



# First half year results 2023

24 August 2023

# About Circio

Circio Holding ASA (OSE: CRNA) is a biotechnology company developing novel circular RNA and immunotherapy medicines.

Circio has established a unique circular RNA (circRNA) platform to develop novel circRNA medicines for cancer, vaccines, rare disease, protein replacement therapy and cell therapy. The proprietary circVec technology is based on a modular genetic cassette design for efficient biogenesis of multifunctional circRNA that can be deployed for many purposes. The most advanced concept, circAde, builds on the company's validated adenovirus platform to deliver circRNA for durable expression of therapeutic proteins directly into cancer cells. This unique approach is the only currently known circRNA program capable of targeting solid tumors. The circVec platform has broad potential applications, and Circio's strategy is to generate one or more lead candidates for in house development in specific disease indications and in parallel seek partnerships for other technical applications and therapeutic areas. The circRNA R&D activities are being conducted by the wholly owned subsidiary Circio AB based at the Karolinska Institute in Stockholm, Sweden.

In addition to Circio's circRNA program, the Company's clinical stage immunotherapy programs are designed to activate the patient's own immune system to fight cancer cells and provide benefit to patients with no or few treatment alternatives. ONCOS-102 has demonstrated an excellent safety profile, strong immune responses and clinical efficacy in several cancer types in Phase 1/2 studies, both as monotherapy and in combinations with checkpoint inhibitors or standard-of-care chemotherapy. A phase 2 trial to confirm the therapeutic activity of ONCOS-102 in melanoma patients resistant to PD-1 checkpoint inhibitor treatment has been designed, and Circio is seeking external financing and/or partnerships to continue the clinical development.

Circio's second clinical stage program is an immunotherapy targeting KRAS driver mutations. TG01 has previously shown robust immune responses and encouraging clinical benefit in surgically resected pancreatic cancer and is currently being tested in two clinical trials in RAS-mutated pancreatic cancer and multiple myeloma in the USA and Norway. These studies are being run through academic collaborative networks, supported by prestigious research grants from Innovation Norway and the Norwegian Research Council, creating broad future optionality for the TG01 program at low cost to Circio.

## First half year presentation

The management will hold an online presentation 24 August 2023 at 10:00 CET.

The presentation will be webcast live and can be accessed [here](https://www.circio.com) and at [www.circio.com](https://www.circio.com).

## Upcoming conferences / events

28 August:	ABGSC Cancer Vaccine Seminar, Oslo
6-7 September:	RNA Leaders, Boston
24-27 October:	ESGCT Annual Meeting, Brussels
6-8 November:	Bio-Europe, Munich

## Upcoming data and milestones

2H23	Circular RNA program
	Pre-clinical <i>in vivo</i> data, expression durability
	Pre-clinical <i>in vivo</i> data, disease model
	Synthetic DNA vector technical proof-of-concept
1H24	KRAS cancer vaccine program
	TG01 clinical safety and immune response data

# First half year highlights

## Corporate

- o The company was rebranded as Circio, an innovator in next generation circular RNA therapeutics
- o A convertible bond facility with Atlas Special Opportunities was established, securing up to NOK 300 million in financing over three years
- o The organization was restructured to reflect the new strategic focus on circRNA, which will lead to significant payroll savings

## Circular RNA

- o Technical proof-of-concept was established for novel circVec vector types and designs, including demonstrating 15X extended half-life vs. mRNA in vitro
- o A patent application was filed for the circAde concept
- o Two circRNA posters were presented at the major oncology and gene therapy conferences AACR and ASGCT

## Mutant KRAS

- o The first patient was dosed with TG01 in the multiple myeloma study at Oslo University Hospital
- o The first patient was dosed with TG01 in the anti-PD-1 combination study in pancreatic cancer at Kansas University, USA

## Key figures

<i>Amounts in NOK thousands</i>	1H 2023	1H 2022	FY 2022
Total operating revenues			10 002
Total operating expenses	-72 519	-59 786	-503 593
Operating profit/loss	-72 519	-59 786	-493 591
Net financial items	-3 443	164	-1 737
Income tax	-	21	62 430
Net profit/loss	-75 962	-59 601	-432 898
Basic and diluted EPS (NOK/share)	-0.40	-0.32	-2.30
Net change in cash	-34 652	-55 884	-115 667
Cash and cash equivalents start of period	66 015	181 682	181 682
Cash and cash equivalents end of period	31 363	125 798	66 015

*The interim financial information has not been subject to audit*

# CEO statement

Circular RNA is a powerful new format for RNA therapeutics, and with our differentiated circVec platform we have a unique opportunity to take a leading role in this emerging space. We are rapidly building our technical capabilities to demonstrate the versatility and broad potential of our technology and put Circio in position to capture the significant potential of vector-delivered circRNA.

The momentum for circRNA has continued to build in 2023 with several new international company launches and major financings. The promise of circRNA lies in its improved chemical stability compared to mRNA, which has the potential to deliver enhanced and more durable protein expression and thereby replace mRNA as the preferred therapeutic RNA format. To capture this exciting opportunity, we have shifted our strategic focus to prioritize the circRNA platform over our legacy clinical stage immunotherapy programs. The corporate rebranding to Circio reflects this new prioritization and clearly signals our ambition to become a leader in the circRNA space.

Under the scientific leadership of circRNA discoverer and pioneer, Dr. Thomas Hansen, and CSO Dr. Victor Levitsky, we are retooling the organization to strengthen our circRNA research and technical development capabilities. We are continuing to build the circRNA science group at the Karolinska Institute in Stockholm and are currently establishing our own Circio-dedicated laboratories in the Huddinge hospital environment to increase our R&D capacity. Getting this team and infrastructure in place will allow us to broaden and accelerate the circRNA platform development, and we expect to be fully operational in our new facilities during the second half of the year. In parallel, as the clinical activities for the ONCOS-102 program have been scaled down, we have reduced our clinical development and manufacturing teams in Oslo and Helsinki, enabling a significant payroll cost reduction.

During the first half of the year, we achieved important technical milestones for our circVec circRNA expression system. Major progress has been made both in terms of enhancing the biogenesis rate and stability of our circRNAs, as well as adding novel features to our differentiated approach. The first set of *in vivo* experiments to validate the promising *in vitro* circVec data are currently ongoing, and results will be reported during the second half of the year. We expect that our unique DNA-based circVec expression system can significantly extend protein expression durability compared to both synthetic circRNA and mRNA approaches, and thereby become a potential game changer in rare genetic diseases. Demonstrating this advantage in mouse models is a key step to validate our circVec platform and highlight the benefit over synthetic RNA approaches, which we expect will attract strong interest from future partners and specialist investors.

