



Annual report 2023

[Start reading](#)

Contents

This is Thor Medical	3
Year in brief	4
Highlights	4
Message from the CEO	5
Share information	7
The team	8
Board of Directors	9
Board of Director’s report	10
Governance	17
Corporate governance report	17
Sustainability	23
Environment	26
Social	27
Governance	29

Financials	31
Consolidated financial statements	32
Parent company financial statements	63
Responsibility statement	86
Auditor’s report	87



Thor Medical's target is to become a world-leading supplier of alpha emitters for cancer therapy, enabling next-generation precision cancer therapy.

Thor Medical has developed a proprietary technology for the manufacturing of radionuclides, primarily alpha-particle emitters from natural resources. The high energy deposition and the short range of alpha particles make it possible to eradicate cancer cells while minimizing damage to nearby healthy cells. The radiotherapeutics market is expected to grow significantly towards USD 27bn by 2032, driven by radiotherapeutics, requiring large volumes of radioisotopes such as alpha emitters. Thor Medical's proprietary production technology offers the world's purest radionuclides and provides reliable and efficient production of alpha-emitters independent of nuclear reactors and accelerators.

Highlights

The acquisition of Thor Medical AS by Nordic Nanovector ASA was approved by the AGM on 28 June 2023. The transaction was closed on 3 July 2023, after which the company changed its name to Thor Medical ASA and revised its strategy mission to reflect Thor Medical’s aim to become a world-leading supplier of alpha emitters for cancer therapy and enable next-generation precision cancer therapy.

As part of the strategy revision, all operations related to legacy Nordic Nanovector were discontinued during the second half of 2023, with the ‘Nanovector patents’ being transferred to NucliThera AS. The discontinuation is reflected in the consolidated Income Statement and Balance Sheet for Thor Medical ASA.

Thor Medical is planning to make the final investment decision (FID) for an industrial-scale plant for production of alpha-emitting radioisotopes based on naturally occurring thorium by the end of 2025. The company made significant progress towards this end during the second half of 2023:

- Signed three LOIs with radiopharmaceutical companies for future supply of alpha emitters, to be replaced by commercial agreements upon product qualification.
- Executed investment decision to build a pilot plant, enabling verification of product and process and production of samples for customer qualification in the second half of 2024.
- Expanded the team with experienced chemistry professionals
- Subsequent to this report, hiring of Jasper Kurth as CEO for onboarding september 2024.

Key figures

(figures in NOKm)	2H 2023	2H 2022	2023	2022
Revenues	-	-	-	-
EBITDA	(6.8)	-	(6.8)	-
EBIT	(7.2)	-	(7.2)	-
Profit / (loss) before taxes	(5.6)	-	(5.6)	-
Profit / (loss) after tax from discontinued operations	5.5	(114.7)	(21.0)	(311.2)
Cash flow from operating activities	(15.1)	(182.6)	(64.1)	(409.1)
Cash flow from investment activities	6.2	(2.6)	6.3	(2.5)
Cash flow from financing activities	(0.2)	(1.2)	(0.4)	228.1
Effects of exchange rate changes on cash and cash equivalents	0.6	(2.3)	1.2	4.4
Net cash flow	(8.4)	(188.7)	(56.9)	(179.0)
Available cash	41.8	98.7	41.8	98.7
Net Interest-bearing liabilities	-	0.2	-	0.2
Total assets	330.8	109.6	330.8	109.6
Equity	271.9	63.8	271.9	63.8

Message from the CEO

Accelerating cancer therapies

We took an exciting step last year when former Nordic Nanovector ASA acquired Thor Medical and turned into Thor Medical ASA. Our small team of highly skilled professionals have since continued working together with our partners to realise our vision to become a world-leading supplier of alpha-emitters for cancer therapy.

Cancer accounts for around 10 million deaths annually and represents a large unmet medical need. Over the past ten years or so we have seen the launch of several radiotherapeutics that have been more effective with less adverse side-effects than conventional therapies. This makes radiotherapy one of the fastest growing treatment options for a broad range of different cancers.

These new radiotherapies also represent a large commercial market, with each of the new products reaching sales in the hundreds of millions of dollars. With more research being published and more companies starting pre-clinical and clinical studies with different radiotherapeutic candidates we believe we have only just seen the start of a wave of improved and more precise cancer therapies.

Radiotherapeutics using alpha-emitting radioisotopes have several advantages compared to beta-emitting isotopes, such as a higher linear energy transfer and short path ranges. This means that the alpha-particles kills the cancer cells more effectively but also that they make little or no harm to the surrounding healthy tissue. The alpha-emitters we work with also have a short half-life and will hence not leave any long-lived radioactivity in the patients.

These advantages make alpha-emitters very exciting candidates for new and improved radiotherapeutics, and Pb-212 or Lead-212 is regarded one of the most promising. Together with our customers we can produce Pb-212 from the naturally occurring isotope Thorium-232, without the use of nuclear reactors. Our proprietary process for separation of Thorium-232 makes the world's purest



“We have only just seen the start of a wave of improved and more precise cancer therapies.”

Thorium-228, which our customers can process into Pb-212 and link to their targeting molecules to create new radiotherapeutics.

The expected high sales volumes for new radiotherapeutics will create a significant demand for radioisotopes, and we have already signed LOIs with three different companies for volumes that will exhaust the planned capacity of 70Gbpq at our first industrial-scale plant. Dialogues with other potential customers have indicated a demand of 4-5 times this level, leaving us very upbeat about the commercial and financial opportunity ahead of us.

We made considerable progress in 2023, both commercially, operationally, and organizationally, and our next milestone is the establishment of our pilot plant at Herøya Industrial Park in 2024. This will verify the process in an industrial setting and generate product samples for customer qualification towards the end of the year. These will be crucial steps towards making a final investment decision for the first industrial-scale plant in 2025. At an investment

cost of up to NOK 500 million we believe this plant will generate annual revenues of more than NOK 400 million when fully ramped in 2030. We see the opportunity to generate very high profitability with an gross operating margin (EBITDA) of more than 50%.

Rounding off, I would like to thank my team for their hard work and valuable contributions during 2023, including not only our employees but also our Board of Directors and Roy Larsen and Brit Farstad on our Technical Advisory Board. I would also extend my gratitude to the technology partners who have helped us progress and to everyone making up the strong Norwegian radiopharmaceutical cluster we all benefit from.



Alf Bjørseth, CEO

Share information

Per 31 December 2023, the company had 233 539 006 issued shares, divided between 10 950 shareholders.

Scatec Innovation AS is the company’s largest share holder with 57 158 250 shares, in addition to controlling stake in Scatec Invest II AS and Scatec Invest IV AS, corresponding to controlling 26.5 per cent of total number of share outstanding.

The closing price for the company’s share was NOK 1.29 per share as of 31 December, which corre- sponds to a market capitalization of NOK 301.2 million.

Overview largest shareholders

#	Shareholder	Number of shares	Percentage of total shares
1	Scatec Innovation AS	57 158 250	24.47%
2	Roth Invest AS	15 994 640	6.85%
3	North Energy ASA	14 663 147	6.28%
4	Bergfald Holding AS	11 981 696	5.13%
5	Brennebu AS	10 532 567	4.51%
6	Thorium Foundation	6 849 880	2.93%
7	Jon Magne Asmyr	4 300 000	1.84%
8	Scatec Invest IV AS	3 165 920	1.36%
9	Bækkelaget Holding AS	2 150 041	0.92%
10	Sciencons AS	2 000 000	0.86%
Total shares for top 10 shareholders		128 788 953	55.15%
Total shares for other 10 940 shareholders		104 750 053	44.85%
Total shares		233 539 006	100.00%

The team



Dr. Alf Bjørseth
Chief Executive Officer (CEO)

Dr. Alf Bjørseth is renowned for his adeptness in establishing new ventures grounded in proprietary technologies, particularly within renewable energy and advanced materials sectors. Notable successes include REC, NorSun, Scatec Solar ASA, Norsk Titanium, and REEtec AS. Notably, his founding of ScanWafer in 1994 catalyzed subsequent ventures in the solar industry, culminating in the establishment of Renewable Energy Corporation in 2000. Dr. Bjørseth holds a Doctor of Philosophy in Physical Chemistry from the University of Oslo and has held prominent roles such as Corporate Director of Research at Norsk Hydro and Director of Technology for Elkem. He holds 47 855 shares in the company.



Brede Ellingsæter
Chief Financial Officer (CFO)

Ellingsæter is currently the CFO at Thor Medical ASA and Scatec Innovation Group. Before joining Scatec Innovation, he was CFO of Elkem Carbon Solutions division in Elkem ASA, where he held several management positions during his more than 7 years with the company, including management positions abroad. Brede Ellingsæter holds a Master of Business and Economics from Norwegian School of Economics (NHH). From 1 June 2024, Mr. Ellingsæter will join Thor Medical full time and resign from Scatec Innovation.



Dr. Sindre Hassfjell
Chief Technology Officer (CTO)

Dr. Sindre Hassfjell holds a Master of Science and Doctor of Science in nuclear chemistry from the University of Oslo (UiO). With over three decades of expertise in nuclear and radiochemistry research, Dr. Hassfjell possesses comprehensive experience across various radioactivity levels, contributing significantly to radionuclide production and the advancement of radiopharmaceuticals. His career spans roles as a scientist and project leader at IFE, as well as Director of generator development for ARTBIO. His dedication to pioneering microdosimetric methodology underscores his commitment to advancing nuclear science. He holds 0 shares in the company.



Astrid Liland
VP EHS

Astrid Liland brings over two decades of experience from the Norwegian Radiation and Nuclear Safety Authority (DSA), formerly NRPA. With expertise in environmental and nuclear chemistry, radiation protection, and emergency preparedness, she has spearheaded national and international scientific projects. Holding degrees in Chemistry and Nuclear Chemistry from the University of Oslo (UiO), Astrid’s diverse roles underscore her dedication to advancing radiation protection and nuclear safety. She holds 0 shares in the company.

Board of Directors

Ludvik Sandnes Chairman of the Board

Mr. Sandnes brings over 45 years of extensive experience in executive leadership roles and as an international corporate finance advisor, collaborating with prominent corporations and leading investment banks. Throughout his career, Mr. Sandnes has held pivotal roles as a board chairman and member in over 20 quoted and private companies. Notably, he served on the Board of Nordic Nanovector from 2013 to 2019, assuming the position of Chairman for the final five years. Sandnes currently controls 100 000 shares in the company through Ekornhuset AS. Member of the Board of Thor Medical since 28 June 2023.

John Andersen Jr. Director of the Board

Mr. Andersen is the CEO of Scatec Innovation AS. Previously, he was the Chief Operating Officer of the REC Group, where he held several top management positions during his 12 years with the company. Prior to REC, he worked in Borregaard Industrier. Mr. Andersen is the Chair of Scatec ASA, Norsk Titanium AS, NorSun AS, REEtec AS, as well as a number of other companies. Mr. Andersen holds a Master of Business and Economics from BI Norwegian Business School. Scatec Innovation, a related party of Andersen currently holds 61 908 494 shares in Thor Medical. Member of the Board of the company since 28 June 2023.

Mimi Berdal Director of the Board

Ms. Berdal has cultivated a distinguished reputation as an independent corporate advisor, esteemed lecturer, and astute investor since the year 2005. She currently holds the position of Chair of the Board of Directors at Goodtech ASA and Connect Bus AS. Additionally, Ms. Berdal serves on the boards of Freyr Battery Inc., Electromagnetic Geoservices ASA, Energima AS, KLP Eiendom AS, Norsk Titanium AS and Kongsberg Digital Holding ASA. Furthermore, she fulfils the role of Chair of the Nomination Committee at Borregaard ASA. Ms. Berdal holds a Master of Laws from the University of Oslo and has previously served as a partner at the law firm Arntzen de Besche in Oslo, as well as an in-house legal adviser to TOTAL Norge AS. Berdal currently holds 0 shares in Thor Medical. Member of the Board of the company since 28 June 2023.

Advisory Board

Dr. Roy Hartvig Larsen

Dr. Roy H. Larsen holds a Ph.D. in radiopharmaceutical chemistry from the University of Oslo (UiO) and has garnered postdoctoral experience from Duke University, USA. With a rich background in drug development and business, Dr. Larsen stands as a prominent figure in the pharmaceutical landscape. He played a pivotal role as the main founder of Algeta ASA (acquired by Bayer in 2014), where he served as Managing Director and later Chief Scientific Officer concurrently holding a board position. Additionally, Dr. Larsen is among the founders of Nordic Nanovector ASA and Oncoinvent AS. Notably, he assumed the role of Chairman of the Board at Oncoinvent. Dr. Larsen’s influence extended to Nordic Nanovector, where he chaired the board from 2009 to 2014 and remained a board member until 2016. He currently controls 2 000 000 shares in Thor Medical through Scienscons AS.

Brit Farstad

Ms. Farstad holds a Master’s degree in Pharmaceuticals from the University of Oslo (UiO), Brit brings a wealth of knowledge and expertise to the table. Having dedicated 37 years to the Institute for Energy Technology (IFE), her tenure includes pivotal roles such as Manager of Quality and Environment and a decade-long stint as Department Head. Currently, Brit serves as the Head of the Department within the nuclear sector, a position she has held since July 2020. Her extensive experience and leadership within the nuclear domain uniquely position her to provide invaluable insights and strategic guidance to Thor Medical ASA. Ms. Farstad currently holds 0 shares in Thor Medical.

Board of Director's report

Thor Medical ASA ("Thor Medical" or "the Company") is an emerging supplier of radionuclides, primarily alpha particle emitters, from naturally occurring thorium. Its proprietary production process requires no irradiation or use of nuclear reactors, and provides reliable, environmentally friendly, cost-efficient supply of alpha-emitters for the radiopharmaceutical industry. Thor Medical is headquartered in Oslo, Norway and listed on the Oslo Stock Exchange under the ticker symbol "TRMED".

Strategy and development

Thor Medical strategically repositioned in 2023, following the completion of Nordic Nanovector ASA's acquisition of all the issued and outstanding shares in Thor Medical AS, a company founded by Scatec Innovation and other shareholders in 2017.

Nordic Nanovector ASA was founded in Oslo, Norway 2009 and listed on the Oslo Stock Exchange in 2015. Its lead drug candidate was the radioimmunoconjugate Betalutin® for the treatment of lymphoma. Despite promising early results, Nordic Nanovector in 2022 discontinued a Phase 2b trial with Betalutin as it was considered unlikely to become competitive within a commercially acceptable timeframe. This triggered a restructuring with the intent to reduce costs and focus on strategic opportunities with shorter

time to market. On June 6 June 2023 the Company announced an agreement to acquire Thor Medical on a 50-50 basis. This was approved by an AGM on 28 June and completed on 3 July 2023.

As a consequence of the acquisition of Thor Medical AS, the Company's Articles of Association were amended, including changing of the Company name to Thor Medical ASA.

Based on the complementary expertise of the combined companies, it was and remains the assessment that Thor Medical is well-positioned to become a leading global supplier of alpha emitters for the growing market for radiotherapeutics for cancer treatment. Thor Medical will use natural thorium Th-232 as feed-stock for production of alpha-emitting radioisotopes that make

it possible to eradicate cancer cells while minimizing damage to nearby healthy cells.

To further progress this strategy and sharpen the focus, Thor Medical in November 2023 agreed to the transfer of the former Nordic Nanovector's pipeline of patented development stage candidates to the newly established company NucliThera AS.

Late in 2023, the Company announced that it is moving ahead with the plans to build a pilot plant to enable verification of product and process and to produce samples for customer qualification in the second half of 2024. The pilot is established in an existing building at Herøya Industrial Park and will consist of a cutting-edge lab and analytical equipment for producing Ra-228 and subsequently Th-228 from natural occurring thorium. The Company is currently working to secure necessary permits for the establishment and operation of the pilot plant.

Based on the pilot, the Company will evaluate an initiative to significantly increase capacity in a potential phase 2 of the pilot to fast track commercial volumes from 2025.

Thor Medical is planning to make a final investment decision (FID) by the end of 2025 for building of an industrial-scale plant with alpha-emitter production capacity of 70Gbpq and start-up in 2027.

The Company is in dialogue with several potential customers and had by the end of 2023 signed three LOIs with radiopharmaceutical companies for future supply of alpha emitters. The expectation is for these LOIs to be replaced by commercial agreements upon product qualification.

Thor Medical’s strategic priorities for 2024 are hence to:

- Complete and start-up the pilot facilities at Herøya
- Verify process and product, and produce samples for customer qualification
- Continue dialogues with existing and potential customers in the radiopharmaceutical industry for future supply of alpha emitters
- Mature the concept for an industrial-scale manufacturing facility, including assessing a project for fast track to commercial volumes in 2025.

Thor Medical’s timelines and goals for the first phase of industrialisation are as follows:

- Industrial verification and customer sampling and qualification in 2024
- Final investment decision for 70GBq industrial-scale plant with capex of up to NOK 500 million in 2025 with start-up in 2027
- The industrial-scale plant is expected to generate more than NOK 400 million in revenues with >50 per cent EBITDA margin upon completion of industrial ramp-up by 2030

Products and technology

Thor Medical and its customers are addressing a large unmet medical need for effective and tolerable cancer treatments. This offers a large commercial opportunity for innovative cancer treatments using radiotherapeutics.

Radiotherapeutics based on alpha-particles show potential to yield better therapeutic performance with fewer side effects compared to conventional cancer therapeutics. Compared to beta particles, alpha particles offer greater therapeutic efficacy, less off-target toxicity that damages healthy cells in surrounding tissue, direct cell death through DNA destruction, and typically a shorter half-life meaning that that there is no long-lived radioactivity left in the patient.

Thor Medical has developed proprietary and verified technology offering alpha-emitting radionuclides. The Company processes natural Thorium 232 into the world’s purest Thorium 228, and by further decay and processing into Pb-212 or Ra-224 these radioisotopes can enable radiopharmaceutical companies to develop next-generation precision cancer treatment.

Thor Medical has established a reliable and efficient process which will enable continuous production with a consistently high degree of purity in an automated closed-loop process, with reuse of materials and no radioactive contaminants. The technology yields a separation factor of 1 000 which causes the process to quickly converge to high purity, effectively generating no waste and making scale-up to large scale production possible. This process will be verified in an industrial scale environment in the pilot plant in 2024.

Organisation

Thor Medical is committed to driving organizational growth in accordance with the Company’s business plan and needs. Securing and retaining critical talent is imperative for achieving Thor Medical’s strategic priorities during the scaling phase.

Thor Medical strengthened its organisational capacity and recruited key personnel in 2023. This included the appointment of Alf Bjørseth as CEO effective 28 June 2023 and Brede Ellingsæter as CFO effective 3 July 2023. At the end of 2023, Thor Medical had a total of 2 employees and 1 contractor, none of which were women.

On 31 October the Company appointed Astrid Liland as EHS manager effective 1 January 2024, and Thor André Karlsen as Process Engineer effective 1 February 2024. All new employees hold extensive experience from their respective fields of expertise. The strengthening of the organisation and recruitment of relevant competence will continue in 2024.

Thor Medical has an ambition to be an attractive employer and a safe workplace offering a good working environment, and there have not been reports of injuries or accidents at the company in 2023.

The Company maintains a structured framework for governance and strategic oversight, ensuring alignment with its mission and objectives. The annual general meeting (AGM) on 28 June 2023 elected the current three members of the Board of Directors and appointed Ludvik Sandnes as Chairman of the Board. The AGM also elected the nomination committee, comprising Didrik Leikvang (committee leader), Jørn Aage Johansen and Jon Magne Asmyr.

The Board of Directors is supported by an Advisory Board comprising Roy Larsen and Brit Farstad. The Advisory Board provides strategic guidance and expertise, offering valuable insights and recommendations to help navigate challenges, seize opportunities, and achieve long-term goals.

The Company has a Directors & Officers (D&O) Liability insurance for its Board of Directors and Officers.

