



thor
medical

Interim report 1H 2024

About Thor Medical

Mission, ambitions, and strategy

Thor Medical aims to become a world leading supplier of alpha-emitters for the radiopharmaceutical industry, enabling next generation precision cancer therapy. The company has developed a proprietary technology for the manufacturing of alpha-emitters from naturally occurring thorium, an infinitely reusable raw material providing an environmentally friendly, reliable, and cost-effective supply of high-quality radioisotopes. The production technology does not require irradiation and hence avoid radioactive contaminants and impurities arising in irradiation-based production.

Cancer is a leading cause of death worldwide, accounting for around 10 million deaths per year, with radiotherapeutics representing one of the fastest growing options for cancer treatment. The commercial market opportunity for radiotherapeutics is expected to reach USD 27 billion by 2032.

The radiopharmaceutical industry is increasingly focusing on Targeted Alpha Therapy, utilizing the high energy deposition and short range of alpha particle emitters to eradicate cancer cells while minimizing damage to healthy cells. Pb-212, derived from the natural decay of thorium, is considered one of the most promising alpha-emitting radioisotopes, due to its efficacy, safety, and reliable supply chain. More than 10 companies are currently working with over 15 therapeutic candidates in clinical development using radioisotopes from the natural decay of thorium, with the opportunity for thorium-based radioisotopes expected to grow into a multi-billion USD market from 2032 onwards.

Thor Medical is currently constructing pilot facilities for manufacturing of alpha-emitters at Herøya, Norway, with completion by the end of Q3 2024. The pilot facilities will be the basis for verifying product and process, deliver product samples to customers, and serve as platform for scale-up to commercial production. The company expects to enter into sales agreements with customers subject to quality acceptance of these product samples, providing a commercial fundament for an investment decision for a commercial scale production facility.

To support its customers through clinical development, Thor Medical is currently evaluating a 'fast-track' plant enabling commercial volume deliveries already by the end of 2025. At an estimated cost of NOK 250 million, a 'fast-track' plant will have capacity to deliver approximately 12,500 patient doses of thorium-based alpha-emitters, representing revenues up to NOK 200m. An investment decision for a 'fast-track' plant is targeted by end of Q1 2025.

Thor Medical's customers are indicating a significantly increased and rapidly growing demand for alpha-emitters and the ambition is to establish a position as a leading and reliable long-term supplier to these customers. Thor Medical's goal is to bring to market industrial scale production capacity enabling delivery of more than 250,000 patient doses by 2030. Beyond 2030, the company aims for further global industrialisation and a capacity increase towards delivery capacity of more than 1,000,000 patient doses by 2035.

Highlights of the period

- Pilot facilities at Herøya progressing on time and cost with completion targeted by end of Q3 2024 and delivery of customer samples by the end of the year
- Received NOK 6m grant from Innovation Norway related to the pilot facilities
- Received authorization from the Norwegian Radiation and Nuclear Safety Authority (DSA) for manufacturing, commercial trade, and import and export of radionuclides
- Entered cooperation agreement and MoU for feedstock supply with Steenkampskraal Monazite Mine in South Africa
- Completed feasibility study and started concept study for 'fast-track' plant with estimated capital requirement of approximately NOK 250m

CEO comment

“Thor Medical has progressed the new pilot facilities at Herøya on time and cost, and we look forward to supplying our customers in the radiotherapeutics market with quality product samples towards the end of the year. We see a significant shift in clinical development toward targeted alpha therapies with lead-212 and radium-224 isotopes. Our existing and prospective customers are addressing large groups of cancer patients with a huge unmet therapeutic need and are outlining a large potential demand for thorium-228, radium-224 and lead-212 as radioactive compounds. We strongly believe that our technology can be their foundation and that Thor Medical is able to ramp and scale up production in close synchronization with our customers’ clinical development and commercial launch activities”, says CEO Jasper Kurth.

