BerGenBio

# INTERIM REPORT SECOND QUARTER AND HALF YEAR 2021

BerGenBio

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# Richard Godfrey
## Chief Executive Officer at BerGenBio
# CEO Statement

The first half of this year has seen BerGenBio continue to make progress with the ongoing Phase II clinical programme of our lead candidate bemcentinib, an AXL-inhibitor being explored in cancer and COVID-19.

As a Company, our primary strategic focus continues to be the development of bemcentinib as a potential cornerstone therapy for the treatment of aggressive cancers. We have continued to make progress, and during the period we were pleased to provide a number of significant updates from our ongoing trials in Acute Myeloid Leukaemia (AML) and Non-Small Cell Lung Cancer (NSCLC).

In June, BerGenBio published updated preliminary survival data from the ongoing Phase II study of bemcentinib (BGBC003) in combination with low dose cytarabine (LDAC) in elderly relapsed AML. The data, which was presented at the European Haematology Association (EHA) 2021 Virtual Meeting, demonstrated an increased clinical benefit in a subset of eleven relapsed AML patients, who received two or more cycles of the combination: a CR/CRi rate of 36% (4/11) was observed, and median survival more than double that of the current standard of care. These results are particularly encouraging given that relapsed AML patients, particularly those too weak to undergo aggressive chemotherapy, have very limited treatment options and a bleak prognosis. To see positive improvements in this group of patients is therefore very pleasing. We look forward to providing further updates in due course, with final patients to be recruited in the coming months.

Given the strong data obtained so far, we have continued our dialogue with EU and US regulators on the potential initiation of a pivotal registration trial for the combination of bemcentinib and LDAC in relapsed elderly AML patients unfit for intensive chemotherapy.

In terms of other regulatory progress, in June BerGenBio received US FDA fast track designation for bemcentinib in NSCLC in combination with a checkpoint inhibitor. This represents another significant milestone for us, as it is the first formal recognition by a regulator of AXL-positive patients as a targetable patient population. Fast track designation offers a number of additional benefits, including the opportunity for more frequent interactions with the regulator, as well as providing the potential for accelerated approval and priority review in due course.

In addition to our lead programmes in oncology, we remain hopeful that bemcentinib could play a role in the ongoing search for appropriate COVID-19 therapeutics. The need for effective therapeutic interventions against COVID-19 remains high and is driven by the continuous threat of new, potentially vaccine resistant strains of the virus.

# Richard Godfrey
## Chief Executive Officer at BerGenBio

# CEO Statement

We will continue to work closely with regulators, industry and Government agencies to establish the best course of action to continue the development of bemcentinib as a potential therapy against COVID-19. Post-period end in July, we were pleased to have shared additional data from our two Phase II COVID-19 trials at the prestigious European Congress of Clinical Microbiology & Infectious Diseases (ECCMID). The presentation provided an update from our ongoing open-label Phase II studies in South Africa and India (BGBC020) and the UK (ACCORD2).

A post-hoc analysis identified a sub-group of patients with more severe disease where there was evidence of a benefit from bemcentinib treatment. This sub-group represented more than 60% of the patients across the two studies. The data reported increased survival, a significantly reduced likelihood of progression to ventilation and a significantly increased likelihood of shorter time to recovery or discharge.

The result of the combined analysis underlines the potential for bemcentinib to treat a substantial portion of hospitalised COVID-19 patients, offering a survival benefit. These encouraging data also provide further demonstration of bemcentinib's novel mechanism of action against COVID-19, which appears to have efficacy independent of the SARS-CoV-2 spike protein, which could be significant with the emergence of new and potentially vaccine resistant variants of the virus.

We remain confident that bemcentinib could prove a valuable treatment option for patients severely affected by COVID-19 and reduce their need for ventilation for recovery. We'll continue to provide updates as our development activities to treat COVID-19 patients evolve.

For the second quarter and first half year 2021 we report increased operating expense and operational loss compared to previous periods. This is related to the COVID19 trials undertaken and is in line with the strategic development of our organisation and increased clinical trial activity. Our cash position at end of June 2021 was NOK 574.0 million.

With continuing interaction with regulators, positive clinical data, and a clear business strategy in place, we are looking forward to the year ahead. As always, I am grateful for the diligence, commitment and support of the BerGenBio team, as well as our collaborators and partners and I am grateful for the trust placed in us by patients and our shareholders. I look forward to sharing further updates from our ongoing programmes in the coming months.

**Richard Godfrey**
**CEO**

# Q2 2021 (including post-period end)

# HIGHLIGHTS

## COVID-19

**Update from Phase II trials assessing bemcentinib in hospitalised COVID-19 patients (April)**

- Data from BGBC020 and ACCORD2 showed bemcentinib was well tolerated by patients with no safety concerns
- In both studies there was a numerically lower number of deaths in the bemcentinib arm vs. standard of care (1 vs 5 and 2 vs 3 respectively)

**Pre-clinical COVID-19 data presented at Virtual Immunology Conference 2021 (May)**

- Data from preclinical COVID-19 study conducted by Professor Wendy Maury showed that SARS-CoV-2 utilizes TIM1 and AXL as key pathways for virus entry and that inhibition of AXL signalling by BerGenBio's selective inhibitor bemcentinib reduces infection

**Top line data from Phase II (BGBC020) trial assessing bemcentinib in hospitalised COVID-19 patients (May)**

- Post-hoc analysis identified more than 50% of patients with the most severe disease showed significant evidence of treatment effect by bemcentinib, although the primary end point did not achieve statistical significance.
- Data trial showed that bemcentinib has the potential to increase the rate ventilator free survival (90%) with bemcentinib treatment compared to SOC on its own (72%) in more than 50% of COVID-19 patients
- Overall in the combined studies, survival to day 29 was 96.5% (83 of 86 evaluable patients) in bemcentinib arm versus 91.0% (81 of 89) treated with SOC alone.
- Bemcentinib anti-viral mechanism of action supported by analysis
- Bemcentinib was well tolerated throughout

**Encouraging combined bemcentinib data from Phase II COVID-19 studies presented at ECCMID (July)**

- Data from BGBC020 and ACCORD2 showed increased survival of 96.6% in bemcentinib arm vs. 91.2% in standard of care arm
- Significantly reduced likelihood (69%) of progression to ventilation in higher severity cohort
- Significantly increased likelihood (88%) of shorter time to recovery or discharge in higher severity cohort
- Clinical evidence of anti-viral mechanism of action
- Preclinical analysis highlights bemcentinib's potential against COVID-19 variants

**COVID-19 data presented at The Annual American Society For Virology (July)**

- Presentation given by BerGenBio's collaborator, Mr. Dana Bohan, a PhD candidate from the University of Iowa, who outlined previously announced findings from preclinical studies conducted in the Lab of Professor Wendy Maury
- New data investigating bemcentinib against SARS-CoV-2 mutations showed that bemcentinib is also efficacious in preventing SARS-CoV-2 infection by carrying circulating mutations

## Non-Small Cell Lung Cancer

**FDA fast track designation received for bemcentinib / anti-PD-(L)1 combination in NSCLC (June)**

- Fast track designation received for the treatment of patients with AXL-positive advanced/metastatic non-small cell lung cancer (NSCLC)
- First recognition by a regulator of AXL-positive patients as a target population

# Q2 2021 (including post-period end) cont.

HIGHLIGHTS

## Acute Myeloid Leukaemia

**Encouraging updated preliminary data from Phase II relapsed AML study presented at EHA (June)**

- Preliminary survival data with bemcentinib more than doubles historic survival data with standard of care
- Durable responses were observed in the relapsed AML setting, with an overall response rate of 36% (4/11) and median overall survival not achieved at data cut off, but 12 month survival at 70%.

## Tilvestamab

**Preclinical bemcentinib and tilvestamab data presented at European Association of Urology 2021**

- Preclinical data from study investigating bemcentinib and tilvestamab in renal cell carcinoma (RCC) showed that both drugs prevented Gas-6-induced AXL phosphorylation *in vitro* and effectively prevented tumour growth in an orthotopic RCC xenograft model *in vivo*

# BUSINESS OVERVIEW

Q2

## Q2 Business Overview

The second quarter of 2021 saw continued progress with the Company's lead candidate, bemcentinib, with key data presented from ongoing clinical trials in COVID-19, NSCLC and AML.