Market development

The market for radiotherapeutics continued to grow rapidly in 2023, with new cancer radiotherapeutics reaching sales in the hundreds of millions of dollars and even nearing the USD 1 billion blockbuster status. The global radiopharmaceutical market is expected to grow from USD 7 billion in 2022 to USD 39 billion in 2032, of which USD 27 million from radiotherapeutics.

There are several hundred radiopharmaceuticals in development, which is expected to create strong future demand for radioactive compounds. Pb-212 derived from Thorium-228 is regarded as one of the most promising alpha-emitting radioisotopes.

As of the fourth quarter 2023, the Company knows of nine cancer therapy candidates in clinical development with Pb-212 or Ra-224, with the three most advanced already in phase IIa. In addition, more than ten candidates were in pre-clinic/discovery.

Sustainability

Sustainability is an integrated part of Thor Medical’s organisation and is embedded in all business units. We support a precautionary approach to environmental challenges and undertake initiatives to promote greater environmental responsibility.

Our commitment to sustainability is based on basic standards and responsibilities of our employees.

Our standards:

- We strive to better understand and report the gas emissions we produce and the gas emissions we abate through our major products
- We will safely arrange for the disposal of raw materials, products and waste in an environmentally friendly manner

Employees’ responsibilities:

- Consider the environmental and social impacts our operations have, and ensure this is considered when making business decisions
- Minimise the emissions of you own activities and find ways to efficiently use resources around you

The Company’s Code of Conduct is the foundation and key governing document for business conduct and guides the behaviour to ensure that all employees and business partners act with the utmost care and integrity.

Thor Medical’s Code of Conduct has been read and signed by all employees and is available [here](#).

More information can be found in Thor Medical’s sustainability report.

Corporate governance

Thor Medical will comply with all regulations and continuing obligations as set out for companies listed on Oslo Børs. With respect to corporate governance Thor Medical is hence subject to corporate reporting requirements under section 3-3b of the Norwegian Accounting Act and adheres to the Norwegian Code of Practice for Corporate Governance as described in Section 7 of the continuing obligations of stock exchange-listed companies. More information can be found in the company’s Corporate Governance report.

The Board of Directors is responsible for ensuring that Thor Medical has sound internal control and systematic risk management that is appropriate to the nature of the Company’s activities.

On an annual basis, a detailed review of the Company’s most important areas of risk exposure is carried out to proactively mitigate the potential impact on the Company’s business plans, financial results, financial standing, and operational performance. An evaluation of climate-related risks, including potential new regulations, is a part of the annual risk mapping.

Although the risk is managed and mitigated systematically, the Company is operating in a global market that is influenced by external factors beyond the Company’s control, including changes in governmental regulations, customer preferences and new technologies.

Thor Medical’s CFO is responsible for the day-to-day organisation, management and controlling of Thor Medical’s financial activities.

Thor Medical is in an industrial scale-up phase with no current industrial production and few active supplier relationships. These suppliers are primarily consulting and IT service providers, as well as insurance services and office space leasing. The suppliers are mainly Norwegian companies, in industries with low inherent risk. This means that the overall risk in the supply chain of Thor Medical ASA is considered low at the time of the reporting.

More information about Thor Medical’s risk management and mitigating actions is found in the sustainability report.

Risk factors and risk management

Risk management is an integrated part of Thor Medical’s operating system. The Company is continuously developing and systemising its approach to risk management to prepare for its commercial phase through policies and procedures, which are followed up by the management team and relevant functions. The main risk management policies are reviewed and approved by the Board of Directors regularly.

Regulatory risk: Policies, regulatory framework conditions and sanctions have become increasingly important over the past years. Thor Medical intends to develop a commercial business involving several countries, from raw material sourcing, through production and delivery to customers. Trade tensions, sanctions and other changes in regulatory framework conditions could negatively influence the Company’s access to raw materials sourcing, as well as access to attractive end-markets.

Business risk: the main business risks that impact the Company’s future commercial operations relate to sales prices and sales volumes for alpha emitters and the cost of natural thorium as a key raw material. As the Company and the industry are in an early phase, there are risks associated with expected sales prices that can be achieved in the short and long term. In addition, the supply chain linked to industrial volumes of natural thorium is immature, which could create challenges in terms of procurement, reliability and price.

Organizational risk: Thor Medical employs highly educated and competent specialists within their fields, which will be crucial for succeeding with the Company’s ambitions. Key employees leaving or challenges in attracting and retaining critical expertise could negatively impact Thor Medical’s development.

Project development risk: Thor Medical’s growth relies on successful project development which is impacted by a number of factors including availability grid capacity and securing interconnection, component prices, interest rate level, government approval process, permits and access to competitive financing. Thor Medical employs a methodical approach to industrialization, with the forthcoming launch of its pilot facility serving as the groundwork for the establishment of a full-scale industrial plant. Additionally, the Company will evaluate expansion for a potential second plant to scale alongside market demands post-2030. To support these ambitions, Thor Medical is committed to continuously enhancing its project development expertise through a well-organized development strategy.

Health, safety and security risk: The construction, maintenance services and operation of a future large-scale industrial plant will expose Thor Medical employees, suppliers and partners to potential health, safety and security risk. Thor Medical works systematically to identify, assess and respond appropriately to all occupational health, safety and security risks.

Interest rate risk: Thor Medical currently has little exposure to changes in interest rates, given the scope and scale of operations. However, Thor Medical operates in a capital-intensive industry. As part of the preparations for the final investment decision for a large-scale plant in 2025, the Company will investigate relevant financing sources and raise the capital needed to support its industrialisation roadmap. Uptake of corporate debt or other liabilities will be subject to interest rate fluctuations. Thor Medical plans to further develop financial management best practices to adequately protect the Company through economic ups and downturns.

Currency risk: Currency fluctuations pose an acute and inherent risk in global operations and financing strategy. Thor Medical intends to develop strategies and procedures to mitigate currency risk as the Company progresses toward industrial-scale production to ensure financial stability amidst foreign exchange volatility. In 2023, Thor Medical’s exposure to foreign currency was limited.

Credit risk: Assessing counterparty credit risk is standard procedure when developing new partnerships or customer relationships. Thor Medical also deliberately selects robust financial institutions as partners to ensure financial stability and minimize credit risk. The company currently has negligible credit risk.

Liquidity risk: Liquidity risk relates to the Company’s ability to meet financial obligations. Thor Medical made efforts to reduce its cash burn and preserve cash in 2023, and the cash position of NOK 41.8 million at the end of 2023 is considered satisfactory for the liquidity requirements going forward.

Cyber risk: Thor Medical recognises the critical nature of cybersecurity in safeguarding its proprietary technology and sensitive data. In response to the evolving landscape of cyber threats, the Company has implemented and will continue to implement robust security measures, site and office access control and employee training programs to mitigate the risk of data breaches and cyberattacks.

Climate risk: The most serious climate-related risks involve the physical impact of extreme weather events, including droughts and floods. Extreme weather can cause physical damage to Thor Medical’s pilot or future industrial-scale plants and directly affect both safe and healthy, and operations including deliveries to customers. The risk is mitigated through engineering in the design phase and emergency plans.

Financial review

Thor Medical’s audited consolidated financial statements as of and for the period 01.01.2023 to 31.12.2023 have been prepared in accordance with EU-adopted International Financial Reporting Standards (IFRS) and Interpretations issued by the International Accounting Standards Board (IASB) and disclosure requirements in accordance with the Norwegian Accounting Act. Unless otherwise specified, financial information is provided in Norwegian Kroner (NOK).

The Company is in a pre-commercial phase and currently generates no revenue. As a result of the acquisition of Thor Medical AS by former Nordic Nanovector ASA and the subsequent strategic repositioning, the financial statements for 2023 are not easily comparable or even relatable to earlier financial statements.

Following the closing of the transaction on 3 July 2023, the new management has worked to pursue the revised strategy and reduce the Company’s burn related to non-core business. This included the transfer of the patents relating to Nordic Nanovector to NucliThera AS towards the end of 2023. The non-core Nordic Nanovector business is presented as discontinued operations in the below financial statements.

Profit and loss 2023

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

Thor Medical had no operating income in the second half of 2023 related to continuing business.

(figures in NOKm)	FY 2023	FY 2022
Total operating income	-	-
EBITDA	(6.8)	-
Operating profit (EBIT)	(7.2)	-
Net financials	1.6	-
Profit/loss for the period after tax	(5.6)	-
Profit / (loss) after tax from discontinued operations	(21.0)	(311.2)

The loss for the continuing operations amounted to NOK 5.6 million after tax in 2023. The loss after tax from discontinued operations amounted to NOK 21.0 million, compared to a loss after tax of NOK 311.2 million in 2022.

Personnel expenses in the continuing business amounted to NOK 3.3 million (NOK 78.5 million), other operating expenses to NOK 3.5 million (NOK 227.6 million), and depreciation to NOK 0.3 million (NOK 11.2 million).

In 2022, personnel expenses for the now discontinued business in former Nordic Nanovector amounted to NOK 78.5 million, other operating expenses to NOK 227.6 million, and depreciation to NOK 11.2 million. The lower cost level and lower losses in 2023 reflect the decision by Nordic Nanovector to discontinue clinical studies during 2022, and the wind-down of the remaining operating activities through 2022 and 2023.

Financial position

Total assets on 31 December 2023 were NOK 330.8 million (NOK 109.1 million). The Company held NOK 41.8 million (NOK 98.7 million) in cash and cash equivalents, NOK 3.6 million (NOK 10.4 million) in other current receivables, and NOK 1 million (NOK 0.4 million) in property, plant & equipment (PPE). The remaining NOK 284.5 million in other intangible assets reflects the allocation of surplus value in connection with the acquisition of Thor Medical AS.

Equity amounted to NOK 271.9 million at the end of 2023. This compares to total equity of NOK 63.8 million.

Non-current liabilities amounted to NOK 54.4 million at the end of 2023, all of which reflected deferred tax liabilities. At the end of 2022, non-current liabilities stood at NOK 1.5 million, reflecting net employee defined benefit liabilities.

Current liabilities amounted to NOK 4.4 million at the end of 2023, including trade payables of NOK 2.1 million and other current liabilities of NOK 2.3 million. At the end of 2022, current liabilities stood at NOK 44.3 million, with other current liabilities accounting for NOK 34.3 million, trade payables of NOK 9.1 million, tax payable of NOK 0.8 million and short-term lease liabilities of NOK 0.2 million.

Cash flow

Net cash flow from operating activities ended at negative NOK 64.1 million (NOK -409.1 million), of which a negative NOK 32.4 million was attributed to changes in net working capital. The bulk of the negative cash flow operations reflect discontinued business.

Net cash flow from investment activities was a positive NOK 6.3 million (NOK -2.5 million), reflecting cash acquired through the business combination of NOK 4.3 million and interest received of NOK 2.0 million.

The net cash flow from financing activities was slightly negative at NOK 0.4 in 2023, whereas the company in 2022 had a positive net cash flow from financing of NOK 228.1 million explained by proceeds from a share issue of NOK 250.8 million.

Overall, the net change in cash and cash equivalents was a negative NOK 56.9 for the full year 2023, of which NOK 8.4 million in the second half of the year. In 2022 the net change in cash and cash equivalents was a negative NOK 179.0 million.

Cash flow summary

(figures in NOKm)	2023	2022
Net cash flow from operating activities	(64.1)	(409.1)
Net cash flow from investment activities	6.3	(2.4)
Net cash flow from financing activities	(0.4)	228.1
Net change in cash and cash equivalents	(56.9)	(179.0)
Cash and cash equivalents at start of period	98.7	277.7
Cash and cash equivalents at end of period	41.8	98.7

Allocation of net loss and dividends

Thor Medical ASA had a net loss of NOK 15.7 million from January 1 to December 31, 2023. The Company is in a growth phase and is not in position to pay dividends.

The Board of Directors proposes that the net loss is allocated to accumulated losses.

Going concern

Thor Medical is in a pre-commercial early phase but sees a very promising market outlook for next-generation radiotherapeutic cancer treatments and for production of the radioisotopes needed to support this market development. The consolidated financial

statements have been prepared under the Norwegian Accounting Act under a going concern assumption, and based on the company’s financial position the Board of Directors confirms that this assumption is realistic.

Outlook

The Company’s primary focus going forward will be to complete the pilot facilities at Herøya Industrial Park according to plan, with commissioning and start-up of the plant during the second half of 2024. The first product samples are expected to be delivered to potential customers towards end of the year, and upon customer qualification the Company expects to convert the LOIs entered with customers into sales agreements. The Company is planning to make a final investment decision for an industrial-scale plant for production of alpha-emitting radioisotopes in 2025.

Events after the reporting date

New CEO, permanent hire of CFO, and granted share options

On 14 February 2023 the company announced that Mr. Jasper Kurth has been appointed Chief Executive Officer (CEO) of the company as from no later than 1 September 2024. At the same time Mr. Alf Bjørseth, former CEO, transitions into a the position as Senior Vice President responsible for client acquisition. On 8 March 2023 the company announced that Mr. Brede Ellingsæter, serving as the company’s CFO serving under a service agreement with the largest shareholder Scatec Innovation AS, was appointed CFO of Thor Medical ASA. With this appointment, Mr. Ellingsæter will resign from Scatec Innovation and join Thor Medical full time no later than June 1.

The Board has granted Mr. Kurth 3 600 000 share options and Mr. Ellingsæter 3 100 000 share options. Each share option entitles Mr. Kurth and Mr. Ellingsæter to buy one share at NOK 1.118 and NOK 1.002 respectively, equal to the volume-weighted share price over the last ten trading days prior to the hiring. 1/3 of the share options will vest 12 months after Mr. Kurth’s and Mr. Ellingsæter’s first day of employment, while the remaining share options will vest with 100 000 and 87 500 respectively on the last day of each month following the initial vesting. The share options need to be exercised no later than five years after the initial award. The total gross benefit for exercised share options under this award shall be limited to total base salary of the three-year period of each employee. The award of share options is made subject to the approval of the company’s General Meeting in April 2024.

Forward-looking statements

This report contains statements regarding the future in connection with the Company’s growth initiatives, profit figures, outlook, strategies and objectives. All statements regarding the future are subject to inherent risks and uncertainties, and many factors can lead to actual results and developments deviating substantially from what has been expressed or implied in such statements.

Oslo 20 March 2024
The Board of Directors of Thor Medical



Ludvik Sandnes
Chairman of the Board



John Andersen Jr.



Mimi Berdal



Dr. Alf Bjørseth
Chief Executive Officer (CEO)

Corporate governance report

Thor Medical ASA (The "Company") is committed to healthy corporate governance practices, strengthening and maintaining confidence in the company, and thereby contributing to long-term value creation for shareholders and other stakeholders. Strong and sustainable corporate governance practices include ethical business practices, reliable financial reporting and compliance with legislation and regulations. The objective of corporate governance is to regulate the division of roles between shareholders, the board and executive management more comprehensively than is required by legislation.

Thor Medical's principles for corporate governance are based on the following key elements:

- All shareholders are treated equally.
- Thor Medical will provide open, reliable and relevant communication to shareholders, governmental bodies and the public about the company's activities and its corporate governance commitment.
- Thor Medical's board is fully independent of the company's executive management.
- The majority of the members of the board of Thor Medical are independent of major shareholders.
- Thor Medical pays particular attention to ensuring that there are no conflicts between the interests of its shareholders, the members of its board and its executive management.

- Thor Medical will ensure a clear division of responsibility between the board and the executive management.

Corporate governance framework and reporting

Thor Medical ASA's board actively adheres to good corporate governance standards, in line with Norwegian laws and regulations, as well as international best practice standards. A corporate governance policy was adopted by the board in January 2015 and latest updated in December 2021. The policy is, in all material aspects based on the Norwegian Code of Practice for Corporate Governance (the Code), to which the board has resolved that the company shall adhere.

Thor Medical ASA is a Norwegian-registered public limited liability company with its shares listed on the Oslo Stock Exchange. The Norwegian Accounting Act Section 3-3b, which the company is subject to, sets out certain corporate governance related information, which is to be disclosed and reported on through the issuance of an annual reporting document. This report meets the requirements provided by the Accounting Act. The Accounting Act is available on www.lovdato.no.

Further, the continuing obligations of stock exchange listed companies issued by the Oslo Stock Exchange requires listed companies to publish an annual statement of their practice related to their policy on corporate governance (cf. Oslo Rule Book II, section 4.4). In addition to setting out certain minimum requirements for such reporting (equivalent to those under the Accounting Act), the continuing obligations require that the company reports on its compliance with the recommendations of the Code. Both the continuing obligations and the Code require that an explanation is provided where a company has chosen an alternative approach to specific recommendations in the Code (i.e., the "comply or explain" principle). Thor Medical complies with the current Code, most recently revised on 14 October 2021. The company provides a report on its principles for corporate governance in its annual report and on its website. The continuing obligations are available on www.oslobors.no and the Code is available on www.nues.no.

The board of Thor Medical has, in close cooperation with the company’s executive management, adopted several corporate governance guidelines:

- Code of conduct and corporate social responsibility
- Rules of procedure for the board
- Instructions for the audit committee
- Instructions for the compensation committee
- Instructions for the nomination committee
- Internal routines for handling takeover bids
- Instruction for handling inside information
- Insider policy for primary insiders and employees that are not primary insiders
- Anti-corruption manual
- Whistle blowing policy

The governance documents set out principles for how business should be conducted, and these also apply to Thor Medical’s subsidiaries. The Code covers 15 topics and this statement covers each of these topics and states Thor Medical’s adherence to the Code.

Business

Thor Medical’s business is clearly defined in Section 3 in the company’s articles of association as adopted on the annual general meeting 28 June 2023 as follows: “The objective of the company is to supply alpha emitters to suppliers and developers of innovative drugs targeting indications of high unmet medical need, including any medical products and equipment, and to run business related thereto or associated therewith.”

The board is responsible for defining the company’s strategies, primary objectives and risk profiles and to support the company’s value creation to shareholders in a sustainable manner. These are taking into account financial, social and environmental considerations, are evaluated yearly and described in the annual report.

Equity and dividends
Equity and capital structure

The board shall ensure that the company has a capital structure that is suitable for its objectives, strategy, and risk profile. Total issued share capital as of 31 December 2023 amounted to NOK 46 707 801, divided into 233 539 006 shares, each with a par value of NOK 0.20.

Dividend policy

Thor Medical expects to create long-term value for its shareholders through the establishment and commercialisation of industrial-scale plants for production of alpha-emitting radioisotopes for cancer therapy. This will require significant investments, and although the company aims to reward its investors with competitive returns on invested capital it does not expect to be in position to distribute dividends at least until the first plant is fully up and running and generating profits. Correspondingly, the company has not proposed to pay any dividends for 2023. The mandate to the board to increase Thor Medical’s share capital is tied to defined purposes and limited in time no later than the date of the next AGM.

Board authorisations

The AGM held 28 June 2023 approved increasing the share capital to acquire 100 per cent of the outstanding shares in Thor Medical

AS. The issuance was directed towards the former shareholders in Thor Medical AS, who contributed with their shares as a contribution in-kind. The increase in share capital consisted of 116 769 503 new shares, each with a par value of NOK 0.20, for a total amount of NOK 23 353 900.

The AGM held 28 June 2023 further granted an authorization to increase the share capital by an amount limited to NOK 264 093.80. The authorization may only be used to issue shares to members of the company’s board, who have elected to receive all or part of their board remuneration in the form of restricted stock units (RSUs). The authorization is valid until the annual general meeting in 2024, but no longer than to 30 June 2024.

The authorization is carefully considered to advance our strategic objectives, enhance governance transparency, and foster greater alignment of interests between stakeholders. It serves as a pivotal mechanism to drive sustained value creation for our shareholders while upholding the highest standards of corporate governance

Pursuant to the board authorization granted by the AGM, the board of directors resolved to issue 734 205 new shares towards two former board members that exercised RSUs. The number of RSUs outstanding at the end of 2023 is 1 320 469.

