



# Q3 2023 Presentation



# Agenda

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**Welcome to Michael Akoh**

# Highlights Q3 2023

Achieved Quarterly  
Sales  
**31.2 MNOK**

New CEO  
**Michael Akoh**  
started Sept.  
18th

**Drug Master File  
(DMF) accepted**  
SAN HQ GMP pre-  
launch activities  
Brochure launched

EBITDA  
Performance  
**7.3 MNOK**

Launched **AZtaq™**  
**DNA Polymerase**

# Building out the product portfolio

## Planned 2023 additions

☒ ArcticZymes  
Proteinase HQ

Launched 18th April

☒ AZtaq™ (Taq DNA pol)

Launched 10th Aug

☐ SAN HQ GMP

- DMF (Letter of Authorization) ✓
- Pre-Marketing (Flyer, Website, YouTube) ✓
- Applications Support (Brochure) ✓
- Launch Dec. 2023

☐ T7 RNA polymerase

- ArcticZymes' first RNA polymerase
- 2 grades: Regular & High Quality
- Regular: Launch Dec. 2023
- HQ: Launch Q1 2024

# Building out the product portfolio

## 2024 product planning

### Bioprocessing

☐ T7 RNA polymerase HQ

— *RNA Enzymes*: Higher «HQ grade»

☐ 'ET-N1'

— *RNA Enzymes* : Sequence specific ribonuclease for RNA analytics

☐ SAN ELISA kit V2

— *Nucleases*: Improved ELISA kit (SAN support product)

☐ M-SAN HQ GMP

— *Nucleases*: Strong addition to our «GMP grade» nuclease family

### Molecular Tools

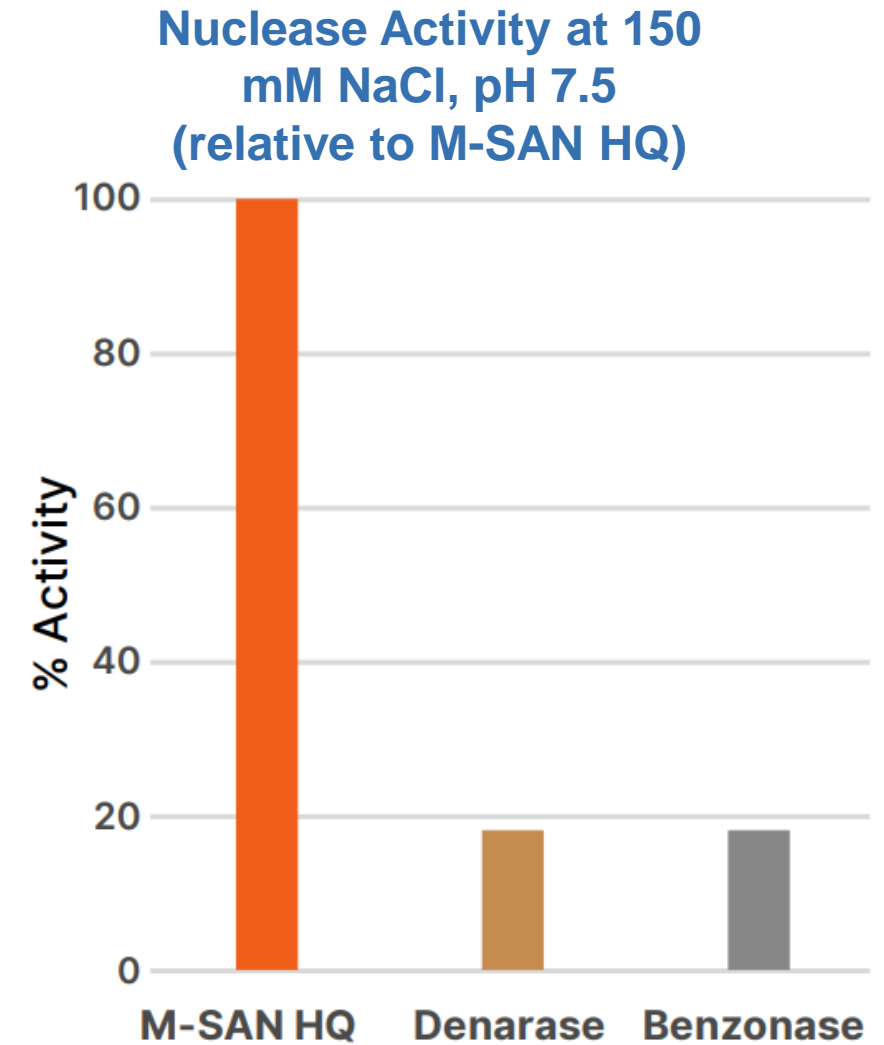
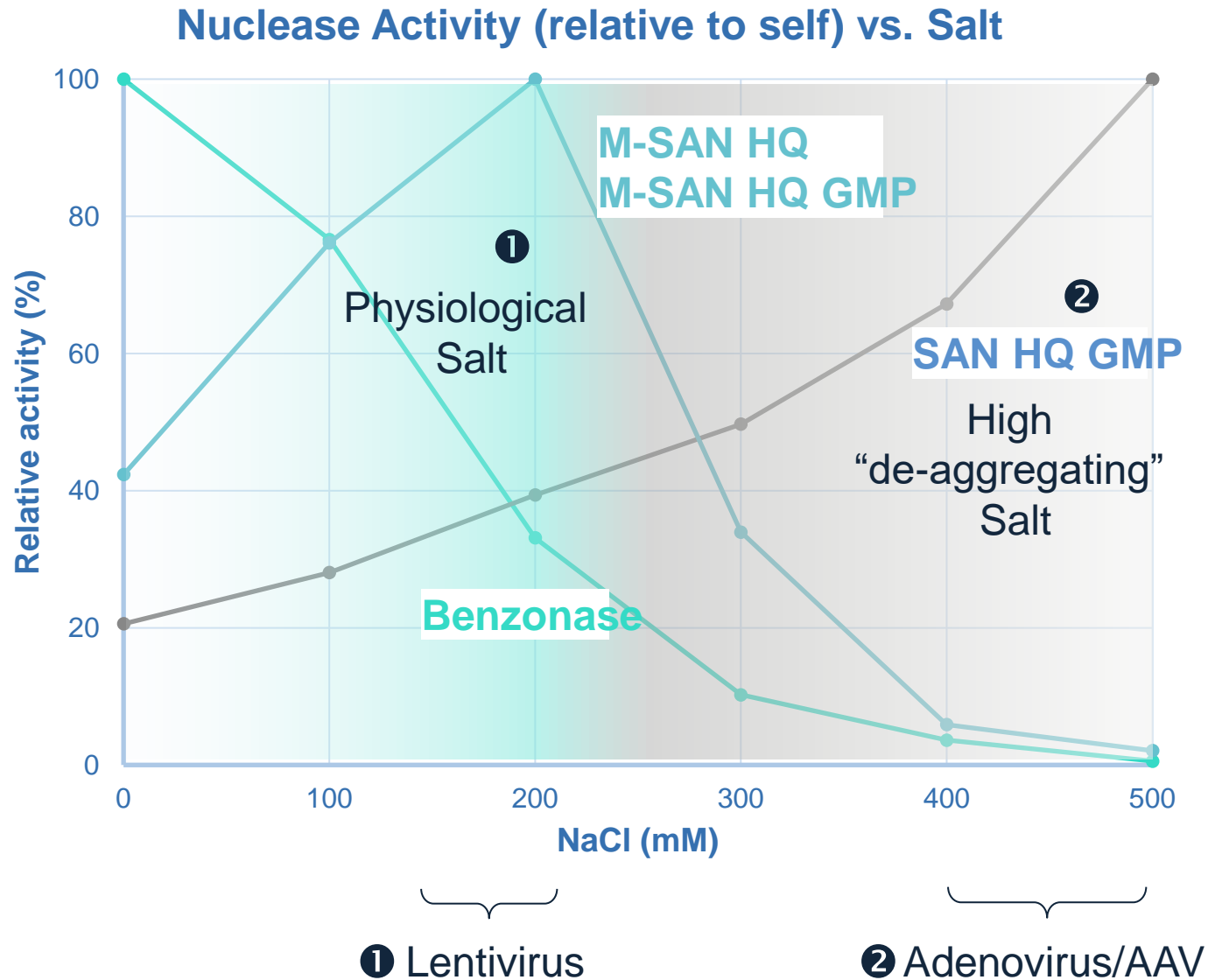
☐ MDx package (ext)