A robust IP strategy has been devised to protect the circVec platform, and two core patent applications covering critical aspects of our proprietary vector-system have already been filed. Several new features and technical improvements have been established during the first half of 2023, and several additional patent filings are planned to further expand and strengthen our IP portfolio and establish Circio as the undisputed leader in vector-delivered circRNA therapeutics.

The upcoming first *in vivo* read-outs will be critical to understand how our technology performs in a real biological system and how it can be further optimized and deployed in disease contexts. I am very excited to lead Circio into this important period, where we have the opportunity to take a leading position in a new and promising area which is followed closely by the global pharmaceutical industry.



Erik Digman Wiklund  
Circio Group

# Development pipeline and newsflow

Trial run and co-financed by collaboration consortium

Product candidate	Preclinical		Phase 1	Clinical		Milestones
	Discovery	<i>In vivo</i> PoC		Phase 2	Phase 3 / pivotal	
circVec circRNA vector	Cancer gene therapy					<b>2H 2023</b> <i>In vivo</i> proof-of-concept data
	Vaccines					<b>2H 2023</b> <i>In vivo</i> proof-of-concept data
	Rare disease					<b>2H 2023</b> <i>In vivo</i> proof-of-concept data
ONCOS-102 mRNA vector <sup>1</sup>	PD-1 Resistant Melanoma Re-challenge combination w/aPD-1 & CTLA-4					<b>TBD 2024</b> Initiation of phase 2 trial (USA)
Mutant KRAS <sup>1</sup>	Pancreatic cancer & Multiple Myeloma TG01/QS-21 +/- anti-PD-1					<b>1H 2024</b> Safety and immune response data

## circRNA Platform

Circio is a leader in circRNA, an emerging area in RNA therapeutics. circRNA offers several advantages over mRNA, including substantially prolonged half-life and enhanced protein expression. circRNA co-discoverer and pioneer Dr Thomas B Hansen, Vice President and Head of Research at Circio, has established and is driving the Company's circRNA program. The scientific team is located at the Karolinska Institute in Stockholm and is being expanded to build new technical capabilities.

Circio has a unique, proprietary approach to circRNA expression and delivery, circVec. circVec is a vector system designed for efficient *in situ* circRNA expression which has broad technical applicability and potential use in multiple disease areas. circVec offers several advantages over synthetic circRNA approaches, including manufacturing, scalability and stability, which are being explored in rare disease, cancer gene therapy and vaccines. To date, technical proof-of-concept (PoC) has been established for the circVec approach, key patent applications covering the core design elements of the

circVec concept have been filed. Circio is now aiming to further enhance the system and demonstrate its versatility in a variety of set-ups of different applications. The first set of *in vivo* experiments are ongoing, and expected to generate data for rare disease, oncology and vaccination applications during the second half of 2023.

Following generation of *in vivo* PoC data, Circio aims to explore the potential of circVec in various therapeutic areas and subsequently proceed towards target selection and lead candidate design and testing. Circio plans to develop future circRNA candidates both for in-house development, as well as through partnering with pharmaceutical companies.

## ONCOS-102 in PD1- refractory advanced melanoma

PD-1 CPI refractory advanced melanoma is a major unmet medical need affecting up to 25,000 patients per year globally in the major markets. The diagnosis has poor prognosis and there are currently no approved treatment options available.

In a phase 1 trial, ONCOS-102 demonstrated a response rate (ORR) of 35% in combination with a PD-1 CPI. Importantly, the strong ORR outcome was corroborated by shrinkage of non-injected lesions and biomarker data showing significant increase in T-cell infiltration and broad and persistent activation of immune-related gene signatures in responding patients.

Phase 2 study currently on hold

Based on the promising early clinical results, Circio designed a phase 2 multi-cohort study to further explore and validate the benefit of ONCOS-102 in PD-1 CPI refractory melanoma. The phase 2 study protocol received FDA approval to proceed. The study may be initiated during 2024, subject to additional financing and/or support from partnerships. The planned study would be a clinical collaboration with partner Agenus, where ONCOS-102 will be combined with anti-PD-1 checkpoint inhibitor balstilimab and the class-leading Fc-enhanced CTLA-4 antibody botensilimab.

## Mutant KRAS platform

The mutant KRAS program is centered around the polyvalent TG vaccines, which cover up to eight different KRAS mutations. Oncogenic KRAS mutations drive around 30% of all cancers and are considered highly attractive targets in cancer drug development. In a previous phase 1 trial, Circio showed a 6-month survival benefit over standard of care chemotherapy in surgically resected pancreatic cancer patients for lead candidate TG01. Based on these promising early data and high unmet medical need, TG01 has attained Orphan Drug Designation in pancreatic cancer in both the US and Europe.

Circio has a clinical supply agreement with Agenus to utilize their proprietary vaccine adjuvant QS-21 STIMULON as an immune-stimulatory component of the TG vaccines for

future development and commercialization. QS-21 has consistently demonstrated powerful antibody and cell-mediated immune responses both in cancer trials and commercially as a component of the Shingrix, Mosquirix and Arexvy vaccines. QS-21 should further potentiate the TG vaccines by driving stronger mutant RAS T-cell responses.

This new and enhanced vaccine approach is being tested in a phase 1/2 trial at Oslo University Hospital (OUS) evaluating TG01/QS-21 in RAS-mutated multiple myeloma (MM). The trial is sponsored and funded by OUS and supported by the research grants from Innovation Norway and the Norwegian Research Council. The trial is a collaboration between OUS and Circio and will test TG01 vaccination as a maintenance monotherapy in 20 KRAS or NRAS mutated MM patients who continue to have measurable disease after completion of SoC treatment. The first patient was dosed in June 2023.

In December 2022, Circio entered into a collaboration agreement with the University of Kansas Cancer Center (KU Cancer Center) and Agenus Inc. to run a clinical trial testing mutant RAS vaccine TG01 in combination with anti-PD1 checkpoint inhibitor balstilimab in pancreatic cancer following surgery and SoC chemotherapy. The trial is sponsored by KU Cancer Center and led by Dr. Anup Kasi, a leading expert in gastrointestinal cancers. Agenus provides balstilimab and the vaccine adjuvant QS-21 STIMULON™. TG01/QS-21 vaccination +/- balstilimab will be tested in 24 pancreatic cancer patients who have detectable disease by circulating tumor DNA analysis of blood samples following surgery and SoC. The first patient was dosed in March 2023.

