the ACCORD2 Ph2 trial in hospitalized COVID-19 patients met its primary efficacy endpoint. As a part of a comprehensive strategy to develop bemcentinib in multiple severe respiratory infections, bemcentinib has been entered into the Ph2B EU-SolidAct trial, a pan-European research project and will share updates as they emerge. In addition, a broad set of investigator-initiated trials are exploring the wider potential of bemcentinib in disease indications with strong scientific rationale, Key Opinion Leaders (KOL) support, and high unmet medical need with a view to developing future pipeline opportunities.

The Company has also announced that as a part of its focused strategy, it will be seeking a partner to advance development of tilvestamab (formerly BGB149), a first-in-class anti-AXL antibody.

BerGenBio's focused near-term strategy includes the following key initiatives:

- Aggressively pursue the NSCLC opportunity for patients harboring STK11 mutations through initiation of a global, open label Ph1b/2a trial
- Pursue the potential within severe respiratory infections, initially through the EU-SolidAct sponsored platform to conduct a confirmatory randomized placebo-controlled trial
- Explore the potential to out-license tilvestamab
- Secure additional pipeline opportunities for the Company's AXL inhibitors in oncology and respiratory diseases

Operational review

During 2022 the Company maintained its clinical research focus with its lead drug candidate bemcentinib, a novel, once-a-day, orally-administered, highly-selective inhibitor of AXL. Data generated through clinical trials so far have been encouraging and the Company is committed to continuing the progression of bemcentinib, alone or in partnership, into late-stage clinical trials and through to regulatory approval where data warrants.

The FDA has granted Fast Track Designation for bemcentinib for the treatment of bemcentinib in combination with an anti-PD-(L)1 agent as a treatment for patients with STK11 mutated advanced/metastatic NSCLC. The Company's focus going forward is on the clinical development of bemcentinib within NSCLC and acute respiratory diseases.

Clinical Trial Progress: NSCLC

In October 2022, the Company announced it had initiated a Ph1b/2a clinical trial of bemcentinib in combination with standard of care therapy in 1L STK11m NSCLC patients.

In 2022, BerGenBio completed its Ph2 clinical trial (BGBC008) assessing bemcentinib in combination with pembrolizumab in 2L patients with NSCLC, announcing positive topline data in early 2023.

Clinical Trial Progress: COVID-19

In response to the global pandemic that emerged in early 2020, BerGenBio began to explore bemcentinib as a potential COVID-19 treatment, based on the Company's understanding of its reported potent anti-viral activity in preclinical models against several enveloped viruses, including Ebola and Zika. Building on positive data generated in two Ph2 studies of hospitalized COVID-19 patients bemcentinib was accepted into the EU sponsored EU-SolidAct Ph2b adaptive, multi-center trial. In February 2023, the Company announced that the EUSolidAct and BerGenBio are monitoring the evolution of the COVID-19 pandemic and will provide additional updates in H1 2023.

Board of Directors' Report CONTINUED

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Progress: tilvestamab (BGB149)

Tilvestamab (BGB149) is the first functional blocking anti-AXL monoclonal antibody to enter clinical development and is BerGenBio's second clinical stage drug development program targeting AXL. The mechanism of action of tilvestamab differs from that of bemcentinib by blocking the binding AXL's ligand Gas6, preventing receptor activation and resulting in receptor internalization. Based on preclinical data generated by the Company and by academic groups, the Company believes tilvestamab has potential to treat fibrotic diseases and certain gynecological cancers. As a result of BerGenBio's focused development strategy, the Company has initiated out-licensing activities for this attractive product candidate.

Tilvestamab has been studied in two PhI studies, in healthy volunteers and more recent in an international PhI first-in-patient trial investigating tilvestamab (BGB149) to study safety, tolerability and determine a recommended Ph2 dose (RP2D) for use in subsequent clinical trials. Both studies show excellent tolerability of tilvestamab positioning the program to enter into more advanced clinical trials by a partner.

Progress: Companion Diagnostics Program

The availability of a predictive biomarker test significantly enhances the chance of regulatory success and later reimbursement, in general, and particularly for high-value oncology drugs.

The development of a Companion Diagnostics test is a strategic priority for the Company. In certain indications, such as STK11m NSCLC, the availability of a clinically validated Companion Diagnostic assay will be critical to market adoption. Extensive activities have been conducted to evaluate the most predictive biomarkers for bemcentinib development with encouraging results.

Other progress

The Company sponsored trial (BGBC003) of bemcentinib in AML and MDS has been completed in 2022 and data is expected for release in H1 2023.

The Company supports its own clinical development program with a broad portfolio of investigator sponsored clinical trials of high scientific value, commercial interest and KOL endorsement. This is considered a cost-effective strategy to explore opportunities for potential future label extension for bemcentinib.

Similarly, pre-clinical academic collaborations exploring AXL's role in driving serious diseases continue to be an important part of BerGenBio's strategy to expand the understanding of AXL biology and potential clinical applications of our selective AXL inhibitors.

Board of Directors' Report CONTINUED

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Risks and uncertainties

The Group operates in a highly competitive industry sector with many large players and may be subject to rapid and substantial technological change.

The long-term impact of the COVID-19 pandemic remains unclear. Our ability to conduct clinical trials at the expected pace is a risk factor in the evolving pandemic.

BerGenBio is currently in a development phase involving activities that entail exposure to various risks. BerGenBio's lead product candidate bemcentinib is currently in Ph2 clinical trials. This is regarded as an early stage of development and the clinical studies may not prove to be successful. Timelines for completion of clinical studies are to some extent dependent on external factors outside the control of the Group, including resource capacity at clinical trial sites, competition for patients, etc.

The financial success of BerGenBio and/or its commercial partners requires obtaining marketing authorization and achieving an acceptable reimbursement price for its drugs. There can be no guarantee that the drugs will obtain the selling prices or reimbursement rates foreseen.

BerGenBio has a liability insurance which covers Directors and Officers in the Company and subsidiaries. The insurance is limited to NOK 100,000,000 per claim and in total during the insurance period.

Financial risks

Interest rate risk

The Group holds cash and cash equivalents and does not have any borrowings. The Group's interest rate risk is therefore in the rate of return of its cash on hand. Bank deposits are exposed to market fluctuations in interest rates, which affect the financial income and the return on cash.

Exchange rate risk

The value of non-Norwegian currency denominated costs will be affected by changes in currency exchange rates or exchange control regulations. The Group undertakes various transactions in foreign currencies and is consequently exposed to fluctuations in exchange rates. The exposure arises largely from the clinical trials and research expenses. The Group is mainly exposed to fluctuations in pounds sterling (GBP), euro (EUR), and US dollar (USD). The Group are holding part of the bank deposit in GBP, EUR and USD depending on the need for such foreign exchange.

The foreign currency exposure is also mostly linked to trade payables with short payment terms. The Group might consider changing its current risk management of foreign exchange rate if it deems it appropriate.

Credit risk

Credit risk is the risk of a counterparty's default in a financial asset, liability or customer contract, giving a financial loss. The Group's receivables are generally limited to receivables from public authorities by way of government grants. The credit risk generated from financial assets in the Group is limited since it is cash deposits. The Group places its cash in bank deposits in recognized financial institutions to limit its credit risk exposure.

The Group has not suffered any loss on receivables during 2022 and the Group considers its credit risk as low.

Funding and liquidity risk

Liquidity is monitored by Group management.

The Group works continuously to ensure financial flexibility in the short and long term to achieve its strategic and operational objectives.

Funding of ongoing operations is and will be for some time depending on external sources, mainly equity contributions. Significant changes to financial market conditions, may affect the climate for investor investments and consequently the Company ability to secure adequate funding to pursue its strategy.

In April 2023 the Company announced an equity funding, a partly guaranteed and underwritten right issue, with a minimum proceed of NOK 175 million. The equity issue is subject to AGM approval and publication of an approved prospectus.

The cash position in combination with expected proceeds from the equity funding will fund the planned activities to end of Q2 2024 on a going concern basis.

Board of Directors' Report CONTINUED

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Non-financial risks

Technology risk

The Group's lead product candidate, bemcentinib (BGB324), is currently in Ph2 clinical trials. This is regarded as an early stage of development and the Group's clinical studies may not prove to be successful.

Competitive technology

The Group operates in a highly competitive industry sector with many large players and is subject to rapid and substantial technological change.

The Group is currently in a development phase involving activities that entail exposure to various risks. The Group's lead product candidate bemcentinib is currently in Ph2 clinical trials. This is regarded as an early stage of development and the clinical studies may not prove to be successful. Timelines for completion of clinical studies are to some extent dependent on external factors outside the control of the Group, including resource capacity at clinical trial sites, competition for patients, etc.

Patent and Intellectual Property IP risks

The success of the Company will highly depend on the Company's ability to obtain and maintain patent protection for its products, methods, processes and other technologies, to preserve trade secrets, to prevent third parties from infringing proprietary rights of the Company and to operate without infringing the proprietary rights of third parties.
To date, the Company holds certain exclusive patent rights in major markets. The patent rights are limited in time.
The Company cannot predict the range of protection any patents will afford against competitors and competing technologies, including whether third parties will find ways to invalidate the patents, obtain patents claiming aspects similar to those covered by the Company's patents and patent applications, and whether the Company may be subject to litigation proceedings.

Regulatory and commercial risks

The financial success of the Group requires obtaining marketing authorization and achieving an acceptable reimbursement price for its drugs. There can be no guarantee that the Group's drugs will obtain the selling prices or reimbursement rates foreseen by the Group.

The Group will need approvals from the FDA to market its products in the US, and from the European Medicines Agency (EMA) to market its products in Europe, as well as equivalent regulatory authorities in other worldwide jurisdictions to commercialize in those regions. The Group's future earnings are likely to be largely dependent on the timely marketing authorization of bemcentinib for various indications.

COVID-19

The long-term impact of the COVID-19 crisis remains unclear although no greater for BerGenBio than any other business in the sector. Our ability to conduct clinical trials at the expected pace is a risk factor in the evolving pandemic.

Financial review

(Figures in brackets = same period 2021 unless stated otherwise)

Accounting policies

The financial statements of BerGenBio Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU on 31 December 2022. Figures are for the Group and for the Parent Company BerGenBio ASA labelled ASA on the next page.

Board of Directors' Report CONTINUED

Financial results

Operating revenues

Revenue for the full year 2022 amounted to NOK 0.4 million (NOK 0.8 million) for the Group and NOK 0.9 million (NOK 1.2 million) for ASA. Revenue in 2022 and 2021 is refund of patent costs from an out-licensed agreement with ADCT.

