



ANNUAL REPORT

2024



**We are building a leading, next generation
precision medicine company utilizing the
power of ultrasound to enable targeted drug
delivery in oncology**

**EXACT Therapeutics AS
Euronext Growth, Oslo – EXTX**

Contents

LETTER FROM THE CEO.....	3
TECHNOLOGY	5
BOARD OF DIRECTORS' REPORT.....	7
Operational review.....	7
Financial Review	9
ESG - Environment, Social and Governance	13
CORPORATE GOVERNANCE REPORT.....	16
FINANCIAL STATEMENTS	19
AUDITORS REPORT.....	45

LETTER FROM THE CEO

Dear Shareholders,

2024 was a transformative year for Exact, marking a period of remarkable progress and strategic growth. Our commitment to innovation and excellence has propelled us forward, bringing us closer to our mission of improving patient outcomes in oncology.

A key milestone in 2024 was the establishment of a strategic partnership with GE HealthCare, a global leader in medical technology, who has also become our largest shareholder. This partnership has strengthened our foundation and enabled us to secure the necessary funding to advance our clinical research.



Our focus on locally advanced pancreatic cancer – one of the most challenging and devastating cancers – remains steadfast, and we are making good progress toward clinical proof-of-concept through our ENACT Phase 2 study in this indication. The successful pre-IND process with the FDA and the opening of an IND for PS101 in the U.S. were significant achievements in 2024. Our clinical investigators are enthused by this opportunity, and we are well on our way to initiating patient enrolment at our first sites in the US.

The results from our ACTIVATE Phase 1 study in patients with liver metastases, presented at the prestigious American Association of Cancer Research (AACR) annual meeting in 2024, demonstrated excellent safety and a strong tumour response when ACT was combined with standard-of-care treatment. We look forward to sharing the full results of our ACTIVATE study in 2025. With these promising clinical findings, our focus is now centred on pancreatic cancer.

We have also made significant progress in expanding the applications of our Acoustic Cluster Therapy, ACT®. We had our first patent for ACT within immunotherapy granted last year, and our collaboration with Agenus Inc. in the field of immunotherapy is gaining momentum, with nonclinical experiments already underway. Additionally, our work with Cordance Medical in brain applications has yielded encouraging results, particularly in the delivery of new glioblastoma treatments.

As we look ahead, our top priority is the successful execution of our ENACT Phase 2 study in locally advanced pancreatic cancer, while simultaneously exploring the potential of ACT in immunotherapy and brain cancer treatment.

I extend my deepest gratitude to the patients, families, and clinical trial teams who place their trust in us, as well as to our dedicated employees and partners whose unwavering commitment fuels our progress. To our Board and shareholders, thank you for your continued support and confidence in our vision. Together, we are making a lasting impact and help shaping a future of better cancer treatment options.

Sincerely,

Per Walday

EXACT THERAPEUTICS AT A GLANCE



Our vision

is to build a leading biotech company, utilizing the power of ultrasound to unlock targeted oncology treatments



12

employees at the end of 2024. Exact was founded in 2012 and our office is located in Oslo



Technology

utilizing proprietary microbubbles and ultrasound to enable targeted drug delivery to solid tumors



Clinical stage

biotech company with two ongoing trials, a Phase 2 in locally advanced pancreatic cancer; and finalizing a Phase 1 trial in patients with liver metastases of colorectal origin



Strategic partnership

with GE HealthCare to advance therapeutic ultrasound in oncology



Well capitalized

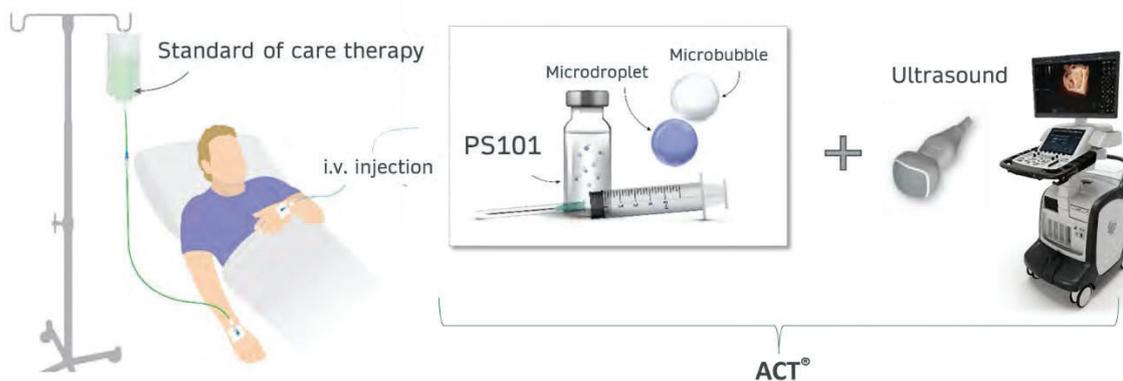
with a cash position of NOK 100 mill on December 31, 2024

TECHNOLOGY

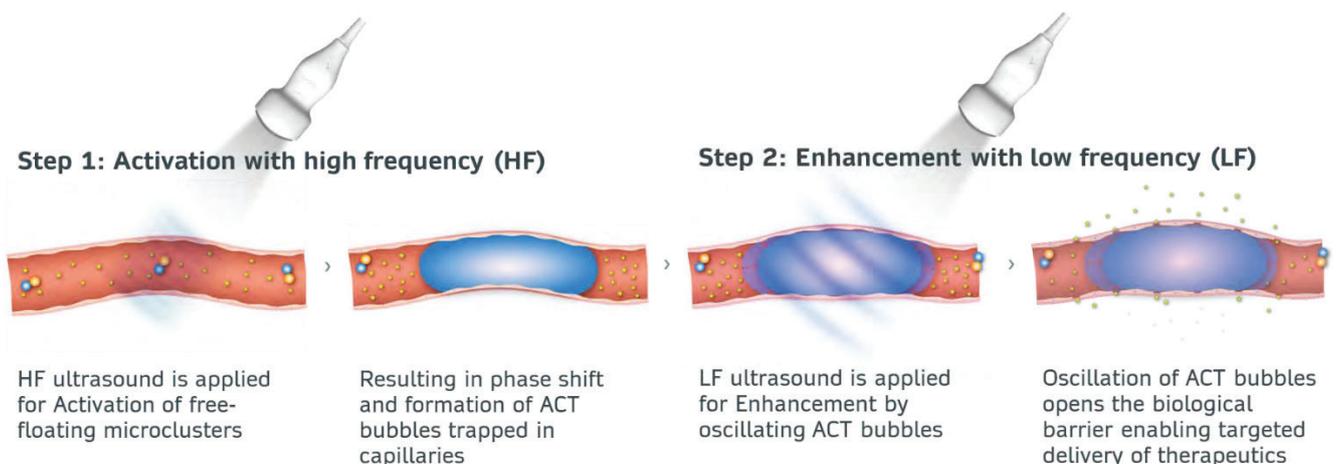
Our technology in brief

Our ACT[®] technology defeats biological barriers that hamper drug delivery, and comprises three components:

1. A proprietary intravenous cluster formulation of stabilised microbubbles and microdroplets, called PS101, that are biologically inert and metabolised fairly rapidly and excreted (exhaled) within hours through the lungs.
2. Standard of care therapeutics, for example intravenous chemotherapeutic regimes that are administered alongside PS101, in accordance with the respective product labels.
3. Standard ultrasound, using a bespoke dual-frequency probe, that is applied to the target site following administration of PS101 and the therapeutic agent.



A simple and non-invasive process



Our pipeline

We are a clinical stage company with two ongoing studies:

Our ENACT Phase 2 study in first line locally advanced pancreatic cancer in combination with modified FOLFIRINOX, and the Phase 1 ACTIVATE trial in patients with liver metastasis of colorectal origin.

Area / Disease		Preclinical	Phase I	Phase II
Oncology	Pancreatic (ENACT Study)	[Progress bar spanning Preclinical, Phase I, and into Phase II]		
	Liver metastases (ACTIVATE study)	[Progress bar spanning Preclinical and Phase I]		
	Glioblastoma	[Progress bar in Preclinical]		
	Immunotherapy	[Progress bar in Preclinical]		
Other	CNS diseases	[Progress bar in Preclinical]		
	Gene therapy	[Progress bar in Preclinical]		

Our Strategic focus – oncology first

Pancreatic cancer: Execute on ENACT Phase 2 trial in first line locally advanced pancreatic cancer.

Explore ACT in immuno-oncology: Execute on research collaborations with Agenus Inc. and Norwegian Research Council grant with Institute of Cancer Research, London, U.K. (ICR), Translational Genomics Research Institute, Phoenix, U.S. (TGen) and Norwegian University of Science and Technology (NTNU).

CNS cancers and blood-brain barrier: Proof-of-concept in glioblastoma- and blood-brain barriers in animal models.

BOARD OF DIRECTORS' REPORT

EXACT Therapeutics is a clinical-stage precision medicine company utilizing the power of ultrasound and microbubbles to enable targeted drug delivery in solid tumours. Acoustic Cluster Therapy follows a unique approach and may be applied to a wide range of therapeutic agents within oncology and across a multitude of other indications, including brain diseases.

Operational review

In 2024, EXACT Therapeutics achieved several significant milestones across its clinical, research, and strategic initiatives, further strengthening its position as a leader in ultrasound-mediated therapeutic enhancement. Most notably, Exact-Tx formed a strategic development agreement with GE HealthCare, a global leader in medical technology, and they participated as a cornerstone investor in the company's successful private placement. Furthermore, the company implemented a focus strategy, concentrating its resources on the ENACT Phase 2 trial in locally advanced pancreatic cancer.

In second quarter, EXACT-Tx presented a poster at the prestigious annual meeting of the American Association for Cancer Research showcasing the results from the dose escalation part of the Phase 1 ACTIVATE study in patients with liver metastases of colorectal origin. The results provide proof of concept that treatment with ACT produces substantial reduction in tumour size in patients treated with standard of care chemotherapeutics. In addition, the results do not show any unexpected side effects from ACT on its own or any worsening of the adverse effects of chemotherapy.

In third quarter, the company announced its strategic focus on the Phase 2 ENACT trial in patients with locally advanced or borderline resectable pancreatic cancer, and in parallel stop further recruitment into the ACTIVATE trial. Pancreatic cancer is one of the deadliest cancers and has seen limited improvements in survival for the last decades. It has a growing patient population, in particular in younger population groups.

On the intellectual property side, Exact-Tx was granted a patent in the United Kingdom, its first territory, on using ACT in combination with immunotherapy in cancer and autoimmune disease patients. An active patent strategy is core to the company and reflects its innovative science and long-term value creation.

