



FINANCIAL REPORT

# FIRST HALF REPORT 2024

## Per Walday, Chief Executive Officer of EXACT:



“We are now concentrating our development efforts on the ENACT Phase 2 trial in locally advanced pancreatic cancer, marking the first development indication of our versatile ACT® technology. Our discussions with the FDA have offered valuable insights that will guide both the ENACT trial and the broader development of ACT® in pancreatic cancer – a disease that has seen little improvement in patient survival rates over the years. EXACT’s proprietary ACT® treatment has shown highly promising preclinical results in pancreatic cancer models, and we are eager to advance its clinical development in this critical area of high unmet need.”

## Highlights

Looking back on the first half of 2024, we at EXACT Therapeutics (“EXACT” or “Company”) are pleased to report significant progress and growing momentum. Our strategic focus remains centred on oncology, with pancreatic cancer as the initial target for our versatile Acoustic Cluster Therapy (ACT®) technology. Key highlights of the year so far include:

### **Progressing towards opening of an IND for the ENACT trial in pancreatic cancer**

During the first half of the year, we have made significant progress towards opening an Investigational New Drug (IND) with the medicinal agency for the United States Food and Drug Administration (FDA). In Q2, EXACT-Tx completed a pre-IND meeting process with the FDA, which provided valuable guidance for the planned Phase 2 ENACT trial in locally advanced pancreatic cancer.

### **Highly encouraging results from the Phase 1 ACTIVATE trial**

In April, Dr Udai Banerji, the principal investigator of the ACTIVATE trial and Dr Amir Snapir, Chief Medical Officer of EXACT presented a poster at the American Association of Cancer Research (AACR) annual meeting, showcasing the results from the dose escalation part of the ACTIVATE trial in patients with liver metastases of colorectal cancer origin. The main conclusions presented were:

- The results provide proof of concept that treatment with Acoustic Cluster Therapy (ACT®) produces substantial reduction in tumour size in patients treated with standard of care chemotherapeutics.
- The results do not show any unexpected side effects from ACT on its own or any worsening of the adverse effects of chemotherapy.

### **Focus on development in pancreatic cancer**

During the first half of 2024, EXACT has focused on the planning of the coming ENACT trial, as well as the execution of the dose expansion part of the ACTIVATE trial. In August it was announced that we will stop recruiting patients to the ACTIVATE trial and instead focus all efforts on the ENACT trial. The enrolled patients will be followed through the planned follow-

up and the final results from the ACTIVATE Phase 1 trial (11 patients) will be reported after completion of independent blinded review, expected early 2025. So far, there has been no change to the previously reported excellent safety profile of PS101 in the ACTIVATE trial.

### **Exploring benefits of ACT in immuno-oncology treatment**

The preclinical immuno-oncology project, supported by the Norwegian Research Council and in collaboration with Institute of Cancer Research (ICR) in London, UK, The Translational Genomics Research Institute (TGen) in Phoenix, Arizona, and the Norwegian University of Science and Technology (NTNU) in Trondheim, is progressing well. In the first half of 2024, we made significant strides by establishing and pilot testing appropriate models to evaluate both the efficacy and delivery of relevant therapeutics using the ACT® technology in immunocompetent animals.

The Company in September announced the granting of a new important patent by the UK Intellectual Property Office. The newly issued patent covers EXACT's proprietary ACT® technology in combination with immunotherapy in cancer and autoimmune disease patients. Expanding our patent protection is a core strategy of EXACT. The patent underpins the strategic oncology focus and further strengthens the Company's position in immuno-oncology, the largest commercial oncology market.

### **Progressing collaborative efforts to deliver drugs across the blood-brain-barrier (BBB)**

Overcoming the challenge of delivering therapies across the blood-brain barrier (BBB) has been a major obstacle in developing effective treatments for brain-related disorders. Building on the strong preclinical results demonstrating that ACT® can facilitate drug delivery across the BBB, we are now progressing research in this area with our strategic partner for brain applications, Cordance Medical. Together, we are working in a collaborative effort with the University of Tromsø aiming to improve the delivery of radiotherapeutics to brain tumours and facilitate retention for better therapeutic outcomes.

