Lytix Biopharma

Interim report

Fourth quarter and second half 2023

Letter from the CEO

Building the Phase II evidence base

Dear shareholders,

After two very challenging years for the biotechnology sector, the tide appears to have turned with several M&A oncology deals in December and January. Lytix will continue to differentiate and progress clinically, and by that increasing our chances to succeed commercially.

Through our collaboration with several highly reputed oncology experts, we have demonstrated that Lytix Biopharma`s technology addresses the major challenge in current cancer therapy through the stimulation of broad tumor specific T cell responses in cancer patients. This technology has already been commercially validated through a license agreement with Verrica Pharmaceuticals Inc ("Verrica"), a dermatology therapeutics company.

Verrica has completed the enrollment of all patients in a Phase II clinical trial for VP-315 (LTX-315) in skin cancer (basal cell carcinoma, 'BCC') ahead of expectations. With very encouraging preliminary data presented in August 2023, we are eagerly awaiting the data from this study, anticipated by mid-2024. BCC represents an attractive commercial opportunity. Lytix received an upfront payment and two milestone payments (IND approval and first patient treated) and is entitled to receive contingent regulatory milestones based on specified development goals, sales milestones up to USD 111 million, and tiered royalties based on future global sales. In addition, Lytix received NOK 3.9 million for the sale of LTX-315 to Verrica during the second half of 2023.

At the European Society of Medical Oncology (ESMO) Congress 2023 in October, we reported encouraging early results in our ongoing Phase II trial with LTX-315 and the immune checkpoint inhibitor pembrolizumab in late-stage melanoma patients that have previously failed to respond to same type of immune checkpoint inhibitors. Patient enrollment has been completed and we are continuing to see mechanism validating results in a patient population where the majority of the patients have failed to respond to two or more lines of immunotherapies, in addition to

immune checkpoint inhibitors. The interim result from 20 patients is showing disease stabilization in approximately half of the patients, with durable responses up to a year after the start of treatment. Given that these patients have failed multiple lines of therapies, the results are very promising. Furthermore, there is currently one patient that has achieved partial response.

While continuing to monitor the effect of LTX-315 in these 20 patients, we are also in collaboration with Dr. Henrik Jespersen at Norwegian Cancer Hospital (Radiumhospitalet) initiating an investigator led study on cancer patients with earlier stage cancer diseases, healthier immune systems, and fewer rounds of previous therapies. While the traditional development path for new oncology agents usually begins in refractory patients, these patients typically have very advanced disease and weakened immune systems. The safety- and mechanism validating data generated in these first twenty patients has generated enthusiasm by investigators, including Dr Jespersen, that potentially even more robust efficacy could be seen in these earlier-stage patients that can have a more active immune system and take even greater advantage of a therapy, like Lytix's technology, which is designed to kick start the immune system against the tumor.

Administering immunotherapy in a neo-adjuvant, pre-operative setting is an emerging therapeutic option where patients are treated before surgery with the aim of preventing later recurrence of the disease. We are therefore excited to start a neoadjuvant study with LTX-315 in melanoma patients with resectable tumors in collaboration with Radiumhospitalet in the first half of 2024. This study will evaluate the potential of LTX-315 combined with a standard of care treatment (pembrolizumab) in earlier stage cancer patients, with the potential for expansion into additional early-stage cancer indications. This opportunity represents an even greater commercial potential as in the patient population in neoadjuvant settings is larger compared to a recurrent/metastatic setting.

Compelling results from pre-clinical studies indicate that our second-generation drug LTX-401 could be particularly effective in deep seated solid tumors, which represent a potentially large commercial market. Our preparations continue for advancing LTX-401 through clinical trials and bringing this innovative treatment to patients.

In December, two patent applications have been submitted, with the aim to secure the prolonged IP protection.

In summary, our drug candidates address a major challenge in current cancer therapy and have the potential to be used to treat multiple cancer types, both as monotherapy and in combination with other types of immunotherapies. We are looking forward to the final data from Verrica`s phase II study mid-2024 and to initiate the neoadjuvant study later this year.

Due to robust efforts and controls established last year, Lytix has extended its cash runway through the first half of 2024, with cash plus short-term financial investments of NOK 50.5 million at the end of 2023. The Company continues to explore strategic partnering opportunities as well as other ways to finance its development plans and realization of the next clinical milestones.

We are very grateful for your continued support and look forward to sharing further positive results in 2024.

Øystein Rekdal
CEO and co-founder
Lytix Biopharma

Highlights and key figures

Highlights for the second half of 2023

Partnership:

- Verrica Pharmaceuticals' Phase II study in basal cell carcinoma – Positive early results.
  - Verrica reported positive early results from Part 1 of its ongoing Phase II trial in August 2023.
    - *Complete clearance of basal cell carcinoma cells in four out of six patients treated with the highest LTX-315 dose.*
- In January 2024, Verrica reported that all patients have been dosed in their Phase II trial and that they will complete the entire study in H1 2024.

Research and development:

- ATLAS-IT-05 study ongoing – Encouraging interim data from 20 melanoma patients.
  - In August, Lytix announced complete enrollment of 20 patients.
  - Clinical interim-data obtained from all patients.
    - *Disease control in approximately half of the patients with durable responses up to one year and one patient with partial response.*
  - LTX-315 in combination with pembrolizumab was well tolerated.
- Expanding to earlier stage melanoma patients with a stronger immune system
  - Investigator led neoadjuvant Phase II study at Oslo University Hospital, Radiumhospitalet planned to start in H1 2024.
  - The study protocol was presented at the 15th Nordic Melanoma Meeting in October 2023.
  - In December 2023, the clinical trial application for the trial was submitted to the regulatory authorities for approval.
- Clinical results published in high profiled journal
  - ° Results from the ATLAS-IT-04 study were published in a paper entitled "LTX-315 and adoptive cell therapy using tumor-infiltrating lymphocytes generate tumor specific T cells in patients with metastatic soft tissue sarcoma". The paper was published in OncoImmunology, a high-profile, open access journal.
- A paper describing LTX-315`s ability to activate specific immune cells accepted for publication.
  - The paper describing LTX-315 unique way of activating immune cells that are critical for T cell priming has been accepted for publication in the high profiled journal Frontiers in Immunology.
- Strengthening intellectual property
  - Two Patent Corporation Treaty (PCT) applications were filed in December 2023 to secure additional IP protection.

Business and financial:

- In October the Research Council of Norway approved Lytix's application for up to NOK 14.3m (USD 1.3million) of non-dilutive financial support from the 'SkatteFUNN' R&D tax incentive scheme for a project in respect of its lead program: 'Intratumoral LTX-315 in advanced melanoma'.