In fourth quarter, Exact Therapeutics announced a research collaboration with U.S. clinical late-stage oncology-focused biotechnology company Agenus Inc. The research explores the combination of Agenus' proprietary immune checkpoint inhibitors in combination with ACT in preclinical pancreatic cancer models and is a further of extension of the work behind Exact-Tx's immunotherapy patent.

During the same quarter, Exact Therapeutics entered into a partnership with GE HealthCare. It is a 4-year partnership within abdominal cancer and sets out to advance therapeutic ultrasound in the oncology space. GE HealthCare will develop and supply probes and consoles for EXACT Therapeutics' clinical studies within the field. Exact-Tx retains all commercial rights to the ACT® technology worldwide.

GE HealthCare acted as cornerstone investor in Exact-Tx's successful private placement, raising gross NOK 145 million. The potentially transformative private placement was also backed by other leading investors and major shareholders from the board of directors. Shareholders who participated in the placement also received warrants equal to 3/7 of their initial investment, which will become exercisable following the safety readout from the ENACT study. The proceeds will be used to fund the Phase 2 ENACT trial in pancreatic cancer.

Exact Therapeutics ended the year with another major milestone, the U.S. Food and Drug Administration (FDA) clearance of the Investigational New Drug (IND) application for Phase 2 ENACT trial. The trial plans to open sites in both U.S. and Europe and patient enrolment is planned to commence in first half of 2025. Initial safety review is anticipated around mid-2025.

The financial year 2025 came to a good start, with the announcement of encouraging early preclinical data from mice studies in collaboration with Cordance Medical, investigating the uptake of a radiopharmaceutical in brain tumours of mice inoculated with glioblastoma cancer cells, one of the most aggressive and hard-to-treat brain cancers.

External environment:

Exact Therapeutics' operations do not directly pollute or harm the environment, and the company and its employees are committed to behaving responsibly and to minimizing the impact on the environment. Whilst there is currently no short- or medium-term direct impact expected from climate change or environmental regulations, we are aware of the changing risks attached to climate change and will regularly assess these risks against judgements and estimates in preparation of the group's financial statements.

For further information about the company's ESG work, please visit our website.

Working environment

At the end of 2024 and to this day, Exact Therapeutics counts 12 full time employees of which 4 are women. The employees represent eight nationalities. Absence due to sickness was 0.8 % in 2024, compared to 1.0% in 2023. No work-related accidents were recorded in EXACT Therapeutics in 2024.

The company has a Directors & Officers (D&O) Liability insurance for its board of directors and officers.

Financial Review

Figures in brackets show the same period in 2023 unless stated otherwise.

Accounting policies

The group financial statements of EXACT-Tx have been prepared in accordance with international accounting standard IFRS. The parent company EXACT Therapeutics AS is listed on Euronext Growth, Oslo, and prepares its financial accounts in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Financial results

Operating expenses

Total operating expenses for 2024 for the group amounted to NOK 52.9 million (NOK 48.4 million) and NOK 52.2 million (NOK 47.9 million) for the parent company.

Other operating costs for the full year 2024 were NOK 27.3 million (NOK 24 million) for the Group and NOK 27.9 million (NOK 24.4 million) for the parent company. The increase in the costs is reflecting the high research and development activities ongoing in the company, progressing towards the opening of the ENACT study.

The group has recognized government grants for a total of NOK 10 million (NOK 6.6 million) for the full year 2024. Government grants are recognized as a cost reduction in the profit and loss. Employee benefit costs and other operating expenses have been reduced for both the group and the parent company by these total amounts as a result of these government grants.

The comprehensive loss for the group in 2024 was NOK 52.3 million (NOK 48.4 million) and NOK 51.6 million (NOK 48.1 million) for the parent company. The parent company's comprehensive result is allocated to loss brought forward.

Financial position

Total assets for the group as of 31 December 2024 were NOK 153.2 million (December 31, 2023: NOK 61.3 million) and NOK 151.2 million (NOK 58.1 million) for the parent company.

Total equity as of 31 December 2024 was NOK 115.5 million (NOK 45.1 million) and NOK 128.4 million for the parent company (NOK 42.6 million) which corresponds to an equity ratio of 75 % (73%) for the group and 85 % (73%) for the parent company.

In December 2024, a private placement of NOK 145 million was completed. This was a significant achievement, which also brought in the long-time collaborator, GE Healthcare as a cornerstone investor with a USD 7 million investment. Investors that participated in the private placement also received 3/7 of their invested amount as warrants. One Warrant will give the holder the right to subscribe for one ordinary share in the Company at a subscription price per Share equal to 80% of

the volume weighted average price for the three calendar month period prior to the Company announcing an initial positive safety read-out from its phase II ENACT study.

A discount element of NOK 15.5 million (20%) has been recognized as a financial liability until the warrants have been utilized

Cash flow

Net cash outflow from operating activities was NOK 80.5 million for the group (2023: NOK 44.3 million).

Cash and cash equivalents amounted to NOK 100 million for the group at the end of the 2024 financial year, an increase of NOK 53.6 million from the NOK 46.4 million held at the end of 2023 financial year.

Part of the Company's cash (NOK 40 mill) is placed in a bank account deposit as security for a bank guarantee with restrictions of use, and of that reason does not meet the criteria for cash or cash equivalents in accordance with IFRS. The amount is classified as receivables.

Going concern assumption

The annual accounts are based on the going concern assumption. Based on current forecasts and working plans, the group's cash position is sufficient to fund operations and payment of financial obligations for the next 12 months. Investors that participated in the private placement in December 2024 may utilize warrants following a positive safety read-out from the ENACT study, expected second half of 2025.

Financial risk

The group is exposed to a range of risks affecting its financial performance, including interest risk and liquidity risk. The group seeks to minimise potential adverse effects of such risks through sound business practice, risk management and hedging.

Risk management is carried out by the management.

Interest rate risk

The group has a limited exposure to the risk of changes in market interest rates as it currently has no interest-bearing debt.

Liquidity risk

The liquidity risk is the risk that the group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The group monitors its risk to a shortage of funds by monitoring its working capital and securing sufficient funding from investors.

General risk

The current uncertain global political environment may negatively impact operations, including regulatory and clinical timelines. The Board and management follows the situation closely.

Outlook 2025

In 2025, we expect to continue building on the work and results we have seen in 2024, and we anticipate several key developments that will drive our growth and enhance our impact in the healthcare sector.

Firstly, the ENACT Phase 2 clinical trial in locally advanced pancreatic cancer is set to commence patient enrolment. This trial will evaluate the efficacy and safety of ACT in combination with modified FOLFIRINOX treatment, with an initial safety review anticipated by mid-2025.

The partnership with GE HealthCare to advance ultrasound-mediated therapeutic enhancement using ACT in abdominal cancers will start to take shape in 2025. We regard GE HealthCare to be the perfect partner, and the partnership opens a pioneering path to bring non-invasive ultrasound with microbubbles into the cancer therapy space.

Additionally, we expect to see early results from our preclinical studies in brain cancer, conducted in collaboration with Cordance Medical. These studies aim to enhance drug delivery across the blood-brain barrier, addressing a significant challenge in treating brain-related disorders.

Financially, the successful private placement in December 2024, which raised NOK 145 million, provides a solid foundation for our operational and research activities in 2025.

The warrants issued to shareholders will be available for exercise following a positive initial safety read-out from the ENACT study, further supporting our financial stability and growth.

In summary, 2025 sets out to be a year of substantial progress for EXACT Therapeutics, as we continue to innovate and expand the applications of ACT to improve patient outcomes across multiple therapeutic areas.

Statement by the board of directors

We confirm that, to the best of our knowledge, the financial statements for the period from 1 January to 31 December 2024 have been prepared in accordance with IFRS as adopted by EU, with such additional information as required by the Accounting Act, and give a true and fair view of the company's and the group's consolidated assets, liabilities, financial position and results of operations.

We confirm that the board of directors' report provides a true and fair view of the development and performance of the business and the position of the company and the group, and that the report and notes to the financial statements provide a description of the key risks and uncertainty factors that the company is facing.

We recommend that the financial statements be adopted at the annual general meeting on June 13, 2025.

Oslo, April 9, 2025

// Electronically signed //

Anders Wold
Chair of the Board

// Electronically signed //

Leiv Askvig
Board member

// Electronically signed //

Dr. Masha Strømme
Board Member

// Electronically signed //

Dr. Jonathan Allis
Vice-chair of the Board

// Electronically signed //

Ann-Tove Kongsnes
Board Member

// Electronically signed //

Flavien Daloz
Board Member

// Electronically signed //

Dr. Per Walday
CEO

ESG - Environment, Social and Governance

Advancing Medicine Through Innovation and Sustainability

EXACT Therapeutics is driven by a vision to enhance the therapeutic efficacy of medicines through ultrasound-mediated drug delivery. We aim to contribute to medical advancements that improve lives of patients while creating value for society and shareholders. Our long-term success is intrinsically linked to our commitment to responsible business practices.

For more information on our ESG initiatives, including our efforts related to the Transparency Act, please visit our website: www.exact-tx.com/ESG.

Our Vision and the UN Sustainable Development Goals (SDGs)

At the heart of our business is the development of innovative solutions to enhance the therapeutic efficacy of medicines. A key focus for EXACT-Tx is innovation (SDG 9), which leads to improved patient outcomes (SDG 3). We believe our most significant contribution to Agenda 2030 and the SDGs comes from:

- Promoting responsible production (SDG 12)
- Collaborating with industry partners (SDGs 12 & 17)
- Driving innovation, economic growth, and decent work conditions (SDG 8)

Our commitment to sustainability is an ongoing process. We have identified key ESG factors that are material to us and our stakeholders, including employees, investors, regulators, suppliers, research organizations, and academic institutions. While climate change does not directly impact our operations today, we recognize the potential for future legislative and regulatory changes.

SDGs 9 & 3: Innovation and Patient Wellbeing



Patient safety and wellbeing are fundamental to achieving our vision, becoming even more critical as we advance into larger clinical trials. Our pre-clinical research undergoes rigorous evaluation by experts and regulators before transitioning to the clinical phase. Clinical trials are conducted in strict accordance with the highest standards and regulatory requirements to ensure safety and efficacy.

Patients participating in trials undergo rigorous pre-screening, and testing proceeds only if they are deemed suitable. Any adverse effects or risks are documented and reported to regulatory authorities. Additionally, safeguarding patient data is paramount; in 2024, we recorded no data breaches.

SDGs 8, 12 & 17: Ethical and Sustainable Business Practices



Environmental Impact

As a clinical-stage biotechnology company with 12 employees (per December 31, 2024), our environmental footprint is relatively small. And in addition,, we do not engage in direct manufacturing. While some travel is necessary, we actively seek to minimize it.

Responsible Supply Chain

We recognize that our subcontractors and their emissions contribute to our overall environmental impact. Therefore, we collaborate closely with key suppliers to reduce our footprint.