The FDA fast-track designation for bemcentinib / anti-PD-(L)1 combination in AXL-positive NSCLC was a key milestone for the Company as this is the first time that a regulator has recognised AXL-positive patients as a target population.

The Company continues to focus its efforts on completing ongoing studies and is committed to continuing the progression of bemcentinib into late-stage clinical trials, through to regulatory approval.

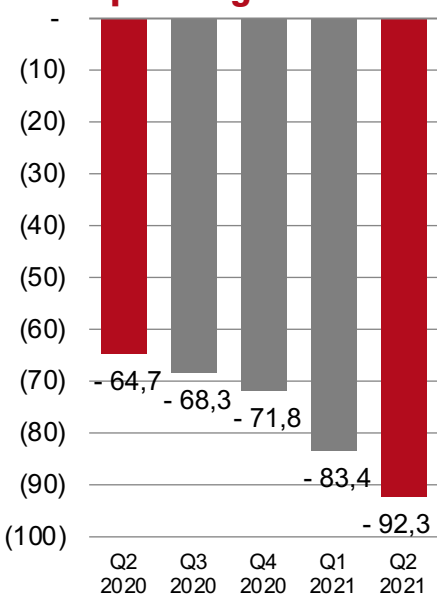
The organisation is evolving to meet the demands of late-stage clinical development, regulatory engagement, medical scientific affairs. Dr E. Gwyn Thomas has joined the team as interim Head of Clinical Development and Prof. Hani Gabra has transitioned to a part time position as Director of Clinical Development to focus on the scientific elements of clinical trial design and the important parallel translational research we are undertaking.

# Q2 2021 FINANCIAL HIGHLIGHTS

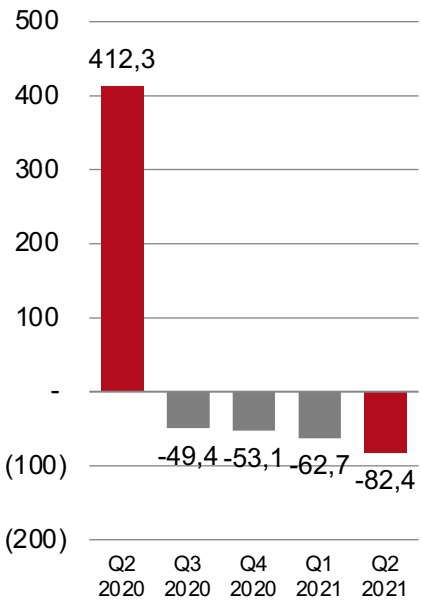
## Key financial figures

| (NOK million) | Q2 2021 | Q2 2020 | YTD 2021 | YTD 2020 | FY 2020 |
|---|---|---|---|---|---|
| Operating revenues | 0,0 | 0,0 | 0,0 | 0,0 | 0,6 |
| Operating expenses | 92,3 | 64,7 | 175,7 | 121,0 | 261,7 |
| Operating profit (-loss) | -92,3 | -64,7 | -175,7 | -121,0 | -261,1 |
| Profit (-loss) after tax | -88,9 | -67,3 | -170,1 | -115,8 | -257,0 |
| Basic and diluted earnings (loss) per share (NOK) | -1.02 | -0.86 | -1.94 | -1.59 | -3.43 |
| Net cash flow in the period | -82,4 | 412,3 | -144,2 | 571,3 | 468,8 |
| Cash position end of period | 574,0 | 828,4 | 574,0 | 828,4 | 721,6 |

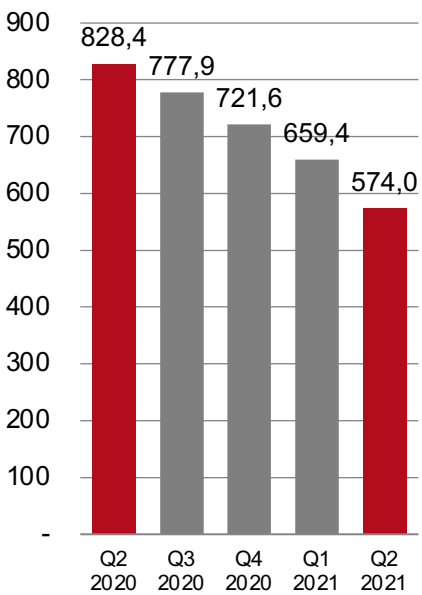
### Operating loss




### Cash flow




### Cash position



# OVERVIEW & R&D PIPELINE

## AML & MDS

### Acute Myeloid Leukaemia and Myelodysplastic syndromes

Bemcentinib is currently undergoing clinical development as a potential treatment for Acute Myeloid Leukaemia (AML) and Myelodysplastic syndromes (MDS). The US FDA has granted Fast Track Designation and Orphan Drug status for the treatment of AML.

Data published in June 2021 from the bemcentinib-LDAC combination study reported on a subset of eleven relapsed AML patients, who received two or more cycles of the combination. Amongst these patients, an increased clinical benefit was demonstrated with bemcentinib, with a CR/CRi rate of 36% (4/11), and median survival more than double that of the current standard of care. The data was later presented at the European Haematology Association (EHA) 2021 Virtual Meeting in May.

The Company is working closely with regulators to obtain alignment for a late stage registration trial that could lead to approval for bemcentinib as a second line treatment in AML.

## NSCLC

### Non-Small Cell Lung Cancer

Bemcentinib is also being investigated as a potential combination treatment to improve the effectiveness of immune checkpoint inhibitors (CPI) drugs in refractory NSCLC patients, clinical trial BGBC008, cohorts B and C continues with patient recruitment

BerGenBio was granted US FDA Fast Track Designation to treat AXL positive patients with advanced non-small cell lung cancer, in combination with a checkpoint inhibitor. This marks the first recognition by a regulator of AXL-positive patients as a targetable patient population. This designation has been granted for patients without actionable mutations, with disease progression on or after treatment with an anti-PD-(L)-1 agent, with or without chemotherapy as their first line of therapy.

## Infectious Disease

### COVID-19

BerGenBio has now completed two COVID-19 bemcentinib studies, with key data published at ECCMID in July. Data was presented from the UK ACCORD2 platform study, and BGBC020, BerGenBio's open-label Phase II study conducted in South Africa and India. Combined data from the total 179 patients enrolled showed encouraging survival benefit of 96.5% vs 91.2%, with fewer deaths within 29 days of enrolment in bemcentinib treated patients (1 of 30 and 2 of 58, 3.4%) versus standard of care (5 of 34 and 3 of 57, 8.8%), respectively.

A post-hoc analysis of the data from both studies identified a sub-group of patients with higher disease severity in whom evidence of a treatment benefit with bemcentinib was observed. Patients in the subgroup represented more than 60% of the patients in the combined study population. As well as increased survival, the data reported a significantly reduced likelihood (69%) of progression to ventilation and a significantly increased likelihood (88%) of shorter time to recovery or discharge.

We remain hopeful that bemcenitinib could play a role in global efforts to find a suitable therapeutic COVID-19 treatment. Further updates will be provided in due course.

## Other Cancer Indications

Clinical development continues in investigator led studies exploring bemcentinib's potential for the treatment of High Risk Myelodysplastic Syndromes, Glioblastoma, and relapsed malignant pleural mesothelioma. BerGenBio will provide further updates in due course.

