
First quarter results
2022
targovax

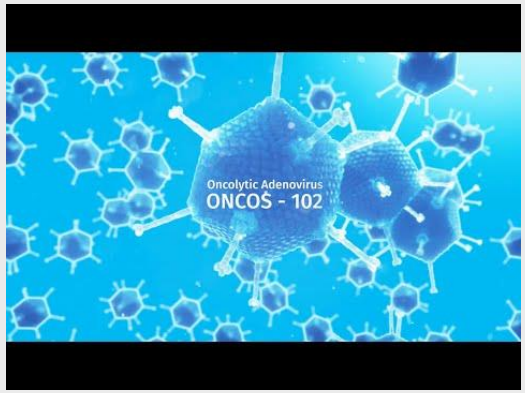
About Targovax

Activating the patient's immune system to fight cancer

Targovax (OSE:TRVX) is a clinical stage immuno-oncology company developing immune activators to target hard-to-treat solid tumors. Targovax's focus is to activate the patient's immune system to fight cancer, and thereby bring benefit to cancer patients with few available treatment alternatives. Targovax is assessing its product candidates in different cancer indications, including melanoma, mesothelioma, multiple myeloma and colorectal cancer, and has demonstrated a favorable safety and tolerability profile.

Targovax's lead clinical candidate, ONCOS-102, is a genetically modified oncolytic adenovirus, which has been engineered to selectively infect cancer cells and activate the immune system to fight the cancer. On the back of very encouraging clinical data in several indications, both as monotherapy and in combinations, ONCOS-102 will progress into a phase 2 trial in multiple combinations in melanoma patients resistant to PD1 checkpoint blockade.

Building on successful studies demonstrating clinical efficacy and providing deep mechanistic insights, the ONCOS platform is being expanded into delivery of circular RNA (circRNA). In addition, Targovax has a KRAS immunotherapy program, with lead cancer vaccine candidate, TG01, due to enter the clinic in the second half of 2022. This provides Targovax with a rich pipeline of innovative future immunotherapy product candidates to follow ONCOS-102.



To learn more about ONCOS-102's mechanism of action, watch our latest video which is available either by clicking on the image to the left or via our website.

First quarter presentation

The management will hold an online presentation 12 May 2022 at 10:00 CET.

The presentation will be webcast live and can be accessed here and at ***www.targovax.com***.

Upcoming conferences / events

18 May:	Preclinical Immuno-Oncology symposium
19 May:	ABGSC Life Science Summit
24-25 May:	8th Annual Immuno-Oncology Innovation Forum
3-7 June:	American Society of Clinical Oncology (ASCO) Annual Meeting
20-21 June:	A.G.P Healthcare Conference

Upcoming data milestones

1H 2022:	ONCOS-102 Phase 1/2 trial with anti-PDL1 in colorectal cancer *– Clinical data poster presentation at ASCO*
1H 2022	ONCOS-102 Phase 1/2 trial in unresectable malignant pleural mesothelioma *– Full study data poster presentation at ASCO*
4Q22/1Q23:	ONCOS-102 Phase 2 trial with anti-PD1 in PD1 Refractory Melanoma *– Start Phase 2 trial*

Financial calendar 2022

18 Aug 2022:	Second Quarter presentation
3 Nov 2022:	Third Quarter presentation

First Quarter highlights

- Appointed leading circular RNA scientist Dr Thomas B Hansen as VP of Research to lead the NextGen ONCOS circRNA pipeline program
- Further strengthened the management team with Dr Lubor Gaal as Chief Financial Officer
- Announced a research collaboration with Prof. Michael Uhlin at Karolinska Institutet in Stockholm, Sweden, for development of NextGen ONCOS viruses
- Announced a collaboration with Agenus to include the adjuvant QS-21 STIMULON™ as an immune-stimulatory component of the TG mutant KRAS cancer vaccines
- Awarded NOK 8.2m research grant by Innovation Norway towards the TG mutant KRAS vaccine program
- Received patent approvals for ONCOS-102 in combination with chemotherapy in China and Japan

Post-period highlights

- Announced clinical collaboration with Agenus for upcoming ONCOS-102 phase 2 melanoma trial
- Announced collaboration with Oslo University Hospital to test TG mutant RAS vaccination in multiple myeloma
- Presented poster at the American Association for Cancer Research (AACR) Annual Meeting in April
- Announced Dr Raphael Clynes and Mr Thomas Falck as new members of the Board of Directors

Key figures

Amounts in NOK thousands	1Q 2022	1Q 2021	FY 2021
Total operating revenues	-	-	-
Total operating expenses	-29 072	-23 010	-95 601
Operating profit/loss	-29 072	-23 010	-95 601
Net financial items	-1 375	513	-2 422
Income tax	10	16	52
Net profit/loss	-30 437	-22 481	-97 971
Basic and diluted EPS (NOK/share)	-0.16	-0.26	-1.10
Net change in cash	-32 175	-26 854	59 360
Cash and cash equivalents start of period	181 682	122 321	122 321
Cash and cash equivalents end of period	149 506	95 468	181 682

The interim financial information has not been subject to audit

CEO statement

Building on our strong existing data package, we are now defining the next steps of our clinical development strategy. We are delighted to have extended the partnership with Agenus to include the upcoming multi-cohort phase 2 trial in anti-PD1 refractory melanoma, providing access to innovative novel checkpoint inhibitors for combination with ONCOS-102. In addition, we are bringing our KRAS vaccine TG01 back into the clinic this year in an enhanced format. The aim is to establish a portfolio of clinical trials on both of our platforms in multiple cancers and combinations, thereby providing several opportunities for future value creation.

As we set up our ONCOS-102 late-stage clinical program, we focus on three key aspects; i) solving important unmet medical needs, ii) building on the deep insights generated in our prior phase 1/2 trials and iii) making study design decisions with a strong scientific and strategic rationale. Anti-PD1 checkpoint inhibitors have become the main go-to therapy for melanoma and have delivered enormous benefit for patients that previously had no good treatment options. ONCOS-102 has already proven safe and efficacious in combination with anti-PD1, which will remain a cornerstone therapeutic partner for ONCOS-102.

However, I am particularly excited about the opportunity for new combinations beyond anti-PD1 blockade. The deep translational analyses we have performed on tumor biopsies are now paying off by providing scientific insights into prospective targets. At the top of our list is CTLA-4, which, as expected, is strongly upregulated in response to ONCOS-102 and already is a validated therapeutic approach in melanoma. We firmly believe that adding anti-CTLA-4 blockade to the ONCOS-102 and anti-PD1 combination has compelling potential to boost response rates up and beyond the already strong 35% ORR which we have already demonstrated, and thus confirm ONCOS-102 as a leading candidate to address the growing unmet medical need for immune activators that can effectively reverse resistance to checkpoint inhibitor therapy.

To execute our ambitious plans, we need dedicated collaboration partners who share our vision. After careful evaluation, our preferred option for the melanoma trial is to extend the existing relationship with our colleagues at Agenus, who have developed an impressive pipeline of checkpoint inhibitors and bi-specific antibodies with complementary modes-of-action to ONCOS-102. In botensilimab, Agenus has brought the first Fc-enhanced anti-CTLA-4 antibody into the clinic, offering broader efficacy and an improved toxicity profile over first-generation variants. Botensilimab has already shown impressive activity in early clinical trials, both as monotherapy and in combination with anti-PD1, and we are confident that by adding this innovative product to ONCOS-102 we will achieve deeper tumor responses and enhanced systemic activity.

As announced earlier this year, we have already established a partnership with Agenus on our mutant KRAS program, where the adjuvant QS-21 STIMULON™ will be added as an immune-stimulatory component to our TG vaccines in place of GM-CSF. QS-21 is probably the best validated modern adjuvant available, and a component of the highly commercially successful Shingrix® vaccine. We expect that QS-21 will further potentiate the TG vaccines by driving stronger anti-RAS T-cell responses, and therefore enhance the clinical benefit for patients.

