
ANNUAL REPORT
2024
PCI BIOTECH HOLDING ASA
PCI Biotech

CONTENTS

INTRODUCTION

ABOUT PCI BIOTECH

PCI Biotech Holding ASA ("PCI Biotech" or "the Group" or "the Company") is a biotech company headquartered in Norway and listed on the Oslo Stock Exchange. The company develops new technologies and novel therapies through its photochemical technology platform originating from world-leading research at the Oslo University Hospital – the Norwegian Radium Hospital.

OUR PLATFORM TECHNOLOGY

The technology platform consists of two elements: a proprietary small molecule photosensitiser and a light source. The technology platform is under development in two different areas. (1) Photochemical lysis (PCL), inducing selective light-triggered cell lysis to enhance yield and purity in viral vector manufacturing, thereby increasing productivity in manufacturing of advanced therapies. (2) Photochemical internalisation (PCI), inducing light-triggered intracellular release, which may unlock the potential of a wide array of therapeutic modalities.

(1) Photochemical lysis (PCL)
Our focus lies in the PCL programme initiated in 2022 to develop a new photochemical technology for increasing yield and reducing impurities in viral vector manufacturing, in particular adeno-associated virus (AAV) gene therapy. There is a great need for novel technologies that enable more effective manufacturing, and PCI Biotech's objective is to replace existing cell lysis methods. As such, the technology shall be applied to extract viral vectors from producer cells while reducing host-cell impurities, by selective disruption of producer cell membranes during the cell lysis process. This may in turn result in a more effective viral vector purification and higher yield addressing the manufacturing capacity shortage.

(2) Photochemical internalisation (PCI)
Several novel classes of drugs (e.g. nucleic acid therapies and certain immunotherapeutics) need access to the inside of their human target cells, such as tumour cells or immune cells, in order to be effective. Pharmaceutical companies struggle to find effective drug delivery methods, to achieve the full therapeutic and commercial potential of their products. The PCI technology may unlock this potential by modifying the intracellular trafficking in target cells, leading to enhanced biological effect of medicinal products. Development of PCI is focussed on dermatological and intratumoural applications. Further development within dermatology is limited to be pursued by collaborations, while intratumoural applications are pursued by an industry PhD candidate grant from the Research Council of Norway.

BOARD OF DIRECTORS REPORT

BIOPROCESSING - IMPORTANT PROGRESS DURING THE YEAR

The PCL programme has since its inception generated results supporting the notion of increasing yield and reducing impurities in viral vector manufacturing. PCI Biotech's 2024 development goals were to demonstrate scalability and manufacturing process benefits of the photochemical-based technology (PCL) in viral vector (AAV) manufacturing by advancing the technology into mini benchtop bioreactor, which is considered representative for commercial manufacturing.

Recent mini benchtop bioreactor results indicate that PCL has the potential to release increased levels of viral vectors in the upstream AAV manufacturing process, accompanied by reduced impurity levels. This is an important milestone, and we consider PCL's scalability as demonstrated by the encouraging upstream results.

These results are in sum expected to translate into increased net manufacturing yield after downstream processing, a highly sought-after feature by the industry. However, more runs in mini

benchtop bioreactors with a robust downstream process are needed to prove PCL's ability to increase *net* AAV yield in an end-to-end process.

New mini benchtop bioreactor runs to reproduce the recent positive upstream results and subsequently demonstrating downstream process benefits are in preparation. Successful results may pave the way for external late-stage field testing in 2H 2025 and potentially make the technology ready for the research market. A 2-year development plan to mark PCL's readiness for the larger commercial market is in planning.

BUSINESS, LOCATION, OWNERSHIPS, AND HUMAN RESOURCES

PCI Biotech Holding ASA is a biotech company headquartered in Norway and listed on the Oslo Børs, with the ticker PCIB. The company develops new technologies and novel therapies through its photochemical technology platform.

The PCI Biotech group comprises PCI Biotech Holding ASA, and the wholly owned Norwegian subsidiary PCI Biotech AS. PCI Biotech is located at Ullernchausséen 64, Oslo, Norway.

PCI Biotech's strategy is to create value by efficient development of the business areas towards commercialisation. The commercialisation of products is intended primarily through agreements with external partners. The 10 largest shareholders ownership share was 29% per year-end 2024, versus 27% per year-end 2023.

The Board of Directors – The Board of Directors consist of Hans Peter Bøhn (Chair), Hilde Furberg, and Lars Viksmoen who were all elected for a one-year term at the annual general meeting in May 2024.

Employees - All operations of the Group are managed by PCI Biotech AS and the Group had 7 employees as of 31 December 2024 (2023: 7 employees). The parent company has no employees. The Group utilises external service providers when internal resources or facilities are not suited for the planned research and development work.

The management team consisted of Ronny Skuggedal, Chief Executive Officer (CEO) and Chief Financial Officer (CFO), and Anders Høgset, Chief Scientific Officer (CSO) during 2024, where the CSO has been working in an 80% position since February 2024. From January 2025 Anders Høgset further reduced his position to 20%, transitioned into a Scientific Advisor role and stepped down from the executive team.

The working environment is considered good. No accidents or injuries were reported in 2024 or 2023. In 2024 there was one long-term sick leave. Absences due to illness totalled 243 days, approximately 19% in 2024 (2023: 31 days, approximately 2.2%).

PCI Biotech is a workplace with gender equality and where discrimination is not accepted. As of date of this report the Group has one-third female representation in the board of directors and none in the executive management team. 3 out of 7 employees as of year-end 2024 were women (2023: 3 out of 7). Working time and remuneration of the Group employees are not related to gender.

BUSINESS AREA AND OPERATIONS

BIOPROCESSING

Bioprocessing is the manufacturing of biological drugs, which involves complex processes that are bottlenecks in the endeavour to offer breakthrough therapies to new and larger patient populations. There is a great need for novel technologies that enable more effective bioprocessing with higher yield as well as increased quality.

Gene therapy utilises viruses (viral vectors) to deliver potentially lifesaving genetic medicines to patients. In the manufacturing process, viral vectors are produced by so-called "producer cells" (living

cells) that act as “gene therapy factories”. The combination of living cells as factories and a complex output (viral vectors) is what makes the manufacturing so challenging.

Manufacturing of viral vectors includes intricate upstream and downstream processes. A critical manufacturing step is AAV extraction from producer cells (“cell lysis”), needed to separate the gene therapy material from the cells that produce them. The industry standard for cell lysis is to use chemicals to break open producer cells and release AAV, but these approaches are non-selective and release impurities that complicate the process. In the subsequent downstream process, the viral vectors are separated from various cell debris (host-cell impurities) in sequential purification steps.

Improving manufacturing productivity to make AAV gene therapy more accessible
PCI Biotech’s objective is to develop a novel photochemical technology (PCL) for increasing yield and reducing impurities in viral vector manufacturing, in particular manufacturing of adeno-associated viral vectors (AAV). PCL shall be applied in the upstream process to extract viral vectors from producer cells while reducing host-cell impurities. PCL improves extraction of viral vectors by a light-activated photochemical effect that selectively disrupts the producer cell membranes.

The selective disruption enables the extraction of viral vectors with limited release of undesirable impurities from the producer cell, such as host-cell protein and DNA. This may have several important manufacturing benefits compared to existing technologies. Importantly, by reducing host-cell impurities the subsequent downstream purification process may become more efficient. This may ultimately lead to net increased manufacturing yield, as more viral vectors are retained through the various purification steps.

The PCL patent that was filed in 2022 is pending and the international search report received in 2024 was encouraging.

Development status
PCL’s value proposition was confirmed by external field testing at the beginning of the year. Upstream field testing results demonstrated PCL’s ability to extract AAVs (viral vectors) with reduced host-cell impurities (DNA and protein) in shake flasks. The field testing represented a 20-40x scale-up from PCI Biotech’s ultra scale-down process and was considered an important interim scalability milestone, warranting further development.

For the next phase, PCI Biotech works with a renowned process development service provider in the advanced therapy medicine product (ATMP) sector to advance the technology into mini benchtop bioreactors, representing a >10x scale-up from the field testing in shake flasks. Although commercial manufacturing is performed in larger vessels, mini benchtop bioreactors are considered representative of larger-scale manufacturing. Moreover, they can produce sufficient material to perform downstream processing for assessment of end-to-end manufacturing benefits.

The mini benchtop bioreactor results reported per Q1 2025 achieved matching or increased upstream yield compared to industry standard lysis, along with reduced impurities. We consider PCL’s scalability as demonstrated by the encouraging upstream results, an important milestone for PCL. Further, PCL is also considered compatible with standard AAV downstream processes without adding complexity. Matching or increased upstream yield with reduced impurities are expected to translate into increased net manufacturing yield after downstream processing, a highly sought-after feature by the industry.

However, downstream processing variability is a challenge in viral vector manufacturing, and has led to inconclusive net yield results in the limited number of mini benchtop bioreactor test runs performed thus far. More test runs in mini benchtop bioreactors with a more robust downstream process are needed to prove PCL’s ability to increase net AAV yield in an end-to-end manufacturing process.

Development plan for 2025
Consistently demonstrating improved yield in mini benchtop bioreactor would cement PCL's robustness and strongly indicate that comparable results can be achieved at commercial scale. PCI Biotech will perform new mini benchtop bioreactor runs to reproduce the recent positive upstream results and seek to perform subsequent downstream processing in a more robust system. Successful results demonstrating end-to-end manufacturing benefits may pave the way for external late-stage field testing in 2H 2025 and potentially make the technology ready for the research market.

An internal AAV suspension lab in shake flask scale will be established in Q1 2025. A new senior scientist position was established in December 2024 to accelerate this effort. The new facility will support scale-up activities and bring vital hands-on experience and flexibility for further advancement of photochemical methods for bioprocessing.

Illumination in a commercial-scale manufacturing setting is a critical challenge for commercialisation of the PCL technology. We have identified a commercially available 50L bioreactor with built-in LEDs, suitable for AAV manufacturing, which may enable an accelerated development. We are exploring a development leap from mini benchtop into 50L bioreactors, with a minimum working volume of around 12.5L. The current advancement into mini benchtop bioreactor represents a ≈500x scale-up since PCL's inception, while going for a 12.5L working volume in the 50L bioreactor represents an additional ≈50x. A best-case accelerated development plan is expected to take 2 years before the PCL technology is ready for the large-scale commercial market.

Research collaborations
Collecting performance and usability feedback from potential customers at an early stage is key to understanding what is required to make the technology commercially attractive. The 2024 upstream early-stage field testing in shake flasks with an external partner confirmed the potential benefit of applying PCL in viral vector manufacturing. These results were important interim scalability milestones warranting further development. The field testing collaboration included an option to mutually determine a potential future business transaction. This option lapsed and feedback underscored that successful advancement into mini benchtop bioreactor is a key milestone for partnering. PCI Biotech continues to pursue new and value-adding collaborative opportunities.

Public funding
In support of external field testing and further development of the PCL technology, PCI Biotech received a public grant of up to NOK 3.5 million from Innovation Norway for 2024.

Market assessment
Virus (AAV) enabled gene therapy is one of the most exciting advancements in modern medicine, offering potential to cure genetic diseases. The AAV manufacturing market is driven by the development and success of AAV therapies. These transformative treatments remain prohibitively expensive, often exceeding $2 M per treatment. A major challenge lies in inefficient and costly manufacturing processes. Up to 70% of AAV gene therapy material is lost during production, generating a manufacturing capacity shortage we aim to address. More than 200 clinical AAV trials were ongoing as of 2024, with an annual expected growth rate of 15%. Improved manufacturing productivity is a highly sought-after feature by the industry and a potential batch yield increase in the range of 10-50% creates a significant asset value potential for PCL.

Business model
We envision to license PCL to AAV manufacturers (CDMO/pharma/equipment providers) and gene therapy owners (biotech/pharma), generating revenue through access fees, milestone payments and R&D services. By targeting AAV manufacturers as market hubs, the model ensures strong market positioning and long-term value while securing flexibility towards gene therapy owners. A demonstration of increased net AAV yield from mini benchtop bioreactor productions, targeted for

2025, would mark PCL's readiness for the smaller R&D market and lay groundwork for entering the commercial manufacturing market, pending successful scale-up.