Operating expenses

Total operating expenses for 2022 for the Group amounted to NOK 306.0 million (NOK 315.2 million), and NOK 306.2 million (NOK 317.4 million) for ASA.

Employee expenses were NOK 68.7 million (NOK 74.0 million) for the Group and NOK 22.4 million (NOK 32.3 million) for ASA. Payroll expenses decreased for the full year compared to 2022. This was mainly due to reduction in headcount in 2022, as part of organizational restructuring and focused strategy announced in May 2022, and cost related to CEO change in 2021 including severance payment to departing CEO. For the full-year 2022, other operating costs for the Group amounted to NOK 236.5 million (NOK 239.9 million), and NOK 282.9 million (NOK 283.8 million) for ASA. The decreased costs year on year reflects a combination of increased drug manufacturing activities in preparation for execution of new clinical trials and decreasing levels of clinical trials and translational activities. The change in other operating expenses are impacted by the fact that company had a significant number of patients recruited on clinical trials in 2021 where some of these studies have completed recruitment and in 2022 have been in a data read-out phase.

The Group has recognized government grants amounting to NOK 10.4 million (NOK 13.3 million) for the full-year 2022. Government grants are recognized as cost reduction in the profit and loss. Payroll expenses have been reduced by NOK 5.1 million (NOK 6.4 million) and operating expenses by NOK 5.3 million (NOK 6.9 million) as a result of these government grants. ASA has recognized government grants for a total of NOK 6.6 million (NOK 8.6 million) for the full year 2022. Payroll expenses have been reduced by NOK 1.3 million (NOK 1.7 million) and operating expenses by NOK 5.3 million (NOK 6.9 million) as a result of these government grants.

The operating loss for the Group in 2022 was NOK 305.6 million (NOK 314.5 million) and NOK 305.2 million (NOK 316.2 million) for ASA, reflecting reduced headcount, CEO change in 2021 and decreased clinical trial activities.

Net financial gain for the Group was NOK 3.5 million (gain NOK 5.1 million) and NOK 3.9 million (NOK 5.5 million) for ASA for the full-year 2022.

Losses after tax for the Group were NOK 302.1 million (NOK 309.4 million) and NOK 301.4 million (NOK 310.7 million) for ASA for the full year 2022.

Financial position

Total assets as of 31 December 2022 for the Group decreased to NOK 166.7 million (NOK 450.2 million at year-end 2021) for the Group and to NOK 156.2 million (NOK 441.0 million at year-end 2021) for ASA, mainly due to the operational loss in the period.

Total liabilities were NOK 78.2 million (NOK 65.8 million at year-end 2021) for the Group and NOK 67.0 million (NOK 57.1 million at year-end 2021) for ASA.

Total equity as of 31 December 2022 was NOK 88.5 million (NOK 384.4 million at year-end 2021) for the Group and NOK 89.2 million (NOK 383.9 million at year-end 2021) for ASA, corresponding to an equity ratio of 53.1% (85.4%) for the Group and 57.1% (87.1%) for ASA.

Cash flow

Net cash flow from operating activities was negative by NOK 288.2 million (NOK 303.3 million) for the Group and negative by NOK 292 million (NOK 311.4 million) for ASA for the full-year 2022, mainly driven by the level of activity related to the clinical trials the Group is conducting, as well as milestone payments related to progress made.

Net cash flow received from investing activities during the full-year 2022 was NOK 3.2 million (NOK 3.1 million) for the Group and NOK 3.2 million (NOK 3.1 million) for ASA.

Net cash flow from financing activities was NOK 2.9 million (NOK 16.0 million) for the Group and NOK 2.9 million (NOK 16.0 million) for ASA for the full-year 2022, representing the proceeds from share issue from the share option program.

Cash and cash equivalents decreased to NOK 150.8 million (NOK 436.6 million) for the Group and NOK 138.3 million (NOK 428.1 million) for ASA.

Board of Directors' Report CONTINUED

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Research and development

While the research and development strategy is designed in-house in BerGenBio, the Group leverages its network of external contract research organizations (CROs) in order to execute its development strategy. BerGenBio also collaborates with academic institutions to extend the research in areas of interest of the Group.

The Group has employed experienced personnel that are capable of directing work that is performed by the CROs. This approach to product development allows the Group to quickly change research directions and efforts when needed and to quickly bring in new technologies and expertise when necessary.

Uncertainties related to the regulatory approval process and results from ongoing clinical trials generally indicate that the criteria for capitalization of R&D costs are not met until market authorization is obtained from relevant regulatory authorities. The Group has currently no development expenditure that qualifies for recognition as an asset under IAS 38.

Going concern

The Board stated that the annual accounts represent a true and fair view of the Group's financial position at the turn of the year. According to the Norwegian Accounting Act section 3-3 (a), the Board of Directors confirmed that the financial statements have been prepared under the assumption of going concern.

Environmental, social and governance (ESG)

In order to have a real impact, we worked to strengthen our sustainability management. The aim was to identify ESG topics in BerGenBio's value chain that are material for us and our stakeholders. Our key stakeholders include our patients and their families, our employees, investors, regulators, suppliers and other business partners, such as research organizations and academic institutions.

The work involved mapping of our value chain and a review of industry standards, other organizations and peers.

The topics which are of most strategic importance to us are; innovation, clinical trial conduct, business ethics, economic performance and patient health and safety.

In connection with the materiality analysis, we also analyzed the United Nation's Sustainability Development Goals (SDGs) to identify those we have the largest impact upon. We directly contribute to SDG 3 – health and wellbeing. In addition, we also contribute to SDG 8 – decent work and economic growth for our employees and society, SDG 9 – industry, innovation and infrastructure – through our research and development and finally, SDG 17 – partnerships for the goals – through our extensive cooperation with research organizations and academic institutions. Given the current stage of development of BerGenBio, we do not have significant negative impact on the goals, but this may change when we move into production and will be reassessed.

All topics are addressed in the ESG section of this annual report and we refer to the World Economic Forum disclosure reference index in the appendix, for ease of location, along with an overview of performance data. The reporting in this section addresses BerGenBio's requirements under section 3-3 a and c of the Norwegian Accounting Act.

The ESG analysis provided a basis for determining BerGenBio's ambitions and KPIs and alignment with our strategy. We also determined metrics to monitor our performance for our material ESG topics. Moreover, we strengthened our management structures by revising our Corporate Social Responsibility policy and augmenting it to our new Code of Conduct in addition to strengthening our responsible supply chain management.

Share information

As of 31 December 2022, there were 88,660,532 ordinary shares outstanding, up from 88,455,255 shares at year end 2021.

The Company has one class of shares, and all shares carry equal voting rights.

The Company had more than 11,000 shareholders as of 31 December 2022.

The results for BerGenBio ASA for 2022 show a loss of tNOK 301,375. The Board proposes that the loss should be covered by share premium.

Board of Directors' Report CONTINUED

Outlook

BerGenBio's broad clinical development program with bemcentinib, pipeline of AXL inhibitors and financial position together, provide a strong foundation to create and deliver significant value for its shareholders.

The Board considers that the results emerging from on-going development programs provide support for AXL inhibition as an attractive approach for cancer therapy and respiratory diseases. Further clinical data will be reported at future medical congresses and as appropriate by the Company.

We continue to develop our organization with skilled and experienced personal to support our strategies.

The cash position in combination with expected proceeds from the equity funding will fund the planned activities to end of Q2 2024 on a going concern basis.

In retaining global rights to bemcentinib, BerGenBio maintains complete strategic flexibility for its future development and commercialization. It is anticipated that the high novelty of bemcentinib plus its promising therapeutic profile, particularly in combination with existing therapies, could make it and future pipeline candidates attractive targets for partnering. A go-to market strategy may also be considered in selected indications in discrete territories, where greater value for shareholders could be created.

The Board believes the potential of our two first-in-class AXL inhibitors are relevant therapeutic modalities in several aggressive diseases. However the recent and ongoing geopolitical situation and associated impacts on financial market conditions requires a highly focused development strategy.

The Board of Directors, BerGenBio ASA

Bergen, 28 April 2023

Anders Tullgren
Chairman

Sveinung Hole
Non-Executive Director

Dr. Debra Barker
Non-Executive Director

Dr. Sally Bennett
Non-Executive Director

Dr. François Thomas
Non-Executive Director

Martin Olin
CEO

Confirmation from the Board of Directors and CEO

We confirm that, to the best of our knowledge, the financial statements for the period from 1 January to 31 December 2022 have been prepared in accordance with IFRS as adopted by EU and the Norwegian Accounting Act and give a true and fair view of the Group and the Company's consolidated assets, liabilities, financial position and results of operations, and that the Report of the Board of Directors provides a true and fair view of the development and performance of the business and the position of the Group and the Company together with a description of the key risks and uncertainty factors that the Company is facing.

The Board of Directors, BerGenBio ASA

Bergen, 28 April 2023

Anders Tullgren
Chairman

Sveinung Hole
Non-Executive Director

Dr. Debra Barker
Non-Executive Director

Dr. Sally Bennett
Non-Executive Director

Dr. François Thomas
Non-Executive Director

Martin Olin
CEO

Income Statement and Other Comprehensive Income

1 January – 31 December
(NOK 1000)

Parent 2021	Parent 2022		Note	Group 2022	Group 2021
1,232	**980**	**Revenue**	4	**389**	**774**
28,206	19,895	Payroll and other related employee cost	5, 7, 10	66,143	69,929
4,116)	2,546	Employee share option cost	5, 6	2,546	4,116
1,312	883	Depreciation	8	883	1,312
283,786	282,887	Other operating expenses	7, 9, 13, 22	236,451	239,880
317,421	**306,211**	**Total operating expenses**		**306,024**	**315,237**
(316,189)	**(305,231)**	**Operating profit (loss)**		**(305,635)**	**(314,464)**
14,934	14,926	Finance income	11	15,027	15,993
9,403	11,071	Finance expense	9,11	11,514	10,894
5,531	**3,856**	**Financial items, net**		**3,513**	**5,100**
(310,657)	**(301,375)**	**Profit (loss) before tax**		**(302,122)**	**(309,364)**
0	0	Income tax expense	12	0	0
(310,657)	**(301,375)**	**Profit (loss) after tax**		**(302,122)**	**(309,364)**
		Other comprehensive income (loss)			
		Items which may be reclassified over profit and loss			
0	0	Exchange differences on translation of foreign operations		(484)	(112)
(310,657)	**(301,375)**	**Total comprehensive income for the year**		**(302,606)**	**(309,476)**
		Earnings per share:			
(3.53)	(3.40)	– Basic and diluted per share	14	(3.41)	(3.52)

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Statement of Financial Position

