



Q4 2021

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Highlights

Highlights Q4 2021

Achieved status as a profitable and high-growth standalone enzyme company

Highest quarterly
sales ever
40.5 MNOK

Positive cash
contribution
continues. Cash
balance
200 MNOK

Expansion
completed
New 500m²
production facility

Exceeded annual
sale target achieving
128.0 MNOK

Innovations
delivered
3 new enzyme
products &
upscaled M-SAN



Business Update

Business Updates

Commercial Segment Sales



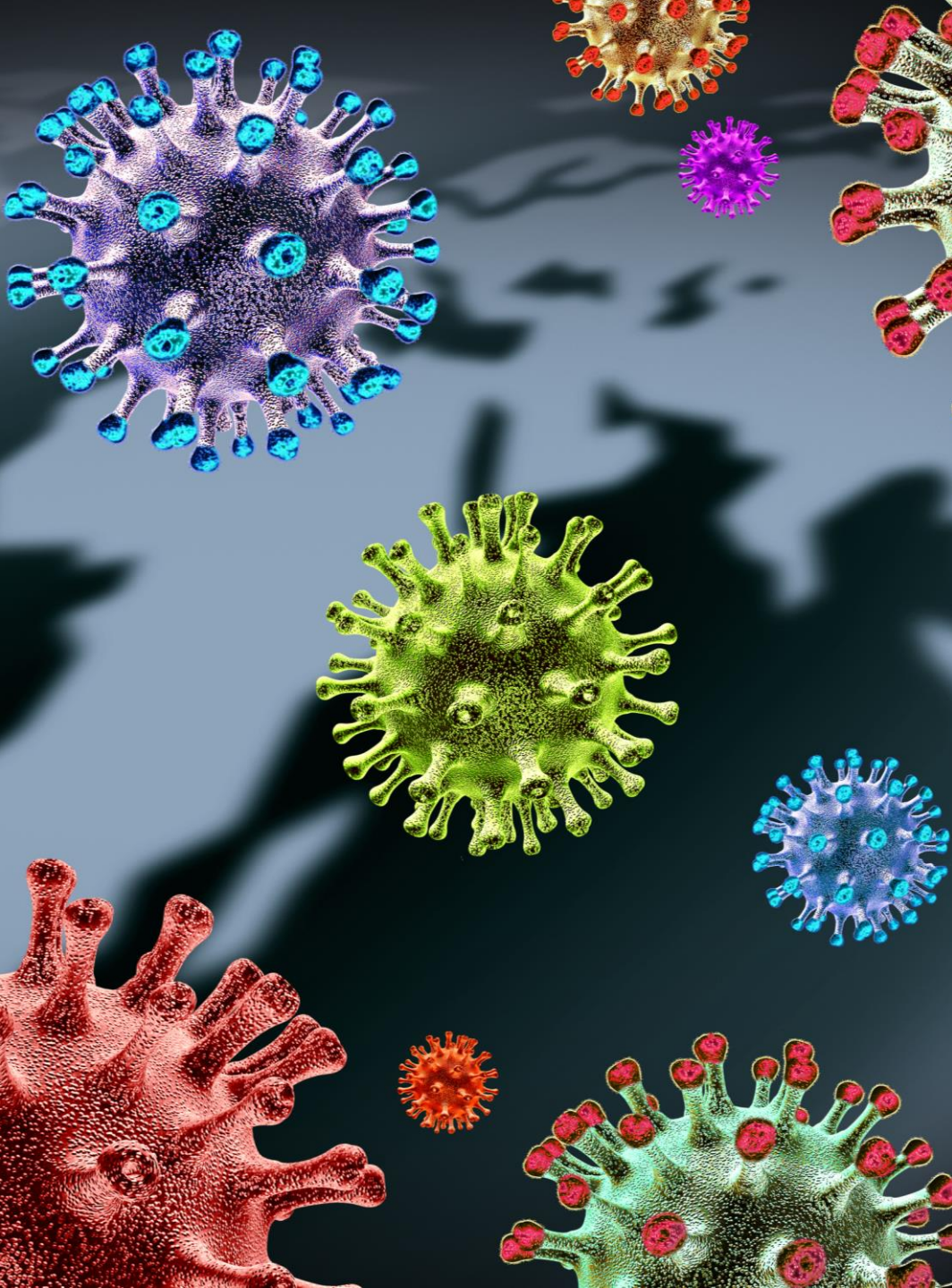
Biomanufacturing

- ✓ 29% quarterly growth versus Q4 2020
- ✓ 13% annual growth versus 2020
- ✓ Main growth driver is non-coronavirus related sales
- ✓ Customer activities and engagement mostly returned to normal in all regions; exception is Europe
- ✓ Increasing adoption of SAN products in Asia-Pacific
- ✓ Products beyond SAN products are gaining interest



