



Q3 2022

Agenda

1

Highlights – Q3 2022

2

Business Update

3

Financials

4

Outlook 2022 and Beyond



Highlights

Highlights Q3 2022

Growth trend continues

Achieved growth in
quarterly sales
29.3 MNOK

Growth **continues**
in Biomanufacturing
following the
pandemic

AZT enters
discussions with a
select group of
international
companies

EBITDA
performance
2.8 MNOK

Achieved
expression of
several RNA
enzyme prototypes



Business Update

Business Updates

Commercial



Biomanufacturing

- ✓ Quarterly sales 15.9 MNOK (26% growth)
- ✓ Accounts for 54% of total Q3 sales
- ✓ Upturn in sales following pandemic continues
- ✓ Leveraging sales in all geographical regions. Americas is the largest contributor (>75% in Q3)
- ✓ Seasonal effect impacted European sales
- ✓ Drug Master File (DMF) for SAN HQ for submission to the U.S. FDA is progressing well



Molecular Tools

- ✓ Quarterly sales 13.4 MNOK (2% growth)
- ✓ Accounts for 46% of total Q3 sales
- ✓ Research and Diagnostics contribution to Q3 sales were 19% and 27%, respectively
- ✓ Research - Seasonal dip in rSAP sales but strong dsDNase sales (67% contribution)
- ✓ Diagnostics - Cod UNG sales remain lower due to market readjustment following Omicron outbreak

Business Updates

Commercial

Geographical Sales Contribution

2021	Americas 39 %	EMEA 48 %	APAC 13 %
Q1 2022	Americas 41 %	EMEA 46 %	APAC 13 %
Q2 2022	Americas 39 %	EMEA 52 %	AP. 9 %
Q3 2022	Americas 50 %	EMEA 37 %	APAC 13 %

- Seasonal effects most prominent in the EMEA
- Extended customer holidays following the pandemic