Key figures

| (figures in NOKm) | 1H 2024 | 1H 2023 | 2023 |
|---|--------------|------------|-------------|
| Revenue | 0.0 | 0.0 | 0.0 |
| EBITDA | -12.7 | 0.0 | -6.8 |
| EBIT | -13.1 | 0.0 | -7.2 |
| Profit/(loss) before taxes | -13.1 | 0.0 | -5.6 |
| Profit/(loss) after tax from discontinued operations | 0.0 | -26.5 | -21.0 |
| Cash flow from operating activities | -12.5 | -49.0 | -64.1 |
| Cash flow from investment activities | 0.0 | 0.1 | 6.3 |
| Cash flow from financing activities | 0.3 | -0.2 | -0.4 |
| Effects of exchange rate changes on cash and cash equivalents | 0.0 | 0.6 | 1.2 |
| Net cash flow | -12.2 | -48.5 | -56.9 |
| Available cash | 29.6 | 50.2 | 41.8 |
| Net interest- bearing liabilities | 0.0 | 0.0 | 0.0 |
| Total assets | 320.1 | 59.8 | 330.8 |
| Equity | 260.0 | 39.1 | 271.9 |
| Equity ratio | 81.2 % | 65.4 % | 82.2 % |

Operational review first half 2024

Strengthening the team

In Q1 2024, Thor Medical strengthened its management team by appointing Mr. Jasper Kurth from Bayer Pharmaceuticals as Chief Executive Officer, and Mr. Brede Ellingsæter from Scatec Innovation as Chief Financial Officer. Mr. Kurth assumed the position as CEO 1 August 2024. The company also onboarded Mrs. Astrid Liland as Vice President EHS in Q1, bringing with her some 20 years of experience the Norwegian Radiation and Nuclear Safety Authority (DSA). Stepping down from the position as CEO, Dr. Alf Bjørseth will continue in the company as a Senior Vice President Business Development.

Establishing pilot facilities at Herøya, Norway

At the end of 2023, Thor Medical decided on a NOK 10 million investment to establish pilot facilities at Herøya, Norway, and engineering was completed at the end of Q1 2024. The project received a NOK 6 million grant from Innovation Norway in March, and engineering was completed by the end of Q1 2024. Construction began in Q2 with completion of the pilot facilities targeted by the end of Q3 2024. In June 2024, the company received authorization from the Norwegian Radiation and Nuclear Safety Authority (DSA) for manufacturing, commercial trade, and import and export of radionuclides. The authorization covers all relevant operations required for starting pilot production in the second half of 2024.

The company is also establishing laboratories for product development, quality assurance, and other R&D activities at Herøya. The laboratories include state-of-the-art nuclear chemistry facilities, equipped with ICP-MS and high purity germanium detector, among others. The laboratories were fully equipped by the end of Q2 and ready to become operational during the second half of 2024.

Market and business development

During the first half of 2024, Thor Medical experienced continued strong interest from potential

customers for alpha-emitters, with the customers requesting volume deliveries as soon as possible. Based on these indications, the company announced at its Annual General Meeting (AGM) on 11 April that it was investigating opportunities for a “fast-track” plant to enable commercial volume deliveries already by the end of 2025. A feasibility study performed in Q2 shows a preliminary estimated capital requirement of NOK 250 million for a “fast-track” plant with a capacity of around 12,500 doses, and the company has now initiated a concept study with the ambition to conclude on a possible investment in a “fast-track” plant by end of Q1 2025.

Thor Medical’s value chain strategy is to develop a network of suppliers of thorium-feedstock to assure long term supply security and a strong commercial positioning. During the first half of 2024, the company secured feedstock for its pilot operations based on European sourcing, and in June 2024 entered into a cooperation agreement and MoU for feedstock supply with Steenkampskraal Monazite Mine in South-Africa. The ambition is to enter a long-term partnership for feedstock supply from the Steenkampskraal mine, which is considered to have the highest concentration of thorium globally. The management will continue its work to broaden the feedstock supply base to ensure the company’s long-term scalability and ability to meet the expected high and growing demand for alpha-emitters in the years to come.

Solidifying technology leadership

Thor Medical aims to leverage its technology leadership into market leadership based on an intellectual property (IP) strategy combining patenting, trademarks, and trade secrets.

During the first half of 2024, the company filed three patent applications related to process and product of Thor Medical’s proprietary production technology for alpha-emitters from natural thorium.

Outlook

The second half of 2024 will include a series of important milestones for Thor Medical, with the onboarding of a new CEO, completion of the company's "first-of-kind" pilot facilities at Herøya, production start-up at the pilot plant, and delivery of the first product samples to the company's strategic customers.

Completion of "first-of-a-kind" pilot facilities and production start-up

Completion of the pilot facilities in Herøya, Norway is scheduled for end of Q3 2024, with production start-up in Q4 2024 following a period of commissioning of the production line. The first product samples are expected to be delivered to strategic customers before the end of the year.