Molecular Tools (Research & Diagnostics)

- ✓ 123% quarterly growth versus Q4 2020
- ✓ 54% annual growth versus 2020
- ✓ Research and Diagnostics contribution to Q4 sales were 32% and 39%, respectively
- ✓ Research - rSAP achieved highest-ever annual sales
- ✓ Diagnostics - Cod UNG and dsDNase main drivers
- ✓ Prototype enzymes - numerous customer evaluating



Business Updates

Coronavirus-related sales

- ◆ 23% contribution of total Q4 sales
- ◆ 26% contribution of 2021 annual sales
- ◆ Increase in Q4 sales correlates with the demand for testing following the Omicron outbreak.
- ◆ Visibility and impact of Coronavirus become more difficult to quantify
- ◆ Suspect some of the rSAP sales are related to sequencing of coronavirus variants
- ◆ Vaccine related sales remain low but longer-term a noticeable impact to revenues is anticipated

Business Update

Innovations

- Three new products launched
 - ArcticZymes R2D™ Ligase - Patent pending and novel ligase
 - IsoPol® BST+ High concentration Glycerol FREE - DNA polymerase
 - M SAN HQ ELISA kit - support product for M-SAN enzyme
- M SAN HQ manufacturing successful upscaled
 - Commercial availability to customers
 - Coincides with launch of ELISA kit to ensure AZT can meet future demand and provide large quantities from a single production batch
- Future innovations include reverse transcriptases, DNA polymerases, ligases, nucleases, proteinase and other enzymes.
- Discovery activities have been initiated towards RNA therapeutics with an aim to launch AZT' first enzymes during 2023.



Dr. Olav Lanes - VP, R&D and Applications

Business Update

Operations

- New 500 m² production facility at the SIVA innovations Centre opened and operational
- State-of-the-art facility for the scalable enzyme manufacturing to support organic growth over the next 4-5 years
- Conforms to the strict requirements demanded by cGMP and ISO13485: In Vitro Diagnostics (IVD)
- All Tromsø based employees now located under one roof
- Successful achieved ISO13485 re-certification



New "common" fermentation room



ISO13485:2016 recertification



Business Updates

Strategic Growth Initiatives

- AZT remains committed to execute on its strategic growth initiatives
- Organic growth
 - Establishment of laboratory in Oslo focusing on applications development is progressing according to plan
 - Expect to be operational within Q2 2022
- Inorganic growth
 - Continue to intensified activities towards acquisitions
 - Discussions with several earlier acquisition targets are progressing
 - Expanded target search efforts ongoing with the help of a specialised consultancy



