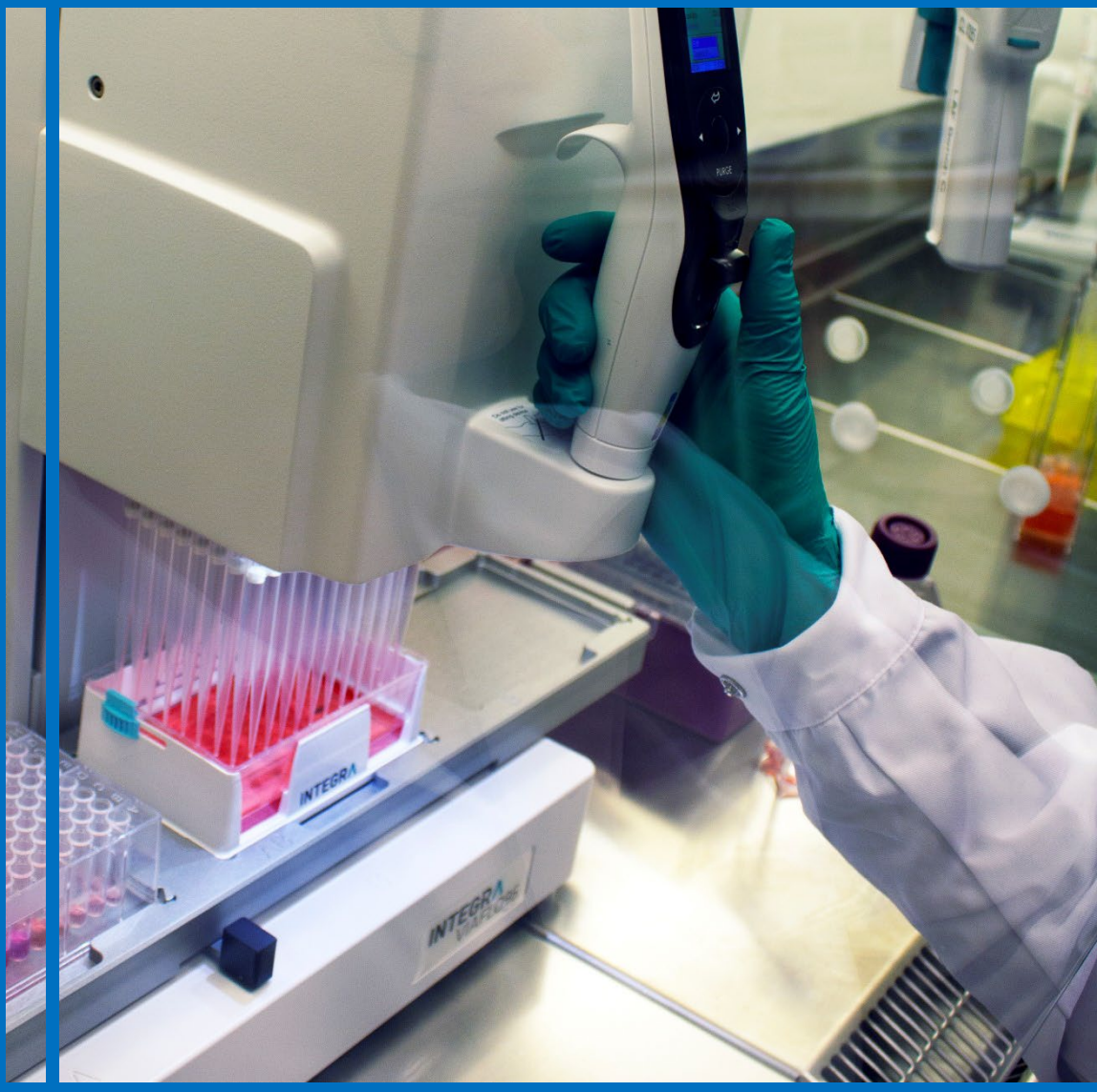
First Quarter Report 2022

Q1



NORDIC NANOVECTOR

Q1 2022 Highlights

- 108 of a targeted 120 patients have been enrolled into the pivotal PARADIGME Phase 2b trial for Betalutin® as of 12 May 2022 (106 patients enrolled as of 28 February 2022)
    - COVID-19 continued to impact recruitment during Q1
    - Two further patients enrolled
    - Preliminary three-month data readout expected during H2'2022, following timeline revision announced 7 January 2022
- Private placement in January 2022 raised NOK 250 million gross (USD 28.4 million)
- Preclinical data on Alpha37, a novel CD37-targeting alpha-particle emitting radioimmunotherapy, presented at the American Association for Cancer Research (AACR) 2022 Annual Meeting
    - Single dose shown to be safe and effective for treatment of CD37-positive chronic lymphocytic leukaemia (CLL) and non-Hodgkin's lymphoma (NHL) in mouse models

Post-period events

- Two new publications highlight approaches to improve the potential therapeutic effect of CD37-targeted radioimmunoconjugate Humalutin® in B-cell malignancies, such as NHL
    - New publication in *PLOS One* highlights synergistic potential of Humalutin® in combination with the PARP-inhibitor olaparib, an approved treatment for breast and ovarian cancer
    - New publication in *Scientific Reports* reports on CD37-targeting imaging approach to select NHL patients who might respond best to Humalutin® treatment
- Board changes
    - Former Algeta CEO Thomas Ramdahl joins Board of Directors
    - Per Samuelsson and Rainer Boehm M.D. decide not to stand for re-election as Non-executive Directors

Financial Highlights

(Figures in brackets = same period 2021 unless otherwise stated)

- Revenues for the first quarter 2022 amounted to NOK 0.0 million (NOK 0.0 million)
- Total operating expenses for the first quarter 2022 were NOK 100.3 million (NOK 101.2 million).
- Comprehensive loss for the first quarter 2022 amounted to NOK 105.1 million (loss of NOK 102.1 million).
- Cash and cash equivalents amounted to NOK 356.3 million at the end of March 2022, compared to NOK 277.7 million at the end of December 2021, and NOK 497.9 million at the end of March 2021.