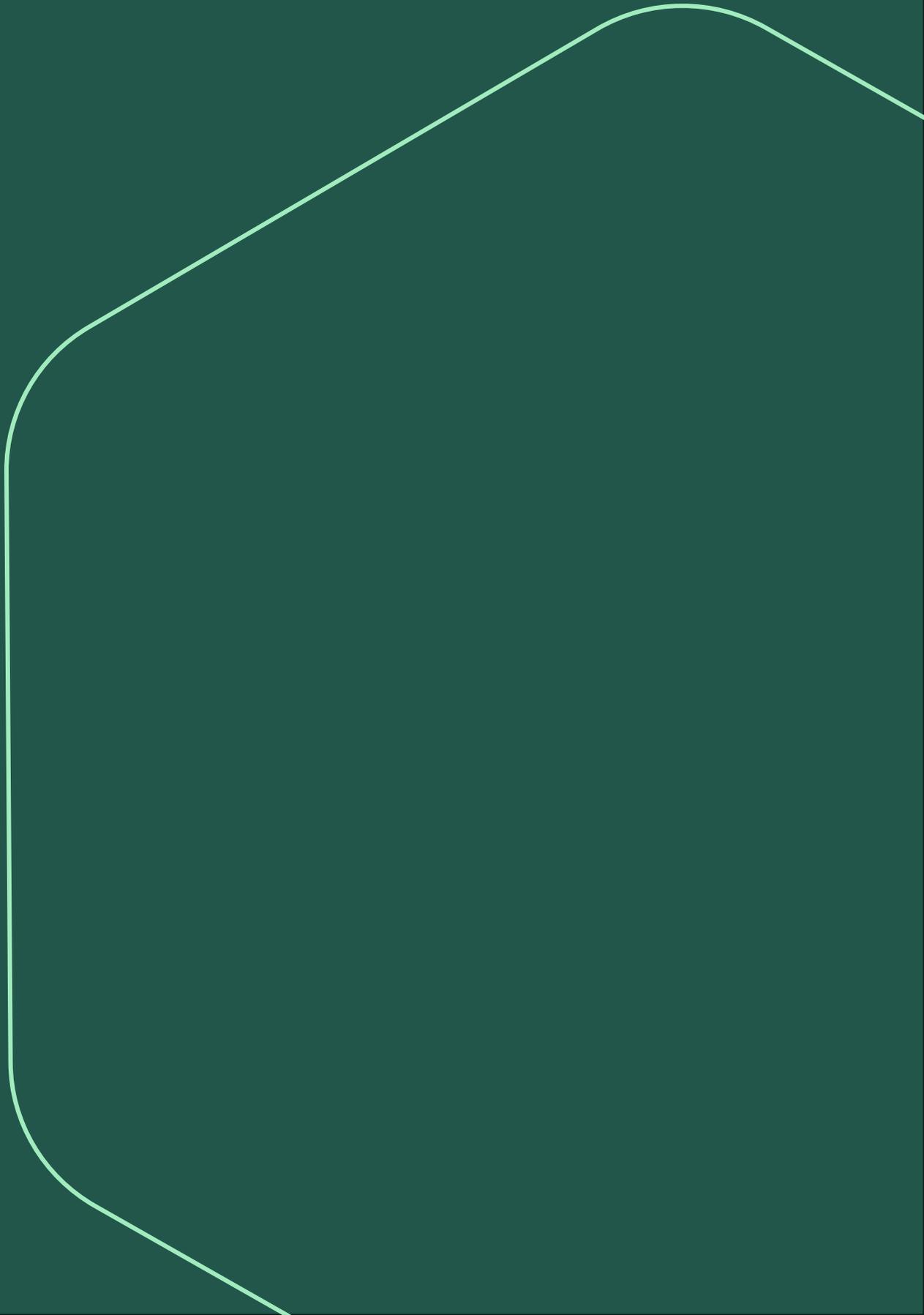
Customer dialogue and offtake agreements

The company is progressing commercial discussions with leading radiopharmaceutical companies to establish supply of alpha-emitters from Thor Medical. The target is to finalize main terms and enter into offtake agreements during the second half 2024.

Concept study ahead of investment decision for commercial scale production

The company will front-load engineering for a "fast-track" plant during second half of 2024 to facilitate the company's go-to-market strategy and prepare for establishing of commercial-scale production. A concept study has been initiated in Q3 with completion scheduled for Q4 2024. The concept study will provide a final cost estimate, timeline, and regulatory requirements for a 'fast-track' plant, forming the basis for an investment decision, with the ambition for such decision to be taken by the end of Q1 2025.