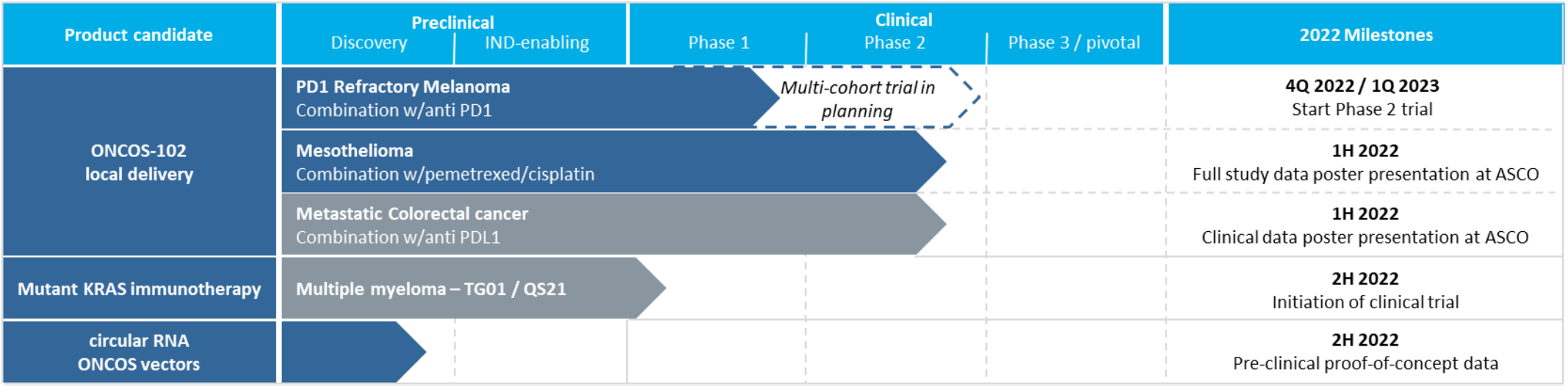
The first step to test this new and enhanced vaccine approach will be a phase 1/2 trial at Oslo University Hospital (OUS) evaluating TG01/QS-21 in RAS-mutant multiple myeloma. The trial will be sponsored and funded by OUS and supported by research grants from Innovation Norway and the Norwegian Research Council. In parallel, we are establishing a broader network of partners to set up similar externally sponsored trials in other indications in order to expand the opportunity horizon for the TG program, whilst at the same time keeping costs manageable for Targovax.

Summing up, within the next 12 months we expect to have several active clinical trials including both our ONCOS and TG programs. These will cover multiple cancer types and combinations with various collaboration partners, thereby providing several shots on goal and ensuring a rich news flow over the coming years.

Erik Digman Wiklund
CEO Targovax Group

Development pipeline and newsflow

Trial run by collaboration consortium



ONCOS-102 in PD1 refractory advanced melanoma

The clinical trial explored safety, immune activation, and clinical responses, of ONCOS-102 and Keytruda (pembrolizumab), an anti-PD1 checkpoint inhibitor (CPI), in patients with advanced or unresectable melanoma whose tumors have continued to grow following prior CPI therapy. The trial was conducted at the Memorial Sloan Kettering Cancer Center in New York, Fox Chase Cancer Center in Philadelphia, University of Maryland Comprehensive Cancer Center in Baltimore as well as Oslo University Hospital.

Topline efficacy results were announced late 2020 and showed class-leading objective response rates (ORR) as well as effects on non-injected lesions:

- Tumor responses observed in 7 out of 20 evaluable patients, resulting in overall response rate (ORR) of 35%
- Evidence of systemic activity was observed in multiple patients, including two cases where a non-injected lesion completely disappeared
- Broad and strong immune activation was observed by several analytical methods, with a clear association to patient outcome
- Confirmed the ability of ONCOS-102 to re-sensitize PD1 refractory tumors to respond to PD1-blockade

As the next step in PD1 refractory melanoma, Targovax intends to continue with a multi-cohort phase 2 trial where ONCOS-102 will be tested in various combinations to further improve the ORR, including with anti-PD1, double checkpoint inhibition and other novel immunotherapies.

Based on the encouraging findings to date, Targovax received Fast Track designation for PD-1-refractory advanced melanoma from the US Federal Drug Administration (FDA) in June 2021, which is an endorsement by the US FDA of the strength and relevance of the ONCOS-102 data package. The FDA Fast Track designation is awarded to therapies with the potential to address unmet medical needs in serious medical conditions and allows for more frequent interactions with the FDA to expedite clinical development and the regulatory review processes. Fast Track products have high likelihood of receiving Priority Review for a future Biologics License Application (BLA) and may be allowed to submit parts of the application for rolling review to shorten the approval timeline.

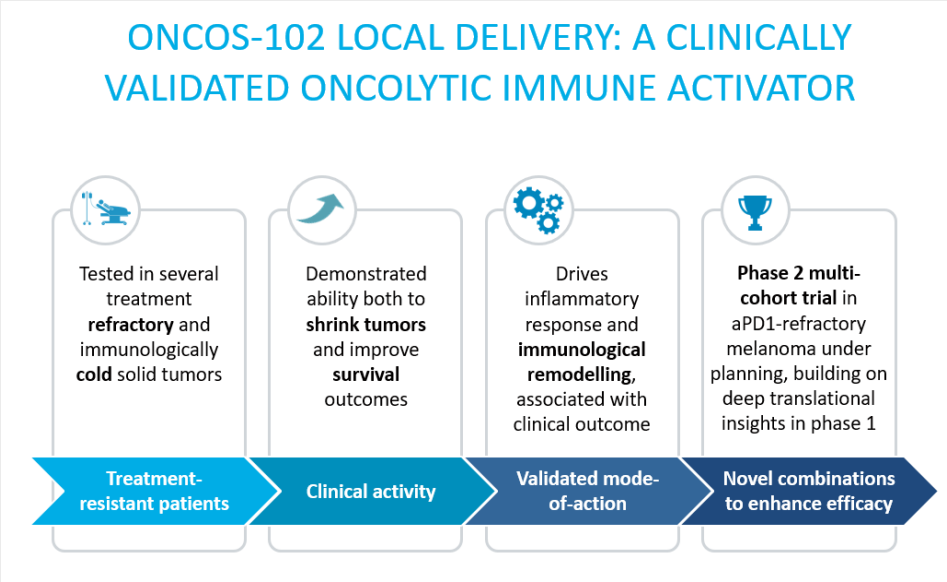
ONCOS-102 in malignant pleural mesothelioma

The trial was an open label, randomized, exploratory phase 1/2 adding ONCOS-102 to standard of care (SoC) chemotherapy (pemetrexed/cisplatin) in first and second (or later) line malignant pleural mesothelioma (MPM) to assess safety, immune activation and clinical efficacy of the combination treatment. In total, 31 patients were included.

At the 30-month follow-up, median overall survival (mOS) was 25.0 months for the subgroup of randomized, first-line ONCOS-102-treated patients (n=8). This is a clear improvement over the mOS of 13.5 months observed in the first-line SoC-only control group (n=6) as well as historical control of 12-16 months for patients receiving the same SoC chemotherapy treatment in the first-line setting1. For reference, the overall mOS of 25.0 months compares favorably with the combination of Opdivo/Yervoy double checkpoint inhibition, which was recently approved as a first-line treatment option for MPM based on a phase 3 trial showing 18.1 months mOS.

Immune activation was assessed in tumor biopsies pre- and post-ONCOS-102 treatment (Day 0 and Day 36). The tumor tissue analyses revealed powerful and consistent ONCOS-102-induced remodeling of the tumor microenvironment with increased T-cell infiltration and a shift towards pro-inflammatory immune cells, far beyond what was observed for the SoC-only control group. This immune activation is associated with tumor responses and is most pronounced in patients with better survival outcomes, indicating that the immune activating capacity of ONCOS-102 is driving the clinical benefit for patients.

Based on the encouraging efficacy and the associated broad immune activation, the US FDA granted ONCOS-102 Fast Track designation for malignant pleural mesothelioma in February 2021.