A core component of our ACT technology is the microbubble element which contains a greenhouse gas. Through a publicly funded collaboration with the Norwegian Research Council, we are working to transition to a more sustainable production process. Our supplier continuously improves its manufacturing processes to reduce emissions.

Ethical Research & Development

Pre-clinical testing of ACT involves animal studies, which we conduct through internationally

recognized institutions that adhere to stringent ethical guidelines. Most tests are carried out by the Norwegian University of Science and Technology (NTNU) or the Institute of Cancer Research (ICR)/Royal Marsden Hospital in the UK.

Privacy and Data Protection

As a biotech company operating in healthcare, we and our partners handle personal data as part of our business. We are actively working to establish a robust GDPR compliance policy to ensure that data processing aligns with regulatory requirements.

Diversity, Equality, and Inclusion

Our employees are the driving force behind EXACT-Tx's success. We foster a diverse and inclusive workplace, recognizing that varied perspectives contribute to a competitive advantage. Employee growth and development remain a priority in retaining and nurturing our employees.

Business Ethics and Transparency

EXACT-Tx is committed to operating under ethical and sound corporate principles. Our corporate governance policy and personnel handbook outline ethical guidelines, with material breaches potentially resulting in employment termination.

Stakeholder Engagement

Building strong relationships and maintaining trust with stakeholders is crucial for our success. We prioritize open, transparent, and timely communication, ensuring stakeholders receive clear financial, scientific, and operational updates.

ESG Moving Forward

Our ESG efforts are continuously evolving. As we mature as a company, we aim to expand and enhance our sustainability initiatives and establish a baseline to measure from. We have conducted an initial impact assessment based on stakeholder feedback to identify the most critical environmental, social, and governance issues for our business.

By integrating sustainability into our operations, EXACT-Tx remains dedicated to innovation, responsible business practices, and contributing positively to society and the environment.

CORPORATE GOVERNANCE REPORT

EXACT Therapeutics considers good corporate governance to be a prerequisite for value creation, for trustworthiness, and for access to capital.

In order to secure strong and sustainable corporate governance, it is important that EXACT-Tx ensures good and healthy business practices, reliable financial reporting and a setting where compliance to laws and regulations is prevalent.

Principles for corporate governance

The company's shares are listed on Euronext Growth Oslo, and thus not subject to the requirement to prepare an annual statement of its principles and practices for corporate governance. However, the company endorses the Norwegian Code of Practice for Corporate Governance, issued by the Norwegian corporate governance board, most recently revised on 17 October, 2018 (the "Code") and therefore seeks to comply with the principles set out in the Code. As compliance with the Code is based on the "comply or explain" principle, the company also includes a corporate governance report in its annual report, based on the same principles.

Implementation and reporting of corporate governance

EXACT-Tx has governance documents setting out principles for how its business should be conducted. References to more specific policies are included in this corporate governance report where relevant. The company's governance regime is approved by the board of directors.

EXACT-Tx believes that good corporate governance involves openness, independence, equal treatment, control and management. This will lead to trustful cooperation between all stakeholders and parties involved in the company, the shareholders, the board of directors, executive management, employees, customers, suppliers, public authorities and society in general.

Business

The operations of the company and its subsidiary are in compliance with the business objective set forth in the company's articles of association, which read as follows: The company's purpose is drug development and other services and products that naturally coincide with this, including participating in other companies with similar activities, buying and selling shares, or otherwise making themselves interested in other undertakings as well as the purchase, sale and rental of real estate

Equal treatment of shareholders

The company 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 a just cause for treating them differently.

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.

General meetings

The general meeting is open to all shareholders, and EXACT-Tx encourages all shareholders to participate and exercise their rights in connection with the company's general meetings. The chair of the general meeting is elected by the shareholders.

The Chair of the Board and the CEO will be present at general meetings, together with representatives of the board. The external auditor will be present at general meetings where matters of relevance for them are on the agenda.

Minutes from the general meetings will be published in accordance with the stock exchange regulations. The company's general meeting elects the members and the chair of the nomination committee for a period of one year and determines their remuneration.

Board composition and independence

Pursuant to the articles of association section 6, the company's board of directors shall consist of 3-7 directors.

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").

The work of the board of directors

General

The board of directors is responsible for the management of the company, including providing strategic guidance, the appointment of chief executive officer (CEO), convening and preparing for general meetings and supervising the daily management and the activities of the company.

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, financial and operational developments.

Audit committee

The board of directors also serves as the audit committee. Its main duties are to assess the company's financial reporting and systems for internal control. The audit committee also supports the administration in accordance with applicable rules and legislations.

Remuneration committee

The board of directors also serves as remuneration committee in recommending remuneration of the company's executive management.

Annual evaluations

The board of directors and the chair undergo an annual performance evaluation for the previous year. This evaluation includes the composition of the board of directors and the manner in which its members function, both individually, and as a group, in relation to the objectives set out for its work. The report is made available to the nomination committee.

Risk management and internal control

The board of directors of EXACT-Tx is 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.

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.

The level of the remuneration is based on remuneration of board directors 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' meetings and any board committees.

Remuneration of executive personnel

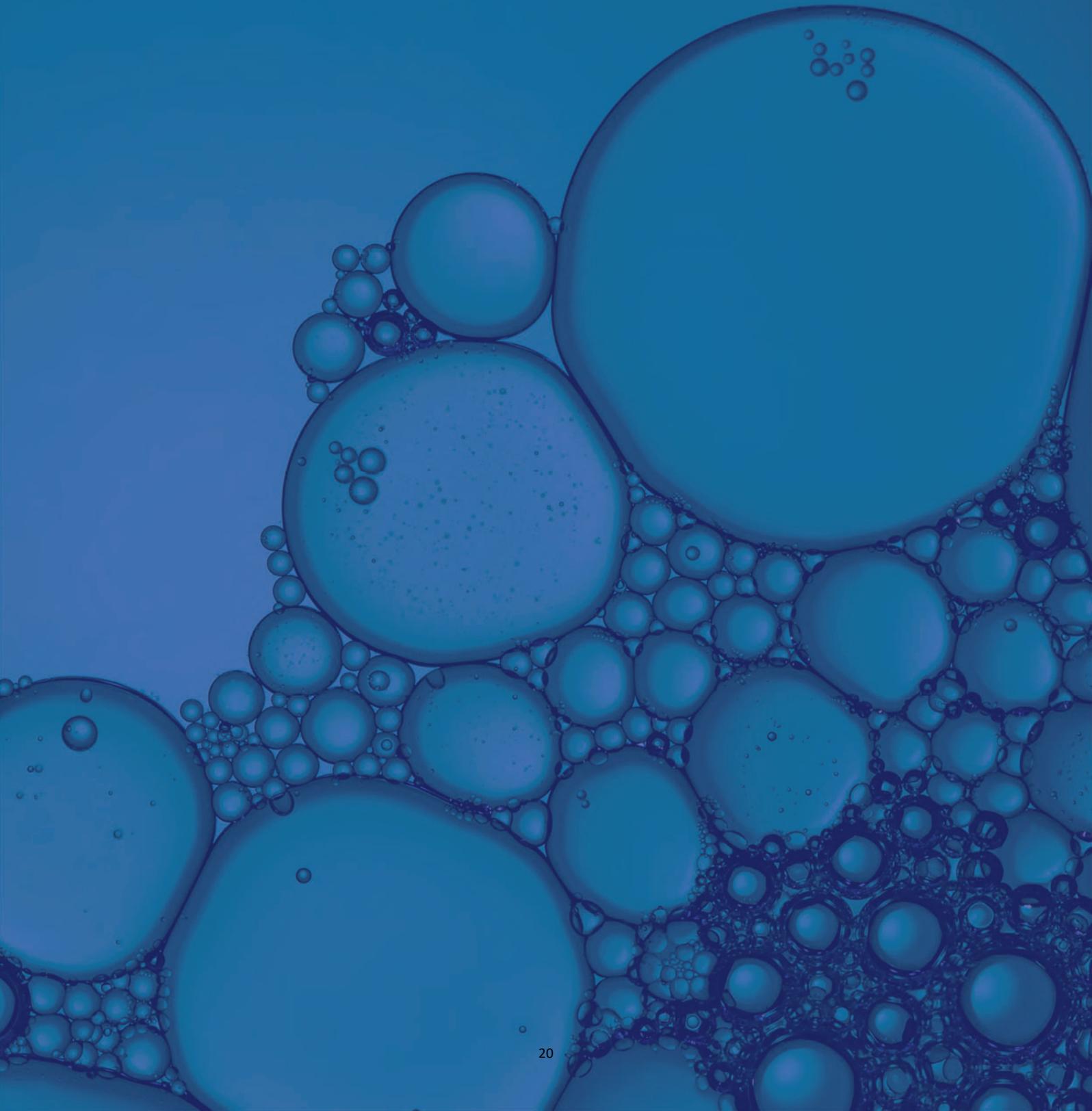
The main principles for EXACT-Tx's executive remuneration policy are that management should be offered terms that are competitive when salary, benefits, bonus and pension plans are seen as a whole. The salary and remuneration of the CEO is determined by the board of directors in a board meeting.

The company has a share option scheme for employees, which is linked to the company's long-term performance in generating shareholder value. Details regarding the program are available in note 4.7 to the financial statements.

Auditor

The company's auditor is EY and is regarded as independent in relation to EXACT-Tx. The board of directors receives an annual confirmation from the auditor that the requirements regarding independence and objectivity have been satisfied. The auditor will participate at the annual general meeting.

