



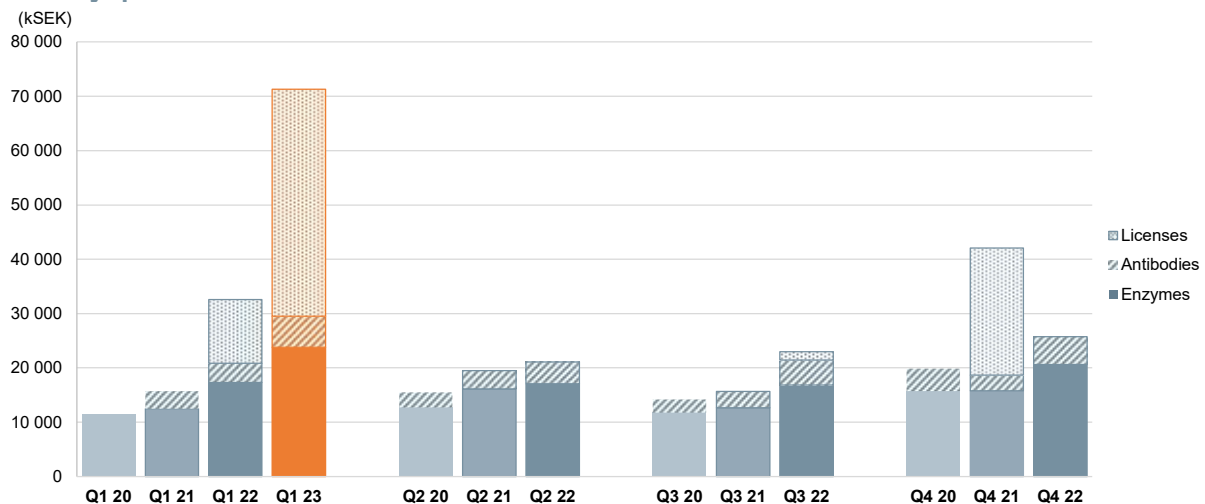
## Record earnings and strong growth in all areas of the business

### January – March 2023

- **Net sales** totaled SEK 71,276 (32,574) thousand, with a growth rate of 119%. Growth is 107%, adjusted for currency effects. Net sales include USD 4 million in license revenues from Selecta Biosciences. Organic growth adjusted for license revenues from Selecta Biosciences is 41%, and 30% when also adjusted for currency effects.
- **Gross profit** totaled SEK 67,098 (29,419) thousand.
- **Operating profit before depreciation and amortization (EBITDA)** totaled SEK 45,089 (11,717) thousand.
- **Operating profit (EBIT)** totaled SEK 43,399 (10,105) thousand. Adjusted for income and expenses related to the license to Selecta Biosciences, EBIT is SEK 4.5 million.
- **Profit for the period** totaled SEK 43,564 (12,317) thousand.
- **Earnings per share\*** totaled SEK 0.67 (0.19).
- **Comprehensive income for the period** totaled SEK 44,343 (13,083) thousand.
- **Cash flow from operating activities** was SEK 46,355 (-1,622) thousand.
- **Cash and cash equivalents** at the end of the period totaled SEK 115,397 (78,119) thousand.

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

### Sales by quarter 2020 – 2023



## Events after the end of the period

### Acquisition of patent rights to new enzyme in genomics

On April 25, 2023, Genovis acquired the patent rights to a unique DNA polymerase developed by researchers at Uppsala University. The enzyme has potential applications in research, diagnostics and forensics. The acquisition of the rights gives Genovis the exclusive right to develop and commercialize products based on the DNA polymerase. With the acquisition of the IP rights, Genovis will expand its customer offering to include enzymes in genomics. In preparation for commercialization of the enzyme, Genovis will initiate collaborations with partners as part of the continued product development.

### Collaboration agreement between Genovis and ArcticZymes Technologies

Genovis and ArcticZymes Technologies signed a collaboration agreement on May 3<sup>rd</sup>, 2023, to accelerate growth in the Chinese market. The collaboration is intended to generate several synergies that will allow both companies to tap into the projected growth potential in China for their respective market segments. The focus of the collaboration will be on sharing business development resources and engaging in joint marketing activities. The joint effort will enable both companies to have a direct presence on the Chinese market with local resources.

