



Genetic Analysis AS

Interim report Q2 2023

Supplying high quality diagnostics
to the microbiome market



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In this document, the following definitions shall apply unless otherwise specified: “the Company” or “GA” refers to Genetic Analysis AS, business no: NO 933 373 575.

Key figures and selected posts

The figures in parentheses refer to the corresponding period last year.

Q2 2023 (01.04.2023 – 30.06.2023)

- Operating income amounted to NOK 5,7 million (5,5)
- Sales amounted to NOK 3,7 million (3,0)
- Net profit/loss amounted to NOK -5,5 million (-6,1)
- Total assets amounted to NOK 52,0 million (70,1)
- Equity ratio amounted to 60,8 % (83,2 %)
- Earnings per share amounted to NOK -0,22 (-0,24)

H1 2023 (01.01.2023 – 30.06.2023)

- Operating income amounted to NOK 12,1 million (10,3)
- Sales amounted to NOK 7,8 million (5,5)
- Net profit/loss amounted to NOK -12,8 million (-13,8)
- Total assets amounted to NOK 52,0 million (70,1)
- Equity ratio amounted to 60,8 % (83,2 %)
- Earnings per share amounted to NOK -0,51 (-0,55)

Definitions:

Equity ratio: Shareholder's equity as a proportion of total assets.

Earnings per share: Profit/Loss for the period divided by an average number of shares.

Highlights during Q2 2023

- Total **operating income** of NOK 5,7 million in Q2 2023 (NOK 0,5 million). Net loss was NOK -5,5 million compared to NOK -6,1 million in the corresponding quarter of 2022.
- **Sales revenues** of NOK 3,7 million, a 22% growth compared to Q2 2022 despite inventory adjustments at key customers after the pandemic which have impacted GA's growth figure negatively.
- GA has during H1 2023 completed a **new distribution model** to cover all major geographical areas. This set-up is now fueling lab customers directly to our distributors. Combined with GA's cloud-based training software, it gives GA a superb bandwidth to onboard new customers. Towards the end of the quarter, the new distribution setup signed up **several new lab customers** that will generate high-margin reagent revenues going forward.
- On May 11, 2023, GA held an **Annual General Meeting**. Resolutions with summarized decisions are available on the company's website.
- On June 8, GA entered a **distribution agreement with ELTA90** Group, a Sofia-based fast-growing distributor of Laboratory diagnostics in the Balkan region with operations in several countries. One of ELTA90's focus areas is specialized molecular diagnostics for the clinical diagnostics and research market.
- On June 29, GA announced that the Company has been awarded a **patent** (2017/06307) by the South African Companies and Intellectual Property Commission (CIPC). The important patent entitled "A method for determining gastrointestinal tract dysbiosis" covers the Company's unique algorithm incorporated in the GA-map® technology for profiling gut microbiota.

Highlights after the end of the period

- On August 23 GA announced that a scientific article has recently been published in the medical journal BMC Endocrine Disorders, showing promising results of using microbiota as a tool for risk prediction of diabetes disease at an early stage. The article titled "EXPLORING THE GUT MICROBIOTA IN PATIENTS WITH PRE-DIABETES AND TREATMENT NAÏVE DIABETES TYPE 2 - A PILOT STUDY", written by researchers at GA, demonstrates the strength of GA's research portfolio and underlines the potential for **expanding the use of the GA-map® testing platform into the Diabetes Type 2 disease area**.
- On August 25, GA announced that its distributor Eagle Biosciences Inc, entered an agreement with an undisclosed partner, **a high-volume lab company** providing laboratory diagnostics to clinics, public health departments, and research universities **in the US**. The partner is expected to launch the standardized and validated GA-map® as a testing service during Q4 2023. The partnership perfectly aligns with GA's strategy to accelerate growth through new high-volume labs and marks an important step forward in GA's business expansion in the US microbiome market.

Letter from the CEO



I am pleased to provide you with an update on the significant achievements and developments that have marked Genetic Analysis AS's second quarter of 2023. Our focus on global expansion and advancing the capabilities of the GA-map® platform has yielded favorable results. We have observed a 22 percent increase in sales revenues compared to Q2 2022, reaffirming our commitment and capacity to address the rapidly growing microbiome market. We are still experiencing some effects from the COVID pandemic with a few customers now sitting on a large inventory rapidly built up during COVID to keep their deliveries up and running during the difficult times. During Q2 2023, GA was hit by customers building down these inventory levels which reduced sales by NOK 1,0 million. Despite this, GA delivered a 22 percent growth in the quarter. Adjusted for the inventory decrease, the sales growth would have been at 56 percent. This impressive growth has been enabled as a direct result of our new global distribution model.