Erik Skullerud, Chief Executive Officer of Nordic Nanovector, commented: "The impacts from COVID-19 continued to linger during Q1 and meant the pick-up in recruitment into PARADIGME that we expected has not yet materialised. Nonetheless, we remain highly committed to completing patient recruitment for this important trial and expect to meet our timeline for readout of preliminary data in H2'2022. At the same time, our preparations for filing and commercialisation of Betalutin® are moving forward in advance of our planned BLA filing. New data presented or published in recent months continue to build and support the breadth and depth of our CD37 focussed pipeline, from which, together with Betalutin®, we believe we can create significant value for shareholders over the longer term."

Key figures Nordic Nanovector Group

Amounts in MNOK (except earnings/loss per share)	First Quarter		Full Year
	2022	2021	2021
Total revenues	0.0	0.0	0.0
Total operating expenses	100.3	101.2	442.4
Operating profit (loss)	-100.3	-101.2	-442.4
Net financial items	-4.4	-0.2	2.3
Total comprehensive income (loss) for the period	**-105.1**	**-102.1**	**-441.7**
Basic and diluted earnings (loss) per share	**-0.93**	**-1.19**	**-4.65**
Number of employees	**40**	**39**	**40**
Net change in bank deposits, cash and equivalents	78.6	203.9	-16.3
Cash and equivalents at beginning of period	277.7	294.0	294.0
Cash and equivalents at end of period	**356.3**	**497.9**	**277.7**

Operational review

Introduction

Nordic Nanovector is committed to developing and delivering the therapeutic potential of Betalutin® and other innovative CD37-targeted immunotherapies to patients to address their unmet medical needs across haematological cancers and immune diseases.

The company is developing its wholly owned lead product candidate Betalutin® (^{177}Lu lilotomab satetraxetan) as a new, targeted, single agent and one-time treatment for patients with non-Hodgkin's lymphoma (NHL).

Betalutin® is a radioimmunotherapy that has been designed to offer a new chemotherapy-free treatment modality for NHL patients. Betalutin® targets the CD37 receptor on the surface of B-cell tumours, a validated and alternative target to CD20 upon which the current standard-of-care NHL therapies, such as rituximab (RTX), are focused.

There is a clear need for new treatment options in NHL as it has been reported that 40-60% of patients treated with an RTX-containing regimen either become refractory to anti-CD20 based therapy or develop resistance within five years[1].

The company is advancing Betalutin® in PARADIGME, a global pivotal Phase 2b trial in 3rd-line follicular lymphoma (FL) patients, refractory to RTX/anti-CD20 based treatments, as a first-to-market NHL indication based on compelling clinical data from earlier clinical studies. The company is also investigating the potential of Betalutin® in earlier lines of treatment for FL and in other significant NHL types.

Betalutin® has been granted Fast Track designation in the US for the treatment of FL after at least two prior systemic therapies and Orphan Drug designation for FL in the US and Europe. Betalutin® has also been granted Fast Track designation in the US and Orphan Drug designation in Europe for relapsed/refractory (R/R) marginal zone lymphoma (MZL).

Beyond Betalutin®, the company intends to leverage its R&D expertise and proprietary platforms to evaluate opportunities with other CD37-targeting immunotherapies across haematological cancers and immune diseases.

[1]*Abdollahi, S., et al., The Impact of Rituximab Resistance on Overall Survival Rate in Low-Grade Follicular Lymphoma. Blood, 2008. 112(11): p. 3783-3783*

Operational review

During Q1 2022, Nordic Nanovector remained disciplined in the patient enrolment into PARADIGME.

However, during the quarter the continuing impact from the COVID pandemic meant that patient recruitment did not accelerate as expected, with 2 new patients enrolled during the period. This meant that as of 12 May 2022, 108 of a targeted 120 patients have been enrolled into the trial. Patients have been enrolled at sites in Europe, Asia and in the US/Canada.

In January 2022, the company revised the timeline for the preliminary data readout from PARADIGME following a review of the rate of patient recruitment and discussions with its clinical advisors that also considered the continuing impact from the COVID pandemic.

Following this revision, Nordic Nanovector retains its target to deliver the readout of preliminary three-month top line data during H2'2022.

The company continues to focus its efforts on the completion of recruitment and on continuing its targeted initiatives to sustain patient enrolment and mitigate COVID restrictions, which continue to impact the conduct of many clinical trials including PARADIGME.

As the PARADIGME readout gets closer, the company is preparing for a successful outcome to the trial and is conducting further activities, such as qualification of its manufacturing process in the CMC (Chemistry, Manufacturing and Controls) space, to support a regulatory filing.

