targovax

4Q and Full Year 2022 presentation

16 February 2023

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This report contains certain forward-looking statements based on uncertainty, since they relate to events and depend on circumstances that will occur in the future and which, by their nature, will have an impact on the results of operations and the financial condition of Targovax and the Targovax Group. Such forward-looking statements reflect the current views of Targovax and are based on the information currently available to the company. Targovax cannot give any assurance as to the correctness of such statements.

There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied in these forward-looking statements. These factors include, among other things, risks or uncertainties associated with the success of future clinical trials; risks relating to personal injury or death in connection with clinical trials or following commercialization of the company's products, and liability in connection therewith; risks relating to the company's freedom to operate (competitors patents) in respect of the products it develops; risks of non-approval of patents not yet granted and the company's ability to adequately protect its intellectual property and know-how; risks relating to obtaining regulatory approval and other regulatory risks relating to the development and future commercialization of the company's products; risks that research and development will not yield new products that achieve commercial success; risks relating to the company's ability to successfully commercialize and gain market acceptance for Targovax's products; risks relating to the future development of the pricing environment and/or regulations for pharmaceutical products; risks relating to the company's ability to secure additional financing in the future, which may not be available on favorable terms or at all; risks relating to currency fluctuations; risks associated with technological development, growth management, general economic and business conditions; risks relating to the company's ability to retain key personnel; and risks relating to the impact of competition.

Achievements in 2022 set us up for success in 2023

ONCOS-102: Ready to initiate phase 2 study in PD-1 resistant melanoma in the USA and Europe, based on strong phase 1 data

Circular RNA: Established new circRNA pipeline program driven by circRNA discoverer Dr Thomas Hansen – technical PoC established and core IP filed

Enhanced TG01: Two collaborative studies in new mutant RAS cancer indications are now open for enrollment

Business development: Built strategic partnership with Agenus, securing access to checkpoint inhibitors for multiple studies and adjuvant QS-21 for TG01

Retooled organization: Made several key recruitments to deliver on the three pillar R&D strategy – built new science team at the Karolinska Institute in Stockholm

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Financial update

Secured access to NOK 300m in financing over three years

4Q OPEX in line with plans and expectations

NOK m	4Q21	1Q22	2Q22	3Q22	4Q22
Total revenue	**0**	**0**	**0**	**0**	**10**
R&D expenses[1]	-10	.-9	-14	-8	-16
Payroll and related expenses	-13	-16	-14	-10	-13
Other operation expenses[2]	-2	-3	-3	-2	-3
Total operating expenses	**-26**	**-29**	**-31**	**-20**	**-32**
Operation loss	-26	-29	-31	-20	-22
Net financial items	-1	-1	2	0	0
Loss before income tax	-27	-30	-29	-21	-22
Net change in cash	128	-32	-24	-30	-30
Net cash EOP	**182**	**150**	**126**	**96**	**66**