## IPR / Market exclusivity

Our patent portfolio is designed to protect our drug candidates and includes different families of patents and patent applications covering drug compositions and relevant combination therapies. Following successful pre-clinical circRNA generation and design research, patent applications covering critical aspects of our circVec circRNA expression system and applications have been filed. Our research is ongoing, and we expect to file new patents to protect our circRNA platform as we progress.

## Experienced team

Circio has a strong senior management team with a versatile range of backgrounds from successful biotech companies and major global pharmaceutical companies, as well as management consulting and academic research. Due to the announced changes for ONCOS-102, the management team was adjusted to the new focus on preclinical research of circRNA.

### Management team

The management team as per 23 August 2023:

Name	Position
Erik Digman Wiklund	CEO
Lubor Gaal	CFO
Victor Levitsky	CSO
Thomas Birkballe Hansen	VP and Head of Research
Ola Melin	VP and Head of CMC
Margrethe Sørgaard	VP and Head of Clinical Development

### Board of Directors

As per 23 August 2023, the Board of Directors consists of experienced professionals with a broad range of complementary competencies: Damian Marron (Chairperson), Raphael Clynes, Bente-Lill Romøren, Sonia Quaratino, Robert Burns, Diane Mellett and Thomas Falck.

## Financial review

In February 2023, Circio announced that it has agreed the terms and conditions for a convertible bond facility with Atlas Special Opportunities ("Atlas") which will provide financing of up to gross NOK 300 million over three years. The agreement was approved by the extraordinary general meeting (EGM) of Circio in March 2023.

The financing will enable Circio to create shareholder value by supporting progress for its new circRNA platform and TG program:

- Generation of preclinical proof-of-concept data for Circio's unique circRNA program, an area of rapidly growing interest among big pharma and biotech companies as well as financial investors
- Supporting two clinical trials with the enhanced mutant RAS cancer vaccine TG01 led by major academic centers in Norway and the USA

The financing has been made available to Circio through an initial tranche of bonds with the total nominal value of NOK 37.5m after an EGM approval of the agreement on March 9, 2023. Thereafter, a second tranche of NOK 30m can be called and subsequent tranches of NOK 25m up to the total nominal value of NOK 300m, with at least three months between tranches. The management decides when and how many tranches are called upon over the 3-year agreement period, thereby ensuring flexible and predictable access to capital as required. For access to its capital over 3 years, Circio is paying Atlas a 2% fee (6m NOK) which was deducted from the first tranche.

Atlas will pay Circio a subscription price in cash equal to 92% of nominal value and thereby provide Circio with a total of up to NOK 276 million in net capital. Effectively, each convertible bond issued has an 8% fee. The bonds will not carry any interest and can be converted into shares at the discretion of Atlas at the Conversion Price, determined as 100 percent of the average volume weighted share price (VWAP) of three of the last 15 trading days preceding the bond conversion request by Atlas. When the share price is stable over 2 weeks, then the issuing price will be close to the share price on that issuing day. When the share price is increasing, then the issuing price will be lower as it is set by the lower price of the preceding 2 weeks. After conversion of any bond, each with a nominal value of 2.5m NOK, Atlas will sell the Circio shares in the market subject to



certain pre-defined volume restrictions. For instance, they can only sell up to 25 percent of the shares traded in any week. Circio retains the right to repurchase unconverted bonds at any time at 110 percent of nominal value. Any outstanding bonds will mature in full on the maturity date, 24 March 2026, and shall be converted to shares by Atlas, at the Conversion Price defined by the agreement.

The use of this convertible bond facility has dilutive effects as communicated in the EGM in March 2023. Atlas is not a long investor but is expected to sell the shares following each conversion of a bond. As of June 30, Atlas has converted 3 of the 15 bonds of the first tranche. A higher or increasing share price will help in reducing the dilution from each conversion. Circio is aware of the share price dynamics and plans to use it only when absolutely needed while management is seeking to secure new capital from specialist or long investors.

The Company's Board of Directors has in the first half 2023, in accordance with the authorization granted by the extraordinary general meeting in March 2023, resolved to increase the share capital with NOK 1 351 419.9 by the issuance of 13 514 199 new shares, each with a par value of NOK 0.10 in order to facilitate the conversion of convertible bonds.

## Financial results

(Figures in brackets = same period 2022 unless stated otherwise)

Total operating expenses for the first half of 2023 were NOK 72.5 million (NOK 59.8 million) and NOK 503.6 million for the full year 2022. The operating expenses are reported net of governmental grants which amounted to NOK 0.3 million in the first half 2023 (NOK 2.8 million) and NOK 4.8 for the full year 2022.

Research and development expenses were NOK 42.4 million (NOK 23.3 million) for the first half 2023 and NOK 47.2 million for the full year 2022. Research and development expenses were driven primarily by ONCOS-102 related development and manufacturing activities.

Payroll and other employee related costs were NOK 22.4 million in the first half 2023 (NOK 29.9 million) vs. NOK 52.2 million for the full year 2022. The decrease in personnel expenses in 2023 compared to 2022 are driven by one-off costs related changes in the management in the first half 2022.

Other operating expenses amounted to NOK 6.8 million (NOK 5.9 million) for the first half 2023 vs. NOK 11.5 million for the full year 2022.

The operating loss for the first half was NOK 72.5 million (NOK 59.8 million) vs. NOK 493.6 million for the full year 2022.

Net financial items amounted to a loss of NOK 3.4 million (profit of NOK 0.2 million) for the first half related to interest expenses on the Business Finland loans and the fee for the convertible bond agreement. For the full year 2022 the net financial items amounted to a loss of NOK 1.7 million.

Losses after tax for the first half were NOK 76.0 million (NOK 59.6 million) vs. NOK 495.9 million for the full year 2022.

## Financial position

As of June 30 2023, total assets decreased to NOK 49.9 million from NOK 100.4 million on 31 December 2022 mainly due to losses from operational activities.

As of 30 June 2023, total liabilities were NOK 121.6 million vs. NOK 97.8 million as of 31 December 2022.

As of 30 June 2023, total equity was negative NOK 71.7 million vs. positive NOK 2.6 million as of 31 December 2022, corresponding to an equity ratio of -143.6% (2.56% as of 31 December 2022). Circio is exploring strategic options and is in active discussion to address and reverse the current situation.