New global distribution model and sales strategy

Our strategic work has intensified during the second quarter, and GA has during H1 2023 completed a distribution set-up to cover all major geographical areas. This setup is now fueling lab customers directly to our distributors. Combined with GA's cloud-based training software, it gives GA a superb bandwidth to onboard new customers. I am thrilled to share that we are introducing this new global distribution model to reshape our potential and narrative. Going forward, our sales strategy will, through this network, be based on an extended and multiplied sales force with a worldwide presence. This approach has already shown promise within both the DACH area of Europe as well as in Asia leading to the acquisition of several new customers in the quarter.

Additionally, the lower-priced Luminex MAGPIX instrument, combined with the GA-map®, provides a favorable price offering to attract more customer interest and scalability. With this, GA is now lowering the entry barrier for labs to establish high-throughput, cost-effective microbiome testing services. This strategic move aims to make our GA-map® reagent kits more accessible for labs, fostering increased customer engagement and driving sales growth.

Building new partnerships

In Q2, GA also entered into a distribution agreement with ELTA90 Group, a leading distributor of laboratory diagnostics in the Balkan region. This partnership further extends the reach of our GA-map® technology to new markets, addressing the growing demand for accurate and rapid microbiome testing. ELTA90's expertise in specialized molecular diagnostics aligns with our commitment to providing high-quality solutions, and we are eager to explore growth opportunities in the Balkan region.

New product launches - GA-map® Analyzer and GA-map® Discovery

I am pleased to report the successful deployment of the GA-map® Analyzer, our customer-facing cloud software. This platform has been well-received by our customers, offering improved user-friendliness and security. As we focus on exceptional customer service and global presence, the launch of GA-map® Analyzer marks another significant step in our journey.

A highlight of this quarter is also the preparation for the launch of the GA-map® Discovery, our latest product tailored for the R&D sector. This platform detects around 200 biomarkers associated with gastrointestinal and metabolic diseases. Our ability to deliver this product highlights our team's dedication to pioneering microbiome diagnostics.

Pioneering the field of microbiome diagnostics

Our commitment to advancing microbiome diagnostics and its impact on human health remains strong. The demand for accurate and rapid microbiome assessments continues to grow across various sectors as awareness about the significance of microbiota alteration and dysbiosis is rapidly increasing.

As we continue to pioneer the field of microbiome diagnostics, we are positioned to make a meaningful impact on patients, researchers, and partners worldwide. Thank you for your continued support!

Ronny Hermansen

CEO, Genetic Analysis AS

About Genetic Analysis AS

GA at the microbiome frontier

Genetic Analysis AS is a science-based diagnostic company based in Oslo, Norway, and a pioneer in the human microbiome field with more than 15 years of expertise in research and product development. The company was founded in 2008, based on the research work of Professor Knut Rudi from the Norwegian University of Life Sciences. The unique GA-map® platform is based on a pre-determined multiplex approach for simultaneous analysis of a large number of bacteria targets in one reaction. The test results are generated by utilizing the clinically validated and standardized cutting-edge GA-map® software algorithm. This enables immediate results without the need for further bioinformatics work.