— *MDx*: Externally sourced enzyme package to complete MDx workflow

☐ IsoPol™ BSU+

— *Isothermal*: Latest addition to the IsoPol portfolio

# M-SAN HQ GMP



# Process validation of SAN HQ GMP for the DMF

## Highest priority for Operations in second half of 2023

- The DMF will be further developed with amendment of the process validation to meet Commercial phase requirements
- Process validation in manufacturing: **“The use of objective evidence to ascertain that a manufacturers’ systems and processes consistently leads to finished products that meet established standards and customer expectations”**
- Manufacturing of three SAN HQ GMP batches is ongoing. Completion planned for late Q4

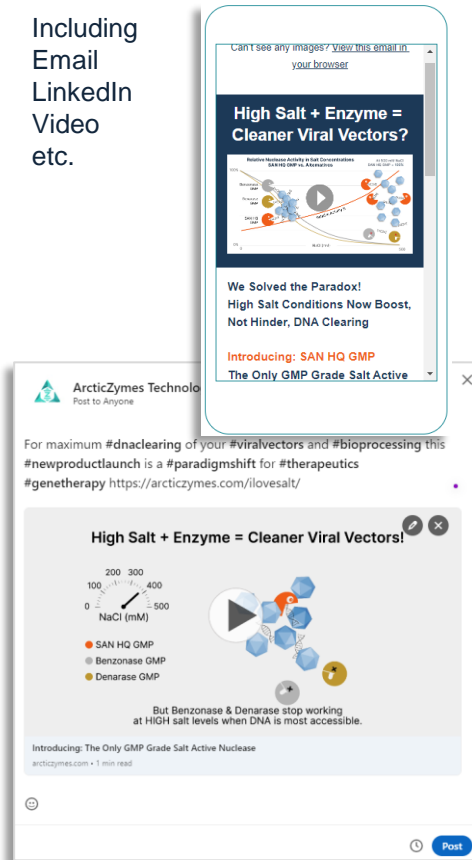


# Pre-Launch awareness activities for SAN HQ GMP

**AWARENESS** : July 6 - October, since filing DMF for SAN HQ GMP

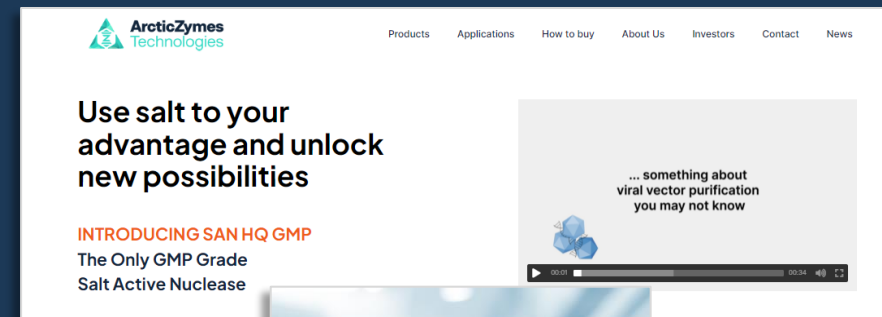
## TACTICS

Including  
Email  
LinkedIn  
Video  
etc.

