



Q3 2021



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Highlights

Highlights Q3 2021

Business is returning to normal. AZT is back on the road

Quarterly non-coronavirus-related sale
89% contribution

2nd best quarter for non-coronavirus related sales
22.7 MNOK

Best quarterly sales performance for Therapeutics
12.6 MNOK

Advance prototypes released for customer testing
4 new enzymes

Executing on strategic growth initiatives
Intensifying M&A process



Business Update

Business Updates

Commercial Segment Sales



Therapeutics (Biomanufacturing)

- ✓ Highest quarterly sales performance 12.6 MNOK
- ✓ 49% contribution to total Q3 sales
- ✓ Customer activities mostly returned to normal
- ✓ Majority of revenue are achieved through CDMOs
- ✓ Business to large pharma companies is direct and indirect. Serving 7+ large pharma companies
- ✓ Transition segment name to Biomanufacturing



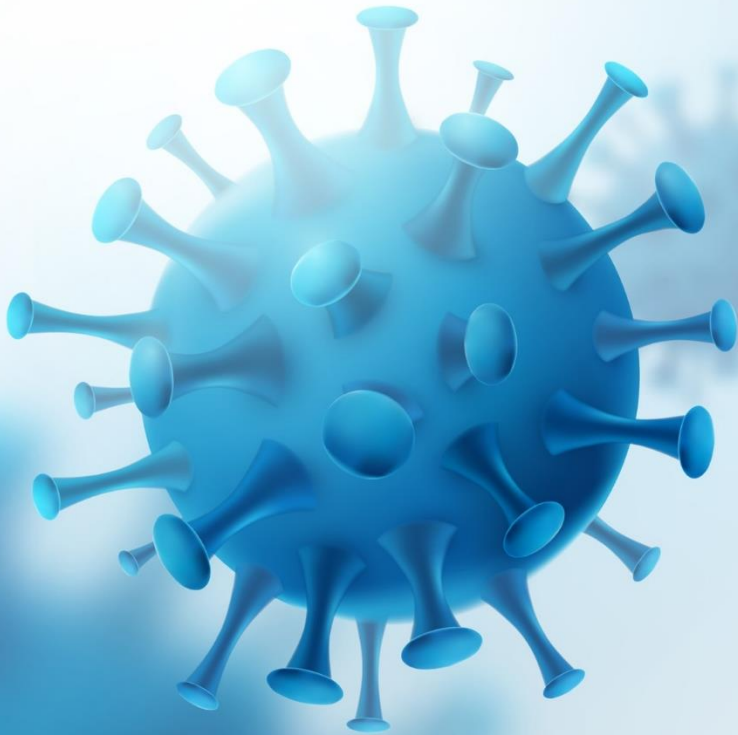
Research & Diagnostics

- ✓ Research and Diagnostics contribution to Q3 sales were 24% and 27%, respectively
- ✓ Third consecutive quarter research sales re-established to normal level
- ✓ Diagnostic sales impacted by lower demand for Cod UNG for coronavirus testing
- ✓ Customer engagement has shifted away from coronavirus and back to normal activities

Business Updates

Coronavirus-related sales

- ◆ 11% contribution of total Q3 sales
- ◆ Decline in coronavirus-related sales is directly linked to fall in demand for coronavirus testing
- ◆ Expect recurring business to continue but with progressively smaller orders
- ◆ Still attracting new opportunities - multiplex testing
- ◆ Vaccine related sales are expected to increase but they will take time before having a noticeable impact to revenues



Business Update

Innovations

- Four advanced prototype enzymes available to customers prior to launch in Q4 2021/Q1 2022
 - Dual Splint Ligase
 - Heat-tolerant Duplex-Specific Nuclease (new DNase)
 - High quality MMLV Reverse Transcriptase
 - High Concentration IsoPol™ BST+ DNA polymerase
- M-SAN ELISA pilot production successful. Launching in Q4
- Taq DNA polymerase and novel reverse transcriptases are taking longer to optimise their manufacturing process. Expect launch first half of 2022
- SAN HQ 2.0 ELISA development initiated
- Upscaling projects for M-SAN and Proteinase are progressing