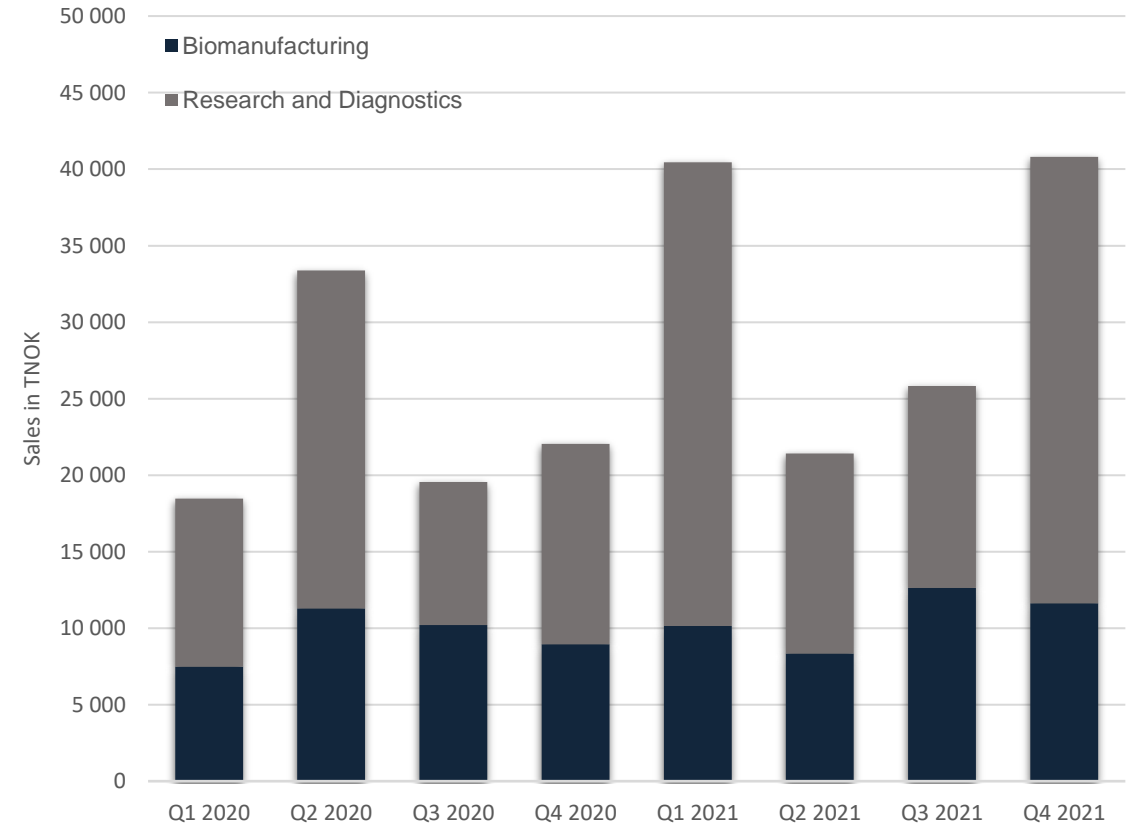
Financials

ArcticZymes Sales Q4 2021

Growth in biomanufacturing and Molecular Tools

- Sales increase of 84% compared to same quarter last year
 - Achieved 40.5 MNOK (22.1 MNOK)
- Currency continues to have negative impact on underlying sales growth
- Biomanufacturing segment (SAN)
 - 11.6 MNOK (9.0 MNOK)
 - Increase of 29% (2.6 MNOK)
- Molecular tools (Research & Diagnostics)
 - 29.2 MNOK (13.1 MNOK)
 - Increase of 123% (16.1 MNOK)