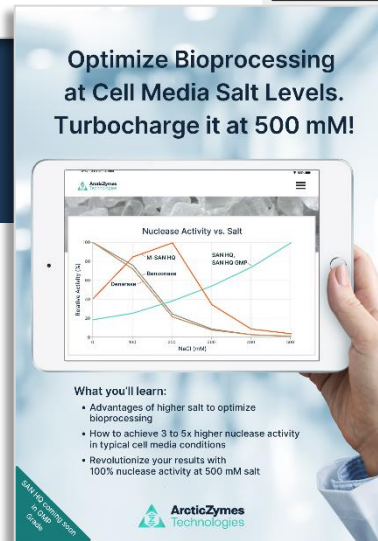


## TARGETS

1. Visits to Landing Page: [arcticzymes.com/ilovesalt](https://arcticzymes.com/ilovesalt)



2. Downloads  
New SAN  
Brochure ▶



## RESULTS

3500

52%

33%

2145

1918

94s

864

**Extremely high engagement**

Emails Sent

Unique Open %  
vs industry avg ca. 20%

Unique Click Through %  
vs industry avg <3%

Landing Page Visits  
Most visited AZ page\*

New Webpage Visitors  
Most first-time visitors

Engagement on Page  
Longest of any AZ page

Brochure PDF Downloads

INTRODUCING **SAN HQ GMP**  
The **ONLY** GMP Grade  
Salt Active Nuclease

We changed the paradigm:  
**High Salt Conditions Now Boost,  
Not Hinder, DNA Clearing**

SEE IT IN  
ACTION >

\* after the AZ Homepage. Visits to /ilovesalt landing page significantly spilled-over to boost traffic to both home-and SAN HQ pages



Novel enzymes with performance  
that no other supplier has

**Molecular Tools**

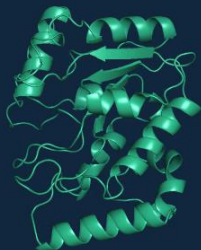
Molecular Research & Diagnostics

EXPLORE →

**Biopharma**

Therapeutics, Gene Therapy & Vaccines

EXPLORE →



*Cod Uracil-DNA glycosylase*

AS THE ENZYME EXPERTS

## We solve your challenges

Our purpose is clear: advance the boundaries of molecular research, diagnostics, and therapeutics.

We believe in redefining possibilities. The way we break through conventional limits is through specialized focus on enzymatic solutions, customized to address your unique challenges.

New  
**ArcticZymes**  
website  
launching in  
November





# Financials

# Sales per area

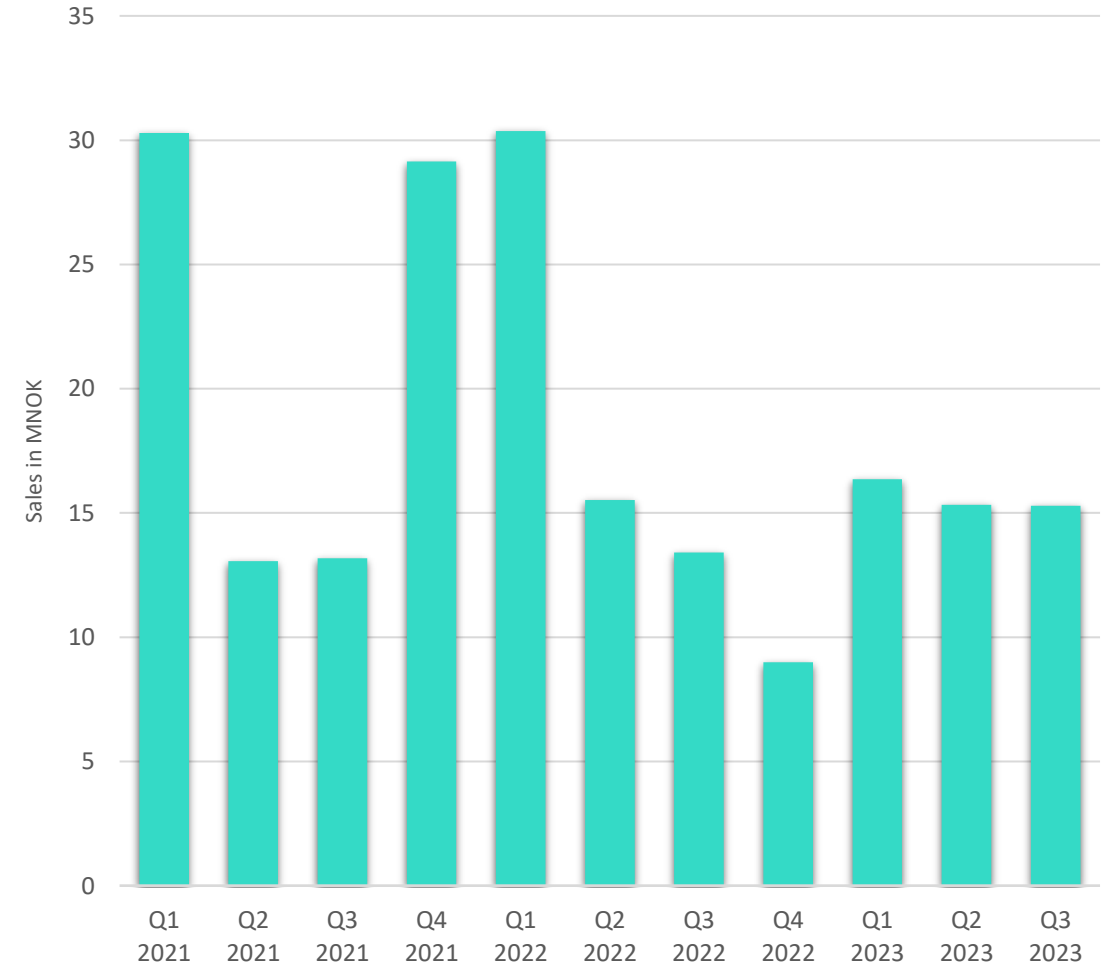
## Commercial



### Molecular Tools

- ✓ Quarterly sales 15.3 MNOK
- ✓ Accounts for 48% of total Q3 sales
- ✓ Research and Diagnostics contribution to Q3 sales were 12% and 27%, respectively