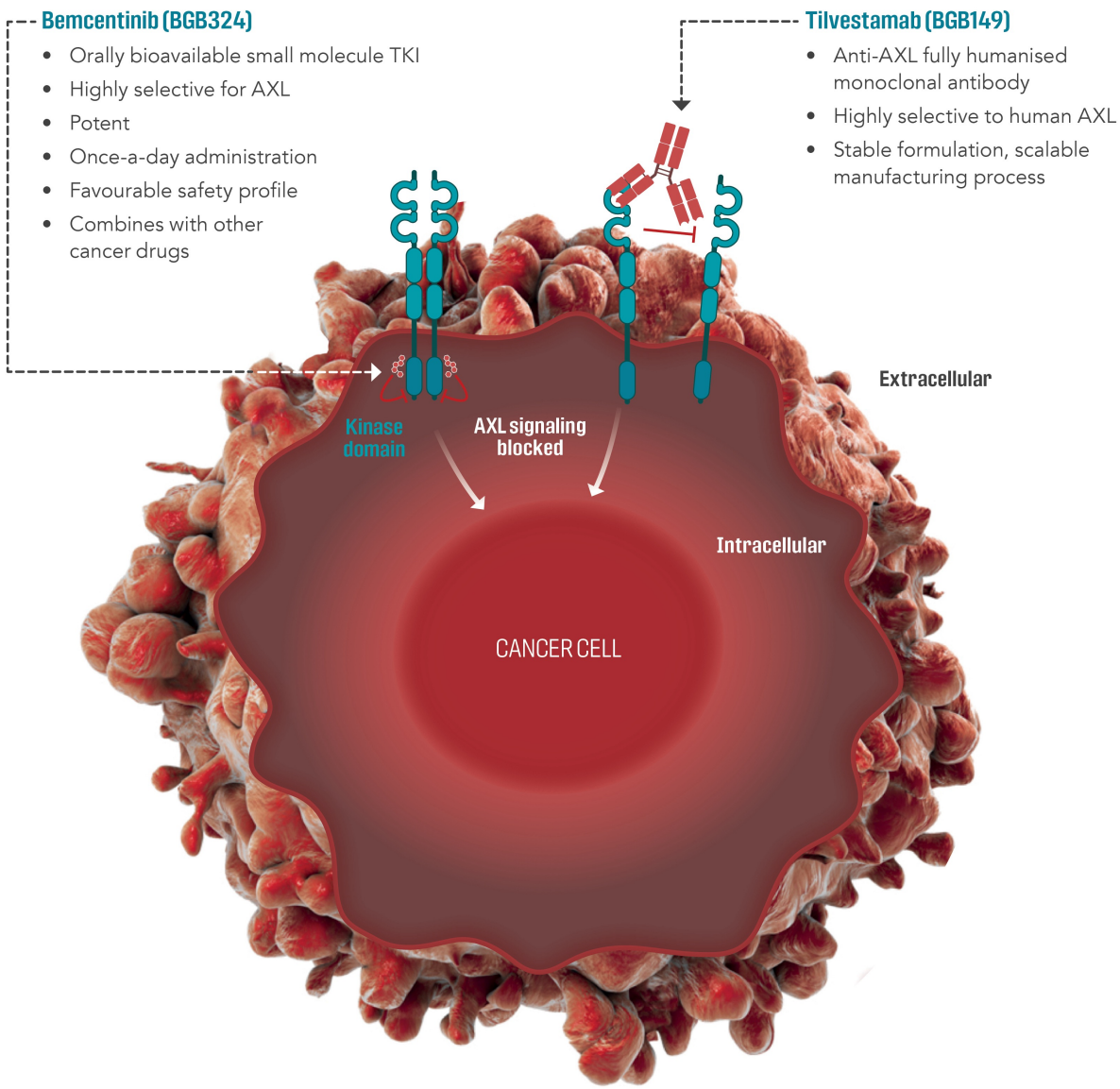
# BerGenBio's AXL expertise

BerGenBio is a world leader in understanding AXL biology and its role in mediating aggressive disease.

AXL is a cell surface receptor tyrosine kinase, that when upregulated in response to stress factors in the tumour microenvironment renders cancers highly aggressive, immune-evasive and resistant to therapy with conventional drugs. Furthermore, it has recently been discovered that AXL has a unique dual role in facilitating host cell entry by envelope viruses, including Sars-Cov-2, and dampening of the body's immune response to viral infection.

The Company has successfully translated its world-leading research of AXL's biological role and function into two first-in-class clinical development candidates: the highly selective, potent oral small molecule AXL inhibitor bemcentinib, and a novel, wholly-owned anti-AXL humanised functionally blocking monoclonal antibody (mAb): tilvestamab.

The ability to identify which patients may benefit most from treatment with a selective AXL inhibitor could be an important success factor in clinical trials, as well as for registration and later reimbursement of these novel drugs. This insight underpins BerGenBio's strategy of extensive biomarker discovery, and development of a companion diagnostic, in parallel to the clinical programme. Results obtained thus far in parallel to the Phase II programme with bemcentinib are encouraging and suggest bemcentinib could yield greater clinical benefit in patients that can be identified by these biomarkers and companion diagnostic tests.



# BerGenBio's pipeline

Bemcentinib's sponsored clinical development is focused on second line refractory lung cancer and relapsed acute myeloid leukaemia, and recently added a randomised study in COVID-19 patients. Further indications are being evaluated with a broad programme of Investigator-Sponsored-Trial (IST) in multiple oncology indications and COVID-19.

Tilvestamab, a wholly owned anti-AXL antibody and the company's second clinical candidate, has completed Phase Ia trial in healthy volunteers.

## Pipeline of sponsored clinical trials

| Candidate | Targeted Indication | Preclinical | Phase I | Phase II | Registrational |
|---|---|---|---|---|---|
| Bemcentinib monotherapy | Hospital COVID-19 patients | | | | |
| Bemcentinib monotherapy | >2L AML | | | | |
| | 2L MDS | | | | |
| Bemcentinib combination with LDAC | 2L AML | | | | |
| Bemcentinib combination with Pembrolizumab | 2L NSCLC chemo refractory | | Part 1 & 2 complete | | |
| | 2L NSCLC CPI refractory | | Part 1 recruitment completed | Part2 | |
| MERCK | 2L NSCLC CPI+chemo refractory | | Part 1 recruitment completed | | |
| Tilvestamab (BGB149) | Phase Ia / Ib | | Phase Ia complete | Ib | |

Ongoing Trial | Completed Trial

## Pipeline of Investigator Sponsored Trials (ISTs)

| Candidate | Targeted Indication | Phase I | Phase II | Registrational | Sponsor |
|---|---|---|---|---|---|
| Bemcentinib | COVID-19 | Monotherapy | | | Uni. Hospital Southampton/UKRI funded |
| | 2L AML | Monotherapy | | | European MDS Cooperative Group |
| | 2L HR-MDS | Monotherapy | | | European MDS Cooperative Group |
| | Recurrent Glioblastoma | Monotherapy | | | Sidney Kimmel Comprehensive Cancer Center at Johns Hopkins |
| | Relapse Mesothelioma | + pembrolizumab | | | University of Leicester / MERCK |
| | 1L Metastatic Melanoma | + pembrolizumab or +Dabrafenib/Trametinib | | | Haukeland University Hospital |
| | 2-4L Stage 4 NSCLC | + docetaxel | | | UT Southwestern Medical Center |
| | 1L metastatic or recurrent PDAC | + Nab-paclitaxel +Gemcitabine +Cisplatin | | | UT Southwestern Medical Center |

# STRATEGIC PRIORITIES & OUTLOOK

## Strategic Priorities

The Company acknowledges the challenges in the current times and remains committed to:

- Continuing to advance the bemcentinib clinical development programme towards late-stage clinical trials as a second line treatment in AML and NSCLC
- Developing companion diagnostics to potentially enrich future clinical trials and improve probability of regulatory success
- Progressing the clinical development of our anti-AXL monoclonal antibody tilvestamab (BGB149)
- Securing additional pipeline opportunities for the Company's AXL inhibitors in oncology and non-oncology indications including COVID-19
- Continuing to work closely with regulators in the EU and US to establish next steps

In retaining global rights to bemcentinib, BerGenBio maintains complete strategic flexibility for its future development and commercialisation. It is anticipated that the high novelty of bemcentinib plus its promising therapeutic profile, particularly in combination with existing therapies, could make it and future pipeline candidates attractive targets for partnering. A go-to market strategy may also be considered in selected indications in discrete territories, where greater value for shareholders could be created.

## Outlook

Looking ahead, the Board remains confident about the significant data being published from studies evaluating bemcentinib across the Company's lead programmes in oncology. We were delighted to receive US FDA fast track designation for bemcentinib for the treatment of AXL positive patients with advanced non-small cell lung cancer, in combination with a checkpoint inhibitor, which makes us eligible for accelerated approval and priority review, potentially enabling a faster route to bring this promising drug combination to patients.

In parallel with our promising oncology programmes, we also remain hopeful that bemcentinib could play a role as a therapeutic for the treatment of COVID-19 infection, particularly in the light of new and potentially vaccine resistant strains of the SARS-CoV-2 virus. We are discussing this interesting data from our two Phase II trials with regulators, Governments and industry partners, to inform our next steps.