1 Including patent cost
2 Including depreciation

4Q Financial snapshot

Key figures

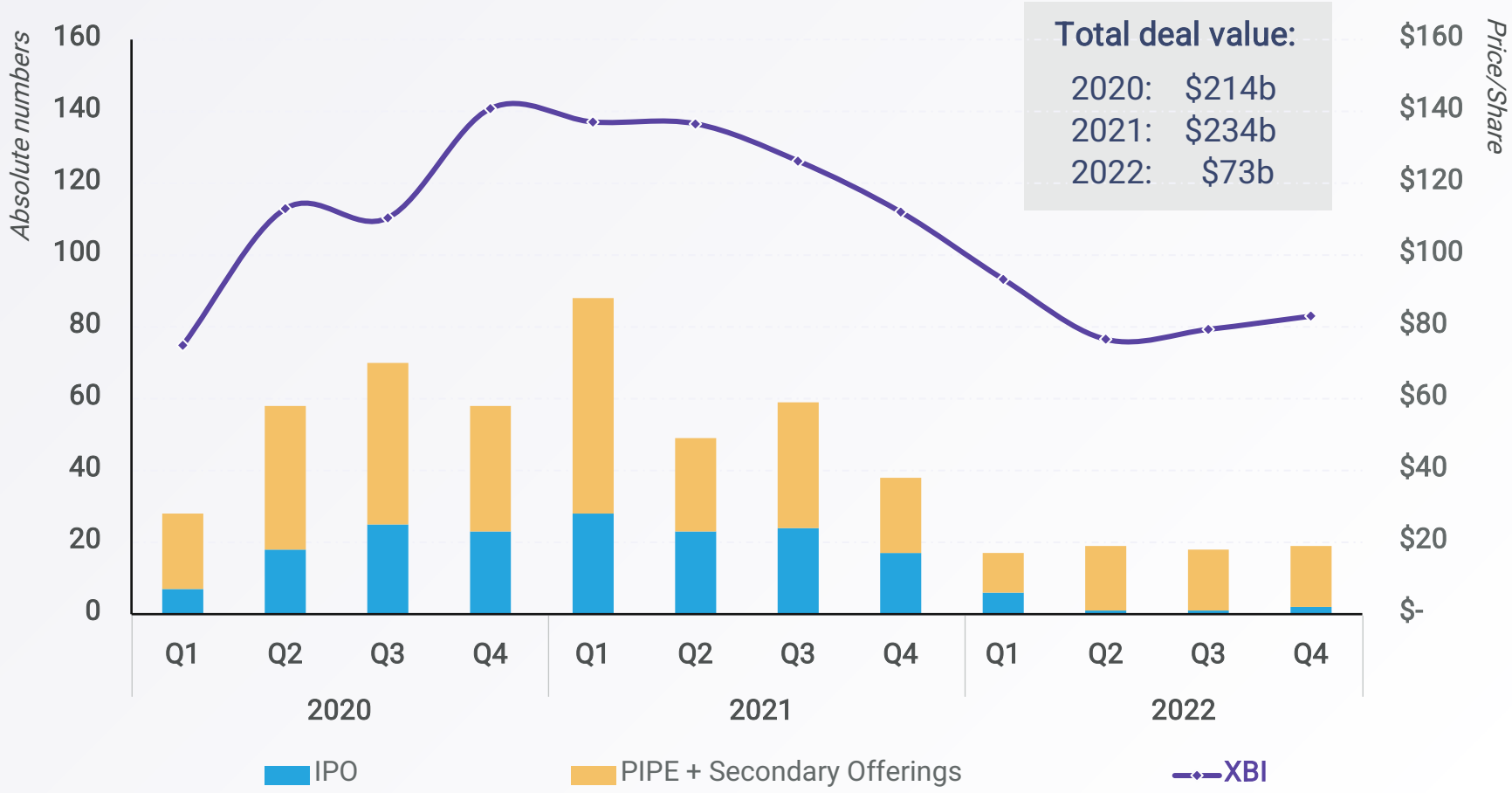
	NOK million	USD million
Net cash flow in 4Q	- 30	- 3
Cash at end of 4Q	66	6.6
Market cap	200	20
Daily value traded Average last 12 months	1.4	0.14

Shareholder base

	Estimated ownership[1]	
Shareholder	Shares million	Ownership
HealthCap	12.4	6.6 %
Goldman Sachs Int. (nom.)	5.2	2.8 %
Bækkelaget Holding AS	5.1	2.7 %
Nordnet Bank AB (nom.)	4.6	2.4 %
Andreassen, Jon-Arild	4.4	2.4 %
RadForsk	4.4	2.3 %
Nordnet Livsforsikring	3.5	1.9 %
Høse AS	3.1	1.6 %
Danske Bank (nom.)	2.2	1.2 %
Thorendahl Invest AS	2.0	1.1 %
10 largest shareholders	**46.9**	**24.9 %**
Other shareholders (6 512)	141.6	75.1 %
Total shareholders	**188.5**	**100.0 %**