Sales per area – Molecular Tools



# Sales per area

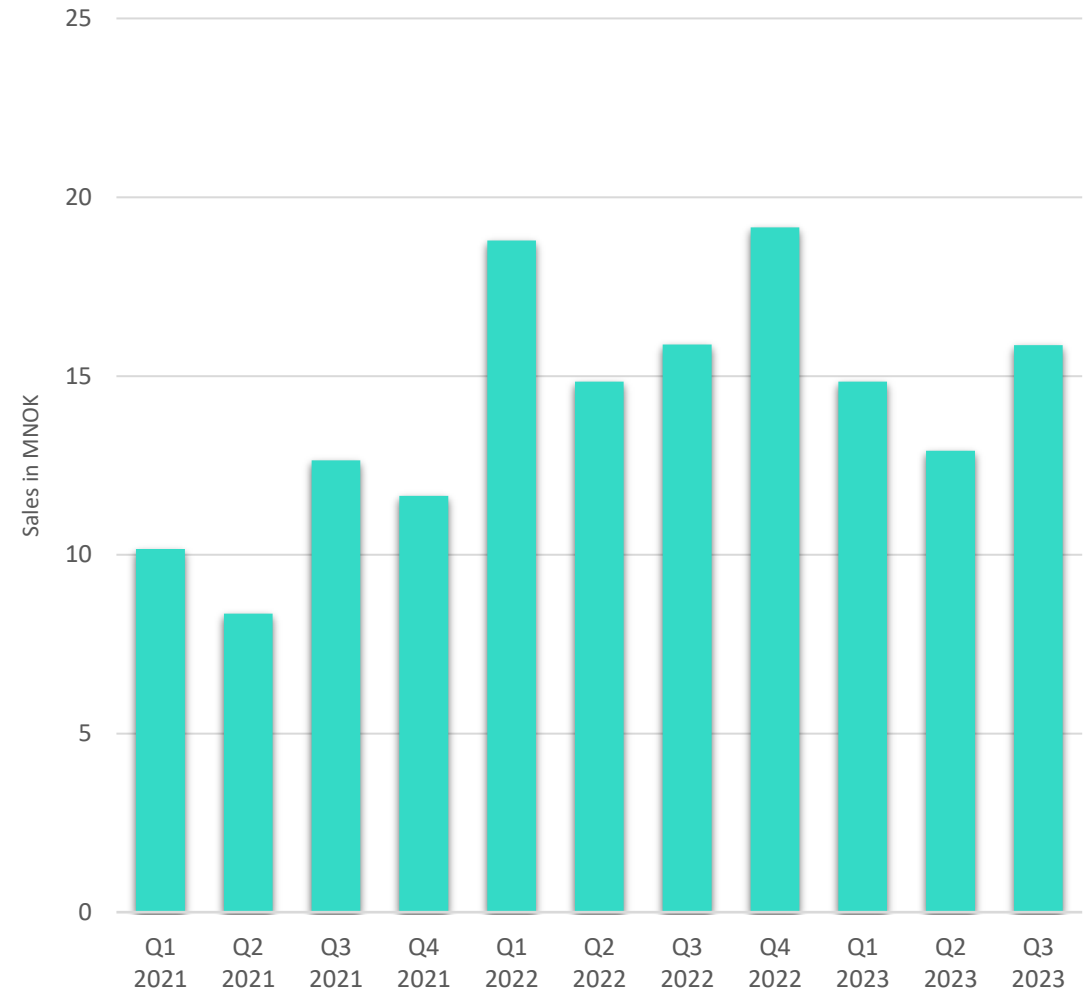
## Commercial



### **Biomanufacturing**

- ✓ Quarterly sales 15.9 MNOK (0% change)
- ✓ Accounts for 52% of total Q3 sales
- ✓ Challenging market conditions