31 December
(NOK 1000)

Parent 2021	Parent 2022		Note	Group 2022	Group 2021
		ASSETS			
		Non-current assets			
1,191	43	Property, plant and equipment and right-of-use assets	8	43	1,191
1,191	**43**	**Total non-current assets**		**43**	**1,191**
		Current assets			
11,711	17,905	Other current assets	7, 15, 22	15,860	12,398
428,093	138,288	Cash and cash equivalents	16, 20	150,803	436,646
439,804	**156,192**	**Total current assets**		**166,663**	**449,045**
440,995	**156,235**	**TOTAL ASSETS**		**166,706**	**450,236**
		EQUITY AND LIABILITIES			
		Equity			
		Paid in capital			
8,846	8,866	Share capital	17	8,866	8,846
334,679	36,495	Share premium	17	35,780	335,195
40,386	43,852	Other paid in capital	6, 17	43,852	40,386
383,910	**89,213**	**Total paid in capital**		**88,498**	**384,426**
383,910	**89,213**	**Total equity**		**88,498**	**384,426**
		Non-current liabilities			
942	275	Long term debt	9, 20, 24	275	942
942	**275**	**Total non-current liabilities**		**275**	**942**
		Current liabilities			
25,455	27,156	Accounts payable		29,634	26,726
29,719	39,591	Other current liabilities	9, 18, 22	48,299	37,172
969	0	Provisions	19	0	969
56,143	**66,747**	**Total current liabilities**		**77,933**	**64,868**
57,085	**67,022**	**Total liabilities**		**78,208**	**65,810**
440,995	**156,235**	**TOTAL EQUITY AND LIABILITIES**		**166,706**	**450,236**

The Board of Directors, BerGenBio ASA

Bergen, 28 April 2023

Anders Tullgren
Chairman

Sveinung Hole
Non-Executive Director

Dr. Debra Barker
Non-Executive Director

Dr. Sally Bennett
Non-Executive Director

Dr. François Thomas
Non-Executive Director

Martin Olin
Chief Executive Officer

Statement of Changes in Equity

(NOK 1000)

Group 2022	Note	Share capital	Share premium	Other paid in capital	Total equity
Balance at 1 January 2022		**8,846**	**335,195**	**40,386**	**384,426**
Profit (loss) after tax			(302,122)		(302,122)
Other comprehensive income (loss) for the year, net of income tax			(484)		(484)
Total comprehensive income (loss) for the year		**0**	**(302,606)**	**0**	**(302,606)**
Recognition of share-based payments	5, 6			3,466	3,466
Issue of ordinary shares	17	21	3,198		3,218
Share issue costs	17		(7)		(7)
Transactions with owners		21	3,191	3,466	6,678
Balance at 31 December 2022		**8,866**	**35,780**	**43,852**	**88,498**

Group 2021	Note	Share capital	Share premium	Other paid in capital	Total equity
Balance at 1 January 2021		**8,726**	**628,231**	**33,272**	**670,229**
Profit (loss) after tax			(309,364)		(309,364)
Other comprehensive income (loss) for the year, net of income tax			(112)		(112)
Total comprehensive income (loss) for the year		**0**	**(309,476)**	**0**	**(309,476)**
Recognition of share-based payments	5, 6			7,113	7,113
Issue of ordinary shares	17	120	16,510		16,629
Share issue costs	17		(70)		(70)
Transactions with owners		120	16,440	7,113	23,673
Balance at 31 December 2021		**8,846**	**335,195**	**40,386**	**384,426**

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Statement of Changes in Equity continued

(NOK 1000)

Parent 2022	Note	Share capital	Share premium	Other paid in capital	Total equity
Balance at 1 January 2022		**8,846**	**334,679**	**40,386**	**383,910**
Profit (loss) for the year			(301,375)		(301,375)
Other comprehensive income (loss) for the year, net of income tax			0		0
Total comprehensive income (loss) for the year		**0**	**(301,375)**	**0**	**(301,375)**
Recognition of share-based payments	5, 6			3,466	3,466
Issue of ordinary shares	17	21	3,198		3,218
Share issue costs	17		(7)		(7)
Transactions with owners		21	3,191	3,466	6,678
Balance at 31 December 2022		**8,866**	**36,495**	**43,852**	**89,213**

Parent 2021	Note	Share capital	Share premium	Other paid in capital	Total equity
Balance at 1 January 2021		**8,726**	**628,896**	**33,273**	**670,894**
Profit (loss) for the year			(310,657)		(310,657)
Other comprehensive income (loss) for the year, net of income tax			0		0
Total comprehensive income (loss) for the year		**0**	**(310,657)**	**0**	**(310,657)**
Recognition of share-based payments	5, 6			7,113	7,113
Issue of ordinary shares	17	120	16,510		16,629
Share issue costs	17		(70)		(70)
Transactions with owners		120	16,440	7,113	23,673
Balance at 31 December 2021		**8,846**	**334,679**	**40,386**	**383,910**

OVERVIEW 01-03
STRATEGIC REPORT 04-22
CORPORATE GOVERNANCE 23-49
FINANCIAL STATEMENTS 50-81

Statement of Cash Flows

1 January – 31 December (NOK 1000)

Parent 2021	Parent 2022		Note	Group 2022	Group 2021
		Cash flow from operating activities			
(310,657)	(301,375)	Profit (loss) before tax		(302,122)	(309,364)
		Adjustments for:			
1,312	883	Depreciation of property, plant and equipment	8	883	1,312
7,113	3,466	Share-based payment expense	5	3,466	7,113
(5,039)	(969)	Movement in provisions	10, 19	(969)	(5,039)
779	3,835	Currency -gains/+loss not related to operating activities		3,280	667
(3,130)	(2,857)	Net interest received		(2,949)	(3,130)
		Working capital adjustments:			
(1,726)	(6,194)	Decrease in trade and other receivables and prepayments		(3,462)	1,830
(67)	11,180	Increase in trade and other payables		13,641	3,270
(311,415)	**(292,029)**	**Net cash flow from operating activities**		**(288,231)**	**(303,340)**
		Cash flows from investing activities			
3,130	2,857	Interest received		2,949	3,130
	299	Sale/(Purchase) of property, plant and equipment	8	299	
3,130	**3,155**	**Net cash flow used in investing activities**		**3,248**	**3,130**
		Cash flows from financing activities			
16,629	3,218	Proceeds from issue of share capital	17	3,218	16,629
(70)	(7)	Share issue cost		(7)	(70)
(565)	(307)	Cash payments for the principal portion of the lease liability	9	(307)	(565)
15,995	**2,904**	**Net cash flow from financing activities**		**2,904**	**15,995**
(779)	(3,835)	Effects of exchange rate changes on cash and cash equivalents		(3,764)	(779)
(292,290)	(285,970)	Net increase/(decrease) in cash and cash equivalents		(282,080)	(284,216)
721,161	428,093	Cash and cash equivalents at beginning of period	16	436,646	721,641
428,093	**138,288**	**Cash and cash equivalents at end of period**	16	**150,803**	**436,646**

OVERVIEW 01-03
STRATEGIC REPORT 04-22
CORPORATE GOVERNANCE 23-49
FINANCIAL STATEMENTS 50-81

Notes to the Financial Statements

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Note 1 – Corporate information

BerGenBio ASA ("the Company" or "Parent") as the Parent Company and its subsidiary (together "the Group") is a clinical-stage biopharmaceutical company developing innovative drugs for aggressive diseases, including drug resistant and metastatic cancers and respiratory disease.

BerGenBio's lead product, bemcentinib (BGB324), is a selective, potent and orally bio-available small molecule AXL inhibitor and is curently being developed in STK11 mutated NSCLC and severe respiratory infections including COVID-19. It is the most advanced selective AXL inhibitor in clinical development.

BerGenBio ASA is a public limited liability company incorporated and domiciled in Norway. The address of the registered office is Møllendalsbakken 9, 5009 Bergen, Norway.

BerGenBio retains strategic flexibility for the further development and commercialisation of its product candidates: it is anticipated that the high novelty of bemcentinib plus its promising therapeutic profile could make it (and later other pipeline candidates) attractive targets for strategic partnering; a "Go-to market" strategy will also be considered in select indications in discrete territories.

The consolidated financial statements and the financial statement for the Company cover the year ending 31 December 2022 and were approved for issue by the Board of Directors on 28 April 2023.

Note 2 – Basis for preparation and significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.
These policies have consistently been applied in all periods presented. Amounts are in Norwegian kroner (NOK) and all values are presented in 1,000 NOK, except when otherwise indicated. The presenting currency of the Group and the Company is NOK.

Basis for preparation

The consolidated financial statements for the Group and the Company have been prepared in accordance with IFRS as adopted by the EU. The consolidated financial statements and the Company financial statements have been prepared on a historical cost basis, except money market fund which is recognized at fair value through profit and loss.

Basis for consolidation

The consolidated financial statements comprise of the financial statements of the Company and its subsidiary as at 31 December 2022. The subsidiary is BerGenBio Limited, located in Oxford in the United Kingdom and is 100% owned and controlled by the Parent Company BerGenBio ASA. BerGenBio Limited was incorporated 10 January 2017 with a share capital of NOK 1,044.

Going concern

The Group works continuously to ensure financial flexibility in the short and long term to achieve its strategic and operational objectives. Capital markets are used as a source of liquidity when this is appropriate and when conditions in these markets are acceptable. In 2020 funding of total NOK 740 million was raised, and thus the Board of Directors has reasonable expectation that the Group will maintain adequate resources to continue in operational existence for the foreseeable future. In October 2022 the Company secured a shareholder loan facility of up to NOK 100 million from Meteva AS. The loan is available from Q2 2023 and up to the earlier of 31 March 2024 and completion of an equity issue.

In April 2023 the Company announced an equity funding, a partly guaranteed and underwritten right issue, with a minimum proceed of NOK 175 million. The equity issue is subject to AGM approval and publication of an approved prospectus. The cash position in combination with expected proceeds from the equity funding will fund the planned activities to end of Q2 2024 on a going concern basis.

The financial statements are prepared under the going concern assumption.

Summary of significant accounting policies

The new and amended standards and interpretations from IFRS that were adopted by the EU with effect from 2022 did not have any significant impact on the reporting for 2021 and 2022. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Revenue recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group and the Company expects to be entitled in exchange for those goods or services. The Group and the Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The Group's and the Company's products are still in the research and development phase, and have limited revenue from sales of products yet.

Notes to the Financial Statements continued

OVERVIEW 01-03
STRATEGIC REPORT 04-22
CORPORATE GOVERNANCE 23-49
FINANCIAL STATEMENTS 50-81

Note 2 – Basis for preparation and significant accounting policies continued

The Group (the Company) has entered into an out licence agreement where development, regulatory and sales-based milestones trigger revenue payment to the Group (the Company). Revenue from out licence agreements are recognized in the period when the milestone events occured.