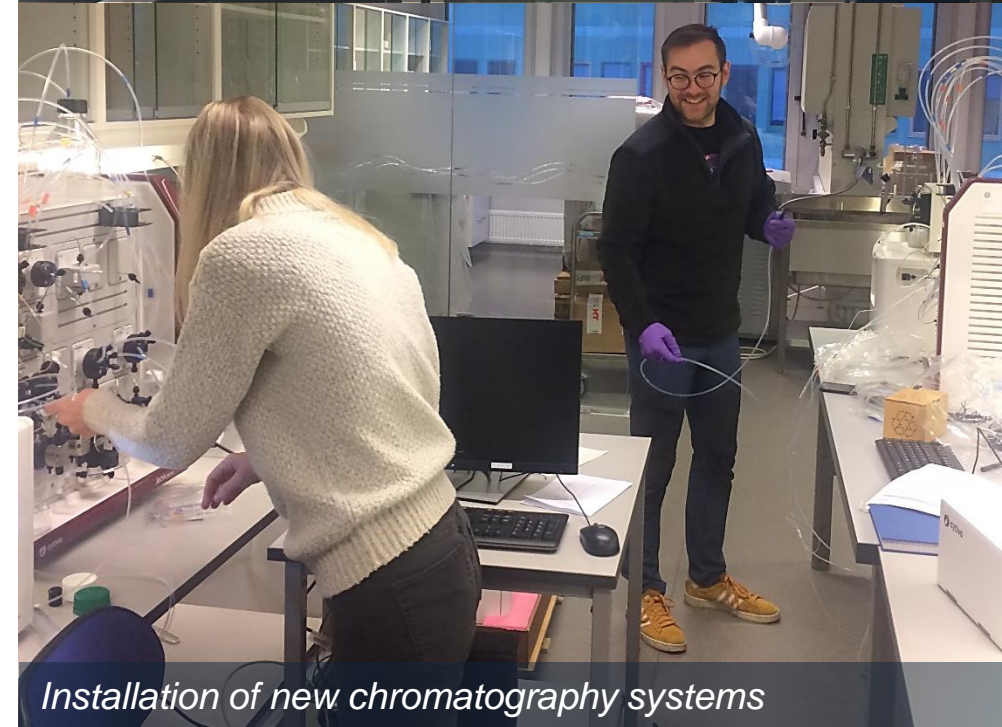
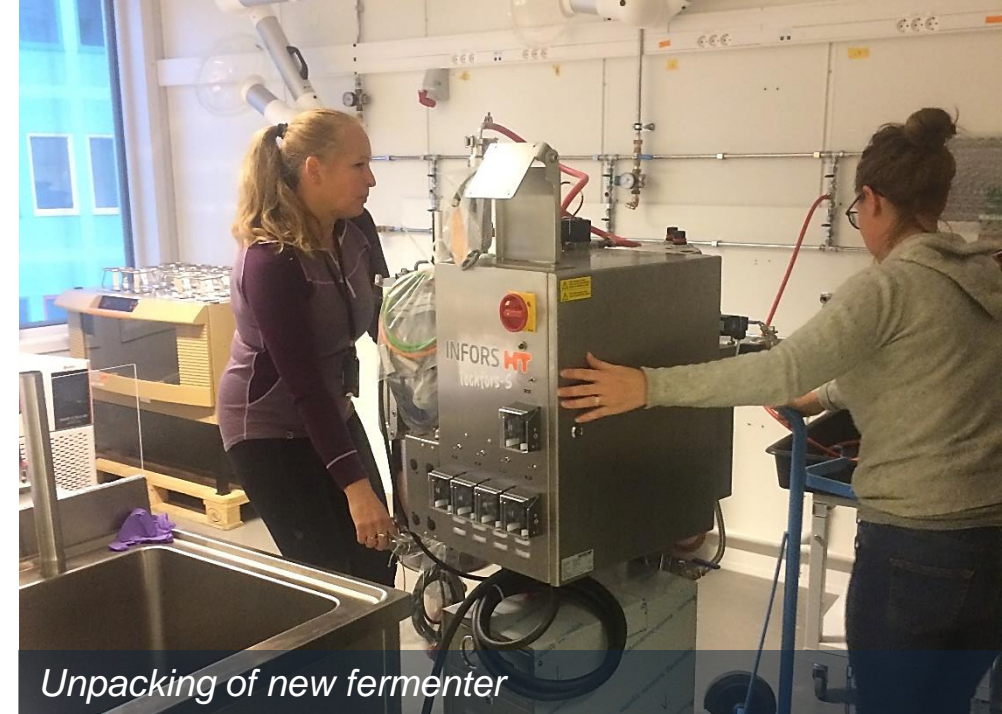