Product portfolio and innovation pipeline

Bulk, OEM and customised – to meet customers needs



SAP



Cod UNG



Endonucleases



Exonucleases



**IsoPol®
Polymerases**



SAN HQ



M-SAN HQ



SAN HQ 2.0



**RNA
Polymerases**



**RNA Capping
Enzymes**



Proteinases



Ligases



**Reverse
Transcriptases**



**Taq DNA
Polymerases**



**Pyrophosphat-
ases**



**RNase
Inhibitor**



**2-O-Methyl-
transferases**



**Other
Enzymes**

Molecular Tools

Molecular Research & Diagnostics

Market Size

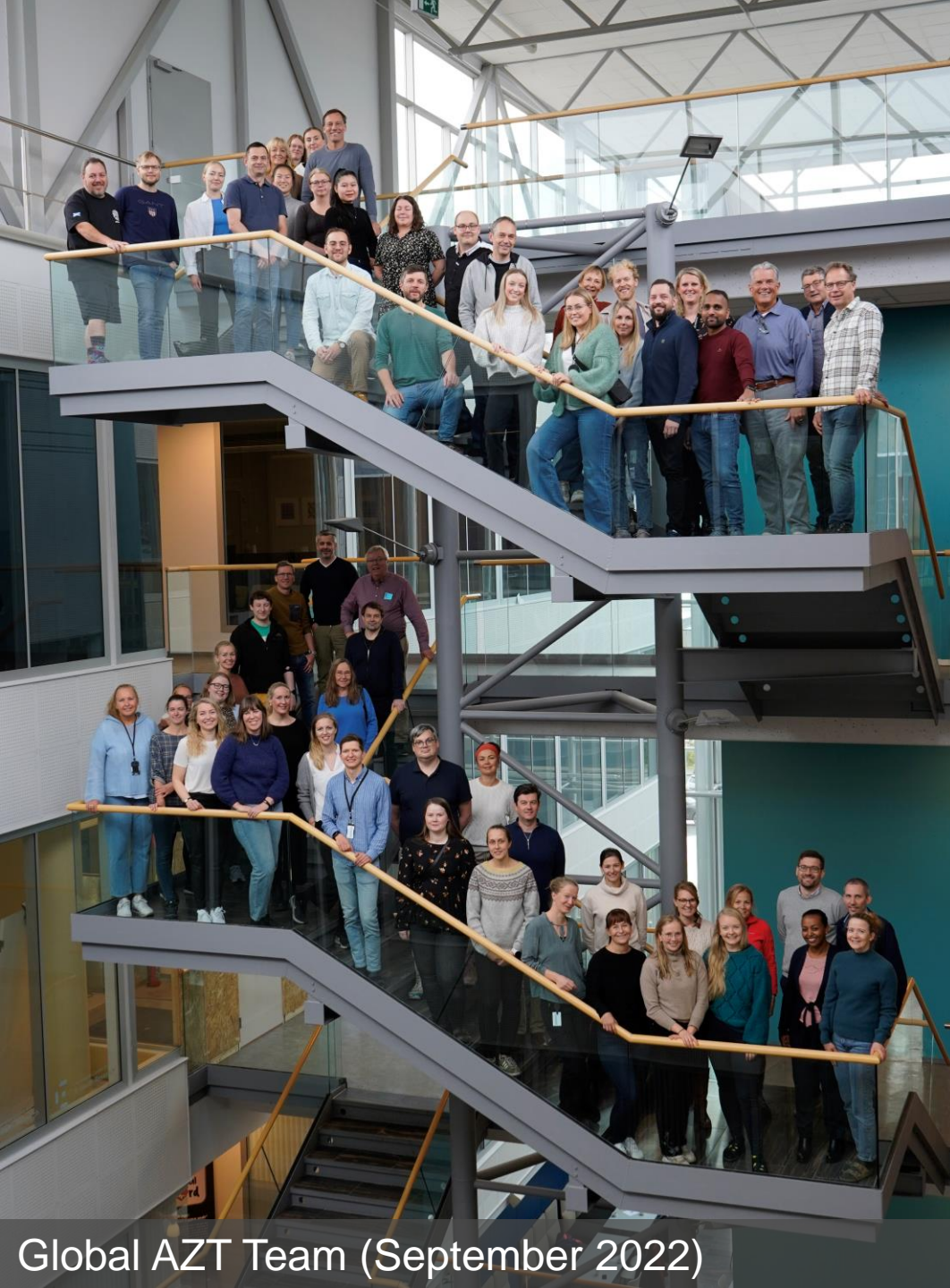
17.4 Bil USD, 11% CAGR

Biomanufacturing

Biotherapeutics & Bioprocessing

Market Size*

348 Bil USD, 13% CAGR



Business Updates

Strategic Growth Initiatives

- ◆ AZT remains committed to execute on its strategic growth initiatives
- ◆ Organic growth
 - ◆ Ongoing recruitment drive to strengthen the organisation cross functionally
 - ◆ Open-mindset with respect to location
- ◆ Inorganic growth
 - ◆ Intensive activity towards M&A
 - ◆ M&A process is being led by Alira Health
 - ◆ Discussions with a highly focussed and limited group of international companies
 - ◆ Announcement of a deal may extend into early 2023

Global AZT Team (September 2022)