## Comments from Fredrik Olsson, Chief Executive Officer

We started the first quarter of the year with record-breaking sales, making it our single best quarter ever. Revenue increased by 119%, driven by gene therapy license revenue, and at the same time we delivered our best quarter ever for the core business.

Growth in our core business was 41%, where enzymes in analytics grew by 38% and the antibody business by 60%, which is the single best quarter for each segment respectively to date. We mainly saw strong development in both the US and Europe, while Asia was slightly weaker due to sluggish customer activity in China. In general, we see continued robust activity in our business.



During the quarter, we launched a further developed product based on our GlySERIAS enzyme, which continued to show solid sales growth at the beginning of the year. Our product development continues to have good momentum with additional product launches planned during the year. Our collaboration with Selecta Biosciences in gene therapy is following the established development plan and preclinical data will be presented at ASCGT in May. Our sales and marketing team continued to create good activity in our markets, aided by strong support from development and production, as well as application and support.

In April, we acquired the patent rights to a new enzyme for analyzing DNA. This is our first enzyme in genomics with applications in research, diagnostics and forensics. During the year, we will work on developing applications with the enzyme together with partners for future commercialization.

To further strengthen our local presence and commercial capability in China, we have initiated a collaboration with ArcticZymes Technologies. Both companies have unique enzymes with high customer value for the global Life Science industry and together they open up opportunities for a stronger commercial organization and development in the Chinese market.

In the second half of the year, we will move the business to new, specially designed premises that offer improved opportunities for continued growth and scaling up of the business. At the beginning of the year, we started investing in equipment and furnishings, which will continue in the second quarter with the move planned for the third quarter.

I am of course extremely pleased with our performance at the beginning of the year. It is particularly satisfying that all parts of the core business show strong growth and that we have maintained a good gross margin despite increased raw material costs. Much of the increase in the total cost base compared with the previous year is linked to the licensing deal with Astellas, with respect to both incentives and royalty to inventors.

With an outstanding performance, a strong start to the year and good customer activity, I look forward to Genovis' continued growth journey. I would like to thank my colleagues at Genovis who work hard every day to find the optimal solution to the challenges that our customers face.

## Genovis Group in brief

*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 22 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. More and more 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.

### The Group's financial performance in summary

	<u>Jan-Mar</u>		<u>full year</u>
(SEK 000s)	2023	2022	2022
Net sales	71,276	32,574	102,387
Gross profit	67,098	29,419	97,080
Operating profit (EBIT)	43,399	10,105	8,277
Profit for the period	43,564	12,317	11,191
Earnings per share* (SEK)	0.67	0.19	0.17
Comprehensive income for the period	44,343	13,083	12,618
Cash flow from operating activities	46,355	-1,622	-928
Cash and cash equivalents at end of period	115,397	78,119	72,830

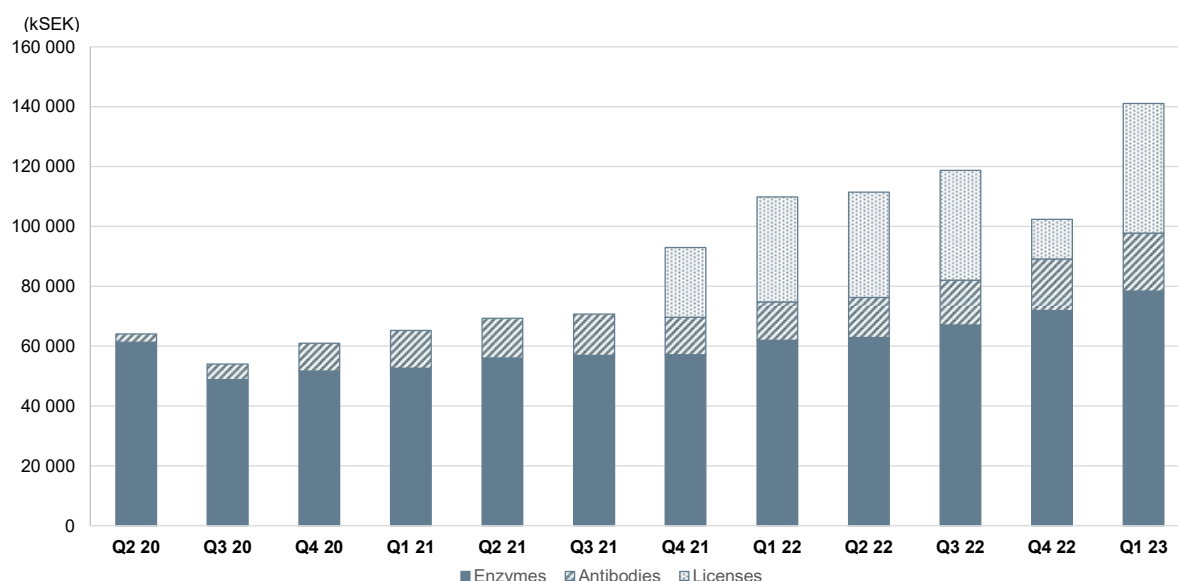
\*Earnings per share are calculated by dividing profit by the weighted average number of shares during the year. There is no dilution effect.