Furthermore, the AGM granted the board an authorization to increase the share capital by NOK 4 641 412 by issuing up to 23 207 060 new shares, each with a nominal value of NOK 0.20. The authorization may be used to strengthen the Company’s equity, general business purposes, including but not limited to financing

acquisitions of other companies, businesses or assets, or in connection with an incentive program for employees. The authorization replaces the authorization granted at the Company’s AGM 2022, and is valid until the annual general meeting in 2024, but no longer than until 30 June 2024..As per the date of this document, the authorization has not been used.

Equal treatment of shareholders

It is the company’s policy to treat all shareholders equally. Thor Medical has only one class of shares. Each share in the company carries one vote and all shares carry equal rights, including the right to participate in general meetings. The nominal value of each share is NOK 0.20.

If the board resolves to carry out a share issue without pre-emption rights for existing shareholders, then the justification shall be publicly disclosed in a stock exchange announcement issued in connection with the share issue.

Freely negotiable shares

There are no restrictions related to owning, trading or voting for shares in Thor Medical.

General meetings

The board ensures that the company’s shareholders can participate in the company’s general meetings, and that the general meetings are an effective forum for the views of shareholders and the board.

Participation and execution

The chair of the board, the CEO and CFO are present at the AGMs, along with the chair of the nomination committee and the company auditor.

The board ensures that:

- Resolutions and supporting information distributed are sufficiently detailed, comprehensive and specific to allow share-holders to form a view on all matters to be considered at the meeting
- Any deadline for shareholders to give notice of their intention to attend the meeting is set as close to the date of the meeting as possible
- The general meeting is able to elect an independent chair for the general meeting
- Shareholders who are unable to participate themselves may cast a vote on each agenda item electronically or vote by proxy.

Notification

The notice of the general meeting includes information regarding shareholders’ rights and guidelines for registering and voting at the general meeting. The company provides information on the procedure for representation at the general meeting through proxy, and a proxy form which allows separate voting instructions for each individual matter, including on each individual candidate nominated for election, is attached to the notice.

Nomination committee

The nomination committee is laid down in the company’s articles of association and the general meeting has stipulated guidelines for the duties of the nomination committee.

The nomination committee consists of three members. The general meeting elects the members of the nomination committee, its chair and determines the committee’s remuneration. The majority of the members shall be independent of the board and the management. The nomination committee shall not include the any executive personnel or any member of the company’s board of directors.

All shareholders are invited to propose candidates for the board and the nomination committee.

The AGM held 28 June, 2023, elected Didrik Leirvang (chair), Jørn Aage Johansen, and Jon Magne Asmyr as members of the nomination committee for a period until the AGM in 2024.

The nomination committee’s duties include proposing candidates for election to the board and the nomination committee and proposing fees to be paid to such members.

Board of directors:
Composition and independence

The composition of the board shall ensure that it can act independently of any special interests. The board consists of; Ludvik Sandnes (chair), John Andersen, Jr., and Mimi Berdal.

Ludvik Sandnes (chair) and Mimi Berdal are independent of the company’s executive personnel, material business contacts and the company’s major shareholder(s). John Andersen, Jr., is independent of the company’s executive personnel and material business contacts.

The company’s board of directors meet the requirements for gender representation, with no more than 2 out of 3 members representing one of the genders.

The biographies of the board members are presented on the company’s website and the board members’ shareholding in Thor Medical ASA is disclosed in [note 6.3](#) to the annual accounts. An overview of the board members’ attendance at board meetings is included in their respective biographies in the annual report.

The work of the Board of Directors
Rules of procedure for the Board of Directors

The Board of Directors is responsible for the overall management of the company and shall supervise the company’s day-to-day management and the company’s activities in general.

The Norwegian Public Limited Liability Companies Act regulates the duties and procedures of the Board of Directors. In addition, the Board of Directors has adopted supplementary rules of procedures, which provide further regulation on inter alia the duties of the Board of Directors and the chief executive officer (CEO), the division of work between the Board of Directors and the CEO, the annual plan for the Board of Directors, notices of Board

proceedings, administrative procedures, minutes, Board committees, transactions between the company and the shareholders and confidentiality.

Transactions with close associates

The Board of Directors aims to ensure that any not immaterial future transactions between the company and shareholders, a shareholder’s parent company, members of the Board of Directors, executive personnel or close associates of any such parties are entered on arms-length terms. For any such transactions which do not require approval by the General Meeting pursuant to the Norwegian Public Limited Liability Companies Act, the Board of Directors will on a case-by-case basis assess whether a fairness opinion from an independent third party should be obtained.

On 30 November 2023 Thor Medical announced that the Board had entered into an agreement to transfer the “Nanovector Patents” to company NucliThera AS, a related party of primary insider and Chairman of the Board Ludvik Sandnes. Subject to the terms and conditions of the agreement, NucliThera AS will assume full ownership, title, and interest to the Nanovector Patents and lab facilities as Kjelsåsveien in Oslo, with Thor Medical retaining interest through an undisclosed profit-sharing agreement in the event of successful commercialization of the patents.

During the second half of 2023 the Company purchased professional services for NOK 2.0 million from its largest shareholder Scatec Innovation AS, close associates to primary insider and board member John Andersen jr. The services purchased are related to

finance and accounting, legal, and IT, and include the hire of Brede Ellingsæter as the Company’s CFO. Furthermore, the services are provided under a service agreement and the arrangement provides a flexible and cost-effective solution at the current stage. All services are purchased at market rates. For information regarding related party transactions, see [Note 8.2](#) in the annual report.

The Board of Directors meets at least 6 times per year. The CEO informs the Board about the company’s activities, position and profit trend. In 2023, the Board held 6 ordinary meetings and 6 additional meetings.

Guidelines for directors and executive management

The Board of Directors has adopted rules of procedures for the Board of Directors which inter alia include guidelines for notification by members of the Board of Directors and executive management if they have any material direct or indirect interest in any transaction entered by the company.

The Board of Directors’ consideration of material matters in which the chairman of the Board is, or has been, personally involved, shall be chaired by some other member of the Board. In relation to the approval of the sale of the “Nanovector Patents” to NucliThera AS, a related party of chairman Ludvik Sandnes, Mr. Sandnes declared conflict of interest and withdrew from the decision process in the board.

The audit committee

The company’s audit committee is governed by the Norwegian Public Limited Liability Companies Act and a separate instruction

adopted by the Board of Directors. The members of the audit committee are appointed by and among the members of the Board of Directors. A majority of the members shall be independent of the company's executive management, and at least one member shall have qualifications within accounting or auditing. Board members who are also members of the executive management cannot be members of the audit committee. On 31 December 2023, the Board of Directors constitute the audit committee, all considered independent of the company. However, Ludvik Sandnes, as former CEO of the company, may not be considered 100% independent from management.

The main tasks of the audit committee is to:

- Prepare the Board of Directors' supervision of the company's financial reporting process and advise the Board regarding the integrity of the financial reporting
- Prepare the board's quality assurance of sustainability reporting and information on climate-related matters
- Monitor the systems for internal control and risk management
- Have contact with the company's auditor regarding the audit of the annual accounts and inform the Board of Directors of the result of the audit
- Review and monitor the independence of the company's auditor, including in particular the extent to which services other than auditing provided by the auditor or the audit firm rep

The audit committee reports and makes recommendations to the Board of Directors, but the Board of Directors retains responsibility for implementing such recommendations.

Other board committees

On 31 December 2023, the complete Board of Directors constitute the compensation committee. The primary purpose of the compensation committee is to assist and facilitate the decision-making of the Board of Directors in matters related to the remuneration of the executive management of the company, review recruitment policies, career planning and management development plans, and prepare matters relating to other material employment issues with respect to the executive management. The remuneration committee reports and makes recommendations to the Board of Directors, but the Board of Directors retains responsibility for implementing such recommendations. There were no other committees established by the board.

The Board's evaluation of its own work

The Board of Directors conducts an annual assessment of its performance and expertise, which is presented to the nomination committee.

Risk management and internal control

The Board of Directors ensures that the company maintains robust internal controls and risk management systems tailored to the scale and scope of its operations. This includes conducting an annual risk assessment and reviewing quarterly financial statements presented by management, which provide insights into current business performance and associated risks. The board evaluates significant risks such as strategic, financial, liquidity, and operational risks, including those related to product development, on an ongoing basis and at least once a year. The finance function is accountable for preparing financial statements in compliance

with applicable laws and regulations, including IFRS as adopted by the EU, while the audit committee scrutinizes these statements, focusing on transaction types with significant impacts on the financials. Management controls are executed at a senior level within the company.

Moreover, the Board of Directors conducts continual risk assessments to identify potential risks and address any incidents, engaging external expertise if necessary. This thorough evaluation, conducted annually alongside the review of the company's financial statements, ensures a comprehensive understanding of the company's situation. Bi-annual financial statements are also reviewed to keep the board and shareholders informed about current business performance and associated risks. Policies and procedures are established to manage risks specific to Thor Medical's operations, integrating considerations related to stakeholder involvement in value creation. Additionally, the board ensures the company upholds corporate values, ethical guidelines, and sustainability practices through effective internal controls and reporting mechanisms, which are detailed in the annual report.

Remuneration of the Board of Directors

The remuneration of the board is proposed by the nomination committee and decided by the shareholders at the AGM of the company. The level of remuneration of the board reflects the responsibility of the board, its expertise and the level of activity in both the board and any board committees. The company has not granted share options to board members. The company has, however, granted restricted stock units (RSUs) to board members that have elected to receive all or part of their remuneration

determined by the AGM in advance in the form of restricted stock units. The number of restricted stock units allocated to the board members is determined based on a subscription price equal to 0.71944 per share, which is equal to the subscription price for the shares issued towards the former shareholders of Thor Medical AS. The remuneration of the board is thus not linked to the company’s performance. If board members, or companies associated with board members, take on specific assignments for the company in addition to their appointments as board members, this will be reported to the board and the board will approve the remuneration for such additional duties.

The chairman prior to the AGM in 2023 was awarded NOK 200 000 for additional board related work between 3 January and the AGM. The AGM agreed that the compensation could be converted into shares based on a subscription price equal to 2.27607, the daily average volume-weighted market price of the Company’s shares in the period from and including 6 June and including 27 June 2023.

Salary and other remuneration for senior executives

The board has established guidelines on the salary and other remuneration for executive personnel that are clear and easily understandable, and contribute to the company’s commercial strategy, long-term interests and financial viability. The performance-related remuneration of the executive personnel, such as equity incentives and bonus programmes, are linked to value creation for shareholders. The annual bonus element is subject to

an absolute limit of 55 per cent for the company’s CEO and 45 per cent for other executives. These guidelines are included in the Remuneration Report for 2023.

Information and communication

Thor Medical is committed to treat all shareholders equally and will provide timely and precise information about the company and its operations to its shareholders, the Oslo Stock Exchange and the financial markets in general through the Oslo Stock Exchange’s information system. Such information will be given in the form of annual reports, half year reports, press releases, notices to the stock exchange, capital market days and investor presentations.

The board has established several guidelines related to the company’s disclosure of information to the financial markets and for the contact with shareholders, as mentioned in “Corporate Governance in Thor Medical ASA” above.

The company publishes a financial calendar with an overview of the dates for important events, such as the AGMs and release of interim reports.

Take-overs

In the event of a takeover offer, the Board of Directors adheres to established guiding principles aimed at maintaining impartiality and equitable treatment of shareholders. The board refrains from obstructing or complicating bids for the acquisition of the

company’s operations or shares and ensures shareholders receive equal treatment. If a takeover offer is received, the board engages an independent expert to conduct a valuation and provides a recommendation regarding shareholder acceptance. Additionally, the board guarantees uninterrupted company activities, ensures shareholders have adequate information and time to evaluate the offer, and considers relevant recommendations from the Code of Practice, assessing their applicability to the specific circumstances.

Auditor

The company’s external auditor is EY. The auditor is appointed in the AGM and is independent of Thor Medical ASA. The board ensures that the company’s auditor on an annual basis presents to the audit committee the main features of the plan for the performance of the audit work. The auditor participates in meetings with the board that deals with the annual financial statements and, at least once a year, carries out a review of the company’s procedures for internal control in collaboration with the audit committee. In addition, the external auditor meets with the board, without management being present, at least once per year.

Sustainability

Thor Medical ASA ("Thor Medical" or "the Company") is an emerging supplier of radionuclides, primarily alpha particle emitters, from naturally occurring thorium. Its proprietary production process requires no irradiation or use of nuclear reactors, and provides reliable, environmentally friendly and cost-efficient supply of alpha-emitters for the radiopharmaceutical industry. Thor Medical is headquartered in Oslo, Norway and listed on the Oslo Stock Exchange under the ticker symbol "TRMED".

Thor Medical strategically repositioned during 2023, following the completion of Nordic Nanovector ASA's acquisition of all the issued and outstanding shares in Thor Medical AS, a company founded by Scatec Innovation and other shareholders in 2017. More information is available in the Company's Board of Directors report in the annual report 2023.

Business model

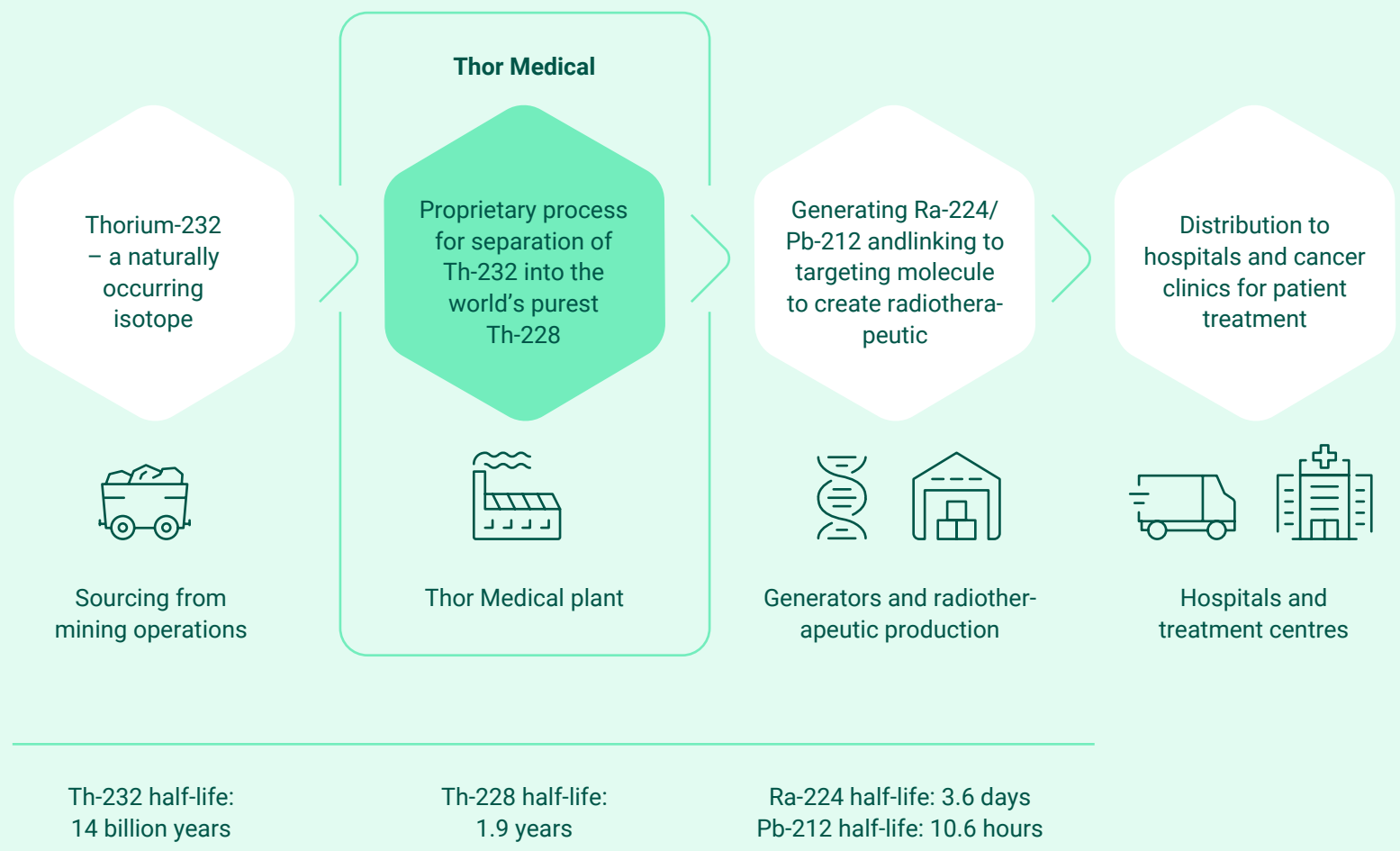
Thor Medical’s strategy is to supply alpha-emitters to radiopharmaceutical companies for use in novel cancer therapies. Alpha-emitters make it possible to eradicate cancer cells while minimizing damage to nearby healthy cells. Thor Medical will use natural thorium Th-232 as feedstock.

The natural thorium, sourced from mining operations, will be processed using Thor Medical’s proprietary process for the separation of Th-232 into the world’s purest Th-228. Thor Medical’s Th-228 will be processed into Ra-224/Pb-212 at the customers’ regional facilities to create radiotherapeutic products, before being distributed to hospitals and cancer clinics for patient treatment.

The Company intends to demonstrate the technology and verify the products at its pilot facility at Herøya Industrial Park, Norway in 2024, before developing an industrial-scale production site. A final investment decision on such a site is expected in 2025 with expected start of production in 2027).

The Company is targeting a high-margin business model for the production of a key component in promising radiotherapeutic cancer treatments. More about the business model and financial targets can be found in the Board of Director’s report in the annual report 2023.

Turning waste into next-generation cancer therapies



Sustainability approach and highlights

Thor Medical’s strategic positioning in 2023 has resulted in a new strategy. From a sustainability perspective, 2023 has largely been about positioning the Company, updating the governance structure, and securing key hires to lay a foundation to execute on the Company’s goals. Consequently, the Governance and Social sections will receive the most attention in this year’s report, while the Environment section is intended to be expanded as the Company moves closer to production. The Company currently has no industrial production volume or revenues.

Thor Medical 2023 sustainability highlights include



Continuing to develop and build the organization will remain a key priority in 2024.





Environment

Thor Medical is committed to keeping the Company’s environmental impact to a minimum, reducing waste, and handling it safely and responsibly.

Thor Medical standards

- We strive to better understand and report the greenhouse gas emissions we produce and the greenhouse gas emissions we abate through our major products
- We will safely arrange for the disposal of raw materials, products and waste in an environmentally friendly manner

The Company’s business will, once operational, involve the use of hazardous materials, chemical, biological and radioactive compounds and is thus exposed to environmental risks. It is Thor Medical’s goal to minimize the environmental impact of the planned pilot facility and industrial-scale plant by controlling the waste treatment of all such chemicals.

Thor Medical prepares to maintain safety monitoring records in compliance with all applicable legislation. The Company treats dangerous waste in accordance with local laws, and ensure that training of employees takes place on all handling of hazardous materials, laboratory and other safety aspects, and on other

relevant environmental policies for conducting the Company’s business.

Thor Medical currently has no production sites and does not own buildings. Nonetheless, the Company aims to continuously reduce its environmental impact, for example by recycling and replacing paper with digital means to the extent possible. The Company also strives towards avoiding unnecessary travel and promotes the use of online meeting facilities, when possible, to reduce CO₂ footprint to a minimum.

Key risks:

- Thor Medical is currently not in industrial production and perceives the environmental risk at the end of the reporting period as limited. Handling and disposal of hazardous, chemical, biological and radioactive compounds, and regulatory compliance and safety monitoring, will be critical from both an environmental and operational perspective when commencing operations.



Social

Attracting, developing, and retaining high-quality staff is paramount to Thor Medical’s success. The Company’s employees are at the heart of this through their commitment, dedication and day-to-day contribution.