ONCOS-102 in metastatic colorectal cancer – collaboration trial

This trial is an exploratory, single arm, open-label, multi-center phase 1/2 trial, where ONCOS-102 is administered intraperitoneally in combination with systemically delivered Imfinzi (durvalumab, an anti-PD-L1 antibody), to patients who have metastatic colorectal cancer with peritoneal carcinomatosis and have failed prior standard therapies. The trial will assess the safety, immune activation and anti-tumor activity of the ONCOS-102 and Imfinzi combination and is financed by Cancer Research Institute and run by Ludwig Cancer Research. Targovax was selected to participate with ONCOS-102 as the virus of choice for this trial. The trial completed recruitment in June 2021 with a total of 33 patients enrolled.

The safety reviews during the dose escalation part of the trial were completed with no dose limiting toxicities, and the ONCOS-102 and Imfinzi combination showed good tolerability. Clinical results from the trial are intended to be published by Targovax´s collaboration partners at a scientific conference during 1H 2022.

Next generation ONCOS viruses and circRNA

The recent success of adenoviral technology in the Covid-19 vaccine space has strengthened the rationale to fully exploit the capability of the ONCOS technology as a delivery system for targeted genetic payloads. Emerging clinical data from Targovax and others indicate that adenovirus is a superior oncolytic vector, particularly when compared to herpes and vaccinia-based approaches.

The ONCOS platform is based on a highly immunogenic, versatile double-stranded DNA adenovirus serotype 5 backbone with two genetic modifications to enhance cancer selectivity:

1. A 24bp deletion in the E1A region to ensure selective replication in actively dividing cells, such as cancer cells
2. Replacement of the serotype 5 to a serotype 3 fiber knob; making the virus primarily infect via the DSG2 and CD46 receptors, which are typically upregulated on cancer cells

Targovax has a portfolio of novel ONCOS viruses in pre-clinical development, both in-house and through collaboration with partners. In the second generation ONCOS viruses, the DNA payload capacity of the backbone has been increased beyond ONCOS-102 to include two transgenes. The first pre-clinical results from the ONCOS-200 series were presented at the American Association for Cancer Research (AACR) Annual Meeting in June 2020, demonstrating clear anti-cancer activity and mechanistic synergism between the two transgene payloads. These encouraging observations are being further investigated to elucidate transgene functionality and mechanism of action *in vivo*.

Additionally, Targovax has recently initiated a program to explore how circRNA can be engineered into NextGen ONCOS vectors. circRNA has the advantage of being resistant to exonuclease degradation and is therefore more chemically stable and has longer half-life than linear RNAs. With the circRNA approach, Targovax has the potential to expand the ONCOS platform technology into an exciting new area of biology. In January 2022, Targovax appointed circRNA co-discoverer and pioneer Dr Thomas B Hansen as VP Research to drive this program, in close collaboration with the research team of Prof. Michael Uhlin at Karolinska Institutet in Stockholm.

In 2020, Targovax entered into a collaboration agreement with Valo Therapeutics to evaluate coating of ONCOS-102 with TG mutant KRAS peptides using Valo´s PeptiCrad technology with the aim of creating an oncolytic mutant KRAS vaccine. Targovax also has a research collaboration with Oblique Therapeutics to utilize ONCOS as a delivery vector for Oblique´s proprietary AbiProt antibodies targeting mutant KRAS. Through these projects, Targovax is exploring the opportunity for bridging its oncolytic virus and KRAS technologies and expertise, and if successful, to generate first-in-class viral therapies engineered to directly target oncogenic KRAS driver mutations.

Under these collaborations, Targovax and the respective partners will jointly investigate the technical feasibility, immune modulatory and anti-cancer properties of encoding these novel payloads in the ONCOS backbone both *in vitro* and *in vivo*. Targovax is actively pursuing additional, similar collaborative partnerships to expand the pipeline and access novel complementary technologies where a synergy can be expected with ONCOS.

In summary, Targovax has a broad pipeline of both in-house and partnered pre-clinical research programs, which will be an important focus area in the short- to mid-term to expand and demonstrate the broader potential of ONCOS as a flexible, immune stimulatory, clinically validated delivery platform.

Mutant KRAS platform

The mutant KRAS program is based on the TG neoantigen vaccine, which covers up to eight different KRAS driver mutations. Oncogenic KRAS mutations are the key genetic driver behind up to 30% of all cancers, and therefore considered a highly attractive target in drug development. A 32-patient phase 1 clinical trial evaluating TG01 in resected pancreatic cancer in combination with standard of care chemotherapy (gemcitabine) reported mOS of 33.3 months in May 2019. The mOS compares favorably to the European Study Group for Pancreatic Cancer ESPAC4 historical control trial of gemcitabine monotherapy, which reported mOS from surgery of 27.6 months. These data were corroborated by robust and durable immune responses in vaccinated patients, and several examples of clearance of residual mutant RAS cancer cells after surgery were observed by circulating tumor DNA analysis in some long-term survivors. The company has attained Orphan Drug Designation for TG01 in pancreatic cancer in both the US and Europe.

In December 2021, Targovax received a NOK 9.8 million research grant award by the Research Council of Norway towards the TG mutant KRAS program, and in January 2022, Targovax was awarded an additional NOK 8.2 million grant by Innovation Norway to accelerate product development activities related to the company's TG mutant KRAS vaccine program and planned clinical trials. These grants will enable continued clinical development of Targovax's TG vaccine candidates, as well as support important immunological characterization and product development.

In March 2022, Targovax announced a collaboration with Agenus to utilize their proprietary vaccine adjuvant QS-21 STIMULON™ as an immune-stimulatory component of the TG vaccines for future development and commercialization. QS-21 has consistently demonstrated powerful antibody and cell-mediated immune responses both in cancer trials and commercially as a component of the Shingrix® and Mosquirix™ vaccines. QS-21 should further potentiate the TG vaccines by driving stronger anti-RAS T-cell responses.

The first step to test this new and enhanced vaccine approach will be a phase 1/2 trial at Oslo University Hospital (OUS) evaluating TG01/QS-21 in RAS-mutant multiple myeloma (MM). The trial will be sponsored and funded by OUS and supported by the research grants from Innovation Norway and the Norwegian Research Council. The trial is a collaboration between OUS and Targovax and will test TG01 vaccination as a maintenance monotherapy in 20 KRAS or NRAS mutated MM patients who continue to have measurable disease after completion of SoC treatment. The aim is to assess whether anti-RAS T-cell priming induced by TG01 can enhance the clinical response. In parallel, Targovax is establishing a broader network of partners to set up similar externally sponsored trials in other indications in order to expand the opportunity horizon for the TG program.

Moreover, Targovax and IOVaxis Therapeutics has entered into an option agreement for an exclusive license to develop and commercialize the TG01 and TG02 vaccines in Greater China and Singapore. IOVaxis has the right to exercise the option to license TG upon the first regulatory approval to start a clinical trial in China. IOVaxis has paid an option fee of USD 250,000 to Targovax, and an additional USD 3 million upfront fee is due when the exclusive license option is exercised. The total development and commercial milestones in the deal are worth up to USD 100 million, in addition to tiered royalties on sales up to the mid-teens.

Preclinical development of ONCOS-102

Targovax has conducted several *in vivo* studies of ONCOS-102 in mesothelioma and melanoma mouse models to investigate the mode of action and assess the efficacy for the clinical combination strategies in these indications. Data have been published at scientific conferences and in leading, peer reviewed journals.