### Sales per area - Biomanufacturing

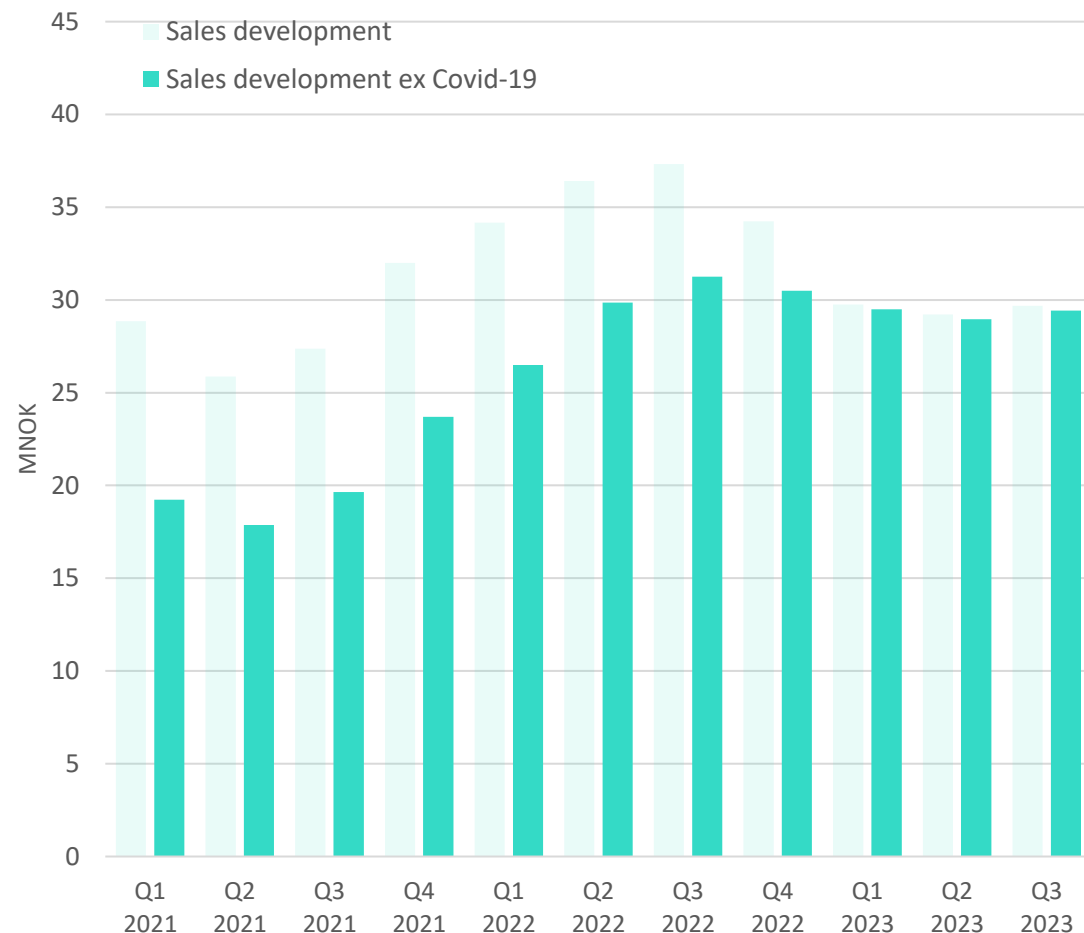




# 12 month rolling average quarterly sales

## «Steady state» sales

- Sales growth is unchanged
  - Number of orders increased from 343 in Q2 to 366 in Q3
  - 21 new customers in Q3
- ...still uncertainty on short term market movements
  - Economic uncertainty and capital markets
  - Lower production levels and project delays
  - Continued destocking and inventory levels
  - Declining activity in China

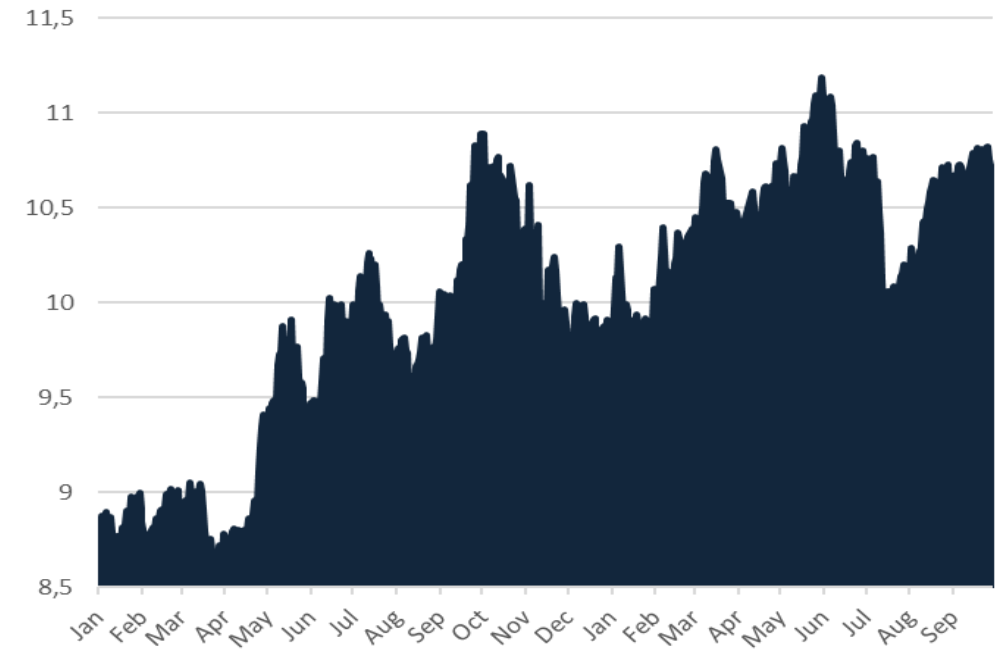


# Currency impact

## Continue to have positive contribution

- **Majority** of revenues are in foreign currency
  - 74% in USD and 25% in EURO for Q3
  - 79% in USD and 21% in EURO for 9M
  - 68% in USD and 31% in EURO for 2022
- **Currency effect on P&L**
  - Finance 0.0 MNOK in Q3 and +0.4 MNOK 9 M 2023
  - Other operating expenses increased by 0.6 MNOK for Q3 and reduced by 1.0 MNOK for 9M 2023
- With **constant currency** – est. 1.6 MNOK positive impact on underlying sales in Q3 and 10.0 MNOK for 9M 2023