## Financial overview

### Revenue

Consolidated net sales for the first quarter totaled SEK 71,276 (32,574) thousand, an increase in sales of 119%. Growth is 107%, adjusted for currency effects. Net sales includes USD 4 million in revenue from Selecta Biosciences for sublicensing of the Xork enzyme to Astellas Pharma for development with AT845, a gene therapy product, for the treatment of Pompe disease. Organic growth adjusted for license revenues in the first quarter 2023 and 2022 from Selecta Biosciences is 41%, and 30% when also adjusted for currency effects. The change in inventory, finished goods, was SEK 9 (-1,207) thousand and other operating income totaled SEK 1,072 (1,387) thousand. Other operating income mainly relates to foreign exchange gains.

### Sales revenue, 12-month rolling (2020 – 2023)



### Expenses

Consolidated expenses for the first quarter totaled SEK 28,958 (22,649) thousand. Expenses are allocated as follows: raw materials and consumables SEK 5,259 (3,335) thousand, personnel costs SEK 14,757 (9,774) thousand, other external expenses SEK 6,725 (7,023) thousand and other operating expenses 527 (905) thousand. Raw materials and consumables also include royalty costs, which increased as a result of the license revenue from Selecta Biosciences. Personnel costs also increased as a result of the license revenue, since the increase is largely attributable to the incentive linked to the license revenue. Expansion of the sales organization and annual salary increases also contribute to the increase in personnel costs. Other operating expenses relate to foreign exchange losses. Depreciation and amortization for the quarter amounted to SEK 1,690 (1,612) thousand.

### Operating profit before depreciation and amortization (EBITDA)

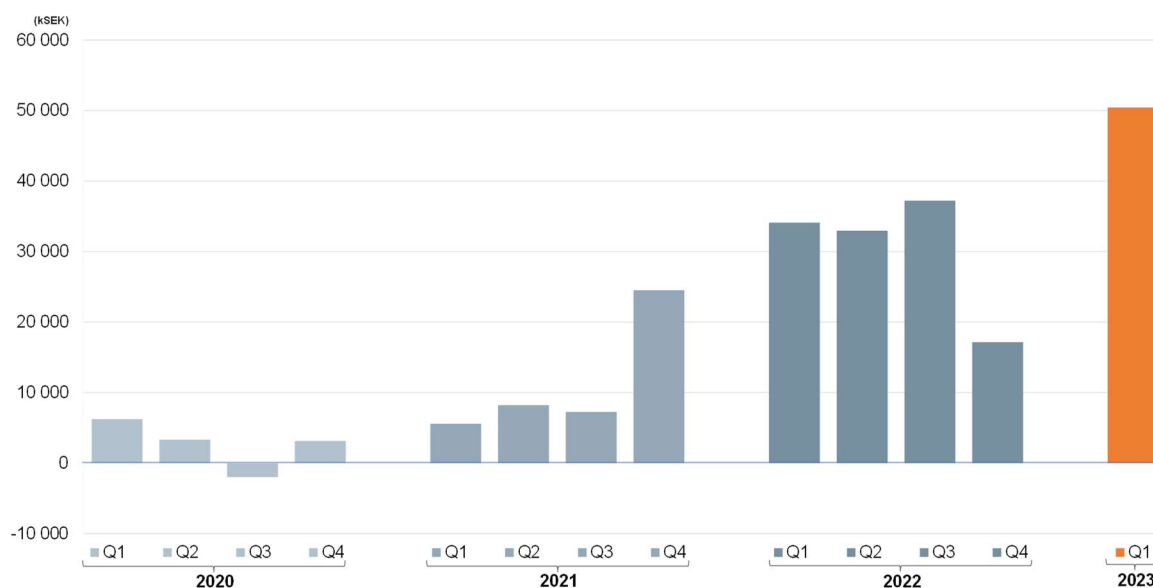
For the first quarter, EBITDA was SEK 45,089 (11,717) thousand. Adjusted for income and expenses related to the license to Selecta Biosciences, EBITDA is SEK 6.2 million.