Increasingly our route to first registration is becoming apparent as bemcentinib progress into late stage trials. The Company is engaged in discussions with regulators in the US and Europe to gain approval for late-stage registration trials for bemcentinib as a second line treatment for AML.

The Company remains well-funded, meaning it has a strong basis on which to grow.

We look forward to providing further updates to the market as we continue to progress our pipeline and work towards improving the lives of patients with serious diseases


## Risks and Uncertainties

The Group operates in a highly competitive industry sector with many large players and may be subject to rapid and substantial technological change. The long term impact of the COVID-19 crisis remains unclear although no greater for BerGenBio than any other business in the sector.

BerGenBio is currently in a development phase involving activities that entail exposure to various risks. BerGenBio's lead product candidate bemcentinib is currently in Phase II clinical trials. This is regarded as an early stage of development and the clinical studies may not prove to be successful. Timelines for completion of clinical studies are to some extent dependent on external factors outside the control of the Group, including resource capacity at clinical trial sites, competition for patients, etc.

The financial success of BerGenBio and / or its commercial partners requires obtaining marketing authorisation and securing an acceptable reimbursement price for its drugs. There can be no guarantee that the drugs will obtain the selling prices or reimbursement rates foreseen.

BerGenBio and / or its commercial partners will need approvals from the US Food & Drug Administration (FDA) to market its products in the US, and from the European Medicines Agency (EMA) to market its products in Europe, as well as equivalent regulatory authorities in other worldwide jurisdictions to commercialise in those regions. The future earnings are likely to be largely dependent on the timely marketing authorisation of bemcentinib for various indications.

# Financial Risks

## Interest rate risk

The Group holds cash and cash equivalents and does not have any borrowings. The Group's interest rate risk is therefore in the rate of return of its cash on hand. Bank deposits are exposed to market fluctuations in interest rates, which affect the financial income and the return on cash.

## Exchange rate risk

The value of non-Norwegian currency denominated costs will be affected by changes in currency exchange rates or exchange control regulations. The Group undertakes various transactions in foreign currencies and is consequently exposed to fluctuations in exchange rates. The exposure arises largely from the clinical trials and research expenses. The Group is mainly exposed to fluctuations in euro (EUR), pounds sterling (GBP) and US dollar (USD). The Group are holding part of the bank deposit in EUR, GBP and USD depending on the need for such foreign exchange.

The foreign currency exposure is also mostly linked to trade payables with short payment terms. The Group might consider changing its current risk management of foreign exchange rate if it deems it appropriate.

## Credit risk

Credit risk is the risk of counterparty's default in a financial asset, liability or customer contract, giving a financial loss. The Group's receivables are generally limited to receivables from public authorities by way of government grants. The credit risk generated from financial assets in the Group is limited since it is cash deposits. The Group places its cash in bank deposits in recognised financial institutions to limit its credit risk exposure.

The Group has not suffered any loss on receivables during 2021 and the Group considers its credit risk as low.

## Liquidity risk

Liquidity is monitored on a continued basis by Group management. The Group works continuously to ensure financial flexibility in the short and long term to achieve its strategic and operational objectives. Management considers the Group's liquidity situation to be satisfactory. The Group secured equity funding of NOK 220 million in January 2020, NOK 500 million in May 2020 and additional NOK 20 million in July 2020.

# Non-financial risks

## Technology risk

The Group's lead product candidate, bemcentinib, is currently in Phase II clinical trials and the Group's clinical studies may not prove to be successful.

## Competitive technology

The Group operates in a highly competitive industry sector with many large players and is subject to rapid and substantial technological change.

## Patent and IP risks

The success of the company will highly depend on the company's ability to obtain and maintain patent protection for its products, methods, processes and other technologies, to prevent third parties from infringing proprietary rights of the company and to operate without infringing the proprietary rights of third parties. To date, the company holds certain exclusive patent rights in major markets. The patent rights are limited in time. The company cannot predict the range of protection any patents will afford against competitors and competing technologies, including whether third parties will find ways to invalidate the patents, obtain patents claiming aspects similar to those covered by the company's patents and patents applications, and whether the company may be subject to litigation proceedings.

## Regulatory & Commercial risks

The financial success of the Group requires obtaining marketing authorisation and achieving an acceptable reimbursement price for its drugs. There can be no guarantee that the Group's drugs will obtain the selling prices or reimbursement rates foreseen by the Group. The Group will need approvals from the US Food and Drug Administration (FDA) to market its products in the US, and from the European Medicines Agency (EMA) to market its products in Europe, as well as equivalent regulatory authorities in other worldwide jurisdictions to commercialise in those regions. The Group's future earnings are likely to be largely dependent on the timely marketing authorisation of bemcentinib for various indications.

## Financial Results

(Figures in brackets = same period 2020 unless stated otherwise)

Revenue for the second quarter 2021 amounted to NOK 0.0 million (NOK 0 million) and for the first half year 2021 NOK 0 million (NOK 0 million).

Total operating expenses for the second quarter 2021 amounted to NOK 92.3 million (NOK 64.7 million) and for the first half year 2021 NOK 175.7 million (NOK 121.0 million).

Payroll and other employee related cost in the second quarter were NOK 16.1 million (NOK 12.4 million) and for the first half year 2021 NOK 30.6 million (NOK 22.8 million). The increase in Q2 2021 compared to Q2 2020 is related to the increased headcount as the Company prepares for the next phase of clinical trials, including transfer of contractors to permanent employees.

Employee share option costs in the second quarter were NOK 0.5 million (NOK 7.4 million) and for the first half year 2021 NOK 2.4 million (NOK 6.9 million). The decrease in Q2 2021 compared to Q2 2020 is a non-cash effect due to the reduction in social security tax provision on share options driven by a decrease in share price.

Other operating expenses amounted to NOK 75.4 million (NOK 44.7 million) for the second quarter and NOK 142.0 million (NOK 90.9 million) for the first half year 2021. Operating expenses are driven by the expansion of ongoing clinical trials and preparations for clinical trial launches.

The operating loss for the second quarter came to NOK 92.3 million (NOK 64.7 million) and for the first half year 2021 NOK 175.7 million (NOK 121.0 million), reflecting the level of activity related to the clinical trials BerGenBio is conducting.

Net financial items amounted to a profit of NOK 3.5 million (loss of NOK 2.6 million) for the second quarter related to foreign exchange rates. For the first half year 2021 the net financial items amounted to a profit of NOK 5.6 million (profit of NOK 5.1 million).

Losses after tax for the first quarter were NOK 88.9 million (NOK 67.3 million) and for the first half year 2021 NOK 170.1 million (NOK 115.8 million).

## Financial Position

Total assets at 30 June 2021 decreased to NOK 584.8 million (NOK 673.2 million at 31 March 2021) mainly due to the operational loss in the period.

Total liabilities were NOK 69.9 million at 30 June 2021 (NOK 73.9 million at 31 March 2021).

Total equity as of 30 June 2021 was NOK 514.9 million (NOK 599.3 million at 31 March 2021), corresponding to an equity ratio of 88% (89% at 31 March 2021).

## Cash Flow

Net cash flow from operating activities was negative by NOK 84.4 million in the second quarter (negative by 50.0 million) and NOK 154.3 million for the first half year 2021 (NOK 109.1 million), mainly driven by the level of activity in the clinical trials.

Net cash flow from investing during the second quarter was NOK 0.1 million (NOK 0 million) and for the first half year 2021 NOK 0.1 million (NOK 0.2 million).

Net cash flow from financing activities in second quarter 2021 was NOK 1.9 million (NOK 462.4 million) and for the first half year 2021 NOK 10.0 million (NOK 680.2 million). The variance year-on-year is related to the private placement completed in the first quarter 2020 at gross NOK 220.0 million and second quarter 2020 at gross NOK 500.0 million.

Cash and cash equivalents decreased to NOK 574.0 million by 30 June 2021 (NOK 659.4 by 31 March 2021 and NOK 828.4 by 30 June 2020).

The Board today considered and approved the condensed, consolidated financial statement of the six months ending 30 June 2021 for BerGenBio.

**Bergen 16 August 2021**

**Board of Directors and CEO of BerGenBio ASA**

Sveinung Hole, Chairman

Sally Bennett

Stener Kvinnsland

François Thomas

Debra Barker

Richard Godfrey, CEO

# RESPONSIBILITY STATEMENT

## Responsibility Statement

The board today consider and approved the condensed, consolidated financial statement for the six months ending 30 June 2021 for BerGenBio. The half year report has been prepared in accordance with IAS 34 Interim Financial Reporting as endorsed by the EU and additional Norwegian regulation.