FINANCIAL STATEMENTS



Consolidated statement of comprehensive income

Amounts in NOK	Notes	2024	2023
Other income	2.2	-	4 458
Total other income		-	4 458
Employee benefit expenses	2.3	23 127 925	22 307 657
Other operating expenses	2.4	27 294 292	23 984 207
Depreciation and Amortization	3.1,3.2	2 432 293	2 091 884
Operating profit or loss		-52 854 510	-48 379 290
Finance income	4.6	1 228 146	1 275 590
Finance costs	4.6	705 437	1 278 463
Profit or loss before tax		-52 331 801	-48 382 162
Income tax expense	5.1	-	-48 473
Profit or loss for the year		-52 331 803	-48 333 691
<i>Other comprehensive income:</i>			
<i>Items that subsequently may be reclassified to profit or loss:</i>			
Exchange differences on translation of foreign operations		269 102	12 959
Total items that may be reclassified to profit or loss		269 102	12 959
Total other comprehensive income for the year		269 102	12 959
Total comprehensive income for the year		-52 062 701	-48 320 732
<i>Allocation of total comprehensive income</i>			
Total comprehensive income attributable to owners of the parent		-52 062 701	-48 320 732
Earnings per share ("EPS"):			
Basic EPS - profit or loss attributable to equity holders of the parent	4.8	-1,51	-1,51
Diluted EPS - profit or loss attributable to equity holders of the parent	4.8	-1,51	-1,51

Consolidated statement of financial position

Per 31 December

Amounts in NOK	Notes	2024	2023
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	4 260 781	4 371 930
Right-of-use assets	3.2	545 312	1 047 981
Other non-current receivables	3.3	15 186 136	-
Total non-current assets		19 992 229	5 419 911
Current assets			
Other receivables	2.5	33 668 993	9 468 470
Cash and cash equivalents	4.5	99 536 017	46 430 592
Total current assets		133 205 009	55 899 062
TOTAL ASSETS		153 197 238	61 318 974
EQUITY AND LIABILITIES			
Equity			
Share capital		253 053	128 322
Share premium		96 640 163	29 439 777
Other paid-up equity		18 384 085	15 532 776
Other components of equity		269 102	-38 733
Total equity	4.4	115 546 404	45 062 142
Non-current liabilities			
Non-current lease liabilities	3.2	52 393	649 866
Non-current provisions		-	82 093
Total non-current liabilities		52 393	731 959
Current liabilities			
Current lease liabilities	3.2	594 325	545 932
Trade and other payables	2.6	21 468 402	14 940 205
Other current liabilities	2.7	15 535 714	-
Total current liabilities		37 598 441	15 486 137
Total liabilities		37 650 834	16 218 096
TOTAL EQUITY AND LIABILITIES		153 197 238	61 318 974

Oslo, 9 April, 2025

//Electronically signed//

Anders Wold
Chair of the Board

//Electronically signed//

Dr. Jonathan Allis
Vice-Chair of the Board

//Electronically signed//

Dr. Masha Strømme
Board Member

//Electronically signed//

Leiv Askvig
Board Member

//Electronically signed//

Ann-Tove Kongsnes
Board Member

//Electronically signed//

Flavien Daloz
Board Member

//Electronically signed//

Dr. Per Walday
CEO

Consolidated statement of changes in equity

Amounts in NOK	Note	Other equity					Total equity
		Share capital	Share premium	Other paid-up equity	Foreign currency translation reserve	Uncover loss/ Retained earnings	
Balance at 1 January 2023		119 989	53 418 288	11 608 532	-38 733	-	65 108 076
Reallocation of prior year losses			-48 333 691				-48 333 691
Other adjustments			528 901	-36 011			492 890
Issue of share capital	4.4	8 333	24 991 663		-	-	24 999 996
Transaction costs			-1 165 383		-	-	-1 165 383
Share based payments - Options	4.7			3 960 255	-	-	3 960 255
Balance at 31 December 2023		128 322	29 439 777	15 532 776	-38 733	-	45 062 142
Balance at 1 January 2024		128 322	29 439 777	15 532 776	-38 733	-	45 062 142
Profit (loss) for the year		-	-52 331 803	-	-	-	-52 331 803
Other comprehensive income for the year, net of income tax		-	-	-	269 102	-	269 102
year		-	-52 331 803	-	269 102	-	-52 062 701
Other adjustments			205 651	36 011	38 733		280 395
Issue of share capital	4.4, 1.4	124 731	129 339 551		-	-	129 464 282
Share issue cost			-10 013 013		-	-	-10 013 013
Share based payments - Options	4.7			2 815 298	-	-	2 815 298
Balance at 31 December, 2024		253 053	96 640 163	18 384 085	269 102	-	115 546 404

Consolidated statement of cash flows

Cash flows from operating activities (NOK)	Notes	FY 2024	FY 2023
Profit or loss before tax		-52 331 803	-48 333 691
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Net financial income/expense	4.6	-522 708	2 872
Depreciation and impairment of property, plant and equipment	3.1	1 772 769	1 625 367
Amortisation and impairment of right-of-use asset	3.2	659 524	466 517
Share-based payment expense	4.7	2 815 298	3 960 255
<i>Working capital adjustments:</i>			
Changes in other receivables	2.5	-39 386 659	-1 324 840
Changes in trade and other payables	2.6	6 528 197	-689 692
Changes in provisions and other liabilities	2.7	-82 093	-1 988
Net cash flows from operating activities		-80 547 475	-44 295 199
Cash flows from investing activities (NOK)			
Purchase of property, plant and equipment		-1 505 250	-3 092 779
Interest received		924 511	945 023
Net cash flow from investing activities		-580 739	-2 147 756
Cash flow from financing activities (NOK)			
Proceeds from issuance of equity	4.4, 1.4	129 464 282	24 999 996
Proceeds from issuance of warrants	4.4, 1.4	15 535 714	-
Transaction costs on issue of shares	4.4	-10 013 013	-1 165 383
Payments for the principal portion of the lease liability	3.2	-598 399	-580 980
Payments for the interest portion of the lease liability	3.2	-52 478	-82 922
Interest paid	4.8	-1 978	-2 713
Net cash flows from financing activities		134 334 129	23 167 998
Net increase/(decrease) in cash and cash equivalents		53 205 914	-23 274 957
Cash and cash equivalents at beginning of the year/period	4.5	46 430 593	69 389 722
Net foreign exchange difference		-100 490	315 828
Cash and cash equivalents, end of year/period		99 536 017	46 430 593

1.1 General information

The consolidated financial statements of EXACT Therapeutics AS and its subsidiaries (collectively, "the Group" or "EXACT Therapeutics") for the period ended 31 December 2024 were authorised for issue in accordance with a Board resolution on April 9, 2025. EXACT Therapeutics AS is a publicly listed company on Euronext Growth, Oslo, with the ticker symbol EXTX. EXACT Therapeutics AS is incorporated and domiciled in Norway, and the address of its registered office is Østre Aker vei 19, 0581 Oslo, Norway.

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern while maximizing shareholder value and maintaining an optimal capital structure to reduce the cost of capital. The Group's capital structure consists solely of equity.

EXACT's research and development activities are focused towards enhancing drug delivery in oncology utilizing ultrasound and our proprietary product, PS 101. In combination, this is the ACT[®] technology. Essentially, the aim of the ACT technology is to defeat biological barriers, allowing more drug to penetrate into the diseased tissues where the therapeutic effect is needed. During 2024, the research activities have been focused on finalizing the phase I ACTIVATE trial, and at the same time working towards preparing for the ENACT phase II trial within pancreatic cancer.

EXACT Therapeutics have promising pre-clinical results of ACT within a range of indications and in combination with several different standard-of-care medications.

1.2 Basis of preparation

The consolidated financial statements for the Group have been prepared in accordance with "IFRS Accounting Standards 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 recognised at fair value through profit and loss.

The cash position at the end of December 2024 was NOK 100 million. NOK 40 million is placed in a deposit account with restrictions as security, and does not meet the IFRS definition as cash or cash equivalents. The deposit is classified as receivables. The cash deposit will be made available for the company upon release of the underlying security.

The liquidity position is satisfactory for the planned activities going forwards. The financial statements are prepared on the basis of the going concern assumption.

Presentation currency and functional currency

The consolidated financial statements are presented in Norwegian Kroner (NOK), which is also the functional currency of the parent company. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

For presentation purposes, balance sheet items are translated from functional currency to presentation currency by using exchange rates at the reporting date. Items within total comprehensive income are translated from functional currency to presentation currency by applying monthly average exchange rates

1.3 Significant accounting policies

EXACT Therapeutics has selected a presentation in which the description of accounting policies as well as estimates, assumptions and judgemental considerations are disclosed in the notes to which the policies relate. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

1.4 Significant accounting judgements, estimates and assumptions

The consolidated financial statements have been prepared in accordance with IFRS and the application of the chosen accounting policies requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur. In preparing these financial statements, the significant judgments made by management in applying the group's accounting policies and the key sources of estimate uncertainty were the same as those used in the consolidated financial statements for the year ended 31 December, 2023.

Judgement related to classification of warrants

Subscribers in the December 2024 Private Placement will receive Rights in a subsequent Private Placement, expected to occur after the anticipated safety readout in second half of 2025. The post-discount exercise amount for these Rights will be 3/7 of the amount subscribed for in the December 2024 Private Placement.

To facilitate this future transaction, subscribers in December 2024 received an initial allocation of non-tradable warrants. If the safety readout is positive, investors can exercise their Rights by subscribing with both cash and the discount amount. The number of issued warrants will be adjusted based on the VWAP at the time of the transaction, ensuring that subscribers receive the agreed discount at the Rights Issue following the safety readout. These warrants serve as a mechanism to guarantee the discount for subscribers.

In anticipation of a positive safety readout, a financial obligation of NOK 15.5 million has been recognized in the financial statements to account for the agreed discount amount.

2.1 Operating segments

The Group is organised as one operating segment: research and development of Acoustic Cluster Therapy. The Group is still in the research and development phase and does not have revenue from contracts with customers.

The chief operating decision maker is the executive management group which monitors the operating results of its business unit for the purpose of making decisions about resource allocation and performance assessment.

In the table below non-current assets are broken down by geographical areas based on the location of the companies

Non-current assets	31.12.2024	31.12.2023
Norway	18 526 118	3 566 137
United Kingdom	1 466 110	1 853 774
Total non-current assets	19 992 229	5 419 911

Non-current assets for this purpose consist of property, plant and equipment and right-of-use assets, as well as the non-current part of cash deposit with restrictions. See note 2.5.

2.2 Government grants

ACCOUNTING POLICIES

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is deducted from the cost on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Government grants and other income	2024	2023
Other income	-	-
Total government grants and other income	-	-

Only grants recognised as income are presented in the table above.

Total government grants recognised	Line item in the consolidated statement of comprehensive income	2024	2023
Grant from the Research Council of Norway	Employee benefit expenses/Other operating exp.	5 284 752	1 913 244
Grant from SkatteFUNN	Employee benefit expenses/Other operating exp.	4 750 000	4 750 000
Total government grants recognised		10 034 752	6 663 244

Government grants receivable	31.12.2024	31.12.2023
Grant from the Research Council of Norway	1 084 221	1 308 745
Grant from SkatteFUNN	4 750 000	5 638 169
Total government grants receivable	5 834 221	6 946 914

In December of 2022, EXACT Therapeutics was awarded a grant of NOK 16 mill for the research project "Enhancing immune response in solid tumours with Acoustic Cluster Therapy (ACT®)". The project runs until 2027. In 2024, NOK 4.1 mill have been posted in the TCI.

The company has posted to income a research projects via the SkatteFUNN scheme of a total of NOK 4.75 mill. The amount has been posted in full as a reduction in expensed costs related to the relevant projects. The same amount was accounted for in 2023.

In 2022, A collaboration project between EXACT Therapeutics AS and a collaborator partner was awarded NOK 16 mill from the Norwegian Research Council for a specific research project. In 2024, Exact Therapeutics has received NOK 1.1 mill in connection with this project.