The company is also initiating the preparatory activities for the confirmatory Phase 3 trial, the start of which is required upon submission of the BLA (Biologics License Application).

In addition, the company continues to execute its business development and partnering strategy to enable the full potential of Betalutin® in NHL to be realised.

Preclinical data on Alpha37 presented at AACR

As announced by the company in March, an E-poster regarding Alpha37, a novel CD37-targeting alpha-particle emitting radioimmunotherapy, entitled "Targeted alpha therapy with ^{212}Pb-NNV003 in treatment of NHL", was presented at the 2022 American Association of Cancer Research (AACR) Annual Meeting held 8-13 April in New Orleans, USA.

The data in the E-poster show that a single injection of ^{212}Pb-NNV003, or Alpha37, is safe and effective for the treatment of CD37-positive chronic lymphocytic leukaemia (CLL) and non-Hodgkin's lymphoma (NHL) in mouse models. Promising efficacy in both ibrutinib-resistant and ibrutinib-sensitive CLL models was observed and treatment with Alpha37 was superior to both ibrutinib and oblinutuzumab, confirming that further clinical development is warranted. These data were previously presented at the company's R&D Day in November 2021.

Alpha37 has been developed as a targeted alpha radioimmunotherapy where the CD37-specific antibody NNV003 is coupled to the alpha particle generating isotope lead-212 (or ^{212}Pb) for the treatment of NHL and CLL. Despite the availability of current treatments, most patients with these diseases inevitably relapse meaning that there is a significant unmet need for new, alternative therapies.

Successful Private Placement and Repair Offering

During Q1, the company completed a new Private Placement and subsequent Repair Offering that raised gross proceeds of approximately NOK 250 million.

The net proceeds of the Private Placement and Repair Offering will be used for the following purposes:

- Preparation of activities required for the regulatory filing of Betalutin® and pre-approval inspections
- Continue the preparatory activities for the confirmatory Phase 3 trial including production of clinical material and preparation for market launch
- General corporate purposes

The proceeds from the Private Placement and Repair Offering are expected to ensure financing past the preliminary 3-month data read out from PARADIGME in H2'2022 and for at least an additional three months into 2023 to enable the company to maximise shareholder value from the PARADIGME clinical trial.

Post-period events

Synergistic Potential of Humalutin® in Combination with the PARP-inhibitor Olaparib

On 3 May, Nordic Nanovector announced the publication of two new research papers highlighting approaches to improve the potential therapeutic effect of its novel CD37-targeting radioimmunoconjugate Humalutin® (^{177}Lu-DOTA-NNV003) in B-cell malignancies, such as NHL.

The first publication by the company's scientists and its collaborators, published in *PLOS One*, reports on the combined effect of Humalutin® with olaparib, a member of the class of cancer therapies known as PARP inhibitors, on NHL cell lines. In the studies, the combination of Humalutin® and olaparib was found to be synergistic or conditionally synergistic leading to cell death in 6 of 7 NHL cell lines (diffuse large B cell lymphoma and mantle cell lymphoma). Where the combination was conditionally synergistic (i.e. both synergistic and antagonistic), the effect was dependent on the concentration of each drug, showing the importance of optimising the parameters for further studies.

Humalutin® acts by inducing potentially cytotoxic DNA breaks in the NHL cells, sensitising these cells to olaparib, which prevents the repair of DNA breaks by blocking the activity of DNA repair enzymes poly (ADP ribose) polymerase 1 and 2 (PARP1 and PARP2). Olaparib is approved in the US and most markets globally for BRCA mutated ovarian and breast cancer. The authors concluded that further in vivo studies evaluating the anti-tumour effect of the combination of radioimmunotherapies, including Humalutin®, and PARP inhibition are warranted.

Separately, Nordic Nanovector reported the publication of a paper in the high-impact open access journal Scientific Reports on the potential of a non-invasive diagnostic imaging approach to select NHL patients who are more likely to respond to or are at risk for developing CD37-induced haematological toxicities from CD37-targeted radioimmuno-therapy.

The imaging approach used a radioimmunoconjugate ([89Zr]Zr-N-sucDf-NNV003) comprising the company's proprietary anti-CD37 antibody NNV003 (a component of Humalutin®), and zirconium-89, a radioisotope that is well-suited to commonly used positron emission tomography (PET) imaging. The studies were designed to assess CD37-expression, biodistribution and tumour-uptake levels in mice bearing human B cell lymphomas and to predict the possible therapeutic effects of Humalutin® in NHL patients.

Board Changes

Post the period end, Dr Thomas Ramdahl was elected as a Non-executive Director at the Company's Annual General Meeting (AGM) on 28 April 2022.

Dr Ramdahl is a pharmaceutical executive with more than 20 years of clinical and development experience. In 2001, he became President and first CEO of Algeta ASA, a Norwegian biotech company that successfully developed and launched a radiopharmaceutical for prostate cancer. During his time at Algeta, the company successfully completed Phase 1 and 2 clinical trials, as well as a pivotal Phase 3 multicentre, multi-country, double blinded clinical trial that led to FDA approval and European marketing approval of Algeta's lead product, Xofigo®. In addition to playing a key role in Algeta's 2007 IPO and in multiple fundraisings, he was instrumental in the acquisition of the company by Bayer AG for USD 2.9 billion in 2014. After the acquisition by Bayer, Dr Ramdahl held the position of Managing Director of Bayer in Norway, remaining in this role until October 2018.