OTHER DEVELOPMENT PROGRAMMES

PCI Biotech has two development programmes utilising the photochemical internalisation (PCI) technology. These are (1) dermatology and (2) intratumoural applications. Development within dermatology is limited to be pursued by collaborations, while intratumoural applications are pursued by an industry PhD candidate grant from the Research Council of Norway. In accordance with the strategic decision to focus efforts on bioprocessing and dermatology the patent portfolio for other applications outside these areas has been trimmed down.

Dermatology
Nucleic acid therapeutics have the potential to improve treatment of dermatological diseases, but delivery to skin lesions remains an obstacle. This is a challenge PCI is uniquely positioned to solve, by achieving site-directed intracellular nucleic acid delivery. Further development is dependent of collaborations.

Intratumoural immunotherapy
PCI is a technology designed for local enhancement of therapeutic effects and is well suited for delivery of immune stimulants to tumour sites. PCI Biotech is exploring intratumoural immunotherapy by an industry Ph.D. candidate grant from the Research Council of Norway. The grant is up to NOK 2.5 million for 2023-2025, aiming at identifying novel treatment combinations to overcome resistance to immune-checkpoint inhibitors and safety-issues associated with such treatments.

FINANCIAL REVIEW

(All amounts in brackets are comparative figures for 2023 unless otherwise specifically stated)

Profit and loss
The Group did not record revenues in 2024 or 2023. Grants received from various public sources such as the Research Council of Norway, the tax incentive scheme (SkatteFUNN), and Innovation Norway were recorded as other operating income and amounted to NOK 6.7 million in 2024 (NOK 3.0 million). The parent company did not record any revenue for 2024 or 2023.

Expenditure on research activities is recognised as an expense in the period in which it was incurred. The Group had no development expenditure qualifying for recognition as an asset under IAS 38 in 2024 and, as for previous years, all research expenses are charged through the profit and loss statement. Total operating expenses were NOK 24.7 million in 2024 (NOK 25.2 million) and expenses are mainly driven by the research and development (R&D) activities. R&D expenses amounted to NOK 16.1 million in 2024 (NOK 15.6 million). Other operating (general and administrative) expenses were NOK 8.6 million (NOK 9.6 million). These figures include all costs related to the listed parent company, totalling to NOK 4.2 million for 2024 (NOK 4.6 million). In addition, NOK 0.4 million is related to share-based payment accounting, without cash flow effect, and classified as general and administration costs (NOK 0.8 million). Operating results in 2024 ended at NOK -18.0 million (NOK -22.2 million) for the Group. Operating result for the parent company were NOK -4.2 million in 2024 (NOK -4.6 million).

Net financial result for the Group was NOK 1.5 million positive in 2024 (NOK 1.9 million). The net positive financial result was mainly driven by interest income for both years. The parent company's financial income for 2023 consists mainly of interest on loans to the subsidiary PCI Biotech AS and partial reversal of previous years impairment of NOK 4.5 million of its investment in the wholly-owned subsidiary PCI Biotech AS. The impairment test performed as of 31 December 2024 resulted in an impairment of the carrying amount of NOK 31.2 million, disclosed as financial expenses for the parent company. The observable market value of PCI Biotech Group at Oslo Børs is assessed as a key indicator of the recoverable amount in the impairment testing.

The Board of Directors proposes that the comprehensive loss of NOK 35.3 million in 2024 for the parent company, PCI Biotech Holding ASA, is covered by previous year's retained earnings and other paid-in capital.

Balance sheet
Current receivables per end of 2024 were NOK 3.8 million (NOK 2.6 million) and mainly consist of recognised not received public grants. The increase compared to last year is mainly due to a new public grant for 2024 from Innovation Norway.

Total assets of the Group at the end of 2024 were NOK 31.2 million (NOK 44.1 million) and the decrease from last year is mainly due to net loss from operational activities. Total assets in the parent company amounted to NOK 45.9 million per year-end 2024 compared to NOK 79.3 million at year-end 2023, reflecting the annual result and effects of the share-based payment accounting.

PCI Biotech does not recognise deferred tax assets in the balance sheet, due to uncertainty as to when the company will accrue a payable tax liability. Unrecognised deferred tax assets at the end of 2024 were NOK 164.8 million (NOK 160.9 million).

Equity
Total equity for the Group were NOK 23.5 million per year-end 2024 (NOK 39.0 million). Total equity of the parent company amounts to NOK 44.0 million in 2024 (NOK 78.4 million) reflecting this year's result and equity settled share-based payment elements for the Group's share option scheme.

Equity in the wholly-owned subsidiary PCI Biotech AS was NOK 24.7 million at the end of 2024 (NOK 36.3 million).

Prior to the annual general meeting in May 2023 less than 50% of the Company's share capital was retained. The board therefore assessed its duty to act in accordance with section 3-5 of the Norwegian Public Limited Liability Company's Act. As proposed by the board, the annual general meeting on 25th May 2023 decided that a write-down of the share capital was to be carried out by way of a reduction of the nominal value of the Company's shares in order to establish a capital structure that is sound and reasonable for the business PCI Biotech currently operates. Pursuant to the completion and duly registered share capital write-down on 16 August 2023 more than 50% of the share capital is retained.

Cash flow
Net cash flow from operating activities amounted to NOK -13.8 million in 2024 (NOK -15.0 million) for the Group and NOK -4.0 million for the parent company for 2024 (NOK -4.4 million). The Group held cash and cash equivalents of NOK 27.1 million at the end of 2024, compared to NOK 41.2 million per end of 2023, reflecting net negative changes in cash of NOK 14.1 million in 2024 (NOK 15.4 million). Cash flow from operations is mainly dependent on R&D activities. The Group employs a prudent cash management strategy for its cash and cash equivalents and assets are held as bank deposits or invested in low-risk short-term money market instruments. All cash and cash equivalents were held as bank deposits at the end of the year.

Net change in cash and cash equivalents for the parent company was NOK -0.5 million in 2024 (NOK +0.4 million). The Parent's cash and cash equivalents at the end of 2024 amounted to NOK 0.5 million (NOK 1.1 million).

Please refer to the going concern section below for further information regarding cash and related liquidity risk.

Employee share option scheme
In accordance with the authorisation granted by the Annual General Meeting 24 May 2024, the Board of Directors of PCI Biotech Holding ASA awarded a total of 885,000 share options to key employees in September 2024. Each share option gives the right to subscribe for or acquire one share per option (after PCI Biotech Holding ASA's choice), at a strike price of NOK 1.81, equal to the volume weighted average share price (VWAP) for the last 5 days of trade prior to the grant date.

The share options are granted without consideration and are subject to service based vesting conditions, with a three-year vesting term and one-third vest each year, and other customary terms for

share options. The share options will lapse in Q3 2029. Further details about the share option scheme are described in PCI Biotech's remuneration policy.

Related parties transactions
All material transactions between the Group and shareholders, directors, management or close associates of such parties are to be valuated independently by a third party. No such transactions exist for 2024 or 2023.

RISK AND RISK MANAGEMENT

Implications of the war in Ukraine and climate changes
No material operational impact or accounting implications of the Russian invasion of Ukraine or climate changes that require specific IFRS disclosure have been identified for 2024 and 2023.

Corporate governance policy, corporate social responsibility and transparency
The annual statement of corporate governance policy, corporate social responsibility and the Transparency Act are integrated parts of this Board of Directors report.

Operational Risk and Risk Management
There are great risks in the business of developing medical drugs, new technologies, and innovative products, both related to regulatory affairs and market risk, and it is emphasised that there is normally considerable uncertainty connected to assessments of future conditions. The development may fail at any stage of the process, due to safety considerations, lack of results, changes in industry standards, any other matters affecting development, and partners' willingness to test prototypes and innovative products may impede development. It is not possible to predict with certainty whether and when PCI Biotech or its partners will be able to receive authorisations to commercialise the products. Regulatory approval and specific regulatory designations may be denied, suspended or limited. Poor performance of PCI Biotech's potential products and technologies on the market and new technologies and innovative products that are not yet launched may also limit commercial adaptation of PCI Biotech's products. PCI Biotech's business strategy is to commercialise its technology partly through collaborative agreements and the Company cannot give any assurance that such agreements will be obtained on acceptable terms. There is no certainty that PCI Biotech or its partners will achieve commercial success. The success, competitive position, and future revenues will depend in part on PCI Biotech's ability to protect intellectual property and know-how. Patent applications filed by others could also limit PCI Biotech's freedom to operate. Changes in the healthcare market could further preclude commercialisation. The Company is highly dependent upon having a highly qualified senior management and scientific team. The loss of key employees might impede the achievement of the scientific development and commercialisation objectives. PCI Biotech cannot be certain that it will be able to enter into satisfactory agreements with third-party suppliers or manufacturers.

To handle the inherent risks in the industry, and to comply with national and international regulations, PCI Biotech has implemented a process to identify, analyse and manage the key risks for the Group, including the character of the relevant insurance policies.

The board of directors and officers of PCI Biotech Holding ASA and its subsidiary PCI Biotech AS are covered under a world-wide Group Director & Officer's Liability Insurance. The insurance covers personal legal liabilities including defence and legal costs. The cover also includes employees in managerial positions who become named in a claim or investigation. The Group does not pollute the external environment.

Financial Risk and Risk Management
The Group's activities are exposed to certain financial risks including currency risk, interest rate risk and liquidity risk.

Currency risk - The Group's expenses are incurred in multiple currencies. The Group is therefore exposed to fluctuations in exchange rates. The risks are assessed on a regular basis and PCI Biotech is currently not using any financial hedging instruments.

Interest rate risk - PCI Biotech has no interest-bearing debt and interest risks are mainly related to the Group's holdings of cash and cash equivalents. The risk is of such character that the Group has chosen a prudent strategy regarding interest rate risk for its cash and cash equivalents, and assets are placed as bank deposits or invested in low-risk short-term money market instruments. Per year-end 2024 and 2023 all cash and cash-equivalents were placed as bank deposits.

Liquidity risk - The biotech industry is a resource demanding industry, and product development can be both labour and cash intensive. One of the main objectives of PCI Biotech's financial policy is to ensure that the Group has sufficient short- and long-term financial flexibility to achieve strategic and operational objectives. PCI Biotech's goal is to at least have sufficient funds to cover the expected capital need for the next 12 months, as well as a strategic reserve. The Group closely monitors cash flows based on short- and long-term forecasts. PCI Biotech's financial policy goal of a strategic reserve beyond the next twelve months is not secured by date of this report.

The cash burn rate depends mainly on the level of activity in the development projects. PCI Biotech has no external debt with financial covenants or material long-term debt.

PCI Biotech's most important sources of financing are future royalty and milestone payments associated with potential licensing agreements, government grants, and the capital market. PCI Biotech is a pre-commercial stage biotechnology company, meaning that the Company mainly relies on the ability to raise funds via the equity capital market and government grants. The capital market is foreseen to be used as a source of liquidity when this is appropriate and the conditions in these markets are competitive. No assurance can be made about PCI Biotech's ability to raise such financing. Please refer to the Going Concern section below for further information.

GOING CONCERN

The financial statements for 2024 have been prepared under the going concern assumption in accordance with § 4-5 of the Norwegian Accounting Act (NAA).

The cash position at year-end 2024 is not expected to support the planned operations for the next twelve months. PCI Biotech has no external debt with financial covenants or material long-term debt. Current operations do not involve substantial long-term commitments for the Group, allowing flexibility for adjusting operational activities and the corresponding cash burn rate. The company will continue to explore financing and strategic opportunities to secure continued operations beyond the next twelve months from the date of this report. The capital market is foreseen to be used as a source of liquidity when this is appropriate, but no assurance can be made about PCI Biotech's ability to raise such financing. The uncertainty around access to financing indicates that a material uncertainty exists that may cast significant doubt on the Company's and the Group's ability to continue as a going concern.