2.3 Employee benefit expenses

Pensions

The Group has a defined contribution pension plan for its employees. The Norwegian scheme satisfies the statutory requirements in the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon"). Contributions are paid to pension insurance plans and charged to the income statement in the period to which the contributions relate. Once the contributions have been paid, there are no further payment obligations.

Employee benefit expenses	2024	2023
Salaries	18 912 514	16 846 520
Social security costs	3 431 030	2 986 798
Pension costs	1 313 901	1 017 267
Other employee expenses (Share option expenses)	2 815 298	3 960 255
Grants deducted employee	-3 344 818	-2 503 182
Total employee benefit expenses	23 127 925	22 307 657

Average number of man-years that ha been employed during the financial year: 12 11,8

2.4 Operating expenses

ACCOUNTING POLICIES

Other operating expenses are recognised when they occur and represent a broad range of operating expenses incurred by the Group in its day-to-day activities. Other operating expenses consist of expenses that are not classified on the lines for cost of materials, employee benefit expenses, depreciation, and amortisation.

Other operating expenses	2024	2023
Audit and accounting fees	660 360	669 475
Consulting fees	622 708	1 417 911
Legal expenses	1 474 556	633 013
Travel expenses	633 239	545 470
Lease expenses	232 159	241 612
Research expenses	25 208 417	19 737 557
Grants deducted	-6 689 935	-4 160 063
Other operating expenses	5 152 787	4 899 231
Total other operating expenses	27 294 292	23 984 207

Auditor fees - parent company (excl. VAT)	2024	2023
Audit fee	363 000	302 664
Attestation services	75 000	60 000
Audit related services	17 950	336 855
Tax services	32 000	64 000
Total remuneration to the auditor	487 950	763 519

2.5 Other current assets

Receivables are measured by the amortised cost method, but due to the assets being short-term receivables the non-discounted contractual. No credit losses allowance is recognised.

The company has cash placed in a deposit account with restrictions as security, and does not meet the IFRS definition as cash or cash equivalents. The deposit is classified as receivables. The cash deposit will be made available for the company upon release of the underlying security.

Other receivables	31.12.2024	31.12.2023
VAT receivable	428 118	1 162 775
Government grants	5 834 221	6 946 914
Prepayments vendors	1 376 092	828 353
Current part of cash-deposit with restrictions	25 604 992	-
Other	425 570	530 428
Total other receivables	33 668 993	9 468 470

2.6 Trade and other payables

Trade and other payables are expected to be settled within the normal operating cycle within twelve months after the reporting period.

Trade and other payables	31.12.2024	31.12.2023
Trade payables	11 656 984	7 205 042
Withholding payroll taxes and social security	2 541 529	1 563 812
Other accrued expenses	7 269 889	6 171 351
Total trade and other payables	21 468 402	14 940 205

2.7 Other current liabilities

Other current liabilities per 31 December 2024 of NOK 15.5 mill consists of expected discount part of warrants. See note 1.4.

3.1 Property, plant and equipment

ACCOUNTING POLICIES

Property, plant and equipment ("PP&E") is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The residual values, useful lives and methods of depreciation of PP&E are reviewed at each financial year end and adjusted prospectively, if appropriate.

The Group assesses, at each reporting date, whether there is an indication that property, plant and equipment may be impaired. No indicators for impairment of property, plant and equipment were identified in the current or prior period.

	Fixtures, medical equipment	Total
Cost as at 1 January 2023	8 221 398	8 221 398
Additions	3 092 779	3 092 779
Disposals	-34 592	-34 592
Cost as at 31 December 2023	11 279 585	11 279 585
Additions	1 505 250	1 505 250
Disposals	-	-
Currency translation effects	176 370	176 370
Cost as at 31 December 2024	12 961 205	12 961 205
Depreciation and impairment as at 1 January 2023	4 815 772	1 144 506
Depreciation for the year	2 091 884	745 423
Depreciation and impairment as at 31 December 2023	6 907 656	6 907 656
Depreciation for the year	1 772 769	1 772 769
Currency translation effects	20 002	20 002
Depreciation and impairment as at 31 December 2024	8 700 427	8 700 427
Net book value:		
At 31 December 2023	4 371 931	4 371 931
At 31 December 2024	4 260 781	4 260 781
Economic life (years)	3-5	
Depreciation plan	Straight-line method	

3.2 Right-of-use assets and lease liabilities

ACCOUNTING POLICIES

At 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.

Group as a lessee

At the commencement date, the Group recognises 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 (with an underlying value of less than 50 thousand NOK)

For these leases, the Group recognises the lease payments as operating expenses in the consolidated statement of comprehensive income.

The Group's right-of-use assets recognised in the consolidated statement of financial position are presented in the table below:

Right-of-use assets	Office Buildings	Total
Acquisition cost at 1 January 2023	2 404 887	2 404 887
Additions of right-of-use assets	-	-
Acquisition cost at 31 December 2023	2 404 887	2 404 887
Additions of right-of-use assets	-	-
Other changes	9 039	9 039
Acquisition cost at 31 December, 2024	2 413 926	2 413 926
Depreciation and impairment at 1 January 2023	836 161	836 161
Depreciation of right-of-use assets	520 746	520 746
Depreciation and impairment at 31 December 2023	1 356 907	1 356 907
Depreciation of right-of-use assets	511 707	511 707
Depreciation and impairment at 31 December 2024	1 868 614	1 868 614
Carrying amount at 31 December 2023	1 047 980	1 047 980
Carrying amount at 31 December, 2024	545 312	545 312
Remaining lease term or remaining useful life	1	
Depreciation plan	Straight-line method	

Expenses in the period related to practical expedients and variable payments	2024	2023
Short-term lease expenses	232 159	241 612
Low-value assets lease expenses	-	-
Variable lease expenses in the period (not included in the lease liabilities)	-	-
Total lease expenses in the period	232 159	241 612

The lease expenses in the period related to short-term leases, low-value assets and variable lease payments are included in other operating expenses in the consolidated statement of comprehensive income, and the payments are presented in the Group's operating activities in the consolidated statement of cash flows.

The Group's lease liabilities

Undiscounted lease liabilities and maturity of cash outflows	31.12.2024	31.12.2023
Less than one year	616 361	568 409
One to two years	52 904	616 361
Two to three years		52 904
Three to four years		
More than four years		-
Total undiscounted lease liabilities	669 265	1 237 674

Changes in the lease liabilities - 2023	Total
At 1 January 2023	1 693 855
Cash payments for the principal portion of the lease liability	-580 980
Cash payments for the interest portion of the lease liability	82 922
Total lease liabilities at 31 December 2023	1 195 797
Current lease liabilities in the statement of financial position	545 932
Non-current lease liabilities in the statement of financial position	649 866

Changes in the lease liabilities - 2024	Total
At 1 January 2024	1 195 797
Cash payments for the principal portion of the lease liability	-598 399
Cash payments for the interest portion of the lease liability	52 478
Total lease liabilities at 31 December, 2024	649 876
Current lease liabilities in the statement of financial position	594 325
Non-current lease liabilities in the statement of financial position	52 393

The group had total cash outflows from leases of NOK 0.7 mill in 2024 (2023: NOK 0.7 mill.)

3.3 Other non-current assets

Other non-current receivable of NOK 15 mill consists of non-current part of cash deposits with restrictions. This cash deposit does not meet the definitions for cash or cash equivalents, and is reclassified based on expectations on when they will meet said criteria.

4.1 Ageing of financial liabilities

Contractual undiscounted cash flows from financial liabilities are presented below:

31.12.2023	Remaining				Total
	1-12 months	1-2 years	2-3 years	3-4 years	
Financial liabilities					
Trade and other payables	14 940 205	82 093			15 022 298
Non-current lease liabilities		607 649	42 217	-	649 866
Current lease liabilities	545 932				545 932
Total financial liabilities	15 486 137	689 742	42 217	-	16 218 096

31.12.2024	Remaining				Total
	1-12 months	1-2 years	2-3 years	3-4 years	
Financial liabilities					
Trade and other payables	21 468 402				21 468 402
Other current liabilities (warrants)	15 535 714				15 535 714
Non-current lease liabilities		52 393			52 393
Current lease liabilities	594 325				594 325
Total financial liabilities	37 598 441	52 393	-	-	37 650 834

Reconciliation of changes in liabilities incurred as a result of financing activities:

2023	01.01.2023	Cash flow effect	Non-cash changes		31.12.2023
			New leases	Other changes	
Non-current lease liabilities	1 190 005	-		-644 073	649 866
Current lease liabilities	495 645	-580 980		644 073	545 932
Total liabilities from financing	1 685 650	-580 980	-	-	1 195 798

2024	01.01.2024	Cash flow effect	Non-cash changes		31.12.2024
			New leases	Other changes	
Non-current lease liabilities	649 866			-597 473	52 393
Current lease liabilities	545 932	-598 399		597 473	594 325
Total liabilities from financing	1 195 798	-598 399	-	-	646 718

4.2 Financial risk management

The Group's principal financial liabilities, comprise lease liabilities, and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include other current financial assets, other receivables, and cash and short-term deposits that derive directly from its operations.

The Group is exposed to a range of risks affecting its financial performance, including market risk, credit risk and liquidity risk. The Group seeks to minimise potential adverse effects of such risks through sound business practise, risk management and hedging.

Risk management is carried out by Group management under policies approved by the Board. The Board reviews and agrees policies for managing each of these risks, which are summarised below.

Interest rate risk

The Group has a limited exposure to the risk of changes in market interest rates as it currently has no interest-bearing debt.

Interest rate sensitivity

The change of interest rates will not materially affect the Group's profit before tax per year-end 2024.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (expenses denominated in a foreign currency) and the Group's net investments in foreign subsidiaries. The Group's assets and liabilities at the end of the reporting period are mainly denominated in NOK, and the Group's equity is denominated in NOK. The expenses are mainly denominated in NOK, EUR and USD, with some exposure in GBP. The Group does not hedge currency exposure with the use of financial instruments at the current time, but monitors the net exposure over time.

Foreign currency sensitivity

As per year-end, the foreign currency sensitivity on financial instruments is not material.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. The Group monitors its risk to a shortage of funds by monitoring its working capital and securing sufficient funding from investors.

The Group's objective is to secure funding for its working capital, including mainly the research and development of ACT®. An overview of the maturity profile of the Group's financial liabilities with corresponding cash flow effect is presented in note 4.2.

4.3 Fair value measurement

ACCOUNTING POLICIES

The Group's financial assets are governmental grant receivables and prepayments, and the Group's financial liabilities are accounts payables and other current liabilities. All these financial assets and liabilities are classified as financial instruments at amortised costs, and no financial assets or liabilities are classified at fair value through profit and loss. Financial assets and liabilities at amortised costs are measured at their nominal amount, as the nominal amount is assessed to be fair value due to the immaterial discounting effect for short-term maturities, except for lease liabilities which are measured and disclosed at amortised cost.

