



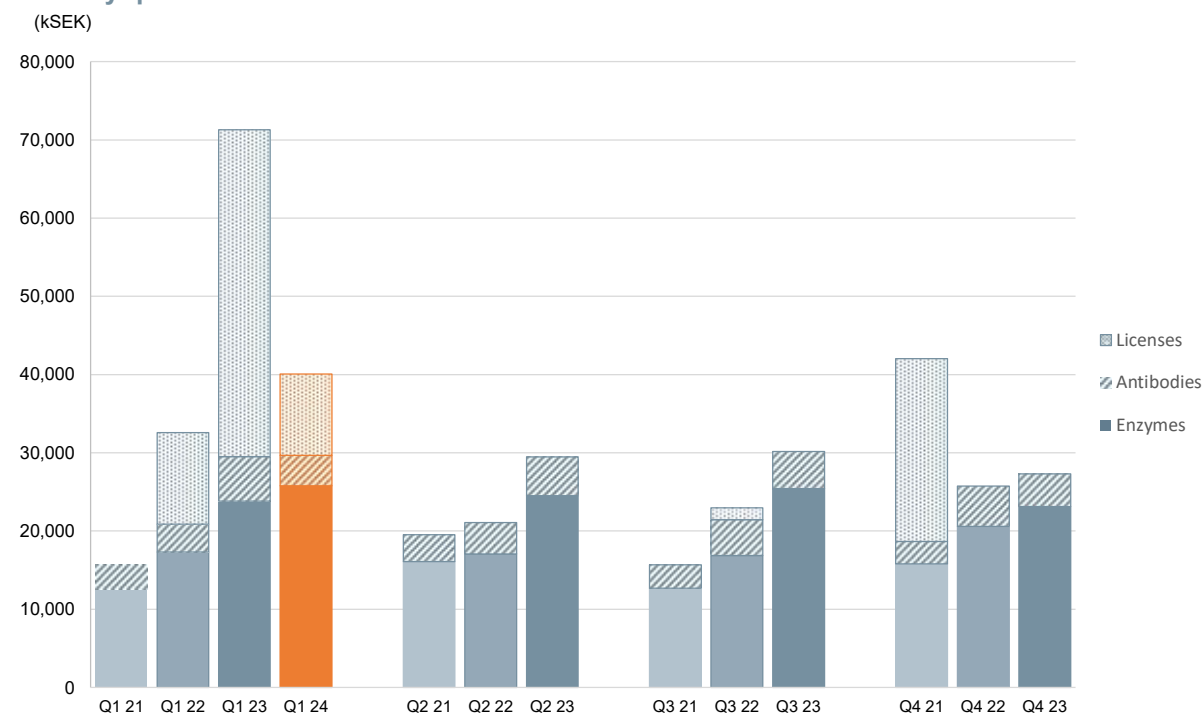
Best quarter for enzyme business in analytics and stronger cash position

January – March 2024

- **Net sales** totaled SEK 40,057 (71,276) thousand, with a growth rate of -44%. Adjusted for currency effects, the decrease is -44%. Organic growth adjusted for license revenue is 0.4%, and 0.5% when also adjusted for currency effects.
- **Operating profit before depreciation and amortization (EBITDA)** totaled SEK 18,568 (45,089) thousand. Adjusted for license revenue and related costs, EBITDA is SEK 8,440 (6,223) thousand.
- **Operating profit (EBIT)** totaled SEK 15,833 (43,399) thousand. Adjusted for license revenue and related costs, EBIT is SEK 5,705 (4,533) thousand.
- **Profit for the period** totaled SEK 12,742 (43,564) thousand.
- **Earnings per share*** totaled SEK 0.19 (0.67).
- **Comprehensive income for the period** totaled SEK 14,350 (44,343) thousand.
- **Cash flow from operating activities** was SEK 18,090 (46,355) thousand.
- **Cash and cash equivalents** at the end of the period totaled SEK 136,793 (115,397) thousand.