ArcticZymes scientist purifying an enzyme

Business Update

Operations

- New production facilities progressing according to plan
- Infrastructure changes completed
- Equipment is being unpacked, undergoing qualification and verification in accordance with ISO13485 requirements and cGMP guidelines
- Expect relocation to new facilities to be accomplished and fully operational by end of 2021





Business Updates

Strategic Growth Initiatives

- AZT is committed to execute on its strategic growth initiatives
- Organic growth
 - Establishing a laboratory in Oslo focusing on applications development
 - Rationale: Oslo has a talent pool of commercially experienced application scientists
 - Expect to be operational within Q2 2022
- Inorganic growth
 - Intensified activities towards acquisitions
 - Re-established discussions with several earlier acquisition targets
 - Expanded search to identify new acquisitions targets
 - Engaged a specialised consultancy to support search



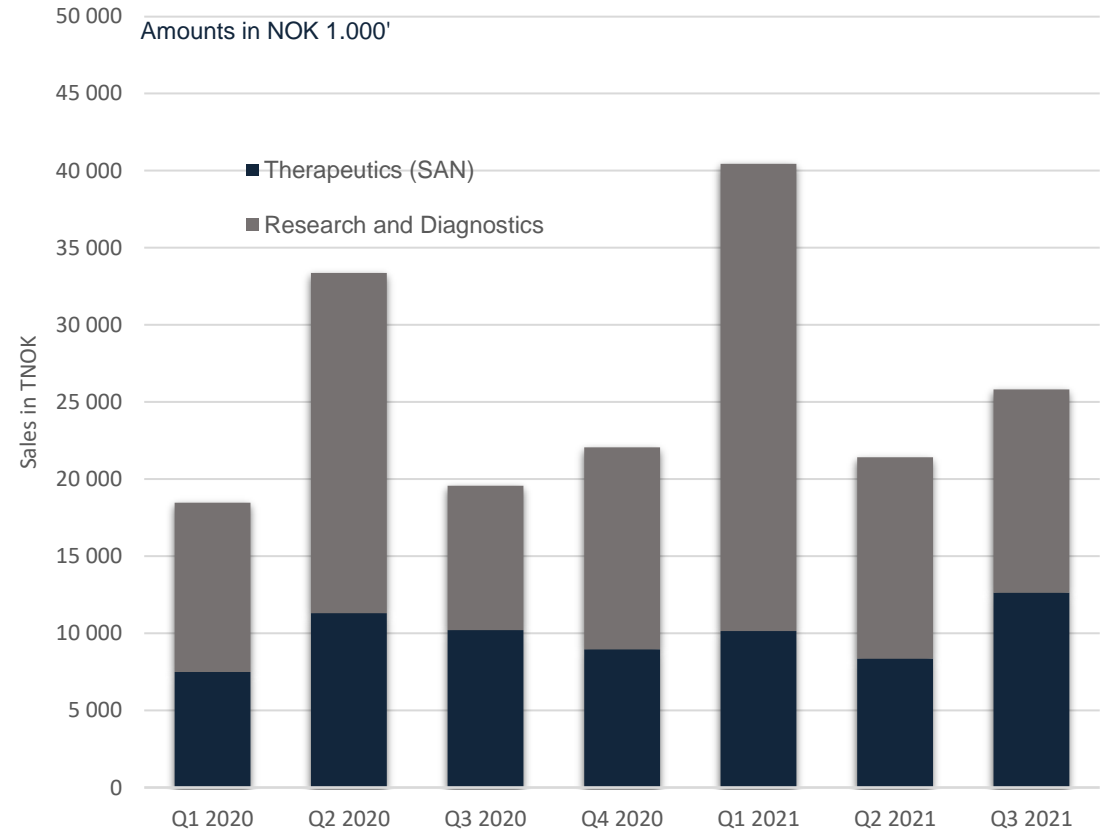
Financials

ArcticZymes Sales Q3 2021

Therapeutics picking up speed

- Sales increase of 31% compared to same quarter last year
- Currency had negative impact on underlying sales growth
- Therapeutics segment (SAN):
 - 12.6 MNOK (10.2)
 - Increase of 24% (2.4 MNOK)
 - Higher than previous quarters
- Research & Diagnostics:
 - 13.2 MNOK (9.4 MNOK)
 - Increase of 41% (3.8 MNOK)
 - Underlying business drives the quarter