1 As per 6 February 2023

Financing market for public biotech is very challenging



- ***50% drop in XBI*** *Biotech index since 2021 peak*
- ***70% drop in deal value*** *2022 vs. 2021*
- ***Only two public biotech transactions*** *in Norway in 2022*

Source: 2022 Locust Walk Annual Report

Despite the market conditions, Targovax has secured access to NOK 300M in financing

Total amount	Tranches	Timeline	Control
NOK 300M	#1 NOK 37.5M #2 NOK 30M #3→ NOK 25M	36 months *1 tranche available every 3 months*	Targovax decides if and when to call new capital

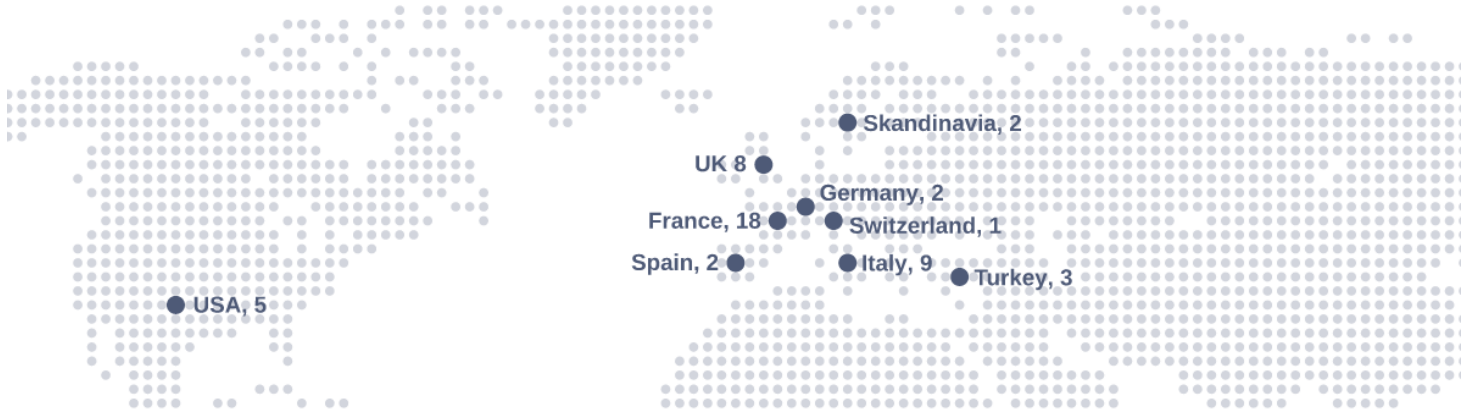
ATLAS CAPITAL MARKETS

"Our strategy is to provide growth capital for undervalued companies with robust science and strong management teams. In Targovax we see significant upside potential in the diversified pipeline led by ONCOS-102 and complemented by a platform opportunity in the cutting edge circRNA program"

Mustapha Raddi
Managing Partner ACM

Experienced international investor providing innovative financing solutions for European biotech

- **Headquarters:** London
- Part of US-based **Arena Investors**
- **Assets under management:** $3.6B
- **17 active convertible investments** in France, Italy, Germany, USA & Nordics



Convertible bond (CB) financing - mechanics

1. Calling a Tranche

Targovax requests payment of tranche

First tranche: **NOK 37.5M**
2nd tranche: **NOK 30M**
Subsequently: **NOK 25M**

Targovax has full control

Timing and total amount drawn at full discretion of Targovax

2. Receiving Cash

Atlas sends cash to Targovax

92% of nominal value
NOK 2.3M in cash for NOK 2.5M CB

3. Issuing CBs

Targovax issues CBs to Atlas

Each CB = NOK 2.5M,
25M tranche = 10 CBs

Atlas will hold CBs until conversion to shares

No warrants, interest, or collateral

4. Conversion to shares

Atlas requests bond conversion to shares

Price: **100% of VWAP average of 3 in 15** preceeding trading days

Trading limitations

Maximum 25% of total trading volume in any given week

Can be repeated every three months

> Through our partnership with Atlas we have secured flexible access to significant capital over the next three years, allowing us to advance all of our three R&D pillars and build long-term shareholder value