**Earnings per share are calculated by dividing profit by the weighted average number of shares during the year. There is no dilutive effect.*

Sales by quarter 2021 – 2024



The Group's financial performance in summary

(SEK 000s)	Jan-Mar	full year	
	2024	2023	2023
Net Sales	40 057	71 276	158 232
Gross margin % ¹	90,7%	92,6%	90,4%
Operating profit before depreciation and amortization (EBITDA)	18 568	45 089	63 946
Adjusted EBITDA for license revenue ²	8 440	6 223	-
Operating margin before depreciation and amortization % ³	46,4%	63,3%	40,4%
Adjusted EBITDA-margin for license revenue ^{2, 3}	28,5%	20,7%	-
Operating profit (EBIT)	15 833	43 399	54 224
Adjusted EBIT for license revenue ²	5 705	4 533	-
Operating margin % ⁴	39,5%	60,9%	34,3%
Adjusted EBIT-margin for license revenue ^{2, 4}	19,2%	15,1%	-
Profit for the period	12 742	43 564	61 500
Profit margin % ⁵	31,8%	61,1%	38,9%
Earnings per share ⁶ (SEK)	0,19	0,67	0,94
Comprehensive income for the period	14 350	44 343	65 158
Cash flow from operating activities	18 090	46 355	67 752
Cash and cash equivalents at end of period	136 793	115 397	123 261

¹Gross margin is calculated by dividing the sum of net sales, change in inventory of finished goods and raw materials and consumables by net sales.

²Adjusted for license revenue and related costs.

³Operating margin before depreciation and amortization is calculated by dividing operating profit before depreciation and amortization (EBITDA) by net sales.

⁴Operating margin is calculated by dividing operating profit (EBIT) by net sales.

⁵Profit margin is calculated by dividing profit for the period by net sales.

⁶Earnings per share are calculated by dividing profit by the weighted average number of shares during the year. There is no dilutive effect.

Comments from Fredrik Olsson, Chief Executive Officer

We begin 2024 with a strong operating profit and very good cash flow. Even adjusted for license revenue, we improved our performance, both compared to the first quarter of 2023 and the previous quarter. Through continuous improvements and increased capacity, we have maintained good margins despite our expanding product offering, demonstrating the scalability of our business. We have strengthened our already strong cash position, which provides both stability and freedom of movement for continued aggressive investments in growth.



First quarter sales represent the single best quarter to date for our enzyme business in analytics. Sales increased 8% organically compared to the same period last year and by 12% sequentially in relation to the fourth quarter of 2023. This sales growth should be viewed in light of the continued challenging market conditions in China, as well as the ongoing restructuring among both smaller and larger biopharma companies.

In the antibody business, sales decreased by around 30%. Underlying sales to the research market continue to grow, while customers in diagnostics are reducing their inventory levels following the pandemic, which has affected sales for the quarter. Sales to the diagnostics market are expected to recover during the year as customer inventories normalize. We have initiated programs to focus our resources on the most profitable parts of the antibody business to improve performance while adapting the business to the volatile nature of customers in diagnostics.

For enzymes aimed at potential therapeutic applications in gene therapy and other autoimmune diseases, we have initiated more business development activities ahead of formally regaining the rights to Xork™ in the second half of this year. Our development of new enzymes in this application area has also made significant progress recently and we have several new and unique product candidates in development.

Launching new products and enzymes in analytics is an important component of our growth strategy. I am extremely encouraged to see how our pipeline has continued to evolve in recent months, with our team taking advantage of the improved opportunities in our new lab and production facilities. We have already launched two new products and I expect that we will reach our full-year targets in the second quarter and that the launch rate will remain high for the rest of the year.

We see encouraging signs that access to venture capital for biotech companies has improved in early 2024. Even if we, as a supplier to these companies, are somewhat further down the chain of events, it bodes well for the future. The increasing diversification of antibody drugs continues to provide good growth opportunities for Genovis. With our constantly expanding product portfolio and the underlying growth drivers for biologics, I look forward with confidence to Genovis' continued growth journey.

I would like to extend my warmest thanks to my colleagues at Genovis who, with great dedication, work tirelessly to help our customers in their crucial work of developing new important drugs.

The Genovis Group

Genovis will apply its knowledge and imagination to design and provide innovative tools for the development of the drugs of the future.



The Group's enzymes and antibodies are in a market that covers the entire life science and biotech supply industries. The Company markets a total of 26 enzymes in different product formats under the common SmartEnzymes™ brand.

The Parent Company in Lund handles sales and marketing outside North America, including development, application, and support, as well

as production of SmartEnzymes™. In Asia, Genovis also works with distributors who have a good understanding of the local market. Genovis has a local presence with product specialists in Denmark, Germany, the UK, France/Spain/Italy, and China. The subsidiary Genovis Inc. in the US handles marketing and sales of SmartEnzymes™ in North America, as well as sales, marketing, and production of antibodies for the research and diagnostics market.