CORPORATE GOVERNANCE AND SUSTAINABILITY REPORTING

The Board of Directors refers to the document on corporate governance in this annual report relating to corporate governance reporting in accordance with § 2-9 of the Norwegian Accounting Act (NAA).

PCI Biotech Holding ASA and the PCI Biotech Group are according to the NAA §1-5 categorised as a micro-size company and therefore excepted from the sustainability reporting requirements according to NAA § 2-3.

STATEMENT ON TRANSPARENCY ACT

PCI Biotech strives to comply with the act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (Transparency Act). The Transparency Act applies to larger enterprises and applies to PCI Biotech being a listed company according to the Transparency Act § 2, despite being categorised as a micro-size company according to the Norwegian Accounting Act § 1-5. The Act shall promote enterprises' respect for fundamental human rights and decent working conditions in connection with the production of goods and the provision of services and ensure the general public access to information regarding how enterprises address adverse impacts on fundamental human rights and decent working conditions.

The enterprises shall carry out due diligence in accordance with the OECD (Organisation for Economic Co-operation and Development) Guidelines for Multinational Enterprises. Due diligence means, among other things, identifying and assessing actual and potential adverse impacts on fundamental human rights and decent working conditions that the enterprise has either caused or contributed toward, or that are directly linked with the enterprise's operations, products, or services via the supply chain or business partners.

Due diligence shall be carried out regularly and in proportion to the size of the enterprise, the nature of the enterprise, the context of its operations, and the severity and probability of adverse impacts on fundamental human rights and decent working conditions.

Enterprises shall publish an account of due diligence and the account shall at least include:

a) a general description of the enterprise's structure, area of operations, guidelines and procedures for handling actual and potential adverse impacts on fundamental human rights and decent working conditions

b) information regarding actual adverse impacts and significant risks of adverse impacts that the enterprise has identified through its due diligence

c) information regarding measures the enterprise has implemented or plans to implement to cease actual adverse impacts or mitigate significant risks of adverse impacts, and the results or expected results of these measures.

Duty to account for due diligence:
PCI Biotech confirms performance of due diligence in Q1 2025 in accordance with the above, and report the following:

a) PCI Biotech is a biotechnology company. The nature of operations is to perform research and development with the aim to develop novel products and therapies through its photochemical technology platform. The Group is domiciled in Norway, located at Oslo Cancer Cluster Innovation Park, and consists of the parent company PCI Biotech Holding ASA and the wholly owned subsidiary PCI Biotech AS. The Group is in pre-commercial phase and has 7 employees per year-end 2024. The Group has no sales or supply of goods or services and a limited complexity in its operations.

PCI Biotech's business relationships can be categorised as service providers of standard professional services (legal, intellectual property, business development, contract research organisations etc.), academic institutions (pre-clinical research) or life-science related professionals (biotech's, pharma, key opinion leaders etc.), and other suppliers of consumables. PCI Biotech's main consumables are materials for *in vitro* and *in vivo* preclinical research commonly available across European and US based suppliers.

The Group is concerned with human- and labour rights, social issues and sustainable development. Fundamental human rights and decent working conditions for employees are handled by compliance to standard Norwegian employment regulations, annual (minimum) individual employee meetings, established remuneration policy, regular workload reporting, regular management and employee

assembly meetings, annual risk assessments, established EHS routines, onboarding and training routines, whistle-blowing routines, and ethical guidelines. For external affairs the company has implemented corporate social responsibility guidelines and core values follows by the ethical guidelines.

b) The annual due diligence was performed in Q1 2025, following last year's assessment performed in Q1 2024. The assessment approach and methodology were based on the Transparency Act, section 4. Duty to carry out due diligence. To tailor the due diligence process to PCI Biotech's size, nature and context of operations, and the severity and probability of adverse impacts on fundamental human rights and decent working conditions, a risk-based approach was applied. All suppliers were screened based upon product/service volume higher than NOK 0.1 million for the year of 2024 and expected future annual volumes, supplier/service provider category, and country of origin. Selected service providers were in 2024 and 2025 approached for relevant information regarding their policy related to fundamental human rights and decent working conditions.

This risk-based due diligence did not result in identification of suppliers or business partners with underlying significant risks of severe adverse impacts on fundamental human rights and decent working conditions caused or contributed toward by PCI Biotech, or increased risk for potential adverse impacts during 2025. Based on this risk-based due diligence no further procedures toward PCI Biotech's supply chain and business partners were performed.

Internal affairs compliance with fundamental human rights and decent working conditions were secured based on review of the above-described internal control routines. The review did not identify any actual adverse impacts or significant risks of adverse impacts on fundamental human rights and decent working conditions caused by PCI Biotech's operations during 2024, or increased risk for potential adverse impacts during 2025.

c) PCI Biotech is concerned with human- and labour rights, and social issues. Beyond PCI Biotech's general corporate social responsibility guidelines, core values as stated in the ethical guidelines, and procedures according to the Transparency Act it is not regarded as necessary to implement specific guidelines, procedures, or measures for handling actual and potential adverse impacts on fundamental human rights and decent working conditions caused by, or directly linked via, our supply chain or business partners. This assessment is based upon PCI Biotech's size, nature and context of operations, and the outcome of the three due diligences performed in Q1 2023, Q1 2024, and Q1 2025, all indicating low risk of severe adverse impacts on fundamental human rights and decent working conditions. PCI Biotech is prepared for implementation of such additional guidelines and procedures when deemed appropriate based upon the outcome of regular due diligence assessments or if there are changes to PCI Biotech's size, nature, and context of operations that negatively impact the potential severity and probability of adverse impacts.

SUBSEQUENT EVENTS

A total of 75,000 share options were allotted to Morten Luhr connected to his promotion to Chief Scientific Officer and member of the executive team in January 2025. The current authorisation to the Board of Directors, granted by the Annual General Meeting in May 2024, for the employee share option program allows for a total of 2,790,000 share options, of which 2.463.334 share options have been granted by the Board of Directors per date of this report.

PCI Biotech is not aware of any subsequent events since year-end 2024 which are of material significance to the financial statements as of 31 December 2024.

OUTLOOK

PCI Biotech's proprietary photochemical technology platform is under development in two distinct programmes, with the opportunity to unlock the true potential of certain classes of innovative medicines and bring forward new technologies and innovative products.

The main priorities of PCI Biotech are to further develop the promising enabling technology for viral vector manufacturing, and manage alliance and partnering activities across all commercially interesting areas for the technology platform.

Oslo, 24 April 2025
Board of Directors and Chief Executive Officer,
PCI Biotech Holding ASA

Hans Peter Bøhn
Chair

Hilde Furberg
Director

Lars Viksmoen
Director

Ronny Skuggedal
CEO

RESPONSIBILITY STATEMENT FROM THE BOARD OF DIRECTORS AND CEO

We confirm that the financial statements for the period 1 January to 31 December 2024, to the best of our knowledge, have been prepared in accordance with IFRS and that the accounts give a true and fair view of the assets, liabilities, financial position and results of operations, and that the information in the report includes a fair review of the development, performance and position of the Company and the Group, together with a description of the principal risks and uncertainties PCI Biotech faces.

Oslo, 24 April 2025
Board of Directors and Chief Executive Officer,
PCI Biotech Holding ASA

Hans Peter Bøhn
Chair

Hilde Furberg
Director

Lars Viksmoen
Director

Ronny Skuggedal
CEO

ANNUAL STATEMENT ON CORPORATE GOVERNANCE POLICY including corporate social responsibility and sustainability

PCI Biotech Holding ASA emphasises good corporate governance
The Norwegian Code of Practice for corporate governance is a guideline for listed companies to help regulate the division of roles between shareholders, the board of directors and executive management more comprehensively than is required by legislation.

PCI Biotech Holding ASA ("PCI Biotech" or "The Company") bases its corporate governance policy on the Norwegian Code of Practice of 14 October 2021. Adherence to the code of practice is implemented on the basis of a "comply or explain principle".

The Board of Directors and management have resolved as a main principle to follow the recommendations of the Norwegian Corporate Governance Code ("the Code") to the extent not considered unreasonable due to the company size and stage of development. If the code is not fully implemented, explanations of non-conformance are provided. PCI Biotech's compliance with the Code is described in this report and section numbers refer to the Code's chapters.

1. Implementation and reporting on corporate governance
PCI Biotech acknowledges the division of roles between shareholders, the Board of Directors, and the executive management team. PCI Biotech has implemented a sound corporate governance policy. Guidelines on corporate governance and statement of compliance with the Code is presented in the Company's annual report and website. The Company ensures that the policy is adopted by holding regular Board of Directors' meetings where the executive management team attends to present strategic, operational, and financial matters.

Corporate values are established with the purpose to establish a healthy corporate culture and preserve the Company's integrity by helping employees to comply with standards of good business conduct. Furthermore, the values are intended to be a tool for self-assessment and for further development of the Company's identity. Corporate values are important foundations for PCI Biotech's corporate governance. Ethical guidelines are also established and these guidelines are based on corporate values.

PCI Biotech adheres to the code of practice for corporate governance. The company has to date five deviations from the code and the reasons for the deviations and solutions selected are further explained under section 6, 9 and 12.

2. Business
The objective and purpose of PCI Biotech's business are clearly defined and described in the articles of association. *"The Company's business activities shall include cancer treatment and drug delivery based on the PCI technology and other related activities, including participation in other companies with similar activities through equity, loan or by issue of guarantees."* The Company's articles of association are available at the Company's website and the Company's objectives and strategy are available in the annual report.

PCI Biotech has defined development programmes with clear objectives, strategies, and risk profiles for the company's business activities to enable PCI Biotech to create long-term value for its shareholders. The Board of Directors performs annual evaluations of the objectives, strategies, and risk profiles.

The company has implemented guidelines for how to integrate stakeholder considerations into its value creation in a sustainable manner, through corporate social responsibility and ethical guidelines.

2.1 Corporate social responsibility
PCI Biotech is a Norwegian based company focusing on development and commercialisation of novel therapies and new technologies through its innovative photochemical technology platform. The PCI

Biotech Group consists of 7 employees and the core competencies are possessed by these employees, while the group's other resources in research and development are mainly purchased from public and private research institutions and service providers across Europe and USA.

As of today, the Group has no sales or supply of services and a limited complexity in operations. The Group has established guidelines and policies in accordance with internal control policies for comparable businesses of similar size, complexity, and industry to fight corruption. This means that the group requires its directors and employees to demonstrate high ethical standards in business and interpersonal relationships. Other principles followed are prevention through awareness-raising, limitation of opportunities, high detection risk of, and zero tolerance for corruption.

The Group has established its own quality control system in line with authorities' requirements within the activities that the Group operates, in terms of production and storage of pharmaceutical products. The quality control procedures are based on the relevant activities in relation to the different phases of operation and the development of procedures is thus a dynamic process. The Group is concerned that staff have appropriate training and experience in their business areas and staff are regularly updated within their business fields.

The Group is concerned with animal welfare, human- and labour rights, social issues, and sustainable development. The Group's management conducts regular performance reviews and internal evaluations, and the Group adapts according to Norwegian law within the area. Preclinical research is subject to strict government regulation on animal welfare. The Group considers that animal welfare, human rights, labour rights, and social issues are well taken care of, both internally and among its subcontractors. Regarding sustainability, please see section 2.2.

The Group has not identified any material issues based on the corporate social responsibility procedures (CSR) performed in 2024 and 2023. The implementation of further detailed specific objectives, strategies or action plans related to CSR, beyond the ones described above, has not yet been prioritised, but will be developed along with the continuous development of PCI Biotech's operations.

2.2 Sustainability

PCI Biotech is concerned with sustainability but has not used any specific reporting standards or guidelines for sustainability reporting other than the Code. PCI Biotech Group is exempted from formal reporting requirements regarding sustainability according to the Norwegian Accounting Act, being categorised as a micro-size company.