### Operating profit (EBIT)

For the first quarter, EBIT totaled SEK 43,399 (10,105) thousand. Adjusted for income and expenses related to the license to Selecta Biosciences, EBIT is SEK 4.5 million.

### Operating profit (EBIT) rolling 12 months

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



### Profit and comprehensive income for the period

Profit for the first quarter amounted to SEK 43,564 (12,317) thousand. Earnings per share, based on a weighted average of the number of outstanding shares, totaled SEK 0.67 (0.19). Comprehensive income for the first quarter was SEK 44,343 (13,083) thousand.

### Investments

The Group's net capital expenditure in the first quarter was SEK 1,753 (427) thousand, including SEK 1,424 (154) thousand attributable to property, plant, and equipment (mainly equipment for the expansion to new premises in 2023). SEK 329 (273) thousand is attributable to investments in intangible assets.

### Cash flow and financial position

Total shareholders' equity for the Group was SEK 169,995 (127,077) 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 2.60 (1.94). The Group's equity ratio at the end of the period was 87% (86).

Consolidated cash flow for the first quarter was SEK 42,567 (-3,196) thousand. Cash flow from financing activities totaled SEK -2,035 (-1,147) thousand.

Consolidated cash and cash equivalents at the end of the period amounted to SEK 115,397 (78,119) 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 4 years	4,366 (5,514)
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**Current lease liabilities**

Maturity within 1 year	2,036 (966)
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**Taxes**

The Group has a deferred tax asset of SEK 10,073 (9,058) thousand, of which SEK 1,718 (1,718) arises from the Parent Company, and the remainder relates to deferred tax on intra-group profit on inventories and right-of-use assets of SEK 8,355 (7,340) thousand. 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 2,324 (2,372) thousand and is attributable to deferred tax on surplus values from the acquisition of QED Inc. in 2020.

**Employees**

On March 31, 2023, the Group employed 37 (36) people. In all, 28 (27) people are employed by the Parent Company in Lund and 9 (7) 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**

Erik Penser Bank, +46 (0)8 463 83 00, [certifiedadviser@penser.se](mailto:certifiedadviser@penser.se).

**Parent Company**

Net sales and operating profit/loss 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 62,589 (30,667) thousand, including SEK 61,511 (30,241) thousand attributable to sales, SEK 7 (-961) thousand relating to a change in inventory, finished goods, and SEK 1,071 (1,387) thousand in other operating income. Other revenue mainly relates to foreign exchange gains. Revenue from sales includes USD 4 million from Selecta Biosciences for sublicensing of the Xork enzyme to Astellas Pharma.

**Expenses**

The Parent Company's expenses for the first quarter totaled SEK 19,147 (15,336) thousand.

**Profit**

The profit for the first quarter was SEK 43,872 (15,329) thousand.

**Investments**

Net capital expenditure in the first quarter was SEK 1,753 (358) thousand, including SEK 1,424 (85) thousand attributable to property, plant, and equipment (mainly equipment for the expansion to new premises in 2023). SEK 329 (273) thousand is attributable to investments in intangible assets.

**Taxes**

The Parent Company has a deferred tax asset and at the end of the period it amounted to SEK 1,718 (1,718) thousand, corresponding to a loss carryforward of SEK 8,340 thousand. 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 55 (101) million.