Central functions are governed from Genovis AB, which has a business model with a long-term and sustainable focus based on two primary strategies that together are the drivers of the Company's success:

- Continue to launch unique new products, thereby expanding the customer offering for continued good growth.
- Deliberately work to encourage customers to use Genovis products all the way to the release and approval of new biopharmaceuticals.

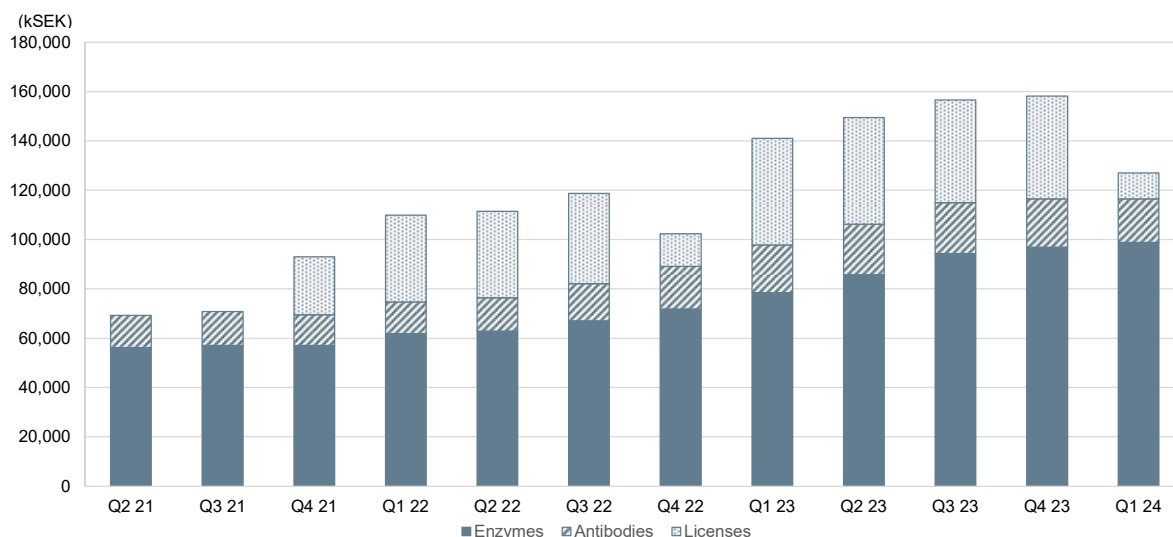
The Group will have a creative focus and develop unique new products that have a high value for the customer. New products are mainly aimed at customers who work in the discovery phase, preclinical development, or diagnostics. In this phase most of the Group's customers are both curious and willing to test new concepts and analytical methods to address the clear needs and challenges related to understanding, identifying and analyzing biopharmaceuticals. A growing number of Genovis' customers in the biopharma industry are now using the products farther along in the value chain for biopharmaceutical drug development and have growing confidence in Genovis as a provider of high-quality, innovative products for the biopharma industry. A key component of Genovis' growth strategy is to continue to launch innovative products as the brand grows stronger and in pace with the expansion and broadening of our customer base. In addition to the enzyme and antibody products, Genovis has a service product (Antibody LC-MS Analysis) that offers a complete solution for customers who wish to characterize antibodies.

Financial overview

Revenue

Consolidated net sales for the first quarter was SEK 40,057 (71,276) thousand. Net sales include USD 1 (4) million in license revenue. Organic growth adjusted for license revenue in the first quarter of 2024 and 2023 is 0.4%, and 0.5% when also adjusted for currency effects. The change in inventory, finished goods, was SEK 1,139 (9) thousand and other operating income totaled SEK 1,641 (1,072) thousand. Other operating income mainly relates to foreign exchange gains.

Sales revenue, 12-month rolling (2021 – 2024)



Expenses

Consolidated expenses for the first quarter totaled SEK 27,004 (28,958) thousand. Expenses are allocated as follows: raw materials and consumables SEK 4,862 (5,259) thousand, personnel costs SEK 11,701 (14,757) thousand, other external expenses SEK 7,327 (6,725) thousand and other operating expenses 379 (527) thousand. The decrease in raw materials and consumables is largely attributable to the lower royalty and incentive payment associated with license revenue of USD 1 (4) million compared with the previous year. The increases in other external expenses are mainly driven by new premises and the expansion of marketing and sales activities. Other operating expenses relate to foreign exchange losses. Depreciation and amortization for the quarter amounted to SEK 2,735 (1,690) thousand. The increase in depreciation and amortization is mainly attributable to the new premises, as well as to investments in equipment for expansion in the new premises in the second half of 2023.