In general PCI Biotech's strategy and operations are focused on human welfare through its vision of '*enabling advanced therapies*. PCI Biotech focuses its development on anti-cancer immunotherapy and manufacturing of advanced therapy medicinal product (ATMP). This vision and focus may directly contribute to one of the UN's seventeen sustainable development goals, goal #3 'Good health and well-being', by driving innovation to improve the affordability and availability of life-saving treatments, supporting better health and well-being worldwide.

All international anti-cancer development is strictly regulated regarding animal welfare. PCI Biotech have internal routines securing that the Group and service providers comply with all relevant standard in these regards.

The Company strives to minimise our environmental footprint in daily operations. Travelling and the need for shipment of devices and materials for preclinical experiments are identified as the activities with the most environmental impact. To keep the environmental impact to a minimum, shipments are optimised in collaboration with our service providers and collaborators to reduce the number of shipments. External meetings are evaluated for use of virtual meeting tools when appropriate, to limit travel to what is considered necessary from an operational and business development perspective.

The Group's operations are of such character that they do not significantly affect the environment beyond normal course of business for a small biotech company. Environmental issues are included in PCI Biotech's ethical guidelines and environmental impact is assessed as described above.

The implementation of further detailed specific objectives, strategies or action plans related to environmental issues, beyond the ones described above, has not yet been prioritised, but will be developed along with the continuous development of PCI Biotech's operations.

2.3 Ethical guidelines
The ethical guidelines encompass the following elements: Core values, compliance with laws and regulations, working environment, interaction with different stakeholders, intragroup transactions, employee loyalty, conflicts of interest, confidentiality, environment, accounting, financial reporting, trading of Company shares, other employee activities and compliance with the ethical guidelines.

2.4 Equality and diversity
PCI Biotech's goal is to be a workplace with gender equality and where discrimination is not accepted. Respect for individuals is a cornerstone of our company values, accompanied by an including working environment. PCI Biotech strives to contribute to diversity and gender balance in recruitment processes, balanced with candidates' expertise and capacity. During 2024, there was one recruitment of a female senior scientist. PCI Biotech's total number of employees are 7, where of 3 are females and 4 are males. The management team consist of 2 male employees. The Board composition complies with minimum female representation for gender diversity, with 1 female and 2 male representatives.

2.5 Transparency Act
PCI Biotech strives to comply with the act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (Transparency Act). The Act shall promote enterprises' respect for fundamental human rights and decent working conditions and ensure the general public access to information regarding how enterprises address adverse impacts on fundamental human rights and decent working conditions. PCI Biotech includes the Transparency Act in its corporate social responsibility work, and this section regarding transparency is considered an integrated part of the CSR reporting. To comply with the Transparency Act a statement that is to be published before 30th June 2025 is included under section 16 of this annual statement.

3. Equity and dividends
PCI Biotech's equity as of 31 December 2024 was NOK 23.5 million. The capital structure is regularly assessed to the Company's objectives, strategy, and risk profile. To tailor the capital structure to current operations the Group made a write-down of the share capital level during 2023 and the equity level is assessed as satisfactory per year-end 2024.

To date the Company has not distributed any dividends and this dividend policy will apply as long as PCI Biotech is in a research and development phase. The Board of Directors has no mandate to approve the distribution of dividend.

The Board of Directors has been authorised by the Company's General Meeting in May 2024 to increase the share capital by share issue of up to 2,790,000 shares in connection with the Company's employee incentive program and to issue shares in connection with private placements by an amount up to 10% of the share capital of the Company. The authorisations are valid to the next ordinary general meeting. Other than the above the Board of Directors has no general authorisation to issue shares.

4. Equal treatment of shareholders
PCI Biotech has only one class of shares and all shares have equal rights. Each share carries one vote. The Board of Directors and management are committed to treat all shareholders equally. The Company had no transactions in own shares during 2024.

In the event of the Board of Directors resolving to issue new shares and waive the pre-emptive rights of existing shareholders, the Board of Directors intends to comply with the recommendation of the Norwegian Code of Practice for Corporate Governance that the justification for such waiver is noted in the Stock Exchange announcement relating to such a share issue.

5. Shares and tradability

The shares in PCI Biotech are freely tradable with no form of restriction. No restrictions regarding voting, ownership or tradability are placed on the shares in the Company's Articles of Association.

6. General Meetings

The Board of Director's facilitate that as many shareholders as possible may exercise their rights by participating at the General Meeting and that the General Meeting is an effective forum for both the views of shareholders and the Board of Director's.

The Chair of the Board of Director's, the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) are present at the Annual General Meeting, along with the Group auditor. A representative from the Nomination Committee is encouraged to participate, if matters on the agenda are of relevance for such representation.

Shareholders who are unable to participate themselves may vote by proxy and a person can also be appointed to vote for the shareholders as a proxy. The Board of Directors may decide that shareholders may submit their votes in writing, including by use of electronic communication, in a period prior to the general meeting.

Notice of the meeting and relevant documents, including the proposal of the nomination committee, are made available on the company website three weeks in advance of the meeting. Notice of the meeting is sent to all shareholders individually, or to their depository banks, three weeks in advance of the meeting. The meeting notice includes information regarding shareholders' rights, guidelines for registering and voting at the meeting. The company provides information on the procedure for representation at the meeting through proxy, nominations of a person to vote on behalf of the shareholders and to the extent possible prepare a form which allows separate voting instructions for each matter, hereunder for individual candidates for appointment to the Group's governing bodies. The deadline for notice of attendance is set as close to the meeting as practically possible and in accordance with the provisions in the Articles of Association.

Non-conformance with the recommendation: PCI Biotech is a small company and has encouraged directors to attend the General Meeting. The entire Board has not usually attended the General Meeting as, thus far, the items on the agenda of the General Meeting have not required all directors to attend. The Chair of the Board is present, and other Board members participate on an ad hoc basis. From the Group's perspective, this is considered sufficient. The recommendation to implement routines to ensure an independent chairing of the meeting has not been applied, both for cost and convenience reasons based on the size of the company. From the Group's perspective, this is considered sufficient. The Nomination Committee do usually not attend the General Meeting.

7. Nomination Committee

The requirement for a Nomination Committee and its guidelines follows from article 6 of the Articles of Association. The Nomination Committee's duties are to propose candidates for election to the Board of Directors and to propose remuneration. The Nomination Committee is required to justify its recommendations and encouraged to interact with shareholders, the Board of Directors and the Chief Executive Officer (CEO) in its work. The Nomination Committee's members, including the chairperson, are elected by the General Meeting for two years at a time, unless otherwise resolved by the General Meeting and the General Meeting may adopt instructions for the Nomination Committee. The Nomination Committee shall consist of minimum two members who shall be shareholders or representatives for the shareholders. The remuneration to the members of the Nomination Committee is determined by the General Meeting.

The Nomination Committee ensures that shareholders' views are taken into account when qualified members are nominated to the governing bodies of PCI Biotech. Shareholders are encouraged to submit proposals to the Nomination Committee for candidates for election to the board of directors. Such proposals must be in writing and justified and be submitted minimum 2 months before the General Meeting if they are to be considered by the nomination committee.

None of the Committee's members represents PCI Biotech's management or Board and they are all considered to be independent of daily management and the Board. The Nomination Committee is considered to have a composition that reflects the common interests of the community of shareholders.

The nomination committee currently consists of the following two members: Jónas Einarsson (chairperson), and Erik Must. The current members have been elected by the general meeting with a term until the Company's ordinary general meeting in 2025. The Nomination Committee's contact details are available at PCI Biotech's website.

8. Board of Directors, composition and independence

The Board of Directors is composed to ensure that the Board of Directors can operate independently, attend the common interest for all shareholders and the Company's need for expertise, capacity and diversity. The shareholders elect between three and seven members to the Board of Directors, including the Chair and they are elected for one-year terms by the General Meeting. The Board of Directors is presented on the company website. All board members are considered to be independent from the Company's day-to-day management, main shareholders and material business connections. All board members are encouraged to be shareholders and their shareholdings are disclosed in the Annual Report.

9. Work of the Board of Directors

It is the responsibility of the Board of Directors to ensure that the Company has a well-functioning internal control environment in accordance with the regulations that apply to its activities and to supervise daily management and activities of the company in general. In addition, the Board of Directors is responsible for appointment of Chief Executive Officer (CEO) and convening and preparing for general meetings. The Board of Directors has implemented instructions for the Board and the executive management, with focus on allocation of internal responsibilities and duties. These instructions incudes handling of agreements with related parties, including whether an independent valuation must be obtained, and disclosure of such agreements in the annual directors' report. The objectives, responsibilities and functions of the Board of Directors and the CEO are in compliance with rules and standards applicable for the Company.

The Board of Directors should ensure that members of the Board and executive personnel make the Company aware of any material interests that they may have in items to be considered by the Board of Directors. The Board of Directors' consideration of material matters in which the Chair of the Board is, or has been, personally involved, shall be chaired by another member of the Board.

The Board of Directors adopts an annual plan for its work, which includes objectives, strategy and implementation. The CEO is responsible for keeping the Board of Directors informed about the company's activities, position, and financial and operational developments. The Board of Directors evaluates its performance and expertise annually and the evaluation is made available to the Nomination Committee. The Company has not established a separate Audit Committee in accordance with the exemption in the Norwegian Public Limited Liability Companies Act. The Company has not established a separate Remuneration Committee. The Board of Directors in its entirety serves as both Audit and Remuneration Committee.The Board conducted eleven meetings in 2024. Board members had the following attendance at these meetings:

Hans Peter Bøhn, 11/11
Hilde Furberg, 11/11
Lars Viksmoen,10/11

Non-conformance with the recommendation: PCI Biotech has not established separate Audit and Remuneration Committees. The Board of Directors believes that this is most appropriate given the Company's limited size and complexity. The Board of Directors will, depending on the Company's performance, consider appointing separate Audit and Remuneration Committees at a future date.

10. Risk management and internal control

It is the responsibility of the Board of Directors to ensure that the Company has sound internal controls and systems for risk management that are appropriate in relation to the extent and nature of the Company's activities. Significant risks include strategic risks, market risks, financial risks, liquidity risks and operational risks including risks related to development of technologies and products. The internal control systems also include company values, code of ethics and corporate social responsibility. The Company's significant risk areas and internal control systems are assessed on an on-going basis and at least once a year by the Board of Directors.

Please also refer to The Board of Directors report, for a description of relevant risk factors.

11. Remuneration of the Board of Directors

The General Meeting determines the remuneration to the Board of Directors based on a proposal from the Nomination Committee. Remuneration reflects the Board of Directors responsibility, expertise, time commitment and the business complexity. The remuneration is not linked to the Company's performance, and no share options are granted to Directors. Detailed information on the remuneration of the Board of Directors can be found in the Annual Report.

Board members or companies to which they are connected should not undertake separate assignments for the Group in addition to the Board appointment. If they nevertheless do, the whole Board is to be informed. Fees for such assignments are to be approved by the Board. If remuneration has been paid above the normal Board fee, this is to be specified in the annual report.

12. Remuneration of executive personnel

The Board has established guidelines on the determination of salaries and other remuneration of executive management in accordance with § 6–16a of the Norwegian Public Companies Act. The remuneration guidelines shall be communicated to and is subject to advisory approval by the Annual General Meeting. The remuneration guidelines seek to contribute to the alignment of interests between the shareholders and executive management and sets out the main principles in determining the salary and other remuneration for the executive management. Performance-related remuneration is linked to long-term value creation for shareholders and is based on quantifiable factors that can be influenced by the executive management. A share option scheme is part of the remuneration policy, and the scheme is approved by the general meeting.

Non-conformance with the recommendation: The established guidelines for other performance-based remuneration of executive management do not set an absolute limit in terms of potential future value per awarded share option. As a corrective action share options awarded in 2024, 2023 and 2022 were awarded with a value cap of 20 times the strike price. Great care is taken by the BoD when awarding share options to executive management and based on all elements of the guidelines for performance-based remuneration, and the value cap on share options awarded in 2024, 2024 and 2022, the current guidelines are considered appropriate.