**Subsidiary Genovis Inc.**

The subsidiary Genovis Inc. handles 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

### Related party transactions

Genovis' board member and principal owner Mikael Lönn, who holds a 15.26% stake in Genovis, owns 12.24% 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. Genovis has paid service and membership fees totaling SEK 51 thousand to SwedenBIO for the first quarter. 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 2023. 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 ability are good and the beginning of the second quarter shows robust customer activity and continued growth.

### 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 63 in Genovis' 2022 Annual Report.

### Auditor's review

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

### 2023 Annual General Meeting

The Annual General Meeting will be held at 5 p.m. on Tuesday, May 16, 2023, at Scheelevägen 2, Lund.

### Financial calendar

Half-Yearly Report January 1 – June 30, 2023	August 24, 2023
Interim report January 1 – September 30, 2023	November 15, 2023
Year-end Report January 1 – December 31, 2023	February 15, 2024

### 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.: 046-10 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>
	2023	2022	2022
Net sales	71,276	32,574	102,387
Change in inventory, finished goods	9	-1,207	-1,964
Other operating income	1,072	1,387	9,711
Raw materials and consumables	-5,259	-3,335	-13,054
<b>Gross profit</b>	<b>67,098</b>	<b>29,419</b>	<b>97,080</b>
Personnel costs	-14,757	-9,774	-40,500
Other external costs	-6,725	-7,023	-27,693
Other operating expenses	-527	-905	-13,978
<b>Operating profit before depreciation and amortization (EBITDA)</b>	<b>45,089</b>	<b>11,717</b>	<b>14,909</b>
Depreciation, amortization and impairment of plant, property, and equipment and intangible assets	-1,690	-1,612	-6,632
<b>Operating profit (EBIT)</b>	<b>43,399</b>	<b>10,105</b>	<b>8,277</b>
Net financial items	338	-56	-281
<b>Profit after financial items</b>	<b>43,737</b>	<b>10,049</b>	<b>7,996</b>
Income tax	-173	2,268	3,195
<b>Profit after tax for the period</b>	<b>43,564</b>	<b>12,317</b>	<b>11,191</b>
<b>Items that may be reclassified subsequently to profit or loss</b>			
Translation of foreign subsidiary	779	766	1,427
<b>Comprehensive income for the period**</b>	<b>44,343</b>	<b>13,083</b>	<b>12,618</b>

\* The entire profit is attributable to Parent Company shareholders

	<u>Jan-Mar</u>		<u>full year</u>
	2023	2022	2022
Earnings per share (SEK)*	0.67	0.19	0.17
Comprehensive income per share (SEK)*	0.68	0.20	0.19
<b>Number of shares</b>			
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	66.30	53.90	45.95

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

## Condensed Balance Sheet

(SEK 000s)	March 31 2023	March 31 2022	Dec. 31 2022
<b>Assets</b>			
<i>Noncurrent assets</i>			
Intangible assets	17,227	16,639	17,476
Property, plant and equipment	15,982	13,055	15,812
Financial assets	88	79	89
Deferred tax assets	10,073	9,058	10,174
<i>Current assets</i>			
Current assets	37,601	30,112	34,139
Cash and cash equivalents	115,397	78,119	72,830
<b>Total assets</b>	<b>196,368</b>	<b>147,062</b>	<b>150,520</b>
<b>Equity and liabilities</b>			
Equity	169,995	127,077	125,652
Deferred tax	2,324	2,372	2,425
Noncurrent liabilities	4,366	5,514	4,438
Current liabilities	19,683	12,099	18,005
<b>Total equity and liabilities</b>	<b>196,368</b>	<b>147,062</b>	<b>150,520</b>

## Changes in equity

(SEK 000s)	March 31 2023	March 31 2022	Dec. 31 2022
Opening balance	125,652	113,994	113,994
Adjustment of previous year's result	0	0	-960*
Exchange rate difference	779	766	1,427
Profit for the period	43,564	12,317	11,191
<b>Amount at end of period</b>	<b>169,995</b>	<b>127,077</b>	<b>125,652</b>
Attributable to shareholders in Genovis AB	169,995	127,077	125,652

<b>Key financial indicators</b>	March 31 2023	March 31 2022	Dec. 31 2022
Equity/assets ratio (%)	87	86	83
Equity per share at end of period* (SEK)	2.60	1.94	1.92

\* Relates to unrealized currency effects attributable to the result for 2021.