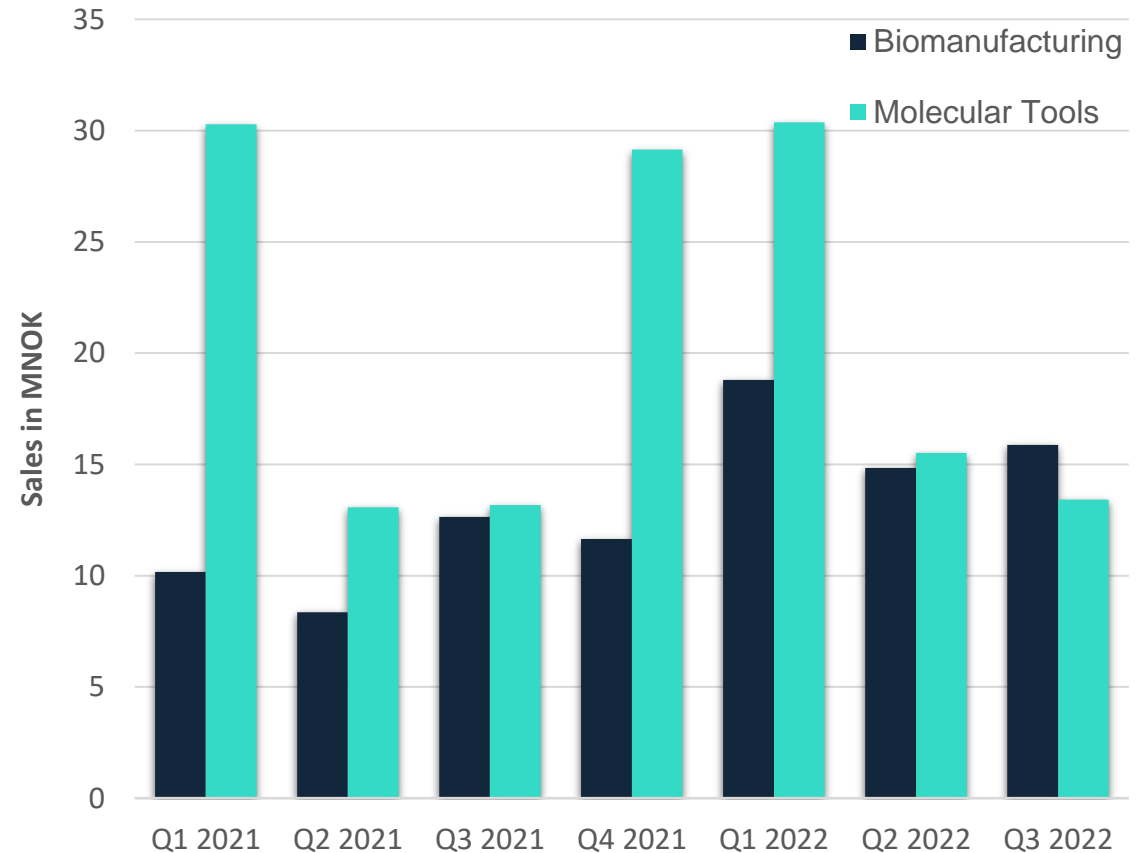
Financials

Sales

Continues to grow

- Sales increase of 16 % compared to same quarter last year
 - Achieved 29.3 MNOK (25.2 MNOK)
- Biomanufacturing (SAN)
 - 15.9 MNOK (12.6 MNOK)
 - Increase of 27% (+3.3 MNOK)
- Molecular Tools (Research & Diagnostics)
 - 13.4 MNOK (13.2 MNOK)
 - Increase of 1% (+0.2 MNOK)

Sales



Currency impact

Tailwinds in currency

- Majority of revenues are in foreign currency
 - 73% in USD and 27% in EURO for Q3
- USD/Euro has strengthened towards NOK last year – positive effect on P&L
 - Finance +0.2 MNOK in Q3
 - Other operating expenses reduced by +1.3 MNOK due to currency in Q3
- With constant currency - an estimated 2.8 MNOK positive impact on underlying sales in Q3 and NOK 6.0 MNOK YTD