### **New Director of the Board – Leiv Askvig**

At the Annual General Meeting in June, Sir William Castell resigned from the Board of Directors after 6 years tenure. His contribution to the development of the company has been significant, and we thank him for his efforts. Mr. Leiv Askvig joined our Board of Directors at the same time. Mr. Askvig is advisor to Sundt AS and has vast experience from investment banking from Sundal & Collier ASA (now ABG Sundal Collier), as well as board experience from the biotech industry.

## **Outlook**

The Company is set to launch the ENACT clinical trial, evaluating the effectiveness of ACT® as a first-line treatment for locally advanced pancreatic cancer. We are actively engaged in productive discussions with expert industry groups who are enthusiastic about this opportunity, particularly in light of the compelling preclinical results achieved by leading pancreatic cancer specialists in the USA. The company prepares the opening of an IND with FDA and the start of the ENACT trial will mark an important new milestone for EXACT.

### **Focus on Pancreatic Cancer – the ENACT study**

Pancreatic cancer is silent, generally diagnosed at a late stage and with poor prognoses. It is one of the deadliest types of cancer, with a five-year relative survival rate of only 12.5% (US). Overall projections show growth in incidences, especially in young people. Most cases are inoperable and the success of existing therapies remains meagre. No improvement in patient survival has been seen for the last 30 years.

The ENACT study is planned to investigate the efficacy and safety of ACT® with standard of care treatment of first line locally advanced/regional or borderline resectable pancreatic cancer patients

For the remainder of 2024 and into the first half of 2025, our business strategy aims to prioritise the following objectives:

- Submission of an IND application in the US and initiation of a Phase II clinical study of ACT® in pancreatic cancer
- Progress the collaborative immuno-oncology project with our international academic expert groups to elucidate the potential of ACT in immunotherapy
- Strengthen our R&D platform and preclinical programs through in-house research and partnerships with existing and new collaborators
- Ensure resource optimisation to drive effective progress in clinical development and pipeline expansion of the ACT® technology

### **Ultrasound – breaking barriers in drug delivery, brain therapy and beyond**

It is encouraging to see the increasing interest and research and development activities in therapeutic ultrasound, not least as a method for targeted delivery of drugs. In September, renowned international investment bank, Bryan Garnier, published a sector report on how ultrasound technologies are expanding beyond diagnostic use due to their capability to noninvasively and precisely treat tissue deep within the body.

EXACT Therapeutics was highlighted as a company with a unique drug-agnostic delivery platform. Bryan Garnier writes:

*Given the versatility of ACT treatment and proven efficacy across several cancer types in preclinical/clinical studies, the company aims to first bring to market ACT treatment in pancreatic cancer as being a clear high unmet need with optionally to orphan drug designation, allowing higher pricing.*

This encapsulates the immense potential of our ACT® technology and outlines our clear strategy to address a critical unmet medical need, highlighting the significant value it offers both to patients and our shareholders.

The Board and management of EXACT believe that, with ACT®, the Company is well placed to benefit from the growing market interest and investments in the therapeutic capabilities of ultrasound technology. Focused Ultrasound (FUS) is emerging as a highly versatile and non-invasive procedure, thus reducing damage to the surrounding healthy tissues.

## Financial review

*The interim consolidated financial statements for EXACT Therapeutics AS Group as of 30 June 2024, have been prepared in accordance with the International Accounting Standard (IFRS) 34 interim financial reporting. The interim financial statements have not been audited.*

The financial results for the first half of 2024 reflects that the company is still in the clinical stage of developing a technology platform for targeted therapeutic enhancement - ACT<sup>®</sup>. The company continues to progress towards a Phase 2 study where the safety and efficacy of ACT<sup>®</sup> will be investigated in combination with standard of care first line treatment in patients with borderline resectable or unresectable locally advanced pancreatic cancer – the ENACT study.

The cash position at the end of June 2024 was NOK 15.8 million. This liquidity position is not expected to cover all planned activities for the next 12 months. The Company is actively pursuing additional funding to support its working capital need. The board of directors and management are making significant progress in evaluating specific financing opportunities, and further updates will be provided in due course.