Sales per segment

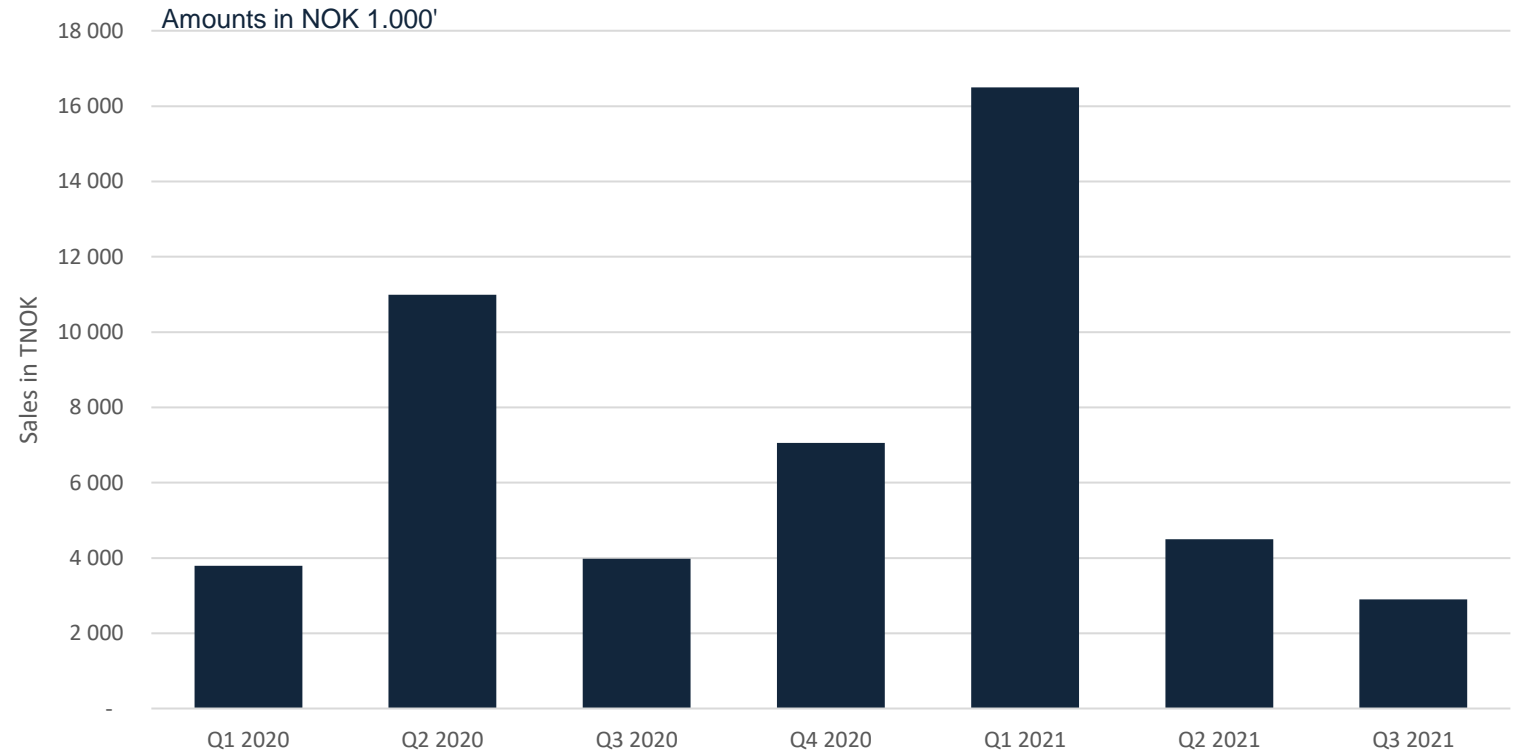


ArcticZymes Sales Q3 2021

Covid-19 impact continues to slow down