Government grants

Government grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. The grant is recognized in the income statement in the same period as the related costs, and presented net. Government grants are recognized at the value of the contribution at the transaction date.

Government grants are normally related to either reimbursements of employee costs and classified as a reduction of payroll and related expenses, or related to other operating activities and thus classified as a reduction of other operating expenses.

Research and development costs

Research costs are expensed as incurred. Internal development costs related to the Group's development of products are recognized in the income statement in the year incurred unless it meets the asset recognition criteria of IAS 38 "Intangible Assets". An internally generated asset arising from the development phase of an R&D project is recognized as an intangible asset if the Group can demonstrate:

- Its ability to use or sell the intangible assets
- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate technical, financial and other resources to complete the development and use of sell the asset
- The ability to measure reliably the expenditure during development

Uncertainties related to the regulatory approval process and results from on-going clinical trials, generally indicate that the criteria are not met until the time when marketing authorisation is obtained from relevant regulatory authorities. The Group has currently no development expenditure that qualifies for recognition under IAS 38.

Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Acquisition cost includes expenditures that are directly attributable to the acquisition of the individual item. Property, plant and equipment are depreciated on a straight-line basis over the expected useful life of the asset. If significant individual parts of the assets have different useful lives, they are recognized and depreciated separately. Depreciation commences when the assets are ready for their intended use.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of the property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

Investment in subsidiaries

Subsidiaries are consolidated in the Group Financial Statement. In the Company Financial Statement subsidiaries are measured at cost.

Significant accounting policies

Identifying a lease

At the inception of a contract, The Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group (the Company) as a lessee

Separating components in the lease contract

For contracts that constitute, or contain a lease, the Group (the Company) separates lease components if it benefits from the use of each underlying asset either on its own or together with other resources that are readily available, and the underlying asset is neither highly dependent on, nor highly interrelated with, the other underlying assets in the contract. The Group (the Company) then accounts for each lease component within the contract as a lease separately from non-lease components of the contract.

Recognition of leases and exemptions

At the lease commencement date, the Group (the Company) recognizes a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except for the following exemptions applied:

- Short-term leases (defined as 12 months or less)
- Low value assets

For these leases, the Group (the Company) recognizes the lease payments as other operating expenses in the statement of profit or loss when they incurred.

Notes to the Financial Statements continued

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Note 2 – Basis for preparation and significant accounting policies continued

Lease liabilities

The lease liability is recognized at the commencement date of the lease. The Group (the Company) measures the lease liability at the present value of the lease payments for the right to use the underlying asset during the lease term that are not paid at the commencement date.

The lease term represents the non-cancellable period of the lease, together with periods covered by an option either to extend or to terminate the lease when the Group (the Company) is reasonably certain to exercise this option.

The lease payments included in the measurement comprise of fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications.

The Group (the Company) does not include variable lease payments in the lease liability. Instead, the Group (the Company) recognises these variable lease expenses in profit or loss when they occur.

Right-of-use assets

The Group measures the right-of use asset at cost, less any accumulated depreciation and impairment losses, adjusted for any remeasurement of lease liabilities. The cost of the right-of-use asset comprise:

- The amount of the initial measurement of the lease liability recognized
- Any lease payments made at or before the commencement date, less any incentives received
- Any initial direct costs incurred by the Group.

The Group (the Company) applies the depreciation requirements in IAS 16 Property, Plant and Equipment in depreciating the right-of-use asset, except that the right-of-use asset is depreciated from the commencement date to the earlier of the lease term and the remaining useful life of the right-of-use asset.

The Group (the Company) applies IAS 36 Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are derecognized when the rights to receive cash flows from the assets have expired or the Group has transferred its rights to receive cash flows from the assets.

Financial assets at amortised cost

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

The Group financial assets at fair value through profit or loss include money markets fund.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.

All financial liabilities are recognized initially at fair value.

The Group's financial liabilities include trade and other payables, and loans and borrowings.

The Group does not have financial liabilities at fair value through profit and loss.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit and loss

- Financial liabilities at amortized cost (loans and borrowings).

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Notes to the Financial Statements continued

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Note 2 – Basis for preparation and significant accounting policies continued

Share-based payments

The Group operates an equity-settled, share-based compensation plan, under which the Group receives services from employees and members of the Board as consideration for share-based payments (options).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an.

appropriate valuation model

That cost is recognized, together with a corresponding increase in other paid in capital in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit or loss expense or credit for a period represents the movement in cumulative expense recognized at the beginning and end of that period and is recognized in employee benefits expense.

The fair value of the options granted is measured using the Black-Scholes model. Measurement inputs include share price on the measurement date, exercise price of the instrument, expected volatility, weighted average expected life of the instruments, expected dividends and the risk-free interest rate.

When the options are exercised, the Group will issue new shares. The proceeds received net of any directly attributable transaction costs are recognized as share capital (nominal value) and share premium reserve.

Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Group operates and generates taxable income.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss.

Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Foreign currencies

The Group's financial statements are presented in NOK, which is also the parent's functional currency.

For each entity within the Group, the Group has determined the functional currency based on the primary economic environment of which the entity operates. Items included in the financial statements are measured using that functional currency based on the primary economic environment of which the entity operates. Items included in the financial statements are measured using that functional currency. The functional currency for the Group's entities are GBP and NOK.

On consolidation, the assets and liabilities of foreign operations are translated into Norwegian Kroner at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in OCI.

For consolidation purpose the following exchange rates have been used:

	31.12.2022	31.12.2021
NOK/GBP	11,85	11,89

Profit and loss from BerGenBio Limted has been converted to NOK on a transaction by transaction exchange rate.

Notes to the Financial Statements continued

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Note 2 – Basis for preparation and significant accounting policies continued

Transactions and balances

Transactions in foreign currencies are recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognized in profit or loss as financial items.

Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.
See note 3.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above. The indirect method is used to prepare the statement of cash flow.

Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Income Statement and other Comprehensive Income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Pensions and other post-employment benefits

The Group have a defined contribution pension scheme for all employees. Under the defined contribution scheme, the Group does not commit itself to paying specific future pension benefits, but makes annual contributions to the employees' pension savings.

The Group's payment to the defined contribution scheme amounts to 7% of salary up to 12G and 18.1% of salary between 7.1G and 12G for Norwegian employees and 7-10% for UK employees (G is Norwegian National Insurance basic amount).

Further details about pensions, and the closing of the defined benefit scheme, are given in Note 10.

New and amended standards and interpretations

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed in the following section. Note that only the ones that are expected to have material impact on the Group's financial position, performance, and/ or disclosures are discussed. The Group intends to adopt these standards, if applicable, when they become effective.

Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the amendments to IFRS which have been implemented by the Group during the current financial year. No additional new standard have been applicable for the Group's 2022 financial statements.

Other standards

Other standards, interpretations and amendments that are issued, but not yet effective are either not applicable for the Group or is not expected to have a material impact of the financial statements.

Note 3 – Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

Preparation of the accounts in accordance with IFRS requires the use of judgement, estimates and assumptions that have consequences for recognition in the balance sheet of assets and liabilities and recorded revenues and expenses. The use of estimates and assumptions is based on the best discretionary judgement of the Group's management.

Share-based payments

The Group initially measures the cost of equity-settled transactions with employees using the Black-Scholes model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 6.

Notes to the Financial Statements continued

Note 3 – Significant accounting judgements, estimates and assumptions continued

Money market fund

Money market fund is classified as cash and cash equivalent. The criteria for classifying this as cash equivalent are that these funds are short term, highly liquid, readily convertible into known amounts of cash and subject to insignificant risk of change in value. The evaluation of these criteria require use of judgement. The purpose of the fund is to meet short term commitments, and hence the company have access to use the funds with only a few days notice. The funds invested in is well-known and have invested in shares exchanged in an active marked, and hence the funds are considered highly liquid. Even though it is not possible to know the exact amount of cash the funds can be converted to, the funds of which the money are invested in are low risk and low profit, and hence it is possible to predict the most likely outcome as it is expected to be insignificant changes in value of these funds.

Note 4 Segments and revenue

For management purposes the Group is organized as one business unit and the internal reporting is structured in accordance with this.

The Group has entered into an out-licence agreement where development, regulatory and sales-based milestones are due upon the occurrence of certain specific events. In 2022 or 2021, there has not been any clinical milestone payment from this out-licence agreement and the revenue represent refund of patent costs.

Note 5 Payroll and related expenses

Parent 2021	Parent 2022		Group 2022	Group 2021
23,407	15,115	Salaries	49,768	58,910
3,423	2,706	Social security tax	7,864	7,728
1,496	1,322	Pension expense	4,095	4,343
1,118	1,728	Bonus	8,748	4,466
421	374	Other remnueration	790	855
(1,657)	(1,349)	Government grants	(5,122)	(6,373)
28,206	**19,895**	**Total payroll and other employee related cost**	**66,143**	**69,929**
7,113	3,466	Share option expense employees	3,466	7,113
(2,997)	(920)	Accrued social security tax on share options	(920)	(2,997)
4,116	**2,546**	**Total employee share option cost**	**2,546**	**4,116**
32,323	**22,441**	**Total employee benefit cost**	**68,689**	**74,045**
16	13	Average number of full time equivalent employees	36	44

For remuneration to Executive Management and Board of Directors, please see Remuneration Report in the Governance section of the Annual Report.

Key Executive Managment personel and Board of Directors compensation (in 1,000 NOK):

	Group 2022	Group 2021
Short-term employee benefits	21,936	21,985
Post-employment benefit	1,757	1,371
Other long-term benefits	0	0
Termination benefits	588	5,145
Share-base payment (period cost)	815	2,288
Total	**25,096**	**30,789**

OVERVIEW 01-03
STRATEGIC REPORT 04-22
CORPORATE GOVERNANCE 23-49
FINANCIAL STATEMENTS 50-81

Notes to the Financial Statements continued

Note 6 Employee share option program

The Group has a share option scheme for employees. Each option gives the right to acquire one share in BerGenBio on exercise.

The Group has a share option program to ensure focus and align the Group's long term performance with shareholder values and interest. Most of the employees in the Group take part in the option program. The program also serves to retain and attract senior management.

The exercise price for options granted is set at the market price of the shares at the time of grant of the options. In general, for options granted after 2012, the options expire eight years after the date of grant.

Options vest annually in equal tranches over a three-year period following the date of grant.