Key figures

Amounts in NOK thousands	**Q4 2023**	Q4 2022	**H2 2023**	H2 2022	FY 2023	FY 2022
Total operating income	**5 125**	1 615	**9 417**	4 587	10 241	17 273
Total operating expense	**(24 729)**	(25 453)	**(47 665)**	(46 368)	(107 118)	(82 968)
Loss from operations	**(19 604)**	(23 837)	**(38 247)**	(41 781)	(96 877)	(65 695)
Loss for the period	**(18 580)**	(29 195)	**(36 828)**	(40 343)	(87 937)	(56 006)
Property, plant and equipment					110	124
Trade and other receivables					12 777	6 735
Short-term financial investments					23 183	50 606
Cash position at the end of the period					27 365	94 552
Total assets					63 436	152 017
Total equity					51 372	135 126
Total liabilities					12 064	16 891
Total equity and liabilities					63 436	152 017

Review of the second half year 2023

Operational review

PARTNERSHIPS

LTX-315 development in partnership with Verrica

During the period, significant progress was made in the development of LTX-315 in collaboration with Verrica Pharmaceuticals Inc ("Verrica"). In August, Verrica presented preliminary data from Part 1 of their ongoing Phase II study of LTX-315, referred to as VP-315 by Verrica, for the treatment of basal cell carcinoma (BCC). Verrica holds an exclusive worldwide license agreement with Lytix to develop and commercialize VP-315 for dermatologic oncology indications and is currently conducting a Phase II clinical study in patients with BCC.
The preliminary results were presented at the 2023 American Academy of Dermatology Innovation Academy meeting. This presentation highlighted the antitumor activity of VP-315, as demonstrated by both clinical and histological clearance of treated BCC lesions.

Key findings from the presentation included:

- Subjects received once-daily dosing of VP-315, administered intratumorally, for up to six treatments over a two-week period.
- At the maximum dose (8 mg) tested, six lesions were treated, and post-treatment clinical assessment and excisions were performed at Day 49 (Range 35-70), followed by histological evaluation.
- By day 49 post-treatment, consistent clinical and histological clearance of treated BCC lesions was observed, with four of six subjects (67%) showing complete tumor clearance. The remaining two subjects exhibited partial histological clearance, 95% and 30%, respectively.

In January 2024, Verrica reported that all patients have been dosed in their Phase II trial. The completion of patient enrolment in this ongoing study is a significant milestone in Verrica's commitment to advancing innovative solutions for US patients facing this prevalent form of skin cancer. Data from Verrica's Phase II study is expected by mid-2024.

Basal cell carcinoma is the most common form of cancer in the U.S., with a global increase in incidence. With approximately 3-4 million patients diagnosed with the disease in the U.S. annually, there exists a high unmet need for new treatment options. Traditionally treated with invasive surgery, VP-315 emerges as a potential alternative therapeutic regimen, offering significant advantages over surgery, such as reduced pain, infection, bleeding, and scarring.

Under the terms of the license agreement, Lytix received an upfront payment and is entitled to receive milestone payments based on specified development goals, and sales milestones, with aggregate payments of up to USD 111 million in total. Additionally, Lytix is poised to receive tiered royalties based on worldwide annual sales.

ClinicalTrials.gov Identifier: NCT05188729

RESEARCH AND DEVELOPMENT

ATLAS-IT-05 trial

The ATLAS-IT-05 trial is designed to assess the efficacy of LTX-315 in patients with stage III-IV melanoma, who are refractory to treatment with anti-PD-1/PD-L1 inhibitors. LTX-315 is being studied in combination with the immune checkpoint inhibitor pembrolizumab (Keytruda®), which blocks tumor cells' ability to prevent the body's immune response.

Initiated in December 2021 at MD Anderson Cancer Center in Houston, Texas, one of the world's premier cancer hospitals, the trial has engaged a total of ten sites - four in the US and six in Europe.

In August 2023, Lytix announced the completion of recruitment for the study, successfully enrolling 20 patients. Enrolled patients received treatment with LTX-315 for up to five weeks. Pembrolizumab therapy will continue until disease progression or 24 months after enrollment.

Dr. Stephane Dalle, the top recruiting investigator for ATLAS-IT-05, delivered a poster presentation at the ESMO 2023 Congress in October, with preliminary clinical data from 20 patients, of whom 14 were assessed for early anti-tumor activity. Enrolled patients had late-stage melanoma and failed prior treatment with at least one line of anti-PD-1/PD-L-1 checkpoint inhibitor therapy and up to two additional lines of therapies. These patients generally have a poor prognosis with rapid disease progression and few available treatment options. The interim data, with a short median follow-up of only 15 weeks, showed encouraging outcomes in many treated patients.
The combination of LTX-315 and pembrolizumab demonstrated disease stabilization in this challenging patient population with a disease control rate of 43% and one patient showing a confirmed and durable partial response with 89% tumor shrinkage. Importantly, nearly half of the patients were continuing on the

trial, highlighting the sustained impact of the treatment. Substantial tumor shrinkage in non-injected lesions and complete regression in injected lesions were observed in several patients. LTX-315 was well-tolerated, with generally mild to moderate treatment-related adverse events.

Interim data in early 2024 on all 20 patients show a slight increase of disease control from what was reported at ESMO. Following the patients over a longer time shows durable stabilization of the disease up to one year post treatment after having previously failed to respond to several earlier lines of other IO therapies. Shrinkage of both non injected and injected lesions have been confirmed in a substantial number of the patients.

Some of the patients are still at an early phase of the study and further updates will be shared in future presentations as the study progresses, and patients advance in their treatment course. Lytix is reassured on the safety of LTX-315 in combination with pembrolizumab from results to date and by the achievement of mechanism of action supporting data, especially in light of the weaker immune systems typically seen in the refractory patients enrolled in ATLAS-IT-05.

ClinicalTrials.gov Identifier: NCT04796194

Neoadjuvant setting

Based on the encouraging results in ATLAS-IT-05, the company has in collaboration with Dr. Henrik Jespersen at Radiumhospitalet (Oslo University Hospital) decided to initiate a study in patients with early-stage melanoma. One reasons for this is that LTX-315 can have greater effectiveness in early-stage cancer patients due to a more healthy immune system and lower tumor burden. Second, the commercial potential is much larger due to larger patient populations. The study will be an investigator-led study where the efficacy of neoadjuvant LTX-315 (given prior to curative surgery) in combination with pembrolizumab will be assessed. In the ongoing ATLAS-IT-05 study LTX-315 in combination with pembrolizumab seem to be safe. This study will enroll patients with stage III-IV melanoma with less advanced disease than in ATLAS-IT-05 and a stronger immune system. The aim of this new study is to further improve outcomes of pembrolizumab in this patient population and prevent disease recurrence.

The neoadjuvant study, NeoLIPA, will be a Phase II, open-label study of neoadjuvant LTX-315 in combination with standard of care, pembrolizumab (Keytruda®), in 27 patients with clinically detectable and resectable stage III-IV melanoma.

While neoadjuvant checkpoint inhibition has demonstrated a significant reduction of the risk of relapse for high-risk melanoma compared to adjuvant therapy, many patients still experience limited or short treatment effects. Consequently, there exists an unmet medical need for innovative and more effective neoadjuvant treatment regimens. The NeoLIPA study addresses this need by adding LTX-315 to standard of care along with pembrolizumab.