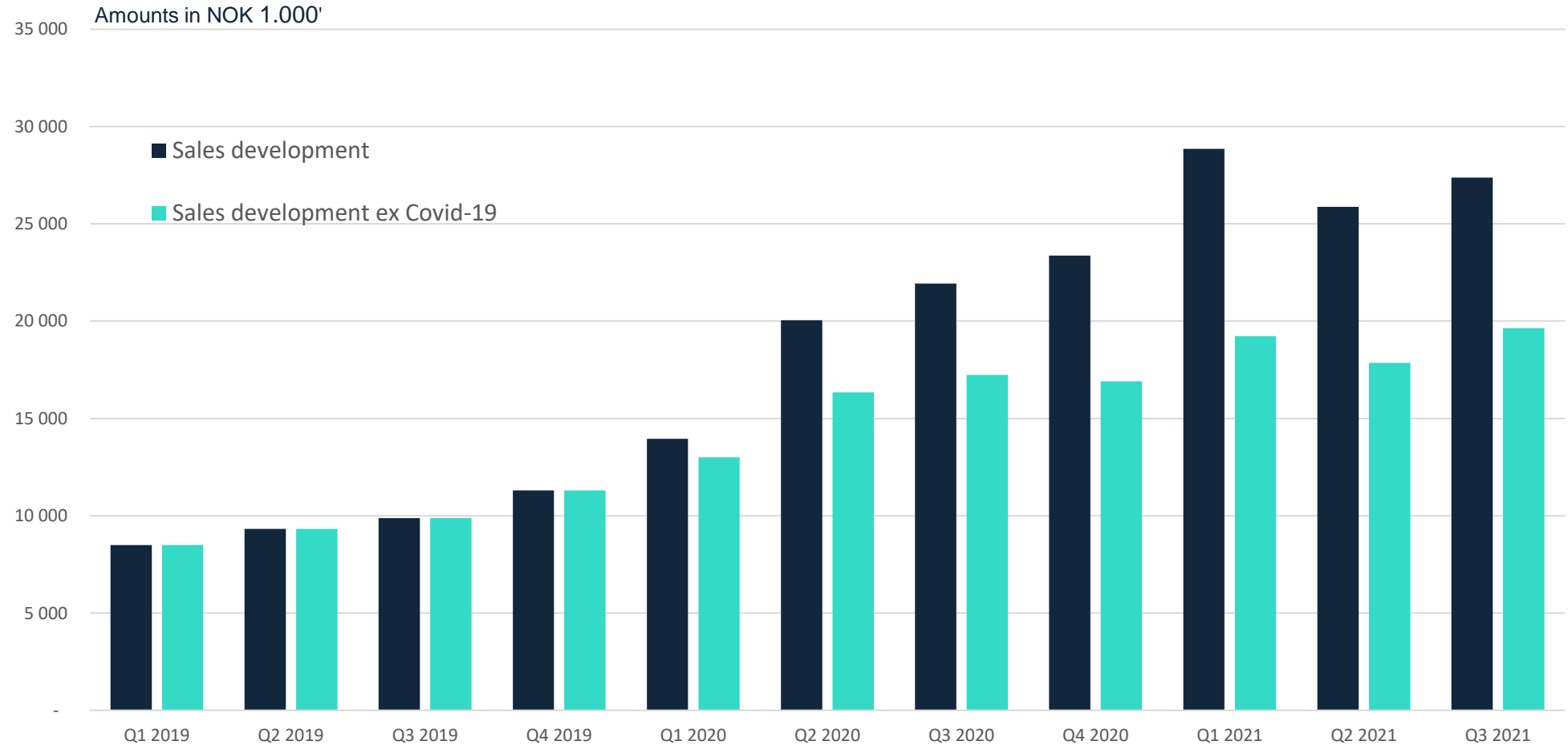


Estimated Coronavirus related sales



12 Month rolling average quarterly sales