Sales per segment

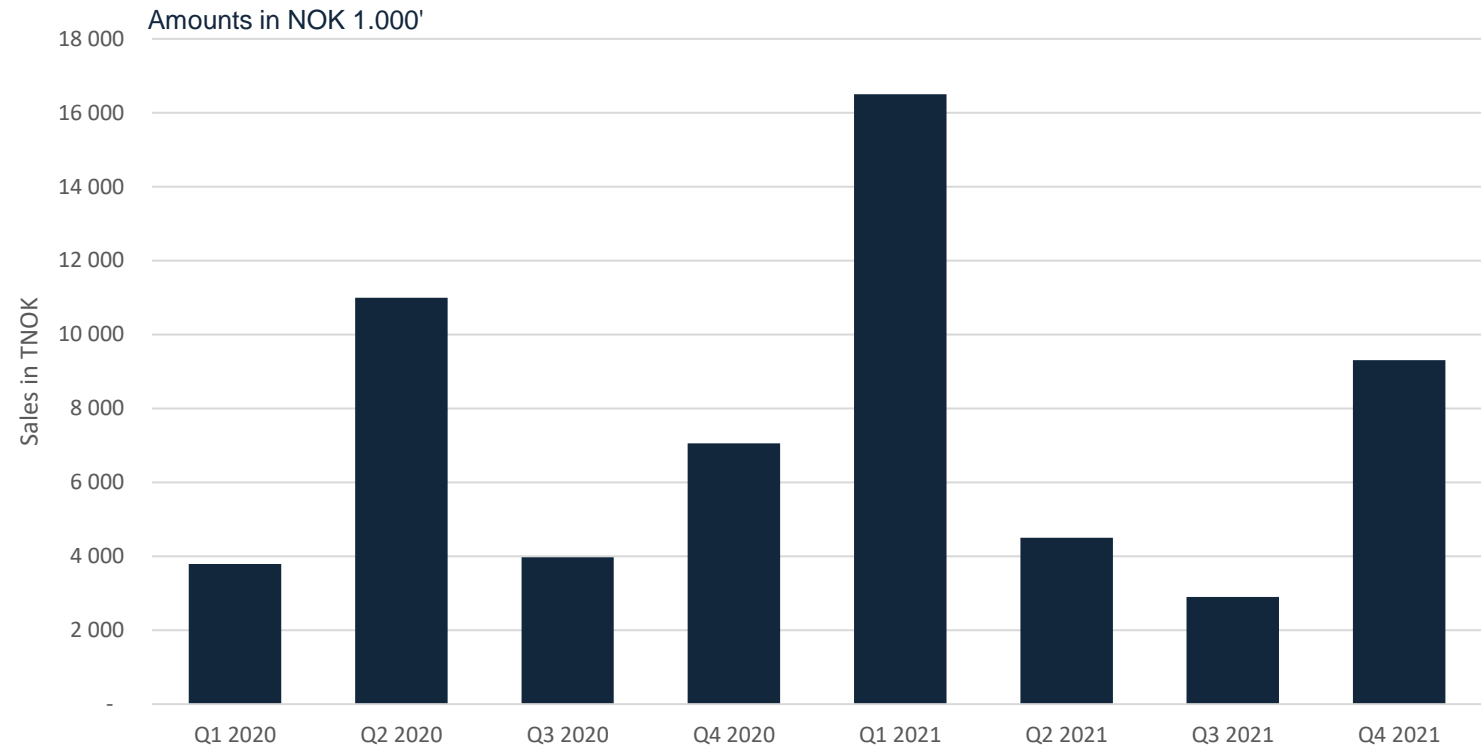


ArcticZymes Sales Q4 2021

Coronavirus is considered part of the underlying business