## Cash Flow

Net cash flow from operating activities was negative NOK 59.1 million in the first half of 2023 (negative 57.7 million) vs. negative NOK 108.8 million for the full year 2022, mainly driven by higher activities in research and development.

Net cash flow from investing activities was negative NOK 0.2 million in the first half 2023 (NOK 0 million) and negative NOK 4.9 million for the full year 2022, mainly due to the purchase of equipment.

Net cash flow from financing activities was positive NOK 24.7 million in first half 2023 (negative NOK 1 million) and negative NOK 4.3 million for the full year 2022, mainly due to the convertible bond and offset by interest paid to Business Finland. As of 30 June, the total outstanding interest-bearing debt to Business Finland amounted to EUR 6.2 million.

Cash and cash equivalents were NOK 31.4 million on 30 June 2023 vs. NOK 125.8 million on 30 June 2022 and NOK 66.0 million on 31 December 2022.

## Share information

By 18 August 2023 there were 202 091 771 shares outstanding, distributed between 6 343 shareholders. The 20 largest shareholders controlled 33.1% of the shares.

During the first half of 2023, Circio shares traded in the NOK 0.46 – 1.13 range. During the first half of 2023, approx. 117.8 million shares were traded, with an aggregate trading value of NOK 93.7 million.

The closing price on 30 June 2023 was NOK 0.57 per share, corresponding to a market value of NOK 115 million.

### The estimated share ownership on 18 August 2023:

Shareholder	Estimated	
	Shares million	Ownership
Høse AS	11.7	5.8 %
Nordnet Bank AB (nom.)	5.6	2.8 %
Bækkelaget Holding	5.5	2.7 %
Andreassen, Jon-Arild	5.2	2.6 %
Goldman Sachs Int (nom.)	5.2	2.6 %
Citibank, N.A.	5.1	2.5 %
RadForsk	4.4	2.2 %
Nordnet Livsforsikring	2.6	1.3 %
Danske Bank (nom.)	2.4	1.2 %
Vaktmestergruppen	2.2	1.1 %
10 largest shareholders	50.0	24.8 %
Other shareholders (6 333)	152.1	75.2 %
Total shareholders	202.1	100.0 %

## Risks and uncertainties

The Company's business is exposed to a number of general operational and financial risks which have been outlined in Circio's annual report 2022 as well as in the last prospectus, both available at [www.Circio.com](http://www.Circio.com). Circio currently relies on its convertible bond agreement with Atlas to fund its operations with new capital which is given in tranches when all condition precedents are met. These are described in the Atlas agreements made available prior to the EGM approval on March 9, 2023 and available at [Extraordinary General Meeting 2023 – Circio](#). In recent months, the low trading volume in Circio shares has made it problematic to operate the convertible bond agreements as originally foreseen. Atlas and Circio are engaged in discussions to modify the agreements in a manner that is mutually acceptable to address this issue. These changes will be presented for a shareholder vote in an Extraordinary General Meeting during September 2023. As earlier reported, Circio has no activities affected by the ongoing conflict in Ukraine.

## Outlook

The company is pursuing a robust and differentiated approach to deliver circRNA from DNA-based vector systems and has filed key patent applications to protect the platform. Given the strong interest for circRNA in the industry and the unique circVec concept, we believe Circio is in a strong position to attract partners and investors to broaden and accelerate development of the circRNA program in the future. The company aims to:

- Validate the versatility of the circVec expression system in various vector types
- Build a robust IP portfolio for vector-based circRNA expression and modular circRNA designs
- Explore the therapeutic potential of circVec in pre-clinical models in multiple disease settings
- Create a set of data and results to attract potential partners or investors to leverage our technology in other therapeutic areas, such as rare diseases, either alone or in partnership

In addition, the enhanced TG01 mutant RAS cancer vaccine is advancing in the clinic in externally sponsored studies in Europe and the USA, with the first data expected during 2024 and more data in 2025. A positive outcome from these studies can generate future options to form new partnerships for late stage development and commercialization.

Circio is in a strong position with multiple avenues to value creation and building a unique and differentiated pipeline that will deliver rich news flow as the Company moves forward.

## Responsibility statement

We confirm, to the best of our knowledge that the financial statements for the period 1 January to 30 June 2023 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.

Oslo, 23 August 2023

The Board of Directors of Circio Holding ASA

Damian Marron  
Chairperson of the Board

Sonia Quaratino  
Board Member

Thomas Falck  
Board Member

Raphael Clynes  
Board Member

Diane Mellett  
Board Member

Bente-Lill Romøren  
Board Member

Robert Burns  
Board Member

Erik Digman Wiklund  
CEO

# First half 2023 results

## Condensed consolidated statement of profit or loss

<i>Amounts in NOK thousands except per share data</i>	<i>Note</i>	Unaudited 1H 2023	Unaudited 1H 2022	FY 2022
Other revenues		-	-	10 002
Total revenue		-	-	10 002
Research and development expenses	3,4	-42 429	-23 293	-47 228
Payroll and related expenses	5,11	-22 351	-29 907	-52 238
Other operating expenses	3,4	-6 753	-5 905	-11 454
Depreciation, amortizations and write downs		-986	-681	-392 673
Total operating expenses		-72 519	-59 786	-503 593
Operating profit/ loss (-)		-72 519	-59 786	-493 591
Finance income		2 089	2 127	3 360
Finance expense		-5 531	-1 962	-5 097
Net finance income/ expense (-)		-3 443	164	-1 737
Loss before income tax		-75 962	-59 622	-495 328
Income tax income/ expense (-)		-	21	62 430
Loss for the period		-75 962	-59 601	-432 898
Earnings/ loss (-) per share				
Basic and dilutive earnings/loss (-) per share	10	-0.40	-0.32	-2.30

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

<i>Amounts in NOK thousands</i>	Unaudited 1H 2023	Unaudited 1H 2022	FY 2022
Income/ loss (-) for the period	-75 962	-59 601	-432 898
Items that may be reclassified to profit or loss:			
Exchange differences arising from the translation of foreign operations	-6 681	11 607	13 626
Total comprehensive income/ loss (-) for the period	-82 643	-47 994	-419 273