Operating profit before depreciation and amortization (EBITDA)

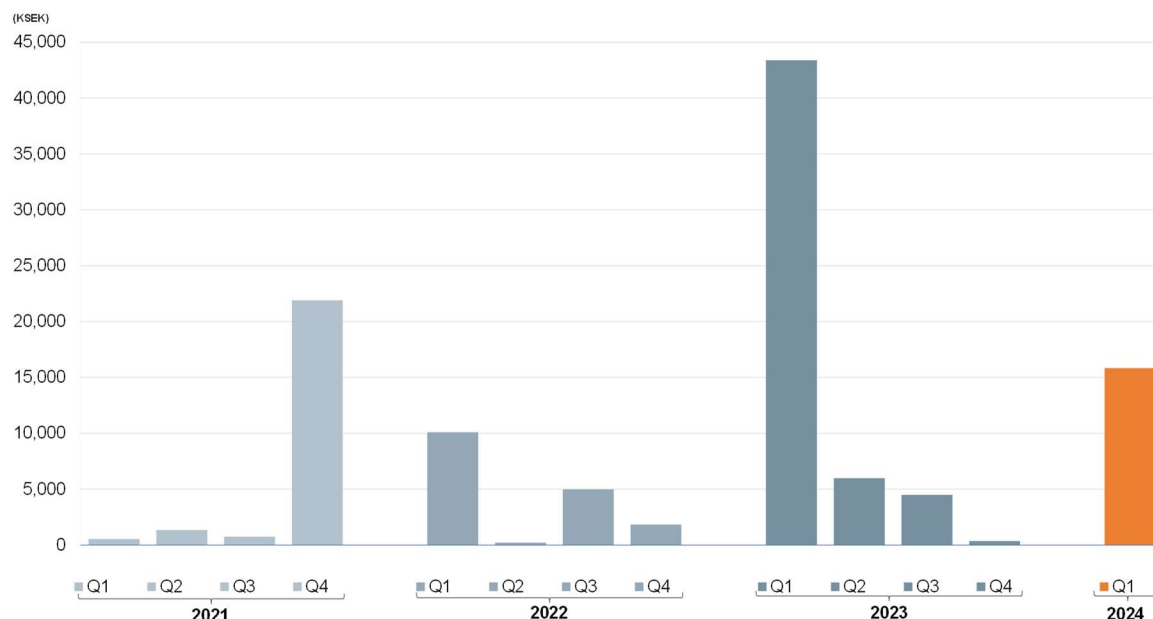
For the first quarter, EBITDA was SEK 18,568 (45,089) thousand. Adjusted for license revenue and related costs, EBITDA is SEK 8,440 (6,223) thousand.

Operating profit (EBIT)

For the first quarter, EBIT totaled SEK 15,833 (43,399) thousand. Adjusted for license revenue and related costs, EBIT is SEK 5,705 (4,533) thousand.

Operating profit (EBIT) per quarter

(Adjusted for non-recurring costs of approximately SEK 9 million related to reimbursement in Q4 2022 of part of the previously received insurance compensation).



Profit and comprehensive income for the period

Profit after tax for the first quarter was SEK 12,742 (43,564) thousand.

Earnings per share for the first quarter, based on a weighted average of the number of outstanding shares, totaled SEK 0.19 (0.67).

Comprehensive income for the first quarter was SEK 14,350 (44,343) thousand.

Taxes

The Group has a deferred tax asset of SEK 13,340 (10,073) thousand, of which SEK 3,805 (1,718) arises from the Parent Company, and the remainder relates to deferred tax on intra-group profit on inventories, right-of-use assets and unrealized currency revaluation of noncurrent receivables of SEK 9,535 (8,355) thousand.

The Parent Company's total tax loss amounts to SEK 18 (55) million. It is the Board's assessment that future taxable surpluses will be available against which the unutilized tax losses can be utilized.

Deferred tax liability for the Group totals SEK 2,055 (2,324) thousand and is attributable to deferred tax on surplus values from the acquisition of QED Inc. in 2020.