We confirm, to the best of our knowledge that the financial statements for the period 1 January to 30 June 2021 have been prepared in accordance with current applicable accounting standards, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the entity and the group taken as a whole.

We also confirm that the Board of Directors' Report includes a true and fair view of the development and performance of the business and the position of the entity and the group, together with a description of the principal risks and uncertainties facing the entity and the group.

**Bergen, 16 August 2021**

**Board of Directors and CEO of BerGenBio ASA**

Sveinung Hole, Chairman

Sally Bennett

Stener Kvinnsland

François Thomas

Debra Barker

Richard Godfrey, CEO

# Condensed consolidated statement of profit and loss and other comprehensive income

| (NOK 1000) Unaudited | Note | Q2 2021 | Q2 2020 | YTD 2021 | YTD 2020 | FY 2020 |
|---|---|---|---|---|---|---|
| **Revenue** | | **0** | **0** | **0** | **0** | **601** |
| **Expenses** | | | | | | |
| Payroll and other related employee cost | 3, 10 | 16,136 | 12,429 | 30,628 | 22,797 | 48,832 |
| Employee share option cost | 3 | 466 | 7,426 | 2,414 | 6,887 | 11,346 |
| Depreciation | 2 | 335 | 196 | 670 | 392 | 726 |
| Other operating expenses | 6 | 75,368 | 44,668 | 142,013 | 90,879 | 200,788 |
| **Total operating expenses** | | **92,306** | **64,718** | **175 725** | **120,955** | **261,692** |
| **Operating profit (-loss)** | | **-92,306** | **-64,718** | **-175 725** | **-120,955** | **-261,091** |
| Finance income | | 4,570 | 3,525 | 8,938 | 12,032 | 19,499 |
| Finance expense | | 1,119 | 6 081 | 3,313 | 6,914 | 15,437 |
| **Financial items, net** | | **3,451** | **-2 557** | **5,625** | **5,118** | **4,062** |
| **Profit (-loss) before tax** | | **-88,855** | **-67,275** | **-170,099** | **-115,837** | **-257,029** |
| Income tax expense | | 0 | 0 | 0 | 0 | 0 |
| **Profit (-loss) after tax** | | **-88,855** | **-67,275** | **-170,099** | **-115,837** | **-257,029** |
| **Other comprehensive income** | | | | | | |
| Items which will not be reclassified over profit and loss | | 0 | 0 | 0 | 0 | 0 |
| **Total comprehensive income (-loss) for the period** | | **-88,855** | **-67,275** | **-170,099** | **-115,837** | **-257,029** |
| **Earnings per share:** | | | | | | |
| - Basic and diluted per share | 7 | **-1.02** | **-0.86** | **-1.94** | **-1,59** | **-3,43** |

BerGenBio

# Condensed consolidated statement of financial position

| (NOK 1000) Unaudited | Note | 30 JUN 2021 | 30 JUN 2020 | 31 DEC 2020 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Non-current assets** | | | | |
| Property, plant and equipment | | 1,833 | 582 | 2,332 |
| **Total non-current assets** | | **1,833** | **582** | **2,332** |
| Other current assets | 5, 8 | 8,909 | 15,434 | 14,228 |
| Cash and cash equivalents | | 574,033 | 828,386 | 721,641 |
| **Total current assets** | | **582,943** | **843,819** | **735,869** |
| **TOTAL ASSETS** | | **584,776** | **844,401** | **738,200** |
| **EQUITY AND LIABILITIES** | | | | |
| **Equity** | | | | |
| **Paid in capital** | | | | |
| Share capital | 9 | 8,796 | 8,673 | 8,726 |
| Share premium | 9 | 468,311 | 749,916 | 628,231 |
| Other paid in capital | 4, 9 | 37,786 | 29,336 | 33,272 |
| **Total paid in capital** | | **514,894** | **787,925** | **670,229** |
| **Total equity** | | **514,894** | **787,925** | **670,229** |
| **Non-current liabilities** | | | | |
| Long term debt | | 1,240 | 0 | 1,367 |
| **Total non-current liabilities** | | **1,240** | **0** | **1,367** |
| **Current liabilities** | | | | |
| Accounts payable | | 15,929 | 31,186 | 22,550 |
| Other current liabilities | | 50,274 | 19,806 | 38,046 |
| Provisions | | 2,439 | 5,485 | 6,008 |
| **Total current liabilities** | | **68,642** | **56,476** | **66,604** |
| **Total liabilities** | | **69,882** | **56,476** | **67,971** |
| **TOTAL EQUITY AND LIABILITIES** | | **584,776** | **844,401** | **738,200** |

# Condensed consolidated statement of changes in equity

| (NOK 1000) Unaudited | Note | Share capital | Share premium | Other paid in capital | Total equity |
|---|---|---|---|---|---|
| **Balance as of 1 January 2021** | | **8,726** | **628,231** | **33,272** | **670,229** |
| Loss for the period | | | -170,099 | | -170,099 |
| Other comprehensive income (loss) for the period, net of income tax | | | 0 | | 0 |
| **Total comprehensive income for the period** | | **0** | **-170,099** | **0** | **-170,099** |
| Recognition of share-based payments | 3, 4 | | | 4,514 | 4,514 |
| Issue of ordinary shares | 9 | 70 | 10,218 | | 10,288 |
| Share issue costs | | | -38 | | -38 |
| Transactions with owners | | 70 | 10,179 | 4,514 | 14,764 |
| **Balance as of 30 June 2021** | | **8,796** | **468,311** | **37,786** | **514,894** |

| (NOK 1000) Unaudited | Note | Share capital | Share premium | Other paid in capital | Total equity |
|---|---|---|---|---|---|
| **Balance as of 1 January 2020** | | **6,108** | **187,786** | **25,860** | **219,754** |
| Loss for the period | | | -115,837 | | -115,837 |
| Other comprehensive income (loss) for the period, net of income tax | | | 0 | | 0 |
| **Total comprehensive income for the period** | | **0** | **-115,837** | **0** | **-115,837** |
| Recognition of share-based payments | 3, 4 | | | 3,476 | 3,476 |
| Issue of ordinary shares | 9 | 2,565 | 718,256 | | 720,821 |
| Share issue costs | | | -40,289 | | -40 289 |
| Transactions with owners | | 2,565 | 677,967 | 3,476 | 684,008 |
| **Balance as of 30 June 2020** | | **8,673** | **749,916** | **29,336** | **787,925** |

BerGenBio

# Condensed consolidated statement of cash flow

| (NOK 1000) Unaudited | Note | Q2 2021 | Q2 2020 | YTD 2021 | YTD 2020 | FY 2020 |
|---|---|---|---|---|---|---|
| **Cash flow from operating activities** | | | | | | |
| Loss before tax | | -88,855 | -67,275 | -170,099 | -115,837 | -257,029 |
| Adjustments for: | | | | | | |
| Depreciation of property, plant and equipment | | 335 | 196 | 670 | 392 | 726 |
| Share-based payment expense | 3, 4 | 2,543 | 2,422 | 4,514 | 3,476 | 7,412 |
| Movement in provisions and pensions | | -2,325 | 5,004 | -3,569 | 3,411 | 3,934 |
| Currency gains not related to operating activities | | 2,935 | 3,361 | 3,372 | -3,542 | 710 |
| Net interest received | | -139 | 0 | -139 | -151 | -3,614 |
| Working capital adjustments: | | | | | | |
| Decrease in trade and other receivables and prepayments | | 2,748 | -1,830 | 5,319 | 384 | 1,590 |
| Increase in trade and other payables | | -1,668 | 8,082 | 5,587 | 2,763 | 11,982 |
| **Net cash flow from operating activities** | | **-84,426** | **-50 039** | **-154,346** | **-109,104** | **-234,290** |
| **Cash flows from investing activities** | | | | | | |
| Net interest received | | 139 | 0 | 139 | 151 | 3,614 |
| Purchase of property, plant and equipment | | 0 | 0 | 0 | 0 | -67 |
| **Net cash flow used in investing activities** | | **139** | **0** | **139** | **151** | **3,548** |
| **Cash flows from financing activities** | | | | | | |
| Proceeds from issue of share capital | 9 | 1,952 | 500,830 | 10,288 | 720,821 | 740,852 |
| Share issue costs | 9 | -23 | -38,378 | -38 | -40,289 | -40,760 |
| Repayment of lease liabilities | | -61 | -63 | -278 | -322 | -585 |
| **Net cash flow from financing activities** | | **1,868** | **462,389** | **9,972** | **680,211** | **699,507** |
| Effects of exchange rate changes on cash and cash equivalents | | -2,935 | -3,361 | -3,372 | 3,542 | -710 |
| Net increase/(decrease) in cash and cash equivalents | | -82,419 | 412,350 | -144,236 | 571,257 | 468,765 |
| Cash and cash equivalents at beginning of period | | 659,388 | 419,397 | 721,641 | 253,586 | 253,586 |
| **Cash and cash equivalents at end of period** | | **574,033** | **828,386** | **574,033** | **828,386** | **721,641** |

# SELECTED NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

# Note 1

## Corporate information

BerGenBio ASA ("the Company") and its subsidiary (together "the Group") is a clinical stage biopharmaceutical company focused on developing novel medicines for aggressive diseases, including advanced, treatment-resistant cancers and COVID-19.