	For the twelve months ended 31 December			
	2022		2021	
Total options	**Number of options**	**Weighted average exercise price**	**Number of options**	**Weighted average exercise price**
Balance at 1 January	3,560,897	22.96	4,209,232	18.45
Granted during the period	2,114,230	7.59	1,379,871	28.55
Exercised during the period [1)]	(205,277)	15.68	(1,195,272)	13.91
Forfeited and cancelled	(1,250,005)	24.61	(832,934)	22.43
Balance at 31 December	**4,219,845**	**15.13**	**3,560,897**	**22.96**

1) Average share price at date of exercise was NOK 17.71 for 2022 (NOK 26.55 for 2021).
2) 114.230 options were granted in the twelve months period ended 31 December 2022 and 1.379.871 options were granted in the twelve months period ended 31 December 2021.

In the Annual General Meeting on the 22 March 2017 it was resolved a split of the shares so that 1 share with a nominal value of NOK 10 was split into 100 shares with a nominal value of NOK 0.10. The overview above takes into account the share split.

The average weighted expected remaining lifetime of options is 3.0 years at year end.

The exercise price is calculated as the weighted average exercise price of the forfeited , cancelled and exercised options.

Vested options	**2022**	**2021**
Options vested at 1 January	1,541,168	1,887,201
Exercised and forfeited in the period	(1,003,946)	(1,195,272)
Vested in the period	1,077,844	849,239
Options vested at 31 December	**1,615,066**	**1,541,168**
Total outstanding number of options	4,219,845	3,560,897

OVERVIEW 01-03
STRATEGIC REPORT 04-22
CORPORATE GOVERNANCE 23-49
FINANCIAL STATEMENTS 50-81

Notes to the Financial Statements continued

Note 6 Employee share option program continued

The options are valued using the Black & Scholes model.

The risk-free interest rates are based on rates from Norges Bank and Oslo Stock Exchange on the grant date (bonds and certificates) equal to the expected term of the option being valued. Where there is no exact match between the term of the interest rates and the term of the options, interpolation is used to estimate a comparable term.

The vesting period is the period during which the conditions to obtain the right to exercise must be satisfied. The Group has estimated an expected vesting date and this date is used as basis for the expected lifetime. The Group expects the options to be exercised earlier than the expiry date. For options granted earlier than 2014, the mean of the expected vesting date and expiry date has been used to calculate expected lifetime due to the lack of exercise pattern history for the Group and experience from other companies in combination with the relatively long lifetime of these options (up to eight years).

For valuation purposes 55,81 % expected future volatility has been applied.To find the expected volatility, we use the Company's annualized standard deviation of the continuously compounded rates of return on the historic share price for the term equal to the life of the option.

For 2022 the value of the share options expensed through the profit or loss amounts to NOK 3.5 million (for the same period in 2021: NOK 7.1 million). In addition, a change in provision for social security contributions on share options of NOK -0.9 million (for the same period in 2021: NOK -3.0 million). The provision for social security contribution is calculated on the difference between the share price and exercise price on exercisable option as at the end of the period.

Outstanding Instruments Overview

	Outstanding Instruments			Vested Instruments	
Strike price	Number of instruments	Weighted Average remaining contractual life	Weighted Average Strike Price	Vested instruments 31.12.2022	Weighted Average Strike Price
7.59	2,114,230	7.38	7.59	245,000	7.59
15.00	859,726	5.27	15.00	580,118	15.00
16.01	77,500	0.67	16.01	77,500	16.01
24.00	60,000	1.00	24.00	60,000	24.00
25.00	227,225	4.30	25.00	227,225	25.00
28.50	90,000	3.83	28.50	90,000	28.50
28.55	715,746	6.35	28.55	259,805	28.55
46.70	75,418	3.40	46.70	75,418	46.70
	4,219,845			**1,615,066**	

OVERVIEW 01-03
STRATEGIC REPORT 04-22
CORPORATE GOVERNANCE 23-49
FINANCIAL STATEMENTS 50-81

Notes to the Financial Statements continued

Note 7 Government grants

Government grants have been recognized in the profit or loss as a reduction of related expense with the following amounts:

Parent 2021	Parent 2022		Group 2022	Group 2021
1,657	1,349	Payroll and related expenses	5,122	6,373
6,914	5,298	Other operating expenses	5,298	6,914
8,571	**6,648**	**Total**	**10,420**	**13,287**

Grants receivable as at 31 December are detailed as follows:

Parent 2021	Parent 2022		Group 2022	Group 2021
755	172	Grants from Research Council, BIA	172	755
519	496	Grants from Research Council, PhD	496	519
4,750	4,750	Grants from SkatteFunn	4,750	4,750
0	0	Grants R&D UK	7,958	4,224
6,024	**5,418**	**Total**	**13,375**	**10,248**

BIA grants from the Research Council

The Company currently has one grants from the Research Council, programs for user-managed innovation arena (BIA) in 2022.

The BIA grant ("AXL as a therapeutic target in fibrosis; biology and biomarkers") has been awarded from 2019 and amount up to NOK 10.7 million. The Group has recognized NOK 0.3 million in 2022 (2021: NOK 2.3 million) classified partly as reduction of payroll and related expenses and partly as a cost reduction of other operating expenses.

PhD grants from the Research Council

BerGenBio has been awarded two grants supporting industrial PhD's in 2020. The fellowship covers 50 % of the established current rates for doctoral research fellowships and an operating grant to cover up to 50 % of additional costs related to costly laboratory testing connected with the research fellow's doctoral work.

The Group has recognized NOK 1.6 million in 2022 (2021: NOK 1.6 million) classified partly as reduction of payroll and related expenses and partly as a cost reduction of other operating expenses.

SkatteFunn

R&D projects have been approved for SkatteFunn (a Norwegian government R&D tax incentive program designed to stimulate R&D in Norwegian trade and industry) for the period from 2021 until the end of 2024. The Group has recognized NOK 4.8 million in 2022 (2021: NOK 4.8 million) classified partly as reduction of payroll and related expenses and partly as a cost reduction of other operating expenses.

Innovation Norway

BerGenBio has been awarded a NOK 24 million (USD 2.85m) grant from Innovation Norway to support the clinical development of BGB324 in combination with Merck & Co.'s KEYTRUDA® (pembrolizumab) in patients with advanced lung cancer.

OVERVIEW 01-03
STRATEGIC REPORT 04-22
CORPORATE GOVERNANCE 23-49
FINANCIAL STATEMENTS 50-81

Notes to the Financial Statements continued

Note 7 Government grants continued

The grant from Innovation Norway is an Industrial Development Award (IFU). The IFU program is directed to Norwegian companies developing new products or services in collaboration with foreign companies.

BerGenBio has by end of 2020 recognized and received the total grant of NOK 24 million. The grant may be withdrawn under certain circumstances.

R&D tax grants UK

BerGenBio Limited, a 100% subsidary of BerGenBio ASA, has been granted R&D tax grants in UK from 2017. R&D grants are approved retrospect by application. The Group has in 2022 recognized NOK 3.7 million (2021: NOK 4.2 million) classified as reduction of payroll and related expenses for the year 2022.

Note 8 Property, plant and equipment

Year ended 31 December 2022 Parent/Group	Furnitures	Equipment/fittings	Right to use property	Total
Cost at 1 January 2022	137	1,632	3,366	5,135
Additions in the year	0	0	0	0
Disposals in the year	0	(42)	(223)	(265)
Cost at 31 December 2022	**137**	**1,590**	**3,143**	**4,870**
Accumulated depreciation at 1 January 2022	(66)	(1,537)	(2,340)	(3,944)
Depreciation in the year	(27)	(53)	(803)	(883)
Accumulated depreciation at 31 December 2022	**(94)**	**(1,590)**	**(3,143)**	**(4,827)**
Net carrying amount at 31 December 2022	**43**	**0**	**0**	**43**
Estimated useful life	5 years	5 years	2/5 years	
Depreciation method	Straight-line	Straight-line	Over right of use time	

Year ended 31 December 2021 Parent/Group	Furnitures	Equipment/fittings	Right to use property	Total
Cost at 1 January 2021	137	1,632	3,195	4,964
Additions in the year	0	0	171	171
Disposals in the year	0	0	0	0
Cost at 31 December 2021	**137**	**1,632**	**3,366**	**5,135**
Accumulated depreciation at 1 January 2021	(39)	(1,414)	(1,178)	(2,632)
Depreciation in the year	(27)	(123)	(1,162)	(1,312)
Accumulated depreciation at 31 December 2021	**(66)**	**(1,537)**	**(2,340)**	**(3,944)**
Net carrying amount at 31 December 2021	**70**	**96**	**1,026**	**1,191**
Estimated useful life	5 years	5 years	2/5 years	
Depreciation method	Straight-line	Straight-line	Over right of use time	

OVERVIEW 01-03
STRATEGIC REPORT 04-22
CORPORATE GOVERNANCE 23-49
FINANCIAL STATEMENTS 50-81

Notes to the Financial Statements continued

Note 8 Property, plant and equipment continued

Research & Development

Expenses for research and development for the financial year 2022 for the Group was gross NOK 263.0 million (net NOK 252.6 million reduced of grants NOK 10.4 million) of which gross NOK 212.5 million (net NOK 207.5 million) was classified as other operating expenses and gross NOK 50.5 million (net NOK 45.4 million) was classified as payroll.

Expenses for research and development for the financial year 2021 for the Group was gross NOK 266.9 million (net NOK 253.7 million reduced of grants NOK 13.3 million) of which gross NOK 213.3 million (net NOK 206.4 million) was classified as other operating expenses and gross NOK 53.6 million (net NOK 47.3 million) was classified as payroll.

Note 9 Leases

The Group (the Company) as a leesee

The Company rent premises in Bergen, Norway, for office purposes. The laboratory rental was discontinued in November 2022, and office rental agreement is currently being negotiated for a 12 months extention, but this is not formalized.

In addition, the Group rent office premises in UK. The rental agreement can be terminated by either party with a one month notice period. The rental agreements in UK are considered a short term lease and recognized directly in profit or loss. From 1 January 2023 the rental arrangement for office in Norway currently also is consider to be a short term lease.

Right-of-use assets

The Group (the Company) leased offices up until November 2022, when lab lease was discontinued and office lease ended and currently being negotiated for extenion. The Group's (the Company's) right-of-use assets are categorised and presented in Note 8.

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Notes to the Financial Statements continued

Note 9 Leases continued

Lease liabilities

Summary of the lease liabilities	Group 2022	Group 2021
Total lease liabilities at 1 January	1,623	2,016
New lease liabilities recognized in the year	(1,169)	171
Cash payments for the principal portion of the lease liability	(454)	(564)
Cash payments for the interest portion of the lease liability	(66)	(116)
Interest expense on lease liabilities	66	116
Currency exchange differences	0	0
Total lease liabilities at 31 December	**0**	**1,623**
Current lease liabilities (note 18)	**0**	**681**
Non-current lease liabilities	**0**	**942**
Total cash outflows for leases	**454**	**564**

The leases do not contain any restrictions on the Group's dividend policy or financing. The Group does not have significant residual value guarantees related to its leases to disclose.