Total operating expenses for the first half of 2024 came to NOK 29.7 million (1H 2023 NOK 22.3 million). Payroll and related expenses were NOK 10.9 million (NOK 11.2 million). Other expenses, including research expenses, amounted to NOK 17.7 million during the half year of 2024 (NOK 11.1 million). The majority of expenses in first six months of 2024 are related to clinical and pre-clinical activities with NOK 15.3 million (NOK 7.5 million)

Net result for the first half of 2024 was NOK -29.3 million (H1 2023 NOK -22.8 million).

### Financial position

Total assets as of 30 June 2024, were NOK 31.4 million, down from NOK 61.3 million as per 31 December 2023. The reduction is mainly due to reduced cash balance from operations.

Total shareholders' equity on 30 June 2024, was NOK 17.4 million (NOK 45.1 million at year end 2023) corresponding to an equity ratio of 55.6 % (85.2% at year end 2023).

Total liabilities at the end of the first half of 2024 were NOK 13.3 million, as compared to NOK 16.2 million at year end 2023.

### Cash flow

Net cash flow from operating activities in the first half of 2024 was negative NOK 30.6 million (first half 2023 negative NOK 29.7 million) mainly reflecting the cost related to pre-clinical research, clinical trial costs, and ongoing business running costs.

Cash and cash equivalents amounted to NOK 15.8 million at the end of June 2024, compared to NOK 46.4 million at year end 2023.

### Risks and uncertainties

The nature of scientific research and clinical development is inherently uncertain as we endeavour to develop novel and effective treatments for patients to enhance therapeutic outcomes. In the event that we are unable to achieve the development milestones required

to reach our goals, we may be unable to progress to the stage of offering an effective therapy to patients.

Cash flow within the business is managed closely but the achievement of the Company's goal to deliver an effective therapeutic offering to patients will depend on the ability to raise additional funds.

### **Responsibility Statement**

The Board of Directors of EXACT Therapeutics AS have today considered and approved the condensed financial statements for the six-month period ended 30 June 2024. The half year report has been prepared in accordance with IAS 34 Interim Financial Reporting as endorsed by the EU and additional Norwegian regulations.

Based on current forecasts and working plans, the group's cash position is not sufficient to fund operations and payment of financial obligations for the next 12 months. In 2023, we raised funds from investors but not sufficient to underpin the next important stage which is to commence Phase 2 trials in pancreatic cancer. Now, we have ongoing constructive talks with industry expert groups and other potential investors to support further operations and growth. In addition, we are also assessing opportunities to reduce costs. We are doing everything we can for both our patients, suppliers, investors and our team to navigate successfully these challenging times, which are not unusual in our industry. However, there is a risk that adequate sources of funds may not be available, or not available at acceptable terms and conditions when needed. The board believes that the current working options will provide opportunities to secure sufficient capital to execute our plans.

We confirm, to the best of our knowledge, that:

The condensed consolidated financial statements for the six months ended 30 June 2024, have been prepared in accordance with applicable financial reporting standards.

The information provided in the financial statements gives a true and fair view of the group's assets, liabilities, financial position and results for the period.

The financial review includes a fair summary of significant events during the first six months of the year and their impact on the financial statements, any major related party transactions, and a description of the principal risk and uncertainties for the remaining six months of the year.