It has been shown that ONCOS-102 and PD-1 checkpoint inhibition (Keytruda) act synergistically in a humanized melanoma mouse model, driving both tumor volume reduction and anti-tumor T-cell immunity (Kuryk et al. Oncoimmunology 2018):

- Keytruda alone did not reduce tumor volume in the selected mouse model
- ONCOS-102 reduced tumor volume by 51%
- ONCOS-102 + Keytruda reduced tumor volume by up to 69%
- ONCOS-102+ Keytruda induced an abscopal effect, validating the proposed mode of action that ONCOS-102 can generate systemic anti-tumor immune responses (Kuryk et al. JMV 2019)

Similarly, in a mesothelioma mouse model, it has been demonstrated that ONCOS-102 acts synergistically with chemotherapy to reduce tumor volume and drive tumor-specific immune responses (Kuryk et al, 2018, JMV):

- Chemotherapy alone did not reduce tumor volume in the selected mouse model
- ONCOS-102 alone reduced tumor volume by 56%
- ONCOS-102 + chemotherapy reduced tumor volume by 75% relative to chemotherapy alone and by 33% relative to ONCOS-102 alone
- ONCOS-102 induced a mesothelin specific anti-tumor CD8+ T-cell response

IPR / Market exclusivity

Targovax owns a broad patent portfolio which is designed to protect its drug candidates and includes different families of patents and patent applications covering drug compositions, and relevant combination therapies. This patent portfolio also covers potential future product candidates. The company continuously works to strengthen its patent portfolio.

Targovax has been granted a patent in Europe for the use of ONCOS-102 in combination with chemotherapy in malignant pleural mesothelioma, which is valid until 2037. In March 2022, Targovax was granted patents no CN108495934 and JP6974350 by the Chinese and Japanese Patent Offices, respectively, for the same indication. These are also valid until 2037. In addition, Targovax has a US Patent covering the use of ONCOS-102 in combination with checkpoint inhibitors, which is valid until 2036. These patents protect Targovax's innovative oncolytic immunotherapy platform and strengthen the company's market position.

Targovax has attained Orphan Drug Designation in the EU and US for the use of ONCOS-102 in mesothelioma, ovarian cancer, and soft tissue sarcoma, supporting a rapid path to commercialization and ensuring up to 10 years of market protection from the date of market approval in any of these indications.

Experienced team

Targovax has a strong senior management team with a versatile range of backgrounds from successful biotech companies and major global pharmaceutical companies, as well as management consulting.

Management team

Changes to the team:
Dr Lubor Gaal was appointed Chief Financial Officer in February 2022. He is a seasoned industry executive with 25 years of experience working in large pharmaceutical and biotechnology companies in Europe and the USA. Most recently, he served as Managing Director and Head of Europe at Locust Walk, a global life science boutique investment bank.

The management team as per 12 May 2022:

Name	Position
Erik Digman Wiklund	CEO
Lubor Gaal	CFO
Lone Ottesen	CMO
Victor Levitsky	CSO
Ingunn Munch Lindvig	VP Regulatory Affairs
Ola Melin	Head of Manufacturing

Board of Directors

Dr Raphael Clynes and Mr Thomas Falck were elected as new members of the Board of Directors at the Company's Annual General Meeting 20 April 2022.

Dr Clynes
Dr Clynes is an internationally recognized cellular immunologist and medical oncologist. Dr Clynes was on the faculty at the Columbia University where he developed several novel therapeutic approaches in cancer and autoimmunity. Since joining industry in 2014, Dr Clynes has led clinical immunotherapy development, including checkpoint inhibitors and novel CD3 bispecifics, at Bristol Myers Squibb (BMS) and at Xencor, where he is currently VP Translational Biology.

Dr Clynes is an MIT graduate and MSKCC-trained medical oncologist. As a well-recognized expert in clinical immunology, Dr Clynes has extensive prior experience as a contributing member of multiple scientific advisory boards in biopharma and review boards at international research foundations.

Mr Falck
Mr Falck is an experienced CEO, CFO, Board Chair and Non-Executive Director, Venture Capitalist & Growth Investor with demonstrated success in defining and delivering profitable growth while undertaking strategic and organizational change. He has broad experience with Private Equity, Venture Capital, Stock Listed, Family and Government owned entities.

Mr Falck holds an MBA from The Darden School at the University of Virginia and is a graduate of the Norwegian Naval Academy and the Norwegian Defence University College. In addition, Mr Falck has attended Executive Programs at Singularity University and Harvard Business School.

As per 12 May 2022, the Board of Directors consists of experienced professionals with a broad range of complementary competencies: Damian Marron (Chairperson), Raphael Clynes, Bente-Lill Romøren, Eva-Lotta Allan, Sonia Quaratino, Robert Burns, Diane Mellett and Thomas Falck.

Financial review

Results first quarter 2022

Operating expenses amounted to NOK 29 million (NOK 23 million) in the first quarter. The operating expenses are reported net of governmental grants which amounted to NOK 1.1 million in the period (NOK 1.0 million). The net loss amounted to NOK 30 million in the first quarter 2022 (NOK 22 million).

Financial position and cash flow

Cash and cash equivalents were NOK 150 million at the end of first quarter 2022 compared to NOK 182 million at end of fourth quarter 2021 and NOK 54 million at the end of third quarter 2021.

Net cash flow from operating activities during the first quarter 2022 was negative by NOK 31 million compared to negative NOK 20 million in the fourth quarter 2021 and NOK 16 million in third quarter 2021.

By the end of the period, total outstanding interest-bearing debt amounted to EUR 7 million, all to Business Finland.

Share information

By 29 April 2022 there were 188,422,421 shares outstanding, distributed between 6,299 shareholders. The 20 largest shareholders controlled 45.5% of the shares.

During Q1 2022, Targovax shares traded in the NOK 1.48 – 2.24 range. During the quarter, approx. 83.9 million shares were traded, with an aggregate trading value of NOK 156 million.

The closing price on 31 March 2022 was NOK 1.86 per share, corresponding to a market value of NOK 350 million.

The estimated share ownership on 29 April 2022:

	Estimated	
Shareholder	Shares million	Ownership
Avanza Bank AB (nom.)	14.7	7.8 %
HealthCap	12.4	6.6 %
FJARDE AP-FONDEN	8.7	4.6 %
ABN Amro Global (nom.)	6.5	3.4 %
Nordnet Bank AB	5.3	2.8 %
Goldman Sachs & Co. LLC (nom.)	5.2	2.8 %
Nordea	4.5	2.4 %
RadForsk	4.4	2.3 %
Bækkelaget Holding	4.2	2.3 %
Danske Bank (nom.)	2.7	1.4 %
10 largest shareholders	**68.6**	**36.4 %**
Other shareholders (6 289)	119.7	63.6 %
Total shareholders	**188.3**	**100.0 %**

Risks and uncertainties

The company's business is exposed to a number of general operational and financial risks which have been outlined in Targovax's annual report 2021 as well as in the last prospectus, both available at www.targovax.com. As earlier reported, the Targovax management is following the COVID-19 situation closely and is continuously monitoring whether any potential challenges arise. Currently there are no significant implications to our core operations due to the COVID-19 pandemic. Targovax has no activities affected by the ongoing conflict in Ukraine.

Outlook

The completed early phase ONCOS-102 program has culminated in a deep and competitive data set demonstrating powerful immunological activation associated with improved clinical outcomes in several solid tumor types and therapeutic combinations. This puts ONCOS-102 in a solid position to move into late-stage development to enable future out-licensing and regulatory approval. In addition, Targovax is building a portfolio of innovative pipeline assets, led by the circRNA program and mutant KRAS cancer vaccine TG01, which is re-entering the clinic in an enhanced format later this year. As such, Targovax is in a strong position with multiple avenues to value creation and a broad pipeline that we expect will deliver rich news flow as the company moves forward.