Dr Erik D Wiklund - CEO

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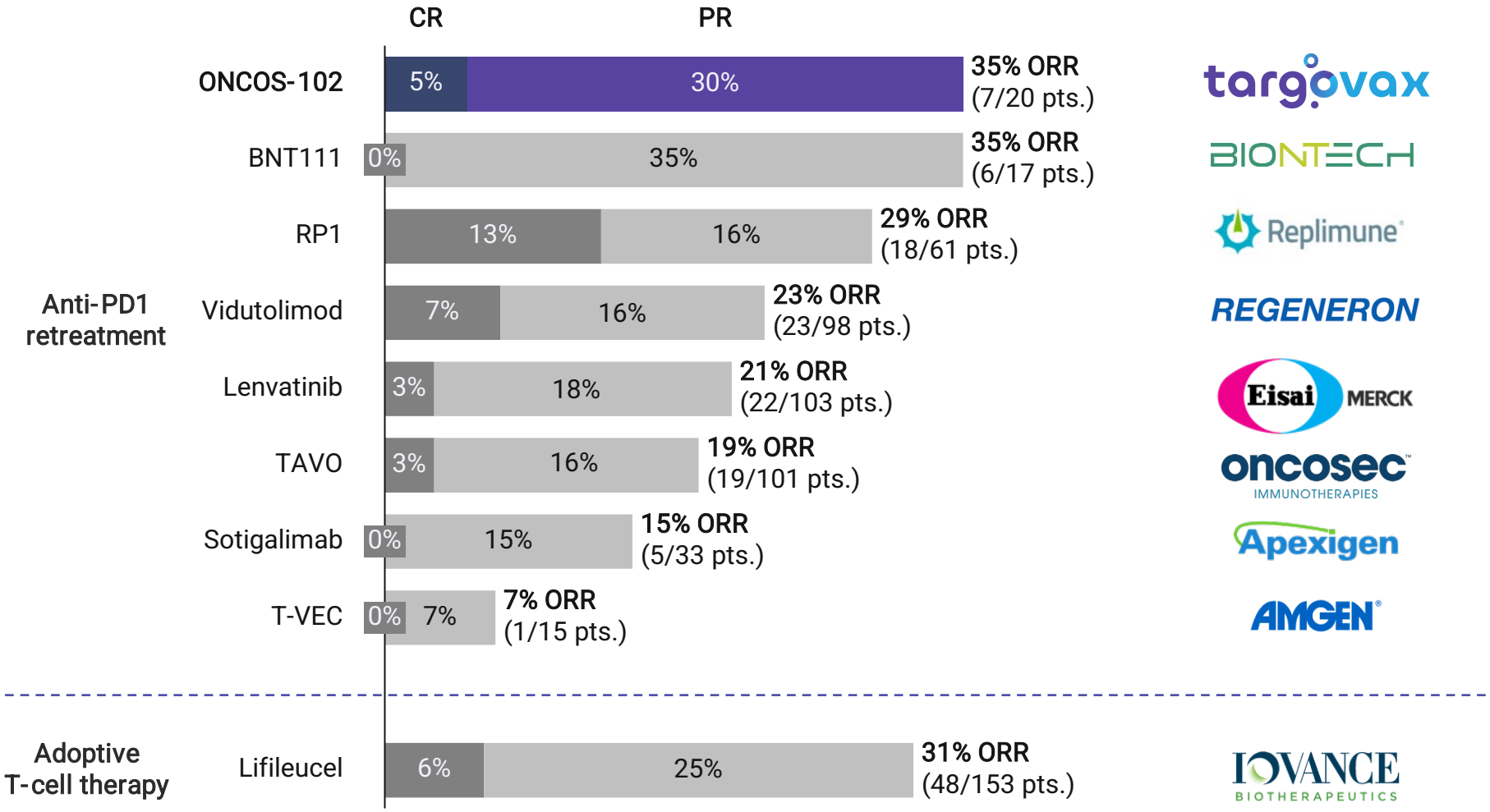
ONCOS-102 program