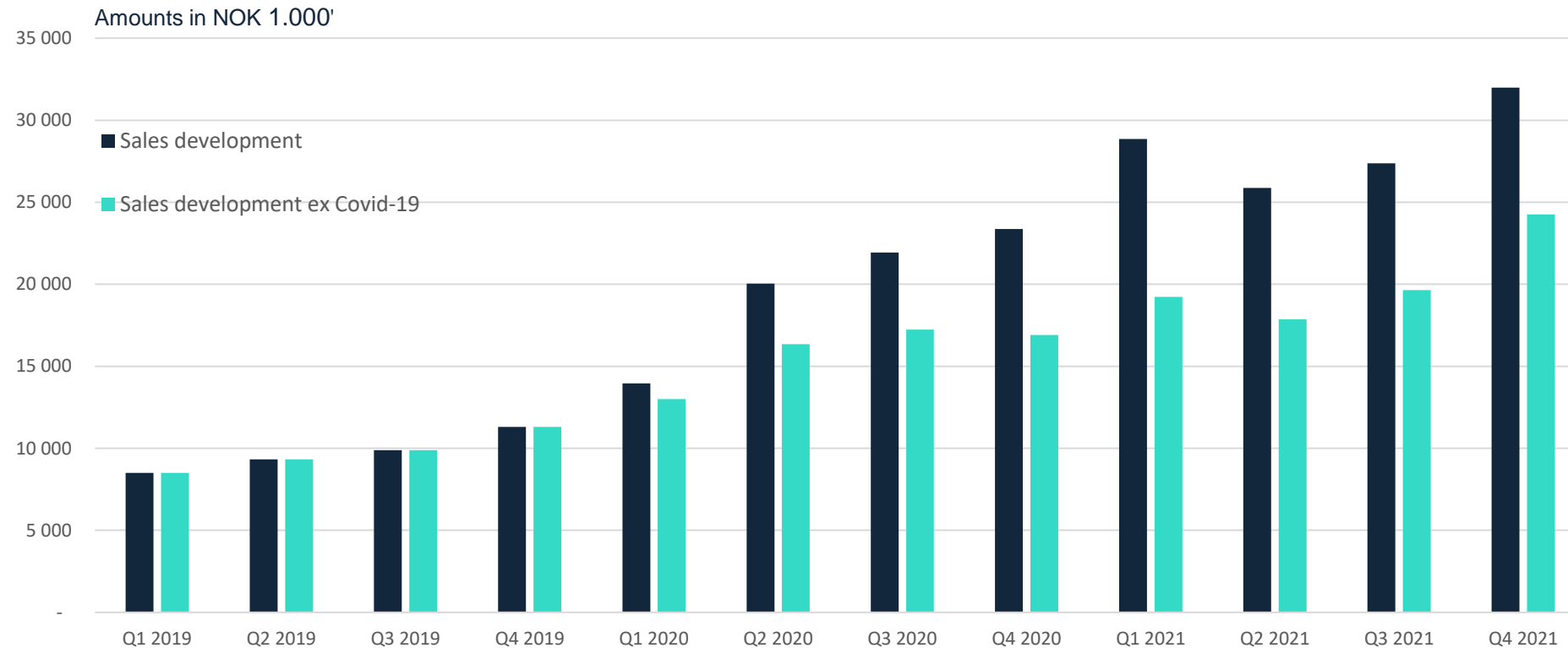


Estimated Coronavirus related sales



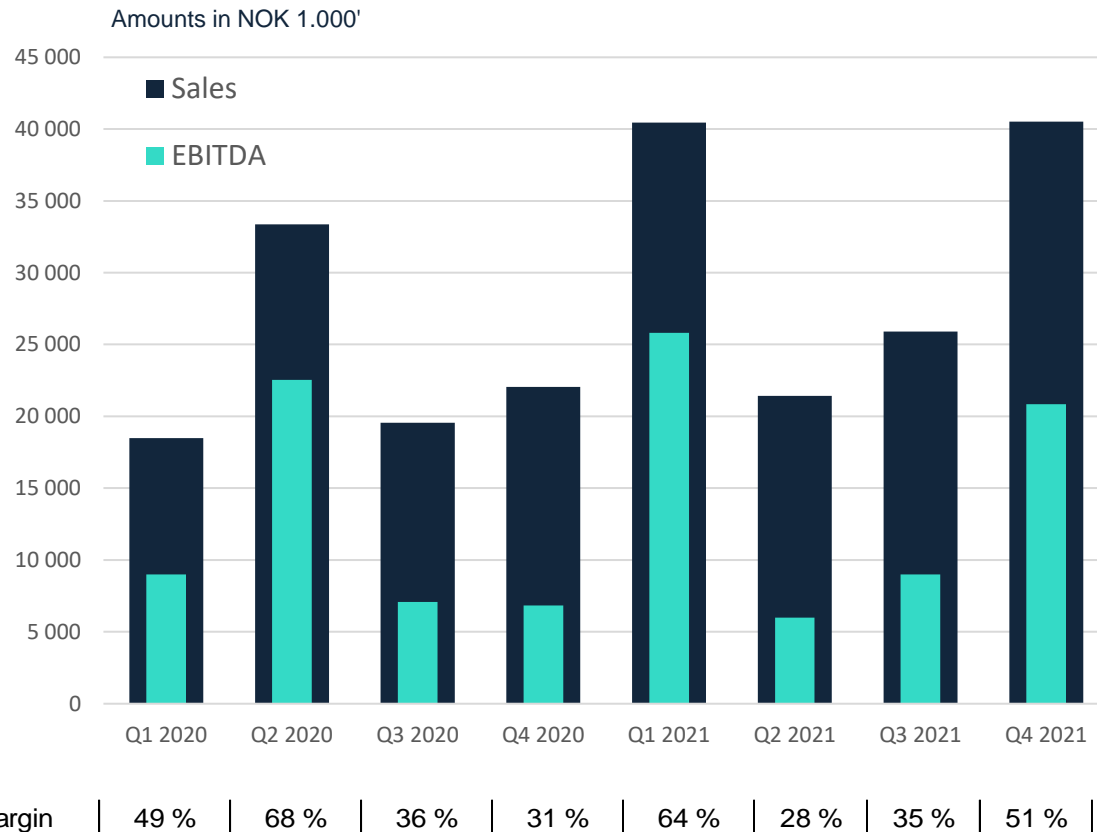
12 Month rolling average quarterly sales