13. Information and communication

The Company presents its financial statements in accordance with IFRS, and procedures have been established to ensure compliance with IFRS interim and annual reporting requirements. The Company's management, the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) are responsible for preparing the financial statements, and financial reports are approved by the Board of Directors prior to publication. PCI Biotech reports in accordance with the rules in the Norwegian Securities Trading Act, as well as with the requirements specified by the Oslo Børs for companies with listed shares.

The Group's report on corporate social responsibility is integrated into the annual report. The Board has set an IR policy for PCI Biotech's reporting of financial and other information. The Board has approved guidelines and procedures relating to the handling of insider information and trading in the company's shares.

The Company's guidelines for reporting of financial and other information are based on transparency and take into account the requirement for equal treatment of all participants in the securities market. The Company is committed to report financial results and other relevant information on an accurate and timely basis. The Company publishes a financial calendar on an annual basis, including dates for release of interim and annual reports and date for the Annual General Meeting. PCI Biotech considers it important to inform shareholders about the Group's development and economic and financial status. Management are available for discussions with shareholders, other than through general meetings, to develop a balanced understanding of such shareholders' situation and focus, subject however to the provisions in legislation and regulations. The Chair of the Board ensures that shareholders' viewpoints are communicated to the entire Board.

14. Take-overs

The Board of Directors endorses the principles concerning equal treatment of all shareholders. In the event of a take-over bid, it is obliged to act in accordance with the requirements of Norwegian law and in accordance with the applicable principles for good corporate governance.

The Board of Directors will not hinder or obstruct takeover bids for PCI Biotech's activities or shares. The Board will ensure that shareholders are given sufficient information and time to form an opinion on an offer. If a takeover offer is received, the Board will issue a statement with a recommendation as to whether shareholders should or should not accept the offer.

A transaction that in fact is a business disposal shall be approved by a General Meeting.

15. Auditor

RSM Norge AS is the appointed auditor of PCI Biotech.

The auditor shall annually in writing confirm to the Board of Directors that he/she satisfies established requirements for independence and objectivity. The auditor participates at least one Board of Directors meeting per year, where he/she present auditors plan for the audit, the assessment of the Company's internal control and participate during the approval of the annual accounts. The auditor has a minimum of one meeting per year with the Board of Directors without the presence of the Executive Management. The Board of Directors has established separate guidelines for use of non-audit services. Fees paid to the external auditor for audit and non-audit services are reported in the Company's Annual Report, which are, in turn, approved by the Annual General Meeting. The auditor is requested to participate at the Annual General Meeting for consideration of the annual financial statement.

PCI Biotech Holding ASA – financial statement

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2024
(1.1 - 31.12)

Parent				Group	
2024	**2023**	*(figures in NOK 1,000)*	**Note**	**2024**	**2023**
-	-	Other income	*5,6*	6 735	2 990
-	**-**	**Total income**		**6 735**	**2 990**
-	-	Research and development	*7,8*	16 062	15 627
4 229	4 636	General and administrative	*7,8,9,10,14,23,24*	8 628	9 604
4 229	**4 636**	**Total operating expenses**		**24 690**	**25 231**
-4 229	**-4 636**	**Operating results**		**-17 955**	**-22 241**
176	5 078	Financial income	*11,15*	1 633	2 086
31 211	7	Financial expenses	*11,15,24*	95	160
-31 034	**5 071**	**Net financial results**		**1 538**	**1 926**
-35 263	**434**	**Profit/Loss before income tax**		**-16 417**	**-20 315**
-	-	Income tax	*12*	-	-
-35 263	**434**	**Net profit/loss for the year**		**-16 417**	**-20 315**
		Other comprehensive income, net of tax			
-	-	Items that will not be reclassified to income statement		-	-
-	-	Items that subsequently may be reclassified to income statement		-	-
-35 263	**434**	**Total comprehensive income for the year**		**-16 417**	**-20 315**
		Attributable to:			
		Equity holders of the Parent		**-16 417**	**-20 315**
		Loss per share basic and diluted (figures in NOK)	*13*	0.44	0.54

PCI Biotech Holding ASA
Statement of financial position
for the year ended 31 December 2024

Parent				Group	
2024	**2023**	**ASSETS**		**2024**	**2023**
		(figures in NOK 1,000)	**Note**		
		Non-current assets			
-	-	Right-of-use assets	*24*	310	297
45 277	75 660	Shares in subsidiary	*15*	-	-
45 277	**75 660**	**Total non-current assets**		**310**	**297**
		Current assets			
-	2 538	Receivables from group companies	*18*	-	-
74	14	Other current receivables	*18*	3 836	2 570
74	**2 553**	**Total receivables**	*17*	**3 836**	**2 570**
540	1 056	Cash and cash equivalents	*16,17,19*	27 069	41 184
614	**3 609**	**Total current assets**		**30 905**	**43 753**
45 891	**79 269**	**Total assets**		**31 215**	**44 050**

PCI Biotech Holding ASA
Statement of financial position
for the year ended 31 December 2024

Parent				Group	
2024	**2023**	**EQUITY AND LIABILITIES** *(figures in NOK 1,000)*	**Note**	**2024**	**2023**
		Equity			
1 119	1 119	Share capital	*20*	1 119	1 119
42 867	76 870	Other paid-in capital	*8*	22 333	37 923
-	434	Retained earnings		-	-
43 987	**78 423**	**Total equity**		**23 453**	**39 043**
		Liabilities			
		Non-current liabilities			
-	-	Other non-current liabilities	*16*	-	34
-	**-**	**Total non-current liabilities**		**-**	**34**
		Current liabilities			
63	11	Trade account payables		1 722	712
933	-	Trade account payables - group	*16*	-	-
-	-	Current lease liabilities	*24*	336	319
112	100	Public duties payables		748	872
796	734	Other current liabilities	*22*	4 957	3 071
1 904	**846**	**Total current liabilities**	*16,21*	**7 762**	**4 974**
1 904	**846**	**Total liabilities**	*17*	**7 762**	**5 008**
45 891	**79 269**	**Total equity and liabilities**		**31 215**	**44 050**

Oslo, 24 April 2025
Board of Directors and Chief Executive Officer,
PCI Biotech Holding ASA

Hans Peter Bøhn
Chair

Lars Viksmoen
Director

Hilde Furberg
Director

Ronny Skuggedal
CEO

PCI Biotech Holding ASA - GROUP
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2024
(attributable to the equity holders of the parent)

(figures in NOK 1,000)	Note	Share capital	Other paid-in capital	Retained earnings	Total equity
Equity 31 December 2022	*20*	**111 979**	**-**	**-54 577**	**57 403**
Loss for the period		-	-20 315	-	-20 315
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the period		**-**	**-20 315**	**-**	**-20 315**
Capital changes		-110 859	74 915	35 944	-
Share based payments	*8*	-	1 955	-	1 955
Allocation		-	-18 632	18 632	-
Equity 31 December 2023	*20*	**1 119**	**37 923**	**-**	**39 043**
Loss for the period		-	-16 417	-	-16 417
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the period		**-**	**-16 417**	**-**	**-16 417**
Share based payments	*8*	-	827	-	827
Allocation		-	-	-	-
Equity 31 December 2024	*20*	**1 119**	**22 333**	**-**	**23 453**

PCI Biotech Holding ASA - PARENT
STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2024

(figures in NOK 1,000)	Note	Share capital	Other paid-in capital	Retained earnings	Total equity
Equity 31 December 2022	*20*	**111 979**	**-**	**-35 944**	**76 034**
Profit for the period		-	-	434	434
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the period		**-**	**-**	**434**	**434**
Capital changes		-110 859	74 915	35 944	-
Share based payments in subsidiary		-	1 955	-	1 955
Equity 31 December 2023	*20*	**1 119**	**76 870**	**434**	**78 423**
Loss for for the period		-	-34 829	-434	-35 263
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the period		**-**	**-34 829**	**-434**	**-35 263**
Share based payments in subsidiary	*8*	-	827	-	827
Equity 31 December 2024	*20*	**1 119**	**42 867**	**-**	**43 987**

PCI Biotech Holding ASA
CASH FLOW STATEMENT
for the year ended 31 December 2024

Parent 2024	Parent 2023	*(figures in NOK 1,000)*	Note	Group 2024	Group 2023
-35 263	434	Profit/Loss before income tax		-16 417	-20 315
-	-	Depreciation and amortisation	7,14	303	371
-	-	Interest paid on leases	24	58	47
31 034	-	Impairment investment in subsidiary		-	-
-	-4 548	Reversal of previous impairment investment in subsidiary		-	-
-	-	Share-based payments	8	827	1 955
-59	9	Changes in accounts receivables		-1 266	3 593
51	5	Changes in account payables		1 010	217
250	-296	Changes in other net operating assets and liabilities		1 727	-838
-3 987	**-4 396**	**Cash flow from operating activities**		**-13 758**	**-14 970**
3 472	4 824	Net transactions intragroup interest-bearing loan		-	-
3 472	**4 824**	**Net cash flow from investing activities**		**-**	**-**
-	-	Payment principal portion of lease liability	24	-357	-442
-	**-**	**Net cash flow from financing activities**		**-357**	**-442**
-516	**428**	**Net changes in cash and cash equivalents**		**-14 115**	**-15 412**
1 056	628	Cash and cash equivalents 1 January		41 184	56 596
540	**1 056**	**Cash and cash equivalents 31 December**	19	**27 069**	**41 184**
		Additional information on operational cash flow			
-	*1*	*Interest paid*		*-*	*1*
175	*527*	*Interest received*		*1 596*	*2 045*

PCI BIOTECH HOLDING ASA – ACCOUNTING PRINCIPLES 2024

1. Corporate information
The annual separate financial statement for 2024 for PCI Biotech Holding ASA (the Company) and the consolidated financial statement (the Group or PCI Biotech) was approved for publication by the Board of Directors on 24th April 2025.

PCI Biotech Holding ASA is a public listed company domiciled in Norway. The business of the Group is associated with research and development of pharmaceutical products and related technical equipment. The Company is listed on the Oslo Børs and the registered office address is Ullernchausséen 64, N-0379 Oslo**.**

2. Significant accounting policies

2.1 Basis of preparation
The Group and the Company's annual financial statement are prepared in accordance with IFRS Accounting Standards as adopted by the EU as per 31 December 2024.

The annual accounts for the Group and the Company have been prepared on the basis of historical cost. The financial income statement is presented by function of expense.

NOK (Norwegian kroner) is the functional currency for all companies within the Group. The Group's consolidated financial statements are presented in NOK, which is also the parent company's functional currency. In the absence of any statement to the contrary, all financial information is reported in whole thousands. As a result of rounding adjustments, the figures in the financial statements may not add up to the totals. Amounts in this report have been rounded off to the nearest thousand currency units, or in certain cases, the nearest currency unit.

2.2 Basis of consolidation
The consolidated financial statements comprise the financial statements of PCI Biotech Holding ASA and its wholly owned subsidiary PCI Biotech AS. The subsidiary is fully consolidated. The consolidated financial statements are prepared using uniform accounting policies for similar transactions and events under similar circumstances.

2.3 Summary of significant accounting policies
The accounting policies that are material to the consolidated entity are set out below.

a) Government grants

Government grants are presented as other income. Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with.

b) Taxes

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

c) Intangible assets - *Research and development costs, and patents and trademarks*

The Group has currently no development expenditure that qualifies for recognition as an asset under IAS 38 Intangible Assets. Research costs, including costs related to patents and trademarks, are expensed as incurred.

d) Financial instruments

Financial assets and liabilities at amortised cost are the most relevant category for the Group. The Group does not have financial assets or liabilities at fair value through profit and loss.

e) Share-based payments

Employees (including executive management) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant of share-options are made using the Black-Scholes valuation model.

Accounting policies only relevant for the Parent separate financial statement:

f) Investment in subsidiaries

Shares and investments intended for long-term ownership are reported in the Company's statement of financial position as non-current assets and valued at cost. The Company determines at each reporting date whether there is any objective indication that the investment in the subsidiary is impaired. In the impairment testing, the Parent company considers the observable market capitalisation of the PCI Biotech Group at Oslo Børs as a key indicator of the recoverable amount for its investment in the wholly-owned subsidiary, PCI Biotech AS.