The vision

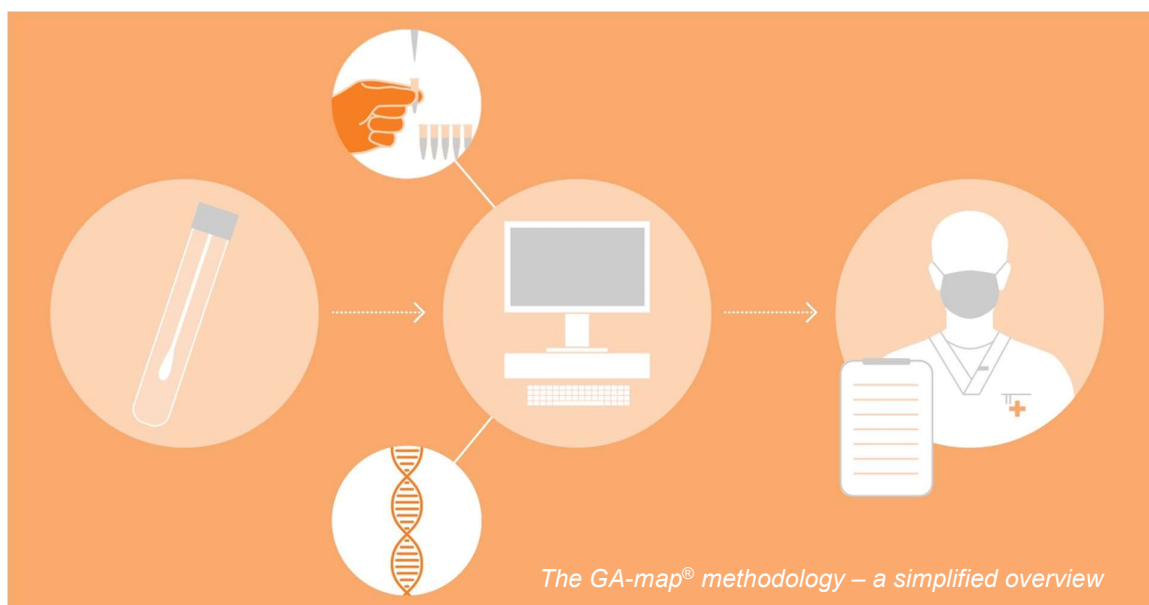
GA's vision is to become the preferred company for standardized gut microbiota testing worldwide. GA is committed to helping to unlock and restore the human microbiome through its state-of-the-art technology.

Pioneer in the human microbiota field

Genetic Analysis operates in the field of microbiome diagnostics. The human microbiome has been named a “newly discovered organ”, and in recent years, research has emphasized the interplay between intestinal health and the immune system and its essential functions for human well-being. Several diseases have been linked to changes in the intestinal microbiota composition and function, ranging from gastrointestinal disorders to neurological and autoimmune diseases. Genetic Analysis has developed and sells GA-map®, currently the only routine diagnostic platform for microbiota on the market.

Health benefits for patients and society

Accurate diagnostic is key to any successful treatment. The GA-map® can aid in the diagnosis of gut-related conditions and diseases, help clinical personnel to follow up on the effect of treatment, improve patients' lives and reduce treatment costs. GA-map® routine diagnostic test for microbiota will diagnose possible imbalance, referred to as dysbiosis, in the complex digestive ecosystem. Dysbiosis is associated with several chronic conditions, diseases, and infections.



Market Development

Key drivers in the market

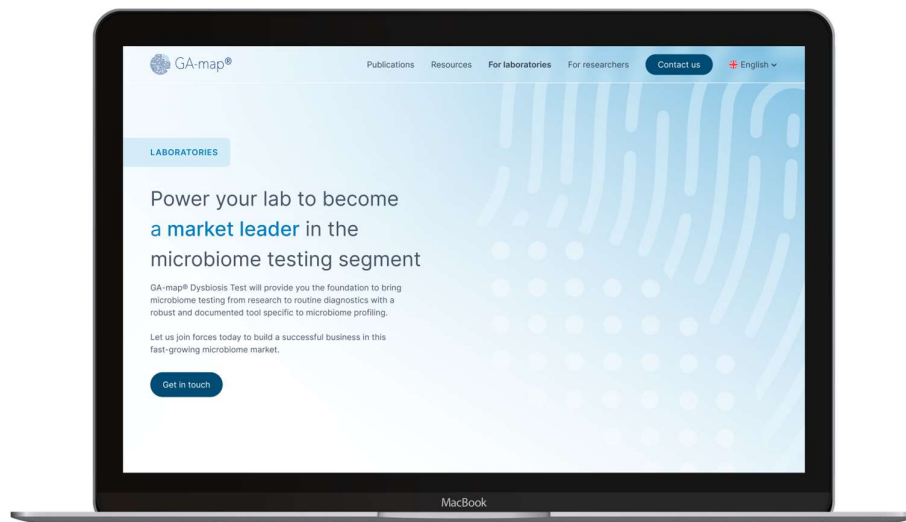
Increasing knowledge and evidence demonstrate the gut microbiome's important role in health and disease. More acceptance of microbiome testing in clinical practice is driven by an increased evidence base that supports clinicians' decision-making. The increasing prevalence of gastrointestinal disorders (including Crohn's disease and Ulcerative Colitis) and cancer are expected to become even more severe due to poor diet and lifestyle factors. A successful approval of microbiome-based therapeutics by the FDA will be a huge driver in this market. It is therefore encouraging to see that the FDA granted approval to two such drugs. In its publication from 2023 "Emerging technologies and scientific innovations: A global public health perspective" the WHO listed microbiome analytical tools for research, clinical prevention and treatment within innovations considered to have a very high or high impact and a high chance of adoption.