Dr Ramdahl is currently Chairman at Precirix and a Board Director at Clarity Pharmaceuticals, both in the targeted radiopharmaceutical area, and Chairman at medical device company Appsens.

Per Samuelsson and Rainer Boehm M.D., who have served as Non-executive Directors on the Board of Nordic Nanovector since November 2014 and May 2018, respectively, decided not to stand for re-election at the AGM due to increased workload and other responsibilities and priorities.

Financial review

The interim consolidated financial statements for Nordic Nanovector Group as of 31 March 2022 have been prepared in accordance with the International Accounting Standard (IFRS) 34 interim financial reporting.

Interim consolidated statement of profit or loss

(Figures in brackets = same period 2021 unless stated otherwise)

Revenues in the first quarter of 2022 amounted to NOK 0.0 million (NOK 0.0 million).

Total operating expenses for the quarter came to NOK 100.3 million (NOK 101.2 million). Payroll and related expenses increased to NOK 24.1 million (NOK 22.5 million). Other expenses amounted to NOK 73.2 million during the quarter (NOK 78.0 million). Costs are being driven by clinical and manufacturing development activities to prepare for Biologics License Application (BLA) readiness for Betalutin®.

Research and development (preclinical, clinical, medical affairs, regulatory and CMC activities) expenses accounted for 82.9 % of total operating expenses year to date 2022 (85.9 %).

Operating loss for the quarter was NOK 100.3 million (loss of NOK 101.2 million).

Net financial items for the first quarter came to negative NOK 4.4 million (negative NOK 0.2 million).

Nordic Nanovector's comprehensive loss for the quarter amounted to NOK 105.1 million (loss of NOK 102.1 million).

Financial position

Total assets at 31 March 2022 amounted to NOK 379.4 million, up from NOK 296.7 million at year-end 2021.

Total shareholders' equity at 31 March 2022 was NOK 271.3 million (NOK 140.5 million at year-end 2021), corresponding to an equity ratio of 71.5% (47.4 % at year-end 2021).

Total liabilities at 31 March 2022 were NOK 103.8 million, down from NOK 151.7 million from year-end 2021, mainly driven by payment of supplier debt and contractual liabilities related to the ongoing Betalutin® clinical trial in the quarter.

Cash flow

Net cash flow from operating activities in the first quarter was negative NOK 148.0 million (negative NOK 133.5 million).

Net cash flow from investing activities in the first quarter was NOK 0.0 million (negative NOK 0.1 million). Net cash flow from financing activities for the first quarter was NOK 230.9 million (NOK 337.9 million), driven by the private placement completed in January 2022.

Exchange rate fluctuations in the first quarter were negative NOK 4.3 million (negative NOK 0.4).

Cash and cash equivalents amounted to NOK 356.3 million at the end of the quarter, compared to NOK 277.7 million at the end of December 2021 for reasons explained above.

Outlook

Nordic Nanovector remains disciplined in the patient enrolment into PARADIGME and is targeting the readout of preliminary three-month top line data during H2'2022.

The company's current cash position will support its operations into H1'2023 and will enable further preparatory work on the potential Betalutin® BLA filing and planning for commercialisation to be undertaken.

The company believes that, if positive, the PARADIGME trial data could represent a significant value inflection point for the company and its shareholders, confirming Betalutin® as a highly promising new targeted radioimmunotherapy that can address the unmet needs of R/R FL patients.

The company continues to pursue opportunities for the development and expansion of its pipeline based on CD37-targeting immunotherapies, which offer risk diversification and multiple shots on goal.

Interim condensed consolidated statement of profit or loss and other comprehensive income
Nordic Nanovector Group

Amounts in NOK 1 000	Note	First Quarter		Full Year
		2022	2021	2021
Revenues		0	0	0
Total revenues		**0**	**0**	
Payroll and related expenses	4, 5	24 122	22 454	91 638
Depreciation		2 937	749	11 371
Other operating expenses	4, 6	73 219	77 984	339 425
Total operating expenses		**100 278**	**101 187**	**442 434**
Operating profit (loss)		**-100 278**	**-101 187**	**-442 434**
Net finance income (expenses)	9	-4 422	-203	2 296
Loss before income tax		**-104 700**	**-101 390**	**-440 138**
Income tax		-154	-216	-1 165
Loss for the period		**-104 854**	**-101 606**	**-441 303**
Other comprehensive income (loss), net of income tax to be reclassified to profit and loss in subsequent periods				
Translation effects		-216	-523	-362
Other comprehensive income (loss), net of income tax not to be reclassified to profit and loss in subsequent periods				
Re-measurement gains (losses) on defined benefit plans		-0	0	-20
Total comprehensive income (loss) for the period		**-105 070**	**-102 129**	**-441 685**
Loss for the period attributable to owners of the company		-104 854	-101 606	-441 303
Total comprehensive income (loss) for the period attributable to owners of the company		-105 070	-102 129	-441 685
Earnings (loss) per share				
Basic and diluted earnings (loss) per share in NOK	8	-0.93	-1.19	-4.65

The interim financial information has not been subject to audit.