Dr Henrik Jespersen, Head of the Melanoma Oncology Unit at Oslo University Hospital, presented the design of the NeoLIPA trial with LTX-315 at the 15th Nordic Melanoma Meeting in Reykjavik in October 2023. His presentation was well received among the melanoma expert community.

With its unique and dual mode of action, LTX-315 emerges as a promising drug candidate for combination therapy with a PD-1 inhibitor in the neoadjuvant setting. By directly killing cancer cells in the injected lesion, LTX-315 has the potential to locally shrink tumors before surgery. Simultaneously, LTX-315 has demonstrated ability to increase number of tumor-specific immune cells in treated patients, potentially reducing the risk of disease relapse after surgery. In pre-clinical studies we have demonstrated that re-establishment of tumors was not possible after LTX-315 treatment followed by surgery. The NeoLIPA study offers an opportunity to demonstrate whether combining LTX-315 with standard of care in the neoadjuvant setting could improve clinical outcomes for early-stage melanoma patients.

In December 2023, the clinical trial application for the NeoLIPA trial was submitted. The study is planned to start first half 2024 marking a significant step forward in advancing this innovative approach to melanoma treatment. In addition to the excellent opportunity to expand into this additional patient population, Lytix's financial responsibility for this trial is mainly limited to drug supply, which is supportive of the robust financial controls that have been implemented in 2023.

ATLAS-IT-04 trial

The ATLAS-IT-04 trial was an open label, Phase II trial assessing the effect of LTX-315 when used in combination with Adoptive Cell Therapy (ACT) in patients with progressive metastatic soft tissue sarcoma that had failed standard treatment.

The ATLAS-IT-04 trial included intra-tumoral injections of LTX-315 ahead of surgical removal of tumor lesions, followed by in vitro expansion of T cells isolated from the resected tumor lesion. In a second step, the expanded T cells were infused back to the patients. Six heavily pretreated patients were included in the trial and treated with LTX-315, of which four patients proceeded to adoptive T-cell therapy. The treatment was safe, and the best overall clinical response was stabilization of the disease for 208 days. The immune response data from the trial demonstrated that the treatment induces tumor specific T cells in blood, pro-

viding proof of concept that LTX-315 generates an immune response that targets the tumor.

This Phase II study also proofs that it is feasible to combine LTX-315 and adoptive T-cell therapy and confirms that LTX-315 can induce tumor specific immune responses resulting in stabilization of the disease in sarcoma patients with otherwise progressive disease.

The encouraging results from the ATLAS-IT-04 study were recently published in Oncoimmunology, a high-profile, open access journal covering tumor immunology and immunotherapy. Lytix is actively approaching companies with in-house ACT technology.

LTX-401

LTX-401 has shown superior activity in "hard to treat" cancer models, including liver cancer. Based on preclinical research in collaboration with reputed oncology research institutions LTX-401 seems to be ideal for deep seated tumors. LTX-401 is currently being prepared for a Phase I study and we are in dialog with clinical oncology experts to map the optimal way forward and to select cancer indications that are commercially attractive.

Intellectual property

To further strengthen the patent protection for Lytix's technology and extend patent life, two Patent Corporation Treaty (PCT) applications were filed December 2023.

BUSINESS

In October, the Research Council of Norway approved Lytix's application for up to NOK 14.3 million (USD 1.3million) of non-dilutive financial support from the 'SkatteFUNN' R&D tax incentive scheme for a project in respect of its lead program: 'Intratumoral LTX-315 in advanced melanoma'. The approval gives Lytix the right to claim tax deductions for relevant and documentable costs related to research and development activities in the approved project for the period 2023 to 2025.

A collaboration agreement with Northwest Biotherapeutics Inc? has been signed. The collaboration will investigate the potential application for Lytix technology in Northwest`s personalized DC vaccine platform.

Financial review

PROFIT AND LOSS

Revenue for the six months ended 31 December 2023 amounted to NOK 3.9 million (NOK 1.4 million) and is related to the sale of supply of LTX-315 to Verrica Pharmaceuticals.

In October, the Research Council of Norway approved Lytix's application for non-dilutive financial support from the 'SkatteFUNN' R&D tax incentive scheme for a project in respect of its lead program: 'Intratumoral LTX-315 in advanced melanoma'. As a consequence, the SkatteFUNN grant of NOK 4.8 million was recognized as other operating income in the second half of 2023. Overall, other operating income for the second half of 2023 amounted to NOK 5.5 million up from NOK 3.2 million for the second half of 2022. Other than the SkatteFUNN grant, operating income for the period includes a grant from Oslo Regional Research Fund.

Personnel expenses for the second half of 2023 came in at NOK 12.6 million (NOK 11.3 million for the second half of 2022). The increased personnel expenses are mainly explained by a slightly higher headcount for the period.

However, given the current challenging state of the financial markets, Lytix introduced in 2023 a cost-saving initiative aimed at enhancing its operations and organizational efficiency to prioritize the Company's clinical development efforts. These measures resulted in substantial cost savings, thereby prolonging the runway on existing resources through H1 2024. The initiative involves downsizing the workforce and maintaining a continuous focus on lowering other operational expenses. This action is imperative to safeguard Lytix's operations amidst challenging global economic conditions.

Direct R&D expenses amounted to NOK 28.3 million for the second half (NOK 28.2 million for the same period in 2022). During the second half of 2023, Lytix completed the recruitment in ATLAS-IT-05 and the study is now running across sites in the US and Europe. In addition, other operating expenses stayed stable at NOK 6.8 million compared to NOK 6.9 million for the same period last year. Loss from operations for the second half of 2023 amounted to NOK 38.2 million (NOK 41.8 million).

Net financial items contributed positively to the net result with NOK 1.4 million in the second half of 2023 (NOK 1.4 million). Lytix has decided to hedge part of its expected USD cost related to the ATLAS-IT-05 study and the financial income for the second half of 2023 is mainly a result of currency fluctuations, interest income and increase in value of market-based financial current assets.

CASH FLOW

Cash flow from operating activities amounted to negative NOK 50.7 million in the second half of 2023, compared with negative NOK 31.9 million for the first half of 2022.

Cash flow from investing activities in the second half of 2023 amounted to NOK 19.8 million and is mainly related to the sale of part of a short-term financial asset.

Cash and cash equivalents at the end of the reporting period amounted to NOK 27.4 million, compared with NOK 94.5 million at 31 December 2022.

At the end of the period, cash plus short-term financial investments amounted to NOK 50.5 million, compared to NOK 145.2 million at 31 December 2022.

STATEMENT OF FINANCIAL POSITION / BALANCE SHEET

Total assets on 31 December 2023 were NOK 63.4 million, compared with NOK 152.0 million on 31 December 2022.

Platform technology

Lytix's technology platform is based on more than 30 years of preclinical and clinical research and originates from UiT, The Arctic University of Norway, Tromsø. The company has successfully generated novel molecules derived from naturally occurring host defense peptides. These have the potential to address the main challenge in current cancer therapy; tumor heterogeneity, which increases therapy resistance and risk of cancer recurrence.