USDNOK

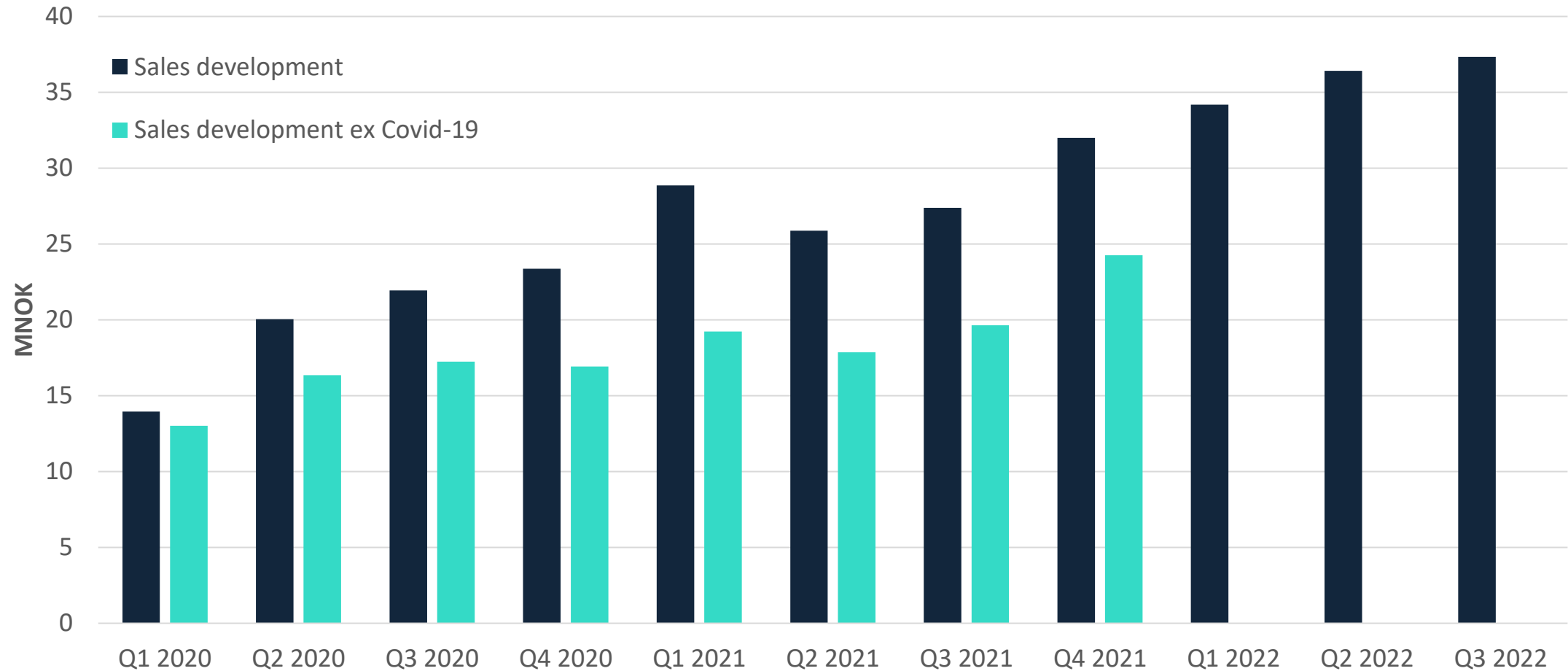


EURNOK



12 month rolling average quarterly sales

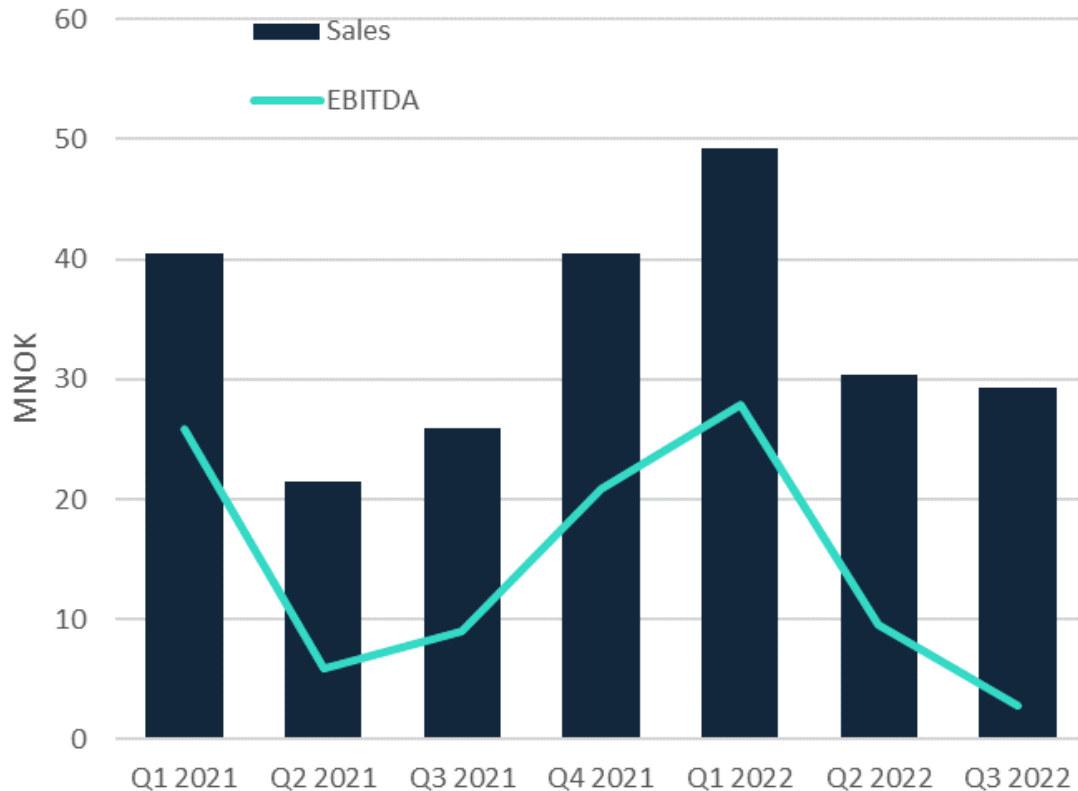
On track to deliver on our promises



Profitability and expenses

Investments in organic growth influences our figures

Sales & EBITDA