Interim condensed consolidated statement of financial position
Nordic Nanovector Group

Amounts in NOK 1 000	Note	31.03.2022	31.12.2021
ASSETS			
Non-current assets			
Property, plant and equipment		653	766
Right-of-use-assets		2 367	5 177
Total non-current assets		**3 020**	**5 943**
Current assets			
Receivables			
Other current receivables	4	20 072	13 023
Total receivables		**20 072**	**13 023**
Cash and cash equivalents		**356 312**	**277 706**
Total current assets		**376 384**	**290 729**
TOTAL ASSETS		**379 404**	**296 672**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	7	23 207	19 616
Share premium	7	240 857	110 573
Other paid in capital	5, 6	71 116	69 157
Retained earnings		-63 900	-58 830
Total shareholders' equity		**271 280**	**140 516**
LIABILITIES			
Non-current liabilities			
Lease liability		0	0
Net employee defined benefit liabilities		4 366	4 461
Total non-current liabilities		**4 366**	**4 461**
Current liabilities			
Accounts payable		20 600	65 960
Tax payable		877	1 068
Other current liabilities		82 281	84 667
Total current liabilities		**103 758**	**151 695**
Total liabilities		**108 124**	**156 156**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**379 404**	**296 672**

The interim financial information has not been subject to audit.

Interim condensed consolidated statement of changes in equity
Nordic Nanovector Group

For the period ended 31 March Amounts in NOK 1 000	Note	Share capital	Share premium	Other paid in capital	Accumulated losses	Trans-lation effects	Remeasure-ment gains (losses)	Total equity
Balance at 1 January 2021		**15 878**	**118 371**	**61 565**	**-15 881**	**752**	**-2 017**	**178 668**
Loss for the period					-441 303			-441 303
Other comprehensive income (loss) for the year, net of income tax						-362	-20	-382
Total comprehensive income for the period		**0**	**0**	**0**	**-441 303**	**-362**	**-20**	**-441 685**
Recognition of share-based payments	5, 6			7 592				7 592
Issue of ordinary shares	5, 6	3 715	418 920					422 636
Issue of ordinary shares under share options and RSUs	5, 6, 7	22	910					932
Share issue costs			-27 629					-27 629
Reclassification of accumulated losses			-400 000		400 000			0
Balance at 31 December 2021		**19 616**	**110 573**	**69 157**	**-57 184**	**390**	**-2 036**	**140 516**
Loss for the period					-104 854			-104 854
Other comprehensive income (loss) for the year, net of income tax						-216		-216
Total comprehensive income for the period		**0**	**0**	**0**	**-104 854**	**-216**		**-105 070**
Recognition of share-based payments	5, 6			1 959				1 959
Issue of ordinary shares	5, 6	3 583	247 217					250 800
Issue of ordinary shares under share options and RSUs		9						9
Share issue costs			-16 932					-16 932
Reclassification of accumulated losses			-100 000		100 000			0
Balance at 31 March 2022		**23 207**	**240 857**	**71 116**	**-62 038**	**174**	**-2 036**	**271 280**

Amounts in NOK 1 000	Note	Share capital	Share premium	Other paid in capital	Accumulated losses	Trans-lation effects	Remeasure-ment gains (losses)	Total equity
Balance at 1 January 2021		**15 878**	**118 371**	**61 565**	**-15 881**	**752**	**-2 017**	**178 668**
Loss for the period					-101 606			-101 606
Other comprehensive income (loss) for the year, net of income tax						-523	0	-523
Total comprehensive income for the period		**0**	**0**	**0**	**-101 606**	**-523**	**0**	**-102 129**
Recognition of share-based payments	5, 6			1 942				1 942
Issue of ordinary shares	5, 6	3 176	358 052					361 228
Share issue costs			-22 763					-22 763
Balance at 31 March 2021		**19 054**	**453 659**	**63 507**	**-117 487**	**229**	**-2 017**	**416 945**

The interim financial information has not been subject to audit.

Interim condensed consolidated statement of cash flow
Nordic Nanovector Group

Amounts in NOK 1 000	Note	First Quarter		Full Year
		2022	2021	2021
Cash flow from operating activities				
Loss for the period before income tax		**-104 700**	**-101 390**	**-440 138**
Adjustments for:				
Interests paid		42	35	414
Interest received		-50	-6	-1 122
Share option and PSU expenses employees	5	1 684	1 649	6 313
Restricted share units (RSUs) expenses board	6	275	293	1 279
Taxes paid		-296	-424	-844
Depreciation		2 937	749	11 371
Currency (gains) losses not related to operating activities		4 301	400	-1 229
Changes in working capital and non-cash adjustments		-52 225	-34 818	20 498
Net cash flow from operating activities		**-148 032**	**-133 512**	**-403 458**
Cash flow from investing activities				
Investments in property, plant and equipment and intangible assets		-14	-58	-259
Interests received		50	6	1 122
Net cash flow from investing activities		**36**	**-52**	**863**
Cash flows from financing activities				
Net proceeds from equity issue	7	233 876	338 464	395 939
Payment of principle portion of lease liabilities		-2 931	-540	-10 429
Interests paid		-42	-35	-414
Net cash flow from financing activities		**230 903**	**337 889**	**385 096**
Effects of exchange rate changes on cash and cash equivalents		**-4 301**	**-400**	**1 229**
Net change in bank deposits, cash and equivalents		78 606	203 925	-16 269
Cash and equivalents at beginning of period		277 706	293 975	293 975
Cash and equivalents at end of period		**356 312**	**497 900**	**277 706**

The interim financial information has not been subject to audit.