SOPHOS-213 phase 2 study on track for start-up in the USA and Europe

ONCOS-102 has demonstrated a highly competitive ORR of 35% in PD-1 resistant melanoma



Targovax assessment, December 2022

SOPHOS-213: ONCOS-102 phase 2 trial in PD-1 resistant melanoma at prestigious cancer centers in USA and Europe

Part 1 – higher dose exploration run-in

1. **ONCOS-102** monotherapy high dose

Randomize

2. **ONCOS-102 + balstilimab** low → high dose

- *Confirm safety*
- *Select dose for expansion*

Part 2 – multi-cohort extension

2. **ONCOS-102 + balstilimab**
   - *Initially n=18*
   - *Expand to n =37*
3. **ONCOS-102 + botensilimab**
   - *Initially n=18*
   - *Expand to n =37*
4. **ONCOS-102 + balstilimab + botensilimab**
   - *Initially n=18*
   - *Expand to n =37*

Novel triple combination expected to boost efficacy beyond 35% ORR

Collaboration partner: agenus

Balstilimab: anti-PD-1
Botensilimab: Fc-enhanced anti-CTLA-4

The phase 2 trial is designed to enable future out-licensing and address regulatory requirements

- ✓ **Opportunity to achieve best-in-class data** in PD-1 resistant melanoma setting
- ✓ **Differentiated botensilimab combination**, with strong scientific and strategic rationale
- ✓ Design and size to **enable licensing decisions for big pharma partners**
- ✓ Confirm **ONCOS-102 high dose** and address **FDA requirements**
- ✓ **Support future expansion** into earlier lines of melanoma