A key to achieving the Company’s mission is to make Thor Medical a great place to work. Thor Medical’s business culture is based on collaboration and a distinct sense of commitment to the Company’s vision and strategy.

Thor Medical promotes a productive working environment and does not tolerate disrespectful behavior. The Company has a whistle-blower strategy in place to deal with any staff concerns at any level within the organization. Employees are encouraged and expected to report any concerns and all reports made in good faith will be looked into internally. If serious allegations are made, the Company may decide to engage external resources to assist with an investigation. Disciplinary actions, retaliations or any negative reactions from Thor Medical towards a person who has provided a report is unlawful under the whistle-blowing policy.

The Company is committed to conducting business in line with all fundamental human rights. The Company has a responsibility to avoid adverse impacts on employees, suppliers and other stakeholder groups affected by Thor Medical’s operations.

The Company values the diversity of the workforce and is committed to having a safe workplace with equal opportunities for all, free from any discrimination, bullying or harassment.

Thor Medical’s standards

- We oppose any form of less favorable treatment on the grounds of color, nationality, ethnicity, gender, age, sexual orientation, disability, religion or beliefs
- We are committed to the fair and respectful treatment of all job applicants, employees, contractors, suppliers, agency workers, visitors and customers

Thor Medical continuously works for zero harm to personnel, assets and the environment. We work systematically to identify, assess and respond appropriately to all occupational health, safety and security risks.

At the end of 2023, the Company employed 2 people, of which 1 was a part-time employee. In addition, the Company had 1 contractor. The Company has traditionally recruited from environments with relatively equal representation of women and men.

The team of employees consists of 0 per cent females and 100 per cent males, all of the same nationality.

The current Board of Directors consists of two men and one woman, whereas the Technical Advisory Board is made up of one woman and one man. Thor Medical’s management consisted of 3 men at the end of the reporting period. Following the announced management changes in October 2023, the management will consist of 2 males and 1 female, effective on 1 January 2024.

The Company reported 0 employee accidents or injuries in 2023.

Sick leave in Thor Medical amounted to 0 working days in 2023, corresponding to 0 per cent sick leave (short-term and long-term sickness absence). This compares to the 165 working days and 2 per cent of sick leave (short-term and long-term sickness absence) reported in 2022. Due to the company’s 2023 repositioning and organizational adjustments, the figures are not directly comparable.

Key risks

- Workforce retention and talent acquisition risks: The ability to attract, develop, and retain high-quality staff is crucial for Thor Medical's success. A failure to maintain a competitive and appealing work environment, or to address the expectations and needs of potential and current employees effectively, could significantly impact the Company’s operational efficiency and innovation capabilities.
- Workplace culture and conduct risks: Despite Thor Medical's commitment to a productive working environment and the implementation of a whistle-blower strategy, there remains a risk of incidents related to discrimination, bullying, or harassment. Such incidents could undermine the Company’s culture of collaboration and commitment, potentially leading to employee dissatisfaction, decreased morale, and legal challenges.
- Health, safety, and security risks: While Thor Medical strives for zero harm to personnel, assets, and the environment, and systematically identifies, assesses, and responds to occupational health, safety, and security risks, the inherent risk of workplace

accidents or incidents remains. Any failure to manage these risks effectively could result in harm to employees, operational disruptions, and reputational damage.

As Thor Medical progress towards operational pilot facility in 2024, the Company remains committed to ensuring that all activities are conducted in a manner that minimizes the risk of incidents related to personnel, assets, and the environment. Particular attention is given to radiation protection and safety in continuous dialogue with the Norwegian Radiation and Nuclear Safety Authority (DSA) to ensure compliance.



Governance

Thor Medical is committed to lawful and ethical behavior towards all our stakeholders and requires all members of the board of directors and staff to comply with applicable laws and regulations.

Thor Medical has implemented several policies, guidelines and procedures, including a Code of Conduct, for relevant topics, including ethical and transparent interactions with stakeholders, such as suppliers and healthcare professionals.

The Thor Medical Code of Conduct emphasizes ethical business practices, requiring compliance with laws and a commitment to integrity, dignity, and respect. It mandates reporting of suspicious behavior or violations, ensuring accountability and transparency. Additionally, the Code stresses the importance of a supportive culture, valuing honesty and responsibility among employees and partners to uphold the Company’s ethical standards and maintain its reputation.

The Company expects its staff to exercise reasonable judgment when conducting business. Thor Medical encourages staff to familiarize themselves with and refer to these guidelines and policies to ensure that they are acting according to them.

The Company expects our third-party suppliers to conduct business with integrity, ethics and respect for human rights. Thor Medical expects suppliers to actively avoid conflicts of interest, corruption and fraud. Furthermore, suppliers are required to adhere

to contractual terms that include anti-bribery and anti-corruption provisions.

As a public company, it is also important that Thor Medical’s staff understands the legal requirements of the rules of Euronext Oslo Børs.

Research and development ethics

The radiotherapeutic industry is governed by extensive global and European regulations and laws.

Thor Medical is committed to operate following responsible, ethical and sound corporate and business principles and will always strive to comply with applicable laws and regulatory requirements in all areas of research and development.

Corporate governance structure

Thor Medical’s Board of Directors is responsible for ensuring that the Company adheres to good corporate governance standards and complies with the Norwegian Code of Practice for Corporate Governance.

The board consisted of the chair and two directors at the end of the reporting period. The management team, led by the CEO, reports directly to the Board of Directors. The management team consisted of the CEO, CFO and CTO at the end of the reporting period . The BoD and management team are supported by a Technical Advisory Board (TAB).

The TAB, consisting of two industry and technical experts, provides guidance related to research and development, innovation and technological advancements, regulatory strategy and risk management. The TAB and the management team has at least four sessions per year prior to the quarterly board meetings.

Anti-corruption and bribery

Thor Medical’s activities are covered by strict anti-corruption laws. These laws not only prohibit receiving, offering or payment of a bribe but require the Company to actively prevent suppliers and partners from engaging in corruption on the Company’s behalf. Any form of corruption by the Company’s employees, suppliers or partners will harm Thor Medical and its reputation.

Thor Medical standards

- We strictly oppose all forms of corruption and will always comply with applicable anti-corruption laws
- All our business relationships shall be entered in full transparency, the agreed compensation must be proportionate, and payment only made against satisfactory documentation of work performed

The Company’s Code of Conduct details the employees’ responsibilities for anti-corruption, including receiving and providing entertainment, hospitality and gifts. This also includes keeping accurate books and records, reporting on directorships and ownerships and transparency on conflicts of interest.

Key risks:

- Supplier and partner integrity risk: The potential for third-party suppliers and partners to engage in unethical behavior, such as corruption, fraud, or conflicts of interest, despite contractual obligations to comply with Thor Medical’s anti-bribery and

- anti-corruption provisions. Such behavior could harm Thor Medical’s reputation and operational integrity.
- Compliance risk: The risk of non-compliance with extensive global and European regulations, laws, and ethical standards governing the radiotherapeutic industry. This includes failure to adhere to anti-corruption laws, which could result in legal penalties, financial losses, and damage to reputation.
- Corporate governance and ethics training adequacy risk: The challenge of ensuring that all members of the board of directors, staff, and third-party suppliers are fully informed, understand, and comply with Thor Medical’s policies, guidelines, and procedures for ethical and transparent interactions through an organizational and industrial scale-up phase. Inadequate training and failure to foster a culture of ethical behavior and compliance could lead to governance lapses and ethical violations.

Financial statements

Consolidated financial statements	32
Parent company financial statements	63
Responsibility statement	86
Auditor’s report	87

Consolidated financial statements

Consolidated statement of income	33	Notes to the Consolidated financial statements	39	Section 5 - Risk management, financial instruments, capital structure and equity	49
Consolidated statement of comprehensive income	34	Section 1 - Background	39	5.1 Risk factors and risk management	49
Consolidated statement of financial position	35	Section 2 - General accounting policies	39	5.2 Cash and cash equivalents	50
Consolidated statement of changes in equity	37	2.1 Basis for preparation of the annual accounts	39	5.3 Current liabilities	51
Consolidated statement of cash flow	38	2.2 Consolidation principles	40	5.4 Share capital and shareholder information	52
		2.3 Functional currency and presentation currency	41	5.5 Finance income and finance expenses	53
		2.4 Significant accounting judgements, estimates and assumptions	41	5.6 Earnings per share (EPS)	53
		2.5 Other accounting policies	42	Section 6 - Remuneration	54
		Section 3 - Operating activities	43	6.1 Remuneration to management	54
		3.1 Other operating expenses	43	6.2 Share-based payments and incentive program	55
		3.2 Payroll and related expenses	43	6.3 Remuneration to the board	56
		3.3 Government grants	44	Section 7 - Tax	58
		3.4 Other current receivables and prepayments	44	7.1 Income tax	58
		3.5 Other current liabilities	45	Section 8 - Group structure	59
		3.6 Auditors fee	45	8.1 Information about subsidiaries	59
		3.7 Discontinued operations	46	8.2 Transactions with related parties	60
		Section 4 - Asset base	47	8.3 Business combinations	61
		4.1 Property, plant and equipment	47	Section 9 - Other disclosures	62
		4.2 Intangible assets	48	9.1 Events after the reporting date	62

Consolidated statement of income

For the year ended 31 December

(Amounts in NOK 1 000)	Note	2023	2022
Continuing operations			
Revenues		-	-
Total operating revenue		-	-
Payroll and related expenses	3.2	3 342	-
Depreciation and impairment	4.1, 4.2	331	-
Other operating expenses	3.1	3 487	-
Total operating expenses		7 160	-
Operating profit (loss)		(7 160)	-
Finance income and finance expenses			
Finance income	5.5	2 019	-
Finance expenses	5.5	169	-
Net currency gains (loss)	5.5	(250)	-
Net finance income (expenses)		1 600	-
Net profit before income tax from continuing operations		(5 560)	-
Income tax	7.1	-	-
Loss for the year from continuing operations		(5 560)	-
Discontinued operations			
Loss after tax from discontinued operations	3.7	(21 000)	(311 241)
Loss for the year		(26 561)	(311 241)

The accompanying notes are an integral part of these financial statements.

Consolidated statement of comprehensive income

For the year ended 31 December

(Amounts in NOK 1 000)	Note	2023	2022
Other comprehensive income (loss), net of income tax that may be reclassified to profit and loss in subsequent periods			
Translation effects		(932)	542
Other comprehensive income (loss), net of income tax not to be reclassified to profit and loss in subsequent periods			
Remeasurement gains (losses) on defined benefit plans		(1 578)	3 614
Total comprehensive income (loss) for the year		(29 071)	(307 085)
Loss for the year attributable to owners of the parent		(29 071)	(307 085)
Total comprehensive income (loss) for the year attributable to owners of the parent		(29 071)	(307 085)
Earnings (loss) per share (continuing operations)			
Basic and diluted earnings (loss) per share	5.6	(0.15)	(2.70)

The accompanying notes are an integral part of these financial statements.

Consolidated statement of financial position

For the year ended 31 December

(Amounts in NOK 1 000)	Note	2023	2022
ASSETS			
Non-current assets			
Property, plant and equipment	4.1	1 008	379
Right-of-use-assets		-	158
Intangible assets	4.2	284 481	-
Total non-current assets		285 489	537
Current assets			
Receivables			
Other current receivables and prepayments	3.4	3 579	10 392
Total current receivables		3 579	10 392
Cash and cash equivalents	5.2	41 767	98 716
Total current assets		45 346	109 108
TOTAL ASSETS		330 835	109 645

(Amounts in NOK 1 000)	Note	2023	2022
EQUITY AND LIABILITIES			
Equity			
Share capital	5.4	46 708	23 207
Share premium	5.4	61 549	695
Other paid in capital	5.4	184 520	65 855
Retained earnings		(20 852)	(25 915)
Total equity		271 925	63 842
Liabilities			
Non-current liabilities			
Deferred tax liabilities	4.2	54 464	-
Net employee defined benefit liabilities		-	1 520
Total non-current liabilities		54 464	1 520
Current liabilities			
Accounts payable	5.3	2 103	9 093
Tax payable	5.3, 7.1	-	759
Lease liability		-	159
Other current liabilities	3.5, 5.3	2 343	34 272
Total current liabilities		4 446	44 283
Total liabilities		58 910	45 803
TOTAL EQUITY AND LIABILITIES		330 835	109 645

Oslo 20 March 2024
The Board of Directors of Thor Medical


Ludvik Sandnes
Chairman of the Board


John Andersen Jr.


Mimi Berdal


Dr. Alf Bjørseth
Chief Executive Officer (CEO)

The accompanying notes are an integral part of these financial statements.

Consolidated statement of changes in equity

For the year ended 31 December

(Amounts in NOK 1 000)	Note	Share capital	Share premium	Other paid in capital	Accumulated losses	Translation effects	Remeasurement gains (losses)	Total equity
Balance at 1 January 2022		19 616	110 573	69 157	(57 184)	390	(2 036)	140 516
Loss for the year					(311 241)	-	-	(311 241)
Other comprehensive income (loss) for the year, net of income tax					-	542	3 614	4 156
Total comprehensive income for the year					(311 241)	542	3 614	(307 085)
Recognition of share based payments - options and PSUs	3.2 , 6.2			(4 209)				(4 209)
Recognition of share based payments - RSUs	3.1 , 6.2			907				907
Issue of ordinary shares	5.4	3 583	247 217					250 799
Issue of ordinary shares under share options and RSUs	5.4	9	-					9
Transaction costs			(17 095)					(17 095)
Reclassification of accumulated losses			(340 000)		340 000			-
Balance at 31 December 2022		23 207	695	65 855	(28 425)	932	1 578	63 842
Loss for the year					(26 561)	-	-	(26 561)
Other comprehensive income (loss) for the year, net of income tax						(932)	(1 578)	(2 510)
Total comprehensive income for the year					(26 561)	(932)	(1 578)	(29 071)
Reclassification				(34 133)	34 133			-
Recognition of share based payments - RSUs	3.1 , 6.2	-	-	2 100				2 100
Issue of ordinary shares	5.4	23 354	61 173	150 698				235 225
Issue of ordinary shares under share options and RSUs	5.4	147	-					147
Transaction costs		-	(319)	-				(319)
Changes from discontinued operations								-
Balance at 31 December 2023		46 708	61 549	184 520	(20 852)	-	-	271 925

The accompanying notes are an integral part of these financial statements.

Consolidated statement of cash flow

For the year ended 31 December

(Amounts in NOK 1 000)	Note	2023	2022
Cash flows from operating activities			
Loss before income tax from continuing operations		(5 560)	-
Loss before income tax from discontinued operations		(21 000)	(310 372)
Loss before income tax		(26 561)	(310 372)
Adjustments for:			
Interest paid	5.5	-	66
Interest received	5.5	(2 019)	
Finance income from discontinued operations	3.7	(3 969)	(3 164)
Share based payment expense employees	3.2 , 6.2	-	(4 209)
Share based payment expense restricted share units (RSUs) board	3.1 , 6.2	2 100	907
Taxes paid	7.1	(759)	(1 102)
Depreciation and impairment	4.1 , 4.2	717	11 202
Currency (gains) losses not related to operating activities (unrealised)	5.5	(1 196)	(4 428)
Change in net working capital e.g.		(32 403)	(97 979)
Net cash flows from operating activities		(64 090)	(409 079)

(Amounts in NOK 1 000)	Note	2023	2022
Cash flows from investing activities			
Investment in property plant and equipment	4.1	-	(5 628)
Cash acquired through business combination	8.3	4 257	-
Interest received	5.5	2 019	3 164
Net cash flows from investing activities		6 276	(2 464)
Cash flows from financing activities			
Gross proceeds from equity issue	5.4	147	250 808
Transaction costs		(319)	(17 095)
Payment of principle portion of lease liabilities		(159)	(5 522)
Interest paid	5.5	-	(66)
Net cash flows from financing activities		(332)	228 125
Effects of exchange rate changes on cash and cash equivalents	5.5	1 196	4 428
Net change in bank deposits, cash and equivalents		(56 949)	(178 990)
Cash and equivalents at beginning of year		98 716	277 706
Cash and equivalents at end of year	5.2	41 767	98 716

The accompanying notes are an integral part of these financial statements.

Notes to the Consolidated financial statements

Section 1 - Background

Thor Medical ASA (the group) consists of Thor Medical ASA and its subsidiaries. Thor Medical ASA (“the company”), formerly known as Nordic Nanovector ASA, is a public limited liability company incorporated and based in Oslo, Norway. The company changed its name to Thor Medical ASA following the acquisition of Thor Medical AS that was approved on the AGM in June 2023. The address of the registered office is Karenslyst Alle 9C, 0278 Oslo.

These financial statements were approved for issue by the board of directors on 20 March 2024.

Section 2 - General accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied in all periods presented. Amounts are in Norwegian kroner (NOK) unless stated otherwise. The functional currency of Thor Medical ASA is NOK.

2.1 Basis for preparation of the annual accounts

The consolidated financial statements for the group and the parent have been prepared in accordance with EU-adopted International IFRS® Accounting Standards and Interpretations issued by the International Accounting Standards Board (IASB) and disclosure requirements in accordance with the Norwegian Accounting Act. Only standards that are effective for the fiscal year ended 31 December 2023 have been applied.

The financial statements have been prepared on the historical cost basis. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgments in applying the group’s accounting policies.

Areas involving a high degree of judgment or complexity, and areas in which assumptions and estimates are significant to the financial statements are disclosed in [note 2.4](#). The consolidated financial statements have been prepared on the basis of uniform accounting principles for similar transactions and events under other-wise similar circumstances.

Going concern

The company works continuously to ensure financial flexibility in the short and long-term to achieve its strategic and operational objectives. To date, the company has financed its operations through private placements, grants, repair offerings and the initial public offering in connection with the listing of the company’s shares on Oslo Børs in 2015.

Several measures have been implemented to reduce the burn rate and the company’s current net cash is, under the current operating model, expected to finance its ongoing operations into 2025.

The board of directors has confirmed that the conditions for assuming that the group is a going concern are present, and that the financial statements have been prepared based on this assumption.

2.2 Consolidation principles

The group's consolidated financial statements comprise the parent company and its subsidiaries as of 31 December 2023. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which the group obtains control and are deconsolidated from the date that control ceases.

2.3 Functional currency and presentation currency

The functional currency is determined in each entity in the group based on the currency within the entity's primary economic environment. Transactions in foreign currency are translated to functional currency using the exchange rate at the date of the transaction. At the end of each reporting period foreign currency monetary items are translated using the closing rate. Currency gains or losses are classified as financial items. Non-monetary items that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction, and non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. Changes in the exchange rate are recognised continuously in the accounting period.

The group's presentation currency is NOK. This is also the parent company's functional currency. The statement of financial position figures of entities with a different functional currency are translated at the exchange rate prevailing at the end of the reporting period for balance sheet items, and the exchange rate at the date of the transaction for profit and loss items. The monthly average exchange rates are used as an approximation of the transaction exchange rate. Exchange differences are recognised in other comprehensive income (OCI).

2.4 Significant accounting judgements, estimates and assumptions

Management makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements 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.

Deferred tax

The company considers that a deferred tax asset related to accumulated tax losses cannot be recognised in the statement of financial position until the product under development has been approved for marketing by the relevant authorities. However, this assumption is continually assessed, and changes could lead to significant deferred tax asset being recognised in the future. This assumption requires significant management judgment. See [note 7.1](#).

Development costs

Research and development costs are recognised in the income statement as incurred. Internal development costs related to the group's development of products are recognised in the income statement in the year in which it is incurred, unless it meets the recognition criteria of IAS 38 intangible assets. Uncertainties related to the regulatory approval process and other factors generally means that the criteria are not met until the time when the marketing authorisation is obtained with the regulatory authorities. This assessment requires significant management judgement.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

In relation the acquisition of Thor Medical AS management has made estimates and judgement as to whether the company a acquired an asset or a business, and determined that Thor Medical AS has sufficient inputs and processes to be defined as a business in accordance with IFRS 3. Management has also concluded that Thor Medical ASA being the acquiring entity as defined in IFRS 3.6 based on an IFRS 10 assessment and performed a Purchase Price Allocation (PPA) as set out in 8.3 of these consolidated financial statements.