Margin	64 %	28 %	35 %	51 %	57 %	31 %	10 %
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• Sales

- Q3 - MNOK 29.3 vs. 25.2 (+16%)
- YTD - MNOK 108.8 vs 87.5 (+21%)

• EBITDA

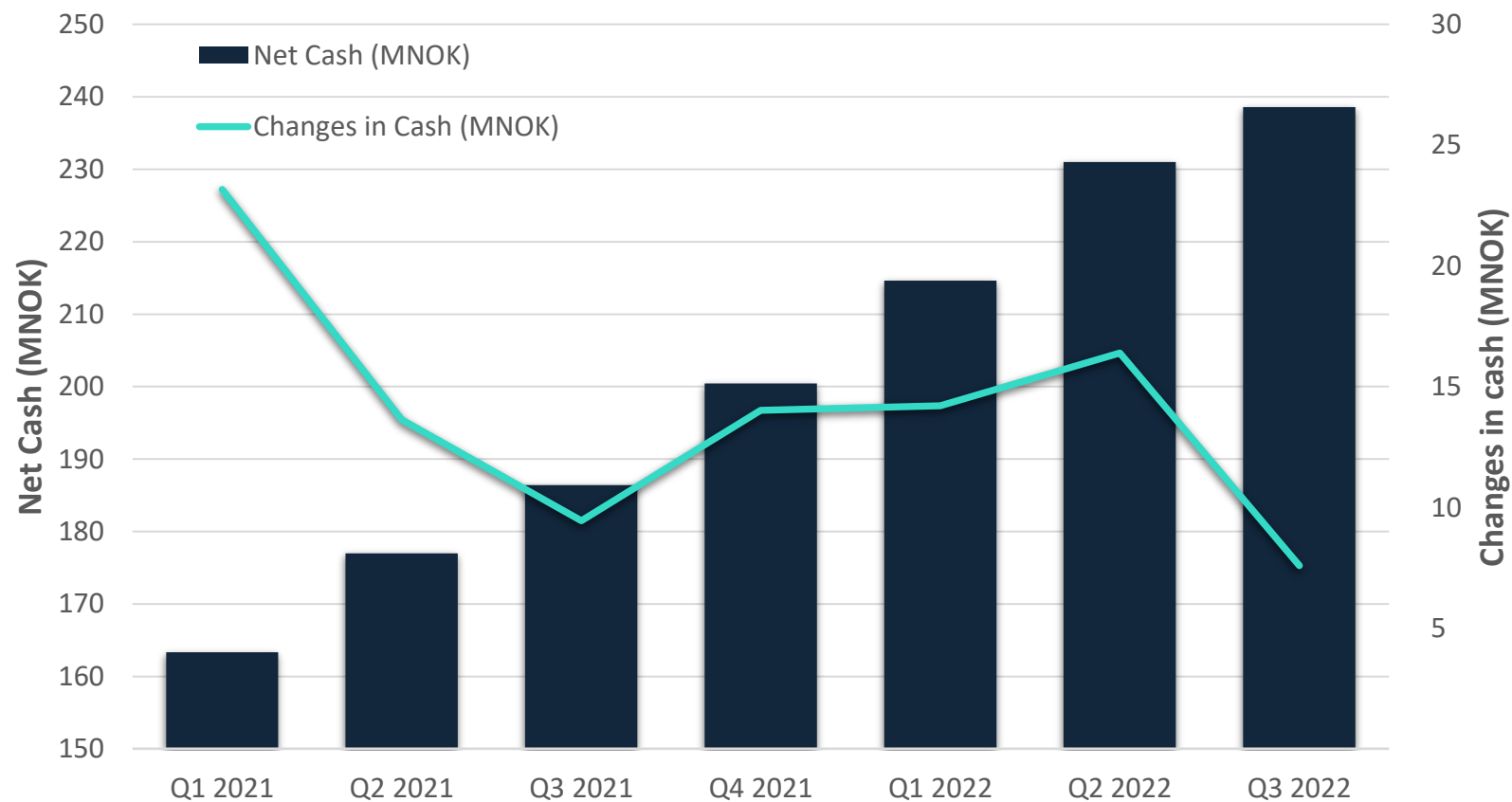
- Q3 - MNOK 2.8 vs 9.0 (-69%)
- YTD - MNOK 40.2 vs 40.8 (-1%)