Undiscounted lease liabilities and maturity of cash outflows	2022	2021
Less than 1 year	325	328
1-5 years	0	1,054
Total undiscounted lease liabilities at 31 December	**325**	**1,382**

Summary of other lease expenses recognized in profit or loss	2022	2021
Variable lease payments expensed in the period	0	0
Operating expenses in the period related to short-term leases	2,550	1,799
Operating expenses in the period related to low value assets	85	26
Total lease expenses included in other operating expenses	**2,635**	**1,825**

The Groups cash outflow for leases amonuted in total to NOK 3,607 in 2022 (NOK 2,789 in 2021).

Practical expedients applied

The Group has a lease agreement for offices in Oxford. The lease agreement is short term and is renewed at one months basis. The Groups had two lease agreements in Norway. The first was terminated effective as of 30 November 2022 and the second expired 31 December 2022. The Group is in negotiation of extention for a 12 months period but this have currently not been formalized. The Group also leases printers with contract terms of five years. The Group has elected to apply the practical expedient of low value assets for some of these leases and does not recognise lease liabilities or right-of-use assets. The leases are instead expensed when they incur. The Group has also applied the practical expedient to not recognise lease liabilities and right-of-use assets for short-term leases, presented in the table above.

OVERVIEW 01-03
STRATEGIC REPORT 04-22
CORPORATE GOVERNANCE 23-49
FINANCIAL STATEMENTS 50-81

Notes to the Financial Statements continued

Note 9 Leases continued

Extension options

The Group has no extention options for lease arrangements as of 31 December 2022.

Note 10 Pensions

BerGenBio ASA is required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon"). The Company has a contribution pension scheme which complies with the Act on Mandatory company pensions.

Both BerGenBio ASA and BerGenBio Limited have defined contribution pension schemes, but the contribution is different.

For BerGenBio ASA and Norwegian employees the contribution amounts to 7% of salary up to 12G and 18.1% of salary between 7.1G and 12G (G is Norwegian National Insurance basic amount). For BerGenBio Limited and UK employees the contribution is between 7-15% of base salary.

Note 11 Financial income and expense

Parent 2021	Parent 2022		Group 2022	Group 2021
		Financial income		
0	10	Interest income on tax repaid	10	0
3,130	2,847	Interest income on bank deposits	2,939	3,130
11,804	12,070	Other finance income	12,078	12,864
14,934	**14,926**	**Total financial income**	**15,027**	**15,993**

Parent 2021	Parent 2022		Group 2022	Group 2021
		Financial expense		
7	309	Other interest expense	321	53
9,396	10,762	Other finance expense	11,193	10,841
9,403	**11,071**	**Total financial expense**	**11,514**	**10,894**
5,531	3,856	**Net financial income**	3,513	5,100

OVERVIEW 01-03
STRATEGIC REPORT 04-22
CORPORATE GOVERNANCE 23-49
FINANCIAL STATEMENTS 50-81

Notes to the Financial Statements continued

Note 12 Income tax

Parent 2021	Parent 2022		Group 2022	Group 2021
(310,657)	**(301,375)**	**Profit before tax**	**(302,122)**	**(309,364)**
(68,345)	(66,302)	Income taxes calculated at 22%	(66,467)	(68,060)
0	(16)	Adjustment in respect of current income tax of previous years	(16)	0
1,565	765	Non deductible expenses	765	1,565
(1,054)	(1,045)	Non-taxable income	(1,045)	(1,951)
67,834	66,598	Change in deferred tax asset not recognized	66,763	68,445
0	**0**	**Tax expense**	**0**	**0**
0	0	Income tax expense reported in income statement	0	0

Deferred tax and deferred tax assets

Parent 2021	Parent 2022		Group 2022	Group 2021
		Deferred tax assets (22% of temporary differences)		
(332,706)	**(399,430)**	**Tax losses carried forward**	**(399,495)**	**(332,706)**
(58)	(14)	Property, plant and equipment	(58)	(58)
(213)	0	Other	0	(213)
332,976	399,444	Deferred tax asset not recognized	399,553	332,976
0	**0**	**Deferred tax assets – gross**	**0**	**0**

The Company has a tax loss of NOK 303.2 million in 2022, and in total a tax loss carried forward as of 31 December 2022 on NOK 1 815.6 million. There are no timing restrictions on carrying forward the tax loss, and it can be carried forward indefinitely.

The deferred tax asset has not been recognized in the statement of financial position, as the Company does not consider that taxable income in the short-term will sufficiently support the use of a deferred tax asset.

Note 13 Other operating expenses

Parent 2021	Parent 2022		Group 2022	Group 2021
191,316	189,508	Program expenses, clinical trials and research	194,063	193,076
649	685	Office rent and expenses	3,331	2,447
68,387	71,666	Consultants R&D projects	8,340	12,744
7,491	8,101	Patent and licence expenses	8,101	7,491
22,857	18,225	Other operating expenses	27,915	31,035
(6,914)	(5,298)	Government grants	(5,298)	(6,914)
283,786	**282,887**	**Total**	**236,451**	**239,880**

OVERVIEW 01-03
STRATEGIC REPORT 04-22
CORPORATE GOVERNANCE 23-49
FINANCIAL STATEMENTS 50-81

Notes to the Financial Statements continued

Note 13 Other operating expenses continued

Specification auditor's fee

Parent 2021	Parent 2022		Group 2022	Group 2021
238	313	Statutory audit	313	400
20	173	Other assurance services	173	20
0	0	Other non-assurance services	0	71
12	20	Tax consultant services	20	71
270	**506**	**Total**	**506**	**563**

Amounts are excluding VAT

Note 14 Earnings per share

Parent 2021	Parent 2022		Group 2022	Group 2021
(310,657)	(301,375)	Profit after tax	(302,122)	(309,364)
87,956,563	88,636,493	Weighted average number of outstanding shares during the year	88,636,493	87,956,563
(3.53)	**(3.40)**	**Earnings (loss) per share – basic and diluted (NOK)**	**(3.41)**	**(3.52)**

Share options issued have a potential dilutive effect on earnings per share. No dilutive effect has been recognized as potential ordinary shares only shall be treated as dilutive if their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations. As the Group is currently loss-making an increase in the average number of shares would have anti-dilutive effects.

Note 15 Other current assets

Parent 2021	Parent 2022		Group 2022	Group 2021
6,024	5,418	Government grants	13,375	10,248
676	290	Refundable VAT	290	676
637	1,183	Prepaid expenses	1,804	701
774	389	Other receivables	390	774
3,601	10,625	Receivables Intercompany	0	0
11,711	**17,905**	**Total**	**15,860**	**12,398**

OVERVIEW 01-03
STRATEGIC REPORT 04-22
CORPORATE GOVERNANCE 23-49
FINANCIAL STATEMENTS 50-81

Notes to the Financial Statements continued

Note 16 Cash and cash equivalents

Parent 2021	Parent 2022		Group 2022	Group 2021
756	733	Employee withholding tax	733	756
121,243	80,188	Short-term bank deposits	92,704	129,796
306,094	57,367	Money market fonds	57,367	306,094
428,093	**138,288**	**Total**	**150,803**	**436,646**

Of the total balance in cash and cash equivalents, NOK 0.7 million (2021: NOK 0.8 million) relates to restricted funds for employee withholding taxes.

The Group's short-term bank deposits are on variable rate terms.

Money market funds are classified as Cash and cash equivalents as this is short term placement held for the purpose of meeting short-term cash commitments. Risk is low and the fund is highly liquid.

Note 17 Share capital and shareholder information

The Group has one class of shares and all shares carry equal voting rights.

As of 31 December	Number of authorized shares	Nominal value (NOK)	Book value (NOK)
Ordinary shares 2022	88,660,532	0.10	8,866,053.20
Ordinary shares 2021	88,455,255	0.10	8,845,525.50

Changes in the outstanding number of shares

	2022	2021
Ordinary shares at 1 January	88,455,255	87,259,983
Issue of ordinary shares	205,277	1,195,272
Ordinary shares at 31 December	**88,660,532**	**88,455,255**

OVERVIEW 01-03
STRATEGIC REPORT 04-22
CORPORATE GOVERNANCE 23-49
FINANCIAL STATEMENTS 50-81

Notes to the Financial Statements continued

Note 17 Share capital and shareholder information continued

Ownership structure as of 31.12.2022

Shareholder		Number of shares	Percentage share of total shares
METEVA AS		24,139,650	27.2%
INVESTINOR DIREKTE AS		7,270,780	8.2%
FJARDE AP-FONDEN		4,487,493	5.1%
SARSIA SEED AS		2,117,900	2.4%
J.P. MORGAN SE	NOMINEE I	1,726,731	1.9%
BERA AS		1,712,426	1.9%
VERDIPAPIRFONDET NORDEA AVKASTNING		1,510,174	1.7%
SARSIA DEVELOPMENT AS		1,175,000	1.3%
VERDIPAPIRFONDET NORDEA NORGE PLUS		901,260	1.0%
VERDIPAPIRFONDET NORDEA KAPITAL		881,920	1.0%
VERDIPAPIRFONDET NORDEA NORGE VERD		864,688	1.0%
MARIT MOHN		850,000	1.0%
MARSTIA INVEST AS		850,000	1.0%
VERDIPAPIRFONDET KLP AKSJENORGE IN		574,309	0.6%
NORDA ASA		519,614	0.6%
LOUISE MOHN		509,676	0.6%
J.P. MORGAN SE	NOMINEE II	422,541	0.5%
HØSE AS		383,111	0.4%
MP PENSJON PK		372,783	0.4%
NORDNET LIVSFORSIKRING AS		371,168	0.4%
Top 20 shareholders		**51,641,224**	**58.2%**
Total other shareholders		37,019,308	41.8%
Total number of shares		**88,660,532**	**100.0%**

The Board of Directors has been granted a mandate from the Annual General Mmeeting held on 28 April 2022 to increase the share capital with up to NOK 883,605 by subscription of new shares. The power of attorney was granted for the purpose of issuance of new shares in accordance with the Company's share incentive program and is valid until the earlier of the Annual General Meeting in 2023 and 30 June 2023. See note 6 for more information about the share incentive program and number of option granted.