2.4 Changes in accounting policies and disclosures

The accounting policies adopted for 2024 are consistent with those of the previous financial year. There are amendments effective for the period beginning 1 January 2024 related to IAS 7, IFRS 7, IFRS 16 and IAS 1. These amendments had no effect on the financial statements.

3. Significant accounting estimates and assumptions

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

Other disclosures relating to the Group's exposure to risks and uncertainties include:

- Financial risk management and policies, Note 16 Financial risk.

In the process of applying the Group's accounting policies, management has made the following estimates and assumption, which have the most significant effect on the amounts recognised in the consolidated financial statements:

- The fair value of employee options is calculated according to the Black-Scholes method. This method involves the use of estimates and discretionary assessments, as described in more detail in Note 8. The allocation of options to employees of subsidiary is made directly from the parent company and the financial presentation is correspondingly reported in the subsidiary.

- The Group has not recognised a deferred tax asset related to carry forward losses, as described in more detail in Note 12 Tax.

Significant accounting estimates and assumptions only relevant for the Parent
In the process of applying the Group's accounting policies, management has made the following

judgments, which have the most significant effect on the amounts recognised in the separate financial statements for the Parent:

- PCI Biotech Holding ASA has in its separate financial statement performed an assessment of the carrying amount of the subsidiary PCI Biotech AS, see Note 11 Financial income and expenses and Note 15 Shares in subsidiaries for further information.

4. New Accounting Standards and Interpretations not yet mandatory or early adopted

Accounting Standards that have recently been issued or amended but are not yet mandatory, have not been early adopted for the annual reporting period ended 31 December 2024.

IFRS 18 Presentation and Disclosure in Financial Statements was issued in 2024, effective for periods beginning on or after 1 January 2027. IFRS 18 will replace IAS 1 Presentation of Financial Statements and introduce new requirements to help achieve comparability across companies. IFRS 18 will not change how companies recognise and measure items in the financial statements. However, most companies will expect changes in the presentation of the statement of profit or loss and disclosure in the notes. The impact of changes resulting from implementation of IFRS 18 has not yet been assessed for PCI Biotech.

PCI BIOTECH HOLDING ASA - NOTES FINANCIAL STATEMENT 2024

5 OTHER INCOME

OTHER INCOME

(figures in NOK 1,000)	Group	
	2024	**2023**
SkatteFUNN	2 384	2 148
Grants from the Research Council of Norway	851	746
Grants from Innovation Norway	3 500	-
Other	-	96
Total other income	**6 735**	**2 990**

Government grants for R&D purposes are recognised when 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 recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants are disclosed as other income. The Research Council of Norway have approved a SkatteFUNN and a PhD industry candidate grant for the period from 2023 through 2025, while Innovation Norway has approved a grant for 2024. Grant receivables as of year-end are disclosed in Note 18 Receivables.

6 OPERATING SEGMENTS

The Group has only one operating segment, which is research and development. The accounting principles applied for operating segment and financial reporting purposes, are consistent. The Group had no revenues for the reporting periods. All non-current assets are geographically located to Norway.

7 STATEMENT OF COMPREHENSIVE INCOME ACCORDING TO CLASSIFICATION AND R&D EXPENSES BY CATEGORY

Operating costs according to classification.

(figures in NOK 1,000)		Group		Parent	
	Note	**2024**	**2023**	**2024**	**2023**
Salary expenses	8	10 040	10 910	1 156	1 260
Share option scheme, accounting effect	8	768	2 014	-	-
R&D exclusive salary and other operating expenses		9 003	6 179	-	-
Depreciation and amortisation	14,24	303	371	-	-
Legal, audit, accounting, patents, and other fees*		2 446	3 818	1 807	2 105
Other operating expenses		2 130	1 940	1 266	1 272
Total operating expenses		**24 690**	**25 231**	**4 229**	**4 636**

*Other fees for the Parent company relates to management services performed by employees formally employed by the wholly-owned subsidiary, PCI Biotech AS.

Of the salary expenses NOK 4 806 relates to R&D activities (2023: NOK 5 806).

Research and development expenses by category:

	2024	**2023**
Pre-clinical studies	12 303	9 613
CMC and equipment	1 505	2 172
Patents	2 253	3 642
Other expenses	-	200
Total	**16 062**	**15 627**

The Group has no development expenditure that qualifies for recognition of an asset under IAS 38 and intangible assets and all research expenditures are charged through the income statement, in line with previous years. A new batch of the product under development (fimaporfin) was produced in 2019 and an estimated cost value of fimaporfin in stock per year-end is NOK 2.5 million (2023: NOK 2.5 million).

8 SALARY EXPENSES AND OTHER REMUNERATION

(figures in NOK 1,000)	Note	Group		Parent	
		2024	**2023**	**2024**	**2023**
Wages and Board of Directors remuneration		8 041	8 604	1 058	1 158
Social security contributions		1 202	1 409	99	102
Share-based payments, incl social security		768	2 014	-	-
Pension costs	9	697	784	-	-
Other expenses		100	112	-	-
Total salary expenses		**10 808**	**12 923**	**1 156**	**1 260**
No. of full-time equivalent positions		5,2	6.2	0.0	0.0

Share option programme for employees
Employees (including executive management) of the Group receive remuneration partly in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The employees are employed in the subsidiary, PCI Biotech AS, and the share-based payment is thus accounted for as a P&L effect in the Group accounts and an investment in subsidiary in the separate parent company accounts. Each share option gives the right to subscribe for or acquire one share upon PCI Biotech Holding ASA's choice. The Black-Scholes method is used for fair value assessment of the share options at grant date. Further details about the share option program can be found in the Group remuneration policy. A total number of 885,000 share options were granted in 2024, and 700,000 in 2023. The Board of Directors has not been granted any share options. See note 23 Related party transactions for further information.

Valuation method for fair value assessment of share options granted
The Black-Scholes method is used for fair value assessment of the share options at grant date. Volatility is calculated based on PCI Biotech's own stock market valuation. The exercise price is set at market terms, equal to the average volume weighted share price last five days of trade prior to grant date (5 days VWAP), and no premium for the share options are paid. The risk-free interest rate is based on Norwegian 3-5 years government bond yield. Each option program is assessed separately, and the fair value estimated at grant date is amortised over the vesting term. The share options granted in 2024 and 2023 are granted with a value cap of 20 times the strike price. If the value cap threshold is met, all share options will vest immediately and be available for exercise. The table below shows input values used in the fair value assessment model, and other relevant information.

Share options granted in 2024 and 2023	**September 2024**	**September 2023**
Number of share options granted	885 000	700 000
Dividend yield	0	0
Historical volatility (%)	166 %	109 %
Risk free interest rate (%)	3.18%	3.96%
Expected share option lifetime (years)	5	5
Expected level of vesting	81%	78%
Strike price (5 days VWAP)	NOK 1.81	NOK 1.66
Fair value of all share options	NOK 1.7 million	NOK 0.8 million
Vesting term	3 years	3 years
Value cap	20x strike price	20x strike price

Authorisation from the annual general meeting
The general meeting held 24 May 2024 authorised the Board of Directors to grant the employees with a total of 2,790,000 share options and the authorisation applies for one year. 2,388,334 share options of the current authorisation have been granted by the Board of Directors at year-end 2024.

Share option scheme income statement effect and year-end balance sheet items

	2024	2023
Income statement effect	NOK -0.8 million	NOK -2.0 million
Other non-current liability	-	NOK 34 thousand

The potential social security liability for future exercises is calculated based upon share options that are in-the-money per reporting date and recognised as a current- or non-current liability in the balance sheet depending on vesting date of the underlying share options.

For the parent company, PCI Biotech Holding ASA, a net amount of NOK 0.8 million for share-based payments (2023: NOK 2.0 million) is recognised as an investment in subsidiary.

Share options outstanding at the end of the period have the following expiry date, exercise prices, and average remaining lifetime:

Expiry date	Exercise price in NOK per share	Number of share options		Average remaining lifetime (years)	
		2024	2023	2024	2023
2024 - Q3	25.78	-	150 000	-	0.7
2025 - Q3	50.36	130 000	130 000	0.7	1.7
2026 - Q3	19.41	136 667	136 667	1.7	2.7
2027 - Q3	1.90	556 667	556 667	2.7	3.7
2028 - Q3	1.66	680 000	680 000	3.7	4.7
2029 - Q3	1.81	885 000	-	4.7	
Total		**2 388 334**	**1 653 334**		

Options granted to employees, average exercise price and transactions during the year is listed below:

	2024		2023	
	Number	Average exercise price in NOK per share	Number	Average exercise price in NOK per share
Outstanding at the beginning of the year	1 653 334	9.23	1 000 000	14.41
Granted during the year	885 000	1.81	700 000	1.66
Lapsed during the year	150 000	25.78	46 666	6.80
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at year-end	2 388 334	5.44	1 653 334	9.23
Exercisable options at year-end	864 445	11.89	570 000	21.99

9 PENSION EXPENSES

(figures in NOK 1,000)	Group	
	2024	**2023**
Total pension cost from contribution schemes	697	784

The contribution pension scheme is in compliance with Norwegian public requirements and a total of 6 employees are included in the scheme at year-end 2024 (2023: 7 employees). The contributions are ranging from 7% to 21% of the employee's ordinary salary up to 12 times the basic amount (G) of the Norwegian National Insurance scheme.

10 AUDITORS FEE

AUDITOR FEES	Group		Parent	
(figures in NOK 1,000)	**2024**	**2023**	**2023**	**2023**
Statutory audit	210	326	134	261
Other assurance services	33	76	-	76
Total	**243**	**403**	**134**	**337**

11 FINANCIAL INCOME AND EXPENSES

(figures in NOK 1,000)	Group		Parent	
	2024	**2023**	**2024**	**2023**
Interest income	1 597	2 086	32	30
Interest income group company	-	-	145	499
Other financial income	35	-	-	4 548
Total financial income	**1 633**	**2 086**	**176**	**5 078**
Interest expense	1	112	-	7
Interest expense leasing	58	47	-	-
Other financial expense	37	-	31 211	-
Total financial expense	**95**	**160**	**31 211**	**7**

In 2024 the parent company made a partial impairment of its investment in the wholly-owned subsidiary PCI Biotech AS. The NOK 31.2 million impairment is disclosed as other financial expense for the parent company. In 2023 NOK 4.5 million of the previous year's impairment was reversed and disclosed as other financial income.

12 TAX

(figures in NOK 1,000)	Group		Parent	
	2024	**2023**	**2024**	**2023**
Comprehensive income before tax	**-16 417**	**-20 315**	**-35 263**	**434**
Expected nominal rate of tax (2023: 22% / 2022: 22%)	-3 612	-4 469	-7 758	96
Permanent differences charged through P&L	-352	-53	6 866	-1 001
Deferred tax asset not recognised in the balance sheet	3 964	4 523	892	905
Total tax expense for the year	0	0	0	0

Specification of basis for deferred tax asset / liability

	Group		Parent	
Temporary differences:	**2024**	**2023**	**2024**	**2023**
Fixed assets	-2 823	-3 529	-	-
Right of use asset / lease liability	-26	-22	-	-
Social security liabilities share option scheme	-	-59	-	-
Tax loss carry forward	-746 442	-727 662	-62 648	-58 595
Temporary differences and tax loss carry forward	**-749 291**	**-731 272**	**-62 648**	**-58 595**
Deferred tax assets not recognised	-164 844	-160 880	-13 783	-12 891
Deferred tax assets recognised	0	0	0	0

The Group and Parent have no history of taxable profits and due to uncertainty of future utilisation, deferred tax assets have not been recognised in the balance sheets. The corporate tax rate in Norway was 22% in 2024 and 2023. The carry forward loss has no time limit according to current tax legislation.