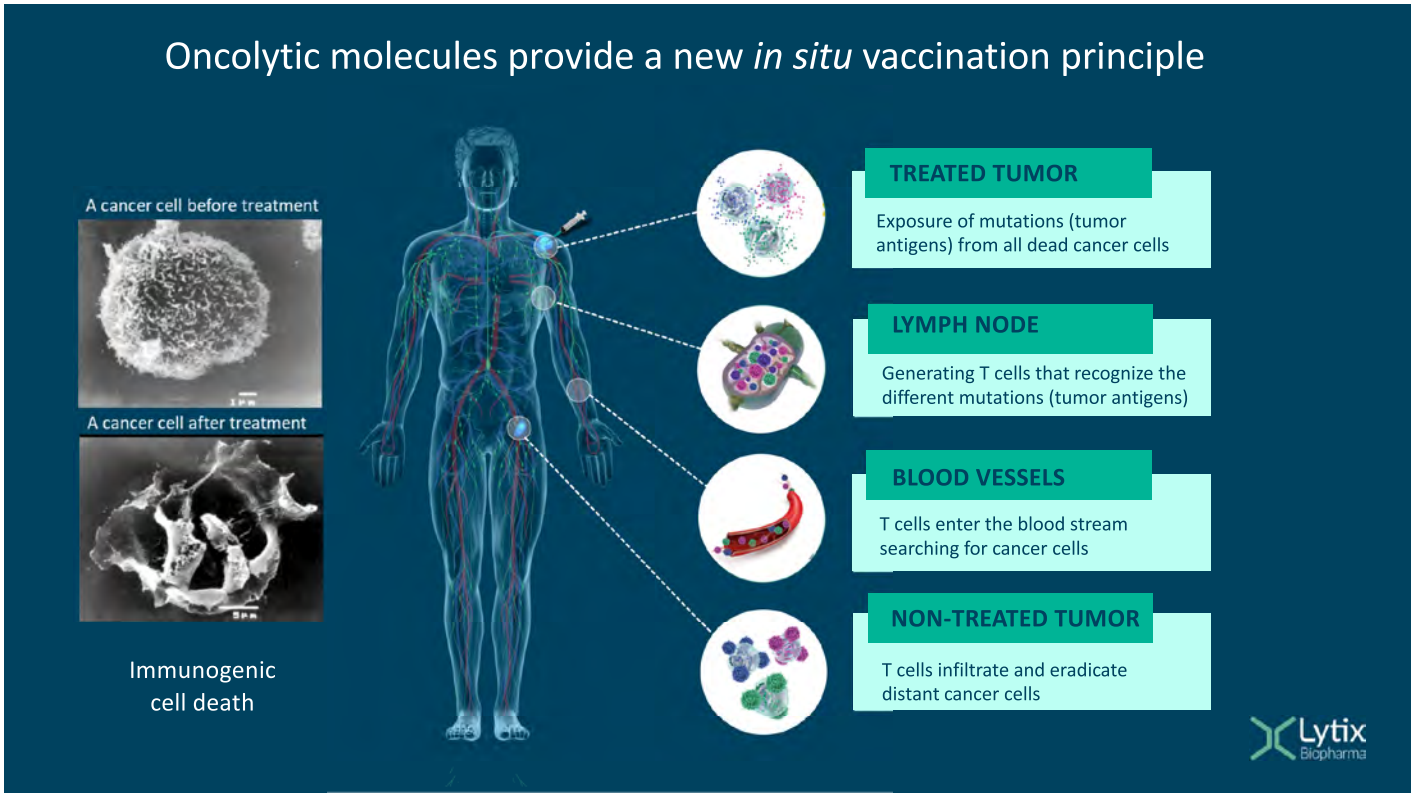
Heterogeneity is considered one of the greatest challenges in cancer treatment for the following reasons:

1. **Treatment resistance:** Different cell populations within a tumor may develop distinct genetic alterations, making them resistant to specific treatments. While one population of cells may respond well to a particular therapy, another population may continue to grow and evade treatment. This can lead to treatment failure and disease recurrence and an even harder to treat disease.
2. **Metastasis:** Heterogeneity can contribute to the spread of cancer to other parts of the body. Certain subpopulations of cells within a tumor may acquire genetic changes that enhance their ability to invade nearby tissues and spread to distant sites. These cells can give rise to new tumors at different locations and contribute to disease progression.
3. **Personalized medicine challenges:** Tumor heterogeneity poses challenges for the development of effective personalized cancer treatments. It is difficult to target all the diverse cell populations within a tumor with a single targeted therapy. Additionally, the genetic changes observed in a tumor at one point in time may evolve over the course of treatment, leading to further heterogeneity and therapy resistance.
4. **Diagnostic and prognostic implications:** Tumor heterogeneity can complicate accurate diagnosis and prognosis. Biopsies or genetic testing from a limited area within a tumor may not capture the full genetic landscape, potentially leading to incomplete or misleading information about the tumor characteristics and behavior.

Delivering immunotherapy straight into the tumor

Lytix Biopharma's unique technology platform potentiates a patient's immune system by injecting drugs with the ability to kill cancer cells straight into the tumor environment. This approach generates an immune response against a broad antigen repertoire targeting the tumors without pre-identifying the antigens, which in turn can save considerable costs and valuable time.

When Lytix's oncolytic molecules are injected straight into solid tumors, they kill the cancer cells and kick- start the patient's own immune system. This process results in an efficient release of tumor neoantigens (mutated proteins) and immune activating molecules. This unique way of eliminating cancer cells results in potent activation of the patient's immune system, with subse-



quent infiltration of T cells into the tumor. The molecule's unique mode of action results in a significant increase of infiltration of immune cells into the injected tumor and is usually designated to make cold (no or few T cells) tumors hot (presence of T cells).

The oncolytic molecules are therefore also ideal for combination with other types of immune therapies where the lack of immune cells in the patients' tumors is one of the major hurdles for these therapies to be effective.

ONCOLYTIC MOLECULES

- Demonstrate a dual mode of action as they:
  - Directly induce immunogenic cell death of tumor cells
  - Activate antigen presenting cells to generate tumor specific T cells
- Harness the solid tumor as a source of antigens
- Generate systemic anti-tumor immunity
- Induce a switch from an immuno-suppressive environment towards an immuno-stimulatory environment enriched for activated cytotoxic cells

In a GlobalData survey[1], physicians ranked tumor heterogeneity as the most challenging aspect of optimizing IO therapy. Tumor heterogeneity introduces significant challenges in cancer therapy and is the main cause of treatment failure, drug resistance, relapse and recurrence. Lytix's oncolytic molecules uniquely address heterogeneity by being able to recognize and target the different cancer subclones in a heterogenous tumor, including both drug sensitive and resistant cancer cells.