• Expenses increased by 9.8 MNOK in Q3

- Personnel, external support and consultancy increased
- Currency effects reduces other operating expenses by MNOK 1.3 in Q3

Cash flow

+8 MNOK in positive cash flow for Q3





Outlook

Outlook 2022 and Beyond

Remains mostly unchanged

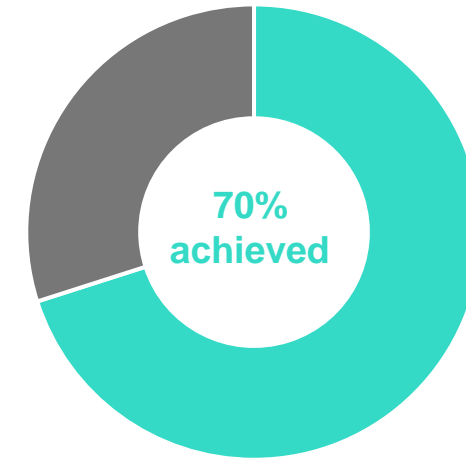
- **The Company outlook for 2022**

- Annual sales target of NOK 155 million
- Quarterly fluctuations will continue
- Lower contribution from coronavirus-related sales
- Expanded innovation activities into the Oslo region
- Further new product launches
- Continue to invest in talent acquisition to support short- and long-term growth
- M&A activities will be a priority and with a goal to announce a deal within 2022. May extend into early 2023

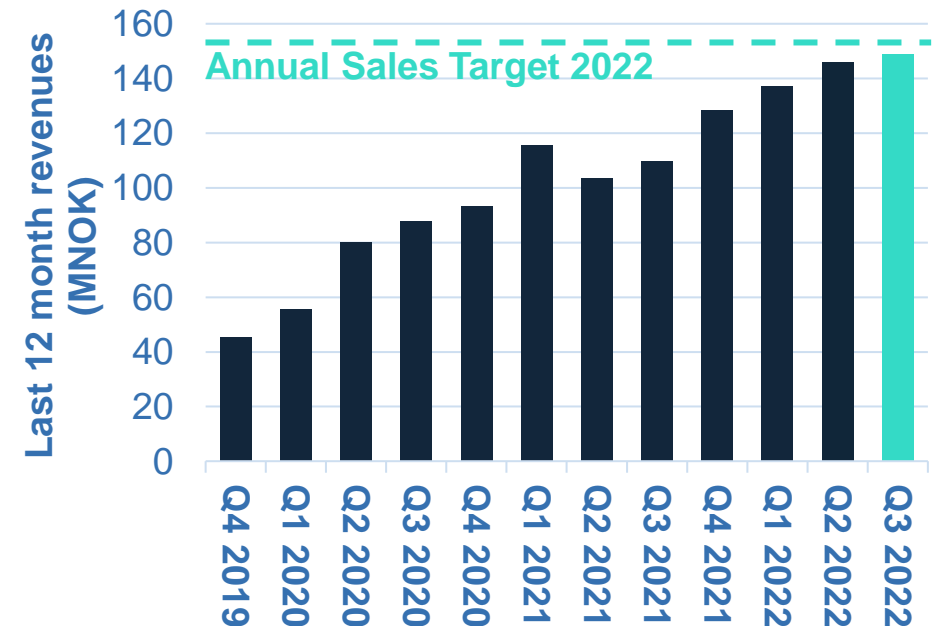
- **Longer-term outlook**

- The goal is to realise an annual sales potential of NOK 350 million by 2025 through organic growth

Annual Sale Target



Quarterly Rolling 12 Month Sales





Thank you

Q&A Session

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