Investments

The Group's net capital expenditure for the first quarter totaled SEK 1,094 (1,753), including SEK 329 (1,424) attributable to property, plant, and equipment, primarily laboratory equipment, and SEK 765 (329) thousand attributable to investments in intangible assets.

Cash flow and financial position

Total shareholders' equity for the Group was SEK 205,160 (169,995) thousand after taking the profit for the period into account. Equity per share based on the weighted average of the number of outstanding shares (basic and diluted) at the end of the period was SEK 3.13 (2.60). The Group's equity ratio at the end of the period was 68% (87). The change in the equity ratio mainly relates to rental rights for new premises in the second half of 2023 that have been recognized as an asset with a corresponding liability in the balance sheet.

Consolidated cash flow for the first quarter was SEK 13,532 (42,567) thousand. Cash flow from financing activities totaled SEK -3,464 (-2,035) thousand.

Consolidated cash and cash equivalents at the end of the period amounted to SEK 136,793 (115,397) thousand. Taking expected revenue into account, the Board believes that the existing working capital is sufficient to run the Company over the next twelve months.

Only the Group has interest-bearing liabilities; they relate in their entirety to the present value of estimated future lease payments, which also includes rent for premises.

Lease liabilities (SEK thousand)

Noncurrent lease liabilities

Maturity between 1 and 15 years	75,080 (4,366)
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Current lease liabilities

Maturity within 1 year	3,464 (2,036)
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Employees

On March 31, 2024, the Group employed 36 (37) people. The Parent Company in Kävlinge employs 28 (28) people, and 8 (9) people work for the subsidiary Genovis Inc. in the US.

Share capital and share performance

Share capital at the end of the quarter was SEK 16,366,428 and the total number of shares was 65,465,714 with a par value of SEK 0.25.

Genovis shares are traded on Nasdaq First North Growth Market under the ticker symbol GENO. First North is Nasdaq's European emerging market intended for growth companies.

Certified Adviser

Carnegie Investment Bank AB (publ).

Parent Company

Net sales and operating income in the Parent Company are attributable to the primary and only business area: sales of products and/or research-based innovations.

Revenue

Revenue for the first quarter, including change in inventory, finished goods, totaled SEK 35,698 (62,589) thousand, including SEK 32,498 (61,511) thousand attributable to sales, SEK 1,561 (7) thousand relating to a change in inventory, finished goods, and SEK 1,639 (1,071) thousand in other

operating income. Other revenue mainly relates to foreign exchange gains.

Expenses

The Parent Company's expenses for the first quarter totaled SEK 18,258 (19,147) thousand.

Performance

The profit for the first quarter was SEK 16,202 (43,872) thousand.

Taxes

The Parent Company has a deferred tax asset that amounted to SEK 3,805 (1,718) thousand at the end of the period. It is the Board's assessment that future taxable surpluses will be available against which the unutilized tax losses can be utilized. The Company's total tax loss amounts to SEK 18 (55) million.

Investments

Net capital expenditure for the first quarter totaled SEK 1,067 (1,753), including SEK 302 (1,424) attributable to property, plant, and equipment, primarily laboratory equipment, and SEK 765 (329) thousand attributable to investments in intangible assets.

Subsidiary Genovis Inc.

The subsidiary Genovis Inc. manages all sales of SmartEnzymes™ in the North American market, as well as sells, produces and develops new antibodies for research, diagnostics, and drug development. The Company also offers customized antibody services for academia and industry.

Other information

Events after the end of the period

No other significant events were reported after the end of the period.

Related party transactions

Genovis' board member and principal owner Mikael Lönn, who holds a 14.50% stake in Genovis, owns 15.27% of the shares in Redeye AB, for which Mikael Lönn is also a board member. Genovis has purchased analysis services from Redeye AB for a total of SEK 105 thousand during the first quarter. Genovis is a member of SwedenBIO, for which Board member Lotta Ljungqvist is chair of the board. During the period, Genovis paid service and membership fees totaling SEK 60 thousand to SwedenBIO. All related party transactions took place on market terms.

Outlook

Although the Life Science field is relatively independent of business cycles, periods of uncertainty can influence our customers' appetite to invest in new technology. With most development projects proceeding according to plan, Genovis is positioned to make additional advances with respect to both new products and sales in 2024. Even if external geopolitical factors and macroeconomic turmoil continue to represent an element of uncertainty, our current assessment is that our business opportunities and operational capacity are good.