Oncology is the largest pharmaceutical market by revenue. Oncology therapeutics represented USD 143 billion in sales in 2019 (˜20 per cent of global pharmaceutical sales)[2]. To capture a larger market share, parallel development across multiple indications increases the value of an individual asset and makes deal-making more likely. The unmet medical need remains critical, and the market is expected to reach USD 250 billion by 2024[3]. The key driver behind this future growth is expected to be immuno-oncology combination therapies. Lytix's oncolytic molecules are synergistic and complementary to other immuno-oncology therapies with the potential to create new treatment paradigms.

Lytix's oncolytic molecules have the potential to claim a unique position within immuno-oncology, by addressing the main chal-

1 *Source: GlobalData High-Prescriber Survey (December 2020)*
2 *Source: McKinsey analysis of EvaluatePharma (July 2020)*
3 *Source: McKinsey analysis of EvaluatePharma (July 2020)*

lenge across a wide section of cancer indications as well as being able to combine with many other immuno-oncology therapies, creating significant patient impact as well as value for Lytix.

Product candidates and portfolio

Lytix Biopharma's unique technology platform has the capacity to deliver several molecules within the class of amphipathic membranolytic drugs. These are aimed at improving the lives of patients across many cancer types where tumors are accessible for intratumoral injections.

The developmental program progresses several of these molecules both as monotherapy, as a combination partner with checkpoint inhibitors and as an adjunct to cell therapy.

Our lead candidate, LTX-315, is currently being evaluated in two different Phase II trials, both as monotherapy and as combination therapy with the checkpoint inhibitors pembrolizumab. In addition, a neoadjuvant study in melanoma patients with resectable tumors is planned to start first half 2024.

LTX-401 is a second-generation drug candidate that has shown unique properties for being used to treat deep seated tumors, eg. liver cancer. LTX-401 is being prepared for entering into a human clinical trial.

Product candidate	Combination partner	Population	Discovery	Preclinical	Phase I	Phase II	Phase III
LTX-315	**Atlas-IT-05** Pembrolizumab (Keytruda®)	Melanoma patients progressed on checkpoint inhibitors					
	Verrica Pharmaceuticals Monotherapy	Basal cell carcinoma					
	Atlas-IT-06 NeoLIPA	Neoadjuvant resctable melanoma patients					
	Atlas-IT-04 Adoptive T-cell therapy	Advanced soft tissue sarcoma		COMPLETED			
LTX-401	Monotherapy	Solid tumors (deep seated lesions)					
Undisclosed chemistry		Solid tumors					

A unique technology platform

Oncolytic molecules inspired by nature
Based on the concepts of naturally occuring host defense peptides, scientifically improved for cancer therapy.

***In situ* vaccination platform**
Candidate drugs to be directly injected into solid tumors priming the immune system for potent activation.

Product candidates

LTX-315

LTX-315, the lead candidate of Lytix Biopharma, is a chemically modified nine amino acid peptide developed from bovine lactoferricin. It is a first-in-class oncolytic molecule that is developed for intratumoral injections. Preclinical studies have demonstrated that treatment of solid tumors with LTX-315 results in growth inhibition, complete regression, and long-lasting tumor specific immune protection. These studies also demonstrate that the treatment results in a significant increase of the number of tumor-infiltrating T cells in the tumor micro-environment (Sveinbjørnsson et al. 2017).

LTX-315 was either given as monotherapy or in combination with a checkpoint inhibitor to patients with transdermally accessible tumors. The trial has shown that LTX-315 has an acceptable safety profile without any added safety concerns when given in combination with a checkpoint inhibitor. The scientific foundation has been laid to claim that LTX-315 is clinically active and contributes to immune-mediated anticancer activity (Spicer et al. 2018/Spicer et al. 2021).

LTX-315´s has been tested in combination with adoptive cell therapy. This kind of therapy implies the isolation of T cells from the tumor, expansion in the laboratory and transfer back to the patient to improve the immune response against the tumor. The ATLAS-IT-04 study at Herlev Hospital Denmark was set up to evaluate the potential of LTX-315 to enhance the number of T cells prior to isolation and expansion of the T cells to billions. The T cells were then given back to the patient. In this study, LTX-315 was administered in combination with adoptive T-cell therapy in advanced soft tissue sarcoma patients. During the study, an extensive immune profile was measured to characterize the immune status and nature of immune response together with monitoring the clinical response. The study is now finalized, and the results were presented at ASCO in June 2022 and recently published in a prominent scientific journal.

LTX-401

LTX-401 is a small molecule that has the potential to treat deep-seated tumors such as hepatocellular carcinoma (liver cancer) and liver metastases. In several experimental models, LTX-401 induces complete regression after intratumoral injection with subsequent development of systemic immune protection. LTX-401 has shown increased efficacy when combined with checkpoint inhibitors and has demonstrated significant effects in experimental liver cancer models. LTX-401 has been through a preclinical safety program to enable the initiation of the first clinical trial.

UNDISCLOSED

Lytix has several molecules in discovery phase. Further information on these will be provided as they advance from early stage of development.

Partnerships

VERRICA PHARMACEUTICALS

Verrica Pharmaceuticals Inc is a Nasdaq-listed dermatology therapeutics company developing medications for skin diseases requiring medical interventions, and it is headquartered in West Chester, Pennsylvania. In August 2020, Lytix announced that it entered into a license agreement providing Verrica Pharmaceuticals with a worldwide license to develop and commercialize LTX-315 for some malignant and pre-malignant dermatological indications. Lytix maintains all rights to the use of LTX-315 in patients with metastatic melanoma and metastatic Merkel cell carcinoma. Verrica will assume responsibility for the manufacturing of the LTX-315 drug product, while Lytix retains responsibility for the manufacturing of the active pharmaceutical ingredient (API). Under the license agreement, Lytix may receive aggregate payments of more than USD 111 million as a signing fee and upon achievement of certain clinical, regulatory and sales milestones as well as tiered royalty payments in the double-digit teens.

Verrica intends to initially focus on basal cell carcinoma as the lead indication for development of LTX-315. In November 2021, Verrica received IND approval from the US FDA to initiate a Phase II clinical trial in basal cell carcinoma, and the first patient was recruited to the study in April 2022.

Data from Part 1 of this study were presented in August 2023, showing complete clinical and histological clearance of basal cell carcinoma lesions in four out of six patients and 95% and 30% histological clearance in the remaining two patients. In January 2024, Verrica announced that recruitment and dosing of patients in their Phase II study has been completed and that they will complete the study in first half 2024.

The American Cancer Society has estimated that about 5.4 million basal cell carcinoma (BCC) and squamous cell carcinomas (SCC) are diagnosed in the US annually. With about 80% of these skin cancers being BCC, there is a significant potential for new treatment options.

Risks and uncertainties

Lytix is a clinical stage biotech company, which is accumulating financial losses. Operating losses are expected to continue during the development phases of the company's products, and, other than potential development milestone payments from the licensing agreement with Verrica, potentially cash generating operations are not expected until one or more of the company's products are commercialized.