GA attending key conferences and events

We participated in several international conferences including DDW in Chicago and UK MedLab in Leeds during the quarter to present the GA-map® platform and continue our strategic partnership dialogues. These arenas give GA access to and contact with potential customers, investors, and future partners. In May, GA attended and exhibited at WorldLab-EuroMedLab 2023 in Rome. This has proven to be an excellent forum to meet with partners and potential customers in the clinical laboratory field and follow our strategy to establish and optimize our global distribution set-up.

Digital marketing campaign

After the launch of the new product/brand website; GA-map.com, we continue to update and add important content to our page. Our increased focus on digital presence is accelerating brand awareness and lead generation. The [GA-map.com](https://ga-map.com) launch campaign consisted of search engine optimization and targeted digital communication mainly towards USA and Europe on web and social media platforms.



The new [GA-map.com](https://ga-map.com) pages are focused on making GA-map® information available for laboratories and researchers globally

GA-map.com

More and more medical labs are looking for new business areas for future growth. The microbiome is one of the hottest trends in clinical medicine and life science today. GA has enhanced our focus towards the clinical research segment to capture more of the testing business in this segment. The commercial strategy is reflected in our new product website.

Market expansion

In Q2 2023, technology transfer projects in both Thailand and India have been completed. GA has a focus on expanding the global network of distribution partners with strong links into the gastroenterological and clinical diagnostics field. In collaboration with our partners, we are working on several promising projects to fill our pipeline for tech transfers in key markets. We see increasing interest from potential customers in all regions. For H2 2023, we do have a pipeline of 5 additional technology transfers in the U.S. and Europe. The pandemic has had positive consequences for our industry. Significant growth in Covid-testing revenues and profits for the labs, which had been reinvested in new technologies, increased focus on molecular testing, and an optimized infrastructure in many molecular labs. GA frequently receives inquiries from labs nearly being fully equipped to run GA-map®. By leveraging these opportunities, we are in a strong position to accelerate sales growth for the GA-map® Dysbiosis Test.