Oslo, 27 September, 2024

The Board of Directors EXACT Therapeutics AS

## Consolidated statement of comprehensive income

Amounts in NOK	Notes	H1 2024	H1 2023	2023
Government grants and other income	1.5	-	4 458	4 458
<b>Total other income</b>		<b>-</b>	<b>4 458</b>	<b>4 458</b>
Employee benefit expenses	1.6	10 851 024	11 171 118	22 307 657
Other operating expenses	1.7	17 748 048	10 112 284	23 984 207
Depreciation and Amortization		1 105 462	971 794	2 091 884
<b>Operating profit or loss</b>		<b>-29 704 534</b>	<b>-22 250 738</b>	<b>-48 379 290</b>
Finance income		503 723	520 437	1 275 590
Finance costs		103 530	1 068 413	1 278 463
<b>Profit or loss before tax</b>		<b>-29 304 342</b>	<b>-22 798 714</b>	<b>-48 382 162</b>
Income tax expense		-	-	-48 473
<b>Profit or loss for the year</b>		<b>-29 304 344</b>	<b>-22 798 714</b>	<b>-48 333 691</b>
<i>Allocation of profit or loss:</i>				
Profit/loss attributable to the parent		-29 304 344	-22 798 714	-48 333 691
<i>Other comprehensive income:</i>				
<i>Items that subsequently may be reclassified to profit or loss:</i>				
Exchange differences on translation of foreign operations		5 807	-	12 959
Total items that may be reclassified to profit or loss		5 807	-22 798 714	12 959
<b>Total other comprehensive income for the year</b>		<b>5 807</b>		<b>12 959</b>
<b>Total comprehensive income for the year</b>		<b>-29 298 537</b>	<b>-22 798 714</b>	<b>-48 320 732</b>
<i>Allocation of total comprehensive income</i>				
Total comprehensive income attributable to owners of the parent		-29 298 537	-22 798 714	-48 320 732
<b>Earnings per share ("EPS"):</b>				
Basic EPS - profit or loss attributable to equity holders of the parent	4.9	-0,91	-0,76	-1,51
Diluted EPS - profit or loss attributable to equity holders of the parent	4.9	-0,91	-0,76	-1,51

## Consolidated statement of financial position

Amounts in NOK	Notes	30.06.2024	30.06.2023	31.12.2023
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		3 778 429	2 931 631	4 371 930
Right-of-use assets		801 165	1 312 873	1 047 981
<b>Total non-current assets</b>		<b>4 579 594</b>	<b>4 244 504</b>	<b>5 419 911</b>
<b>Current assets</b>				
Other receivables	1.8	10 982 648	9 453 343	9 468 470
Cash and cash equivalents	2.1	15 798 246	39 120 727	46 430 592
<b>Total current assets</b>		<b>26 780 894</b>	<b>48 574 071</b>	<b>55 899 062</b>
<b>TOTAL ASSETS</b>		<b>31 360 489</b>	<b>52 818 575</b>	<b>61 318 974</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	2.0	128 322	119 989	128 322
Share premium		135 434	53 978 886	29 439 777
Other paid-up equity		17 173 275	13 746 122	15 532 776
Uncovered loss		0	-22 838 441	-
<b>Total equity</b>		<b>17 437 032</b>	<b>45 006 556</b>	<b>45 100 875</b>
<b>Non-current liabilities</b>				
Non-current lease liabilities		568 434	922 318	649 866
Non-current provisions		85 261	127 026	82 093
<b>Total non-current liabilities</b>		<b>653 695</b>	<b>1 049 344</b>	<b>731 959</b>
<b>Current liabilities</b>				
Current lease liabilities		353 884	519 119	545 932
Trade and other payables	1.9	12 915 875	6 243 556	14 940 205
<b>Total current liabilities</b>		<b>13 269 759</b>	<b>6 762 675</b>	<b>15 486 137</b>
<b>Total liabilities</b>		<b>13 923 454</b>	<b>7 812 019</b>	<b>16 218 096</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>31 360 488</b>	<b>52 818 578</b>	<b>61 318 974</b>

Oslo, 27 September, 2024

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Anders Wold  
Chair of the Board

//Electronically signed//

Dr. Masha Strømme  
Vice-Chair of the Board

//Electronically signed//

Leiv Askvig  
Board Member

//Electronically signed//

Ann-Tove Kongsnes  
Board Member

//Electronically signed//

Dr. Per Walday  
Managing Director



## Consolidated statement of changes in equity

### Other equity

Amounts in NOK	Share capital	Share premium	Other paid-up equity	Foreign currency translation reserve	Uncovered loss/Retained earnings	Total equity
<b>Balance at 1 January 2023</b>	<b>119 989</b>	<b>53 418 288</b>	<b>11 608 532</b>	<b>-38 733</b>	<b>-</b>	<b>65 108 076</b>
Reallocation of prior year losses		-48 333 691				-48 333 691
Other adjustments		528 901	-36 011			492 890
Issue of share capital (Note 4.5)	8 333	24 991 663		-	-	24 999 996
Transaction costs		-1 165 383		-	-	-1 165 383
Share based payments - Options/RSSUs			3 960 255	-	-	3 960 255
<b>Balance at 31 December 2023</b>	<b>128 322</b>	<b>29 439 777</b>	<b>15 532 776</b>	<b>-38 733</b>	<b>-</b>	<b>45 062 142</b>
<b>Balance at 1 January 2024</b>	<b>128 322</b>	<b>29 439 777</b>	<b>15 532 776</b>	<b>-38 733</b>	<b>-</b>	<b>45 062 142</b>
Profit (loss) for the year	-	-29 304 344	-	-	-	-29 304 344
Other adjustments			118 241	5 809		124 050
Share based payments - Options/RSSU			1 522 258	-	-	1 522 258
<b>Balance at 30 June, 2024</b>	<b>128 322</b>	<b>135 434</b>	<b>17 173 275</b>	<b>-32 924</b>	<b>-</b>	<b>17 404 107</b>