The company has no interest-bearing debt. Bank deposits are exposed to market fluctuations in interest rates, which affects financial income. Lytix is on a regular basis transacting in various currencies other than the functional currency (NOK). This implies that the company is exposed to currency fluctuations. Transactions related to the ATLAS-IT-05 study are mainly denominated in USD, and Lytix has consequently placed a part of its cash position in USD to hedge part of the foreign currency risk. The credit risk is limited as revenues are minimal, exclusive of public grants and sales of drug supply to partners.

The company controls its cash flow from both long- and short-term perspectives through rolling cash forecasts. The company has no loan agreements involving covenants or other financial instruments or requirements.

Liquidity is monitored on a continuing basis by the Company. Funding of ongoing operations is, and will be for some time, dependent on external sources, mainly equity contributions. There is an inherent risk around future financing of the company, depending upon the company's own performance and on the financial market conditions. Acceptable sources of funding may not be available when needed or may not be available on acceptable terms. The company's ability to obtain capital or financing will depend in part upon prevailing market conditions, as well as conditions of its business and its operating results, and those factors may affect its efforts to arrange additional financing on satisfactory terms. Funding is considered to be a key risk factor by the Company.

The current cash position funds the planned activities for H1 2024 on a going concern basis. In 2024, additional financing options will need to be sought.

NON-FINANCIAL RISKS

Lytix's activity is the development of pharmaceutical medications. Research and development up to approved registration is subject to considerable risk and is a capital-intensive process. Lytix's candidates for cancer medications and technology platform are dependent on research and development and go through several stages before commercialization and risk of failure is generally inherent throughout the process.

Technology risk

The company's lead product candidates are still at an early stage and the preclinical and clinical studies may not prove to be successful. Furthermore, the product candidates are dependent on continued research and development which may be delayed and/or incur higher costs than currently expected.

Competitive technology

Immunotherapy and other cancer therapeutics industries are in general highly competitive and dynamic and, as such, a high-risk business.

Market risks

The financial success of the company will require beneficiary partner agreements as well as obtaining market access and reimbursement/ pricing at attractive levels. There can be no guarantee that the company's product(s) will meet these requirements. The company will need approvals from the European Medicines Agency (EMA) to market products in Europe and from the U.S. Food and Drug Administration (FDA) to market its products in the US, as well as equivalent regulatory authorities in other foreign jurisdictions to commercialize in those regions.

Outlook

Lytix is well positioned to advance and develop its clinical stage assets. Given the strong interest from the industry for a technology that solve the major challenge in current cancer therapy, Lytix believe the Company is in a strong position to attract partners and investors to broaden and accelerate development of LTX-315 and LTX-401 in the future.

The patient enrollment for ATLAS-IT-05 has been completed and we are continuing to see positive results in a patient population that has previously failed to respond to two or more lines of immunotherapies in addition to PD(L)-1 therapy. The recent clinical results from this trial are very encouraging and the Company look forward to following these patients for longer and the support these data will provide for future studies, including neoadjuvant and in patients earlier in their treatment journey.

Lytix is also excited to start a neoadjuvant study with LTX-315 in melanoma patients with resectable tumors in collaboration with Radiumhospitalet in first half 2024. This study will evaluate the potential of LTX-315 combined with a standard of care treat-

ment (pembrolizumab) in earlier stage cancer patients. Patients with earlier stage cancer have healthier immune systems, and fewer rounds of previous treatments and are therefore more likely to be able to respond optimally to Lytix's technology.

With LTX-315 advancing in the clinic in internal and externally sponsored studies in Europe and the USA, more data is expected during 2024 and 2025. A positive outcome from these studies can generate future options to form new partnerships for late-stage development and commercialization.

The above, and the Company's ability to follow its business plan, is contingent on the Company being able to secure additional funding. While the current cash position provides a cash runway through first half 2024, the Company continues to explore strategic partnering opportunities as well as other ways to finance its development plans.

Responsibility statement

The board is not aware of any matters that are important for an assessment of the company's position and results that are not set out in the interim accounts. Similarly, no matters have occurred after 31 December 2023, that in the opinion of the board are material to an assessment of the accounts.

The board stated that the interim accounts represent a true and fair view of the company's financial position on 31 December 2023. According to the Norwegian Accounting Act §3-3 (a), the board of directors confirmed that the financial statements have been prepared under the assumption of going concern and that the grounds for this assumption exist.

Oslo 29 February 2024
The board of directors and the chief executive officer of Lytix Biopharma AS

Marie Roskrow
Chair of the board

Brynjar Forbergskog
Director

Evelina Vågesjö
Director

Jayson Rieger
Director

Kjetil Hestdal
Director

Marie-Louise Fjällskog
Director

Øystein Rekdal
Chief executive officer

Financial statements

Condensed interim statement of profit or loss[1]

Amounts in NOK thousands	*Notes*	**Q4 2023**	Q4 2022	**H2 2023**	H2 2022	**FY 2023**	FY 2022
Revenue	*1, 3*	**-**	-	**3 917**	1 409	**3 991**	1 409
Other operating income	*2, 3*	**5 125**	1 615	**5 500**	3 178	**6 250**	15 864
Total operating income		**5 125**	1 615	**9 417**	4 587	**10 241**	17 273
Payroll and related expenses	*4*	**(6 006)**	(6 163)	**(12 573)**	(11 253)	**(25 411)**	(21 133)
Depreciation and amortization expenses	*5*	**(17)**	(13)	**(34)**	(24)	**(62)**	(30)
Direct R&D expenses		**(15 329)**	(14 847)	**(28 281)**	(28 194)	**(68 323)**	(50 974)
Other operating expenses		**(3 377)**	(4 430)	**(6 776)**	(6 897)	**(13 323)**	(10 832)
Total operating expenses		**(24 729)**	(25 453)	**(47 665)**	(46 368)	**(107 118)**	(82 968)
Loss from operations		**(19 604)**	(23 837)	**(38 247)**	(41 781)	**(96 877)**	(65 695)
Net financial items	*6*	**1 024**	(5 357)	**1 419**	1 439	**8 940**	9 689
Loss before tax		**(18 580)**	(29 195)	**(36 828)**	(40 343)	**(87 937)**	(56 006)
Tax expense		**-**	-	**-**	-	**-**	-
Loss for the period		**(18 580)**	(29 195)	**(36 828)**	(40 343)	**(87 937)**	(56 006)

1) Interim figures are unaudited.

Condensed interim statement of financial position[1]

Amounts in NOK thousands	*Notes*	**30.06.2023**	30.09.2022	**31.12.2023**	31.12.2022
ASSETS					
Non-current assets					
Property, plant and equipment		**144**	127	**110**	124
Total non-current assets		**144**	127	**110**	124
Current assets					
Trade and other receivables	*8*	**5 959**	1 252	**12 777**	6 735
Short-term financial investments		**41 961**	32 609	**23 183**	50 606
Cash and cash equivalents	*9*	**58 257**	46 158	**27 365**	94 552
Total current assets		**106 177**	80 019	**63 326**	151 893
Total assets		**106 321**	80 147	**63 436**	152 017
Shareholder's equity and liabilities					
Issued capital and reserves					
Share capital	*10*	**4 007**	4 007	**4 007**	4 007
Share premium reserve	*10*	**82 115**	64 945	**47 365**	131 119
Total equity		**86 122**	68 952	**51 372**	135 126
LIABILITIES					
Current liabilities					
Trade payables		**5 889**	22	**3 572**	6 997
Other current liabilities		**14 310**	11 173	**8 492**	6 894
Total current liabilities		**20 199**	11 195	**12 064**	16 891
Total liabilities		**20 199**	11 195	**12 064**	16 891
Total equity and liabilities		**106 321**	80 147	**63 436**	152 017

1) Interim figures are unaudited.