13 EARNINGS PER SHARE

Earnings per share for the Group (diluted earnings per share) are calculated on the basis of the financial result after tax for the year (financial result after tax for the year adjusted for dilutive effects) divided by a weighted average number of shares outstanding for the year (weighted average number of outstanding shares for the year adjusted for dilutive effects). Dilution effect is weighted number of outstanding share options which are in-the-money during the year. Accretive effects are not taken into consideration. Earnings per share are not affected by the dilution effect if negative results in the period.

Earnings per share	**2024**	**2023**
Weighted average number of shares (in '000)	37 326	37 326
Net loss for the year	-16 417	-20 315
Earnings per share (NOK per share)	-0.44	-0.54

Dilution effect of in-the-money outstanding share options is not relevant as the result for the year is negative for 2024 and 2023.

14 FIXED ASSETS

(figures in NOK 1,000)	Group		
	Device	Office equipment	Total
Acquisition cost per 31 December 2023	**9 609**	**392**	**10 001**
Acquisition cost per 31 December 2024	**9 609**	**392**	**10 001**
Accumulated depreciation per 1 January 2023	**9 609**	**375**	**9 984**
Ordinary depreciation 2023	-	18	18
Accumulated depreciation per 31 December 2023	**9 609**	**392**	**10 001**
Ordinary depreciation 2024	-	-	-
Accumulated depreciation per 31 December 2024	**9 609**	**392**	**10 001**
Book value per 31 December 2023	0	0	0
Book value per 31 December 2024	**0**	**0**	**0**

The carrying amount was depreciated in full in 2023.

15 SHARES IN SUBSIDIARIES – only relevant for the Parent company

Company	Year of acquisition	Share capital of company (NOK)	Equity participation and share of voting rights	Carrying amount (NOK thousand)	Equity (NOK thousand)	Financial result (NOK thousand)
PCI Biotech AS, Oslo - Norway	2008					
Figures for 2024		323 260	100 %	45 277	24 723	-12 364
Figures for 2023		323 260	100 %	75 660	36 260	-16 201

The impairment test performed as of 31 December 2024 resulted in an impairment of the carrying amount of NOK 31.2 million, which was disclosed as other financial expenses for the parent company. The impairment test performed as of 31 December 2023 resulted in a NOK 4.5 million reversal of previous years impairment which was disclosed as other financial income. The observable market value of PCI Biotech Group at Oslo Børs is assessed as a key indicator for recoverable amount in the impairment testing.

16 FINANCIAL RISK

This note describes the Group's various financial risks and the management of these. In addition, numerical tables for risk associated with financial risks are also presented.

(I) Organisation of financial risk management

PCI Biotech has an international business operation and is exposed to currency risk, interest risk, liquidity risk and credit risk. The Group has not utilised any derivatives or other financial instruments to reduce these risks during the accounting period. The responsibility for managing financial risk is at group level. The risk associated with centralised activities such as financing, interest rate and currency management is managed at group level. In addition, the group manages the risks associated with the business processes. The financial risk management is monitored by the Board of Directors.

Centralised risk management
PCI Biotech has a centralised risk management policy. The most important tasks within risk management are to ensure the Group's financial freedom to act both in a short- and long-term perspective, and to monitor and manage financial risk in cooperation with the individual units in the group.

Financial risk
This section describes the most important risk factors within each business area and the management of these. In this context, financial risk is understood as risk associated with financial instruments. These can either be hedging instruments for underlying risk or be considered themselves as a source of risk. Market risk is not hedged with financial instruments.

Research and development activities
PCI Biotech carries out research and development for new innovative medical products based on the company's patented technology. The currency risk in research and development is limited to the purchase of services, primarily related to pre-clinical studies. The Group's expenses are incurred in multiple currencies. The Group is therefore exposed to fluctuations in exchange rates and the risk is assessed on a regular basis. PCI Biotech is currently not using any financial hedging instruments.

(II) Classes of financial risk

Interest rate risk
Except for interest-bearing leasing liabilities, PCI Biotech does not have any interest-bearing debt, and the group's interest rate risk is primarily associated with the Group's cash positions and cash equivalents. This risk is managed at group level. The main strategy is to diversify the risk and invest in cash deposits with fixed or spot interest rates or money market funds with low risk, high liquidity and short duration. All funds are placed as cash deposits per year-end 2024 and 2023.

Interest rate sensitivity

		Effect on financial result			
		Group		Parent	
	Interest rate change	2024	2023	2024	2023
Bank deposits	+2%	303	513	5	13
	-2%	-303	-513	-5	-13
	+5%	758	1 281	12	34
	-5%	-758	-1 281	-12	-34

Liquidity risk
The biotech industry is a resource demanding industry, and product development can be both labour and cash intensive. One of the main objectives of PCI Biotech's financial policy is to ensure that the Group has sufficient short- and long-term financial flexibility to achieve strategic and operational objectives. PCI Biotech's goal is to at least have sufficient funds to cover the expected capital need for the next 12 months, as well as a strategic reserve. This goal is not achieved as of year-end 2024. The Group closely monitors cash flows based on short- and long-term forecasts.

The cash burn rate depends mainly on the level of activity in the development projects. PCI Biotech has no external debt with financial covenants or material long-term debt. Current operations do not involve substantial long-term commitments for the Group, allowing flexibility for adjusting operational activities and the corresponding cash burn rate.

PCI Biotech's most important sources of financing are future royalty and milestone payments associated with potential licensing agreements, government grants, and the capital market. PCI Biotech is a pre-commercial stage biotech, meaning that the Company mainly relies on the ability to raise funds via the equity capital market and government grants.

The capital market is foreseen to be used as a source of liquidity when this is appropriate, but no assurance can be made about PCI Biotech's ability to raise such financing. For further information about the going concern assessment, please refer to Note 25 Going concern.

Group *(figures in NOK 1,000)*	**Remaining period**				
	Less than 1 month	**1-3 months**	**3-12 months**	**1-5 years**	**Total**
31.12.2024					
Trade accounts payables	1 722	-	-	-	**1 722**
Current lease liabilities	-	-	336	-	**336**
Public duties payables	522	-	225	-	**747**
Other current liabilities	803	1 736	2 418	-	**4 957**
Total liabilities	**3 047**	**1 736**	**2 978**	**-**	**7 762**
31.12.2023					
Other non-current liabilities	-	-	-	34	**34**
Trade accounts payables	712	-	-	-	**712**
Current lease liabilities	-	-	319	-	**319**
Public duties payables	641	96	136	-	**872**
Other current liabilities	262	957	1 853	-	**3 071**
Total liabilities	**1 615**	**1 052**	**2 307**	**34**	**5 008**

Other non-current liabilities relate to estimated social securities for potential future share option exercises in the Group's remuneration incentive program.

Parent *(figures in NOK 1,000)*	**Remaining period**				
	Less than 1 month	**1-3 months**	**3-12 months**	**1-5 years**	**Total**
31.12.2024					
Trade accounts payables	63	-	-	-	**63**
Trade accounts payables group	-	-	933	-	**933**
Public duties payables	-	-	112	-	**112**
Other current liabilities	-	-	795	-	**795**
Total liabilities	**63**	**-**	**1 840**	**-**	**1 904**
31.12.2023					
Trade accounts payables	11	-	-	-	**11**
Public duties payables	-	-	100	-	**100**
Other current liabilities	-	-	734	-	**734**
Total liabilities	**11**	**-**	**835**	**-**	**846**

Credit risk

PCI Biotech has no sales or receivable balances based on sales and faces therefore no credit risk, and no bad debt provision has been recognised during 2024 or 2023. The majority of the Group's financial assets are cash and cash equivalents and these funds are placed in cash deposits in different banks with satisfactory credit ratings. The credit risk for these funds is assessed to be low and no impairment test are performed for 2024 or 2023.

Foreign currency risk
As NOK is the Group's functional currency, PCI Biotech is exposed to foreign currency risk associated with the Group's foreign net exchange rate exposure. The Group's expenses accrue in various currencies, primarily NOK and EUR. PCI Biotech is therefore exposed to fluctuations in foreign exchange rates. The Group evaluates whether measures should be taken to reduce the foreign currency risk through hedging for significant transactions and projects.

The following table details the Group's and Parent company's sensitivity to potential changes in the foreign currency exchange rate, with all other factors constant. The changes in exchange rates of +/10% is considered to be a reasonably possibly change. The calculation assumes an equal change in exchange rates against all relevant foreign currencies. The estimated effect on operating result is due to changes in value of monetary items in the balance sheet per year-end, with no effect on Other Comprehensive Income.

	Changes in exchange rates - Euro	**Effect on operating result** *(NOK 1,000)*	
		Parent	**Group**
2024	+/- 10 %	+/- 0	+/- 213
2023	+/- 10 %	+/- 0	+/- 49

17 CLASSIFICATIONS OF FINANCIAL ASSETS AND LIABILITIES

The Group´s financial assets are mainly governmental grant receivables, and the Group's financial liabilities are mainly trade accounts payables and other current liabilities. The Parent's financial assets also include receivables from the wholly owned subsidiary, PCI Biotech AS. All these financial assets and liabilities are classified as financial instruments at amortised costs, and no financial assets or liabilities are classified at fair value through profit and loss.

Financial assets and liabilities at amortised costs are measured at their nominal amount, as the nominal amount is assessed to be fair value due to the immaterial discounting effect for short-term maturities, except for lease liabilities which are measured and disclosed at amortised cost.

18 RECEIVABLES

Receivables are measured by the amortised cost method, but due to the assets being current receivables the non-discounted contractual payments are disclosed.

Other current receivables - specification
(Figures in NOK 1,000)

	Group		**Parent**	
	2024	**2023**	**2024**	**2023**
Recognised not received government grants	3 368	2 394	-	-
Prepaid payables	58	-	58	-
VAT receivables	410	168	15	14
Other	-	8	-	-
Total other receivables	**3 836**	**2 570**	**74**	**14**

19 CASH AND CASH EQUIVALENTS

(Figures in NOK 1,000)	Group		Parent	
	2024	**2023**	**2024**	**2023**
Cash and cash equivalents, restricted [1]	376	385	-	-
Cash and cash equivalents, non-restricted	26 693	40 798	540	1 056
Total	**27 069**	**41 184**	**540**	**1 056**

(1) Restricted cash and cash equivalents are security for the employees' withholding tax and bank deposits.

The carrying amount of cash and cash equivalents is approximately equal to fair value since these instruments have a short term to maturity. The cash and cash equivalents are primarily placed in cash deposits in NOK in different banks with satisfactory credit ratings. The credit risk for these funds is assessed to be low and no impairment test are performed for 2024 or 2023.

20 SHARE CAPITAL

	No. of shares	Nominal value per share in NOK	Share capital in NOK
Share capital as per 01.01.2023	**37 326 390**	**3.00**	**111 979 170**
Write down	-	-2.97	-110 859 379
Share capital as per 31.12.2023	**37 326 390**	**0.03**	**1 119 792**
Transactions	-	-	-
Share capital as per 31.12.2024	**37 326 390**	**0.03**	**1 119 792**

Prior to the annual general meeting in May 2023 less than 50% of the Company's share capital was retained. The board therefore assessed its duty to act in accordance with section 3-5 of the Norwegian Public Limited Liability Company's Act. As proposed by the board, the annual general meeting on 25th May 2023 decided that a write-down of the share capital was to be carried out by way of a reduction of the nominal value of the Company's shares in order to establish a capital structure that is sound and reasonable for the business PCI Biotech currently operates. Pursuant to the completion and duly registered share capital write-down on 16 August 2023 more than 50% of the share capital is retained.

All shares have equal voting rights and otherwise have equal rights in the company and one share represents one voting right. Ordinary shares are classified as equity and only one class of shares exists. Expenses that are directly attributable to the issue of ordinary shares are disclosed as reduction of equity.

The annual general meeting in May 2024 authorised the board of directors to execute share capital increases by issuing up to 2,790,000 shares in connection with the company's employee share option program. The authorisation is valid for one year. In addition, the board of directors was authorised to execute share capital increases with up to NOK 12,034,000 in connection with private placements. The authorisation shall not be used to increase share capital by an amount in excess of 10% of the share capital, based on the share capital per date of the authorisation and potential share capital increases in relation to the employee share option program. The authorisation may be used for general corporate purposes and is valid for one year.