Impairment assessment

In accordance with the principles set out in IAS 36, management has conducted a review of the carrying values of Thor Medical’s assets for the reporting period. The goodwill on the balance sheet is entirely related to technical goodwill recognized in business combinations and fully offset by deferred tax recognized on intangible assets identified in the purchase price allocation, and hence does not require an annual impairment test as of year-end 2023. Management has identified intangible assets not ready for intended use and has reperformed the fair value calculation that formed the basis of the Purchase Price Allocation (PPA) as of year-end to identify any need for impairment. The business case has been assessed for any impairment indications related to changes in market dynamics, the technology development progress, changes in regulations, changes in market interest rates, and the market value of Thor Medical’s shares relative to net assets (Price/Book). Management did not identify any adverse changes to these factors that could be indicative of an impairment of Thor Medical’s assets. Finally, Thor Medical’s assets were purchased in an orderly transaction between market participants no more than six months prior to the end of the reporting period, providing a recent fair value estimate.

Share-based payments

Equity-settled share-based payments are measured at the fair value of the equity instruments at the grant date. Calculation of fair value involves estimates and assumptions. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility, weighted average expected life of the instruments, expected dividends, and the risk-free interest rate. At the end of each reporting period, the group revises its estimates of the number of equity instruments that are expected to vest. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. Changes to the estimates may significantly influence the expense recognised during a period.

2.5 Other accounting policies

Short-term leases and leases of low-value assets

The group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The group also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Discontinued operations

In the consolidated statements of income and comprehensive income, information is presented for continuing operations on each line item, while figures for discontinued operations are presented on a separate line.

Consequently, the notes to the consolidated financial statements are presenting information for continuing operations. Since all operations carried out by the group in 2022 have been discontinued, figures in the notes to the consolidated financial statements related to consolidated statements of income and comprehensive income (comparative figures) have been set to zero for 2022.

Section 3 - Operating activities

3.1 Other operating expenses

Accounting Policy

Other operating expenses are recognised in the statement of profit and loss in the period which the related costs are incurred or services are provided.

(Amounts in NOK 1 000)	Note	2023	2022
Research and development costs		945	-
Government grants	3.3	(41)	-
Transactions with related parties	8.2	1 013	-
Other administrative costs		1 571	-
Total other operating expenses		3 487	-

3.2 Payroll and related expenses

Accounting Policy

Payroll and related expenses are recognised in the statement of profit and loss in the period which the related costs are incurred or services are provided. For additional information on calculation of costs related to share based payments see [note 6.2](#).

(Amounts in NOK 1 000)	Note	2023	2022
Salaries and bonus	6.2	1 527	-
Social Security tax		207	-
Pension expense	6.1	116	-
Share-based payment employees	6.2	1 212	-
Accrued employer's social security on share based payment	6.2	121	-
Other		299	-
Government grants	3.3	(138)	-
Total payroll and related expenses		3 342	-
Average number of full-time equivalent employees		1.5	-

3.3 Government grants

Accounting Policy

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. The grant is recognised in the income statement in the same period as the related costs, which are presented net.

Government grants are normally related to either reimbursements of employee costs and classified as a reduction of payroll and related expenses or related to other operating activities and thus classified as a reduction of other operating expenses.

(Amounts in NOK 1 000)	Note	2023	2022
Government grants have been recognised in the income statement as a reduction for the related expenses with the following amounts:			
Payroll and related expenses	3.2	138	-
Other operating expenses	3.1	41	-
Total		179	-
Grants receivable are detailed as follows:			
Grants from SkatteFUNN		179	-
Total 31.12	3.4	179	-

3.4 Other current receivables and prepayments

Accounting Policy

In determining the recoverability of other receivable, the company performs a risk analysis considering the type and the age of the outstanding receivable and the creditworthiness of the counterparties.

(Amounts in NOK 1 000)	Note	2023	2022
Government grants	3.3	179	4 750
Refundable VAT		488	2 906
Prepaid expenses		426	877
Rental deposits		70	1 588
Other receivables		2 417	271
Other current receivables and prepayments 31.12		3 579	10 392

3.5 Other current liabilities

Accounting Policy

Other liabilities are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Accounts payable and other financial liabilities are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(Amounts in NOK 1 000)	2023	2022
Unpaid duties and charges	1 131	3 483
Unpaid vacation pay	358	1 425
Accrued social security related to outstanding non exercised options, PSUs and RSUs	121	9
Other accrued costs	734	4 333
Other current liabilities 31.12	2 343	34 272

Social security contributions on share options

The provision for social security contributions on RSUs are calculated based on the number of RSUs outstanding at the reporting date that are expected to be exercised. The provision is based on market price of the shares at the reporting date 31 December 2023 of NOK 1.29 per share (2022: 1.17 per share), which is the best estimate of the market price at the date of exercise.

Other accrued costs

Other accrued costs for period ended 31 December 2023 are mainly related to professional services incurred.

3.6 Auditors fee

Accounting Policy

Auditors fee is expensed and recognised in the statement of profit and loss in the period which the related costs are incurred or services are provided. Amounts are presented exclusive of VAT.

Fees to auditors for the year ended 31 December:

(Amounts in NOK 1 000)	2023	2022
Audit fee	226	-
Audit related work	-	-
Tax services	-	-
Total	226	-

Audit fee in the table above is the agreed audit fee for the accounting year and does not necessarily correspond to actual expensed audit fee for the period as some of the services performed incurred after year-end.

3.7 Discontinued operations

On 30 November 2023, the Board of Directors entered into an agreement to transfer the former Nordic Nanovector’s pipeline of patented development stage candidates known as the “Nanovector Patents” to company NucliThera AS. Subject to the terms of the agreement, NucliThera AS assumed full ownership, title, interest and liabilities to the Nanovector Patents as of 1 December 2023, after which all business related to the Nanovector Patents are considered discontinued operations in Thor Medical. All other activities related to the former Nordic Nanovector’s operations have been discontinued in the second half of 2023.

Cash flows generated from discontinued operations are as follows:

(Amounts in NOK 1 000)	2023	2022
Net cash flows from operating activities	(24 131)	(404 651)
Net cash flows from investing activities	-	(2 464)
Net cash flows from financing activities	(159)	228 125
Cash flows from discontinued operations	(24 290)	(178 990)

The result of the discontinued operation for the year are presented below:

For the year ended 31 December

(Amounts in NOK 1 000)	2023	2022
Revenues	4 108	-
Total operating revenue	4 108	-
Payroll and related expenses	10 490	78 527
Depreciation and impairment	386	11 202
Other operating expenses	19 752	227 632
Total operating expenses	30 628	317 361
Operating profit (loss)	(26 520)	(317 361)
Finance income and finance expenses		
Finance income	3 969	3 289
Finance expenses	-	259
Net currency gains (loss)	1 550	3 959
Net finance income (expenses)	5 520	6 989
Loss before income tax	(21 000)	(310 372)
Income tax	-	(869)
Loss for the year from discontinued operations	(21 000)	(311 241)
Earnings (loss) per share (discontinued operations)		
Basic and diluted earnings (loss) per share	(0.12)	(2.70)

Section 4 - Asset base

4.1 Property, plant and equipment

Accounting Policy

Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. Acquisition cost includes expenditures that are directly attributable to the acquisition of the individual item. Property, plant and equipment are depreciated on a straight-line basis over the expected useful life of the asset. Depreciation commences when the assets are ready for their intended use.

The estimated useful life of fixed assets related to the laboratory equipment, is based on the company’s assessment of operational risk. Due to scientific and regulatory reasons there is a risk of termination of the projects. This has been taken into account when determining the estimated useful life of the individual assets.

(Amounts in NOK 1 000)	Laboratory equipment	Office equipment	Permanent building fixtures	Furniture and fittings	Total
Cost at 1 January 2022	3 975	3 296	4 027	1 408	12 707
Additions in the year	5 503	125			5 628
Disposals in the year	(5 503)	(1 976)			(7 479)
Cost at 31 December 2022	3 975	1 445	4 027	1 408	10 855
Additions in the year	1 118	69			1 187
Disposals in the year	(334)	(1 340)	(4 027)	(1 408)	(7 109)
Cost at 31 December 2023	4 759	174	-	-	4 933
Accumulated depreciations 1 January 2022	3 427	3 124	3 988	1 408	11 941
Depreciations in the year	310	150	39	6	505
Impairment in the year	5 503				5 503
Disposals in the year	(5 503)	(1 971)			(7 474)
Accumulated depreciation at 31 December 2022	3 737	1 303	4 027	1 408	10 475
Depreciations in the year	186	145	-	-	331
Impairment in the year					-
Disposals in the year	(139)	(1 306)	(4 027)	(1 408)	(6 881)
Accumulated depreciation at 31 December 2023	3 784	142	-	-	3 925
Net carrying amount at 31 December 2022	238	142	-	-	380
Net carrying amount at 31 December 2023	975	32	-	-	1 008
Estimated useful life	3–5 years	2–3 years	2–5 years	3–5 years	
Depreciation method	straight-line	straight-line	straight-line	straight-line	

4.2 Intangible assets

Accounting policy

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually on an individual basis. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Research and development costs

- Research costs are expensed as incurred. Development expenditures on an individual project are recognized as an intangible asset when the group can demonstrate:
- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
 - Its intention to complete and its ability and intention to use or sell the asset
 - How the asset will generate future economic benefits
 - The availability of resources to complete the asset
 - The ability to measure reliably the expenditure during development

The development activities in the company in 2023 are not recoqnized as intangible assets as a result of considerations related to availability of resources to complete the asset.

Acquisition during the year

Research and development and goodwill are intangible assets acquired through business combinations in 2023. Development is still ongoing, hence no amortization, and management has reperformed the fair value calculation that formed the basis of the Purchase Price Allocation (PPA) as of year-end to identify any need for impairment.

Reference is made to [note 8.3](#) for further information related to impairment and fair value assessment.

(Amounts in NOK 1 000)	Research and Development	Goodwill	Total
Cost at 31 December 2022	-	-	-
Acquired through business combinations	247 265	37 216	284 481
Disposals in the year	-	-	-
Cost at 31 December 2023	247 265	37 216	284 481
Accumulated depreciation at 31 December 2022	-	-	-
Depreciations in the year	-	-	-
Impairment in the year	-	-	-
Disposals in the year	-	-	-
Accumulated depreciation at 31 December 2023	-	-	-
Net carrying amount at 31 December 2022	-	-	-
Net carrying amount at 31 December 2023	247 265	37 216	284 481

Section 5 - Risk management, financial instruments, capital structure and equity

5.1 Risk factors and risk management

Risk management is an integrated part of Thor Medical’s operating system. The Company is continuously developing and systemising its approach to risk management to prepare for its commercial phase through policies and procedures, which are followed up by the management team and relevant functions. The main risk management policies are reviewed and approved by the Board of Directors regularly.

Regulatory risk

Policies, regulatory framework conditions and sanctions have become increasingly important over the past years. Thor Medical intends to develop a commercial business involving several countries, from raw material sourcing, through production and delivery to customers. Trade tensions, sanctions and other changes in regulatory framework conditions could negatively influence the Company’s access to raw materials sourcing, as well as access to attractive end-markets.

Business risk

The main business risks that impact the Company’s future commercial operations relate to sales prices and sales volumes for alpha emitters and the cost of natural thorium as a key raw material. As the Company and the industry are in an early phase, there are risks associated with expected sales prices that can be achieved in the short and long term. In addition, the supply chain linked to industrial volumes of natural thorium is immature, which could create challenges in terms of procurement, reliability and price.

Organizational risk

Thor Medical employs highly educated and competent specialists within their fields, which will be crucial for succeeding with the Company’s ambitions. Key employees leaving or challenges in attracting and retaining critical expertise could negatively impact Thor Medical’s development.

Project development risk

Thor Medica’s growth relies on successful project development which is impacted by a number of factors including availability grid capacity and securing interconnection, component prices, interest rate level, government approval process, permits and access to competitive financing. Thor Medical employs a methodical approach to industrialization, with the forthcoming launch of its pilot facility serving as the groundwork for the establishment of a full-scale industrial plant. Additionally, the Company will evaluate expansion for a potential second plant to scale alongside market demands post-2030. To support these ambitions, Thor Medical is committed to continuously enhancing its project development expertise through a well-organized development strategy.

Health, safety and security risk

Tens of workers will be involved in the eventual construction, maintenance services and operation of a future large-scale industrial plant, exposing Thor Medical employees, suppliers and partners to potential health, safety and security risk. Thor Medical work systematically to identify, assess and respond appropriately to all occupational health, safety and security risks.

Interest rate risk

Thor Medical currently has little exposure to changes in interest rates, given the scope and scale of operations. However, Thor Medical operates in a capital-intensive industry. As part of the preparations for the final investment decision for a large-scale plant in 2025, the Company will investigate relevant financing sources and raise the capital needed to support its industrialisation roadmap. Uptake of corporate debt or other liabilities will be subject to interest rate fluctuations. Thor Medical plans to further develop financial management best practices to adequately protect the Company through economic ups and downturns.

Currency risk

Currency fluctuations pose an acute and inherent risk in global operations and financing strategy. Thor Medical intends to develop strategies and procedures to mitigate currency risk as the Company progresses toward industrial-scale production to ensure financial stability amidst foreign exchange volatility. In 2023, Thor Medical’s exposure to foreign currency was limited.

Credit risk

Assessing counterparty credit risk is standard procedure when developing new partnerships or customer relationships. Thor Medical also deliberately selects robust financial institutions as partners to ensure financial stability and minimize credit risk. The company currently has negligible credit risk.

Liquidity risk

Liquidity risk relates to the Company’s ability to meet financial obligations. Thor Medical made efforts to reduce its cash burn and preserve cash in 2023, and the cash position of NOK 41.8 million at the end of 2023 is considered satisfactory for the liquidity requirements going forward. Reference is made to [note 5.3](#) for a maturity analysis of the group’s financial liabilities, including both the remaining contractual maturities of financial liabilities and the undiscounted cash flows associated with those maturities, in accordance with IFRS 7.39.

Cyber risk

Thor Medical recognises the critical nature of cybersecurity in safeguarding its proprietary technology and sensitive data. In response to the evolving landscape of cyber threats, the Company has implemented and will continue to implement robust security measures, site and office access control and employee training programs to mitigate the risk of data breaches and cyber attacks

Climate risk

The most serious climate-related risks involve the physical impact of extreme weather events, including droughts and floods. Extreme weather can cause physical damage to Thor Medical’s pilot or future industrial-scale plants and directly affect both safe and healthy, and operations including deliveries to customers. The risk is mitigated through engineering in the design phase, regular inspections and emergency plans.

5.2 Cash and cash equivalents

(Amounts in NOK 1 000)	2023	2022
Employee withholding tax, restricted	482	2 164
Variable interest rate bank accounts	41 284	96 552
Total cash and cash equivalents 31.12	41 767	98 716

Of the total balance of cash and cash equivalents, NOK 0.5 million (2022: NOK 2.2 million) relates to restricted funds for employee withholding taxes.

5.3 Current liabilities

Accounting policy

The group’s financial liabilities consist of accounts payable and other current liabilities and are classified as “current liabilities”. Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers . Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Accounts payable and other financial liabilities are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

The table below summarises the maturity profile of the group’s financial liabilities based on contractual undiscounted payments:

As per 31 December 2023

(Amounts in NOK 1 000)	On demand	Less than 3 months	3 to 12 months	Total
Accounts payable		2 146	(43)	2 103
Unpaid duties and charges		768		768
Unpaid vacation pay			358	358
Tax payable				-
Accrued social security related to outstanding non exercised options, PSUs and RSUs ¹		121		121
Lease liabilities				-
Other accrued costs		1 097		1 097
Total current liabilities 31 December 2023	-	4 131	315	4 446

As per 31 December 2022

(Amounts in NOK 1 000)	On demand	Less than 3 months	3 to 12 months	Total
Accounts payable		9 093		9 093
Unpaid duties and charges		3 483		3 483
Unpaid vacation pay			1 425	1 425
Tax payable			759	759
Accrued social security related to outstanding non exercised options, PSUs and RSUs ¹	9			9
Lease liabilities		27	132	159
Other accrued costs		18 117	11 238	29 355
Total current liabilities 31 December 2022	9	30 720	13 554	44 283

¹ Social security is payable when the equity instruments are exercised.

5.4 Share capital and shareholder information

As at 31 December 2023 the company’s share capital is NOK 46 707 801 (31 December 2022: NOK 23 207 060), being divided into 233 539 006 ordinary shares, each with a nominal value of NOK 0.20. All shares carry equal voting rights.

	Note	2023	2022
Ordinary shares at 01.01		116 035 298	98 078 380
Issue of ordinary shares ¹		116 769 503	17 914 243
Issue of ordinary shares under PSUs and share options ³	6.2	-	42 675
Issue of ordinary shares under RSUs ²	6.2	734 205	-
Ordinary shares at 31.12		233 539 006	116 035 298

¹ On 28 June 2023 the AGM approved an agreement to acquire Thor Medical AS by settlement of issue of shares in the company. The transaction was closed on 3 July 2023, on which 116 769 503 shares was issue to the shareholders of Thor Medical AS, representing 50 per cent of the outstanding fully diluted shares in the company. The share capital increase was registered in the Norwegian Register of Business Enterprises on 5 July 2023. ² The 2023 AGM approved the issue of RSUs as remuneration for the members of the Board. The share capital increase pertaining to settled RUSs was registered in the Norwegian Register of Business Enterprises on 5 July 2023. ³ The 2023 AGM granted an authorisation to the board to increase the share capital by 20 per cent of the company’s share capital at the time the authorisation is used. The authorisation has not been utilised. ³ The general meetings have since December 2017 resolved to issue free-standing warrants to employees awarded performance share units (PSUs), and employees awarded options under the discontinued option programme. Each free-standing warrant shall, subject to specific terms, give the right to subscribe for one new share in the company with nominal value NOK 0.20. The sole purpose of these free-standing warrants is to ensure delivery of shares in the company upon exercise of PSUs or options. As per 31 December 2023, all warrants related to options have forfeited. See [note 6.3](#) for further information about the share based incentive programme.

The 2023 AGM granted an authorisation to the board to increase the share capital by 20 per cent of the compa-ny’s share capital at the time the authorisation is used. The authorisation has not been utilised.

Shareholders	Number of shares	Percentage of total shares
1 SCATEC INNOVATION AS	57 158 250	24.47%
2 ROHT INVEST AS	15 994 640	6.85%
3 NORTH ENERGY ASA	14 663 147	6.28%
4 BERGFALD HOLDING AS	11 981 696	5.13%
5 BRENNEBU AS	10 532 567	4.51%
6 THORIUM FOUNDATION	6 842 692	2.93%
7 JON MAGNE ASMYR	4 300 000	1.84%
8 SCATEC INVEST IV AS	3 165 920	1.36%
9 BÆKKELAGET HOLDING AS	2 150 041	0.92%
10 SCIENCONS AS	2 000 000	0.86%
11 Danske Bank A/S	1 835 027	0.79%
12 SKY HIGH RISK AS	1 792 445	0.77%
13 SCATEC INVEST II AS	1 584 324	0.68%
14 NORDNET LIVSFORSIKRING AS	1 553 856	0.67%
15 HELLESTØ	1 505 000	0.64%
16 OPTIPOS AS	1 466 415	0.63%
17 Nordnet Bank AB	1 432 607	0.61%
18 OPEDAL	1 380 000	0.59%
19 ARNE HELLESTØ AS	1 195 657	0.51%
20 PEDERSEN	999 909	0.43%
Total shares for top 20 shareholders	143 534 193	61.46%
Total shares for other 10 929 shareholders	90 004 813	38.54%
Total shares (10 950 shareholders)	233 539 006	100.00%

The shares of Thor Medical ASA have been traded on the Oslo Stock Exchange since 23 March 2015. The shareholder base has decreased from 11 168 shareholders as of 31 December 2022 to 10 950 shareholders as of 31 December 2023.