Condensed interim statement of cash flows[1]

Amounts in NOK thousands	**Q4 2023**	Q4 2022	**H2 2023**	H2 2022	**FY 2023**	FY 2022
Cash flows from operating activities						
Loss for the period	**(18 580)**	(29 195)	**(36 828)**	(40 343)	**(87 937)**	(56 006)
Adjustments for:						
Depreciation and amortization expenses	**17**	13	**34**	24	**62**	30
Share-based payment expense	**1 001**	438	**2 079**	751	**4 183**	1 376
Interest income/(expense), net	**(433)**	-	**(1 006)**	-	**(2 348)**	-
Increase/decrease in trade and other receivables	**(11 525)**	(1 079)	**(6 818)**	908	**(6 042)**	(1 055)
Increase/decrease in trade and other payables	**869**	3 400	**(8 135)**	6 750	**(4 828)**	3 553
Cash generated from operations	**(28 652)**	(26 422)	**(50 676)**	(31 909)	**(96 909)**	(52 102)
Income tax paid	**-**	-	**-**	-	**-**	-
Net cash flows from operations	**(28 652)**	(26 422)	**(50 676)**	(31 909)	**(96 909)**	(52 102)
Investing activities						
Investments in tangible assets	**-**	-	**-**	(17)	**(49)**	(154)
Interest received	**434**	-	**1 007**	-	**2 351**	
Increase/decrease in other investments	**9 425**	(697)	**18 778**	(50 606)	**27 423**	(50 606)
Net cash from/(used) in investing activities	**9 860**	(697)	**19 785**	(50 623)	**29 725**	(50 761)
Financing activities						
Interest paid	**(1)**	-	**(1)**	-	**(3)**	-
Proceeds from share issue	**-**	-	**-**	-	**-**	133
Net cash from/(used) in financing activities	**(1)**	-	**(1)**	-	**(3)**	133
Net increase in cash and cash equivalents	**(18 793)**	(27 120)	**(30 892)**	(82 532)	**(67 187)**	(102 730)
Cash and cash equivalents at the beginning of the period	**46 158**	121 671	**58 257**	177 084	**94 552**	197 282
Cash and cash equivalents at the end of the period	**27 365**	94 552	**27 365**	94 552	**27 365**	94 552

1) Interim figures are unaudited.

Notes to the financial statements[1]

Accounting principles
The condensed interim financial statements have been prepared in accordance with the recognition and measurement criteria in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway. The interim financial statements should be read in conjunction with the company's annual financial statements for 2022 as they do not include all the information required for a complete set of financial statements in accordance with the Norwegian accounting act. The interim financial statements are presented in NOK, which is also the company's functional currency. Amounts are rounded to the nearest thousand unless otherwise stated. The interim financial statements are unaudited.

Use of estimates
The preparation of accounts in accordance with the recognition- and measurement criteria in accordance with the Norwegian Accounting Act requires the use of estimates. It also requires management to exercise judgment in applying the company's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in the following notes.

Revenue
Revenue comprises the fair value of any consideration received or due consideration for the sale of services in regular business activities. Revenue is presented net of value added tax provided the amount of revenue can be measured reliably and it is probable that the company will receive any considerations. The company's products are still in the research and development phase, and it has no revenue from sales of products yet.

Revenues for services are recognized when the services are performed, and the company has a right to payment.

The company's revenue is not significantly affected by seasonality or other variations throughout the reporting period.

Classification and assessment of balance sheet items
Assets intended for long term ownership or use are classified as fixed assets. Assets relating to the operating cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long-term receivables are, however, not classified as short-term liabilities and current assets.

Intangible assets
Expenditure on own Research and Development are expensed as and when they incur. Expenses for other intangible assets are reflected in the balance sheet providing a future financial benefit relating to the development of an identifiable intangible asset can be identified and the cost can be measured reliably. Otherwise, such expenditure is expensed as and when incurred. Capitalized development costs are amortized linearly over the asset's expected useful life.

Receivables
Accounts receivables and other receivables are recorded in the balance sheet at face value after deduction of provisions for expected loss. Provisions for losses are made on the basis of individual assessments of the individual receivables. Additionally, for accounts receivables, an unspecified provision is made to cover expected losses.

Defined contribution plan
With a defined contribution plan the company pays contributions to an insurance company. After the contribution has been made the company has no further commitment to pay. The contribution is recognized as payroll expenses. Prepaid contributions are reflected as an asset (pension fund) to the degree the contribution can be refunded or will reduce future payments.

Tax
The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at 22% on the basis of the temporary differences that exist between accounting and tax values, as well as any possible taxable loss carried forwards at the end of the accounting year. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been offset and netted. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and tax losses varied forward losses, is based on estimated future earnings. Deferred tax benefits are not shown in the balance sheet.

Forward contracts
Assets/liabilities secured through forward contracts are reflected in the balance sheet at forward exchange rate, except for the interest rate element which is accrued and classified as interest income / expense.

Cash flow statement
The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short-term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

1) Interim figures are unaudited.

NOTE 1 REVENUE

Amounts in NOK thousands	**Q4 2023**	Q4 2022	**H2 2023**	H2 2022	**FY 2023**	FY 2022
Revenue	**-**	-	**3 917**	1 409	**3 991**	1 409
Other	**-**	-	**-**	-	**-**	-
Total Revenue	**-**	-	**3 917**	1 409	**3 991**	1 409

The company's products are still in the research and development phase, and there is no revenue from sales of products yet.

NOTE 2 OTHER OPERATING INCOME

Amounts in NOK thousands	**Q4 2023**	Q4 2022	**H2 2023**	H2 2022	**FY 2023**	FY 2022
Other operating Income						
Government grants recognized in profit and loss	**5 125**	1 615	**5 500**	3 178	**6 250**	**6 242**
Other	**-**	-	**-**	-	**-**	**9 622**
Other operating Income	**5 125**	1 615	**5 500**	3 178	**6 250**	**15 864**

In October, Lytix announced that the Research Council of Norway has approved Lytix's application for up to NOK14.3m of non-dilutive financial support from the 'SkatteFUNN' R&D tax incentive scheme for a project in respect of its lead program: 'Intratumoral LTX-315 in advanced melanoma' for the period 2023 to 2025 inclusive.