Oslo, 11 May 2022

The Board of Directors of Targovax ASA

Damian Marron
Chairperson of the Board

Thomas Falck
Board Member

Bente-Lill Romøren
Board Member

Sonia Quaratino
Board Member

Raphael Clynes
Board Member

Robert Burns
Board Member

Eva-Lotta Allan
Board Member

Diane Mellett
Board Member

Erik Digman Wiklund
CEO

First quarter results 2022

Condensed consolidated statement of profit or loss

Amounts in NOK thousands except per share data	*Note*	Unaudited 1Q 2022	Unaudited 1Q 2021	FY 2021
Other revenues		-	-	
Total revenue		-	-	
Research and development expenses	*3,4*	-9 357	-9 077	-37 440
Payroll and related expenses	*5,11*	-16 219	-11 440	-48 386
Other operating expenses	*3,4*	-3 154	-2 197	-8 466
Depreciation, amortizations and write downs		-342	-296	-1 309
Total operating expenses		**-29 072**	**-23 010**	**-95 601**
Operating profit/ loss (-)		-29 072	-23 010	-95 601
Finance income		1	703	245
Finance expense		-1 375	-189	-2 667
Net finance income/ expense (-)		**-1 375**	**513**	-2 422
Loss before income tax		**-30 447**	**-22 497**	**-98 023**
Income tax income/ expense (-)		10	16	52
Loss for the period		**-30 437**	**-22 481**	**-97 971**
Earnings/ loss (-) per share				
Basic and dilutive earnings/loss (-) per share	*10*	**-0.16**	**-0.26**	**-1.10**

Consolidated statement of other comprehensive income/ loss (-), net of income tax

Amounts in NOK thousands	Unaudited 1Q 2022	Unaudited 1Q 2021	FY 2021
Income/ loss (-) for the period	-30 437	-22 481	-97 971
Items that may be reclassified to profit or loss:			
Exchange differences arising from the translation of foreign operations	-6 149	-12 278	-12 927
Total comprehensive income/ loss (-) for the period	**-36 586**	**-34 759**	**-110 898**

Condensed consolidated statement of financial position

Amounts in NOK thousands	*Note*	Unaudited 31.03.2022	Unaudited 31.03.2021	31.12.2021
ASSETS				
Intangible assets	*6*	361 389	371 977	371 727
Property, plant, and equipment		93	156	111
Right-of-use asset		2 204	3 416	2 544
Total non-current assets		**363 686**	**375 549**	**374 382**
Receivables		11 059	4 569	9 207
Cash and cash equivalents		149 506	95 468	181 682
Total current assets		**160 565**	**100 037**	**190 889**
TOTAL ASSETS		**524 251**	**475 586**	**565 271**

Amounts in NOK thousands	*Note*	Unaudited 31.03.2022	Unaudited 31.03.2021	31.12.2021
EQUITY AND LIABILITIES				
Shareholders' equity				
Share capital	*9*	18 842	8 656	18 833
Share premium reserve		-14	1 046 576	-
Other reserves		60 677	54 670	59 620
Retained earnings		278 852	-800 617	309 289
Translation differences		23 836	30 634	29 985
Total equity		**382 194**	**339 918**	**417 726**
Non-current liabilities				
Interest-bearing liabilities	*7*	44 161	54 031	49 523
Deferred tax		57 654	59 390	59 314
Lease liabilities		1 016	2 317	1 375
Total non-current liabilities		**102 831**	**115 737**	**110 212**
Current liabilities				
Interest-bearing liabilities	*7*	11 027	3 040	7 543
Short-term lease liabilities		1 368	1 229	1 349
Trade payables		5 689	2 791	8 103
Accrued public charges		2 535	2 394	3 203
Other current liabilities		18 608	10 477	17 134
Total current liabilities		**39 227**	**19 931**	**37 333**
TOTAL EQUITY AND LIABILITY		**524 251**	**475 586**	**565 271**

Condensed consolidated statement of changes in equity

Amounts in NOK thousands	*Note*	Share capital	Share premium	Other reserves	Translation differences	Retained earnings	Total equity
Balance at 31 December 2020		**8 653**	**1 046 476**	**52 684**	**42 912**	**-778 136**	**372 588**
Loss for the period			-	-	-	-97 971	-97 971
Exchange differences arising from the translation of foreign operations			-	-	-12 927	-	-12 927
Other comprehensive income/loss, net of tax			-	-	-	-	-
Total comprehensive income for the period			**-**	**-**	**-12 927**	**-97-971**	**-110 898**
Issue of ordinary shares - Capital increase – Rights issue	*9*	10 174	164 826	-	-	-	175 000
Transaction costs – Rights issue		-	-26 040	-	-	-	-26 040
Share issuance, employee share options & RSU's		9	5	195	-	-	200
Transaction costs – share issuance employee share options & RSU's			-	-59	-	-	-59
Recognition of share-based payments & RSU's		*11*	-	-	6 935	-	6 935
Reclassification of Share premium		-	-1 185 396	-	-	1 185 396	-
Balance at 31 December 2021		**18 833**	**-**	**59 620**	**29 985**	**309 289**	**417 726**
Loss for the period		-	-	-	-	-30 437	-30 437
Exchange differences arising from the translation of foreign operations		-	-	-	-6 149	-	-6 149
Other comprehensive income/loss, net of tax		-	-	-	-	-	-
Total comprehensive income for the period		**-**	**-**	**-**	**-6 149**	**-30 347**	**-36 586**
Share issuance, employee share options & RSU's	9	10	3	-	-	-	13
Transaction costs – share issuance employee share options & RSU's		-	-17	-	-	-	-17
Recognition of share-based payments & RSU's	*11*	-	-	6 935	-	-	1 057
Balance at 31 March 2022		**18 842**	**-14**	**60 677**	**23 836**	**278 852**	**382 194**

Condensed consolidated statement of cash flow

Amounts in NOK thousands	*Note*	Unaudited 1Q 2022	Unaudited 1Q 2021	FY 2021
Cash flow from operating activities				
Loss before income tax		-30 447	-22 497	-98 023
Adjustments for:				
Finance income		-1	-703	-245
Finance expense		1 375	189	2 667
Interest received		1	703	245
Other finance income/expense		45	110	46
Share option & RSU expense	*11*	1 057	1 986	6 935
Depreciation, amortizations and write downs		342	296	1 309
Change in receivables		-1 851	290	-4 348
Change in other current liabilities		-1 561	-5 504	6 012
Net cash flow from/(used in) operating activities		**-31 039**	**-25 129**	**-85 402**
Cash flow from investing activities				
Purchases of property, plant, and equipment (PPE)		-	-	-
Net cash received from/(paid in) investing activities		**-**	**-**	-
Cash flow from financing activities				
Proceeds from borrowings		-	-	-
Repayment of borrowings		-	-	-2 023
Repayment of lease liabilities		-378	-369	-1 468
Interest paid	*7*	-227	-233	-710
Proceeds from issuing shares -Rights issue, Private Placement and repair offering		-	-	175 000
Payment for share issue cost -Rights issue, Private Placement and repair offering		-	-	-25 329
Proceeds from exercise of share options & RSUs		13	198	200
Payment for share issue cost – share options & RSUs		-17	-95	-59
Net cash generated from/(paid in) financing activities		**-609**	**-500**	**145 610**
Net increase/(decrease) in cash and cash equivalents		**-31 649**	**-25 629**	**60 208**
Net exchange gain/loss on cash and cash equivalents		-527	-1 225	-848
Cash and cash equivalents at beginning of period		**181 682**	**122 321**	**122 321**
Cash and cash equivalents at end of period		**149 506**	**95 468**	**181 682**

Notes

1. General information

Targovax ASA ("the Company") and its subsidiaries (together the Group) is a clinical stage immuno-oncology company developing oncolytic viruses to target hard-to-treat solid tumors. Immuno-oncology is currently one of the fastest growing therapeutic fields in medicine.

Targovax's lead clinical candidate, ONCOS-102, is a genetically modified oncolytic adenovirus, which has been engineered to selectively infect and replicate in cancer cells.

The Company is a limited public liability company incorporated and domiciled in Norway and listed on the Oslo Stock Exchange in Norway. The address of the registered office is Vollsveien 19, 1366 Lysaker, Norway.

The condensed interim financial information is unaudited. These financial statements were approved for issue by the Board of Directors on 11 May 2022.

2. Accounting principles

The interim condensed consolidated financial statements for the Group are prepared using the same accounting principles and calculation methods as used for the statutory, annual financial statements 2021 for Targovax ASA.

The accounting principles used have been consistently applied in all periods presented, unless otherwise stated.

Amounts are in thousand Norwegian kroner unless stated otherwise. The Groups presentation currency is NOK (Norwegian kroner). This is also the parent company's functional currency.