## Condensed consolidated statement of financial position

<i>Amounts in NOK thousands</i>	<i>Note</i>	Unaudited 30.06.2023	Unaudited 30.06.2022	31.12.2022
<b>ASSETS</b>				
Intangible assets		17	385 114	22
Property, plant, and equipment		5 494	87	5 035
Right-of-use asset		592	1 903	1 246
<b>Total non-current assets</b>		<b>6 104</b>	<b>387 103</b>	<b>6 302</b>
Receivables		12 471	11 383	28 097
Cash and cash equivalents		31 363	125 798	66 015
<b>Total current assets</b>		<b>43 834</b>	<b>137 181</b>	<b>94 112</b>
<b>TOTAL ASSETS</b>		<b>49 938</b>	<b>524 284</b>	<b>100 414</b>

<i>Amounts in NOK thousands</i>	<i>Note</i>	Unaudited 30.06.2023	Unaudited 30.06.2022	31.12.2022
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' equity</b>				
Share capital	9	20 209	18 847	18 847
Share premium reserve		6 149	-12	
Other reserves		64 652	61 244	63 780
Retained earnings		-199 633	249 688	-123 672
Translation differences		36 929	41 592	43 611
<b>Total equity</b>		<b>-71 695</b>	<b>371 359</b>	<b>2 566</b>
<b>Non-current liabilities</b>				
Interest-bearing liabilities	7	62 371	47 186	57 433
Deferred tax		-	61 429	
Lease liabilities		-	662	
<b>Total non-current liabilities</b>		<b>62 371</b>	<b>109 276</b>	<b>57 433</b>
<b>Current liabilities</b>				
Convertible bond		30 000	-	
Interest-bearing liabilities	7	5 044	11 751	4 531
Short-term lease liabilities		705	1 416	1 455
Trade payables		6 303	8 252	11 383
Accrued public charges		3 356	2 951	3 074
Other current liabilities		13 854	19 280	19 971
<b>Total current liabilities</b>		<b>59 262</b>	<b>43 649</b>	<b>40 415</b>
<b>TOTAL EQUITY AND LIABILITY</b>		<b>49 938</b>	<b>524 284</b>	<b>100 414</b>



## Condensed consolidated statement of changes in equity

<i>Amounts in NOK thousands</i>	<i>Note</i>	Share capital	Share premium	Other reserves	Translation differences	Retained earnings	Total equity
Balance at 31 December 2021		18 833	-	59 620	29 985	309 289	417 726
Loss for the period		-	-	-	-	-432 898	-432 898
Exchange differences arising from the translation of foreign operations		-	-	-	13 626	-	13 626
Other comprehensive income/loss, net of tax		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	13 626	-432 898	-419 273
Transaction costs – Acquisition of a subsidiary	9	-	-20	-	-	-	-20
Share issuance, employee share options & RSU's		15	5	-	-	-	20
Transaction costs – Share based payments		-	-47	-	-	-	-47
Recognition of share-based payments & RSU's		-	-	4 160	-	-	4 160
Reclassification of Share premium		-	62	-	-	-62	-
Balance at 31 December 2022		18 847	-	63 780	43 611	-123 672	2 566
Loss for the period		-	-	-	-	-75 962	-75 962
Exchange differences arising from the translation of foreign		-	-	-	-6 681	-	-6 681
Other comprehensive income/loss, net of tax		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-6 681	-75 962	-82 643
Share issuance, employee share options & RSU's	9	10	-	-	-	-	10
Transaction costs – share issuance employee share options &		-	-	-	-	-	-
Share issuance – Convertible bonds		1 351	6 149	-	-	-	7 500
Recognition of share-based payments & RSU's	11	-	-	872	-	-	872
Balance at 30 June 2023		20 209	6 149	64 652	36 929	-199 633	-71 695

## Condensed consolidated statement of cash flow

Amounts in NOK thousands	Note	Unaudited		
		1H 2023	1H 2022	FY 2022
Cash flow from operating activities				
Loss before income tax		-75 962	-59 622	-495 328
Adjustments for:				
Finance income		-2 089	-2 127	-3 360
Finance expense		5 531	1 962	5 097
Interest received		435	2	536
Other finance income/expense		497	-838	-247
Share option & RSU expense	11	872	1 625	4 160
Depreciation, amortizations and write downs		986	681	392 693
Change in receivables		21 090	-2 176	-18 890
Change in other current liabilities		-10 462	2 749	6 517
Net cash flow from/(used in) operating activities		-59 102	-57 744	-108 841
Cash flow from investing activities				
Purchases of property, plant, and equipment (PPE)		-193	-	-4 935
Purchases of intangible assets		-	-	-24
Net cash received from/(paid in) investing activities		-193	-	-4 959
Cash flow from financing activities				
Repayment of borrowings		-2 712	-	-2 086
Repayment of lease liabilities		-825	-756	-1 515
Interest paid	7	-244	-227	-680
Payment for share issue cost -Rights issue, Private Placement and repair offering		-	-	-20
Proceeds from convertible bond		37 500	-	-
Payment for convertible bond cost		-9 000	-	-
Proceeds from exercise of share options & RSUs		10	20	20
Payment for share issue cost – share options & RSUs		-	-17	-47
Net cash generated from/(paid in) financing activities		24 730	-980	4 328
Net increase/(decrease) in cash and cash equivalents		-34 565	-58 724	-118 129
Net exchange gain/loss on cash and cash equivalents		-87	2 840	2 462
Cash and cash equivalents at beginning of period		66 015	181 682	181 682
Cash and cash equivalents at end of period		31 363	125 798	66 015

# Notes

## 1. General information

Circio Holding ASA ("the Company") and its subsidiaries (together the Group) is a biotechnology company developing novel circular RNA and immunotherapy medicines.

Circio has established a unique circular RNA (circRNA) platform to develop novel circRNA medicines for cancer, vaccines, protein replacement for genetic disorders and cell therapy. The proprietary circVec technology is based on a modular genetic cassette design for efficient biogenesis of multifunctional circRNA from DNA-based vectors that can be deployed for multiple purposes. The most advanced therapeutic concept, circAde, builds on the company's experience in oncolytic viruses to use engineered adenoviruses for delivery of circRNA to cancer cells. This unique approach is the only currently known circRNA program targeting solid tumors. Circio's strategy is to develop novel circAde cancer medicines in-house and seek partnerships in other therapeutic areas to demonstrate the broad potential of the circVec platform and accelerate our circRNA pipeline development.

The circRNA R&D activities are being conducted by the wholly owned subsidiary Circio AB based at the Karolinska Institute in Stockholm, Sweden. The Company is a limited public liability company incorporated and domiciled in Norway and listed on the Oslo Stock Exchange in Norway. The address of the registered office is Vollsveien 19, 1366 Lysaker, Norway.