Notes to the condensed interim financial statements

Note 1. General information

Nordic Nanovector (the group) consists of Nordic Nanovector ASA and its subsidiaries. Nordic Nanovector ASA ("the company") is a limited company incorporated and based in Oslo, Norway. The address of the registered office is *Kjelsåsveien 168 B, 0884 Oslo.*

The figures in this First Quarter report are non-audited figures.

These financial statements were approved for issue by the board of directors on 12 May 2022.

Note 2. Basis for preparation and significant accounting policies

The principal accounting policies applied in the preparation of these financial statements can be found in the group's Annual Report 2021. These policies have been consistently applied in all periods presented. Amounts are in Norwegian kroner (NOK) unless stated otherwise. The functional currency of the group is NOK.

Basis of preparation of the annual accounts

The Nordic Nanovector Group's interim consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), which have been adopted by the EU and are mandatory for financial years beginning on or after 1 January 2022, and Norwegian disclose requirements listed in the Norwegian Accounting Act. The interim consolidated financial statements have been prepared on the historical cost basis, with the exception of receivables and other financial liabilities which are recognised at amortised cost.

Note 3. Critical accounting judgments and key sources of estimation uncertainty

Critical accounting estimates and judgments

Management makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are evaluated on an on-going basis and are based on historical experience and other factors, including expectations of future events that are considered to be relevant.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 31 December 2021.

Note 4. Government grants

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

Amounts in NOK 1 000	First Quarter		Full Year
	2022	2021	2021
Payroll and related expenses	0	261	452
Other operating expenses	0	1 194	4 725

Grant's receivable presented as other current receivables in the statement of financial position:

Amounts in NOK 1 000	31.03.2022	31.12.2021
Grant's receivable	4 750	4 750

1) R&D projects have been approved for SkatteFUNN grants for the period 2017 through 2021. For the financial period ended 31 March 2021, the company has recognised NOK 1.2 million. The amount was recognised partly as a reduction of payroll and related expenses and partly as a reduction of other operating expenses.

2) Preparations for an IND application for Alpha37 for potential treatment of NHL and chronic lymphocytic leukemia (CLL) are now advancing. In 2019, Nordic Nanovector was granted EUR 0.6 million from Eurostars in funding for this project. For the financial period ended 31 March 2021, the company recognised NOK 0.3 million partly as a reduction of payroll and related expenses and other operating expenses.

Note 5. Employee share incentive programmes

Performance Share Units (PSUs)

The board of directors of Nordic Nanovector ASA decided on 10 March 2022 to grant 934 000 PSUs to current and newly hired employees.

Overview of outstanding PSUs

	Year to date 2022	
	Number of PSUs	Weighted average exercise price, NOK
Balance at 01.01.2022	1 580 000	0.2
Granted during the period	934 000	0.2
Exercised during the period	-42 675	0.2
Forfeited	-175 325	0.2
Balance at 31.03.2022	**2 296 000**	**0.2**
Hereof vested PSUs	**0**	**0.2**

For further information about the PSU programme see note 6.3.1 to the company's annual accounts included in the company's annual report for 2021.

Share options

The share option programme was discontinued in 2017 and no options have been granted after 2017, but options granted under the programme will remain valid with its existing terms.

Overview of outstanding options

	Year to date 2022	
	Number of options	Weighted average exercise price, NOK
Balance at 01.01.2022	676 300	42.64
Granted during the year	0	0
Exercised during the year	0	0
Forfeited	-268 800	28.00
Balance at 31.03.2022	**407 500**	**52.29**
Hereof vested options	**407 500**	**52.29**

For further information about the share option programme see note 6.3.3 to the company's annual accounts included in the company's annual report for 2021.

Note 6. Restricted Stock Units (RSUs)

Allocation of restricted stock units (RSUs) to the board of directors

At the annual general meeting (AGM), the shareholders approved the issuance of restricted stock units ("RSUs") to board members who elect to receive all or parts of their remuneration, for the period from the AGM in 2021 to the AGM in 2022, in the form of RSUs.

The RSUs are non-transferable and each RSU give the right and obligation to acquire one share in the Company at a price of NOK 0.20 per share (corresponding to the nominal value of the shares) subject to satisfaction of the applicable vesting conditions stated in the RSU agreements.

The board members may elect 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 election made by each board member has been set out in the table below. 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 minimum compensation to the board member, divided by the market price for the Nordic Nanovector share. The market price is calculated as volume weighted average share price 10 trading days prior to the date of the AGM, i.e., NOK 25.68.