Growth trend continues



Profitability and expenses

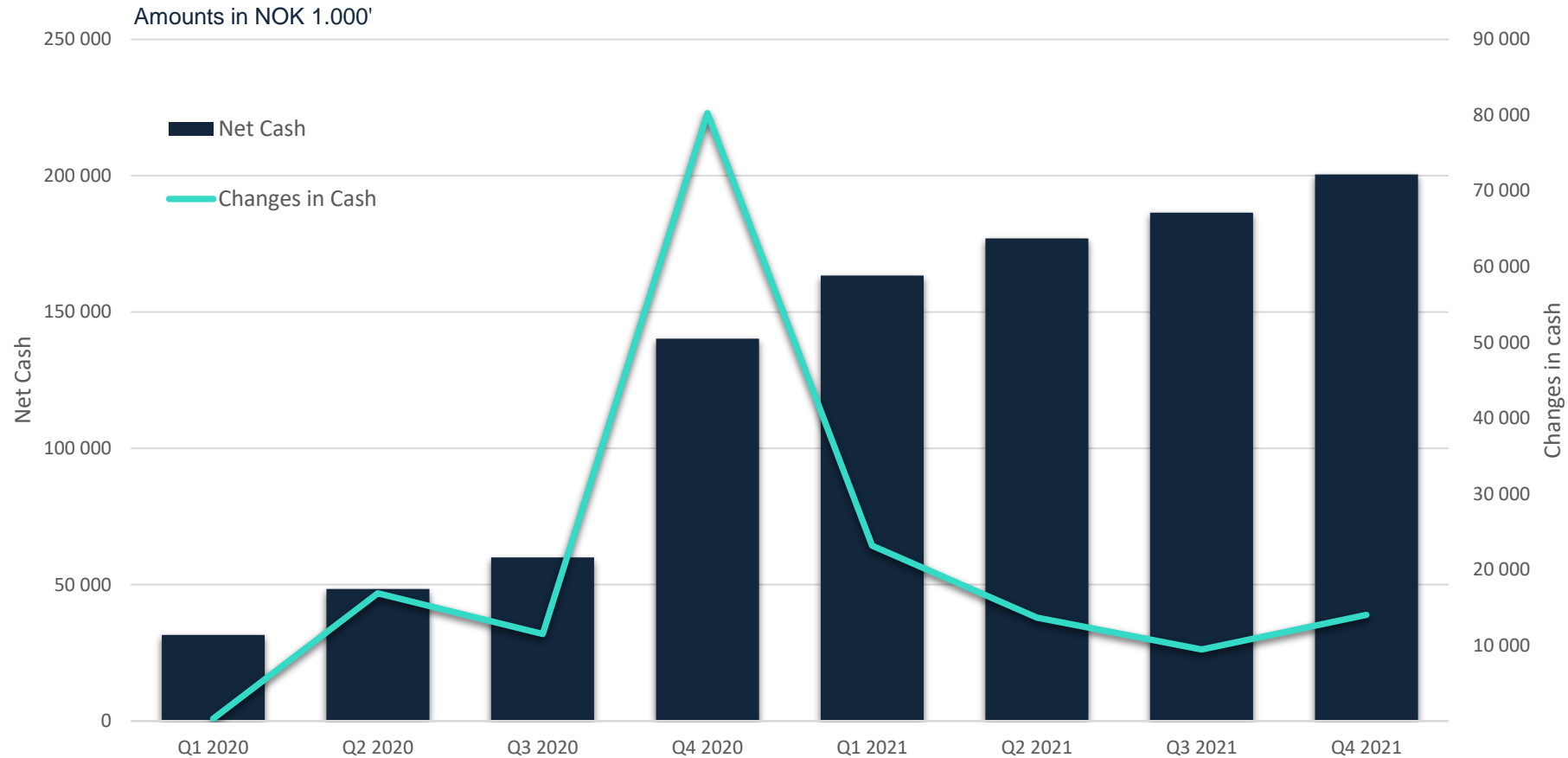
Investments in organic growth influences our figures



- Quarterly Sales (MNOK 40.5 vs. 22.1)
- EBITDA increased by 14.0 MNOK (MNOK 20.8 vs 6.8)
- Expenses increased by 1.8 MNOK
 - Increase in personnel as we invest in organic growth
 - Increase in commercial activities and conference attendance

Cash Flow

14 MNOK in positive cash flow





Outlook

Outlook 2022 and Beyond

Updated financial guidance

- **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 and upscaling
- Continue to invest in talent acquisition to support short- and long-term organic growth
- M&A activities will be a priority and with a goal to secure a deal within 2022

- **Longer-term outlook**

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





Thank you

Q&A Session

arcticzymes.com