BerGenBio ASA is a limited public liability company incorporated and domiciled in Norway. The address of the registered office is Jonas Lies vei 91, 5009 Bergen, Norway.

The condensed interim financial information is unaudited. These interim financial statements cover the six-months period ended 30 June 2021 and were approved for issue by the Board of Directors on 16 August 2021.

# Note 2

## Basis for preparation and significant accounting policies

**Basis for preparation and significant accounting policies**

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2020.

The new and amended standards and interpretations from IFRS that were adopted by the EU with effect from 2021 did not have any significant impact on the reporting for Q2 2021.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

**Basis for consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as of 30 June 2021. The subsidiary is BerGenBio Limited, located in Oxford in the United Kingdom and is 100% owned and controlled by the parent company BerGenBio ASA.

**Estimates and assumptions**

Preparation of the accounts in accordance with IFRS requires the use of judgment, estimates and assumptions that have consequences for recognition in the balance sheet of assets and liabilities and recorded revenues and expenses. The use of estimates and assumptions are based on the best discretionary judgment of the Group's management. The Group works continuously to ensure financial flexibility in the short and long term to achieve its strategic and operational objectives.

Capital markets are used as a source of liquidity when this is appropriate and when conditions in these markets are acceptable. A private placement and capital increase of gross NOK 220 million was completed in January 2020 and a private placement and capital increase of gross NOK 500 million was competed in May 2020. Cash position at end of Q1 2021 was NOK 659 million, and the Board of Directors has reasonable expectation that the Group will maintain adequate resources to continue in operational existence for the foreseeable future. The interim financial statements are prepared under the going concern assumption.

# Note 3

## Payroll and related expenses

| | | | First half year | |
|---|---|---|---|---|
| | Q2 2021 | Q2 2020 | 2021 | 2020 |
| Salaries | 13,597 | 10,036 | 25,713 | 18,712 |
| Social security tax | 1,544 | 1,826 | 3,166 | 3,071 |
| Pension expense | 1,153 | 748 | 2,062 | 1,394 |
| Short term incentive | 0 | 0 | 0 | 0 |
| Other remuneration and employee expenses | 220 | 104 | 445 | 208 |
| Government grants 1) | -378 | -285 | -758 | -588 |
| **Total payroll and other employee related cost** | **16,136** | **12,429** | **30,628** | **22,797** |
| | | | | |
| Share option expense employees | 2,543 | 2,422 | 4,514 | 3,476 |
| Change in accrued social security tax on share options | -2,077 | 5,004 | -2,100 | 3,411 |
| **Total employee share option cost** | **466** | **7,426** | **2,414** | **6,887** |
| | | | | |
| **Total employee benefit cost** | **16,603** | **19,854** | **33,042** | **29,684** |
| | | | | |
| Average number of full time equivalent employees | | | 46 | 36 |

1) See also note 5 for government grants

# Note 4

## Employee share option program

The Group has a Long Term Incentive Program for employees, an option scheme program. Each option gives the right to acquire one share in BerGenBio at exercise.

The Group has a share option program to ensure focus and align the Group's long term performance with shareholder values and interest. Most of the employees in the Group take part in the option program. The program also serves to attract and retain senior management.
The exercise price for options granted is set at the market price of the shares at the time of grant of the options. In general, for options granted after 2012 the options expire eight years after the date of grant.

Primarily the options vest annually in equal tranches over a three-year period following the date of grant.

| Total options | First half year 2021 | | First half year 2020 | |
|---|---|---|---|---|
| | Number of options | Weighted average exercise price | Number of options | Weighted average exercise price |
| Balance as of 1 January | 4,209,232 | 18,45 | 2,569,547 | 21,07 |
| Granted during the period | 1,379,871 | 28,55 | 2,026,663 | 15,00 |
| Exercised during the period | -702,772 | 14,64 | -102,500 | 11,15 |
| Forfeited and cancelled | -88,139 | 24,79 | -51,052 | 28,91 |
| **Balance as of 30 June** | **4,798,192** | **21,81** | **4,442,658** | **18,44** |

1,379,871 options were granted in first half year 2021 and 2,026,663 options were granted in first half year 2020.

| Vested options | First half year | |
|---|---|---|
| | 2021 | 2020 |
| Options vested as of 1 January | 1,887,201 | 1,701,981 |
| Exercised and forfeited in the period | -730,695 | -22,370 |
| Vested in the period | 847,160 | 155,263 |
| **Options vested as of 30 June** | **2,003,666** | **1,834,874** |
| Total outstanding number of options | 4,798,192 | 4,442,658 |

The options are valued using the Black-Scholes model.

The risk free interest rates are based on rates from Norges Bank and Oslo Børs on the Grant Date (bonds and certificates) equal to the expected term of the option being valued. Where there is no exact match between the term of the interest rates and the term of the options, interpolation is used to estimate a comparable term.

The vesting period is the period during which the conditions to obtain the right to exercise must be satisfied. The Group has estimated an expected vesting date and this date is used as basis for the expected lifetime. The Group expects the options to be exercised earlier than the expiry date. For Options granted earlier than 2014, the mean of the expected vesting date and expiry date has been used to calculate expected lifetime due to the lack of exercise pattern history for the Group and experience from other companies in combination with the relatively long lifetime of these options (up to 8 years).

For valuation purposes 66,54 % expected future volatility has been applied

For the first half year the value of the share options expensed through the profit or loss amounts to NOK 4.5 million (for the same period in 2020: NOK 3.5 million). In addition, a change in provision for social security contributions on share options of NOK - 2.1 million (for the same period in 2020: NOK 3.4 million). The provision for social security contribution is calculated on the difference between the share price and exercise price on exercisable option at the end of the period.

## Members of management participating in the option program

| Option holder | Position | Number of options outstanding 30 June 2021 | Weighted Average Strike Price 2021 | Number of options outstanding 30 June 2020 | Weighted Average Strike Price 2020 |
|---|---|---|---|---|---|
| Richard Godfrey | Chief Executive Officer | 1,684,978 | 20.89 | 1,542,617 | 19.31 |
| Rune Skeie | Chief Financial Officer | 297,097 | 22.71 | 242,757 | 21.40 |
| James Barnes | Director of Operations | 301,522 | 19.85 | 237,400 | 17.50 |
| Hani Gabra | Director of Clinical Development | 208,000 | 15.00 | 208,000 | 15.00 |
| Gro Gausdal | Director of Research & Bergen Site Leader | 175,359 | 21.84 | 143,376 | 20.34 |
| Endre Kjærland | Associate Director of IP and Contracts | 161,577 | 22.90 | 130,525 | 21.56 |
| Alison Messom | Director of Clinical Operations | 169,068 | 19.89 | 108,000 | 15,00 |
| | | **2,997,601** | | **2,612,675** | |

## Government grants

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

| | Q2 2021 | Q2 2020 | YTD 2021 | YTD 2020 |
|---|---|---|---|---|
| Employee benefit expenses | 378 | 285 | 758 | 588 |
| Other operating expenses | 578 | 2,812 | 1,153 | 5,610 |
| **Total** | **955** | **3,097** | **1,910** | **6,198** |

Grants **receivable** as of 30 June are detailed as follows:

| | 30 Jun 2021 | 30 Jun 2020 |
|---|---|---|
| Grants from Research Council, BIA | 378 | 1,272 |
| Grants from Research Council, PhD | 259 | 0 |
| Grants from Innovasjon Norge | 0 | -272 |
| Grants from SkatteFunn | 4,750 | 10,408 |
| Grants R&D UK | 2,148 | 1,457 |
| **Total grants receivable** | **7,535** | **12,865** |

### BIA grants from the Research Council:

The Company currently has one grants from the Research Council, programs for user-managed innovation arena (BIA) in 2021. One additional grant ended in December 2020.