Pursuant to the RSU program, the board members have made the following election and hold the following number of RSUs and shares following such election:

Name	Remuneration for the period 2021-2022	Allocation between cash and RSUs	Number of RSUs for the period 2021-2022	Total number of RSUs out standing
Jan H. Egberts	NOK 620 000	1/3 RSUs	8 047	24 654
Per Samuelsson	NOK 390 000	100% Cash	0	0
Karin Meyer	NOK 370 000	1/3 RSUs	4 802	10 181
Joanna Horobin	NOK 370 000	1/3 RSUs	4 802	4 802
Jean-Pierre Bizzari	NOK 370 000	1/3 RSUs	4 802	4 802
Rainer Boehm	NOK 350 000	1/3 RSUs	4 543	15 824
Solveig Hellebust	NOK 350 000	100% RSUs	13 629	13 629

A total of 40 625 RSUs have thus been allocated following the AGM. The RSUs vested on 28 April 2022. For further information about the RSU Program see section 6.3.2 to the Company's financial statements for 2021, included in the Company's annual report for 2021 on page 89.

Overview of outstanding RSUs

	Year to date 2022
	Number of RSUs
Balance at 01.01.2022	73 892
Granted during the year	0
Exercised during the year	0
Forfeited	0
Balance at 31.03.2022	**73 892**
Hereof vested RSUs	**33 267**

For further information about the RSU programme see note 6.3.2 to the company's annual accounts included in the company's annual report for 2021.

Note 7. Share capital and shareholder information

The share capital as at 31 March 2022 is NOK 23 207 060 (31 December 2021: NOK 19 615 676), being 116 035 298 ordinary shares at a nominal value of NOK 0.20. All shares carry equal voting rights.

The change in the number of shares during the period was as follows:	Note	31.03.2022	31.12.2021
Ordinary shares at beginning of the period		**98 078 380**	**79 390 612**
Issue of ordinary shares [1)]		17 914 243	18 577 402
Issue of ordinary shares under options [2)]	5	42 675	58 400
Issue of ordinary shares under RSUs	6	0	51 966
Ordinary shares at end of the period		**116 035 298**	**98 078 380**

[1] On 19 January 2022, the company announced that it had completed a successful private placement of 17 857 143 shares, which raised gross proceeds of NOK 250 million, at a subscription price of NOK 14 per share. The proceeds from the private placement are expected to ensure financing past the company's value inflection point targeted for H2'2022 (preliminary 3-month data readout from PARADIGME) and for at least an additional three months into 2023 to enable the company to maximise shareholder value from the PARADIGME clinical trial.

On 14 February 2022, an EGM resolved to grant an authorisation to the company's board of directors to carry out a repair offering following the private placement in January 2022 at a subscription price of NOK 14 per share. Given the share price development following the geopolitical events in Ukraine, the repair offering resulted in limited new proceeds being raised for the company.

[2] The share capital increase pertaining to settled PSUs was registered in the Norwegian Register of Business Enterprises on 25 March 2022. The Company's share capital was increased with NOK 8 535 through the issuance of 42 675 new shares. Reference is made to the stock exchange announcement made by Nordic Nanovector ASA's (OSE: NANOV) (the "Company") on 31 January 2019, regarding allocation of 259 000 PSUs to employees in accordance with the authorisation granted at the Company's annual general meeting held 30 May 2018 (the "2018 AGM"). Each vested PSU gives the holder the right to receive one share in the Company at an exercise price corresponding to the par value of the shares being NOK 0.20. The total program ended at 42 675 vested PSUs which were exercised on 22 March 2022. Out of the 42 675 vested PSUs, 14 466 PSUs were exercised by primary insiders. Malene Brondberg, CFO exercised 7 233 PSUs and Jostein Dahle, CSO exercised 7 233 PSUs.

Nordic Nanovector ASA had 11 722 shareholders as of 31 March 2022

	Shareholders	Number of shares	Percentage of total shares
1	Folketrygdfondet	10 416 673	8.98%
2	HealthCap VI L.P.	6 834 095	5.89%
3	Fjarde AP-Fonden	4 728 571	4.08%
4	OM Holding AS	3 779 477	3.26%
5	Sundt AS	2 000 000	1.72%
6	Nordnet Livsforsikring AS	1 999 317	1.72%
7	Skandinaviska Enskilda Banken AB	1 694 312	1.46%
8	Ro Invest AS	1 142 857	0.98%
9	Nordnet Bank AB	1 013 322	0.87%
10	J.P. Morgan SE	897 884	0.77%
11	Birk Venture AS	871 428	0.75%
12	Linux Solutions Norge AS	845 071	0.73%
13	UBS Switzerland AG	793 475	0.68%
14	Sciencons AS	725 000	0.62%
15	Verdipapirfondet Nordea Avkastning	703 480	0.61%
16	Must Invest AS	700 000	0.60%
17	Radiumhospitalets Forskningsstiftelse	696 400	0.60%
18	Myna AS	650 681	0.56%
19	Danske Bank A/S	640 271	0.55%
20	Lucellum AS	625 367	0.54%
	Total shares for top 20 shareholders	**41 757 681**	**35.99%**
	Total shares for other 11 702 shareholders	74 277 617	64.01%
	Total shares (11 722 shareholders)	**116 035 298**	**100.00 %**

The shares of Nordic Nanovector ASA have been traded on the Oslo Stock Exchange since 23 March 2015.

Note 8. Earnings per share

The calculation of basic and diluted earnings per share attributable to the ordinary shareholders of the parent is based on the following data:

Amounts in NOK	Year to date 2022	Full Year 2021
Loss for the period	-104 854 000	-441 303 000
Average number of outstanding shares during the year	112 332 617	94 818 761
Earnings (loss) per share - basic and diluted	**-0.93**	**-4.65**

Share options and PSUs issued have a potential dilutive effect on earnings per share. No dilutive effect has been recognised 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 company is currently loss-making an increase in the average number of shares would have anti-dilutive effects.