## Condensed Statement of Cash Flows

(SEK 000s)	Jan-Mar		full year
	2023	2022	2022
<b>Operating profit for the period</b>	<b>43,399</b>	<b>10,105</b>	<b>8,277</b>
Adjustment for items not affecting cash flow	1,486	1,612	5,876
Changes in working capital	1,132	-13,283	-14,800
Net financial items	338	-56	-281
<b>Cash flow from operating activities</b>	<b>46,355</b>	<b>-1,622</b>	<b>-928</b>
Investing activities	-1,753	-427	-3,825
<b>Cash flow after investing activities</b>	<b>44,602</b>	<b>-2,049</b>	<b>-4,753</b>
Financing activities	-2,035	-1,147	-3,732
<b>Cash flow for the period</b>	<b>42,567</b>	<b>-3,196</b>	<b>-8,485</b>
Cash and cash equivalents at start of period	72,830	81,315	81,315
<b>Cash and cash equivalents at end of period</b>	<b>115,397</b>	<b>78,119</b>	<b>72,830</b>

## Financial information – Parent Company

### Condensed Income Statement

(SEK 000s)	Jan-Mar		full year
	2023	2022	2022
Operating income incl. change in inventory, finished goods	62,589	30,667	89,360
Operating expenses	-19,147	-15,336	-69,664
<b>Operating profit</b>	<b>43,442</b>	<b>15,331</b>	<b>19,696</b>
Net financial items	430	-2	-1185
<b>Profit after tax for the period</b>	<b>43,872</b>	<b>15,329</b>	<b>18,511</b>

### Condensed Balance Sheet

(SEK 000s)	March 31	March 31	Dec. 31
	2023	2022	2022
<b>Assets</b>			
Noncurrent assets	60,547	31,660	59,458
Current assets	33,517	46,171	31,934
Cash and cash equivalents	111,356	75,965	68,852
<b>Total assets</b>	<b>205,420</b>	<b>153,796</b>	<b>160,244</b>
<b>Equity and liabilities</b>			
Restricted equity	16,366	16,366	16,366
Unrestricted equity	174,396	128,301	130,524
<b>Liabilities</b>			
Current liabilities	14,658	9,129	13,354
<b>Total equity and liabilities</b>	<b>205,420</b>	<b>153,796</b>	<b>160,244</b>

## Changes in equity

(SEK 000s)	March 31 2023	March 31 2022	Dec. 31 2022
Opening balance	146,890	129,338	129,338
Adjustment of previous year's result	0	0	-959*
Profit for the period	43,872	15,329	18,511
<b>Amount at end of period</b>	<b>190,762</b>	<b>144,667</b>	<b>146,890</b>
Attributable to shareholders in Genovis AB	190,762	144,667	146,890

\* Relates to unrealized currency effects attributable to the result for 2021.

## Condensed Statement of Cash Flows

(SEK 000s)	<u>Jan-Mar</u> 2023	<u>2022</u>	<u>full year</u> 2022
<b>Operating profit for the period</b>	<b>43,442</b>	<b>15,331</b>	<b>19,696</b>
Adjustment for items not affecting cash flow	255	385	820
Changes in working capital	-75	-17,364	894
Net financial items	635	-2	176
<b>Cash flow from operating activities</b>	<b>44,257</b>	<b>-1,650</b>	<b>21,586</b>
Investing activities	-1,753	-358	-3,746
<b>Cash flow after investing activities</b>	<b>42,504</b>	<b>-2,008</b>	<b>17,840</b>
Financing activities	0	0	-26,961
<b>Cash flow for the period</b>	<b>42,504</b>	<b>-2,008</b>	<b>-9,121</b>
Cash and cash equivalents at start of period	68,852	77,973	77,973
<b>Cash and cash equivalents at end of period</b>	<b>111,356</b>	<b>75,965</b>	<b>68,852</b>



## 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.

Lund May 16, 2023  
Genovis AB (publ.)

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

### For more information

Additional information about the Company is available on its website: [genovis.com](https://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](mailto: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 16, 2023.*

*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.*