The condensed interim financial information is unaudited. These financial statements were approved for issue by the Board of Directors on 23 August 2023.

## 2. Accounting principles

The interim condensed consolidated financial statements for the Group are prepared using the same accounting principles and calculation methods as used for the statutory, annual financial statements 2022 for Circio Holding ASA.

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

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

### 2.1 Basis of preparation

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

### 2.2 Standards and interpretations in issue but not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2023 reporting period and have not been early adopted by the Group. These new standards and interpretations are assessed to be of no material impact for the Group in 2023.

### 2.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. As at 30 June 2023, Targovax Solutions AS located in Lysaker Norway, Targovax OY, located in Espoo, Finland, and Circio AB located in Stockholm, Sweden is 100% owned and controlled subsidiaries by Circio Holding ASA.

### 3. Research and development expenses

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

The following research and development expenditures have been expensed:

<i>Amounts in NOK thousands</i>	1H 2023		1H 2022		FY 2022	
	Total	of which R&D	Total	of which R&D	Total	of which
R&D expenses	42 429	42 429	23 293	23 293	47 228	47 228
Payroll and related expenses	22 351	12 921	29 907	15 318	52 238	26 399
Other operating expenses	6 753	142	5 905	135	11 454	246
Depreciation, amortizations and write downs	986	-	681	-	392 673	-
<u>Total operating expenses</u>	<u>72 519</u>	<u>55 492</u>	<u>59 786</u>	<u>38 746</u>	<u>503 593</u>	<u>73 873</u>

### 4. Government grants

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

The Group is awarded research grants of NOK 9.8 million from the Research Council of Norway and NOK 8.2 million from Innovation Norway, towards product and clinical development for the TG mutant KRAS cancer vaccine program. These grants are for the period 2022-2025.

For the first half 2023, the Group has recognized costs reductions of NOK 0.3 million related to the grant from the Research Council of Norway.

See note 8 Government grants in the Annual Report 2022 for more information about grants.

<i>Amounts in NOK thousands</i>	1H 2023	1H 2022	FY 2022
R&D expenses	286	2 217	3 759
Payroll and related expenses	56	576	1 021
Other operating expenses	-	19	35
<u>Total grants</u>	<u>342</u>	<u>2 812</u>	<u>4 815</u>

## 5. Payroll and related expenses

Total payroll and related expenses for the Group are:

<i>Amounts in NOK thousands</i>	1H 2023	1H 2022	FY 2022
Salaries and bonus <sup>1)</sup>	17 157	24 251	40 911
Employer's national insurance contributions	2 246	3 013	4 984
Share-based compensation <sup>2)</sup>	872	1 625	4 160
Pension expenses – defined contribution plan	1 860	1 217	2 518
Other	273	377	686
Governmental grants	-56	-576	-1 021
Total payroll and related expenses	22 351	29 907	52 238

1) Increased costs in 1H 2022 is mainly due to one-off costs related to changes in Management.

2) Share-based compensation has no cash effect.

	30.06.2023	30.06.2022	31.12.2022
Number of employees calculated on a full-time basis as at end of period	17.0	19,9	20,9
Number of employees as at end of period	17	20	21

## 6. Convertible bond

In February 2023, Circio announced that it has agreed the terms and conditions for a convertible bond facility with Atlas Special Opportunities ("Atlas") which will provide financing of up to gross NOK 300 million over three years. The agreement was approved by the extraordinary general meeting (EGM) of Circio in March 2023.

The financing will enable Circio to create shareholder value by supporting progress for its new circRNA platform and TG program:

- Generation of preclinical proof-of-concept data for Circio's unique circRNA program, an area of rapidly growing interest among big pharma and biotech companies as well as financial investors
- Supporting two clinical trials with the enhanced mutant RAS cancer vaccine TG01 led by major academic centers in Norway and the USA

The financing has been made available to Circio through an initial tranche of bonds with the total nominal value of NOK 37.5m after an EGM approval of the agreement on March 9, 2023. Thereafter, a second tranche of NOK 30m can be called and subsequent tranches of NOK 25m up to the total nominal value of NOK 300m, with at least three months between tranches. The management decides when and how many tranches are called upon over the 3-year agreement period, thereby ensuring flexible and predictable access to capital as required. For access to its capital over 3 years, Circio is paying Atlas a 2% fee (6m NOK) which was deducted from the first tranche.

Atlas will pay Circio a subscription price in cash equal to 92% of nominal value and thereby provide Circio with a total of up to NOK 276 million in net capital. Effectively, each convertible bond issued has an 8% fee. The bonds will not carry any interest and can be converted into shares at the discretion of Atlas at the Conversion Price, determined as 100 percent of the average volume weighted share price (VWAP) of three of the last 15 trading days preceding the bond conversion request by Atlas. When the share price is stable over 2 weeks, then the issuing price will be close to the share price on that issuing day. When the share price is increasing, then the issuing price will be lower as it is set by the lower price of the preceding 2 weeks. After conversion of any bond, each with a nominal value of

2.5m NOK, Atlas will sell the Circio shares in the market subject to certain pre-defined volume restrictions. For instance, they can only sell up to 25 percent of the shares traded in any week. Circio retains the right to repurchase unconverted bonds at any time at 110 percent of nominal value. Any outstanding bonds will mature in full on the maturity date, 24 March 2026, and shall be converted to shares by Atlas, at the Conversion Price defined by the agreement.

The use of this convertible bond facility has dilutive effects as communicated in the EGM in March 2023. Atlas is not a long investor but is expected to sell the shares following each conversion of a bond. As of June 30, Atlas has converted 3 of the 15 bonds of the first tranche. A higher or increasing share price will help in reducing the dilution from each conversion. Circio is aware of the share price dynamics and plans to use it only when absolutely needed while management is seeking to secure new capital from specialist or long investors.

The Company's Board of Directors has in the first half 2023, in accordance with the authorization granted by the extraordinary general meeting in March 2023, resolved to increase the share capital with NOK 1 351 419.9 by the issuance of 13 514 199 new shares, each with a par value of NOK 0.10 in order to facilitate the conversion of convertible bonds.

The 8% fee is recognized as finance expense in the statement of profit and loss at the issue date of the convertible bond, hence NOK 3 million was expensed in the first half of 2023 related to the first tranche of NOK 37.5 million.