2.1 Basis of preparation

The quarterly financial statements of the Group have been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU.

2.2 Standards and interpretations in issue but not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2022 reporting period and have not been early adopted by the Group. These new standards and interpretations are assessed to be of no material impact for the Group in 2022.

2.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. As at 31 March 2021, Targovax OY, located in Espoo, Finland is 100% owned and controlled subsidiary.

3. Research and development expenses

The Group is developing new products. Uncertainties related to the regulatory approval process and results from ongoing clinical trials generally indicate that the criteria for asset recognition is not met until the time when marketing authorization is obtained from relevant regulatory authorities.

The following research and development expenditures have been expensed:

	1Q 2022		1Q 2021		FY 2021	
Amounts in NOK thousands	Total	of which R&D	Total	of which R&D	Total	of which R&D
R&D expenses	9 357	9 357	9 077	9 077	37 440	37 440
Payroll and related expenses	16 219	8 501	11 440	5 719	48 386	22 898
Other operating expenses	3 154	44	2 197	0	8 466	40
Depreciation, amortizations and write downs	342	-	296	-	1 309	-
Total operating expenses	**29 072**	**17 901**	**23 010**	**14 796**	**95 601**	**60 377**

4. Government grants

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

Amounts in NOK thousands	1Q 2022	1Q 2021	FY 2021
R&D expenses	870	608	2 888
Payroll and related expenses	202	107	374
Other operating expenses	3	-	1
Total grants	**1 075**	**715**	**3 263**

R&D projects have been approved for SkatteFUNN through 2022. For the first quarter 2022, the Group has recognized NOK 0.9 million and NOK 0.2 million as cost reduction in Research and development expenses and Payroll and related expenses respectively.

Targovax has been awarded a NOK 8.2 million research grant from Innovation Norway towards product and clinical development for the TG mutant KRAS cancer vaccine program. This grant is for the period 2022-2024.

See note 8 Government grants in the Annual Report 2021 and note 12 subsequent events for more information about grants.

5. Payroll and related expenses

Total payroll and related expenses for the Group are:

Amounts in NOK thousands	1Q 2022	1Q 2021	FY 2021
Salaries and bonus[1)]	13 052	8 287	33 885
Employer's national insurance contributions	1 559	777	3 788
Share-based compensation [2)]	1 057	1 986	6 935
Pension expenses – defined contribution plan	592	445	2 200
Other	160	52	1 952
Governmental grants	-202	-107	-374
Total payroll and related expenses	**16 219**	**11 440**	**48 386**

1) Increased costs in 1Q 2022 mainly due to one-off costs related to changes in Management.
2) Share-based compensation has no cash effect.

	31.03.2022	31.03.2021	31.12.2021
Number of employees calculated on a full-time basis as at end of period	18,9	20,0	21,8
Number of employees as at end of period	19	20	22

6. Intangible assets

As of 31 March 2022, the recognized intangible assets in the Group amounts to NOK 361 million. This is a decrease from NOK 372 million as of 31 December 2021, due to NOK/EUR foreign exchange fluctuations. The intangible assets are derived from the acquisition of Oncos Therapeutics OY, which was completed in July 2015 and related to the development of ONCOS-102.

Intangible assets are tested for impairment at least annually, or when there are indications of impairment.

The impairment test is based on an approach of discounted cash flows. The valuation is sensitive to several assumptions and uncertainties, and the result from the valuation is thus limited to ensure sufficient certainty for the recognized amount in the financial statement and should not be considered as a complete valuation of the full potential of ONCOS-102.

For more information see Note 15 Intangible assets and impairment test in the 2021 Annual Report.

7. Interest bearing debt

Business Finland is a publicly financed funding agency that finances research and development activities for young innovative companies in Finland.

The Group has received three R&D loans, for the commercialization of ONCOS-102 from Business Finland under loan agreements dated September 2010, February 2012 and December 2013, respectively, in the total outstanding amount of NOK 64.7 million (EUR 6.7 million) as of 31 March 2022.

NOK 11.0 million (EUR 1.1 million) of the total debt NOK 64.7 million (EUR 6.7 million) was classified as a short-term loan as per 31 March 2022. The Group will apply for an extension of the repayment-free period on the loan agreement dated December 2013.

Amortized interests amount to NOK 0.7 million for the first quarter 2022, and NOK 2.8 million during full year 2021. The amortized interest costs are included as finance costs in the statement of profit or loss.

No new Business Finland loans have been awarded during the first three months of 2022.

The table below shows a reconciliation of the opening balances for the liabilities arising from financing activities:

Changes in liabilities arising from financing activities *(Amounts in NOK thousands)*	Interest-bearing liabilities Business Finland loans
Interest-bearing liabilities 31 December 2020	**61 066**
Cash flow from financing activities	-2 057
Exchange differences	-2 801
Additions to existing loans	-
Change to loan repayment schedules	-1 903
Other transactions without cash settlement	2 760
Interest-bearing liabilities 31 December 2021	**57 066**
Cash flow from financing activities	-2 057
Exchange differences	-2 556
Additions to existing loans	-
Change to loan repayment schedules	-
Other transactions without cash settlement	678
Interest-bearing liabilities 31 March 2022	**55 188**

See note 21 Interest-bearing debt in the Annual Report 2021 for more information about the Business Finland loans.

8. Fair value of financial instruments

The carrying value of receivables, cash and cash equivalents, borrowings and other short-term payables are assessed to approximate fair value.

	1Q 2022		1Q 2021		FY 2021	
Amounts in NOK thousands	Carrying amounts	Fair value	Carrying amounts	Fair value	Carrying amounts	Fair value
Receivables	11 059	11 059	4 569	4 569	9 207	9 207
Cash and cash equivalents	149 506	149 506	95 468	95 468	181 682	181 682
Total financial assets	**160 565**	**160 565**	**100 037**	**100 037**	**190 889**	**190 889**
Interest-bearing borrowings	55 188	55 188	57 071	57 071	57 066	57 066
Lease liabilities	2 384	2 384	3 545	3 545	2 725	2 725
Trade payables	5 689	5 689	2 791	2 791	8 103	8 103
Total financial liabilities	**63 260**	**63 260**	**63 407**	**63 407**	**67 894**	**67 894**

The tables below analyze financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities
- **Level 2:** Inputs other than quoted prices including Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- **Level 3:** Inputs in asset or liability that are not based on observable market data (that is, unobservable inputs)

As at 31 March 2022:

Amounts in NOK thousands	Level 1	Level 2	Level 3	Total
Interest-bearing borrowings	-	-	55 188	55 188
Total financial instruments at fair value	**-**	**-**	**55 188**	**55 188**

As at 31 March 2021:

Amounts in NOK thousands	Level 1	Level 2	Level 3	Total
Interest-bearing borrowings	-	-	57 071	57 071
Total financial instruments at fair value	**-**	**-**	**57 071**	**57 071**

As at 31 December 2021:

Amounts in NOK thousands	Level 1	Level 2	Level 3	Total
Interest-bearing borrowings	-	-	57 066	57 066
Total financial instruments at fair value	**-**	**-**	**57 066**	**57 066**

9. Share capital and number of shares

The Company's Board of Directors has in full year 2021, in accordance with the authorization granted by the general meeting in March 2021, resolved to increase the share capital with NOK 5 108.70 by the issuance of 51 087 new shares, each with a par value of NOK 0.10 in order to facilitate the exercise of share options and RSUs. 29 788 share options and 21 299 RSUs were exercised at a subscription price of NOK 0.1 per share. In first quarter 2022 the Board resolved to increase the share capital with NOK 9 583 by the issuance of 95 830 new shares, each with a par value of NOK 0.10 in order to facilitate the exercise of share options and RSUs. 7 479 share options and 88 351 RSUs were exercised at a subscription price of NOK 0.1 per share.

Targovax raised gross proceeds of NOK 175 million in a rights issue in fourth quarter 2021 through the allocation of 101 744,186 new shares at a subscription price of NOK 1.72 per share. The rights issue was resolved by the Company's Board of Directors based on the authorization granted at the Company's Annual General Meeting held 25 November 2021.