5.5 Finance income and finance expenses

Accounting policy

The group and parent company’s finance income largely relates to interest received on bank deposits. Net currency gain or loss related to operating items includes gain or losses on accounts payable and accounts receivable.

(Amounts in NOK 1 000)	Note	2023	2022
Finance income			
Interest income on tax repaid		-	-
Interest income om bank deposits	5.2	2 019	-
Dividends from subsidiaries		-	-
Other finance income		-	-
Total finance income		2 019	-
Finance expense			
Interest expense leasing		-	-
Other fees, charges		169	-
Total finance expense		169	-
Net currency gains (loss)			
Net currency gains related to operating items		104	-
Net currency gains (loss) related to foreign exchange differences of currency bank accounts		(354)	-
Net currency gains (loss)		(250)	-
Net finance income (expenses)		1 600	-

5.6 Earnings per share (EPS)

Accounting policy

Earnings per share are calculated by dividing the attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share are calculated as profit or loss attributable to ordinary shareholders of the company, adjusted for the effects of all dilutive potential options. Issued share options, performance share units and restricted stock units have a potential dilutive effect on earnings per share (see [note 6.3](#) for details on share based payments). 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 effect.

The calculation of basic and diluted earnings per share attributable to the ordinary shareholders of the parent is based on the data presented in the table below

(Amounts in NOK 1 000, except number of shares)	Note	2023	2022
Loss for the year		(26 561)	(311 241) ²
Average number of outstanding shares during the year ¹	5.4	174 787 152	115 129 972
Earnings (loss) per share - basic and diluted (in NOK per share)		(0.15)	(2.70)

¹ The weighted number of shares takes into account the weighted average effect of changes in shares during the year.

² Discontinued operations

Exercise of all outstanding RSUs a as per 31 December 2023 would increase the total number of shares in the company by 1 320 471. See [note 6.3](#) for more details.

Section 6 - Remuneration

6.1 Remuneration to management

Compensation of key management

(Amounts in NOK 1 000)	2023	2022
Short term employment benefits ¹	3 227	-
Post-employment pension ²	116	-
Termination benefits ³	-	-
Total compensation of key management personnel of the group in cash	3 342	-
Imputed share based payment expense ⁴	-	-
Total compensation of key management personnel of the group expense	3 342	-

¹ Short term employment benefits: Includes base salary and benefits, vacation pay if relevant.
² Post-employment pension: Represents company's share of payment to pension contribution or benefit plan during the period.

In 2023 the company’s CFO Brede Ellingsæter has been contracted from related parties Scatec Innovation AS.

Shares in the company are held by the members of the management group 31 December 2023

Name	Current position within the Company	Employed with the Company since	Number of shares 2023 ¹	Number of shares 2022 ¹
Current management				
Alf Bjørseth	Chief Excecutive Officer	3 July 2023	47 855	-
Brede Ellingsæter	Chief Financial Officer	3 July 2023	-	-
Sindre Hassfjell	Chief Technology Officer	3 July 2023	-	-
Total shares owned by management			47 855	-

¹ Overview includes only management still employed at 31 December 2023. Shareholding including shares held by related parties.

Performance Share Units (PSUs) and options held by members of the management on 31 December 2023

Management has no outstanding PSUs or options as per 31 December 2023. All PSUs and options held by management have forefeited or been settled. See [note 6.2](#) for more information on the share based payment programs.

For additional information, reference is made to a separate report on management remuneration.

6.2 Share-based payments and incentive program

Accounting Policy

The fair value of the granted RSU without market condition is measured using the share price at grant date less the agreed strike price.

Overview

At the AGM in 2023, the company resolved to issue restricted stock units (RSUs) to board directors who elected to receive all or parts of their remuneration, in the form of RSUs. Each board member must make such election immediately following the AGM resolution i.e.at the beginning of the board period. The RSUs are non-transferable and each RSU gives 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 agreement. RSUs vest on the first anniversary of the AGM that they were granted.

The board directors who elect to receive RSUs, must elect to either (i) receive 100 per cent 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 board is calculated as the NOK amount of the RSU opted portion of total compensation to the board director, divided by the market price for the Thor Medical share. The market price is calculated as volume weighted average share price the 10 trading days prior to the grant date.

Following the AGM in June 2023, 1 408 341 RSUs were allocated. At 31 December 2023 there are 1 320 471 RSUs remaining.

Share based payment expenses related to RSUs are recognised in the income statement and disclosed in [note 3.2](#).

As per 31 December 2023

Name	Remuneration for the period 2023–2024 in NOK	Allocation between cash and RSUs	Remuneration for the period 2023–2024 in cash	Number of RSUs granted for the period 2023–2024	Market price on grant date ⁶ in NOK	Number of RSUs exercised or settled in 2023 ⁷	Total number of RSUs outstanding 31 December 2023
Ludvik Sandnes ¹	350 000	100% RSU	-	486 489	0.72	-	486 489
John Andersen ²	300 000	100% RSU	-	416 990	0.72	-	416 990
Mimi Berdal ³	300 000	100% RSU	-	416 990	0.72	-	416 990
Former members of the board							
Jan Magne Asmyr ⁴	500 000	100% RSU	-	504 860	0.99	504 860	-
Tina Bønsdorff ⁵	165 000	100% RSU	-	229 344	0.72	229 344	-
							-
Total	1 615 000		-	2 054 673		734 204	1 320 469

¹ NOK 350 000 as chairman of the board.
² NOK 300 000 as board member.
³ NOK 330 000 as board member.
⁴ NOK 300 000 as chairman of the board for the period January to June 2023, NOK 200 000 in compensation for additional work beyond board work as approved on the AGM in June 2023.
⁵ NOK 165 000 as board member for the period January to June 2023.
⁶ The market price is calculated as volume weighted average share price the 10 trading days prior to the date of the Transaction Agreement on 6 June 2023, i.e. NOK 0.72944.
⁷ The company also settled in cash previous board members Jan Egberts, Joanna Horobin, and Karin Meyer’s in total 63 048 vested RSUs following their depature from the Board after the EGM in January 2023. See table below for details about the settlement and fair value of the RSUs.

	2023			2022		
	Number of RSUs	Weighted average exercise price in NOK	Weighted average fair value in NOK	Number of RSUs	Weighted average exercise price in NOK	Weighted average fair value in NOK
RSUs outstanding						
Balance at 01.01	72 315	0.20	21.59	73 892	0.20	29.21
Granted during the year	2 054 673	0.20	0.79	75 393	0.20	13.50
Exercised or settled during the year ¹	(797 252)	0.20	2.76	(52 776)	0.20	24.41
Forfeited	(9 267)	0.20	14.28	(24 194)	0.20	13.50
Balance at 31.12	1 320 469	0.20	0.72	72 315	0.20	21.59
Hereof vested RSUs	-	0.20	0.72	39 637	0.20	28.26

¹ In 2023 the company exercised it’s right in accordance with the RSU agreements, to settle 63 048 RSUs in cash to board members leaving the board during 2023. RSUs settled was calculated pro-rata based on actual service period on the board. The cash amount paid per RSU settled was equal to the current market price of the shares in the company (10 days VWAP prior to settlement date) less the nominal value of the shares. The RSUs were settled at NOK 1.1788 per share less nominal value of NOK 0.2 per share. Total cost to settle 63 048 RSUs was NOK 61 711.

6.3 Remuneration to the board

The AGM held on 28 June 2023 resolved remuneration to the board and the nomination committee for the period from the 2023 AGM until the AGM in 2024 as shown in the table below. The Board of Directors constitute collectively the Audit Committee. On 3 January 2023, the EGM appointed Jon Magne Asmyr (Chair), Tina Bønsdorff, and Eddie Berglund to the Board for for the period January to June 2023, after former Board members Jan H. Egberts (Chair), Joanna Horobin, and Karin Meyer decided to step down. Eddie Berglund resigned shortly after.

(Amounts in NOK 1 000, exclusive of social security)	Board of directors	Audit committee	Nomination committee	Technical Advisory Board
Chair	350		30	100 000
Member	300		25	75 000

Board of directors and their roles after the 2023 AGM

(Amounts in NOK 1 000, exclusive of social security)	Board of directors	Audit committee	Nomination committee	Technical Advisory Board
Ludvik Sandnes	Chair	Chair		
John Andersen	Member	Member		
Mimi Berdal	Member	Member		
Didrik Leikvang			Chair	
Jørn Aage Johansen			Member	
Jon Magne Asmyr ¹			Member	
Roy Larsen				Chair
Brit Farstad				Member

¹ Board member until June 2023

At the 2023 AGM, the shareholders approved the issuance of restricted stock units (RSUs) to board members, who elected to receive all or parts of their remuneration in the form of RSUs. The board members’ election of RSUs as part of their remuneration is disclosed in [note 6.2](#).

Remuneration to the board of directors for the 12 month period from AGM to AGM the following year				Shares held by the board of directors at year end	
(Amounts in NOK 1 000, except number of shares)	Served since/ period on the board	Board fee and fees for committee work ²		Number of shares as of 31.12 ⁴	
		2023	2022	2023	2022
Current board					
Ludvik Sandnes ¹	June 2023	350		100 000	-
John Andersen ²	June 2023	300		61 908 494	-
Mimi Berdal	June 2023	300		-	-
Former members of the board					
Jon Magne Asmyr ³	January 2023–June 2023	500	-	4 300 000	3 000 000
Tina Bønsdorff	January 2023–June 2023	165	-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
Total		1 615	-	66 208 494	3 000 000

¹ Related parties of Ludvik Sandnes controlling shares of 100 000 in the Company
² Related parties of John Andersen controlling shares of 61 908 494 in the Company
³ AGM in June 2023 approved NOK 200 000 for additional work related to Jon Magne Asmyr in addition to the ordinary board remuneration of NOK 300 000
⁴ Shareholdings are not included for representatives who are no longer members as of 31 December 2022.

Section 7 - Tax

7.1 Income tax

Accounting policy

Income tax expense represents the sum of taxes currently payable and deferred tax. Deferred taxes are recognised based on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for taxable temporary differences, and deferred tax assets arising from deductible temporary differences are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

The company is in the research phase of its product development and has incurred significant tax losses related to its operations. The deferred tax asset has not been recognised in the statement of financial position, as the company does not consider that taxable income in the short-term will sufficiently support the use of a deferred tax asset.

Basis for tax calculation

(Amounts in NOK 1 000)	2023	2022
Net profit before income tax from continuing operations	(5 560)	-
Net profit before income tax from discontinued operations	(21 000)	(310 372)
Net profit before income tax	(26 561)	(310 372)
Non-deductible expenses	234	(187)
Non-taxable income	(2 354)	(9 694)
Correction in taxable income from previous year	-	10 346
Share issue costs	(319)	(17 094)
Change in temporary differences	(18 641)	18 001
Basis for tax calculation	(47 641)	(309 000)
Income tax	-	869

Reconciliation of tax expense and the accounting profit (loss)

(Amounts in NOK 1 000)	2023	2022
Expected tax expense	(5 843)	(67 493)
Non-deductible expenses	52	(41)
Non-taxable income	(518)	(580)
Share issue costs	(70)	(3 761)
Change in deferred tax assets not recognised	6 380	72 744
Effect from changes in tax rate	-	-
Income tax expense	-	869

The corporate tax rate in Norway was 22 per cent in 2023 and 2022.

(Amounts in NOK 1 000)	2023	2022
Tax losses carried forward	2 978 847	2 912 552
Property , plant and equipment	1 018	991
Leasing agreements	-	1
Liabilities	294	19 073
Tax payable	-	112
Temporary differences and tax loss carry forward	2 980 159	2 932 729
Deferred tax assets - not recognised in statement of financial position	655 635	645 200

Deferred tax assets as of 31 December 2023 and 2022 have been calculated using a tax rate of 22 per cent.

The group is in the research phase of its product development and has incurred significant tax losses related to its operations. The tax losses can be carried forward indefinitely.

The group has not recognised a deferred tax asset in the statement of financial position, as it does not consider that taxable income in the near term will sufficiently support the utilization of a deferred tax asset. No current or deferred tax charge or liability has been recognised for 2023 (NOK 869 in 2022).

Section 8 - Group structure

8.1 Information about subsidiaries

Accounting policy

Shares and investments intended for long-term ownership are reported in the company’s statement of financial position as long-term investments and valued at cost. The company determines at each reporting date whether there is any objective indication that the investment in the subsidiary is impaired. If this is the case, the amount of impairment is calculated as the difference between the recoverable amount of the subsidiary and its carrying value and recognises the amount in the income statement. Any realised and unrealised losses and any write-downs relating to these investments will be included in the company’s statement of comprehensive income as financial items.

The consolidated financial statements of the group include

Name	Country of incorporation	Book value (in NOK 1000)	% Equity interest	
			2023	2022
Nordic Nanovector GmbH	Switzerland	-	100%	100%
Nordic Nanovector Ltd	United Kingdom	-	100%	100%
TM Technologies AS	Norway	234 707	100%	

Thor Medical ASA is a public limited liability company incorporated and domiciled in Norway and is the parent company of the group. In 2023 the parent company acquired 100 per cent of the shares in TM Technologies AS, while Nordic Nanovector GmbH and Nordic Nanovector Ltd was decided liquidated. Per 31 December 2023, Nordic Nanovector GmbH is closed and removed from local companies register, while Nordic Nanovector Ltd is in the notice period to be removed from local companies register.

8.2 Transactions with related parties

Accounting policy

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm’s length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. Transactions and balances between companies, which are a member of the group, have been eliminated in the consolidated accounts for the group. [Note 8.1](#) provides information about the group’s structure.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

(Amounts in NOK 1 000)	Note	Purchases (included in other operating expenses)	
		2023	2022
Subsidiary - TM Technologies AS			-
Purchase of professional services from Scatec Innovation AS	3.1	1 013	-

In 2023 the group has used the professional services from majority shareholder Scatec Innovation related to finance, accounting, IT, and legal. In addition, CFO of Thor Medical ASA Brede Ellingsæter was contracted from Scatec Innovation AS.

The following table provides overview of amounts owed to and by related parties at year-end for the relevant financial year:

(Amounts in NOK 1 000)	Note	Amounts owed to related parties (current liabilities to group companies)	
		31 Dec 2023	31 Dec 2022
Subsidiary - Nordic Nanovector GmbH	5.3	-	4 716
Subsidiary - Nordic Nanovector Ltd	5.3	-	3 987
Subsidiary - TM Technologies AS		-	-

During 2023 both Nordic Nanovector GmbH and Nordic Nanovector Ltd was closed. A liquidation dividend of NOK 9.5 million and NOK 3.4 million respectively was paid to Thor Medical ASA

On 30 November 2023 Thor Medical announced that the Board had entered into an agreement to transfer the “Nanovector Patents” to company NucliThera AS, a related party of primary insider and Chairman of the Board Ludvik Sandnes. Mr. Sandnes declared conflict of interest and was not present when the Board resolved to enter into the agreement with NucliThera AS. Subject to the terms and conditions of the agreement, NucliThera AS will assume full ownership, title, and interest to the Nanovector Patents and lab facilities as Kjelsåsveien in Oslo, with Thor Medical retaining interest through an undisclosed profit-sharing agreement in the event of successful commercialization of the patents.

For information on remuneration and shareholding to the board of directors and management see [note 6.3](#) and [note 6.1](#) repectively.

8.3 Business combinations

Acquisition of Thor Medical AS

On 6 June 2023, the company entered into an agreement to acquire 100 per cent of the shares in Thor Medical AS. Settlement was done in the form of issuance of shares in the company, and the transaction was closed on 3 July 2023. Following the transaction, the company changed its name to Thor Medical ASA (from Nordic Nanovector ASA). The balance sheet of the acquired company as of 30 June 2023 was selected and adjusted for any material changes in the period up until 3 July 2023. No material changes in the period up until 3 July 2023 were identified.

In relation the acquisition of Thor Medical AS, management has made estimates and judgement as to whether the company a acquired an asset or a business, and determined that Thor Medical AS has sufficient inputs and processes to be defined as a business in accordance with IFRS 3. Management has also concluded that Thor Medical ASA (previously Nordic Nanovector ASA) was the acquiring entity as defined in IFRS 3.6 based on an IFRS 10 assessment and performed a Purchase Price Allocation (PPA).

Post transaction, the Group will develop the proprietary technology of the acquired company for the manufacturing of radionuclides, primarily alpha emitters, for sale to radiopharmaceutical companies developing oncological therapies. The environmentally friendly, cost-efficient non-reactor-based production technology offers the Group a compelling way of creating value in the rapidly growing radiotherapeutic market.

As part of the purchase price allocation, intangible assets (technology) and property, plant and equipment have been revalued to their fair values. After an overall assessment of the transaction, the Group concludes that the entire purchase premium relates to the separation technology and PP&E.

Costs associated with the acquisition were NOK 8.3 million.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Thor Mecical AS as at the date of acquisition were:

	Book value at 30 June 2023	Adjustments	Post acquisition balance
Assets			
Property, plant and equipment	30	1 118	1 148
Research and development	821	246 444	247 265
Goodwill	-	37 216	37 216
Other current assets	680	-	680
Cash and cash equivalents	4 257	-	4 257
Total assets	5 788	284 778	290 566
Equity and liabilities			
Share capital	152	-	152
Share premium reserve	6 457	-	6 457
Other equity	(2 216)	230 314	228 098
Deferred tax liabilities	-	54 464	54 464
Trade payables	160	-	160
Other current liabilities	1 235	-	1 235
Total aquity and liabilities	5 788	284 778	290 566

According to the Share Exchange Agreement (dated June 6, 2023) between NANOV and TM, the purchase price of the acquired company’s shares is NOK 130.10 per share. The sellers would receive consideration in the form of newly issued shares (Consideration Shares) with a nominal value of NOK 0.20 per share and a price of NOK 0.72. The total amount of Consideration Shares issued to the sellers was 116 769 503. At the acquisition date, NANOV’s share price was NOK 2.01 per share. Consequently, the fair value of the consideration paid for the shares in TM is NOK 234 706 701 million.

Section 9 - Other disclosures

9.1 Events after the reporting date

New CEO and granted share options On 14 February 2023 the company announced that Mr. Jasper Kurth has been appointed Chief Executive Officer (CEO) of the company as from no later than 1 September 2024. At the same time Mr. Alf Bjørseth, former CEO, transitions into a the position as Senior Vice President responsible for client acquisition. The Board has granted Mr. Kurth 3 600 000 share options. Each share option entitles Mr. Kurth to buy one share at NOK 1.118, equal to the volume-weighted share price over the last ten trading days. 1/3 of the share options will vest 12 months after Mr. Kurth's first day of employment, while the remaining share options will vest with 100 000 on the last day of each month following the initial vesting. The share options need to be exercised no later than five years after the initial award. The total gross benefit for exercised share options under this award shall be limited to Mr. Kurth's total base salary of the three-year period. The award of share options is made subject to the approval of the company's General Meeting in April 2024.

On 8 March 2023 the company announced that Mr. Brede Ellingsæter, serving as the company's CFO serving under a service agreement with the largest shareholder Scatec Innovation AS, was appointed CFO of Thor Medical ASA. With this appointment, Mr. Ellingsæter will resign from Scatec Innovation and join Thor Medical full time no later than June 1. The Board of Directors of Thor Medical has resolved to award Mr. Ellingsæter 3 100 000 share options. Each share option entitles Mr. Ellingsæter to buy one share at NOK 1.002, equal to the volume-weighted share price over the last ten trading days. 1 000 000 of the share options will vest on June 1, 2025, while the remaining share options will vest with 87 500 share options on the last day of each month following the initial vesting. The share options need to be exercised no later than five years after the initial award. The total gross benefit for exercised share options under this award shall be limited to Mr. Ellingsæter's total base salary of the three-year period. The award of share options is made subject to the approval of the company's General Meeting.