3

Circular RNA program

An area of rapidly growing interest among big pharma and biotech

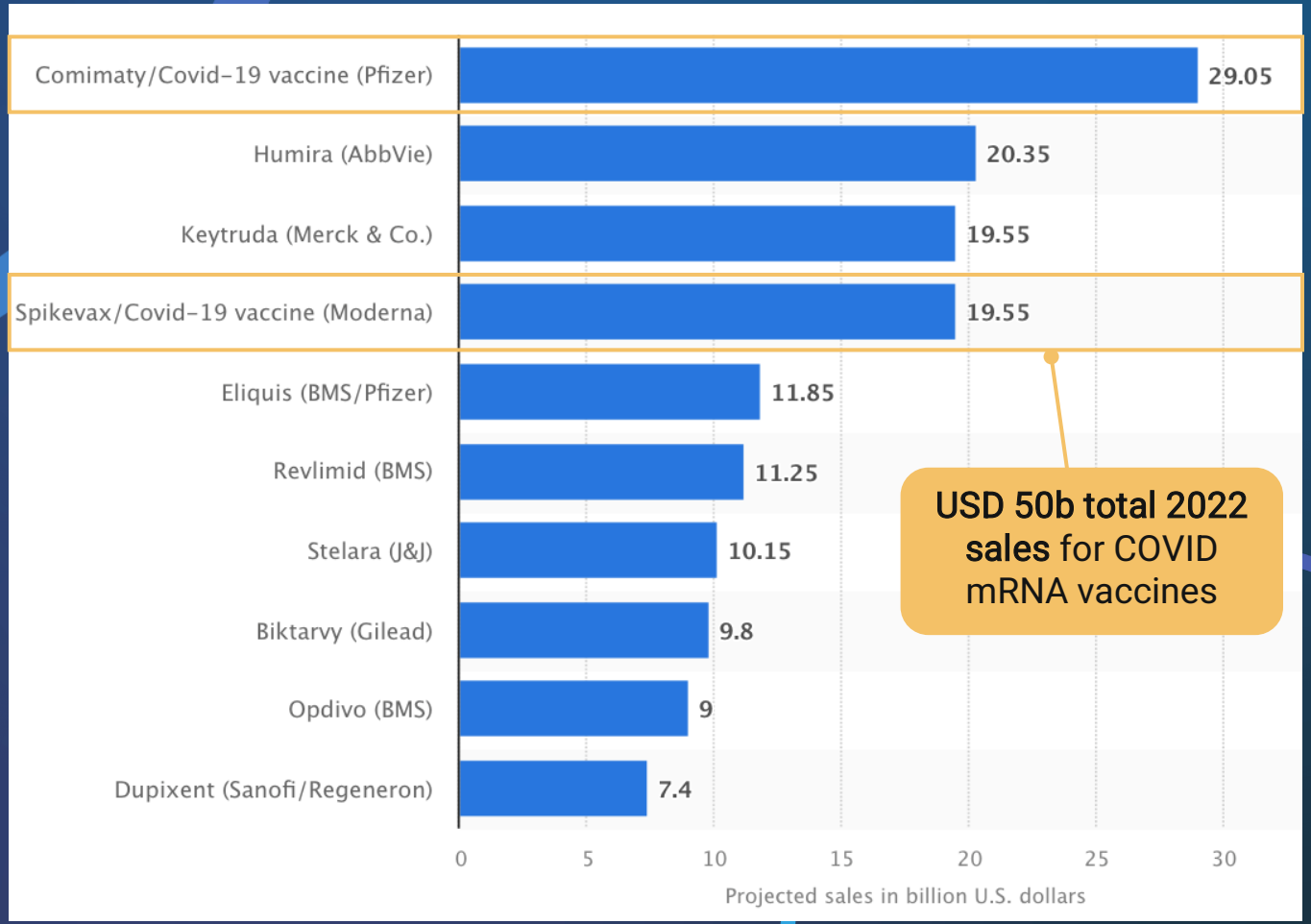
mRNA was the top-selling drug class in 2022

Remarkable speed - first mRNA therapeutics were approved in 2020

mRNA outcompeted more established concepts in COVID vaccine race

Oncology is the next frontier for mRNA

Top 10 drugs by 2022 projected sales



SOURCE: Statista analysis January 2023

Although mRNA is already a successful therapeutic class, several challenges remain unsolved

mRNA is unstable and immunogenic, mRNA vaccines have required significant modifications

Efficient delivery of RNA therapeutics is currently limited to vaccines and liver disease

Challenging to achieve sufficient persistence in solid tumors for delivery of therapeutic proteins

Circular RNA (circRNA) can overcome these challenges

circRNA was discovered by Targovax scientists and is quickly gaining momentum

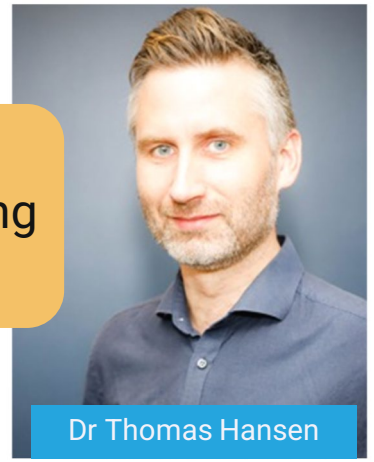
Article | 30 September 2011 | FREE ACCESS

miRNA-dependent gene silencing involving Ago2-mediated cleavage of a circular antisense RNA