The share capital as of 31 March 2022 is 18 842 242.10 (31 December 2021: 18 832 659.1) comprising 188 422 421 ordinary shares at nominal value NOK 0.10 (31 December 2021: 188 326 591 at NOK 0.10). All shares carry equal voting rights.

The movement in the number of shares during the period was as follows:

	1Q 2022	1Q 2021	FY 2021
Ordinary shares at beginning of period	188 326 591	86 531 318	86 531 318
Share issuance – Rights Issue, Private placement and repair offering	-	-	101 744 186
Share issuance, employee share options and RSUs	95 830	29 788	51 087
Ordinary shares at end of period	**188 422 421**	**86 561 106**	**188 326 591**

The 20 largest shareholders are as follows at 31 March 2022:

Shareholder	# shares	%
Avanza Bank Ab	15 048 051	8.0 %
HealthCap	12 570 482	6.7 %
AP4	8 700 456	4.6 %
Abn Amro Global Custody Services N	6 480 421	3.4 %
Nordnet Bank Ab	5 547 422	2.9 %
Goldman Sachs International	5 186 169	2.8 %
Radforsk Investeringsstiftelse	4 427 255	2.3 %
Bækkelaget Holding As	4 244 392	2.3 %
Nordnet Livsforsikring As	2 827 550	1.5 %
Danske Bank A/S	2 641 468	1.4 %
Sivilingeniør Jon-Arild Andreassen	2 050 893	1.1 %
Thorendahl Invest As	2 000 000	1.1 %
MP Pensjon Pk	1 817 495	1.0 %
Verdipapirfondet Nordea Kapital	1 748 448	0.9 %
Verdipapirfondet Nordea Avkastning	1 649 274	0.9 %
J.P. Morgan Se	1 525 213	0.8 %
Tor Westerheim	1 438 537	0.8 %
Vaktmestergruppen As	1 400 000	0.7 %
Egil Pettersen	1 306 218	0.7 %
Pettersen Gruppen As	1 237 730	0.7 %
20 largest shareholders	**83 847 474**	**44.5 %**
Other shareholders (6 324)	**104 574 947**	**55.5 %**
Total shareholders	**188 422 421**	**100.0 %**

Shareholdings Key Management

The following table provides the total number of shares owned by the Key Management of the Group and member of the Board of Directors, including close associates, as of 31 March 2022:

Name	Position	No. of shares outstanding at 31 Mar. 2022
Key Management:		
Erik Digman Wiklund[1)]	Chief Executive Officer	100 000
Ola Melin	Head of Manufacturing	50 000
Lone Ottesen	Chief Medical Officer	47 000
Ingunn Munch Lindvig	VP, Regulatory Affairs	10 000
Victor Levitsky	Chief Scientific Officer	10 000
Total no. of shares owned by Key Management of the Group		**557 000**
Board of Directors:		
Robert Burns	Board member	275 454
Eva-Lotta Allan	Board member	71 368
Diane Mellett	Board member	96 029
Bente-Lill Romøren	Board member	35 577
Total no. of shares owned by the Board of Directors of the Group		**478 428**

1) The shares are held through Digman AS
Other holdings of shares in the company related to the Board of Directors:
Johan Christenson and Per Samuelsson, both Members of the Board until 20 April 2022, are partners at HealthCap.

10. Earnings per share

Amounts in NOK thousand	1Q 2022	1Q 2021	FY 2021
Loss for the period	-30 437	-22 481	-97 971
Average number of outstanding shares during the period	188 344	86 537	89 076
Earnings/ loss (-) per share - basic and diluted	**-0.16**	**-0.26**	**-1.10**

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

11. Share-based compensation

Share options

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) in Targovax ASA.

At the Annual General Meeting (AGM) in March 2021 the Board of Directors was authorized to increase the Group's share capital in connection with share incentive arrangements by up to the lower of (a) NOK 1 250 000 and (b) 10% of the Company's outstanding shares, options and RSU's.

On the basis of the approval by the AGM the Board of Directors resolved to issue new options to employees of the Company. In 2022 a total of 300 000 options for shares in the Company have been distributed amongst the current members of the Key Management and a total of 115 000 options for shares in the Company have been distributed amongst other employees. In 2021 a total of 1 435 000 options for shares in the Company have been distributed amongst the current members of the Key Management and a total of 790 000 options for shares in the Company have been distributed amongst other employees. Each option, when exercised, will give the right to acquire one share in the Company. The options are granted without consideration.

Pursuant to the general vesting schedule, 25% of the options will vest 12 months after the day of grant (as long as the option holder is still employed). Thereafter, 1/36 of the remaining options will vest each month (as long as the option holder is still employed), with the first 1/36 vesting 13 months after the day of grant. The exercise price is equal to the volume weighted average trading price of the shares of the Company on Oslo Stock Exchange on the date of the grant. Options that have not been exercised will lapse 7 years after the date of grant.

The amount of expensed share options in first quarter 2022 was NOK 0.8 million. For the same period in 2021 it was NOK 1.7 million and NOK 5.8 million for the full year 2021.

Fair value of the options has been calculated at grant date. The fair value of the options was calculated using the Black-Scholes model. The expected volatility for options issued in 2022 and 2021 is estimated at average of 80.02% and 75.82% based on the volatility of comparable listed companies. The volume weighted average interest rate applied to the share options grants in 2022 and 2021 is 1.73% and 1.33%.

The following table shows the changes in outstanding share options in 2022 and 2021:

	3M 2022		FY 2021	
	No. of options	Weighted avg. exercise price (NOK)	No. of options	Weighted avg. exercise price (NOK)
Outstanding at 1 January	7 743 106	10.13	7 310 067	12.94
Granted during the period	415 000	1.72	2 225 000	4.59
Exercised during the period	-7 479	0.51	-29 788	6.64
Forfeited during the period	-235 425	8.42	-1 124 017	8.70
Expired during the period	-5 000	24.42	-638 156	19.83
Outstanding no. of share options at end of period	**7 910 202**	**9.74**	**7 743 106**	**10.13**

The following table shows the exercised, expired, granted and outstanding options for shares to Key Management of the Group at 31 March 2022:

Name	Position	Outstanding 31.12.2021	Granted 1Q 2022	Exercised 1Q 2022	Expired 1Q 2022	Outstanding 31.03.2022
Key Management						
Erik Digman Wiklund	Chief Executive Officer	1 200 000	-	-	-	1 200 000
Lubor Gaal	Chief Financial Officer	-	300 000			300 000
Victor Levitsky	Chief Scientific Officer	545 000	-	-	-	545 000
Lone Ottesen	Chief Medical Officer	490 000	-	-	-	490 000
Ingunn Munch Lindvig	VP Regulatory Affairs	392 000	-	-	-	392 000
Ola Melin	Head of Manufacturing	325 000	-	-	-	325 000
Total option for shares to Key Management of the Group		**1 752 000**	**300 000**	**-**	**-**	**3 252 000**
Board of Directors:						
Robert Burns	Board member	21 235	-	-	-	21 235
Total option for shares to the Board of Directors of the Group		**21 235**	**-**	**-**	**-**	**21 235**

From 1 April 2022 to 11 May 2022, no new options for shares have been granted Key Management of the Group.

Restricted Stock Units

The Board of Directors may choose to receive their remuneration, or parts thereof, in the form of restricted stock units (RSUs). If the Board members choose to receive the Board remuneration in RSUs they must choose to either (i) receive 100% of the compensation in RSUs, (ii) receive 1/3 of the compensation in cash and 2/3 in RSUs, or (iii) receive 2/3 of the compensation in cash and 1/3 in RSUs.

The number of RSUs to be granted to the members of the Board of Directors is calculated as the NOK amount of the RSU opted portion of total compensation to the Board member, divided by the market price of the Targovax ASA share. The market price is calculated as the volume weighted average share price the 10 trading days prior to the grant date. The RSUs will be non-transferrable and each RSU will give the right and obligation to acquire shares in Targovax ASA (at nominal value) subject to satisfaction of the applicable vesting conditions. When the RSUs have vested, the participant must during the following three-year period select when to take delivery of the shares.