The BIA grant ("Investigator-Initiated Trials for AXL driven cancers with high unmet clinical need") totals to NOK 15.1 million and covers the period from February 2017 to January 2021. The Group has recognised NOK 0.0 million in Q2 2021 (Q2 2020: NOK 1.6 million) classified partly as reduction of payroll and related expenses and partly as a cost reduction of other operating expenses.

The BIA grant ("AXL as a therapeutic target in fibrosis; biology and biomarkers") has been awarded from 2019 and amount up to NOK 10.7 million. The Group has recognised NOK 1.1 million in Q2 2021 (Q2 2020: NOK 2.2 million) classified partly as reduction of payroll and related expenses and partly as a cost reduction of other operating expenses.

### PhD grants from the Research Council:

BerGenBio has been awarded two grants supporting industrial PhD's in 2020. The fellowship covers 50 % of the established current rates for doctoral research fellowships and an operating grant to cover up to 50 % of additional costs related to costly laboratory testing connected with the research fellow's doctoral work.
The Group has recognised NOK 0.8 million in Q2 2021 (Q2 2020: NOK .0 million) classified partly as reduction of payroll and related expenses and partly as a cost reduction of other operating expenses.

### Innovation Norway:

BerGenBio has been awarded a NOK 24 million (USD2.85m) grant from Innovation Norway to support the clinical development of BGB324 in combination with Merck & Co.'s KEYTRUDA® (pembrolizumab) in patients with advanced lung cancer.
The grant from Innovation Norway is an Industrial Development Award (IFU). The IFU program is directed to Norwegian companies developing new products or services in collaboration with foreign companies.
BerGenBio has by end of 2020 recognised and received the total grant of NOK 24 million. The grant may be withdrawn under certain circumstances.

### SkatteFunn:

R&D projects have been approved for SkatteFunn (a Norwegian government R&D tax incentive program designed to stimulate R&D in Norwegian trade and industry) for the period from 2018 until the end of 2020. The Company will apply for SkatteFunn from 2021 and recognise cost reduction if and when it is approved. The Group has recognised NOK 0.0 million in Q2 2021 (Q2 2020: NOK 2.4 million) classified partly as reduction of payroll and related expenses and partly as a cost reduction of other operating expenses.

### R&D tax grants UK:

BerGenBio Limited, a 100% subsidary of BerGenBio ASA, has been granted R&D tax grants in UK for 2017 and 2018. R&D grants are approved retrospect by application. Grants for 2017 and 2018 have been approved and received in 2019. Grants for 2019 approved and received in 2021. The Group has in 2019 recognised NOK 3.2 classified as reduction of payroll and related expenses for the years 2017, 2018 and 2019. The Group has in 2020 recognised NOK 2.9 classified as reduction of payroll and related expenses for the year 2020.

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BerGenBio

# Note 6 Other operating expenses

| | Q2 2021 | Q2 2020 | 2021 | First half year 2020 |
|---|---|---|---|---|
| Program expenses, clinical trials and research | 65,117 | 32,676 | 118,783 | 70,007 |
| Office rent and expenses | 608 | 572 | 995 | 1,129 |
| Consultants R&D projects | 3,674 | 5,943 | 7,823 | 10,066 |
| Patent and licence expenses | 2,030 | 2,490 | 4,074 | 3,453 |
| Other operating expenses | 4,516 | 5,798 | 11,490 | 11,834 |
| Government grants | -578 | -2 812 | -1,153 | -5,610 |
| **Total** | **75,368** | **44,668** | **142,013** | **90,879** |

# Note 7 Earnings per share

| | 2021 | First half year 2020 |
|---|---|---|
| Loss for the period (NOK 1,000) | -170,099 | -115,837 |
| Average number of outstanding shares during the year | 87,658,459 | 72,644,058 |
| **Earnings (loss) per share - basic and diluted (NOK)** | **-1.94** | **-1.59** |

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

# Note 8 Other current assets

| | 30 Jun 2021 | 30 Jun 2020 |
|---|---|---|
| Government grants | 7,535 | 12,865 |
| Refundable VAT | 163 | 285 |
| Prepaid expenses | 1,151 | 941 |
| Other receivables | 60 | 1,342 |
| **Total** | **8,909** | **15,434** |

# Note 9 Share capital and shareholder information

| As of 30 June | Number of shares | Nominal value (NOK) | Book value (NOK) |
|---|---|---|---|
| Ordinary shares 2021 | 87,962,755 | 0.10 | 8 796 275,50 |
| Ordinary shares 2020 | 86,725,805 | 0.10 | 8 672 580,50 |

| Changes in the outstanding number of shares | First half year 2021 | First half year 2020 |
|---|---|---|
| Ordinary shares at 1 January | 87,259,983 | 61,076,590 |
| Issue of ordinary shares | 702,772 | 25,649,215 |
| **Ordinary shares at 30 June** | **87,962,755** | **86,725,805** |

## Ownership structure 30 06 2021

| Shareholder | | Number of shares | % share of total shares |
|---|---|---|---|
| METEVA AS | | 23,798,564 | 27,1 % |
| INVESTINOR DIREKTE AS | | 7,270,780 | 8,3 % |
| FJARDE AP-FONDEN | | 3,215,510 | 3,7 % |
| SARSIA SEED AS | | 2,117,900 | 2,4 % |
| BERA AS | | 1,712,426 | 1,9 % |
| VERDIPAPIRFONDET NORDEA AVKASTNING | | 1,510,174 | 1,7 % |
| VERDIPAPIRFONDET NORDEA KAPITAL | | 1,504,740 | 1,7 % |
| VERDIPAPIRFONDET KLP AKSJENORGE | | 1,440,000 | 1,6 % |
| NORDNET LIVSFORSIKRING AS | | 1,289,775 | 1,5 % |
| SARSIA DEVELOPMENT AS | | 1,175,000 | 1,3 % |
| J.P. Morgan Bank Luxembourg S.A. | NOM | 1,088,228 | 1,2 % |
| VERDIPAPIRFONDET NORDEA NORGE PLUS | | 909,260 | 1,0 % |
| VERDIPAPIRFONDET NORDEA NORGE VERD | | 864,688 | 1,0 % |
| MOHN MARIT | | 850,000 | 1,0 % |
| MARSTIA INVEST AS | | 850,000 | 1,0 % |
| MOHN LOUISE | | 509,676 | 0,6 % |
| J.P. Morgan Bank Luxembourg S.A. | NOM | 430,541 | 0,5 % |
| Nordnet Bank AB | NOM | 404,360 | 0,5 % |
| ZAIM | | 377,490 | 0,4 % |
| RO INVEST AS | | 350,000 | 0,4 % |
| **Top 20 shareholders** | | **51,669,112** | **58,7 %** |
| Total other shareholders | | 36,293,643 | 41,3 % |
| **Total number of shares** | | 87,962,755 | 100,0 % |

The Board of Directors has been granted a mandate from the general meeting held on 19 March 2021 to increase the share capital with up to NOK 872,599.80 by subscription of new shares. The power of attorney was granted for the purpose of issuance of new shares in accordance with the Company's share incentive program and is valid until the earlier of the annual general meeting in 2022 and 30 June 2022. In April 2021 there was issued 66,173 new shares under this proxy at a nominal value of NOK 6,617.30. See note 4 for more information about the share incentive program and number of options granted.

The Board of Directors has been granted a mandate from the general meeting held on 19 March 2021 to increase the share capital with up to NOK 1,745,199.50 by subscription of new shares. The proxy is valid until the earlier of the annual general meeting in 2022 and 30 June 2022.