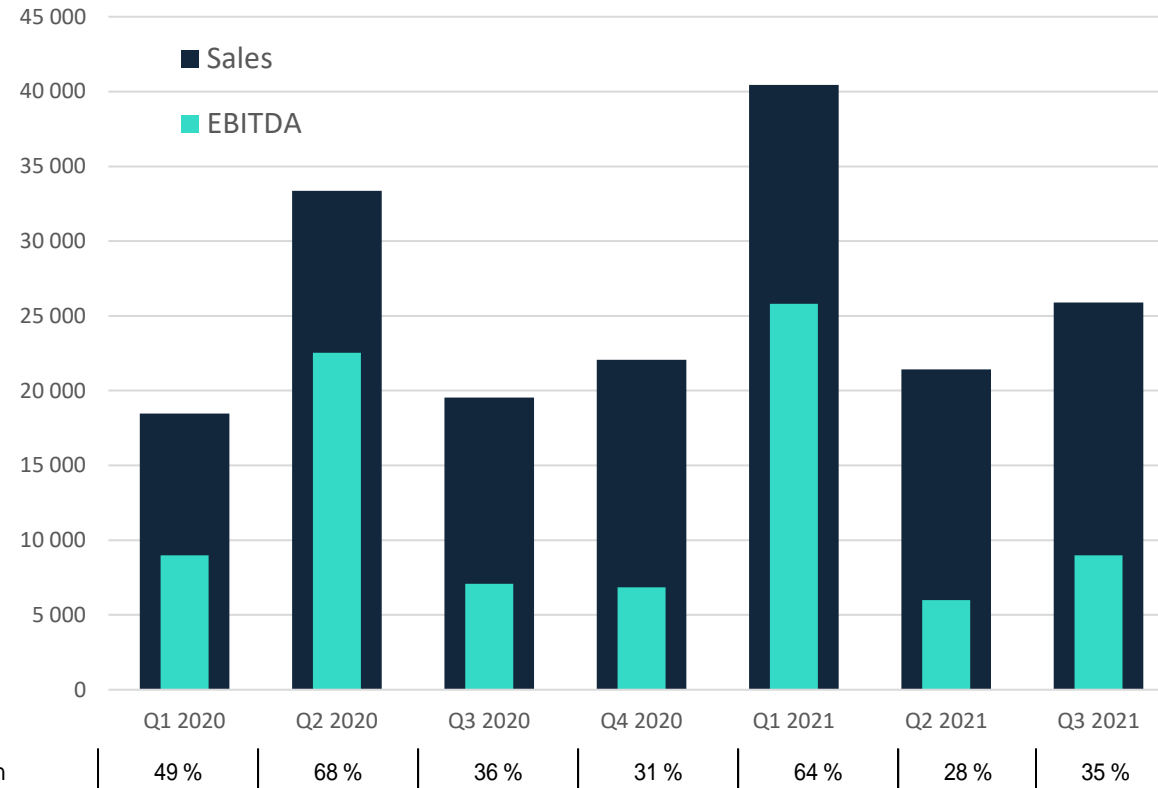
Trend is positive for Q3 2021



Profitability and expenses