NOK 6 million, the 2% fee of the loan facility of NOK 300 million, is recognized as a prepaid expense, classified as receivable in the statement of financial position. The fee is amortized over the three-year loan period and recognized as finance expense in the statement of profit and loss. In the first half of 2023 NOK 0.5 million of the 6 million was expensed.

## 7. Interest bearing debt

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

The Group has received three R&D loans, for the commercialization of ONCOS-102 from Business Finland under loan agreements dated September 2010, February 2012 and December 2013, respectively, in the total outstanding amount of NOK 67.4 million (EUR 5.8 million) as of 30 June 2023.

NOK 5.0 million (EUR 0.4 million) of the total debt NOK 67.4 million (EUR 5.8 million) was classified as a short-term loan as per 30 June 2023. The Group was granted an extension of the repayment-free period on the loan agreement dated December 2013.

Amortized interests amount to NOK 1.4 million for the first half 2023, and NOK 4.0 million during full year 2022. The amortized interest costs are included as finance costs in the statement of profit or loss.

No new Business Finland loans have been awarded during the first half of 2023.

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

Changes in liabilities arising from financing activities (Amounts in NOK thousands)	Interest-bearing liabilities Business Finland loans
Interest-bearing liabilities 31 December 2021	57 066
Cash flow from financing activities	-2 086
Exchange differences	-3 016
Additions to existing loans	-
Change to loan repayment schedules	-
Other transactions without cash settlement	3 968
Interest-bearing liabilities 31 December 2022	61 964
Cash flow from financing activities	-2 712
Exchange differences	6 777
Additions to existing loans	-
Change to loan repayment schedules	-
Other transactions without cash settlement	1 386
Interest-bearing liabilities 30 June 2023	67 415

See note 21 Interest-bearing debt in the Annual Report 2022 for more information about the Business Finland loans.



## 8. Fair value of financial instruments

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

<i>Amounts in NOK thousands</i>	1H 2023		1H 2022		FY 2022	
	Carrying amounts	Fair value	Carrying amounts	Fair value	Carrying amounts	Fair value
Receivables	7 007	7 007	11 383	11 383	28 097	28 097
Cash and cash equivalents	31 363	31 363	125 798	125 798	66 015	66 015
Total financial assets	38 370	38 370	137 181	137 181	94 112	94 112
Convertible bond	30 000	30 000	-	-	-	-
Interest-bearing borrowings	67 415	67 415	58 936	58 936	61 964	61 964
Lease liabilities	705	705	2 078	2 078	1 455	1 455
Trade payables	6 303	6 303	8 252	8 252	11 383	11 383
Total financial liabilities	104 423	104 423	69 266	69 266	74 803	74 803

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

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

As at 30 June 2023:

<i>Amounts in NOK thousands</i>	Level 1	Level 2	Level 3	Total
Convertible bond			30 000	30 000
Interest-bearing borrowings	-	-	67 415	67 415
Total financial instruments at fair value	-	-	97 415	97 415

As at

As at 30 June 2022:

<i>Amounts in NOK thousands</i>	Level 1	Level 2	Level 3	Total
Interest-bearing borrowings	-	-	58 936	58 936
Total financial instruments at fair value	-	-	58 936	58 936

As at 31 December 2022:

<i>Amounts in NOK thousands</i>	Level 1	Level 2	Level 3	Total
Interest-bearing borrowings	-	-	61 964	61 964
Total financial instruments at fair value	-	-	61 964	61 964

## 9. Share capital and number of shares

The Company's Board of Directors has in the first half 2023, in accordance with the authorization granted by the general meeting in May 2023, resolved to increase the share capital with NOK 10 378.90 by the issuance of 103 789 new shares, each with a par value of NOK 0.10 in order to facilitate the exercise of share options and RSUs. 103 789 RSUs were exercised at a subscription price of NOK 0.1 per share.

At the extraordinary general meeting (EGM) in March 2023, the EGM approved the convertible bond facility with Atlas Special Opportunities, LLC ("Atlas"). The Company's Board of Directors has in the first half 2023, in accordance with the authorization granted by the extraordinary general meeting in March 2023, resolved to increase the share capital with NOK 1 351 419.9 by the issuance of 13 514 199 new shares, each with a par value of NOK 0.10 in order to facilitate the conversion of convertible bonds.

The share capital as of 30 June 2023 is 20 209 177,1 (31 December 2022: 18 847 378,3) comprising 202 091 771 ordinary shares at nominal value NOK 0.10 (31 December 2022: 188 473 783 at NOK 0.10). All shares carry equal voting rights.

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

	1H 2023	1H 2022	FY 2022
Ordinary shares at beginning of	188 473 783	188 326 591	188 326 591
Share issuance – bond agreement	13 514 199		
Share issuance, employee share options and RSUs	103 789	147 192	147 192
Ordinary shares at end of period	202 091 771	188 473 783	188 473 783

The 20 largest shareholders are as follows at 30 June 2023:

Shareholder	# shares	%
Høse AS	11 491 253	5.7 %
Nordnet Bank AB (nom.)	5 602 732	2.8 %
Bækkelaget Holding	5 490 561	2.7 %
Andreassen, Jon-Arild	5 199 206	2.6 %
Goldman Sachs Int (nom.)	5 186 157	2.6 %
Citibank, N.A.	5 126 399	2.5 %
RadForsk	4 427 255	2.2 %
Nordnet Livsforsikring	2 613 400	1.3 %
Danske Bank (nom.)	2 427 113	1.2 %
Vaktmestergruppen AS	2 209 595	1.1 %
Ramsvik, Rune	2 000 000	1.0 %
Thorendahl Invest AS	2 000 000	1.0 %
Ragnvald Gabrielsen AS	1 955 912	1.0 %
Pettersen, Egil	1 908 391	0.9 %
Pettersen Gruppen AS	1 811 039	0.9 %
Skipperud, Arild Staxwold	1 700 000	0.8 %
Lunder, Kjell Olav	1 500 000	0.7 %
The Bank of New York Mellon SA/NV	1 454 974	0.7 %
Westerheim, Tor	1 437 500	0.7 %
Skotheim, Ole Andre	1 437 030	0.7 %
20 largest shareholders	66 978 517	33.1 %
Other shareholders (6 335)	135 113 254	66.9 %
Total shareholders	202 091 771	100.0 %

## Shareholdings Key Management

The following table provides the total number of shares owned by the Key Management of the Group and member of the Board of Directors, including close associates, as of 30 June 2023:

Name	Position	No. of shares outstanding at 30 June 2023
Key Management:		
Erik Digman Wiklund <sup>1)</sup>	Chief Executive Officer	100 000
Ola Melin	VP and Head of CMC	50 000
Victor Levitsky	Chief Scientific Officer	10 000
Total no. of shares owned by Key Management of the Group		160 000
Board of Directors:		
Robert Burns	Board member	298 761
Diane Mellett	Board member	122 948
Bente-Lill Romøren	Board member	35 577
Total no. of shares owned by the Board of Directors of the		457 286

1) The shares are held through Digman AS

## 10. Earnings per share

<i>Amounts in NOK thousand</i>	1H 2023	1H 2022	FY 2022
Loss for the period	-75 962	-59 601	-432 898
Average number of outstanding shares during the period	191 289	188 392	188 432
Earnings/ loss (-) per share - basic and diluted	-0.40	-0.32	-2.30

Share options have a potential dilutive effect on earnings per share. Ordinary shares are 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. The same applies to ordinary shares which are issued to Atlas in response to their requested conversion of bonds.

## 11. Share-based compensation

### Share options

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

At the Annual General Meeting (AGM) in May 2023 the Board of Directors was authorized to increase the Group's share capital in connection with share incentive arrangements by up to the lower of (a) NOK 2 700 000 and (b) 10% of the Company's outstanding shares, options and RSU's.

On the basis of the approval by the AGM the Board of Directors resolved to issue new options to employees of the Company. In the first half of 2023 a total of no options for shares in the Company have been distributed amongst the current members of the Key Management and a total of 15 000 options for shares in the Company have been distributed amongst other employees. Each option, when exercised, will give the right to acquire one share in the Company. The options are granted without consideration.

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

The amount of expensed share options in the first half 2023 was NOK 0.5. For the same period in 2022 it was NOK 1.2, and NOK 3.3 million for the full year 2022.

Fair value of the options has been calculated at grant date. The fair value of the options was calculated using the Black-Scholes model. The expected volatility for options issued in 2023 and 2022 is estimated at average of 0.82% and 0.64% based on the volatility of comparable listed companies. The volume weighted average interest rate applied to the share options grants in 2023 and 2022 is 2.98% and 2.23%.

The following table shows the changes in outstanding share options in 2023 and 2022:

	6M 2023		FY 2022	
	No. of options	Weighted avg. exercise price	No. of options	Weighted avg. exercise price (NOK)
Outstanding at 1 January	10 781 275	6.11	7 743 106	10.13
Granted during the period	15 000	1.15	4 555 000	1.20
Exercised during the period			-11 981	0.51
Forfeited during the period	-1 497 828	2.70	-586 050	7.87
Expired during the period			-918 800	14.61
Outstanding no. of share options at end of	9 298 447	6.66	10 781 275	6.11

The following table shows the exercised, expired, granted and outstanding options for shares to Key Management of the Group at 30 June 2023:

Name	Position	Outstanding 31.12.2022	Granted 1H 2023	Exercised 1H 2023	Expired 1H 2023	Outstanding 30.06.2023
Key Management						
Erik Digman Wiklund	Chief Executive Officer	1 800 000	-	-	-	1 800 000
Lubor Gaal	Chief Financial Officer	700 000	-	-	-	700 000
Thomas Birkballe Hansen	VP and Head of Research	500 000	-	-	-	500 000
Victor Levitsky	Chief Scientific Officer	645 000	-	-	-	645 000
Ola Melin	VP and Head of CMC	725 000	-	-	-	725 000
Margrethe Sørsgaard	VP and Head of Clinical Development	170 000	-	-	-	170 000
Total option for shares to Key Management of the Group		4 540 000	-	-	-	4 540 000

From 1 July 2023 to 23 August 2023, no new options for shares have been granted Key Management of the Group.

## Restricted Stock Units

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

The number of RSUs to be granted to the members of the Board of Directors is calculated as the NOK amount of the RSU opted portion of total compensation to the Board member, divided by the market price of the Circio Holding ASA share. The market price is calculated as the volume weighted average share price the 10 trading days prior to the grant date.

The RSUs will be non-transferrable and each RSU will give the right and obligation to acquire shares in Circio Holding ASA (at nominal value) subject to satisfaction of the applicable vesting conditions. When the RSUs have vested, the participant must during the following three-year period select when to take delivery of the shares.

The AGM 22 May 2023 resolved to remunerate the Board of Directors for the period between the AGM 2023 to the AGM 2024 with a combination of cash and Restricted Stock Units (RSUs), and an additional 1 931 997 RSU's were granted to the Board of Directors.

The expensed RSUs in the first half 2023 were NOK 0.4 million. For the same periods in 2022 expensed RSUs were NOK 0.4 million, and NOK 0,9 million for the full year. A total of 2 631 129 RSUs were outstanding on 30 June 2023.

The following table shows the changes in outstanding RSUs in 2023 and 2022:

	6M 2023		FY 2022	
	No. of RSUs	Weighted avg. exercise price (NOK)	No. of RSUs	Weighted avg. exercise price (NOK)
Outstanding at 1 January	802 921	0.10	299 537	0.10
Granted during the period	1 931 997	0.10	638 595	0.10
Exercised during the period	-103 789	0.10	-135 211	0.10
Forfeited during the period	-	-	-	-
Expired during the period	-	-	-	-
Outstanding no. of RSUs at end of period	2 631 129	0.10	802 921	0.10

The following table shows the exercised, granted and outstanding RSUs to Board of Directors of the Group at 30 June 2023:

Board of Directors:		Outstanding 31.12.22	Granted 1H 2023	Exercised 1H 2023	Outstanding 30.06.23
Damian Marron	Chair of the Board	153 353	302 670	- 55 588	400 435
Robert Burns	Board member	66 378		- 23 307	43 071
Bente-Lill Romøren	Board member	14 357	181 037		195 394
Diane Mellett	Board member	125 258	362 072	-20 870	466 460
Sonia Quaratino	Board member	144 170	362 072		506 242
Raphael Clynes	Board member	115 456	543 109		658 565
Thomas Falck	Board member	115 456	181 037		296 493
Total Restricted Stock Units to Board of Directors of the Group		734 428	1 931 997	-99 765	2 566 660

From 1 July 2023 to 23 August 2023, no new RSUs have been granted to the Board of Directors.  
Former board member Eva-Lotta Allan holds 64 469 RSUs.