Financial review



Financial review

Thor Medical significantly reduced the company's burn towards the end of 2023 and entered 2024 with a cash position of NOK 41.8 million. During first half 2024, the company secured additional funding of NOK 6 million grant from Innovation Norway for its pilot facilities, of which NOK 1.8 million was received in the first half and the remainder will be received in the second half of 2024.

The number of employees at Thor Medical increased to five at the end of first half 2024, with a further planned increase to 7 in Q3 2024.

The company booked NOK 5.3 million in non-capitalized investments in the pilot facilities at Herøya during first half of 2024. The company has committed approximately another NOK 5 million for completion of the pilot facilities in second half of 2024.

The company closed the first half 2024 with a cash position of NOK 29.6 million and remains fully funded through its pilot phase, with financial through the next 12 months and only limited capital requirements until the planned investment decision for establishing commercial scale production of alpha-emitters.

Summary of results

| (figures in NOKm) | 1H 2024 | 1H 2023 | FY 2023 |
|--|--------------|------------|-------------|
| Total operating income | 0.0 | 0.0 | 0.0 |
| EBITDA | -12.7 | 0.0 | -6.8 |
| Operating profit (EBIT) | -13.1 | 0.0 | -7.2 |
| Net financials | 0.0 | 0.0 | 1.6 |
| Profit/loss for the period after tax | -13.0 | 0.0 | -5.6 |
| Profit/(loss) after tax from discontinued operations | 0.0 | -26.5 | -21.0 |

Profit and loss 1H 2024

Note that the company had no continuing business in the corresponding period in the first half 2023, with the results for the discontinued business accounted for on one line in the income statement as loss after tax from discontinued operations.

The company had no revenues in first the half of 2024. Total operating expenses for the first half came to NOK 13.1 million, of which payroll and related expenses were NOK 4.5 million.

Other expenses amounted to NOK 8.6 million during the first half of 2024, net of a NOK 1.8 million grant from Innovation Norway.

Operating loss (EBIT) for the first half was a loss of NOK 13.1 million, and net financial cost NOK 0.0 million. Loss before tax hence amounted to NOK 13.1 million.

Loss after tax was NOK 13.0 million, compared to a loss of NOK 26.5 million reflecting discontinued operations in the first half 2023.

Financial Position

Total assets at 30 June 2024 amounted to NOK 320.1 million, down from NOK 330.8 million at year-end 2023, the bulk of which reflects the value of intangible assets of NOK 284.5 million. The cash position stood at NOK 29.6 million, compared to NOK 41.8 million at the end of 2023.

Total shareholders' equity stood at NOK 260.0 million at 30 June 2024, down from NOK 271.9

million at year-end 2023, mainly reflecting losses in the period.

Total liabilities amounted to NOK 60.1 million at 30 June 2024, up from NOK 58.9 million at year-end 2023. This mainly reflects the deferred tax liabilities of NOK 54.4 million. The company has no interest-bearing debt.

Cash flow

Net cash flow from operating activities in the first half was a negative NOK 12.5 million in the first half 2024, which was roughly in line with the reported losses for the period and includes non-capitalized investments of NOK 5.3 million in the pilot facilities at Herøya.

There was hence no cash flow from investing activities in the first half 2024.

Net cash flow from financing activities was NOK 0.3 million in the first half 2024, generating a total

negative net cash flow of NOK 12.2 million in the first half 2024.

Cash and cash equivalents amounted to NOK 29.6 million at the end of the first half, compared to NOK 41.8 million at the end of December 2023.

In the first half 2023 the company reported a total negative cash flow of NOK 48.5 million, including a negative cash flow of NOK 49.0 million. This mainly reflected costs associated with the termination a clinical study in the now discontinued business.

Cash flow summary

| | 1H 2024 | 1H 2023 | 2023 |
|---|---------|---------|-------|
| Net cash flow from operating activities | -12.5 | -49.0 | -64.1 |
| Net cash flow from investments activities | 0.0 | 0.1 | 6.3 |
| Net cash flow from financing activities | 0.3 | -0.2 | -0.4 |
| Effects of exchange rate changes on cash and cash equivalents | 0.0 | 0.6 | 1.2 |
| Net change in cash and cash equivalents | -12.2 | -48.5 | -56.9 |
| Cash and cash equivalents at start of period | 41.8 | 98.7 | 98.7 |
| Cash and cash equivalents at end of period | 29.6 | 50.2 | 41.8 |

Risks and uncertainties

Thor Medical is exposed to significant risk and uncertainty factors, which may affect some or all of the company's activities. Thor Medical is exposed to operational, financial, market and climate-related

risk. These risks could occur individually or simultaneously. More information regarding risks and uncertainties can be found in the company's Annual report 2023.