Parent company financial statements

Parent company statement of income	64	Notes to the Parent company financial statements	69	Section 4 - Asset base	75
Parent company statement of financial position	65	Section 1 - General information	69	4.1 Property, plant and equipment	75
Parent company statement of changes in equity	67	Section 2 - Accounting principles	69	Section 5 - Risk management, financial instruments, capital structure and equity	76
Parent company statement of cash flows	68	2.1 Foreign currency translation	69	5.1 Cash and cash equivalents	76
		2.2 Income tax	70	5.2 Current liabilities	76
		2.3 Balance sheet classification	70	5.3 Share capital and shareholder information	77
		2.4 Research and development	70	5.4 Finance income and finance expenses	78
		2.5 Property, plant and equipment	70	Section 6 - Remuneration	79
		2.6 Subsidiaries and investment in associates	71	6.1 Remuneration to management	79
		2.7 Accounts receivable and other receivables	71	6.2 Share-based payments and incentive program	80
		2.8 Cash flow statement	71	6.3 Remuneration to the board	81
		2.9 Discontinued operations	71	Section 7 - Tax	82
		Section 3 - Operating activities	72	7.1 Income tax	82
		3.1 Other operating expenses	72	Section 8 - Group structure	84
		3.2 Payroll and related expenses	72	8.1 Information about subsidiaries	84
		3.3 Other current receivables and prepayments	73	8.2 Transactions with related parties	84
		3.4 Other current liabilities	73	Section 9 - Other disclosures	85
		3.5 Auditors fee	74	9.1 Events after the reporting date	85
		3.6 Discontinued operations	74		

Parent company statement of income

For the year ended 31 December

(Amounts in NOK 1 000)	Note	2023	2022
Continuing operations			
Revenues		-	-
Total operating revenue		-	-
Payroll and related expenses	3.2	2 286	-
Depreciation and impairment	4.1	131	-
Other operating expenses	3.1	1 939	-
Total operating expenses		4 356	-
Operating profit (loss)		(4 356)	-

(Amounts in NOK 1 000)	Note	2023	2022
Finance income and finance expenses			
Finance income	5.4	1 919	-
Finance expenses	5.4	168	-
Net currency gains (loss)	5.4	(250)	-
Net finance income (expenses)		1 501	-
Net profit (loss) before income tax from continuing operations		(2 855)	-
Income tax	7.1	-	-
Loss for the year from continuing operations		(2 855)	-
Discontinued operations			
Loss from discontinued operations	3.6	(12 890)	(310 251)
Loss for the year		(15 745)	(310 251)
Attributable to			
Accumulated losses		15 745	310 251
Total		(15 745)	(310 251)

The accompanying notes are an integral part of these financial statements.

Parent company statement of financial position

For the year ended 31 December

(Amounts in NOK 1 000)	Note	2023	2022
ASSETS			
Non-current assets			
Property, plant and equipment	4.1	21	379
Right-of-use-assets		-	158
Shares in subsidiaries	8.1	234 707	137
Total non-current assets		234 728	674
Current assets			
Receivables			
Other current receivables and prepayments	3.3	3 260	9 686
Total current receivables		3 260	9 686
Cash and cash equivalents	5.1	40 418	84 941
Total current assets		43 678	94 627
TOTAL ASSETS		278 406	95 301

(Amounts in NOK 1 000)	Note	2023	2022
EQUITY AND LIABILITIES			
Equity			
Share capital	5.3	46 708	23 207
Share premium		61 549	695
Other paid in capital		184 520	31 722
Retained earnings		(18 147)	(2 402)
Total equity		274 629	53 222
Liabilities			
Non-current liabilities			
Deferred tax	7.1	-	-
Total non-current liabilities		-	-
Current liabilities			
Accounts payable	5.2	2 071	8 065
Current liabilities to group companies		-	8 703
Tax payable	5.2, 7.1	-	(22)
Lease liability		-	159
Other current liabilities	3.4, 5.2	1 706	25 174
Total current liabilities		3 777	42 079
Total liabilities		3 777	42 079
TOTAL EQUITY AND LIABILITIES		278 406	95 301

Oslo 20 March 2024
The Board of Directors of Thor Medical


Ludvik Sandnes
Chairman of the Board


John Andersen Jr.


Mimi Berdal


Dr. Alf Bjørseth
Chief Executive Officer (CEO)

The accompanying notes are an integral part of these financial statements.

Parent company statement of changes in equity

For the year ended 31 December

(Amounts in NOK 1 000)	Note	Share capital	Share premium	Other paid in capital	Accumulated losses	Total equity
Balance at 1 January 2022		19 616	110 573	32 302	(32 152)	130 339
Loss for the year					(310 251)	(310 251)
Recognition of share based payments - options and PSUs	3.2 , 6.3			(1 487)		(1 487)
Recognition of share based payments - RSUs	3.1 , 6.3			907		907
Issue of ordinary shares	5.3	3 583	247 217			250 800
Issue of ordinary shares under share options and RSUs	5.3	9	-			9
Share issue costs			(17 095)			(17 095)
Reclassification of accumulated losses			(340 000)		340 000	-
Balance at 31 December 2022		23 207	695	31 722	(2 403)	53 222
Loss for the year					(15 745)	(15 745)
Recognition of share based payments - RSUs	3.2 , 6.3			2 100		2 100
Issue of ordinary shares	5.3	23 353	61 173	150 698		235 224
Issue of ordinary shares under share options and RSUs	5.3	147				147
Share issue costs			(319)			(319)
Balance at 31 December 2023		46 707	61 549	184 520	(18 147)	274 629

The accompanying notes are an integral part of these financial statements.

Parent company statement of cash flows

For the year ended 31 December

(Amounts in NOK 1 000)	Note	2023	2022
Cash flows from operating activities			
Loss before income tax from continuing operations		(2 855)	-
Loss before income tax from discontinued operations		(12 890)	(310 144)
Loss before income tax		(15 745)	(310 144)
Adjustments for:			
Interest paid	5.4	-	66
Interest received	5.4	(1 919)	
Finance income from discontinued operations	3.6	(90)	(3 091)
Received dividend from discontinued operations	3.6	(12 930)	(8 394)
Recognised dividend from discontinued operations	3.6	12 930	8 394
Share based payment expense employees	3.2, 6.3	-	(1 487)
Share based payment expense restricted share units (RSUs) board	3.1, 6.3	2 100	907
Taxes paid	7.1	22	-
Depreciation and impairment	4.1	517	11 202
Currency (gains) losses not related to operating activities (unrealised)	5.4	(360)	(4 428)
Change in net working capital e.g.		(30 996)	(101 030)
Net cash flows from operating activities		(46 471)	(408 005)

(Amounts in NOK 1 000)	Note	2023	2022
Cash flows from investing activities			
Investment in property plant and equipment	4.1	-	(5 628)
Interest received	5.4	1 919	3 091
Net cash flows from investing activities		1 919	(2 537)
Cash flows from financing activities			
Gross proceeds from equity issue	5.3	147	250 808
Share issue cost		(319)	(17 095)
Payment of principle portion of lease liabilities		(159)	(5 522)
Interest paid	5.4	-	(66)
Net cash flows from financing activities		(331)	228 125
Effects of exchange rate changes on cash and cash equivalents	5.4	360	4 428
Net change in bank deposits, cash and equivalents		(44 523)	(177 989)
Cash and equivalents at beginning of year		84 941	262 930
Cash and equivalents at end of year	5.1	40 418	84 941

The accompanying notes are an integral part of these financial statements.

Notes to the Parent company financial statements

Section 1 - General information

Thor Medical ASA ("the company") is a public limited liability company incorporated and based in Oslo, Norway. The address of the registered office is Karenslyst Alle 9C, 0278 Oslo.

These financial statements were approved for issue by the board of directors on 20 March 2024.

Section 2 - Accounting principles

The principal accounting policies applied in the preparation of these financial statements are set out below. The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles (NGAAP) in Norway.

In 2023, the company has changed accounting principles from IFRS to NGAAP to align reporting with book-keeping principles. The change has had no effects.

Amounts are in Norwegian kroner (NOK) unless stated otherwise. The functional currency of Thor Medical ASA is NOK.

2.1 Foreign currency translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognised in the income statement as they occur during the accounting period.

2.2 Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 per cent percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

2.3 Balance sheet classification

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets/long term liabilities.

Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value.

Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

2.4 Research and development

Development costs are capitalized providing that a future economic benefit associated with development of the intangible asset can be established and costs can be measured reliably. Otherwise, the costs are expensed as incurred. Capitalized development costs is amortized linearly over its useful life. If the economic useful life of the capitalized development costs cannot be reliably estimated, the capitalized development costs must be amortized over a maximum period of ten years. Research costs are expensed as incurred.

2.5 Property, plant and equipment

Property, plant and equipment is capitalized and depreciated linearly over the estimated useful life. Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property plant and equipment are added to the acquisition cost and depreciated with the related asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net realisable value and value in use. In assessing value in use, the discounted estimated future cash flows from the asset are discounted are used.

2.6 Subsidiaries and investment in associates

Subsidiaries and investments in associates are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognised if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a latter period.

Dividends, group contributions and other distributions from subsidiaries are recognised in the same year as they are recognised in the financial statement of the provider. If dividends/group contribution exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

2.7 Accounts receivable and other receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

Gains or losses that arise in connection with settlement or significant curtailment of defined benefit plans are recognised in the income statement at the settlement or curtailment. Current service cost, interest expense and expected return for the remaining part of the accounting period are determined based on assumptions at the time of the curtailment.

2.8 Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

2.9 Discontinued operations

In the statement of income, information is presented for continuing operations on each line item, while figures for discontinued operations are presented on a separate line. Consequently, the notes to the financial statements are presenting information for continuing operations. Since all operations carried out by the company in 2022 have been discontinued, figures in the notes to the financial statements related to statement of income (comparative figures) have been set to zero for 2022. Reference is made to NRS 12.8 Discontinued operations.

Section 3 - Operating activities

3.1 Other operating expenses

Accounting Policy

Other operating expenses are recognised in the statement of profit and loss in the period which the related costs are incurred or services are provided.

(Amounts in NOK 1 000)	2023	2022
Professional services	1 153	-
Rental of premises	199	-
IT equipment	404	-
Other administrative costs	183	-
Total other operating expenses	1 939	-

3.2 Payroll and related expenses

Accounting Policy

Payroll and related expenses are recognised in the statement of profit and loss in the period which the related costs are incurred or services are provided. For additional information on calculation of costs related to share based payments see [note 6.2](#).

(Amounts in NOK 1 000)	Note	2023	2022
Salaries and bonus	6.1 , 6.2	712	-
Social Security tax		46	-
Pension expense	6.1	159	-
Share-based payment employees	6.2	1 212	-
Accrued employer's social security on share based payment	6.2	121	-
Other		36	-
Total payroll and related expenses		2 286	-
Average number of full-time equivalent employees		0.5	-

3.3 Other current receivables and prepayments

Accounting Policy

In determining the recoverability of other receivable, the company performs a risk analysis considering the type and the age of the outstanding receivable and the creditworthiness of the counterparties.

(Amounts in NOK 1 000)	2023	2022
Government grants	2 354	4 750
Refundable VAT	392	2 732
Prepaid expenses	382	641
Rental deposits	70	1 548
Other receivables	62	15
Other current receivables and prepayments 31.12	3 260	9 686

3.4 Other current liabilities

Accounting Policy

Other liabilities are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Accounts payable and other financial liabilities are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Restructuring provisions are recognised only when the group has a constructive obligation, which is when there is a detailed formal plan that identifies the business or part of the business concerned, the location and number of employees affected, the detailed estimate of the associated costs, and the timeline; and the employees affected have been notified of the plan’s main features.

(Amounts in NOK 1 000)	Note	2023	2022
Unpaid duties and charges	414	3 098	
Unpaid vacation pay	246	1 425	
Accrued social security related to outstanding non exercised options, PSUs and RSUs	35	9	
Restructuring costs	-	16 409	
Other accrued costs	1 011	4 233	
Other current liabilities 31.12	1 706	25 174	

Social security contributions on share options

The provision for social security contributions on RSUs are calculated based on the number of RSUs outstanding at the reporting date that are expected to be exercised. The provision is based on market price of the shares at the reporting date 31 December 2023 of NOK 1.29 per share (2022: 1.17 per share), which is the best estimate of the market price at the date of exercise.

Other accrued costs

Other accrued costs for period ended 31 December 2023 are mainly related to professional services incurred.

3.5 Auditors fee

Accounting Policy

Auditors fee is expensed and recognised in the statement of profit and loss in the period which the related costs are incurred or services are provided. Amounts are presented exclusive of VAT.

Fees to auditors for the year ended 31 December:

(Amounts in NOK 1 000)	2023	2022
Audit fee	158	-
Audit related work	-	-
Tax services	-	-
Total	158	-

Audit fee in the table above is the agreed audit fee for the accounting year and does not necessarily correspond to actual expensed audit fee for the period as some of the services performed incurred after year-end.

3.6 Discontinued operations

On 30 November 2023, the Board of Directors entered into an agreement to transfer the former Nordic Nanovector’s pipeline of patented development stage candidates known as the “Nanovector Patents” to company NucliThera AS. Subject to the terms of the agreement, NucliThera AS assumed full ownership, title, interest and liabilities to the Nanovector Patents as of 1 December 2023, after which all business related to the Nanovector Patents are considered discontinued operations in Thor Medical. All other activities related to the former Nordic Nanovector’s operations have been discontinued in the second half of 2023.

Statement of income

For the year ended 31 December

(Amounts in NOK 1 000)	Note	2023	2022
Revenues		4 108	-
Total operating revenue		4 108	-
Payroll and related expenses		10 490	30 745
Depreciation and impairment		386	11 202
Other operating expenses		19 752	283 376
Total operating expenses		30 628	325 323
Operating profit (loss)		(26 520)	(325 323)
Finance income and finance expenses			
Finance income		13 019	11 483
Finance expenses		-	253
Net currency gains (loss)		610	3 949
Net finance income (expenses)		13 630	15 179
Loss before income tax		(12 890)	(310 144)
Income tax	7.1	-	(107)
Loss for the year from discontinued operations		(12 890)	(310 251)

Section 4 - Asset base

4.1 Property, plant and equipment

Accounting Policy

Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. Acquisition cost includes expenditures that are directly attributable to the acquisition of the individual item. Property, plant and equipment are depreciated on a straight-line basis over the expected useful life of the asset. Depreciation commences when the assets are ready for their intended use.

The estimated useful life of fixed assets related to the laboratory equipment, is based on the company’s assessment of operational risk. Due to scientific and regulatory reasons there is a risk of termination of the projects. This has been taken into account when determining the estimated useful life of the individual assets.

(Amounts in NOK 1 000)	Laboratory equipment	Office equipment	Permanent building fixtures	Furniture and fittings	Total
Cost at 1 January 2022	3 975	3 296	4 027	1 408	12 707
Additions in the year	5 503	125			5 628
Disposals in the year	(5 503)	(1 976)			(7 479)
Cost at 31 December 2022	3 975	1 445	4 027	1 408	10 856
Additions in the year					-
Disposals in the year	(334)	(1 340)	(4 027)	(1 408)	(7 109)
Cost at 31 December 2023	3 641	105	-	-	3 747
Accumulated depreciations 1 January 2022	3 427	3 124	3 988	1 408	11 941
Depreciations in the year	310	150	39		505
Impairment in the year	5 503				5 503
Disposals in the year	(5 503)	(1 971)			(7 474)
Accumulated depreciation at 31 December 2022	3 737	1 303	4 027	1 408	10 475
Depreciations in the year fom continuing operations		131			131
Depreciations in the year fom discontinued operations	238	148			386
Impairment in the year					-
Disposals in the year	(334)	(1 498)	(4 027)	(1 408)	(7 267)
Accumulated depreciation at 31 December 2023	3 641	84	-	-	3 725
Net carrying amount at 31 December 2022	238	142	-	-	379
Net carrying amount at 31 December 2023	-	21	-	-	21
Estimated useful life	3–5 years	2–3 years	2–5 years	3–5 years	
Depreciation method	straight-line	straight-line	straight-line	straight-line	

Section 5 - Risk management, financial instruments, capital structure and equity

5.1 Cash and cash equivalents

(Amounts in NOK 1 000)	2023	2022
Employee withholding tax, restricted	393	2 164
Variable interest rate bank accounts	40 025	82 777
Total cash and cash equivalents 31.12	40 418	84 941

Of the total balance of cash and cash equivalents, NOK 0.4 million (2022: NOK 2.2 million) relates to restricted funds for employee withholding taxes. The remainder of the cash is deposited in various banks on variable interests rate terms.

5.2 Current liabilities

Accounting policy

The parent’s financial liabilities consist of accounts payable and other current liabilities and are classified as “current liabilities”. Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers . Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Accounts payable and other financial liabilities are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

The table below summarises the maturity profile of the parent’s financial liabilities based on contractual undiscounted payments:

As per 31 December 2023

(Amounts in NOK 1 000)	On demand	Less than 3 months	3 to 12 months	Total
Accounts payable		2 071		2 071
Accrued social security related to outstanding non exercised options, PSUs and RSUs ¹		35		35
Other accrued costs		1 136	535	1 671
Total current liabilities 31 December 2023	-	3 242	535	3 777

As per 31 December 2022

(Amounts in NOK 1 000)	On demand	Less than 3 months	3 to 12 months	Total
Accounts payable		8 065		8 065
Unpaid duties and charges		3 098		3 098
Unpaid vacation pay			1 425	1 425
Tax payable			(22)	(22)
Accrued social security related to outstanding non exercised options, PSUs and RSUs ¹	9			9
Current liabilities to group companies		8 703		8 703
Lease liabilities		27	132	159
Other accrued costs		9 404	11 238	20 642
Total current liabilities 31 December 2022	9	29 297	12 773	42 079

¹ Social security is payable when the equity instruments are exercised. See [note 6.3](#) for additional information.

5.3 Share capital and shareholder information

As at 31 December 2023 the company’s share capital is NOK 46 707 801 (31 December 2022: NOK 23 207 060), being divided into 233 539 006 ordinary shares, each with a nominal value of NOK 0.20. All shares carry equal voting rights.

	2023	2022
Ordinary shares at 01.01	116 035 298	98 078 380
Issue of ordinary shares ¹	116 769 503	17 914 243
Issue of ordinary shares under PSUs and share options ²	-	42 675
Issue of ordinary shares under RSUs ²	734 205	-
Ordinary shares at 31.12	233 539 006	116 035 298

¹ On 28 June 2023 the AGM approved an agreement to acquire Thor Medical AS by settlement of issue of shares in the company. The transaction was closed on 3 July 2023, on which 116 769 503 shares was issue to the shareholders of Thor Medical AS, representing 50 per cent of the outstanding fully diluted shares in the company. The share capital increase was registered in the Norwegian Register of Business Enterprises on 5 July 2023.

² The 2023 AGM approved the issue of RSUs as remuneration for the members of the Board. The share capital increase pertaining to settled RUSs was registered in the Norwegian Register of Business Enterprises on 5 July 2023.

The 2023 AGM granted an authorisation to the board to increase the share capital by 20 per cent of the company’s share capital at the time the authorisation is used. The authorisation has not been utilised.

The general meetings have since December 2017 resolved to issue free-standing warrants to employees awarded performance share units (PSUs), and employees awarded options under the discontinued option programme. Each free-standing warrant shall, subject to specific terms, give the right to subscribe for one new share in the company with nominal value NOK 0.20. The sole purpose of these free-standing warrants is to ensure delivery of shares in the company upon exercise of PSUs or options. As per 31 December 2023, all warrants related to options have forfeited. See [note 6.3](#) for further information about the share based incentive programme.

