

Genetic Analysis AS: Interim report January – September 2024

OSLO, NORWAY – 15 November 2024: Microbiome DX company Genetic Analysis AS (“GA” or “the Company”) hereby publishes the third quarter and the first nine months of 2024. The interim report is available as an attached file to this release and on the Company's website. Below is a summary of the report.

Ronny Hermansen, CEO of Genetic Analysis, comments:

“I am pleased to announce that, although sales are usually slower during the summer, GA has been very productive in several areas to improve our product offering and complete important cost efficiency implementations. Our team has been making great leaps, and I am delighted to share our progress. Sales of our core GA-map® products continues to increase and achieved 32% growth in GA-map® kit sales YTD September, compared to the same period last year. We have during the quarter continued to work on new customer leads to establish new system installations. In Q3, we welcomed two European labs with new system installations, and such installations are core to generating recurring reagent kit sales and represent future key accounts. Furthermore, a solid install base of GA-map® systems facilitates strategic partner discussions with diagnostic and pharma companies that would like to collaborate in the launch of new microbiome tests. I am proud to say that GA is the only player in the market that can offer these partners a global reach of microbiome lab testing installations.”

Important insights

- Sales of our core GA-map® kit products continue to increase and achieved 32% growth Year To Date (YTD) September, compared to the same period last year.
- During Q3 GA has achieved efficiencies from the completion of an improvement project in manufacturing, resulting in significant cost savings and increased production capacity.
- In Q3 GA launched a new product, GA-map® Discovery, tailored for the research market. This product enables laboratories globally to perform microbiome analysis on their Luminex xMAP instruments.
- The GA-map® IBD Dx project continued according to plan in Q3; patient recruitment is completed, including collection of baseline samples and clinical information, and the bioinformatic work is ongoing.

Q3 2024 (01.07.2024 – 30.09.2024)

- Operating income amounted to NOK 3,6 million (4,7)
- Sales amounted to NOK 2,0 million (2,6)
- Net profit/loss amounted to NOK –3,2 million (-4,3)
- Total assets amounted to NOK 41,6 million (42,9)
- Equity ratio amounted to 56% (64%)
- Earnings per share amounted to NOK -0,07 (-0,17)

Q1-Q3 2024 (01.01.2024 – 30.09.2024)

- Operating income amounted to NOK 13,3 million (16,8)
- Sales amounted to NOK 9,7 million (10,3)
- Net profit/loss amounted to NOK –13,8 million (-17,1)
- Total assets amounted to NOK 41,6 million (42,9)
- Equity ratio amounted to 56% (64%)
- Earnings per share amounted to NOK –0,32 (-0,69)

Financial Highlights during Q3 2024

- Total operating income ended at NOK 3,6 million in Q3 2024 (NOK 4,7 million). Net loss was NOK – 3,2 million compared to NOK –4,3 million in the corresponding quarter of 2023.
- Sales revenues for the quarter reached NOK 2,0 million (NOK 2,6 million) in Q3 2024. Sales were affected by holiday months and inventory adjustments at partners.
- Sales revenues Year To Date (YTD) September of our core business GA-map® reagent kits reached NOK 8,8 million and achieved growth of 32% compared to the first nine months of 2023 (NOK 6,7 million). We especially see the results of our expansion into new labs in Europe.
- Gross margin increased to 78,7% YTD September compared to 72,7% for the same period last year. This is due to an improved product mix and cost savings from our manufacturing improvement program.
- Operating costs reduced with 26% to NOK 6,7 million in Q3-24; YTD September decreased operating costs by 21% to NOK 26,6 million. This is a result of less R&D spending and a general reduction in the cost level.

Significant events during Q3 2024

- On July 1, GA successfully placed a directed issue, allocating 6.625.916 new shares at NOK 0,75 per share. This was followed by a board and management issue on the 17 July allocating additionally 600.000 shares at NOK 0,75 per share. The two issues raised NOK 5,42 million before transaction costs.
- On July 3, GA's CEO Ronny Hermansen bought 45.500 GEAN shares, through the fully owned company InVitroDia AS, at an average price of NOK 1,09. After this transaction, Ronny Hermansen including the controlled company owns 840.200 shares and 516.668 options.
- On July 17, GA held an Extraordinary General Meeting to approve the direct issue towards board and management subscribers. The resolutions with summarised decisions are available on the Company's website.
- On July 12, 6.625.916 new shares were registered in the Norwegian Register of Business Enterprises increasing the total number of shares to 48.783.271.
- On August 8, another 600.000 new shares were registered in the Norwegian Register of Business Enterprises increasing the total number of shares to 49.383.271.
- On August 8, GA announced that its partner Prokarimi had launched a DTC (Direct-To-Consumer) platform for Gut Microbiome testing in Norway.
- On August 15, GA announced that it had launched a new product, GA-map® Discovery, a tailor-made product for the research market, enabling laboratories globally to perform microbiome analysis on their Luminex instruments.

Press release

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Significant events after the end of the period

- No significant events to report after the end of the period.

For further information, please contact:

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About Genetic Analysis:

Genetic Analysis AS (GA) is a science-based diagnostic company and pioneer in the human microbiome field with more than 15 years of expertise in research and product development. The unique GA-map® platform is based on a pre-determined multiplex targets approach specialized for simultaneous analysis of a large number of bacteria in one reaction. The test results are generated by utilizing the clinically validated cutting edge GA-map® software algorithm. This enables immediate results without the need for further bioinformatics work. GA's vision is to become the leading company for standardized gut microbiota testing worldwide, and GA is committed to help unlocking and restoring the human microbiome through its state-of-the-art technology. GA employs a team of highly qualified employees with scientific backgrounds and competence in sales, operations, bioinformatics, molecular biology, and bioengineering.

For more general information: www.genetic-analysis.com

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