Share information

Per 30 June 2024, the company had 234 859 475 issued shares, divided between 10,547 shareholders.

Overview largest shareholders

| # | Shareholder | Number of shares | Percentage of total shares |
|---|-----------------------|--------------------|----------------------------|
| 1 | Scatec Innovation AS | 57 568 052 | 24.51 % |
| 2 | Roht Invest AS | 15 994 640 | 6.81 % |
| 3 | North Energy ASA | 12 868 549 | 5.48 % |
| 4 | Bergfald Holding AS | 11 981 696 | 5.10 % |
| 5 | Brennebu AS | 10 532 567 | 4.48 % |
| 6 | Thorium Foundation | 6 849 880 | 2.92 % |
| 7 | Jon Magne Åsmyr | 4 300 000 | 1.83 % |
| 8 | Scatec Invest IV AS | 3 165 920 | 1.35 % |
| 9 | Bækkelaget Holding AS | 2 229 156 | 0.95 % |
| 10 | Sciencons AS | 2 000 000 | 0.85 % |
| Total shares for top 10 shareholders | | 127 490 460 | 54.28 % |
| Total shares for other 10,537 shareholders | | 107 369 015 | 45.72 % |
| Total shares | | 234 859 475 | 100.00 % |

The closing price for the company's share was NOK 1.05 per share as per 30 June 2024, which corresponds to a market capitalization of NOK 246.6 million.

Declaration by the Board of Directors

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 30 June 2024 has been prepared in accordance with IAS 34 – Interim Financial Reporting and gives a true and fair view of the (Company's and) group's assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge, that the interim management report

includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties' transactions.

Oslo, 30 August, 2024

Ludvik Sandnes
Chair

John Andersen
Board member

Mimi Berdal
Board Member

Jasper Kurth
CEO

Interim financial statements

Interim condensed consolidated statement of profit or loss and other comprehensive income

| (figures in NOKm) | Note | 1H 2024 | 1H 2023 | FY 2023 |
|---|------|--------------|--------------|--------------|
| Total operating income | | 0.0 | 0.0 | 0.0 |
| Personnel expenses | 6 | 4.5 | 0.0 | 3.3 |
| Depreciations | | 0.4 | 0.0 | 0.3 |
| Other operating expenses | | 8.2 | 0.0 | 3.5 |
| Operating profit (EBIT) | | -13.1 | 0.0 | -7.2 |
| Financial income | | 0.1 | 0.0 | 2.0 |
| Financial expenses | | 0.1 | 0.0 | 0.4 |
| Financial income (expense) - net | | 0.0 | 0.0 | 1.6 |
| Profit/loss before tax | | -13.1 | 0.0 | -5.6 |
| Income tax expense | | 0.0 | 0.0 | 0.0 |
| Profit/loss for the period from continuing operations | | -13.0 | 0.0 | -5.6 |
| Profit/loss for the period from discontinuing operations | | 0.0 | -26.5 | -21.0 |
| Profit/loss for the period | | -13.0 | -26.5 | -26.6 |
| Other comprehensive income (loss) | | | | |
| Translation effects <i>(Item that may subsequently be reclassified to profit or loss)</i> | | 0.0 | 0.0 | -0.9 |
| Re-measurement gains (losses) on defined benefit plans <i>(Item that will not be reclassified to profit or loss)</i> | | 0.0 | 0.0 | -1.6 |
| Total comprehensive income (loss) for the period | | -13.0 | -26.5 | -29.1 |
| Total comprehensive income (loss) for the period attributable to owners of the company | | | | |
| | | -13.0 | -26.5 | -29.1 |
| Earnings (loss) per share in NOK | | | | |
| Basic and diluted earnings per share from total operations | 8 | -0.06 | -0.23 | -0.15 |

The interim financial information has not been subject to audit.