USDNOK



EURNOK



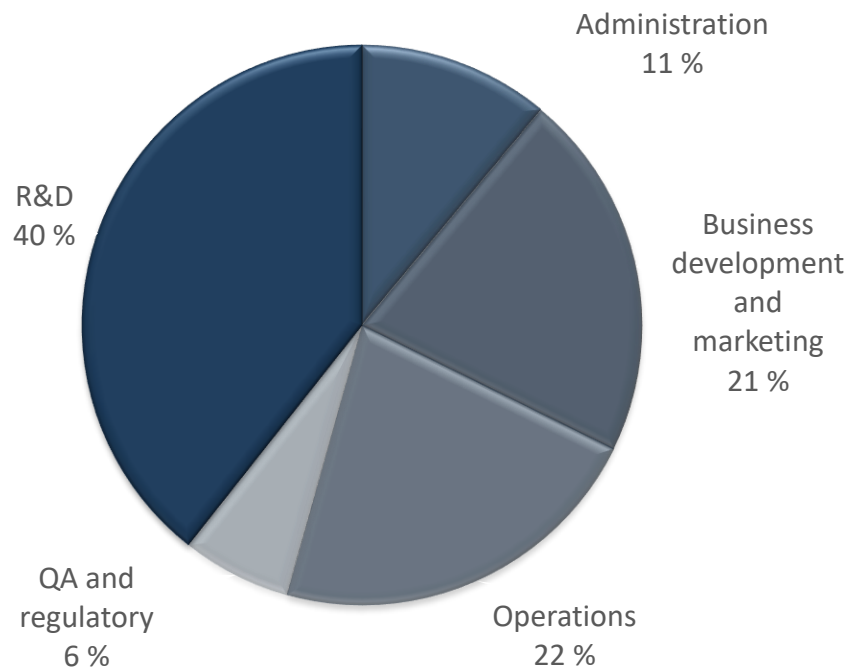


# **Expenses and profitability**

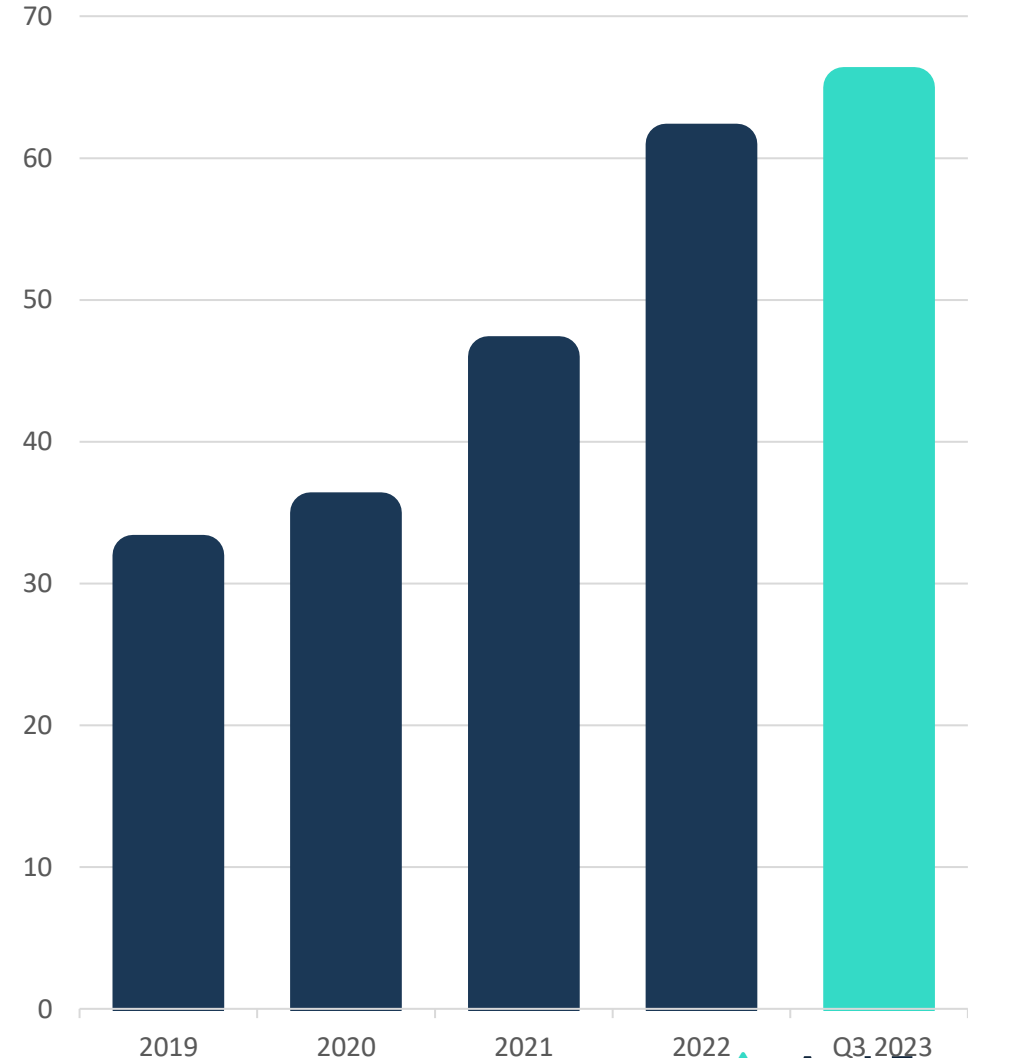
# Organisation

## No new hires in the pipeline

- Ambition and strategy has been to grow company organically
- 3 new position in Q3
- 65 employees per 30.09.2023