## Shares in the Group held by the management group

| | Position | Employed since | 30 Jun 2021 | 30 Jun 2020 |
|---|---|---|---|---|
| Richard Godfrey 1) | Chief Executive Officer | January 2009 | 21,005 | 21,005 |
| Endre Kjærland | Associate director Contracts and IP | July 2011 | 3,262 | 3,262 |
| **Total shares held by management** | | | **24,267** | **24,267** |

1) Richard Godfrey holds 21,005 shares in the Company as of 30 June 2021 through Gnist Holding AS.

## Shares in the Group held by members of the Board of Directors

| | Position | Served since | 30 June 2021 | 30 June 2020 |
|---|---|---|---|---|
| Sveinung Hole 1) | Chairman | September 2010 | 107,394 | 107,394 |
| Stener Kvinnsland | Board Member | February 2015 | 104,444 | 104,444 |
| **Total shares held by members of the Board of Directors** | | | **211,838** | **211,838** |

1) Sveinung Hole holds 104,444 shares in the Company through Svev AS, a wholly owned company of Sveinung Hole, and 2,950 shares directly.

# Note 10 Pension

BerGenBio ASA is required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon").
The Company has a pension scheme which complies with the Act on Mandatory company pensions.

# MEDICAL AND BIOLOGICAL TERMS

| | |
|---|---|
| ACCORD | Accelerating COVID-19 Research & Development |
| AML | Acute Myeloid Leukaemia. |
| Anti-AXL MAb | Anti-AXL Monoclonal antibody. A monoclonal antibody that recognises AXL and binds to the AXL receptor blocking its function. |
| Antibody | Proteins produced by the B Lymphocytes of the immune system in response to foreign proteins called antigens. Antibodies function as markers, biding to the antigen so that the antigen molecule can be recognized and destroyed. |
| ASCO | American Society of Clinical Oncology |
| ASH | American Society of Hematology |
| AXL | Cell surface expressed receptor tyrosine kinase, being an essential mediator of the EMT programme. AXL is up-regulated in a variety of malignancies and associated with immune evasion, acquired drug resistance and correlates with poor clinical prognosis. |
| Anti-AXL MAb | AXL Monoclonal antibody. A monoclonal antibody that recognises AXL and binds to the AXL receptor. |
| Anti-PD-1 | Agent that is used to inhibit the PD-1 receptor |
| Bemcentinib | BerGenBio's lead drug candidate; a highly selective inhibitor of AXL currently undergoing Phase Ib/II clinical trials in a range of aggressive cancers. |
| Biomarkers | A measurable indicator of some biological state or condition. More specifically, a biomarker indicates a change in expression or state of a protein that correlates with the risk or progression of a disease, or with the susceptibility of the disease to a given treatment. |
| cAXL | Composite AXL |
| CDx | Companion diagnostics |
| Checkpoint inhibitors | The immune system depends on multiple checkpoints to avoid overactivation of the immune system on healthy cells. Tumour cells often take advantage of these checkpoints to escape detection by the immune system. Checkpoint inhibitors, inhibit these checkpoints by "releasing the brakes" on the immune system to enhance an anti-tumour T-cell response. |
| Clinical Research | The research phases involving human subjects. |
| Clinical Trials | Clinical Trials are conducted with human subjects to allow safety and efficiency data to be collected for health inventions (e.g., drugs, devices, therapy protocols). There trials can only take place once satisfactory information has been gathered on the quality of the non-clinical safety, and Health Authority/Ethics Committee approval is granted in the country where the trial is taking place. |
| CPI | Immune checkpoint inhibitor |
| CR | Complete response |
| CRi | Complete response with incomplete recovery of peripheral counts |
| CRO | Contract research organisation. |
| Cytarabine | A chemotherapy agent used mainly in the treatment of cancers of white blood cells such as acute myeloid leukaemia (AML). |
| DCR | Disease control rate |
| Decitabine | A cancer treatment drug used for acute myeloid leukaemia (AML). |
| Docetaxel | A clinically well-established anti-mitotic chemotherapy medication that works by interfering with cell division. |
| EHA | European Hematology Association |
| Epithelial state | A state of the cell where the cells are stationary, typically forming layers and tightly connected and well ordered. They lack mobility tending to serve their specific bodily function by being anchored in place. |
| EGFR inhibitors | Epidermal growth factor receptor inhibitors. EGFRs play an important role in controlling normal cell growth, apoptosis and other cellular functions, but mutations of EGFRs can lead to continual or abnormal activation of the receptors causing unregulated EGFR inhibitors are either tyrosine kinase inhibitors or monoclonal antibodies that slow down or stop cell growth. |
| EMT | Epithelial-mesenchymal transition, a cellular process that makes cancer cells evade the immune system, escape the tumour and acquire drug resistant properties. |

| | |
|---|---|
| EMT inhibitors | Compounds that inhibit AXL and other targets that in turn prevent the formation of aggressive cancer cells with stem-cell like properties. |
| ESMO | European Society for Medical Oncology |
| FDA | Food and Drug Administration |
| Glioblastoma | Is the most aggressive of the gliomas, a collection of tumours arising from glia or their precursors within the central nervous system. Gliomas are divided into four grades, grade 4 or glioblastoma multiforme (GBM) is the most aggressive of these and is the most common in humans. |
| HR-MDS | High Risk Myelodysplastic Syndromes |
| IHC | Immunohistochemistry |
| In vivo | Studies within living organisms. |
| In vitro | Studies in cells in a laboratory environment using test tubes, petri dishes etc. |
| LDAC | Low-dose chemotherapy |
| MAb | Monoclonal antibodies. Monospecific antibodies that are made by identical immune cells that are all clones of a unique parent cell, in contrast to polyclonal antibodies which are antibodies obtained from the blood of an immunized animal and thus made by several different immune cells. |
| MDS | Myelodysplastic Syndrome |
| Mesenchymal state | A state of the cell where the cells have loose or no interactions, do not form layers and are less well ordered. They are mobile, can have invasive properties and have the potential to differentiate into more specialised cells with a specific function. |
| Mesenchymal cancer cells | Cancer cells in a mesenchymal state, meaning that they are aggressive with stem-cell like properties. |
| Metastatic cancers | A cancer that has spread from the part of the body where it started (the primary site) to other parts of the body. |
| Myeloid leukaemia | A type of leukaemia affecting myeloid tissue. Includes acute myeloid leukaemia (AML) and chronic myelogenous leukaemia. |
| NSCLC | Non-small cell lung cancer. |
| ORR | Overall response rate |
| PDAC | Pancreatic ductal adenocarcinoma is the most common type of pancreatic cancer and a notoriously lethal disease |
| PD-1 | Programmed death 1 |
| PD-L1 | Programmed death-ligand 1 |
| PFS | Progression-free survival |
| Phase I | The phase I clinical trials where the aim is to show that a new drug or treatment, which has proven to be safe for use in animals, may also be given safely to people. |
| Phase Ib | Phase Ib is a multiple ascending dose study to investigate the pharmacokinetics and pharmacodynamics of multiple doses of the drug candidate, looking at safety and tolerability. |
| Phase II | The phase II clinical trials where the goal is to provide more detailed information about the safety of the treatment and its effect. Phase II trials are performed on larger groups than in Phase I. |
| Phase III | In the phase III clinical trials data are gathered from large numbers of patients to find out whether the drug candidate is better and possibly has fewer side effects than the current standard treatment. |
| PR | Partial Response |
| Receptor tyrosine kinase | High-affinity cell surface receptors for many polypeptide growth factors, cytokines and hormones. Receptor tyrosine kinases have been shown not only to be key regulators of normal cellular processes but also to have a critical role in the development and progression of many types of cancer. |
| RECIST | Response Evaluation Criteria In Solid Tumors, a set of published rules that define when cancer patients improve ("respond"), stay the same ("stable") or worsen ("progression") during treatments. |
| R/R | Relapsed/Refractory |
| Sars-Cov-2 | Severe acute respiratory syndrome coronavirus 2 |
| sAXL | Soluble AXL |
| SITC | Society for Immunotherapy of Cancer |
| SOC | Standard of care |
| Small molecule | A small molecule is a low molecular weight (<900 Daltons) organic compound that may help regulate a biological process, with a size on the order of $10^{-9}$m. |
| Tilvestamab | Former BGB149, BerGenBio's AXL inhibitor antibody, currently completed Phase 1a. |
| UKRI | UK Research and Innovation |
| WCLC | World Conference on Lung Cancer |

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