Interim condensed consolidated statement of financial position

| (figures in NOKm) | Note | 30 June 2024 | 30 June 2023 | 31 Dec 2023 |
|--------------------------------------|------|-----------------|-----------------|----------------|
| Assets | | | | |
| Property, plant & equipment | | 0.9 | 0.2 | 1.0 |
| Right-of-use assets | | 1.0 | 0.0 | 0.0 |
| Other intangible assets | 5 | 284.5 | 0.0 | 284.5 |
| Total non-current assets | | 286.3 | 0.2 | 285.5 |
| Other current receivables | | 4.1 | 9.4 | 3.6 |
| Cash and cash equivalents | | 29.6 | 50.2 | 41.8 |
| Total current assets | | 33.7 | 59.6 | 45.3 |
| Total assets | | 320.1 | 59.8 | 330.8 |
| Equity and liabilities | | | | |
| Share capital | 7 | 47.0 | 23.2 | 46.7 |
| Share premium | 7 | 61.5 | 0.7 | 61.5 |
| Other equity | | 185.3 | 66.7 | 184.5 |
| Retained earnings | | -33.9 | -51.5 | -20.9 |
| Total equity | | 260.0 | 39.1 | 271.9 |
| Deferred tax liabilities | 5 | 54.4 | 0.0 | 54.4 |
| Non-current lease liabilities | | 0.5 | 0.0 | 0 |
| Total non-current liabilities | | 54.9 | 0.0 | 54.4 |
| Trade payables | | 3.0 | 3.4 | 2.1 |
| Tax payable | | 0.0 | 0.0 | 0.0 |
| Social security and other taxes | | 0.0 | 0.7 | 0.0 |
| Current lease liabilities | | 0.4 | 0.0 | 0.0 |
| Other current liabilities | 10 | 1.7 | 16.5 | 2.3 |
| Total current liabilities | | 5.2 | 20.7 | 4.4 |
| Total liabilities | | 60.1 | 20.7 | 58.9 |
| Total equity and liabilities | | 320.1 | 59.8 | 330.8 |

The interim financial information has not been subject to audit.

Interim condensed consolidated statement of cash flow

| (figures in NOKm) | Note | 1H 2024 | 1H 2023 | FY 2023 |
|--|------|--------------|--------------|--------------|
| Cash flow from operations | | | | |
| Profit before income taxes | | -13.1 | 0 | -5.6 |
| Profit after tax from discontinued operations | | 0.0 | -26.5 | -21.0 |
| Profit before income tax | | -13.1 | -26.5 | -26.6 |
| Adjustments for: | | | | |
| Depreciation | | 0.4 | 0.4 | 0.7 |
| Net interest | | 0.0 | -0.1 | -2.0 |
| Finance income from discontinued operations | | 0.0 | 0.0 | -4.0 |
| Share based payment expenses | 6.7 | 0.8 | 0.9 | 2.1 |
| Taxes paid | | 0.0 | -0.7 | -0.8 |
| Currency (gains) losses not related to operating activities (unrealised) | | 0.0 | -0.6 | -1.2 |
| Changes in working capital | | -0.6 | -22.5 | -32.4 |
| Net cash generated from operations | | -12.5 | -49.0 | -64.1 |
| Cash flow from investment activities | | | | |
| Cash acquired through business combination | | 0.0 | 0.0 | 4.3 |
| Interest received | | 0.1 | 0.1 | 2.0 |
| Net cash flow from investment activities | | 0.0 | 0.1 | 6.3 |
| Cash flow from financing activities | | | | |
| Proceeds from issue of equity | | 0.3 | 0.0 | 0.1 |
| Share issue costs | | 0.0 | 0.0 | -0.3 |
| Repayment of principle lease liabilities | | 0.0 | -0.2 | -0.2 |
| Net cash flow from financing activities | | 0.3 | -0.2 | -0.4 |
| Effects of exchange rate changes on cash and cash equivalents | | 0.0 | 0.6 | 1.2 |
| Net change in cash and cash equivalents | | -12.2 | -48.5 | -56.9 |
| Cash and cash equivalents at the beginning of the period | | 41.8 | 98.7 | 98.7 |
| Cash and cash equivalents at the end of the period | | 29.6 | 50.2 | 41.8 |

The interim financial information has not been subject to audit.