Investments in organic growth influences our figures

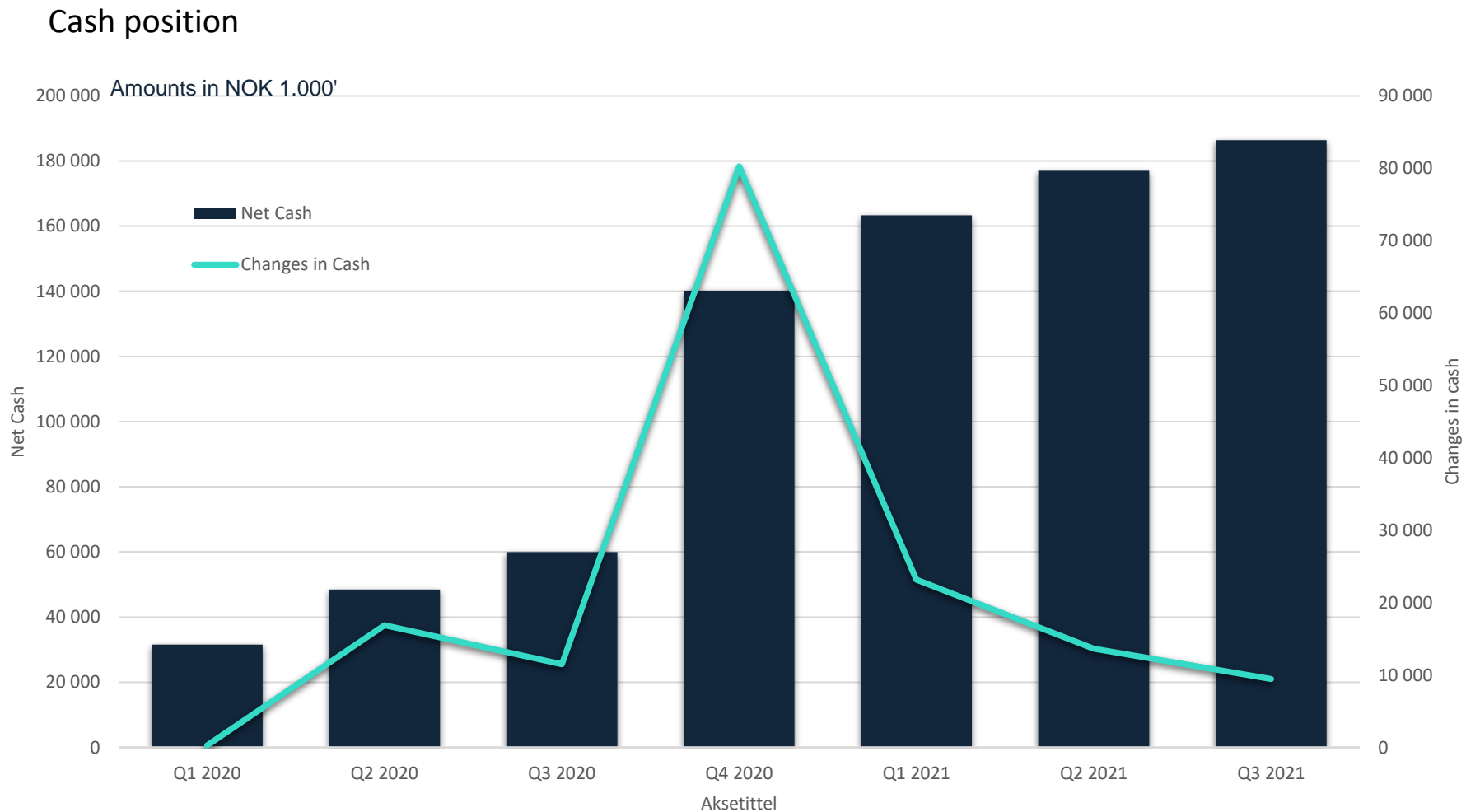
Amounts in NOK 1.000'