## Consolidated statement of cash flows

Cash flows from operating activities (NOK)	H1 2024	H1 2023	FY 2023
<b>Profit or loss before tax</b>	<b>-29 304 344</b>	<b>-22 798 714</b>	<b>-48 333 691</b>
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Net financial income/expense	-400 192	547 976	2 872
Depreciation and impairment of property, plant and equipment	849 608	715 940	1 625 367
Amortisation and impairment of right-of-use asset	255 854	255 854	466 517
Share-based payment expense	1 522 258	2 137 590	3 960 255
<i>Working capital adjustments:</i>			
Changes in other receivables	-1 514 178	-1 309 713	-1 324 840
Changes in trade and other payables	-2 024 330	-9 386 340	-689 692
Changes in provisions and other liabilities	3 167	42 945	-1 988
<b>Net cash flows from operating activities</b>	<b>-30 612 157</b>	<b>-29 794 462</b>	<b>-44 295 199</b>
<b>Cash flows from investing activities (NOK)</b>			
Purchase of property, plant and equipment	-184 766	-216 284	-3 092 779
Purchase of financial instruments	-	-	-
Payment for established subsidiary	-	-	-
Proceeds from sale of financial instruments	-	-	-
Interest received	383 972	499 901	945 023
<b>Net cash flow from investing activities</b>	<b>199 206</b>	<b>283 617</b>	<b>-2 147 756</b>
<b>Cash flow from financing activities (NOK)</b>			
Proceeds from issuance of equity	-	-	24 999 996
Transaction costs on issue of shares	-	-	-1 165 383
Payments for the principal portion of the lease liability	-299 205	-255 854	-580 980
Payments for the interest portion of the lease liability	-30 215	45 089	-82 922
Interest paid	-1 628	-49	-2 713
<b>Net cash flows from financing activities</b>	<b>-331 048</b>	<b>-210 814</b>	<b>23 167 998</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>-30 743 999</b>	<b>-29 721 659</b>	<b>-23 274 957</b>
Cash and cash equivalents at beginning of the year/period	46 430 593	69 389 722	69 389 722
Net foreign exchange difference	111 652	-547 336	315 828
<b>Cash and cash equivalents, end of year/period</b>	<b>15 798 246</b>	<b>39 120 727</b>	<b>46 430 593</b>

## 1.1 General information

The consolidated interim financial statements of EXACT Therapeutics AS and its subsidiaries (collectively, "the Group" or "EXACT Therapeutics") for the period ended 30 June 2024 were authorised for issue in accordance with a Board resolution on September 27, 2024. The interim financial statements have not been audited by the company's external auditor. EXACT Therapeutics AS is a publicly listed company on the Euronext Growth, with the ticker symbol EXTX. EXACT Therapeutics AS is incorporated and domiciled in Norway, and the address of its registered office is Østre Aker vei 19, 0581 Oslo, Norway.

## 1.2 Basis of preparation

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

The cash position at the end of June 2024 was NOK 15.8 million. This liquidity position is not expected to cover all planned activities for the next 12 months. The Company is actively pursuing additional funding to support its working capital need. The board of directors and management are making significant progress in evaluating specific financing opportunities, and further updates will be provided in due course.

### *Presentation currency and functional currency*

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

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

## 1.3 Significant accounting policies

EXACT Therapeutics has selected a presentation in which the description of accounting policies as well as estimates, assumptions and judgemental considerations are disclosed in the notes to which the policies relate. Other accounting policies are presented below:

### *Current versus non-current classification*

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification as described in IFRS Blue Book 2023 .