Interim condensed consolidated statement of changes in equity

| (figures in NOKm) | Note | Share capital | Share premium | Other paid in capital | Accumulated losses | Translation effects | Remeasurement gains (losses) | Total equity |
|---|------|---------------|---------------|-----------------------|--------------------|---------------------|------------------------------|--------------|
| Balance at 1 January 2023 | | 23.2 | 0.7 | 65.9 | -28.4 | 0.9 | 1.6 | 63.8 |
| Loss for the period | | | | | -26.5 | | | -26.5 |
| Other comprehensive income (loss) for the year, net of income tax | | | | | | -0.9 | -1.6 | -2.5 |
| Total comprehensive income for the period | | | | | -26.5 | 0.0 | 0.0 | -29.0 |
| Reclassification of accumulated losses | | | | -34.1 | 34.1 | | | 0.0 |
| Recognition of share-based payments | 6 | | | 2.1 | | | | 2.1 |
| Issue of ordinary shares | | 23.4 | 61.2 | 150.7 | | | | 235.2 |
| Issue of ordinary shares under share options and RSUs | 6.7 | 0.1 | | | | | | 0.1 |
| Transaction costs | | | -0.3 | | | | | -0.3 |
| Change from discontinued operations | | | | | | | | 0.0 |
| Balance at 31 December 2023 | | 46.7 | 61.5 | 184.5 | -20.9 | 0.0 | 0.0 | 271.9 |
| Loss for the period | | | | | -13.0 | | | -13.0 |
| Other comprehensive income (loss) for the year, net of income tax | | | | | | | | 0.0 |
| Total comprehensive income for the period | | 0.0 | 0.0 | 0.0 | -13.0 | 0.0 | 0.0 | -13.0 |
| Recognition of share-based payments | 6 | | | 0.8 | | | | 0.8 |
| Issue of ordinary shares under RSUs | 6.7 | 0.3 | | | | | | 0.3 |
| Balance at 30 June 2024 | | 47.0 | 61.5 | 185.3 | -33.9 | 0.0 | 0.0 | 260.0 |

The interim financial information has not been subject to audit.

Selected notes to the condensed interim financial statements

Note 1. General information

Thor Medical ASA (the group) consists of Thor Medical ASA and its subsidiary. Thor Medical ASA (“the company”) is a limited company incorporated and based in Oslo, Norway. The address of the registered office is Karenslyst allé 9C, 0278 Oslo.

The figures in this first half 2024 report are non-audited figures.

These financial statements were approved for issue by the board of directors on 30 August 2024.

Note 2. Basis for preparation and significant accounting policies

The principal accounting policies applied in the preparation of these financial statements can be found in the group’s Annual Report 2023. These policies have been consistently applied in all periods presented. Amounts are in Norwegian kroner (NOK) unless stated otherwise. The functional currency of the group is NOK.

Basis of preparation of the annual accounts

These condensed interim consolidated financial statements are prepared in accordance with recognition, measurement, and presentation principles consistent with International Financing Reporting Standards as adopted by the European Union (“IFRS”) for interim reporting under International Accounting Standard (“IAS”) 34 Interim Financial Reporting. These condensed interim consolidated financial statements are unaudited.

Thor Medical identifies its reportable segments and discloses segment information under IFRS 8 Operating Segments. This standard requires Thor Medical to identify its segments according to the organisation and reporting structure used by management. Currently Thor Medical operates its business as a single business unit.

Note 3. Critical accounting judgments and key sources of estimation uncertainty

Management makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are evaluated on an on-going basis and are based on historical experience and other factors, including expectations of future events that are considered to be relevant.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the group’s accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 31 December 2023.

Note 4. Other accounting policies

Short-term leases and leases of low-value assets

The group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The group also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Discontinued operations

In the consolidated statement of profit or loss and other comprehensive income, information is presented for continuing operations on each line item, while figures for discontinued operations are presented on a separate line. Consequently, the notes to the consolidated financial statements are presenting information for continuing operation with a separate note presenting information on discontinued operation.

Figures presented for discontinued operation relates to the former Nordic Nanovector pipeline of patent development stage candidates known as the Nanovector Patents". For more information, please refer to the company's Annual Report 2023.

Note 5. Other intangible assets

Research and development and goodwill are intangible assets acquired through business combination in 2023. Development is still ongoing, hence no amortization, and management has reperformed the fair value calculation that formed the basis of the Purchase Price Allocation (PPA) as of year-end to identify any need for impairment. Deferred tax liability is recognised on the allocated surplus value.

Note 6. Employee share incentive programmes

Allocation of restricted stock units (RSUs) to the board of directors

At the annual general meeting 2024 (AGM), the shareholders approved the issuance of restricted stock units ("RSUs") to board members who elect to receive all or part of their remuneration, for the period from the AGM in 2024 to the AGM in 2025, in the form of RSUs. In April 2024 all board members chose to receive 100% of their remuneration in RSUs.