Thor Medical ASA had 10 950 shareholders as at 31 December 2023

Shareholders	Number of shares	Percentage of total shares
1 SCATEC INNOVATION AS	57 158 250	24.47%
2 ROHT INVEST AS	15 994 640	6.85%
3 NORTH ENERGY ASA	14 663 147	6.28%
4 BERGFALD HOLDING AS	11 981 696	5.13%
5 BRENNEBU AS	10 532 567	4.51%
6 THORIUM FOUNDATION	6 842 692	2.93%
7 JON MAGNE ASMYR	4 300 000	1.84%
8 SCATEC INVEST IV AS	3 165 920	1.36%
9 BÆKKELAGET HOLDING AS	2 150 041	0.92%
10 SCIENCONS AS	2 000 000	0.86%
11 Danske Bank A/S	1 835 027	0.79%
12 SKY HIGH RISK AS	1 792 445	0.77%
13 SCATEC INVEST II AS	1 584 324	0.68%
14 NORDNET LIVSFORSIKRING AS	1 553 856	0.67%
15 HELLESTØ	1 505 000	0.64%
16 OPTIPOS AS	1 466 415	0.63%
17 Nordnet Bank AB	1 432 607	0.61%
18 OPEDAL	1 380 000	0.59%
19 ARNE HELLESTØ AS	1 195 657	0.51%
20 PEDERSEN	999 909	0.43%
Total shares for top 20 shareholders	143 534 193	61.46%
Total shares for other 10 929 shareholders	90 004 813	38.54%
Total shares (10 950 shareholders)	233 539 006	100.00%

The shares of Thor Medical ASA have been traded on the Oslo Stock Exchange since 23 March 2015. The shareholder base has decreased from 11 168 shareholders as of 31 December 2022 to 10 950 shareholders as of 31 December 2023.

5.4 Finance income and finance expenses

Accounting policy

The group and parent company’s finance income largely relates to interest received on bank deposits. Net currency gain or loss related to operating items includes gain or losses on accounts payable and accounts receivable.

(Amounts in NOK 1 000)	2023	2022
Finance income		
Interest income om bank deposits	1 919	-
Total finance income	1 919	-
Finance expense		
Other fees, charges	168	-
Total finance expense	168	-
Net currency gains (loss)		
Net currency gains (loss) related to foreign exchange differences of currency bank accounts	(250)	-
Net currency gains (loss)	(250)	-
Net finance income (expenses)	1 501	-

Section 6 - Remuneration

6.1 Remuneration to management

Compensation of key management

(Amounts in NOK 1 000)	2023	2022
Short term employment benefits ¹	3 227	-
Post-employment pension ²	116	-
Termination benefits ³	-	-
Total compensation of key management personnel of the group in cash	3 343	-
Imputed share based payment expense ⁴	-	-
Total compensation of key management personnel of the group expense	3 343	-

¹ Short term employment benefits: Includes base salary and benefits, vacation pay if relevant.
² Post-employment pension: Represents company’s share of payment to pension contribution or benefit plan during the period.

In 2023 the company’s CFO Brede Ellingsæter has been contracted from related parties Scatec Innovation AS.

Shares in the company are held by the members of the management group 31 December 2023

Name	Current position within the Company	Employed with the Company since	Number of shares 2023 ¹	Number of shares 2022 ¹
Current management				
Alf Bjørseth	Chief Excecutive Officer	3 July 2023	47 855	-
Brede Ellingsæter	Chief Financial Officer	3 July 2023	-	-
Sindre Hassfjell	Chief Technology Officer	3 July 2023	-	-
Total shares owned by management			47 855	-

¹ Overview includes only management still employed at 31 December 2023. Shareholding including shares held by related parties.

Performance Share Units (PSUs) and options held by members of the management on 31 December 2023

Management has no outstanding PSUs or options as per 31 December 2023. All PSUs and options held by management have forefeited or been settled. See [note 6.2](#) for more information on the share based payment programs.

For additional information, reference is made to a separate report on management remuneration.

6.2 Share-based payments and incentive program

Accounting Policy

The fair value of the granted RSU without market condition is measured using the share price at grant date.

Overview

At the AGM in 2023, the company resolved to issue restricted stock units (RSUs) to board directors who elected to receive all or parts of their remuneration, in the form of RSUs. Each board member must make such election immediately following the AGM resolution i.e.at the beginning of the board period. The RSUs are non-transferable and each RSU gives 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 agreement. RSUs vest on the first anniversary of the AGM that they were granted.

The board directors who elect to receive RSUs, must elect to either (i) receive 100 per cent 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 board is calculated as the NOK amount of the RSU opted portion of total compensation to the board director, divided by the market price for the Thor Medical share. The market price is calculated as volume weighted average share price the 10 trading days prior to the grant date.

Following the AGM in June 2023, 1 408 341 RSUs were allocated. At 31 December 2023 there are 1 320 471 RSUs remaining.

Share based payment expenses related to RSUs are recognised in the income statement and disclosed in [note 3.2](#).

As per 31 December 2023

Name	Remuneration for the period 2023–2024 in NOK	Allocation between cash and RSUs	Remuneration for the period 2023–2024 in cash	Number of RSUs granted for the period 2023–2024	Market price on grant date ⁶ in NOK	Number of RSUs exercised or settled in 2023 ⁷	Total number of RSUs outstanding 31 December 2023
Ludvik Sandnes ¹	350 000	100% RSU	-	486 489	0.72	-	486 489
John Andersen ²	300 000	100% RSU	-	416 990	0.72	-	416 990
Mimi Berdal ³	300 000	100% RSU	-	416 990	0.72	-	416 990
Former members of the board							
Jan Magne Asmyr ⁴	500 000	100% RSU	-	504 860	0.99	504 860	-
Tina Bønsdorff ⁵	165 000	100% RSU	-	229 344	0.72	229 344	-
							-
Total	1 615 000		-	2 054 673		734 204	1 320 469

¹ NOK 350 000 as chairman of the board.
² NOK 300 000 as board member.
³ NOK 330 000 as board member.
⁴ NOK 300 000 as chairman of the board for the period January to June 2023, NOK 200 000 in compensation for additional work beyond board work as approved on the AGM in June 2023.
⁵ NOK 165 000 as board member for the period January to June 2023.
⁶ The market price is calculated as volume weighted average share price the 10 trading days prior to the date of the Transaction Agreement on 6 June 2023, i.e. NOK 0.72944.
⁷ The company also settled in cash previous board members Jan Egberts, Joanna Horobin, and Karin Meyer’s in total 63 048 vested RSUs following their depature from the Board after the EGM in January 2023. See table below for details about the settlement and fair value of the RSUs.

RSUs outstanding	2023			2022		
	Number of RSUs	Weighted average exercise price in NOK	Weighted average fair value in NOK	Number of RSUs	Weighted average exercise price in NOK	Weighted average fair value in NOK
Balance at 01.01	72 315	0.20	21.59	73 892	0.20	29.21
Granted during the year	2 054 673	0.20	0.79	75 393	0.20	13.50
Exercised or settled during the year ¹	(797 252)	0.20	2.76	(52 776)	0.20	24.41
Forfeited	(9 267)	0.20	14.28	(24 194)	0.20	13.50
Balance at 31.12	1 320 469	0.20	0.72	72 315	0.20	21.59
Hereof vested RSUs	-	0.20	0.72	39 637	0.20	28.26

¹ In 2023 the company exercised it’s right in accordance with the RSU agreements, to settle 63 048 RSUs in cash to board members leaving the board during 2023. RSUs settled was calculated pro-rata based on actual service period on the board. The cash amount paid per RSU settled was equal to the current market price of the shares in the company (10 days VWAP prior to settlement date) less the nominal value of the shares. The RSUs were settled at NOK 1.1788 per share less nominal value of NOK 0.2 per share. Total cost to settle 63 048 RSUs was NOK 61 711.

6.3 Remuneration to the board

The AGM held on 28 June 2023 resolved remuneration to the board and the nomination committee for the period from the 2023 AGM until the AGM in 2024 as shown in the table below. The Board of Directors constitute collectively the Audit Committee. On 3 January 2023, the EGM appointed Jon Magne Asmyr (Chair), Tina Bønsdorff, and Eddie Berglund to the Board for for the period January to June 2023, after former Board members Jan H. Egberts (Chair), Joanna Horobin, and Karin Meyer decided to step down. Eddie Berglund resigned shortly after.

(Amounts in NOK 1 000, exclusive of social security)	Board of directors	Audit committee	Nomination committee	Technical Advisory Board
Chair	350		30	100 000
Member	300		25	75 000

Board of directors and their roles after the 2023 AGM

(Amounts in NOK 1 000, exclusive of social security)	Board of directors	Audit committee	Nomination committee	Technical Advisory Board
Ludvik Sandnes	Chair	Chair		
John Andersen	Member	Member		
Mimi Berdal	Member	Member		
Didrik Leikvang			Chair	
Jørn Aage Johansen			Member	
Jon Magne Asmyr ¹			Member	
Roy Larsen				Chair
Brit Farstad				Member

¹ Board member until June 2023

At the 2023 AGM, the shareholders approved the issuance of restricted stock units (RSUs) to board members, who elected to receive all or parts of their remuneration in the form of RSUs. The board members’ election of RSUs as part of their remuneration is disclosed in [note 6.2](#).

Remuneration to the board of directors for the 12 month period from AGM to AGM the following year				Shares held by the board of directors at year end	
(Amounts in NOK 1 000, except number of shares)	Served since/ period on the board	Board fee and fees for committee work ²		Number of shares as of 31.12 ⁴	
		2023	2022	2023	2022
Current board					
Ludvik Sandnes ¹	June 2023	350		100 000	-
John Andersen ²	June 2023	300		61 908 494	-
Mimi Berdal	June 2023	300		-	-
Former members of the board					
Jon Magne Asmyr ³	January 2023–June 2023	500	-	4 300 000	3 000 000
Tina Bønsdorff	January 2023–June 2023	165	-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
Total		1 615	-	66 208 494	3 000 000

¹ Related parties of Ludvik Sandnes controlling shares of 100 000 in the Company
² Related parties of John Andersen controlling shares of 61 908 494 in the Company
³ AGM in June 2023 approved NOK 200 000 for additional work related to Jon Magne Asmyr in addition to the ordinary board remuneration of NOK 300 000
⁴ Shareholdings are not included for representatives who are no longer members as of 31 December 2022.

The total remuneration for the board recognised as expense in the accounts for 2023 was NOK 2.9 million (NOK 2.4 million), hereof NOK 0.03 million in fees payable in cash (NOK 1.5 million) and NOK 2.9 million (NOK 0.9 million) for imputed costs related to share based payments (RSUs), which has no cash effect. Total remuneration to the board is classified as other operating expenses for continuing business of 1.3 million, and 1.6 million is classified in loss from discontinued operations.

Section 7 - Tax

7.1 Income tax

Accounting policy

Income tax expense represents the sum of taxes currently payable and deferred tax. Deferred taxes are recognised based on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for taxable temporary differences, and deferred tax assets arising from deductible temporary differences are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

The company is in the research phase of its product development and has incurred significant tax losses related to its operations. The deferred tax asset has not been recognised in the statement of financial position, as the company does not consider that taxable income in the short-term will sufficiently support the use of a deferred tax asset.

Basis for tax calculation

(Amounts in NOK 1 000)	2023	2022
Loss for the year from continuing operations	(2 855)	-
Loss for the year from discontinued operations	(12 890)	(310 251)
Non-deductible expenses	420	(187)
Non-taxable income	(15 335)	(12 981)
Correction in taxable income from previous year	-	10 346
Share issue costs	-	(17 094)
Change in temporary differences	(18 634)	18 001
Basis for tax calculation	(49 294)	(312 166)
Income tax expense	-	107

This year’s tax expense

(Amounts in NOK 1 000)	2023	2022
Calculation of effective tax rate		
Profit before tax	(15 745)	(310 251)
Calculated tax on profit before tax	(3 464)	(68 255)
Tax effect of permanent differences	(3 281)	(6 658)
Income tax expense	(6 745)	(74 913)

The tax effect of temporary differences and loss to be carried forward that forms the basis for deferred tax and deferred tax advantages, specified on type of temporary differences:

(Amounts in NOK 1 000)	2023	2022	Difference
Property, plant and equipment	(1 025)	(991)	34
Leasing agreements	-	(1)	(1)
Liabilities	(294)	(19 073)	(18 779)
Tax payable	-	112	112
Total	(1 319)	(19 953)	(18 634)

(Amounts in NOK 1 000)	2023	2022	Difference
Accumulated tax losses carried forward	(2 962 362)	(2 933 245)	29 117
Not included in the deferred tax calculation	2 963 682	2 933 245	(30 437)
Basis for deferred tax assets	-	-	-

The corporate tax rate in Norway was 22 per cent in 2023 and 2022.

The company is in the research phase of its product development and has incurred significant tax losses related to its operations. The tax losses can be carried forward indefinitely.

The company has not recognised a deferred tax asset in the statement of financial position, as it does not consider that taxable income in the near term will sufficiently support the utilization of a deferred tax asset. No current or deferred tax charge or liability has been recognised for 2023.

Section 8 - Group structure

8.1 Information about subsidiaries

Accounting policy

Shares and investments intended for long-term ownership are reported in the parent company’s statement of financial position as long-term investments and valued at cost. The company determines at each reporting date whether there is any objective indication that the investment in the subsidiary is impaired. If this is the case, the amount of impairment is calculated as the difference between the recoverable amount of the subsidiary and its carrying value and recognises the amount in the income statement. Any realised and unrealised losses and any write-downs relating to these investments will be included in the parent’s statement of comprehensive income as financial items.

The consolidated financial statements of the group include

Name	Country of incorporation	Book value (in NOK 1000)	% Equity interest	
			2023	2022
Nordic Nanovector GmbH	Switzerland			100%
Nordic Nanovector Ltd	United Kingdom			100%
TM Technologies AS	Norway	234 707	100%	

Thor Medical ASA is a public limited liability company incorporated and domiciled in Norway and is the parent company of the group. In 2023 the parent company acquired 100 per cent of the shares in TM Technologies AS, while Nordic Nanovector GmbH and Nordic Nanovector Ltd was decided liquidated. Per 31 December 2023, Nordic Nanovector GmbH is closed and removed from local companies register, while Nordic Nanovector Ltd is in the notice period to be removed from local companies register.

8.2 Transactions with related parties

Accounting policy

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm’s length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. Transactions and balances between companies, which are a member of the group, have been eliminated in the consolidated accounts for the group. [Note 8.1](#) provides information about the group’s structure.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

(Amounts in NOK 1 000)	Note	Purchases (included in other operating expenses)	
		2023	2022
Subsidiary - TM Technologies AS		-	-
Re-invoicing costs from Scatec Innovation AS 1)	3.1	46	-

¹ In 2023 Scatec Innovation re-invoiced costs related to Thor Medical ASA.

The following table provides overview of amounts owed to and by related parties at year-end for the relevant financial year:

(Amounts in NOK 1 000)	Note	Amounts owed to related parties (current liabilities to group companies)	
		31 Dec 2023	31 Dec 2022
Subsidiary - Nordic Nanovector GmbH ¹	5.2	-	4 716
Subsidiary - Nordic Nanovector Ltd ²	5.2	-	3 987
Subsidiary - TM Technologies AS		-	-

¹ During 2023 Nordic Nanovector GmbH was closed. A liquidation dividend of NOK 9.5 million was paid to Thor Medical ASA.

² During 2023 Nordic Nanovector GmbH was closed. A liquidation dividend of NOK 3.4 million was paid to Thor Medical ASA.

For information on remuneration and shareholding to the board of directors and management see [note 6.3](#) and [note 6.1](#) repectively.

For information related to an agreement to transfer the “Nanovector Patents” to company NucliThera AS, see [note 8.2](#) Transactions with related parties in the notes to the consolidated financial statements.

Section 9 - Other disclosures

9.1 Events after the reporting date

On 14 February 2023 the company announced that Mr. Jasper Kurth has been appointed Chief Executive Officer (CEO) of the company as from no later than 1 September 2024. At the same time Mr. Alf Bjørseth, former CEO, transitions into a the position as Senior Vice President responsible for client acquisition. The Board has granted Mr. Kurth 3 600 000 share options. Each share option entitles Mr. Kurth to buy one share at NOK 1.118, equal to the volume-weighted share price over the last ten trading days. 1/3 of the share options will vest 12 months after Mr. Kurth’s first day of employment, while the remaining share options will vest with 100 000 on the last day of each month following the initial vesting. The share options need to be exercised no later than five years after the initial award. The total gross benefit for exercised share options under this award shall be limited to Mr. Kurth’s total base salary of the three-year period. The award of share options is made subject to the approval of the company’s General Meeting in April 2024.

Responsibility statement

We confirm, to the best of our knowledge, that the set of financial statements for 2023 has been prepared in accordance with IFRS Accounting Standards, as adopted by the EU, and requirements in accordance with the Norwegian Accounting Act, and gives a true and fair view of the (Company’s and) group’s assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge, that this report includes a fair review of important events that have occurred during 2023 and their impact on the set of financial statements, a description of the principal risks and uncertainties, and an overview of major related parties’ transactions.

Oslo 20 March 2024
The Board of Directors of Thor Medical


Ludvik Sandnes
Chairman of the Board


John Andersen Jr.


Mimi Berdal


Dr. Alf Bjørseth
Chief Executive Officer (CEO)



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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Thor Medical ASA

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Thor Medical ASA (the Company) which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company comprise the statement of financial position as of 31 December 2023 and the income statement, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies. The consolidated financial statements of the Group comprise the statement of financial position as of 31 December 2023, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable legal requirements,
- the financial statements give a true and fair view of the financial position of the Company as of 31 December 2023 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway,
- the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2023 and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the audit committee.

Basis for opinion

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

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

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We have been the auditor of the Company for 10 years from the election by the general meeting of the shareholders for the accounting year 2014.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Determining the acquirer in the business combination with Thor Medical AS

Basis for the key audit matter

The consideration provided in the acquisition of Thor Medical AS was in the form of shares in Nordic Nanovector ASA (Thor Medical ASA), leading to the former shareholders of Thor Medical AS controlling 50% of the shares post-transaction. The identification of the acquirer is central for applying IFRS 3 "Business Combinations." This determination impacts the accounting treatment, including the recognition and measurement of acquired assets, liabilities assumed, and any resulting goodwill. Identifying the acquirer in the reported business combination required significant judgment. The evaluation focused on several factors, as guided by IFRS 3 and further considerations under IFRS 10 "Consolidated Financial Statements". The assessment of control in this context required a comprehensive evaluation of the factors that indicate which entity has the power to govern the financial and operational policies of the combined entity to obtain benefits from its activities and is therefore a key audit matter.

Our audit response

Our audit procedures involved verifying the terms and conditions of the contractual agreements governing the business combination, discussions with key management personnel and assessing the application of accounting principles. We also evaluated the strategic rationale provided by the entities for the combination and the expected synergies. We focused on understanding the relative size of the businesses, the purpose and design of the transaction, the governance structure post-transaction and the ability to direct the relevant activities of the combined entity that most significantly affect its returns at the transaction date. We refer to note 2.4 Significant accounting judgements, estimates and assumptions and note 8.3 Business combinations.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and the CEO) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

Independent auditor's report - Thor Medical ASA 2023

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In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report, the statement on corporate governance and the statement on corporate social responsibility contain the information required by applicable legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that the other information is materially inconsistent with the financial statements, there is a material misstatement in this other information or that the information required by applicable legal requirements is not included in the board of directors' report, the statement on corporate governance or the statement on corporate social responsibility, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report, the statement on corporate governance and the statement on corporate social responsibility are consistent with the financial statements and contain the information required by applicable legal requirements.

Responsibilities of management for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other legal and regulatory requirement

Report on compliance with regulation on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Thor Medical ASA we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 5967007LIEEXZXG6DK30-2023-12-31-en, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

Independent auditor's report - Thor Medical ASA 2023

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

Management's responsibilities

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

Auditor's responsibilities

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

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

Oslo, 21 March 2024
ERNST & YOUNG AS

Thomas Embretsen
State Authorised Public Accountant (Norway)

Thor Medical HQ

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