Ownership structure per 31 December 2024:

Name	No. of shares	Ownership
FONDSAVANSE AS	3 910 443	10.5 %
CLEARSTREAM BANKING S.A.	1 613 241	4.3 %
MP PENSJON PK	1 257 306	3.4 %
Nordnet Bank AB	956 871	2.6 %
GRESSLIEN, Odd R.	605 000	1.6 %
NORDNET LIVSFORSIKRING AS	552 230	1.5 %
Jandersen Kapital AS	500 000	1.3 %
UBS Switzerland AG	479 356	1.3 %
KIRITEC AS	450 000	1.2 %
BNP Paribas	428 283	1.1 %
Total 10 largest shareholders	**10 752 730**	**28.8 %**
Others (5,484 shareholders)	**26 573 660**	**71.2 %**
Total	**37 326 390**	**100 %**

Shares owned, directly or indirectly, by members of the board and executive management, and their personally related parties per 31.12.2024 and per 31.12.2023:

		Number of shares	
Name	**Position**	**31.12.2024**	**31.12.2023**
Hans Peter Bøhn	Chair	123 662	123 662
Lars Viksmoen	Board member	12 966	12 966
Hilde Furberg (Borkenholm AS)*	Board member	8 000	8 000
Anders Høgset	CSO	64 800	64 800
Ronny Skuggedal	CFO	55 000	55 000
Total		**264 428**	**264 428**

* Hilde Furberg's shares are owned via Borkenholm AS, which is a related party to Hilde Furberg.

21 FINANCING STRUCTURE

Except for short-term interest-bearing leasing debt the Group had no external interest-bearing debt as of year-end 2024 or 2023.

22 OTHER CURRENT LIABILITIES BY YEAR END

(Figures in NOK 1,000)	Group		Parent	
	2024	**2023**	**2024**	**2023**
Accruals for incurred external R&D expenses	2 466	840	-	-
Accruals for employee bonus, holiday payments, board remuneration etc.	2 491	2 231	796	734
Total other current liabilities	**4 957**	**3 071**	**796**	**734**

Other current liabilities are measured by the amortised cost method, but due to the liabilities being current liabilities the non-discounted contractual payments are disclosed.

23 RELATED PARTIES TRANSACTIONS

Figures for remuneration are expensed amounts in the financial year. All board remunerations are accounted for in the parent company.

Executive remuneration *(NOK 1,000)*	**2024**	**2023**
Management team remuneration	4 142	4 164
Board of Director's remuneration	1 058	1 158

The Board of Directors' remuneration consists only of board remuneration as approved by the annual general meeting.

The management team per year-end 2024 consists of a combined CEO and CFO position, and a CSO, totalling 2 persons. Please refer to the 2024 and 2023 Remuneration Report for more information.

The senior executives participate in the Group's pension plan, a defined contribution plan which entails payment of 7% to 21% of the employee's annual salary up to 12 times the basic National Insurance amount (G). The pension scheme also covers the event of disability.

The CEO is entitled to six months' notice and has an agreement of additional 6 months' salary on certain terms. There are no agreements beyond the statutory requirements for other senior executives.

Senior executives have not received any remuneration or financial benefits from other companies in the Group other than those disclosed above. It is not given additional remuneration for special services outside the normal functions of a senior executive.

There are no loans or pledges to senior executives, board of directors, employees or other persons in elected corporate bodies. For more details about PCI Biotech's remuneration policy, please see the established guidelines on the determination of salaries and other remuneration of executive management in accordance with § 6–16a of the Norwegian Public Companies Act.

Senior executive's shareholdings in PCI Biotech Holding ASA are disclosed in note 20 Share capital.

Allocation, exercise and holdings of share options in the Company for senior executives are presented in the table below:

Overview share options, Senior executives	Total holdings 31.12.2023	Allocated	Lapsed	Exercised	Expired	Total holdings 31.12.2024	Average exercise price in NOK
Ronny Skuggedal, CEO / CFO	660 000	400 000	-	-	40 000	1 020 000	5.03
Anders Høgset, CSO	370 000	130 000	-	-	40 000	460 000	8.60
Total	**1 030 000**	**530 000**	**-**	**-**	**80 000**	**1 480 000**	

Other related parties:

PCI Biotech AS

The parent company, PCI Biotech Holding ASA, has no employees. The Group operations are managed through the wholly owned subsidiary PCI Biotech AS which has a management service agreement with the parent company, covering administrative costs and services for the Group. All transactions are performed at market terms.

The parent company has been charged for services rendered according to the agreement of NOK 1.6 million in 2024 (2023: NOK 1.7 million). The parent company has charged PCI Biotech AS interest expenses for intercompany loans of NOK 0.1 million during 2024 (2023: NOK 0.5 million). Net current receivables from PCI Biotech AS at year-end 2023 were NOK 2.5 million, while per year-end 2024 there is a net current payable of NOK 0.9 million to PCI Biotech AS.

24 RIGHT-OF-USE USE ASSETS AND LEASE LIABILITIES

PCI Biotech has entered into a lease agreement with Oslo Cancer Cluster Incubator, Ullernchausséen 64 Oslo, Norway. In 2024 the lease agreement was amended to reflect reduced office space and a 6 month rolling lease term. The lease agreement is subject to annual adjustment according to changes in the consumer price index. Right-of-use assets and lease liabilities are measured according to the amortised cost model, applying an incremental borrowing rate of 12% (2023: 12%). Nominal amounts of minimum lease payment for the non-cancellable operating leases are NOK 0.2 million (non-discounted contractual payments) per year-end 2024 (2023: NOK 0.5 million).

Payments for the principal portion of the lease liabilities are not charged to profit and loss and will only have cash flow effects.

Right-of-use asset - office lease	
Accumulated acquisition costs 01.01.2023	**3 151**
Adjustments FY2023	-56
Accumulated acquisition costs 31.12.2023	**3 095**
Additions FY2024	316
Accumulated acquisition costs 31.12.2024	**3 411**
Accumulated depreciation and impairment as of 01.01.2023	**2 447**
Depreciation FY 2023	352
Accumulated depreciation and impairment as of 31.12.2023	**2 799**
Depreciation FY 2024	303
Accumulated depreciation and impairment as of 31.12.2024	**3 103**
Total right-of-use assets – office lease as of 31.12.2023	**297**
Total right-of-use assets – office lease as of 31.12.2024	**310**

Lower of remaining lease term or economic life – 2023	1.0 years
Lower of remaining lease term or economic life - 2024	1.0 years
Depreciation method	Linear

Lease liabilities - office

Accumulated lease liabilities 01.01.2023	**770**
De-recognition during 2023	-56
Payments principal portion of the lease liability FY 2023	-442
Interest expenses on the lease liability FY 2023	47
Accumulated lease liabilities 31.12.23	**319**
Recognition during 2024	316
Payments principal portion of the lease liability FY 2024	-357
Interest expenses on the lease liability FY 2024	58
Total lease liabilities for office as of 31.12.2024	**336**
Whereof:	
Current lease liabilities < 1 year 2024 / 2023	336 / 319
Non-current lease liabilities > 1 year 2024 / 2023	0 / 0

The Group applies the short-term lease recognition exemption for leases related to office equipment and parking facilities at the office in Oslo. Lease payments for this category of leases are consequently charged directly through profit and loss.

Income statement effects leasing	**2024**	**2023**
Depreciation of right-of-use asset	-303	-352
Effect on Operating results net of tax	**-303**	**-352**
Interest expenses on the lease liabilities	-58	-47
Effect on Net financial result net of tax	**-58**	**-47**
Comprehensive income effect net of tax	**-361**	**-400**

The Group had total cash outflows related to leases of NOK 0.4 million in 2024 (2023: NOK 0.5 million).

25 GOING CONCERN

The financial statements for 2024 have been prepared under the going concern assumption in accordance with § 4-5 of the Norwegian Accounting Act (NAA).

The cash position at year-end 2024 is not expected to support the planned operations for the next twelve months. PCI Biotech has no external debt with financial covenants or material long-term debt. Current operations do not involve substantial long-term commitments for the Group, allowing flexibility for adjusting operational activities and the corresponding cash burn rate. The company will continue to explore financing and strategic opportunities to secure continued operations beyond the next twelve months from the date of this report. The capital market is foreseen to be used as a source of liquidity when this is appropriate, but no assurance can be made about PCI Biotech's ability to raise such financing. The uncertainty around access to financing indicates that a material uncertainty exists that may cast significant doubt on the Company's and the Group's ability to continue as a going concern.

26 SUBSEQUENT EVENTS

A total of 75,000 share options were allotted to Morten Luhr connected to his promotion to Chief Scientific Officer and member of the executive team in January 2025. The current authorisation to the Board of Directors, granted by the Annual General Meeting in May 2024, for the employee share option program allows for a total of 2,790,000 share options, of which 2.463.334 share options have been granted by the Board of Directors per date of this report.

PCI Biotech is not aware of any other subsequent events since year-end 2024 which are of material significance to the financial statements as of 31 December 2024.

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To the General Meeting of PCI Biotech Holding ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of PCI Biotech Holding ASA showing a loss of TNOK 35 263 in the financial statements of the parent company and a loss of TNOK 16 417 in the financial statements of the group. The financial statements comprise:

- the financial statements of the parent company PCI Biotech Holding ASA (the Company), which comprise the balance sheet as at 31 December 2024, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and

- the consolidated financial statements of PCI Biotech Holding ASA and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2024, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,

- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU, and

- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

We have been the auditor of PCI Biotech Holding ASA for 2 years from the election by the general meeting of the shareholders on 25 May 2023 for the accounting year 2023.

Material Uncertainty Related to Going Concern

We draw attention to Note 25 in the financial statement, as well as in the Board of Directors' report, which indicates that the Group's cash position at year-end 2024 is not expected to support the planned operations for the next twelve months. Note 25 disclose uncertainty regarding access to further capital for the next twelve months subsequent to the period end date 31 December 2024. This indicate that a material uncertainty exists that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no key audit matters to communicate in our report.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

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

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

Our opinion on the Board of Directors' report applies correspondingly to the statement on Corporate Governance and Corporate Social Responsibility.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of PCI Biotech Holding ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name pcibiotechholdingasa-2024-12-31-en, have been prepared, in all material respects, in compliance with with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

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

Management's Responsibilities

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

Auditor's Responsibilities

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

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

Oslo, 24 April 2025
RSM Norge AS

Marthe Lise Drolsum
State Authorised Public Accountant

OTHER INFORMATION

DEFINITIONS AND GLOSSARY

AAV:	Adeno associate virus
ATMP:	Advanced Therapy Medicine Product
CSR:	Corporate Social Responsibility
Fimaporfin:	Generic name of the photosensitiser active ingredient TPCS2a
IFRS:	International Financial Report Standards
NAA:	Norwegian Accounting Act
PCI:	Photochemical internalisation
PCL:	Photochemical lysis
PCIB:	PCI Biotech's ticker at Oslo Børs
R&D:	Research and Development

FINANCIAL CALENDAR

Ordinary annual general meeting	22 May 2025
First half 2025 interim report	29 August 2025

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FORWARD LOOKING STATEMENTS

This Report contains certain forward-looking statements relating to the business, financial performance and results of the Company and/or the industry in which it operates. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, and are sometimes identified by the words "believes", expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", and similar expressions. The forward-looking statements contained in this Report, including assumptions, opinions and views of the Company or cited from third party sources, are solely opinions and forecasts which are subject to risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that are expressed or implied by statements and information in the Report, including, among others, risks or uncertainties associated with the Company's business, segments, development, growth management, financing, market acceptance and relations with customers, and, more generally, general economic and business conditions, changes in domestic and foreign laws and regulations, taxes, changes in competition and pricing environments, and fluctuations in currency exchange rates and interest rates. None of the Company or any of its subsidiaries or any such person's directors, employees or advisors provide any assurance that the assumptions underlying forward-looking statements expressed in this Report are free from errors nor does any of them accept any responsibility for the future accuracy of such forward-looking statements.

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