The Board of Directors has been granted a mandate from the Annual General Meeting held on 28 April 2022 to increase the share capital with up to NOK 1,773,210 by subscription of new shares. The proxy is valid until the earlier of the Annual General Meeting in 2023 and 30 June 2023.

OVERVIEW 01-03
STRATEGIC REPORT 04-22
CORPORATE GOVERNANCE 23-49
FINANCIAL STATEMENTS 50-81

Notes to the Financial Statements continued

Note 17 Share capital and shareholder information continued

Ownership structure as of 31.12.2021

Shareholder	Number of shares	Percentage share of total shares
METEVA AS	23,798,564	26.9%
INVESTINOR DIREKTE AS	7,270,780	8.2%
FJARDE AP-FONDEN	4,487,493	5.1%
SARSIA SEED AS	2,117,900	2.4%
BERA AS	1,712,426	1.9%
VERDIPAPIRFONDET NORDEA AVKASTNING	1,510,174	1.7%
VERDIPAPIRFONDET NORDEA KAPITAL	1,504,740	1.7%
VERDIPAPIRFONDET KLP AKSJENORGE	1,440,000	1.6%
SARSIA DEVELOPMENT AS	1,175,000	1.3%
J.P. MORGAN BANK LUXEMBOURG S.A. NOMINEE I	1,088,228	1.2%
VERDIPAPIRFONDET NORDEA NORGE PLUS	909,260	1.0%
VERDIPAPIRFONDET NORDEA NORGE VERD	864,688	1.0%
MARIT MOHN	850,000	1.0%
MARSTIA INVEST AS	850,000	1.0%
NORDNET LIVSFORSIKRING AS	660,469	0.7%
LOUISE MOHN	509,676	0.6%
J.P. MORGAN BANK LUXEMBOURG S.A. NOMINEE II	430,541	0.5%
KEVIN ZAIM	374,000	0.4%
NORDNET BANK AB NOMINEE III	359,581	0.4%
RO INVEST AS	350,000	0.4%
Top 20 shareholders	**52,263,520**	**59.1%**
Total other shareholders	36,191,735	40.9%
Total number of shares	**88,455,255**	**100.0%**

For shares in the Company held by the Executive Management and Board of Directors, please see Remuneration Report in the Governance section of the Annual Report.

OVERVIEW 01-03
STRATEGIC REPORT 04-22
CORPORATE GOVERNANCE 23-49
FINANCIAL STATEMENTS 50-81

Notes to the Financial Statements continued

Note 18 Other current liabilities

Parent 2021	Parent 2022		Group 2022	Group 2021
1,351	1,281	Unpaid duties and charges	1,623	1,643
1,556	1,215	Unpaid vacation pay	1,215	1,556
681	0	Current lease liabilities	0	681
26,131	37,096	Other accrued costs	45,461	33,292
29,719	**39,591**	**Total**	**48,299**	**37,172**

Note 19 Provisions

	Social security contributions on share options	Total
Balance at 1 January 2022	969	969
Additional provisions recognized	(969)	(969)
Balance at 31 December 2022	**0**	**0**
Current	0.00	0.00
Non-current	0.00	0.00

The provision for social security contributions on share options is calculated based on the number of options outstanding at the reporting date that are expected to be exercised. The provision is based on the difference between market price and strike price. The market price of the shares at the reporting date is the best estimate of market price at the date of exercise.

Note 20 Financial instruments and risk management objectives and policies

The Group's activities are exposed to certain financial risks including foreign exchange risk, credit risk and liquidity risk. The risk is however of such character that the Group has chosen not to put in place any measures to mitigate the potential unpredictability of the financial markets. The Group has NOK 150.8 million in cash and cash equivalents at year end. The main purpose of this is to finance the Group's activities and ongoing clinical trials. The Group has various assets and liabilities such as receivables and trade payables, which originate directly from its operations. All financial assets and liabilities are carried at amortized cost except for money market fund which is at fair value. All financial assets and liabilities are short-term in nature and their carrying value approximates fair value. The cash and cash equivalent and account payable is in financial instruments measured at amorotized cost.

The Group does currently not use financial derivatives.

Foreign currency risk

The value of non-Norwegian currency denominated revenues and costs will be affected by changes in currency exchange rates or exchange control regulations. The Group undertakes various transactions in foreign currencies and is consequently exposed to fluctuations in exchange rates. The exposure arises largely from research expenses. The Group is mainly exposed to fluctuations in euro (EUR), pounds sterling (GBP) and US dollar (USD).

The Group has chosen not to hedge its operational performance as the Group's cash flow is denominated in several currencies that changes depending on where clinical trials are run. The foreign currency exposure is also mostly linked to trade payables with short payment terms. The Group might consider changing its current risk management of foreign exchange rate if it deems it necessary.

OVERVIEW 01-03
STRATEGIC REPORT 04-22
CORPORATE GOVERNANCE 23-49
FINANCIAL STATEMENTS 50-81

Notes to the Financial Statements continued

Note 20 Financial instruments and risk management objectives and policies continued

Interest rate risk

The Group holds NOK 150.8 million in cash and cash equivalents. The Group's interest rate risk is therefore in the rate of return of its cash on hand. Bank deposits are exposed to market fluctuations in interest rates, which affects the financial income and the return on cash. The Group had NOK 2.9 million in interest income in 2022 (NOK 3.1 million 2021). The shareholder loan facility secured from Meteva AS in October 2022 have a facility fee of 1.5% of any un-drawn amonut. Facility fee for 2022 is expensed with NOK 0.3 million in 2022.

Credit risk

Credit risk is the risk of a counterparty's default in a financial asset, liability or customer contract, giving a financial loss. The Group's receivables are generally limited to receivables from public authorities by way of government grants. The credit risk generated from financial assets in the Group is limited since it is cash deposits. The Company only places its cash in bank deposits and limited risk money market fund in recognized financial institutions to limit its credit risk exposure.

The Group has not suffered any loss on receivables during 2022 and the Group considers its credit risk as low.

Liquidity risk

Liquidity is monitored by Group management. Management considers the Group's liquidity situation to be satisfactory. The Group raised total NOK 740 million in equity funding during 2020. The cash position of the Group at year end 2022 was NOK 150.8 million, compared to NOK 436.6 million at year end 2021. In addition, the Group secured a shareholder loan facility of up to NOK 100 million from Meteva AS in October 2022. The facility is undrawn at end of 2022 and available from Q2 2023 and up to the earlier of 31 March 2024 and completion of an equity issue. In April 2023 the Company announced an equity funding, a partly guaranteed and underwritten right issue, with a minimum proceed of NOK 175 million. The equity issue is subject to AGM approval and publication of an approved prospectus. The cash position in combination with expected proceeds from the equity funding will fund the planned activities to end of Q2 2024 on a going concern basis.

Capital management

The Board of Directors' goal is to maintain a strong capital base in order to preserve the confidence of investors, creditors and to develop business activities.

Change in liabilities arising from financing activities:

	Current lease liabilities (Note 9)	Non-current lease liabilities (Note 9)
1 January 2022	681	942
Cash flows	(454)	0
New leases	(1,169)	0
Other	942	(942)
31 December 2022	**0**	**0**
1 January 2021	**650**	**1,366**
Cash flows	(564)	0
New leases	171	0
Other	424	(424)
31 December 2021	**681**	**942**

Other includes the effect of reclassification of non-current lease liabilities to current.

The Group classifies interest paid as cash flow from operation activities.

OVERVIEW 01-03
STRATEGIC REPORT 04-22
CORPORATE GOVERNANCE 23-49
FINANCIAL STATEMENTS 50-81

Notes to the Financial Statements continued

Note 21 Subsidiary

The Group's subsidiary at 31 December 2022 are set out below. The share capital consist solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group.

Name of entity	BerGenBio Limited
Place of business	Oxford, U.K.
Ownership interest held by the Group	100%
Principal activities	Management of clinical studies

Note 22 Intercompany

BerGenBio ASA have entered into two intercompany management agreement with BerGenBio Limited. R&D services are delivered from BerGenBio Limited to BerGenBio ASA and management services are delivered from BerGenBio ASA to BerGenBio Limited.

	Parent 2022	Parent 2021
Purchase from BerGenBio Limited (included in other operation expenses)	65,618	63,612
Receivables BerGenBio Limited (included in other current assets)	10,625	3,601

Note 23 Subsequent events

In April 2023 the Company announced an equity funding, a partly guaranteed and underwritten right issue, with a minimum proceed of NOK 175 million. The equity issue is subject to AGM approval and publication of an approved prospectus. The cash position in combination with expected proceeds from the equity funding will fund the planned activities to end of Q2 2024 on a going concern basis.

Note 24 Shareholder loan

The Company secured a shareholder loan facility 24 October 2022 of up to NOK 100 million from Meteva AS, a 27.2% shareholder in the Company.

The facility is not drawn as of 31 December 2022 but is available and can be drawn from Q2 2023 and up to the earlier of 31 March 2024 and completion of an equity issue. The loan will be terminated by completion of an equity issue. Meteva AS has in the facility agreement committed to participate in an equity funding, and the intention for the company is to complete a funding in 2023. Any drawn amount under the facility agreement will be converted to equity as part of any equity issue.

Loans drawn under the facility will carry interest at a rate of 6% p.a. on any drawn amount and a commitment fee of 1.5% p.a. on any undrawn part of the loan facility. Commitment fee for 24 October – 31 December 2022 has been accrued and included in financial costs in 2022 by NOK 0.3 million.

The loans will not be amortizing and shall be repaid including interest and commitment fee on 31 December 2024. Accrued commitment fee as of 31 December 2022 is classified as long term debt.

OVERVIEW 01-03
STRATEGIC REPORT 04-22
CORPORATE GOVERNANCE 23-49
FINANCIAL STATEMENTS 50-81

Statsautoriserte revisorer
Ernst & Young AS

Thormøhlens gate 53 D, 5006 Bergen
Postboks 6163, 5892 Bergen

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

www.ey.no
Medlemmer av Den norske Revisorforening

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of BerGenBio ASA

Report on the audit of the financial statements

Opinion

We have audited the financial statements of BerGenBio ASA (the Company), which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company and the Group comprise the statement of financial position as at 31 December 2022 and the income statement and other comprehensive income for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company and the Group as at 31 December 2022 and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the audit committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), 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.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 15 years from the election by the general meeting of the shareholders on 21 December 2007 for the accounting year 2008.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for 2022. We have determined that there are no key audit matters to communicate in our report.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and the chief executive officer) is responsible for the other information. Our opinion on the financial statements does not cover the other information, 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 other information, and, in doing so, consider whether the board of directors' report, the statement on corporate governance and the statement on corporate social responsibility contain the information required by applicable legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by applicable legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report, the statement on corporate governance and the statement on corporate social responsibility are consistent with the financial statements and contain the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the EU, 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 and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, 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 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.