Note 9. Net finance income (expense)

Net finance income (expense) is mainly driven by interests on bank deposits and the currency gain (loss) on cash and cash equivalents in foreign currency.

Amounts in NOK 1 000	First Quarter		Full Year
	2022	2021	2021
Finance income	647	368	1 219
Finance expenses	120	59	636
Net currency gains (losses) on cash and cash equivalents	-4 301	-400	1 229
Net other currency gains (losses) related to operating items	- 648	-112	484
Net finance income	**-4 422**	**-203**	**2 296**

Finance expenses include interest expenses on lease liabilities.

Additional information

Glossary of terms

1L, 2L, 3L: First, second and third line of treatment

ARCHER-1: Name of Nordic Nanovector's combination study; Betalutin® and rituximab

ASH: American Society of Hematology

B-cell: A type of lymphocyte (white blood cell) in the humoral immunity of the body's adaptive immune system. Can be distinguished from other lymphocytes by the presence of a protein on the B-cell's outer surface known as a B cell receptor (BCR). This specialized receptor protein allows a B-cell to bind to a specific antigen**.**

CD20: B-lymphocyte antigen CD20 is an activated-glycosylated phosphoprotein expressed in the surface of all B-cells beginning at the pro-B phase and progressively increasing in concentration until maturity

CD37: B-lymphocyte antigen CD-37 is a protein, a member of the transmembrane 4 superfamily, also known as the tetraspanin superfamily of cell surface antigens

CR: Complete Response

DLBCL: Diffuse Large B-Cell Lymphoma

DoR: Duration of Response

FDA: Food and Drug Administration (US)

FL: Follicular Lymphoma

GMP: Good Manufacturing Practice

Haem-Oncs: Haematologist-oncologist

IND: Investigational New Drug

iNHL: Indolent non-Hodgkin Lymphoma

KOL: Key Opinion Leader

Lilotomab (llo): Betalutin® consists of the radionuclide lutetium-177 conjugated to the B-cell seeking anti-CD37 antibody lilotomab

Lu-177: Radionuclide lutetium-177

mAb: Monoclonal antibody

MBq: Megabecquerel (radioactivity measurement unit)

MZL: Marginal zone lymphoma

NDA: New Drug Application

NHL: Non-Hodgkin's Lymphoma

ODD: Orphan Drug Designation

ORR: Overall Response Rate (CR plus PR)

OS: Overall Survival

PARADIGME: name of Nordic Nanovector's pivotal Phase 2b trial

PD: Progressive Disease

PFS: Progression Free Survival

PR: Partial Response

QoL: Quality of Life

R/R: Relapsed/refractory

RTX: Rituximab

SAB: Scientific Advisory Board

SCT: Stem cell transplant

SD: Stable Disease

T-cell: A type of lymphocyte (white blood cell) that plays a central role in cell-mediated immunity. Can be distinguished from other lymphocytes by the presence of a T-cell receptor (TCR) on the cell surface. They are called T-cells because they mature in the thymus

Financial calendar

Q2 2022 results	20 July 2022
Q3 2022 results	10 November 2022

The date, time and location of the presentations will be announced in due course.

In accordance with its corporate disclosure policies, the company has a two-week quiet period ahead of its full year and quarterly results announcements. During the quiet periods, the company will not participate in meetings, seminars or engage with external individuals or groups (including analysts, investors, media).

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Forward-looking statements

This report contains certain forward-looking statements. These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances, 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 Nordic Nanovector's business, financial condition and results of operations. The terms "anticipates", "assumes", "believes", "can", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "should", "projects", "targets", "will", "would" or, in each case, their negative, or other variations or comparable terminology are used to identify forward-looking statements. These forward-looking statements are not historic facts. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied in the forward-looking statements. Factors that could cause these differences include, but are not limited to, risks associated with implementation of Nordic Nanovector's strategy, risks and uncertainties associated with the development and/or approval of Nordic Nanovector's product candidates, ongoing and future clinical trials and expected trial results, the ability to commercialise Betalutin®, technology changes and new products in Nordic Nanovector's potential market and industry, Nordic Nanovector's freedom to operate (competitors patents) in respect of the products it develops, the ability to develop new products and enhance existing products, the impact of competition, changes in general economy and industry conditions, and legislative, regulatory and political factors. No assurance can be given that such expectations will prove to have been correct. Nordic Nanovector disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

This information is subject to the disclosure requirements pursuant to Section 5-12 the Norwegian Securities Trading Act

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NORDIC NANOVECTOR

About Nordic Nanovector

Nordic Nanovector is committed to develop and deliver innovative therapies to patients to address major unmet medical needs and advance cancer care. The Company aspires to become a leader in the development of targeted therapies for haematological cancers.

Nordic Nanovector's lead clinical-stage candidate is Betalutin®, a novel CD37-targeting antibody-radionuclide-conjugate designed to advance the treatment of non-Hodgkin's lymphoma (NHL). NHL is an indication with substantial unmet medical need, representing a growing market forecast to be worth nearly USD 27 billion by 2029. Nordic Nanovector retains global marketing rights to Betalutin® and intends to actively participate in the commercialisation of Betalutin® in the US and other major markets.