The AGM 20 April 2022 decided to remunerate the Board of Directors for the period between the AGM 2022 to the AGM 2023 with a combination of cash and Restricted Stock Units (RSUs), hence at the 20April 2022, additional 595 589 RSU's were granted to the Board of Directors.

The AGM 17 March 2021 decided to remunerate the Board of Directors for the period between the AGM 2021 to the AGM 2022 with a combination of cash and RSUs, hence at the 17 March 2021, additional 121 752 RSU's were granted to the Board of Directors.

The expensed RSUs in first quarter were NOK 0,2 million. For the same periods in 2021 expensed RSUs were NOK 0,2 million and NOK 1,1 million for the full year. A total of 211 186 RSUs were outstanding on 31 March 2022.

The following table shows the changes in outstanding RSUs in 2022 and 2021:

	3M 2022		FY 2021	
	No. of options	Weighted avg. exercise price (NOK)	No. of options	Weighted avg. exercise price (NOK)
Outstanding at 1 January	299 537	0.10	199 084	0.10
Granted during the period	-	0.10	121 752	0.10
Exercised during the period	-88 351	0.10	-21 299	0.10
Forfeited during the period	-	-	-	-
Expired during the period	-	-	-	-
Outstanding no. of RSUs at end of period	**211 186**	**0.10**	**299 537**	**0.10**

The following table shows the exercised, granted and outstanding RSUs to Board of Directors of the Group at 31 March 2022:

		Outstanding 31.12.2021	Granted 1Q 2022	Exercised 1Q 2022	Outstanding 31.03.2022
Board of Directors:					
Damian Marron	Chair of the Board	43 988			43 988
Robert Burns	Board member	122 434		-88 351	34 083
Bente-Lill Romøren	Board member	11 361			11 361
Diane Mellett	Board member	58 221			58 221
Eva-Lotta Allan	Board member	40 811			40 811
Sonia Quaratino	Board member	22 722			22 722
Total Restricted Stock Units to Board of Directors of the Group		**299 537**		**-88 351**	**211 186**

From 1 April 2022 to 11 March 2022, 559 589 RSUs have been granted to the Board of Directors. See note 12 Subsequent events for more information.

12. Subsequent events

- Announced clinical collaboration with Agenus for upcoming ONCOS-102 phase 2 melanoma trial
- Announced collaboration with Oslo University Hospital to test TG mutant RAS vaccination in multiple myeloma
- Presented poster at the American Association for Cancer Research (AACR) Annual Meeting in April
- Announced Dr Raphael Clynes and Mr Thomas Falck as new members of the Board of Directors

Restricted Stock Units

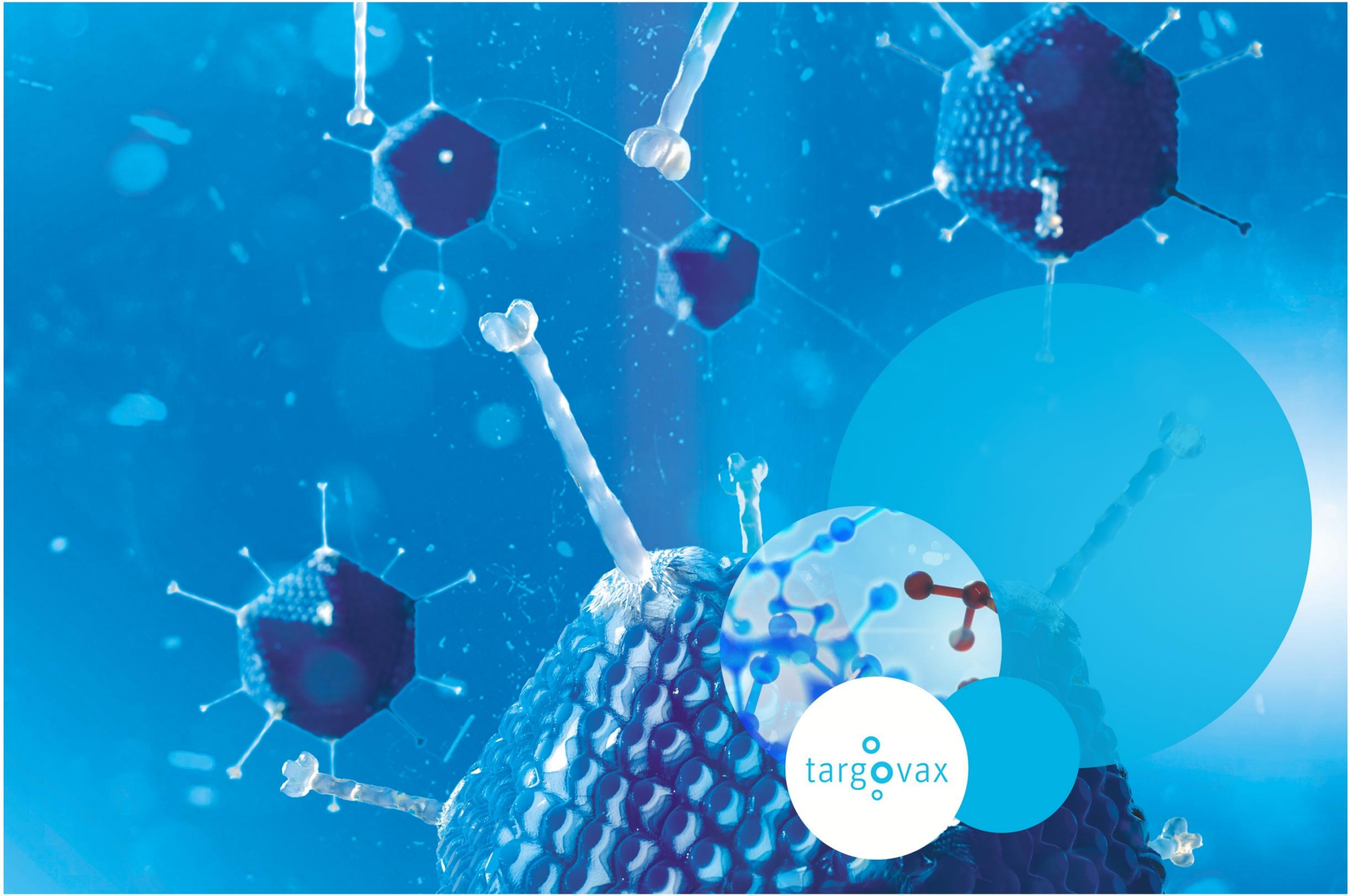
From 1 April 2022 to 11 May 2022, 559 589 Restricted Stock Units (RSUs) have been granted to members of the Board of Directors:

The following table shows the exercised, granted and outstanding RSUs to Board of Directors of the Group at 11 May 2022:

		Outstanding 31.03.2022	Granted 2Q 2022	Outstanding 11.05.2022
Board of Directors:				
Damian Marron	Chair of the Board	43 988	97 765	141 753
Robert Burns	Board member	34 083	-	34 083
Bente-Lill Romøren	Board member	11 361	-	11 361
Diane Mellett	Board member	58 221	57 728	115 949
Eva-Lotta Allan	Board member	40 811	57 728	98 539
Sonia Quaratino	Board member	22 722	115 456	138 178
Raphael Clynes	Board member	-	115 456	115 456
Thomas Falck	Board member	-	115 456	115 456
Total Restricted Stock Units to Board of Directors of the Group		**211 186**	**559 589**	**770 775**

The following table shows the outstanding RSUs per 11 May 2022:

	No. of options	Weighted avg. exercise price (NOK)
Outstanding at 31 March	211 186	0.10
Granted during the period	559 589	0.10
Exercised during the period	-	0.10
Forfeited during the period	-	-
Expired during the period	-	-
Outstanding no. of RSUs at 11 May 2022	**770 775**	**0.10**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