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## 1.4 Significant accounting judgements, estimates and assumptions

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

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

## 1.5 Government grants and other income

### ACCOUNTING POLICIES

#### Government grants

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

Government grants and other income	H1 2024	H1 2023	FY 2023
Other income	-	4 458	454 515
<b>Total government grants and other income</b>	<b>-</b>	<b>4 458</b>	<b>454 515</b>

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

Total government grants recognised	Line item in the consolidated statement of comprehensive income	H1 2024	H1 2023	FY 2023
Grant from the Research Council of Norway	Employee benefit expenses/Other operating exp.	3 911 967	-	1 913 244
Grant from SkatteFUNN	Employee benefit expenses/Other operating exp.		2 375 000	4 750 000
<b>Total government grants recognised</b>		<b>3 911 967</b>	<b>2 375 000</b>	<b>6 663 244</b>

Government grants receivable	30.06.2024	30.06.2023	31.12.2023
Grant from the Research Council of Norway	1 536 968	2 375 000	1 308 745
Grant from SkatteFUNN	8 013 169	4 750 000	5 638 169
<b>Total government grants receivable</b>	<b>9 550 137</b>	<b>7 125 000</b>	<b>6 946 914</b>

In December of 2022, EXACT Therapeutics was awarded a grant of NOK 16 000 000 for the research project "Enhancing immune response in solid tumours with Acoustic Cluster Therapy (ACT ®). The project runs until 2027. A total of NOK 1 536 968 has been received for the first half of 2024.

In first half of 2024 two grants have been posted to income for research projects via the SkatteFUNN scheme of a total of NOK 2 375 000 due to the maximum limit of NOK 4 750 000 (19% of NOK 25 000 000) per company per year. The amount has been posted in full as a reduction in expensed costs related to the relevant projects.

## 1.6 Employee benefit expenses

### Pensions

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

Employee benefit expenses	H1 2024	H1 2023	FY 2023
Salaries	8 708 240	7 294 136	16 846 520
Social security costs	1 436 564	1 236 765	2 986 798
Pension costs	769 369	644 699	1 017 267
Other employee expenses (mainly Share option expenses)	1 522 258	2 787 185	3 960 255
Grants deducted employee costs	-1 585 407	-791 667	-2 503 182
<b>Total employee benefit expenses</b>	<b>10 851 024</b>	<b>11 171 118</b>	<b>22 307 657</b>
Average number of full time employees (FTEs):	12	10	12

## 1.7 Operating expenses

Other operating expenses	H1 2024	H1 2023	FY 2023
Audit and accounting fees	401 128	418 547	669 475
Consulting fees	455 773	1 096 537	1 417 911
Legal expenses	582 572	299 845	633 013
Travel expenses	588 862	206 203	545 470
Lease expenses	94 891	75 068	241 612
Research expenses	15 287 961	7 474 141	19 737 557
Grants deducted	-2 326 561	-1 583 333	-4 160 063
Other operating expenses	2 663 424	2 125 276	4 899 231
<b>Total other operating expenses</b>	<b>17 748 048</b>	<b>10 112 284</b>	<b>23 984 207</b>

## 1.8 Other receivables

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

Other receivables	30.06.2024	30.06.2023	31.12.2023
VAT receivable	457 409	284 888	1 162 775
Government grants	9 550 137	7 125 000	6 946 914
Other	975 102	2 043 455	1 358 781
<b>Total other receivables</b>	<b>10 982 648</b>	<b>9 453 343</b>	<b>9 468 470</b>
Allowance for expected credit losses	30.06.2024	30.06.2023	31.12.2023
At January 1	-	-	-
Provision for expected credit losses	-	-	-
<b>At June 30</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 1.9 Trade and other payables

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

Trade and other payables	30.06.2024	30.06.2023	31.12.2023
Trade payables	7 427 373	1 047 070	7 205 042
Withholding payroll taxes and social security	1 258 290	1 835 042	1 563 812
Other accrued expenses	4 230 212	3 361 444	6 171 351
<b>Total trade and other payables</b>	<b>12 915 875</b>	<b>6 243 556</b>	<b>14 940 205</b>