Thomas B Hansen, Erik D Wiklund, Jesper B Bramsen, Sune B Villa

Jørgen Kjems

First circRNA papers establishing the field in 2011

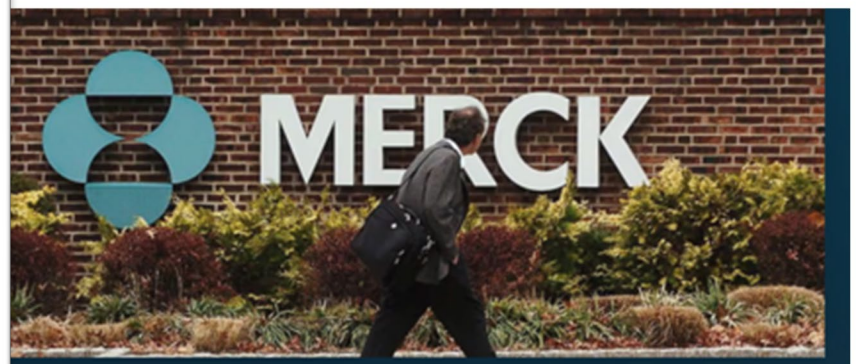


Dr Thomas Hansen

Dr Erik D Wiklund

As RNA remains hot, Flagship's Laronde raises $440m for a new class of medicines

By Anissa Gardizy Globe Staff, Updated August 30, 2021, 6:30 a.m.



BIOTECH

Merck bets big on circular RNA, paying $150M to work with Orna

Orna revealed a double dose of good news, taking the lid off an alliance with Merck worth $150 million upfront and a $221 million series B round.

nature

Explore content

nature > letters > article

Published: 27 February 2013

Natural RNA circles function as efficient microRNA sponges

Thomas B. Hansen, Trine I. Jensen, Bettina H. Clausen, Jesper B. Bramsen, Bente Finsen, Christian K. Damgaard & Jørgen Kjems

Nature **495**, 384–388 (2013) | Cite this article

100k Accesses | **4746** Citations | **130** Altmetric | Metrics

Building on the circRNA discovery, pre-clinical stage US biotechs have attracted significant funding

ORNA

USD 325m
raised to date

Main backers:
Merck (MSD), MPM Capital & BioImpact Capital

Approach: synthetic circRNA, LNP delivered

Therapeutic Areas:

- *In situ* CAR-T therapy (ORN-101)
- Gene therapy - dystrophin replacement
- COVID-19 vaccine

laronde

USD 490m
raised to date

Main backers:
Flagship Pioneering, Fidelity, Invus & Blackrock

Approach: synthetic circRNA, LNP delivered

Therapeutic Areas – details not disclosed:

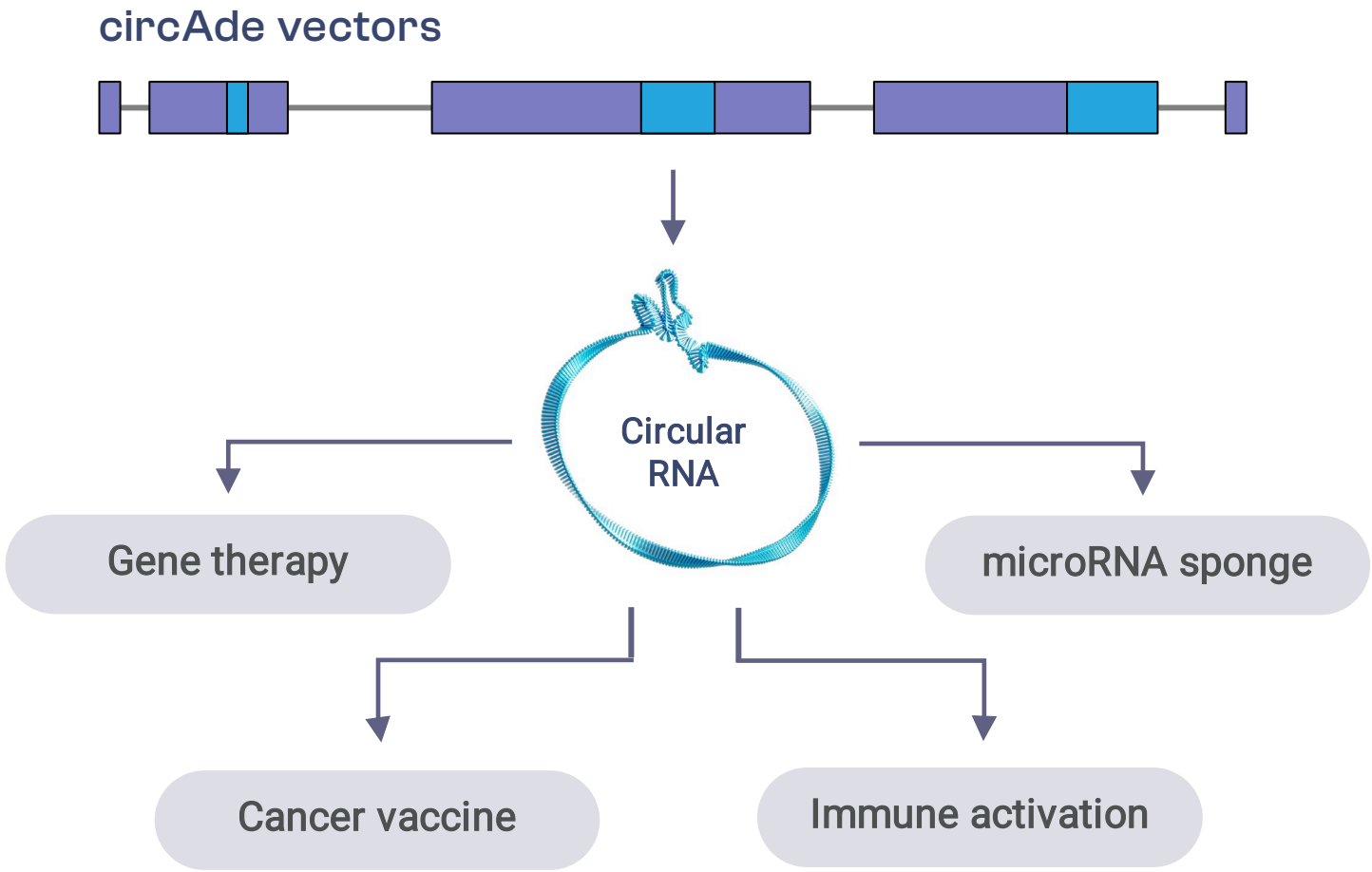
- Gene therapy in wide range of diseases
- "100 product candidates in the next 10 years"

Targovax assessment, November 2022

Our differentiated vector based approach for circRNA delivery

circAde

- *Highly versatile*
- *Multi-functional*
- *Excellent stability*

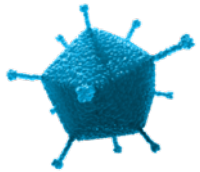
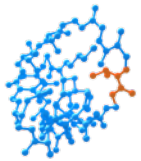


Our circAde vector system is technologically differentiated and offers important advantages

		Enhanced intra-cellular stability	*Does not require packaging*	*Delivery to liver*	*Suitable vaccination platform*	*Delivery to solid tumors*	*Existing GMP manu-facturing*
targovax	circAde vector approach	✓	✓	✓	✓	✓	✓
ORNA laronde	Synthetic circRNA	✓	✗	✓	✓	✗	✗
moderna BIONTECH	Synthetic mRNA	✗	✗	✓	✓	✗	✓

- Unique approach for **circRNA delivery to solid tumors**
- Vector-based **manufacturing already available at scale**

Multiple value inflection points in the short- to mid-term

Pillar	Value creation opportunities
 ONCOS-102	**Opportunity to become best-in-class in PD-1 resistant melanoma** • Data from differentiated combination with botensilimab +/- PD-1 • Phase 2 designed and sized to be attractive for big pharma partnering
 Circular RNA	**Validate platform and prepare for clinical introduction of first candidate** • *In vivo* PoC demonstrating platform potential in multiple applications • Early partnering opportunity 2023-24 for non-dilutive funding
 KRAS program	**Added upside: creating broad optionality in KRAS cancers at low cost** • Externally funded academic clinical trials with industrial partners • Several indications and novel combinations being explored