

ArcticZymes Technologies announces commercial strategic Transformation and Q3 2024 Financial results

Tromsø, Norway, November 6th, 2024 – ArcticZymes Technologies (OSE: AZT) reported revenues of NOK 24.1 million and an EBITDA of NOK -2.3 million for the third quarter of 2024.

Financial Highlights:

- Revenue for Q3 2024 was NOK 24.1 million, compared to NOK 31.2 million in Q3 2023. Year-to-date revenue totals NOK 81.7 million (9M 2023: NOK 90.6 million).
- Revenue for the quarter was in particular impacted by lower sales to two key accounts.
- Biomanufacturing revenue has grown for the third consecutive quarter, demonstrating resilience in a challenging macroeconomic environment.
- EBITDA for the quarter came in at NOK -2.3 million (Q3 2023: NOK 7.3 million), with a loss before tax of NOK -2.0 million. Year-to-date EBITDA stands at NOK 2.6 million (9M 2023: NOK 20.2 million), and profit before tax at NOK 5.5 million (9M 2023: NOK 22.2 million).
- Operating expenses for Q3 were NOK 26.4 million, with NOK 1.2 million attributed to the implementation of a new ERP system. Total operating expenses for the first nine months reached NOK 79.1 million.
- ArcticZymes ended Q3 with a robust cash position of NOK 170 million, alongside an additional NOK 72 million in low-risk interest rate funds.

Strategic Transformation & Growth Plan

ArcticZymes Technologies is advancing its strategic realignment, building on its previous commercial initiatives to further strengthen its market position and better meet the evolving needs of its customers. While the company has already made strides in becoming more commercially oriented, the new Board of Directors is working closely with management to accelerate and intensify these efforts. This next phase of the strategy aims to transform ArcticZymes into a more agile, solution-driven organization that can more effectively address the complex challenges faced by its biotech and life sciences clients.

“This transformation is an extension of our ongoing efforts to enhance our commercial capabilities, but now we are accelerating the process,” commented Michael Akoh, CEO of ArcticZymes Technologies. *“The next stage phase involves significantly strengthening and transforming our commercial organisation and processes to better serve our clients.”*

Key Focus Areas in Development:

- **Commercial Strategy:** Building on past initiatives, the new Board and management have jointly decided to accelerate the company's commercial strategy. Together,

they are committed to intensifying efforts to capture new market opportunities, positioning ArcticZymes as a leader in delivering solutions that address critical challenges for its clients in the life sciences sector.

- **Strategic Investment:** Costs and further investments to reinforce the commercial team are being evaluated as part of the company's broader strategy to increase customer focus. This continued investment in commercial capabilities is key to driving ArcticZymes' vision of becoming a more customer-centric organization.
- **Problem-Solving Focus:** ArcticZymes remains committed to its role as a solution provider, helping clients overcome technical and operational hurdles. This problem-solving focus, already embedded in the company's approach, will be further enhanced through the ongoing transformation to maximize the impact of its solutions in molecular diagnostics, research and biomanufacturing.

OEM Agreement and CDMO Progress: Discussions with key life science partners are progressing well toward an OEM agreement for SAN, with potential term sheet expected executed by late Q4 or early Q1 2025. In parallel, ArcticZymes is actively collaborating with CDMO partners to incorporate its enzyme technologies into viral vector platforms. Both SAN and M-SAN have received positive initial feedback during evaluations conducted by a client CDMO. Favorable data from these evaluations was recently presented at the ESGCT conference in Rome last month. A significant step towards platform integration.

Commitment to Innovation: While the company continues to build on its commercial foundation, innovation remains at the heart of ArcticZymes' strategy. A recent publication in *Nucleic Acids Research* introduced a novel RNA restriction enzyme, ET-N1, which has exciting potential in mRNA research and advanced therapies. This prototype addition strengthens the company's portfolio and positions it for future growth through diversification into advanced therapies.

Looking Ahead: With its enhanced commercial focus, strengthened leadership, and clear roadmap, ArcticZymes is poised to build on the successes of the past while taking decisive steps to accelerate its transformation. The company's leadership is committed to finalizing and implementing this plan, ensuring that ArcticZymes continues to deliver value to its clients and shareholders in the years ahead.

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Presentation and Webcast

The Company will host a virtual Q3 and 9M 2024 presentation for investors, analysts and media at 08:30 CET on Wednesday, 06 November, 2024.

The presentation will be given by CEO, Michael Akoh, CFO, Børge Sørvoll.

The presentation can be followed as a live webcast from Hegnar TV on:
https://channel.royalcast.com/webcast/hegnarmedia/20241106_3 or www.arcticzymes.com. It will be possible to post questions through the webcast console.

The report for Q3 and 9M 2024 will be available on www.newsweb.no and on the company's homepage www.arcticzymes.com from 07.00 CET on Wednesday, 06 November 2024.

For more information, please contact:

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About ArcticZymes Technologies ASA

ArcticZymes Technologies is a Norwegian life sciences company focused on the development, manufacturing and commercialization of novel recombinant enzymes for use in molecular research, In Vitro Diagnostics (IVD) and biomanufacturing.

Listed on the Oslo Stock Exchange since 2005 originally under the [AZT] ticker. Its headquarters are based in Tromsø, Norway, at the SIVA Innovation Centre.

ArcticZymes Technologies' IP and capabilities are protected via a large portfolio of patents.

For more information, please visit the website: www.arcticzymes.com