NOTE 3 GEOGRAPHICAL DISTRIBUTION INCOME

Amounts in NOK thousands	**Q4 2023**	Q4 2022	**H2 2023**	H2 2022	**FY 2023**	FY 2022
Geographical distribution						
Norway	**5 125**	1 615	**5 500**	3 178	**6 250**	6 242
US	**-**	-	**3 917**	1 409	**3 991**	11 031
Total operating income	**5 125**	1 615	**9 417**	4 587	**10 241**	17 273

Lytix has only one operating segment, which is research and development.

NOTE 4 PAYROLL AND RELATED EXPENSES

Amounts in NOK thousands	**Q4 2023**	Q4 2022	**H2 2023**	H2 2022	**FY 2023**	FY 2022
Payroll and related expenses, including directors, comprise						
Wages and salaries	**3 794**	4 486	**7 939**	7 996	16 267	15 814
Defined contribution pension const	**364**	219	**691**	417	1 262	820
Share-based payment expense	**1 001**	438	**2 079**	751	4 183	1 376
Social security contributions	**826**	565	**1 576**	1 058	3 015	1 597
Other personnel costs	**22**	455	**288**	1 030	683	1 526
Total payroll and related expenses	**6 006**	6 163	**12 573**	11 253	25 411	21 133

Lytix Biopharma AS is required to have a pension scheme in accordance with the Norwegian law of mandatory occupational pension. The company's pension scheme fulfils the requirements of the law.

NOTE 5 PROPERTY, PLANT AND EQUIPMENT

Amounts in NOK thousands	Machinery and equipment	**Total 2023**	Machinery and equipment	Total 2022
Carrying amount 1 January	124	124	-	-
Additions	49	**49**	154	154
Depreciation	(62)	**(62)**	(30)	(30)
Carrying value 31 December	110	**110**	124	124
As of 1 January				
Acquisition cost	154	**154**	-	-
Accumulated depreciation and write-downs	(30)	**(30)**	-	-
Carrying amount 1 January	124	**124**	-	-
As of 31 December				
Acquisition cost	203	**203**	154	154
Accumulated depreciation and write-downs	(92)	**(92)**	(30)	(30)
Carrying amount 31 December	110	**110**	124	124

NOTE 6 FOREIGN CURRENCY RISK

Lytix Biopharma AS is on a regular basis transacting in various currencies other than the functional currency (NOK). This implies that the company is exposed to currency fluctuations. Transactions related to the ATLAS-IT-05 study are mainly denominated in USD, and Lytix has consequently placed a significant part of its cash position in USD to hedge part of the foreign currency risk.

For the second half of 2023, net financial income came in at NOK 1.4 million. A large portion of net financial income stems from conversion of the USD cash position into NOK.

NOTE 7 INTANGIBLE ASSETS

The company has no intangible assets as all ongoing projects have been classified as research.

NOTE 8 TRADE AND OTHER RECEIVABLES

Amounts in NOK thousands	**30.06.2023**	30.09.2023	**31.12.2023**	31.12.2022
Trade and other receivables				
Trade receivables	**74**	-	-	-
Governmental grants	**4 750**	375	5 500	5 500
VAT	**604**	144	354	498
Prepayments	**531**	733	655	737
Other receivables	**-**	-	6 268	-
Total trade and other receivables	**5 959**	1 252	12 777	6 735

NOTE 9 CASH AND CASH EQUIVALENTS

Amounts in NOK thousands	**30.06.2023**	30.09.2023	**31.12.2023**	31.12.2022
Cash and cash equivalents				
Employee withholding tax	2 366	1 321	**1 517**	1 373
Variable rate bank accounts	55 890	44 837	**25 794**	93 179
Total Cash and cash equivalents	58 257	46 158	**27 365**	94 552

At the end of the period cash plus short-term financial investments was NOK 50.5 million compared to NOK 100.2 million at 30 June 2023 and NOK 145.2 at 31 December 2022.

NOTE 10 EQUITY AND SHARE CAPITAL

Amounts in NOK thousands	Share capital	Share premium reserve	**Total equity**
Balance at 1 January 2023	4 007	131 119	**135 126**
Income for the period			
Loss for the period	-	(87 937)	**(87 937)**
Total income for the period	-	(87 937)	**(87 937)**
Share based payment	-	4 183	**4 183**
Total contributions by and distributions to owners	-	4 183	**4 183**
Balance at 31 December 2023	4 007	47 365	**51 372**

Amounts in NOK thousands	Share capital	Share premium reserve	**Total equity**
Balance at 1 January 2022	3 874	185 750	**189 624**
Income for the period			
Loss for the period	-	(56 006)	**(56 006)**
Total income for the period	-	(56 006)	**(56 006)**
Registration of share issue 20 April 2022	133	-	**133**
Share based payment	-	1 376	**1 376**
Total contributions by and distributions to owners	133	1 376	**1 509**
Balance at 31 December 2022	4 007	131 119	**135 126**

Share capital at 31 December 2023, is NOK 4 006 831.9 (31 December 2022: NOK 4 006 831.9), being 40 068 319 ordinary shares at a nominal value of NOK 0.1. All shares carry equal voting rights.

Change in the number of shares during the period was as follows:

	2023	2022
Ordinary shares at 1 January	**40 068 319**	38 739 013
Capital increase 20 April 2022[1]	**-**	1 329 306
Ordinary shares at 31 December 2022/2023	**40 068 319**	40 068 319

1) On 15 March 2022, Lytix announced that PBM LYT, an affiliate of PBM Capital Group, LLC, exercised 1 329 306 warrants giving rights to 1 329 306 shares. Reference is made to the warrants issued by the Company's General Meeting on 7 June 2021, with a subscription price per share of NOK 0.1 and with an expiry date of 6 June 2022. The contribution was confirmed and registered in the Norwegian Register of Business Enterprises on 20 April 2022.

Top 20 shareholders at 31 December 2023

No.	Shareholder	No. of shares	Percentage share of total no. of shares
1	Citibank, N.A.	3 690 417	9.2%
2	Jakob Hatteland Holding AS	3 000 000	7.5%
3	Waatvika AS	1 860 764	4.6%
4	Taj Holding AS	1 834 702	4.6%
5	Lyr Invest AS	1 770 925	4.4%
6	Brødrene Karlsen Holding AS	1 709 274	4.3%
7	Care Holding AS	1 208 080	3.0%
8	Ynni Invest AS	1 202 049	3.0%
9	Per Strand Eiendom AS	1 024 128	2.6%
10	LTH invest AS	801 366	2.0%
11	Picasso AS	695 753	1.7%
12	Skandinaviska Enskilda Banken AB	669 115	1.7%
13	Lysnes Invest AS	615 654	1.5%
14	Kvasshøgdi AS	604 727	1.5%
15	Belvedere AS	569 591	1.4%
16	Norinnova Invest AS	557 510	1.4%
17	HIFO Invest AS	555 555	1.4%
18	Saturn Invest AS	555 555	1.4%
19	North Murray AS	516 814	1.3%
20	Jahatt AS	500 000	1.2%
	Total number of shares for top 20 shareholders	23 941 979	59.8%
	Total number of shares for the other shareholders	16 126 340	40.2%
	Total number of shares	40 068 319	100.0%

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