Number of employees

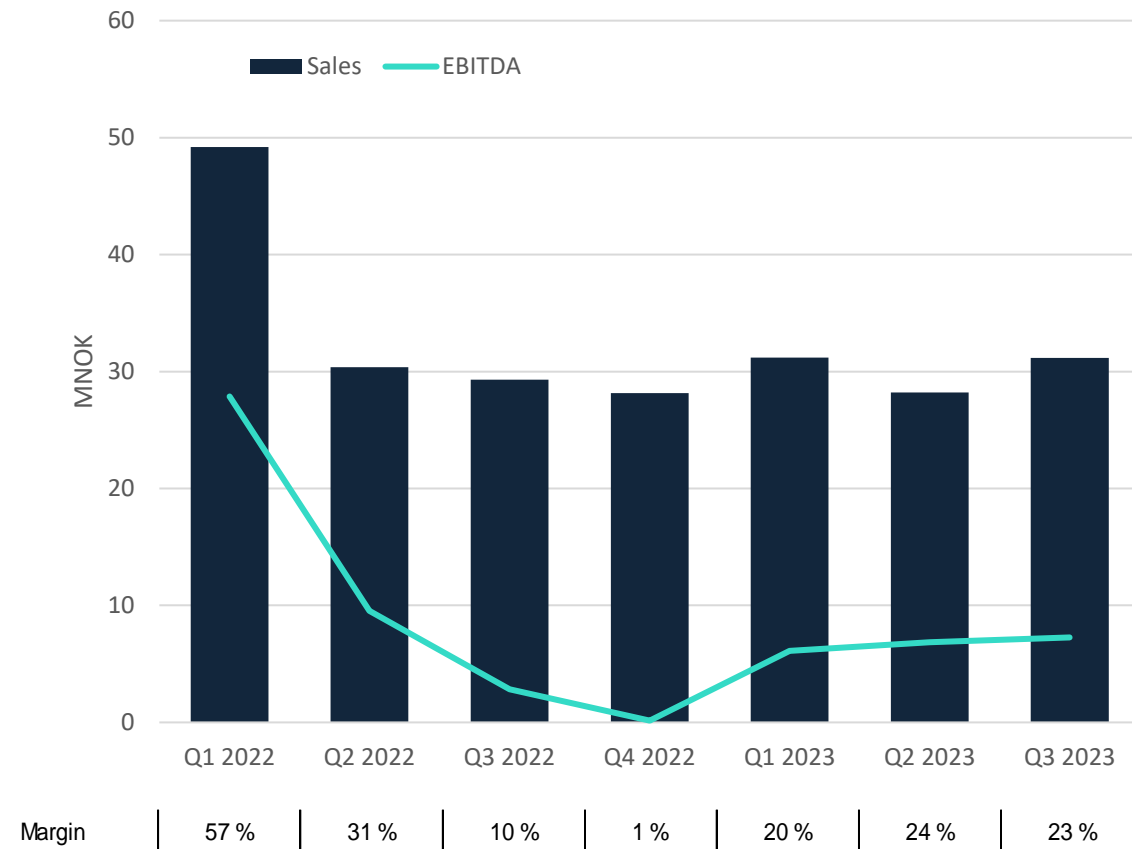




# Profitability and expenses

## Looking at improved profitability

### Sales & EBITDA



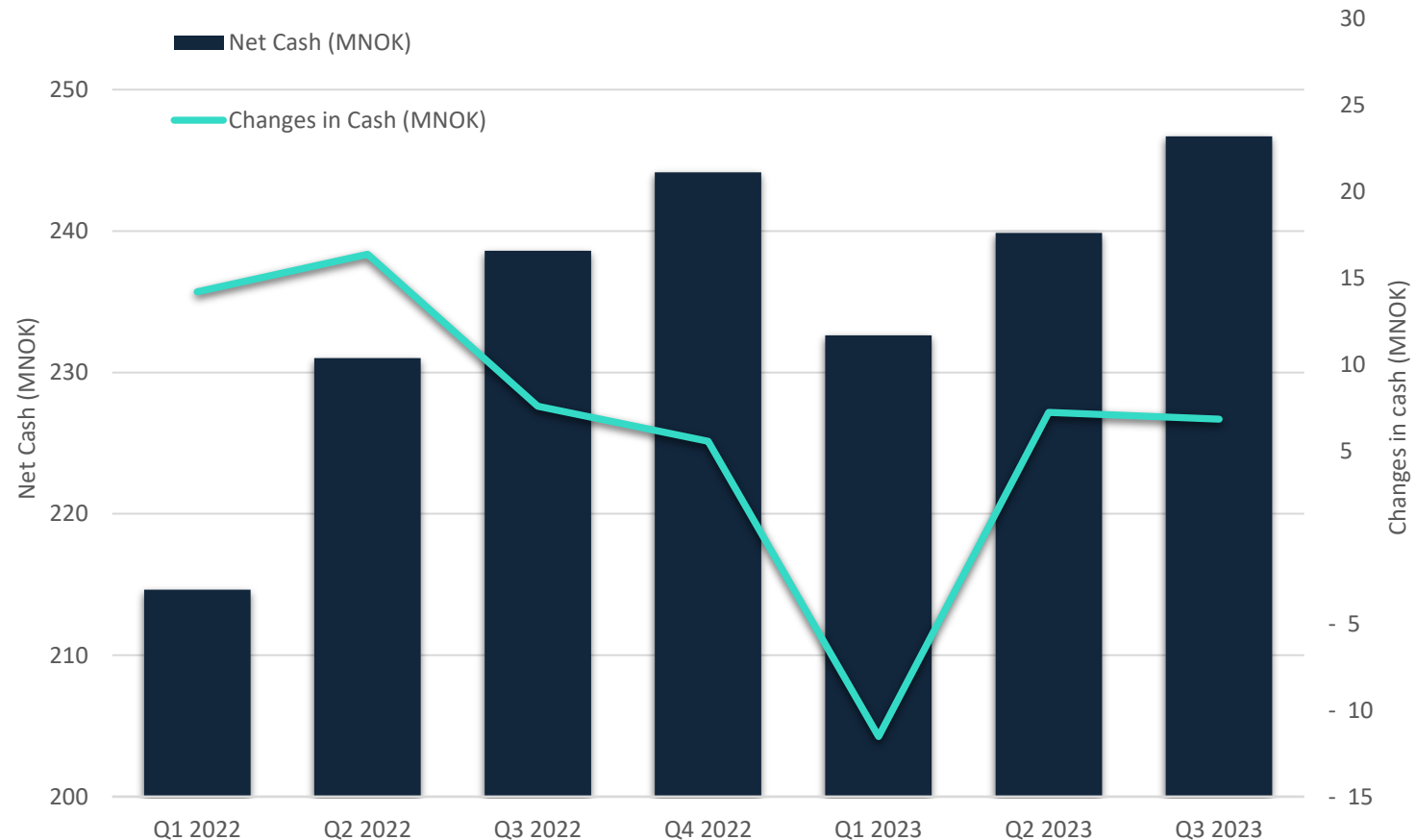
### EBITDA

- Q3 MNOK 7.3 vs 2.8
- 9M MNOK 20.2 vs 40.2 MNOK (25.2 Covid adjusted)
- Expenses decreased by 0.6 MNOK in Q3 and increased by 1.3 MNOK for 9 M
  - Personnel, consumables and IPR
- **Full year** expenses: 105 MNOK (2022: 91 MNOK)
  - Personnel 75 MNOK (2022: 59 MNOK)
  - Other operating exp. <32 MNOK (2022: 32 MNOK)

# Cash flow

+ 7.0 MNOK in cash flow for Q3

Cash position





**Michael Akoh**  
**CEO**

# CEO Profile

## Michael Benjamin Akoh

- Commercially focused life science executive
  - ConvaTec, Oticon, Agilent, Wieslab
- IVD, Medical Devices, Biopharma drug development & diagnostic services
- Large corporations, scale ups & start-ups
- Leadership experience