- 31% increase in sales (MNOK 25.6 vs 19.5)
- EBITDA increased by 1.9 MNOK (MNOK 9.0 vs 7.1)
- Expenses increased by 3.3 MNOK
 - Increase in personnel as we invest in organic growth
 - Increased commercial activities and conference attendance
 - 0.5 MNOK in employer national insurance contribution

Cash Flow

9 MNOK invested in new premises



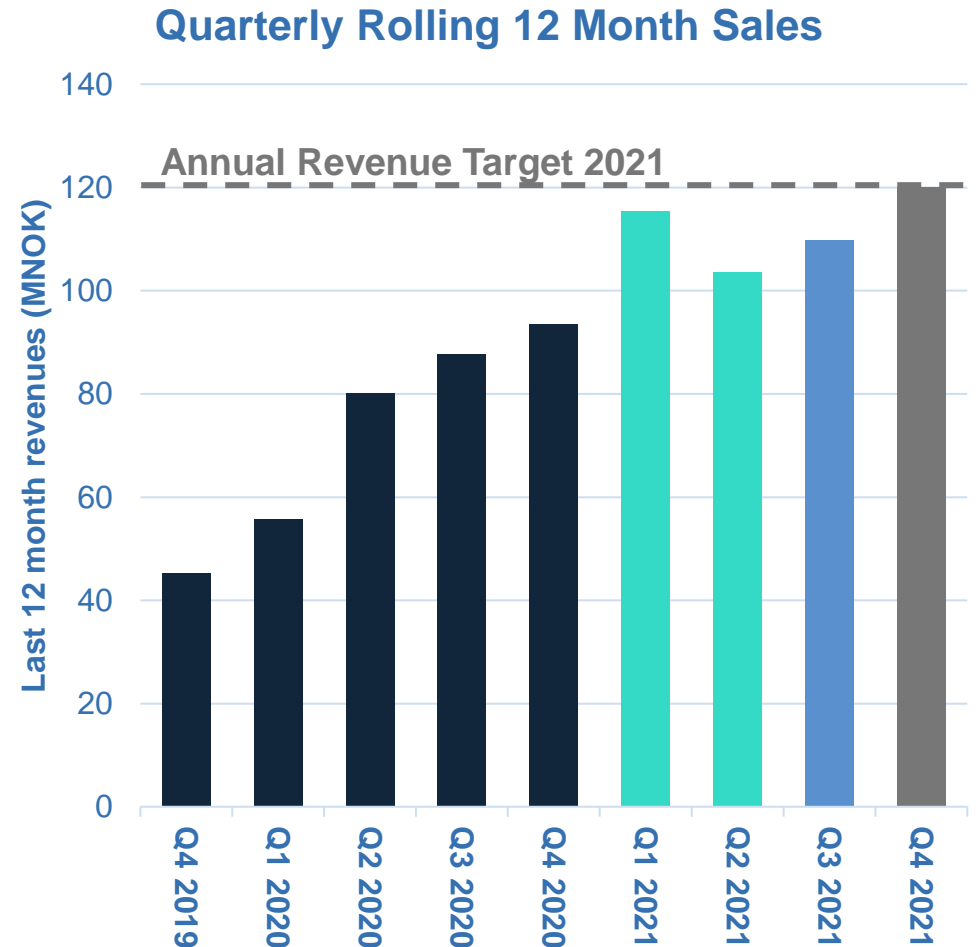


Outlook

Outlook 2021

Financial guidance

- Last quarter - provided guidance with an annual sales revenue target of 120 MNOK in 2021
 - AZT upholds this guidance
- Longer-term growth is expected due to:
 - Momentum mostly in the non-coronavirus-related business
 - Supported by a growing product portfolio and expanding customer base
- Future guidance will be provided for financial expectations for 2022 and longer-term during the beginning of next year





Thank you

Q&A Session

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