Risk Factors

Genovis' general view of the financial risks that could affect operations has not changed since the description published in the most recent annual report. Genovis' business risks include the risk that anticipated revenue might not materialize since the Company is active in a market in which competing companies have substantially larger financial resources at their disposal. For a detailed overview of the Company's financial risks, please refer to page 51-52 in Genovis' 2023 Annual Report.

Auditor's review

This report has not been reviewed by the Company's auditor.

2024 Annual General Meeting

The Annual General Meeting will be held at 5 p.m. on Tuesday, May 15, 2024, at Karl Johans väg 104, Kävlinge.

Financial calendar

Half-Yearly Report	January 1 – June 30, 2024	August 20, 2024
Interim report	January 1 – September 30, 2024	November 8, 2024
Year-end Report	January 1 – December 31, 2024	February 14, 2025

Reports may be downloaded at the Genovis website:

<https://investor.genovis.com/en/financial-reports/> or requested from the company by phone or letter:
Genovis AB, Box 790, 220 07 Lund Tel.: +46 (0)46-10 12 30

Forward-looking information

This report contains forward-looking information based on the current expectations of Group management at Genovis. Although the management believes that the expectations reflected in such forward-looking information are reasonable, no assurance can be given that such expectations will prove correct. Consequently, actual future results may vary materially from those implied in the forward-looking statements due to such changes in economic, market and competitive conditions, changes in the regulatory environment and other government actions, fluctuations in exchange rates and other factors.

Accounting policies

This interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and the relevant provisions of the Swedish Annual Accounts Act. The report for the Parent Company has been prepared in accordance with chapter 9 of the Swedish Annual Accounts Act, Interim Reports. The accounting policies applied for the Group and the Parent Company are consistent with the accounting policies used in the preparation of the most recent annual report.

Financial information - Group

Statement of comprehensive income

(SEK 000s)	<u>Jan-Mar</u>		<u>full year</u>
	2024	2023	2023
Net sales	40,057	71,276	158,232
Change in inventory, finished goods	1,139	9	1,347
Other operating income	1,641	1,072	5,371
	42,837	72,357	164,950
Raw materials and consumables	-4,862	-5,259	-16,507
Personnel costs	-11,701	-14,757	-50,513
Other external costs	-7,327	-6,725	-28,836
Other operating expenses	-379	-527	-5,148
Operating profit before depreciation and amortization (EBITDA)	18,568	45,089	63,946
Depreciation, amortization and impairment of plant, property, and equipment and intangible assets	-2,735	-1,690	-9,722
Operating profit (EBIT)	15,833	43,399	54,224
Net financial items	132	338	626
Profit before tax	15,965	43,737	54,850
Income tax	-3,223	-173	6,650
Profit for the period	12,742	43,564	61,500
Items that may be reclassified subsequently to profit or loss			
Translation of foreign subsidiary	1,608	779	3,658
Comprehensive income for the period*	14,350	44,343	65,158

* The entire profit is attributable to Parent Company shareholders

	<u>Jan-Mar</u>		<u>full year</u>
	2024	2023	2023
Earnings per share (SEK)*	0.19	0.67	0.94
Comprehensive income per share (SEK)*	0.22	0.68	1.00
Number of shares			
Weighted average for the period	65,465,714	65,465,714	65,465,714
Number of shares at start of period	65,465,714	65,465,714	65,465,714
Number of shares at end of period	65,465,714	65,465,714	65,465,714
Share price at end of period, SEK	33.40	66.30	52.00

* Based on weighted average of the number of outstanding shares (basic and diluted)

Condensed Balance Sheet

(SEK 000s)	Mar. 31 2024	Mar. 31 2023	Dec. 31 2023
Assets			
<i>Noncurrent assets</i>			
Intangible assets	18,338	17,227	17,394
Property, plant and equipment	93,578	15,982	95,255
Financial assets	91	88	86
Deferred tax assets	13,340	10,073	17,082
<i>Current assets</i>			
Current assets	41,160	37,601	35,779
Cash and cash equivalents	136,793	115,397	123,261
Total assets	303,300	196,368	288,857
Equity and liabilities			
Equity	205,160	169,995	190,810
Deferred tax	2,055	2,324	2,014
Noncurrent liabilities	75,080	4,366	74,808
Current liabilities	21,005	19,683	21,225
Total equity and liabilities	303,300	196,368	288,857