4.4 Equity and shareholders

ACCOUNTING POLICIES

Costs related to equity transactions

Transaction costs are deducted from equity, net of associated income tax.

No distributions were made to shareholders in the current or prior period.

Issued capital and reserves:

	Warrants	Number of shares authorised and fully paid	Par value per share (NOK)	Financial Position
Share capital in EXACT Therapeutics AS				
At 1 January 2024	0	32 080 552	0,004	128 322
Share capital increase - 11.12.2024		9 624 150	0,004	38 497
Share capital increase - 24.12.2024		21 558 645	0,004	86 235
Warrants issued	13 364 041	-	-	-
At 31 December, 2024	13 364 041	63 263 347	0,004	253 053

All shares are ordinary and have the same voting rights and rights to dividends.

Reconciliation of the Group's equity is presented in the statement of changes in equity.

Warrants will be available for exercise upon positive safety read-out of the ENACT study, expected second half of 2025.

The Group's shareholders:

Shareholders in EXACT Therapeutics AS at 31.12.2023	Total shares	Ownership/ Voting rights
Investinor Direkte AS	3 096 083	9,65 %
Kvåle AS	3 024 270	9,43 %
PAACS Invest AS	2 699 842	8,42 %
Brekke Holding AS	2 458 961	7,66 %
Canica AS	2 271 000	7,08 %
Andre John Healey	2 205 385	6,87 %
Per Christian Sontum	1 922 105	5,99 %
Optimuspistor AS	1 594 750	4,97 %
Helene Sundt AS	1 422 666	4,43 %
Verdipapirfondet Nordea Avkastning	1 244 999	3,88 %
Kvantia AS	1 165 568	3,63 %
CGS Holding AS	890 500	2,78 %
P53 Invest AS	726 500	2,26 %
Danske Invest Norge Vekst	611 583	1,91 %
Portia AS	576 750	1,80 %
T.D. Veen AS	509 500	1,59 %
Virkelyst AS	405 288	1,26 %
Sir. William Castell	346 664	1,08 %
Det Norske Eiendomscompagnie AS	291 839	0,91 %
Sundt AS	291 666	0,91 %
Other shareholders	4 324 633	13,49 %
Total	32 080 552	100 %

Shareholders in EXACT Therapeutics AS at 31.12.2024	Total shares	Ownership/ Voting rights
GE Medical Holding AB	16 647 956	26,32 %
Investinor Direkte AS	6 105 522	9,65 %
Canica AS	4 291 316	6,78 %
Kvåle AS	3 024 270	4,78 %
Brekke Holding AS	3 000 000	4,74 %
Paacs Invest AS	2 699 842	4,27 %
Helene Sundt AS	2 688 291	4,25 %
Andrew John Healey	2 123 885	3,36 %
Per Christian Sontum	1 824 595	2,88 %
Optimuspistor AS	1 745 464	2,76 %
Goldman Sachs & Co. LLC	1 255 956	1,99 %
J.P. Morgan SE	1 244 999	1,97 %
Kvantia AS	1 165 568	1,84 %
DNB BANK ASA	1 010 799	1,60 %
T.D. Veen AS	1 004 741	1,59 %
CGS Holding AS	890 500	1,41 %
Norda ASA	860 215	1,36 %
P53 Invest AS	726 500	1,15 %
Danske Invest Norge Vekst	719 109	1,14 %
Blueberry Capital AS	700 000	1,11 %
Other shareholders	9 533 819	15,07 %
Total	63 263 347	100 %

Shares held by management or the Board at the end of the reporting periods are summarised in note 7.1.

4.5 Cash and cash equivalents

Cash and cash equivalents	31.12.2024	31.12.2023
Bank deposits, unrestricted	98 019 800	45 573 246
Bank deposits, restricted	1 516 217	857 347
Total cash and cash equivalents	99 536 017	46 430 592

Per Dec 31, 2024, USD 3.6 mill (NOK 40 mill) is placed in deposit account as security for bank guarantee for future vendor agreed payments. This deposit has certain restrictions which mean that the deposit does not fulfil the definition as cash or cash equivalents in accordance with IFRS

4.6 Financial income and expenses

ACCOUNTING POLICIES

Interest income and interest expenses are calculated using the effective interest method.

Foreign currency gains or losses are reported as gain or loss on foreign exchange within finance income or finance costs.

Finance income	2024	2023
Interest income	924 511	945 023
Other finance income	10 741	255 329
Gain on foreign exchange	292 894	75 238
Total finance income	1 228 146	1 275 590

Finance costs	2024	2023
Interest expenses	54 456	85 635
Other finance costs	10 411	803
Loss on foreign exchange	640 571	1 192 024
Total finance costs	705 437	1 278 462

4.7 Share based payments

ACCOUNTING POLICIES

Employees (including management) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Social security tax on share based payments are recorded as a liability if and when share options are assessed to be "in the money" (see note 2.7).

Share option plan - Description

Under the Share Option Plan, share options of the parent are granted to management and employees of the Group. The exercise price of the share options is set to the market price of the underlying shares, calculated as the volume weighted share price for the 10 trading days before the date of grant. The share options granted to the CEO have a 10 year term and vest over a period of 36 months, whereby 25% vest after 12 months, 25% vest after 24 months and 50% vest after 36 months. Other options vest over with 25% after 12 months, 25 % after 24 months, and 50 % after 36 months and expires after 7 years. The vice chair was granted 63 263 options at the extraordinary general meeting in December 2024. The options vest quarterly over 4 years and expires after 7 years.

Share options held by management at the end of the reporting period are summarised in note 7.1.

The fair value of the options were determined at the grant dates and expensed over the vesting period. NOK 2.8 mill have been expensed as employee benefit expenses in the period (NOK 3.9 mill in 2023). The potential social security liability for future exercises is calculated based upon share options that are in-the-money per reporting date and recognised as a current- or non-current liability in the balance sheet depending on vesting date of the underlying share options. No options are in the money at year-end, and no social security liability is recognized.

Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year

	2024	2024	2023	2023
	WAEP	Number	WAEP	Number
Outstanding options 1 January	15,54	1 198 584	16,2	855 584
Options granted	3,88	63 263	13,92	348 000
Options forfeited	0	0	23,00	-5 000
Outstanding options 31 December	14,95	1 261 847	15,54	1 198 584
Exercisable at 31 December	16,31	1 261 847	16,24	1 198 584

The weighted average remaining contractual life for the share options outstanding as at 31 December 2024 was 6.23 years (2023: 7.1 years).

Expire year	Avg exercise price	Number
2027	10,21	225 263
2028	15,00	186 000
2029	19,00	224 941
2032	15,19	625 643
		1 261 847

Assumptions used to determine fair value of share option grants:

	2024	2023
Dividend yield (%)	0,0	0,0
Expected volatility (%)	66,3 %	62,4 %
Risk-free interest rate (%)	3,8 %	3,4 %
Expected life of share options (years)	3,13	3,14
Weighted average share price (NOK)	3,36	13,21
Model used	BSM	BSM

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. At last grant of options historic volatility of Exact Therapeutics AS share price did not provide sufficient historic data that corresponds to the expected life of the option. The expected volatility was therefore estimated based on the volatility of comparable listed companies. Risk free interest rates should be equal to the expected term of the option being valued.

ACCOUNTING POLICIES

Basic EPS is calculated by dividing the profit and loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

The following table reflects the income and share data used in the EPS calculations:

	2024	2023
Profit or loss attributable to ordinary equity holders - for basic EPS	-52 331 803	-48 333 691
Weighted average number of ordinary shares - for basic EPS	34 679 118	32 080 552
Weighted average number of ordinary shares - for diluted EPS	34 679 118	32 080 552
Basic EPS - profit or loss attributable to equity holders of the parent	-1,51	-1,51
Diluted EPS - profit or loss attributable to equity holders of the parent	-1,51	-1,51
Weighted average number of shares:	Number of ordinary shares	
01.01 - 30.11.2024	32 080 552	
01.12-31.12.2024	63 263 347	
Weighted average number of shares:	34 679 118	

Outstanding warrants per December 31, 2024 are not included in calculation of weighted average number of shares

5.1 Taxes**SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

	2024	2023
Current income tax expense:		
Tax payable	-	-
Adjustment for income tax payable for previous periods	-	-48 473
Change deferred tax/deferred tax assets (ex OCI effects)	-	-
Total income tax expense (income)	-	-48 473
Deferred tax assets:	31.12.2024	31.12.2023
Property, plant and equipment	1 075 886	814 789
Accruals and more	3 121 776	3 121 776
Losses carried forward (including tax credit)	309 139 328	242 894 528
Basis for deferred tax assets:	313 336 990	246 831 093
Calculated deferred tax assets	68 934 138	54 302 840
- Deferred tax assets not recognised	-68 934 138	-54 302 840
Net deferred tax assets in the statement of financial position	-	-

The average tax rate for the group's deferred tax assets are 22% per 31.12.2024 and per 31.12.2023. The average tax rate for the group's deferred tax liabilities are 22% per 31.12.2024 and per 31.12.2023.

A reconciliation of the differences between the theoretical tax expense under the rate applicable in Norway and the actual tax expense is as follows:

Reconciliation of income tax expense	2024	2023
Profit or loss before tax	-52 331 803	-48 333 691
Tax expense 22% (Norwegian tax rate)	-11 512 997	-10 633 412
Permanent differences*	-14 880 915	-5 949 201
Effect of not recognising deferred tax assets	78 725 715	64 916 304
Recognised income tax expense	-	-48 473

* The permanent differences are related to share issue costs, SkatteFUNN and other non-deductible costs in the Group's entities.

6.1 Interests in other entities

ACCOUNTING POLICIES

Basis of consolidation

The consolidated financial statements comprise the financial statements of EXACT Therapeutics AS and its subsidiaries as at 31 December 2024. The subsidiaries are consolidated when control is achieved as defined by IFRS 10.

The consolidated entities

The subsidiaries of EXACT Therapeutics AS are presented below:

Consolidated entities 31 December 2024	Office	CUR	Shareholding and the Group's voting ownership share	Date of consolidation
ACT Therapeutics Ltd	Suffolk, UK	GBP	100 %	31.03.2020

All subsidiaries are included in the consolidated statement of financial position.

To comply with the audit exemption for UK subsidiary companies under section 479A of the Companies Act, the Parent company EXACT Therapeutics AS guarantees all outstanding liabilities of ACT Therapeutics Ltd. for the year ended 31 December 2024.

7.1 Remuneration to Management and the Board

Remuneration to the Board of Directors

Remuneration for the members of the Board is determined by the Annual General Meeting (AGM). The remuneration is not linked to the Group's performance but reflects the Board's responsibilities, expertise, time and commitment.