Statsautoriserte revisorer
Ernst & Young AS

Thormøhlens gate 53 D, 5006 Bergen
Postboks 6163, 5892 Bergen

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

www.ey.no
Medlemmer av Den norske Revisorforening

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

As part of an audit in accordance with ISAs, we exercise professional judgment 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.
- 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 and the Group'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 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 and the Group'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 and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 the board of directors 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.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirement

Report on compliance with regulation on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of BerGenBio ASA we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 213800TYYFXKYF3V2A23-2022-12-31-en, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF Regulation.

Management's responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF Regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation. We conduct our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation.

As part of our work, we perform procedures to obtain an understanding of the company's processes for preparing the financial statements in accordance with the ESEF Regulation. We test whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Bergen, 28 April 2023
ERNST & YOUNG AS

Truls Nesslin
State Authorised Public Accountant (Norway)

WEF index and data summary

	Theme	Disclosure reference	Metric	2020	2021	2022	Report reference
WEF Metric: Governance	**Governing Purpose**	The British Academy and Colin Mayer, GRI (102-26), EPIC and others	Setting purpose	Qualitative	Qualitative	Qualitative	
	Quality of Governing Body	GRI (102-22), GRI (405-1a), IR (4B)	Total number of Board members (#)	5	5	5	Pages 18, 24
			Board diversity (men/women) (%)	60/40	60/40	60/40	Pages 18, 24
			Number of non-executive Board members (#)	5	5	5	Pages 18, 24
			Number of independent Board members (#)	3	3	5	Page 18
	Stakeholder Engagement	GRI (102-21), GRI (102-43), GRI (102-47)	Impact of material issues on stakeholders	Qualitative	Qualitative	Qualitative	
	Ethical Behaviour	GRI (205-2), GRI (205-3)	Percentage of employees receiving Code of conduct training (%)	0	0	0	Page 18
			Confirmed incidents of corruption (#)	0	0	0	Page 18
		GRI (102-17)	Protected ethics advice and reporting mechanism	Qualitative	Qualitative	Qualitative	
	Risk and Opportunity Oversight	EPIC, GRI (102-15), World Economic Forum Integrated Corporate Governance, IR (4D)	Integrating risk and opportunity into business processes	Qualitative	Qualitative	Qualitative	
	Responsible Sourcing	Own indicator, adapted from GRI (408-1.b), GRI (409-1)	Number of material suppliers who undertook supplier ESG selfassessment (#)	0	0	0	Page 19
WEF Metric: Planet	**Climate Change**	GRI 305:1-3; TCFD; GHG Protocol	Scope 2 total (tCO_2e)	–	5.89	5,64	Page 22
			Scope 3 total (tCO_2e)	-	11.65	49,00	Page 22
	Solid Waste	Natural Capital Protocol (2016); ISO 14008: Monetary valuation of environmental impacts and related environmental aspects (2019); Value Balancing Alliance	Impact of solid waste disposal	Qualitative	Qualitative	Qualitative	
WEF Metric: People	**Dignity and Equality**	GRI (102-8)	Total number of employees (#)	42	46	29	Page 20
		GRI (405-1.b)	Employee diversity (Men/women) (%)	41/59	37/63	38/62	Page 20
		BerGenBio indicator	Number of interns/postgraduate students/ PhD students employed (#)	2	2	3	Page 20
		Adapted, to include other indicators of diversity, from GRI 401-1 (a & b)	Employees regularly receiving performance and development evaluation (%)	100	100	100	Page 21
		BerGenBio indicator	Personnel with PhD (#)	16	19	14	Pages 20, 21
		GRI (408-1.b), GRI (409-1)	Confirmed incidents of discrimination (#)	0	0	0	Pages 19, 21
			Risk of incidents of child, forced or compulsory labour	Qualitative	Qualitative	Qualitative	

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

WEF index and data summary continued

	Theme	Disclosure reference	Metric	2020	2021	2022	Report reference
WEF Metric: People	**Health and Well-being**	GRI (403-9.a & .b)	Number of injuries	0	0	0	Page 21
			Injury rate	0	0	0	Page 21
		Norwegian Accounting Act	Sick-leave (%)	2	1.4	2.3	Page 21
		BerGenBio indicator	Employee survey response rate (%) and engagement score (%)	84/84	75/80	N/A	Page 21
	Patient Safety	GRI (418-1)	Total number of substantiated complaints received with regard to patient personal data breach	0	0	0	Page 18
			Output of patient/clinical trial participant assistance program	1	1	1	Page 18
WEF Metric: Prosperity	**Employment and Wealth creation**	Adapted, to include other indicators of diversity, from GRI 401-1 (a & b)	New hires (#)	14	16	6	Page 21
			New hires diversity (men/women) (%)	21.5/78.5	41/59	16.5/83.5	Page 21
			Turnover rate (%)	10	23	59	
		GRI 201-1 and 201-4	Revenues (NOK Million)	0.6	0.8	0.4	Page 50
			Operating costs (NOK Million)	261.7	315.2	306.0	Page 50
			Employee wages and benefits (NOK Million)	60.18	74.0	68.7	Pages 50, 60
			Payments to governments (other than tax) (NOK Million)	0	0	0	
			Financial assistance from governments (NOK Million)	21.4	13.3	10.4	Page 63
		As referenced in IAS 7 and US GAAP ASC 230	Share buybacks plus divided payments (NOK Million)	0	0	0	
	Community and Social Vitality	Adapted from GRI 201-1	Total taxes paid (NOK Million)	5.8	7.7	7.9	Page 60
	Innovation of Better Products and Services	US GAAP ASC 730	Total R&D spend (#)	222.5	268.5	263.0	Page 65
		Pharma Indicator, Industry best practice	Number of patents granted (#)	10	18	8	Page 46
		Pharma Indicator, Industry best practice	Number of peer-reviewed publications BerGenBio has contributed to (#)	2	4	1	Page 19
		Pharma Indicator, Industry best practice	Number of international presentations (#)	9	15	12	Page 19
	Clinical Trial Conduct	SASB (HC-BP-210a.1.)	Number of clinical trials registered and initiated during the year (#)	1	1	2	Pages 12, 43
		Adapted from SASB (HC-BP-210a.1.)	Total number of discontinued clinical trials due to non-compliance (#)	0	0	0	Page 18
		Adapted from SASB (HC-BP-210a.2.)	Critical inspection findings (#)	0	0	0	Page 18
		Adapted from SASB (HC-BP-210a.3.)	Total amount of monetary losses as a result of legal proceedings associated with clinical trials (NOK million)	0	0	0	Page 18

OVERVIEW
01-03

STRATEGIC REPORT
04-22

CORPORATE GOVERNANCE
23-49

FINANCIAL STATEMENTS
50-81

Glossary

1L	First line cancer treatment
2L	Second line cancer treatment
ACCORD	Accelerating COVID-19 Research & Development
ADC	Antibody-drug conjugate
ADCT	ADC Therapeutics SA
ADME	Study of absorption, distribution, metabolism, and excretion
ALK	Anaplastic lymphoma kinase
AML	Acute Myeloid Leukemia
AXL	AXL tyrosine kinase receptor
BGB	BerGenBio
BGBIO	BerGenBio ticker symbol on Oslo Stock Exchange
CEO	Chief Executive Officer
COVID-19	Infectious diseased caused by SARS-CoV-2 virus
CROs	Contract research organizations
CSR	Corporate social responsibility
CTL	Cytotoxic T lymphocytes
DCs	Dendritic cells
DNA	Deoxyribonucleid acid
EGFR	Epidermal growth factor receptor
EMT	Endothelial-mesenchymal transition
ESG	Environmental, Social and Governance
EU	European Union
EU5	UK, France, Germany, Italy & Spain
EY	Ernst and Young AS
FDA	Food and Drug Administration
FTEs	Full time equivalents
GAS6	Growth arrest-specific 6 (AXL ligand)
GBP	British pound sterling
GCP	Good Clinical Practice
GHG	Greenhouse Gas
GMP	Good Manufacturing Practice
IFN1	Type 1 interferons
IFU	Industrial Development Award (Norwegian)
IFRS	International Financial Reporting Standards
ISO	International Organization for Standardization
ILT	Investigator Led Trials
KPI	Key Performance Indicator
LDAC	Low-dose AraC
LTI	Long term incentives
mAb	Monoclonal antibody
MDS	Myelodysplastic syndrome
MHC-1	Major histocompatibility complex class I
mOS	Median overall survival
MSD	Merck & Co., Inc., d.b.a. Merck Sharp & Dohme outside the United States and Canada
NK cells	Natural killer cells
NOK	Norwegian Kroner
NSCLC	Non-Small Cell Lung Cancer
OCI	Other Comprehensive Income
OSE	Oslo Stock Exchange
PD-1	Programmed death 1
PD-L1	Programmed death-ligand 1
PFS	Progression free survival
PhD	Doctor of philosophy
PSCI	Pharmaceutical Supply Chain Initiative
R&D	Research & development
ROS	Reactive oxygen stress
SARS-CoV-2	Severe acute respiratory syndrome coronavirus 2
SDG	Sustainable Development Goals
SEER	US National Cancer Institute Cancer Program
SRI	Severe respiratory infection
STI	Short term incentives
STK11	Serine/threonine kinase gene
STK11m	Mutation(s) in the STK11 gene
TKI	Tyrosine Kinase Inhibitor
UK	United Kingdom
US	United States
USD	United States dollars

Contact Us

BerGenBio ASA

Møllendalsbakken 9, 5009 Bergen, Norway

P.O. Box 2324, Møllendal, 5867 Bergen, Norway

Telephone: +47 55 96 11 59

E-mail: post@bergenbio.com

Investor Relations Contact

E-mail: ir@bergenbio.com

Martin Olin

CEO

Rune Skeie

CFO

International Media Relations

Graham Morell

Head of IR

E-mail: Graham.morrell@bergenbio.com

Analyst Coverage

H.C. Wainwright & Co

Joseph Pantginis

Telephone: +1 646 975 6968

E-mail: jpantginis@hcwresearch.com

Carnegie

Arvid Necander

Telephone: +46 8 5886 8846

E-mail: arvid.necander@carnegie.se

Ulrik Trattner

Telephone: +46 8 5886 8589

E-mail: ulrik.trattner@carnegie.se

DNB Markets

Patrik Ling

Telephone: +46 8 473 48 43

E-mail: patrik.ling@dnb.se

Geir Hiller Holom

Telephone:+47 977 66 583

E-mail: geir.hiller.holom@dnb.no