  - Scientific staffing and knowledge intensive solutions
  - Regulatory environment - ISO to GxP
  - M&A
- Extensive global commercialization experience
- “True Scandinavian” with global perspective







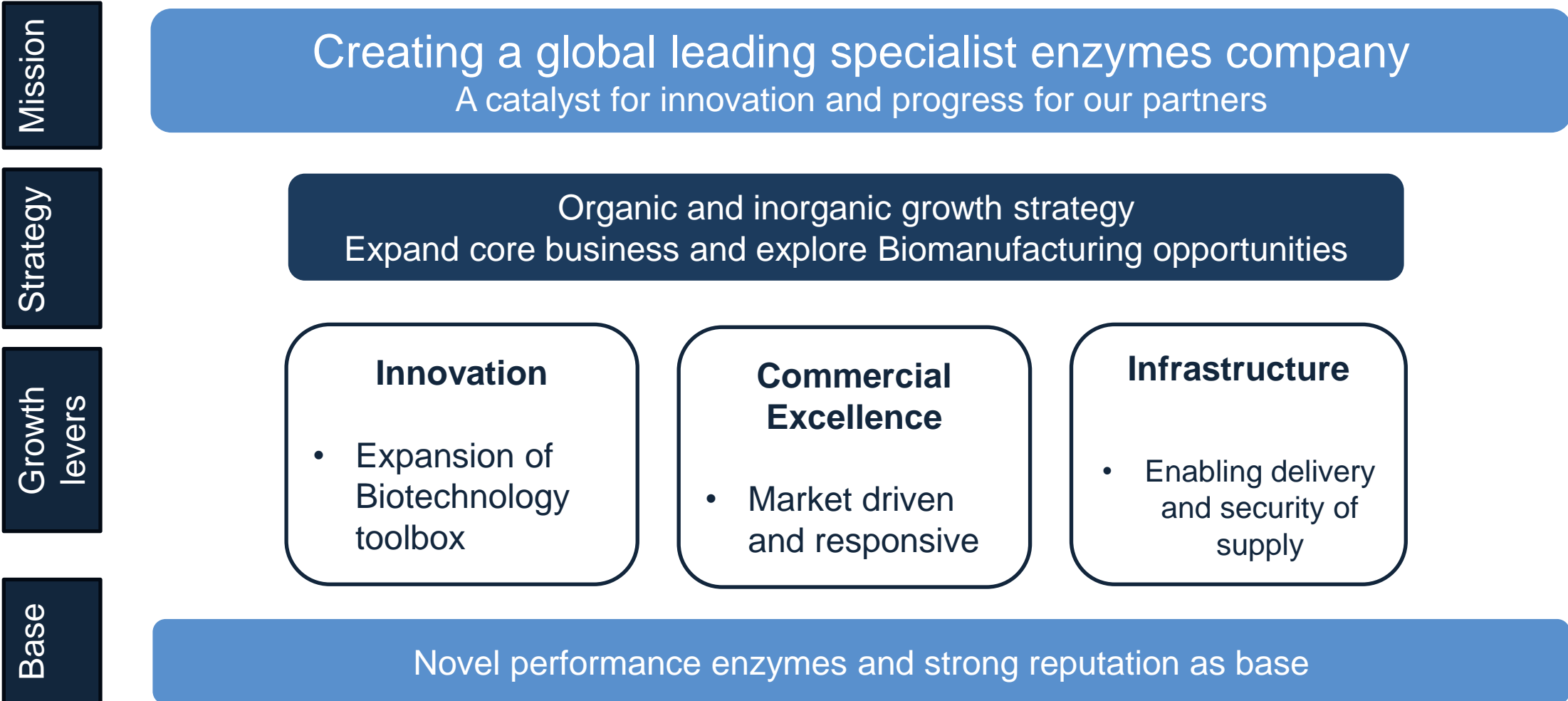
# Why was I attracted to AZT?

Great platform for growth in an attractive market space!

- ◆ Market
  - ◆ Operates in a market with significant growth opportunities
- ◆ Company
  - ◆ Talented team and good culture
  - ◆ Strategic, agile and decisive board
  - ◆ Ambitious growth agenda
- ◆ Match of competencies
  - ◆ Commercially focused life science executive
  - ◆ Growth, scaling and regulatory environment

# The road forward

## A focused and partner driven growth strategy





# Going forward!

***“The course is set, the ship is solid, the engine powerful and the crew is capable.”***





# Thank you

[arcticzymes.com](http://arcticzymes.com)