Remuneration to Executive Management

The Board of EXACT Therapeutics AS determines the principles applicable to the Group's policy for compensation to the CEO and the full Board determines remuneration of the CEO in function as the remuneration committee. Remuneration for the other members of the Executive Management team is proposed by the CEO to the Board for their approval in line with company policies.

Pension

All Executive Management are members of the defined contribution pension scheme.

Other benefits

Members of Executive Management have been granted share options under the Group's share option plan, described in note 4.7. The share options held by the management team are summarised further below.

Severance Arrangements

If the CEO's employment agreement is terminated by the Board, he is entitled to 6 months severance pay in addition to the ordinary notice period of 6 months. For other senior management, termination only results in payment of notice period.

Loans and guarantees

No loans have been granted and no guarantees have been issued to management or any member of the Board of Directors.

Remuneration to Executive Management for the year ended 31 December 2024:

NOK	Salary	Bonus	Pension	Other compensation	Total remuneration
Dr. Per Walday - CEO	2 557 880	-	168 598	26 348	2 752 826
Dr. Amir Snapir - CMO	2 716 931	-	-	-	2 716 931
Dr Svein Kvåle - COO	1 505 250	-	173 394	47 378	1 726 022
John M. Edminson - CFO	2 062 493	-	174 593	30 123	2 267 209
Caspar Foghsgaard - CBDO	1 542 124	-	186 982	4 582	1 733 688
Total	10 384 678	-	703 567	108 431	11 196 676

Remuneration to Executive Management for the year ended 31 December 2023:

NOK	Salary	Bonus	Pension	Other compensation	Total remuneration
Dr. Per Walday - CEO	2 271 185	378 000	160 380	23 737	2 833 302
Dr. Amir Snapir - CMO	2 319 437	155 925	87 924	98 781	2 662 067
Dr Svein Kvåle - COO	1 302 120	135 200	177 336	32 590	1 647 246
John M. Edminson - CFO	1 756 806	71 250	161 216	27 798	2 017 070
Caspar Foghsgaard, SVP BD & Commercial	250 000	-	-	-	250 000
Total	7 899 548	740 375	586 856	182 906	9 409 685

Remuneration to the Board of Directors:

NOK	2024	2023
Anders Wold, Chair	515 000	510 000
Dr Masha Strømme - Board Vice Chair to 17.12.2024	450 000	445 000
Sir William Castell - Board member to 28.06.2024	157 500	275 000
Ann-Tove Kongsnes - Board member	300 000	260 000
Leiv Askvig - Board Member from 28.06.2024	170 000	-
Jonathan Allis - Board Vice Chair from 17.12.2024	-	-
Flavien Daloz - Board Member from 17.12.2024	-	-
Dr Jean-Michel Cosséry - Board Member to 09.06.2023	-	110 000
Total compensation to Board of Directors	1 592 500	1 600 000
Other remuneration than board fees	2024	2023
Dr Jean-Michel Cosséry - Board Member to 09.06.2023, advisory fees	-	62 500
Total Executive Management and advisory fees	-	62 500

Shares held by Executive Management team:

	31.12.2024	31.12.2023
John M. Edminson, CFO	6 666	6 666
Amir Snapir, CMO	6 666	6 666
Caspar Foghsgaard, CBD	4 166	4 166
Per Walday, CEO	10 833	10 833
Dr Svein Kvåle - COO, shares held by Kvåle AS	3 024 270	3 024 270
Total	3 052 601	3 052 601

Shares held by the Board of Directors:

	31.12.2024	31.12.2023
Dr Masha Strømme - Vice Chair of the Board to 17.12.2024	2 699 842	2 699 842
Sir William Castell - Board member to 28.06.2024	346 664	346 664
Anders Wold - Chair of the Board	72 924	29 914
Basen Kapital AS - 50 % owned by Board Member Leiv Askvig	112 096	58 333
Total	3 231 526	3 134 753

¹ Dr Masha Strømme's husband Dag Strømme owns PAACS Invest AS which owns 2,699,842 shares per 31.12.2024

Share options held by Board of Directors

	31.12.2024	31.12.2023
Andes Wold - Chair of the Board	224 941	224 941
Jonathan Allis - Vice Chair of the Board	63 263	-

Share options held by Executive Management team:

	31.12.2024	31.12.2023
John M. Edminson, CFO	60 000	60 000
Amir Snapir, CMO	120 000	120 000
Caspar Foghsgaard, CBD	24 000	24 000
Dr. Per Walday, CEO	610 643	610 643
Total	814 643	814 643

7.2 Related party transactions

Dag Strømme, related party of board member Masha Strømme, was engaged as Senior Advisor for a period in 2024. The contract for these services is based on market rates and conditions. He received a remuneration of NOK 138 000 for these services.

7.3 Events after the reporting period**Adjusting events**

There have been no significant adjusting events subsequent to the reporting date.

Non-adjusting events

There have been no significant non-adjusting events subsequent to the reporting date.

Ukrainian war conflict

The Group does not have any activities in Ukraine or Russia why the conflict does not have any direct impact on the operation. However the Group ma impacted indirectly through macro economical fluctuations, like intrest rates, FX rate and inflation.

8.1 Change in accounting policies and disclosures, standards issued, not yet effective

New standards

No new standards have been implemented in 2024.

Standards Issued, not yet implemented

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Group is in the process of assessing the impact of

EXACT THERAPEUTICS AS

OPERATING INCOME AND OPERATING EXPENSES	Note	2024	2023
		-	-
Other income		-	4 458
Total income		-	4 458
Employee benefits expense	2, 3, 4, 5	23 053 028	22 306 464
Depreciation and amortisation expenses	6	1 228 736	1 163 678
Other expenses	2, 3, 7	27 934 036	24 454 560
Total expenses		52 215 800	47 924 702
Operating profit (loss)		- 52 215 800	- 47 920 244
Financial income and expenses			
Other interest income		924 511	945 023
Other financial income	8	303 635	84 660
Other interest expenses		1 978	2 713
Other financial expenses	8	635 349	1 182 769
Net financial items		590 819	- 155 799
Net profit before tax		- 51 624 981	- 48 076 044
Net profit after tax		- 51 624 981	- 48 076 044
Net profit or loss - covered by share premium	4	- 51 624 981	- 48 076 044
Total	4	- 51 624 981	- 48 076 044

ASSETS	Note	2024	2023
NON-CURRENT ASSETS			
PROPERTY, PLANT AND EQUIPMENT			
Equipment and other movables	6	2 794 670	2 518 156
Total property, plant and equipment	6	2 794 670	2 518 156
NON-CURRENT FINANCIAL ASSETS			
Investments in subsidiaries	7	117 096	117 096
Non-current receivables	9	15 186 136	-
Total non-current financial assets		15 303 232	117 096
Total non-current assets		18 097 902	2 635 252
CURRENT ASSETS			
Receivables (pre-payments)		390 173	334 100
Other short-term receivables	2, 9	33 278 837	8 791 662
Total receivables		33 669 010	9 125 762
INVESTMENTS			
Cash and cash equivalents	9	99 740 617	46 350 616
Total current assets		133 409 627	55 476 377
Total assets		151 507 530	58 111 630
EQUITY AND LIABILITIES			
	Note	2024	2023
EQUITY			
PAID-IN CAPITAL			
Share capital	4, 5	253 053	128 322
Share premium reserve		109 802 160	26 564 890
Other paid-up equity	5	18 384 085	15 568 787
Total paid-up equity		128 439 298	42 261 999
Total equity	4	128 439 298	42 261 999
CURRENT LIABILITIES			
Trade payables	10	12 945 261	8 114 468
Public duties payable		2 324 732	1 380 336
Other current liabilities		7 484 549	6 354 827
Total current liabilities		22 754 542	15 849 631
Total liabilities		22 754 542	15 849 631
Total equity and liabilities		151 193 840	58 111 630

Oslo, April 9, 2025

//Electronically signed//

Anders Wold
Chair of the Board

//Electronically signed//

Dr. Jonathan Allis
Vice-Chair of the Board

//Electronically signed//

Dr. Masha Strømme
Board Member

//Electronically signed//

Leiv Askvig
Board Member

//Electronically signed//

Ann-Tove Kongsnes
Board Member

//Electronically signed//

Flavien Daloz
Board Member

//Electronically signed//

Dr. Per Walday
CEO

Note 1 Accounting principles

The annual accounts have been prepared in conformity with the Accounting Act and Good accounting practice for small companies.

FOREIGN CURRENCY

Monetary foreign currency items are valued at the exchange rate on the balance sheet date.

TAX

The tax charge in the profit and loss account consists of tax payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate of 22 % on the basis of tax-reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are off set and entered net.

CLASSIFICATION AND VALUATION OF FIXED ASSETS

Fixed assets include assets included for long-term ownership and use. Fixed assets are valued at acquisition cost. Property, plant and equipment are entered in the balance sheet and depreciated over the asset's economic lifetime. Property, plant and equipment are written down to a recoverable amount in the case of fall in value which is expected not to be temporary. The recoverable amount is the higher of the net sale value and value in use. Value in use is the present value of future cash flows related to the asset. Write-downs are reversed when the basis for the write-down is no longer present.

CLASSIFICATION AND VALUATION OF CURRENT ASSETS

Current assets and short-term liabilities normally include items that fall due for payment within one year of the balance sheet date, as well as items that relate to the stock cycle. Current assets are valued at the lower of acquisition cost and fair value.

SHARES IN SUBSIDIARIES

Subsidiaries are valued using the cost method in the Company accounts. The investment is valued at acquisition cost for the shares unless a write-down has been necessary. A write-down to fair value is made when a fall in value is due to reasons that cannot be expected to be temporary and such write-down must be considered as necessary in accordance with good accounting practice. Write-downs are reversed when the basis for the write-down is no longer present.

Dividends, group contributions and other distributions from subsidiaries are posted to income in the same year as provided for in the distributor's accounts. To the extent that dividends/ group contributions exceed the share of profits earned after the date of acquisition, the excess amounts represents a repayment of invested capital, and distributions are deducted from the investment's value in the balance sheet of the parent Company.

RECEIVABLES

Receivables from customers and other receivables are entered at par value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the respective receivables.

GOVERNMENT GRANTS

Government grants are recognised when it is reasonably certain that the Company will meet the conditions stipulated for the grants and that the grants will be received. Operating grants are recognised systematically during the grant period. Grants are deducted from the cost which the grant is meant to cover.

RESEARCH AND DEVELOPMENT

Costs regarding research and development are expensed in accordance with the Accounting Act § 5-6.

SHARE BASED PAYMENTS

The Company has share-based programs for executive management. The programs are measured at fair value at the date of the grant. The share option program for executive management is settled in stocks. The fair value of the issued options is expensed over the vesting period which in this case is over the agreed-upon future service period.