The provision for social security on share options is based on the difference between market price and strike price. The market price of the shares at the reporting date is the best estimate of market price at the date of exercise

## 2.0 Share capital and shareholder

### Issued capital and reserves:

	Number of shares authorised and fully paid	Par value per share (NOK)	Financial Position
<b>Share capital in EXACT Therapeutics AS</b>			
<b>At 1 January 2024</b>	<b>32 080 552</b>	<b>0,004</b>	<b>128 342</b>
<b>At 30 June, 2024</b>	<b>32 080 552</b>	<b>0,004</b>	<b>128 342</b>

All shares are ordinary and have the same voting rights and rights to dividends.  
Reconciliation of the Group's equity is presented in the statement of changes in equity.

### The Group's shareholders:

Shareholders in EXACT Therapeutics AS at 31.12.2023	Total shares	Ownership/ Voting rights
Investinor Direkte AS	3 096 083	9,65 %
Kvåle AS	3 024 270	9,43 %
PAACS Invest AS	2 699 842	8,42 %
Brekke Holding AS	2 458 961	7,66 %
Canica AS	2 271 000	7,08 %
Andre John Healey	2 205 385	6,87 %
Per Christian Sontum	1 922 105	5,99 %
Optimuspistor AS	1 594 750	4,97 %
Helene Sundt AS	1 422 666	4,43 %
Verdipapirfondet Nordea Avkastning	1 244 999	3,88 %
Other shareholders	10 140 491	31,62 %
<b>Total</b>	<b>32 080 552</b>	<b>100 %</b>

Shareholders in EXACT Therapeutics AS at 30.06.2024	Total shares	Ownership/ Voting rights
Investinor Direkte AS	3 096 083	9,65 %
Kvåle AS	3 024 270	9,43 %
PAACS Invest AS	2 699 842	8,42 %
Brekke Holding AS	2 458 961	7,66 %
Canica AS	2 271 000	7,08 %
Andre John Healey	2 205 385	6,87 %
Per Christian Sontum	1 922 105	5,99 %
Optimuspistor AS	1 594 750	4,97 %
Helene Sundt AS	1 422 666	4,43 %
Verdipapirfondet Nordea Avkastning	1 244 999	3,88 %
Other shareholders	10 140 491	31,62 %
<b>Total</b>	<b>32 080 552</b>	<b>100 %</b>

## 2.1 Cash and cash equivalents

Cash and cash equivalents	30.06.2024	30.06.2023	31.12.2023
Bank deposits, unrestricted	15 135 476	38 065 227	45 772 781
Bank deposits, restricted	662 770	1 055 500	857 347
<b>Total cash and cash equivalents</b>	<b>15 798 246</b>	<b>39 120 727</b>	<b>46 630 128</b>

Bank deposits earns a low interest at floating rates based on the bank deposit rates.

## 2.2 Earnings per share

### ACCOUNTING POLICIES

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

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

	H1 2024	H1 2023	2023
Profit or loss attributable to ordinary equity holders - for basic EPS	-29 304 344	-22 798 714	-47 115 432
Profit or loss attributable to ordinary equity holders adjusted for the effect of dilution	-29 304 344	-22 798 714	-47 115 432
Weighted average number of ordinary shares - for basic EPS	32 080 552	29 997 219	32 080 552
Weighted average number of ordinary shares - for diluted EPS	32 080 552	29 997 219	32 080 552
<b>Basic EPS - profit or loss attributable to equity holders of the parent</b>	<b>-0,91</b>	<b>-0,76</b>	<b>-1,47</b>
<b>Diluted EPS - profit or loss attributable to equity holders of the parent</b>	<b>-0,91</b>	<b>-0,76</b>	<b>-1,47</b>

## 2.3 Events after the reporting period

### Adjusting events

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

### Non-adjusting events

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

### Ukrainian war conflict

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

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

### New standards

No new standards have been implemented in H1 2024.

### Standards Issued, not yet implemented

IFRS 17 Insurance Contract - no expected impact on the financial statements

Amendments to IAS 1, IAS 8, IAS 1 and IFRS Practice Statement 2, IAS 12.

The standards issued, not yet implemented is not expected to have material impact on the financial statements.