Overview of outstanding RSUs:

| | Number of RSUs |
|-------------------------------------|------------------|
| Balance at 31.12.2023 | 1 320 469 |
| Granted during the year | 1 090 974 |
| Exercised/settled during the period | -1 320 469 |
| Forfeited | 0 |
| Balance at 30.06.2024 | 1 090 974 |

Share options

The company has in 1H 2024 granted share options to senior management. Each option provides a right to acquire one share at the exercise price, equal to the volume-weighted share price over the last ten trading days prior to grant. 3 800 000 of the share options will vest 12 months after the grant day, while the remaining share options will vest over the next 24 months with 1/36 of the granted options on the last day of each month following the initial vesting. The share options need to be exercised no later than five years after the initial award. The total gross benefit for exercised share options under this grant shall be limited to the grantee's total base salary of the three-year period.

Overview of outstanding options:

| | Number of options | Weighted average exercise price, NOK |
|------------------------------|-------------------|--------------------------------------|
| Balance at 31.12.2023 | 0 | 0 |
| Granted during the year | 11 500 000 | 1.0718 |
| Balance at 30.06.2024 | 11 500 000 | 1,0718 |

Note 7. Share capital

The share capital as of 30 June 2024 is NOK 46,971,895 (31 December 2023: NOK 46,707,801), being 234 859 475 ordinary shares at a nominal value of NOK 0.20. All shares carry equal voting rights.

The change in number of shares during the period:

| | Note | 30.06.2024 | 30.06.2023 |
|---|------|--------------------|-------------|
| Ordinary shares at beginning of the period | | 233 539 006 | 116 035 298 |
| Issue of ordinary shares under RSUs | 6 | 1 320 469 | 0 |
| Ordinary shares at end of the period | | 234 859 475 | 116 035 298 |

The shares of Thor Medical ASA have been traded on the Oslo Stock Exchange since 23 March 2015.

Note 8. Earnings per share

The calculation of basic and diluted earnings per share attributable to the ordinary shareholders of the parent is based on the following data:

| | 1H 2024 | 1H 2023 | FY 2023 |
|---|--------------|--------------|--------------|
| Loss for the period (NOKm) | -13.0 | -26.5 | -26.6 |
| Average number of outstanding shares during (in mill) | 234.2 | 116.0 | 174.8 |
| Earnings (loss) per share in NOK - basic and diluted | -0.06 | -0.23 | -0.15 |

Note 10. Transactions with related parties

During 1H 2024 the company has purchased professional services of NOK 0.08 million from Scatec Innovation AS, close associates to primary insider and board member John Andersen and the largest shareholder in Thor Medical. The services purchased is related to finance and accounting, legal and IT.

Note 12. Subsequent events

Mr. Jasper Kurth assumed the position as Chief Executive Officer of Thor Medical on 1 August 2024, subsequent to this report. Dr. Alf Bjørseth assumed the position as Senior Vice President Business Development on 1 August 2024.

Alternative Performance Measures

Thor Medical discloses alternative performance measures (APMs) in addition to those normally required by IFRS. This is based on the group's experience that APMs are frequently used by analysts, investors and other parties as supplemental information.

The purpose of APMs is to provide an enhanced insight into the operations, financing and future prospect of the company. Management also uses these measures internally to drive performance in terms of monitoring operating performance and long-term target setting. APMs are adjusted IFRS measures that are defined, calculated and used in a consistent and transparent manner over the years and across the group where relevant.

Financial APMs should not be considered as a substitute for measures of performance in accordance with the IFRS.

Thor Medical's APMs

EBITDA: is defined as earnings before interest, tax, depreciation, amortisation and impairment. EBITDA corresponds to operating profit/(loss) plus depreciation, amortisation and impairment.

Equity ratio: is defined as total equity divided by total assets.

Financial calendar

| | |
|------------------------|------------------|
| H2 2024 results | 26 February 2025 |
| Annual report 2024 | 28 March 2025 |
| Annual General Meeting | 24 April 2025 |

In accordance with its corporate disclosure policies, the company has a two-week quiet period ahead of its full year and quarterly results announcements. During the quiet periods, the company will not participate in meetings, seminars or engage with external individuals or groups (including analysts, investors, media).

Address:

Offices:

Karenslyst Alle 9C
0278 Oslo

Organisation number

994 297 422

Contact:

E-mail: brede.ellingseter@thormedical.no

Web: www.thormedical.no

Management

Jasper Kurth
CEO

Brede Ellingsæter
CFO

Board of directors

Ludvik Sandnes
Chair

John Andersen
Board Member

Mimi Berdal
Board Member



Thor Medical HQ
Karenslyst allé 9C
NO-0278 Oslo, Norway

thormedical.no