Changes in equity

(SEK 000s)	Mar. 31 2024	Mar. 31 2023	Dec. 31 2023
Opening balance	190,810	125,652	125,652
Other comprehensive income for the year	1,608	779	3,658
Profit for the period	12,742	43,564	61,500
Amount at end of period	205,160	169,995	190,810
Attributable to shareholders in Genovis AB	205,160	169,995	190,810

Key financial indicators	Mar. 31 2024	Mar. 31 2023	Dec. 31 2023
Equity/assets ratio (%)	68	87	66
Equity per share at end of period* (SEK)	3.13	2.60	2.91

Condensed Statement of Cash Flows

(SEK 000s)	Jan-Mar		full year
	2024	2023	2023
Operating profit for the period	15,833	43,399	54,224
Adjustment for items not affecting cash flow	2,736	1,486	9,518
Changes in working capital	-611	1,132	3,384
Net financial items	132	338	626
Cash flow from operating activities	18,090	46,355	67,752
Investing activities	-1,094	-1,753	-12,808
Cash flow after investing activities	16,996	44,602	54,944
Financing activities	-3,464	-2,035	-4,513
Cash flow for the period	13,532	42,567	50,431
Cash and cash equivalents at start of period	123,261	72,830	72,830
Cash and cash equivalents at end of period	136,793	115,397	123,261

Financial information – Parent Company

Condensed Income Statement

(SEK 000s)	<u>Jan-Mar</u>		<u>full year</u>
	2024	2023	2023
Operating income incl. change in inventory, finished goods	35,698	62,589	130,691
Operating expenses	-18,258	-19,147	-73,919
Operating profit	17,440	43,442	56,772
Net financial items	2,974	430	3,002
Profit before tax	20,414	43,872	59,774
Income tax	-4,212	0	6,299
Profit for the period	16,202	43,872	66,073

Condensed Balance Sheet

(SEK 000s)	Mar. 31	Mar. 31	Dec. 31
	2024	2023	2023
Assets			
Noncurrent assets	69,092	60,547	67,280
Deferred tax assets	3,805	1,718	8,017
Current assets	38,794	31,799	32,887
Cash and cash equivalents	132,489	111,356	119,145
Total assets	244,180	205,420	227,329
Equity and liabilities			
Restricted equity	16,366	16,366	16,366
Unrestricted equity	212,799	174,396	196,597
Liabilities			
Current liabilities	15,015	14,658	14,366
Total equity and liabilities	244,180	205,420	227,329

Changes in equity

(SEK 000s)	Mar. 31	Mar. 31	Dec. 31
	2024	2023	2023
Opening balance	212,963	146,890	146,890
Profit for the period	16,202	43,872	66,073
Amount at end of period	229,165	190,762	212,963
Attributable to shareholders in Genovis AB	229,165	190,762	212,963

Condensed Statement of Cash Flows

(SEK 000s)	<u>Jan-Mar</u>		<u>full year</u>
	2024	2023	2023
Operating profit for the period	17,440	43,442	56,772
Adjustment for items not affecting cash flow	787	255	2,022
Changes in working capital	-5,257	-75	263
Net financial items	1,441	635	3,973
Cash flow from operating activities	14,411	44,257	63,030
Investing activities	-1,067	-1,753	-12,737
Cash flow after investing activities	13,344	42,504	50,293
Financing activities	0	0	0
Cash flow for the period	13,344	42,504	50,293
Cash and cash equivalents at start of period	119,145	68,852	68,852
Cash and cash equivalents at end of period	132,489	111,356	119,145

Statement by the Board of Directors and Chief Executive Officer

The Board of Directors and the Chief Executive Officer certify that this interim report provides a true and fair overview of the development of the Parent Company's and the Group's business activities, financial position and results of operations as well as the significant risks and uncertainties to which the Parent Company and the companies included in the Group are exposed.

Kävlinge May 15, 2024
Genovis AB (publ.)

On behalf of the Board of Directors Fredrik Olsson
Chief Executive Officer

For more information

Additional information about the Company is available on its website: genovis.com
For questions about this report, please contact: Fredrik Olsson, CEO, and President,
Tel.: +46 (0)702-276 46 56. E: fredrik.olsson@genovis.com

This information is information that Genovis AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on May 15, 2024.

This is a translation of the Swedish original. In the event of any discrepancy between this translation and the Swedish original, the Swedish version shall prevail.