The cost of the employee share-based transaction is expensed over the average vesting period. The value of the issued options of the transactions that are settled with equity instruments (settled with the Company's own shares) is recognised as salary and personnel cost in profit and loss and in other paid-in capital.

The value of the issued options of the programs that are settled in cash (cash-based programs) are recognised as salary and personnel cost in profit and loss and as a liability in the balance sheet. The liability is measured at fair value at each balance sheet date until settlement, and changes in the fair value are recognised in profit and loss.

Note 2 Public grants

In December of 2022, EXACT Therapeutics was awarded a grant of NOK 16 mill for the research project "Enhancing immune response in solid tumours with Acoustic Cluster Therapy (ACT ®)". The project runs until 2027. NOK 1.3 mill related to work performed in 2023 was received in January 2024.

The company has posted to income a SkatteFUNN scheme of a total of NOK 4.75 mill. The amount has been posted in full as a reduction in expensed costs related to the relevant projects. The same amount was accounted for in 2023.

In 2022, A collaboration project between EXACT Therapeutics AS and a collaborator partner was awarded NOK 16 mill from the Norwegian Research Council for a specific research project. In 2024, Exact Therapeutics has received NOK 1.1 mill in connection with this project.

Note 3 Salary costs and benefits, remuneration to the Chief Executive Officer, Board of Directors and Auditor

SALARY COSTS

	2024	2023
Salaries	17 904 859	17 909 138
Employment tax	3 431 030	2 986 798
Pension costs	1 313 901	1 017 267
Other benefits	403 238	393 261
Total	23 053 028	22 306 464

In 2024 the Company employed an average of 12 full time equivalents.

PENSION LIABILITIES

The Company is liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The Company's pension schemes satisfy the requirements of this Act.

REMUNERATION TO LEADING PERSONNEL

	Chief Executive (CEO)	Board
Salaries	2 557 880	1 642 500
Pension costs	168 598	0
Other remuneration	26 348	0
Total	2 752 826	1 642 500

The Board of Directors have received NOK 1 465 000 in board fees and NOK 177 500 in nomination committee, audit committee, remuneration fees and scientific advisory fees. Dag Strømme, related party of board member Masha Strømme, was engaged as Senior Advisor for a period in 2024. The contract for these services is based on market rates and conditions. He received a remuneration of NOK 138 000 for these services.

AUDITOR

Audit fees expensed in 2024 amount to NOK 363 000, audit related services NOK 322 050, a total of NOK 685 050 from Ernst & Young AS. All amounts excl. VAT.

Note 4 Equity capital

	Share capital	Share premium	Other paid-in equity capital	Total equity capital
Pr. 31.12.2023	128 322	26 564 890	15 568 787	42 261 999
Balance at 01.01.2024	128 322	26 564 890	15 568 787	42 261 999
Registered capital 11.12	38 497	44 713 801		44 752 298
Registered capital 24.12	86234	100 161 464		100 247 698
Registered capital costs		-10 013 013		-10 013 013
Cost of employee options			2 815 298	2 815 298
Result of the year		-51 624 982		-51 624 982
Pr 31.12.2024	253 053	109 802 160	18 384 085	128 439 298

The Company paid NOK 10 013 013 in fees for increase of registered capital in 2024 which is deducted from Share premium.

Note 5 Share capital, shareholders etc.

The share capital in Exact Therapeutics AS as at 31.12.2024 consists of:

	Number	Par value	Posted
Ordinary shares	63 263 347	0,004	253 053
Total	63 263 347		253 053

All shares give the same rights in the Company.

Statement of the largest shareholders as at 31.12.2024:

	Ordinary shares	Ownership share
GE Medical Holding AB	16 647 956	26,32 %
Investinor Direkte AS	6 105 522	9,65 %
Canica AS	4 291 316	6,78 %
Kvåle AS	3 024 270	4,78 %
Brekke Holding AS	3 000 000	4,74 %
Paacs Invest AS *	2 699 842	4,27 %
Helene Sundt AS	2 688 291	4,25 %
Andrew J. Healey	2 123 885	3,36 %
Per Chr. Sontum	1 824 595	2,88 %
Optimuspistor AS	1 745 464	2,76 %
Total	44 151 141,00	69,79 %
Others (less than 3%)	19 112 206	30,21 %
Total	63 263 347	100,00 %

Shares and options held by Executive Management and Members of the Board of Directors:

	Ordinary shares	Options
CEO, Per Walday	10 833	610 643
CFO, John M. Edminson	6 666	60 000
CMO, Amir Snapir	6 666	120 000
COO, Dr Svein Kvåle, shares held by Kvåle AS	3 024 270	0
CBDO Caspar Foghsgaard	4 166	24 000
Board Members:		
Chair of the Board, Anders Wold	72 924	224 941
Board member, Dr. Masha Strømme *	2 699 842	0
Board vice-chair, Dr. Jonathan Allis		63263
Basen Kapital AS - 50 % owned by Leiv Askvik	112 096	
Total	5 937 463	1 102 847

* Masha Strømme's husband Dag Strømme owns the company Paacs Invest AS 100% which owns 2 699 842 shares.

The fair value of share based options were determined at the grant dates and expensed over the vesting period. NOK 2.8 Mill have been expensed as employee benefit expenses in the period (NOK 3.9 Mill in 2023).

Note 6 Fixed assets

	Equipment and furnitures
Acquisition cost as at 01.01.2024	8 177 022
Addition of purchased fixed assets	1 505 250
Acquisition cost 31.12.2024	9 682 272
Depreciation and write-downs as at 01.01.2024	5 614 274
Ordinary depreciation for the year	1 228 736
Depreciation and write-downs as at 31.12.2023	6 843 010
Book value 01.01.2024	2 518 156
Additions in the year	1 505 250
The year's depreciation and write-downs	1 228 736
Book value 31.12.2024	2 794 670

Economic lifetime 3 - 5 years

Note 7 Subsidiaries

	Ownership interest	Acquisition cost	Book value
ACT Therapeutics Ltd	100 %	117 096	117 096
SUM	100 %	117 096	117 096

Exact Therapeutics AS owns 100% of the shares in ACT Therapeutics Ltd, which gives Exact Therapeutics AS 100% of the votes in the Company. ACT Therapeutics Ltd has its registered office in Suffolk, United Kingdom. The annual result for the period 01.01-31.12.2024 was NOK -518 695. The book value of equity capital as at 31.12.2024 was NOK 2 835 985.

The following internal transactions have taken place in 2024:	Amount	Internal gain
Purchase of Administration serves from ACT Therapeutics LTD	1 138 334	0,00 %

Note 8 Agio

Agio income and loss	2024	2023
Agio	292 894	75 238
Disagio	630 994	1 181 459

Note 9 Bank deposits

Funds available in the tax deduction account (restricted funds) are NOK 1 516 217. The payroll taxes is paid. The Company has NOK 313 688 in an account for rent deposit.

The cash position at the end of December 2024 was NOK 100 million. NOK 40 million is placed in a deposit account with restrictions as security, and does not meet the definition as cash or cash equivalents. The deposit is classified as receivables (NOK 15 mill as non-current and and NOK 25 mill as current receivables) . The cash deposit will be made available for the company upon release of the underlying security.

Note 10 Inter-company items

Liabilities	2024	2023
Debt to supplier ACT Therapeutics Ltd	1 367 714	915 838
Total	1 367 714	915 838

Note 11 Tax

This year's tax expense	2024	2023
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Changes in deferred tax assets	0	0
Tax expense on ordinary profit/loss	0	0
Taxable income:		
Ordinary result before tax	-51 624 982	-48 076 044
Permanent differences	-14 880 915	-5 949 201
Changes in temporary differences	261 097	330 442
Taxable income	-66 244 800	-53 694 803

The tax effect of temporary differences that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences

	2024	2023	Difference
Tangible assets	-1 075 886	-814 789	330 442
Accruals and more	-3 121 776	-3 121 776	0
Total	-4197662	-3 936 565	330 442
Accumulated loss to be brought forward	-309 139 328	-242 894 528	53 694 803
Not included in the deferred tax calculation	313 336 990	246 831 093	-54 025 245
Deferred tax assets (22 %)	0	0	0

No deferred tax assets have been capitalized in the balance sheet.

Note 12 Going concern

The result for 2024 shows a result of NOK -51 624 982 after tax, compared to NOK -48 076 044 in 2023. Following the private placement in 2024, the company has sufficient funding for the planned activities. The Board of Directors considers that the criteria for going concern are satisfied and the financial statements are prepared on this basis.

To the Annual Shareholders' Meeting of Exact Therapeutics AS

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Exact Therapeutics AS (the Company) which comprise:

- The financial statements of the Company, which comprise the balance sheet as at 31 December 2024, the income statement and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and
- The financial statements of the Group, which comprise the statement of financial position as at 31 December 2024, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway,
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

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)* (the 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.

Other information

The Board of Directors and the Chief Executive Officer (management) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. The other information comprises the other information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information presented with the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report and for the other information presented with the financial statements. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the other information presented with the financial statements and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report and for the other information presented with the financial statements otherwise appears to be materially

misstated. We are required to report if there is a material misstatement in the Board of Directors' report and the other information presented with the financial statements.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of management for the financial statements

The Board of Directors and the Chief Executive Officer (management) are responsible for the preparation of the financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with in accordance with IFRS Accounting 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.

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.

Oslo, 9 April 2025
ERNST & YOUNG AS

The auditor's report is signed electronically

Anja Maan
State Authorised Public Accountant (Norway)

PENNEO

Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo™ - sikker digital signatur". De signerende parter sin identitet er registrert, og er listet nedenfor.

"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Maan, Anja

Statsautorisert revisor

Serienummer: no_bankid:9578-5997-4-370042

IP: 178.232.xxx.xxx

2025-04-09 18:28:18 UTC



Dette dokumentet er signert digitalt via **Penneo.com**. De signerte dataene er validert ved hjelp av den matematiske hashverdien av det originale dokumentet. All kryptografisk bevisføring er innebygd i denne PDF-en for fremtidig validering.

Dette dokumentet er forseglet med et kvalifisert elektronisk segl ved bruk av et sertifikat og et tidsstempel fra en kvalifisert tillitstjenesteleverandør.

Slik kan du bekrefte at dokumentet er originalt

Når du åpner dokumentet i Adobe Reader, kan du se at det er sertifisert av **Penneo A/S**. Dette beviser at innholdet i dokumentet ikke har blitt endret siden tidspunktet for signeringen. Bevis for de individuelle signatørens digitale signaturer er vedlagt dokumentet.

Du kan bekrefte de kryptografiske bevisene ved hjelp av Penneos validator, <https://penneo.com/validator>, eller andre valideringsverktøy for digitale signaturer.