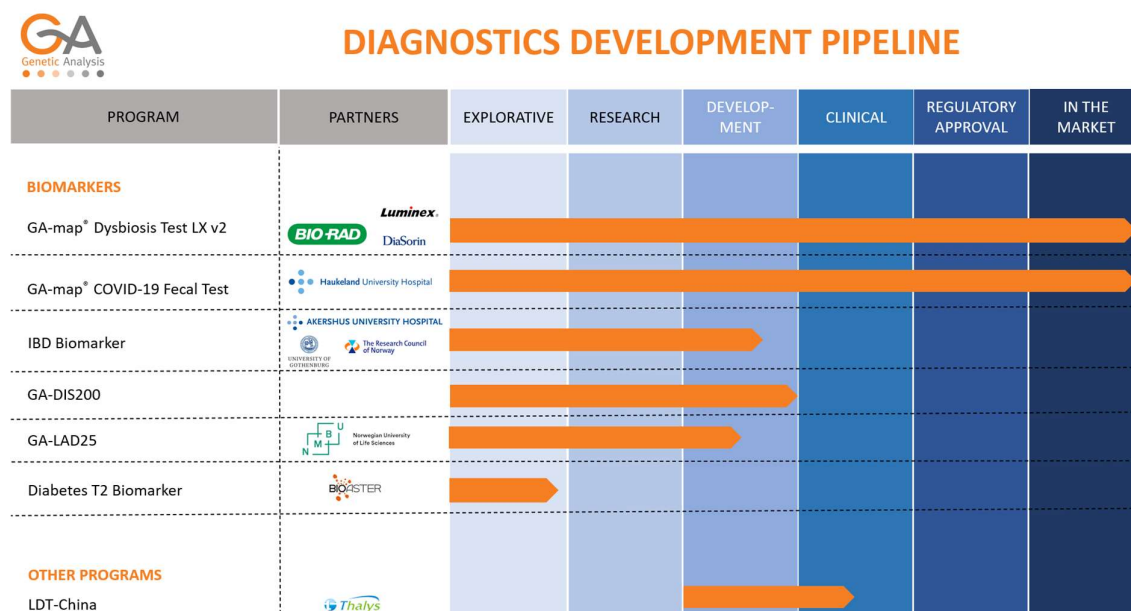


Innovation and product development

GA speeding up the digital transformation of microbiome understanding

GA has developed a cloud-based software solution for the GA-map® platform enabling customers to use GA-map® efficiently, while securing GA proprietary software as we expand globally. The software has been launched during Q1 2023, marking an important steppingstone to GAs focus on expanding its digital health focus.

GA will continue the software development program and explore how the HumGut database, comprising a collection of over 30.000 genomes covering the broad diversity of bacterial genomes found in the human gut, can be utilized in future product developments.



New innovative biomarker for Inflammatory Bowel Disease (IBD)

With this biomarker project, GA will develop a new diagnostic test for launch in the IBD field. The project aims to meet a significant unmet clinical need: "Prediction of the severity of the IBD disease course, in combination with an adequate choice of treatment through gut microbiota profile recognition". Using gut microbiota profiling, GA will develop a precision medicine diagnostic tool, aiding the diagnosis and treatment regime for IBD patients.

The project is performed in collaboration with the University of Gothenburg and Akershus University Hospital, which will be the clinical sites for patient recruitment. The recruitment process is well ongoing both in Sweden and Norway. On the technical side, a substantial bacteria panel highly representative for IBD has been defined and is undergoing extensive technical testing. The project is progressing according to plan and the total timeline for the project is 3 years. GA has received grant funding of NOK 16 million from the Research Council of Norway. In addition, the project has also been approved for "SkatteFUNN" R&D grants, which could fuel another NOK 4-5 million in grants over the project period.

GA-DIS200 – A novel probe panel for extended microbiota profiling

A comprehensive panel of highly sensitive and specific probes enabling the detection of around 200 clinically relevant microbiota targets associated with gastrointestinal and metabolic disorders has been developed. The probes were designed using GA's in-house developed probe design tool and have gone through extensive *in silico* and *in vitro* testing. This development program has been named GA-DIS200, and it is an aim to complete this as a research-use-only (RuO) product suitable for biomarker discovery and clinical research within the R&D sector with launch in Q3 2023 under the product name "GA-map® Discovery".

GA-LAD25 – New microbiota profiling technology

GA has developed a novel proprietary detection method, Liquid Array Diagnostics (LAD). This technology is qPCR-based with medium plex capacity. It aims to offer easily accessible and inexpensive microbiota detection assays. Currently, this technology is used in a development project to explore microbiota profiles specific for oral samples and markers for gut short-chain fatty acids.

New microbiome diagnostic markers for China

In January 2022, GA announced that the company had entered a Microbiome Laboratory Developed Test (LDT) agreement for the Chinese market together with Thalys Medical Technology Group Corporation (Thalys). In the first stage of the collaboration, Thalys will use its newly built Shanghai-based independent clinical lab Thalys (Shanghai) Medical Laboratory Co Ltd to further develop and distribute tests in China based on the GA-map® technology.

The first phase of the project has started. Thalys has recruited subjects for a clinical trial to establish a Chinese healthy reference range, as well as an IBD/IBS disease cohort. In addition, Thalys has completed the training of staff and the setup of the GA-map® platform in the Thalys laboratory in Shanghai. The work towards establishing a Chinese healthy reference profile is underway according to plan. The profile will be finalized in H2 2023.

Financial performance

Sales

Sales in Q2 2023 ended at NOK 3,7 million with a 22% increase compared to Q2 2022 (NOK 3,0 million). In H1 2023, sales revenue amounted to NOK 7,8 million with a growth of 42% compared to the corresponding period in 2022.

Reagent kit sales reached NOK 1,7 million in Q2 2022 (NOK 2,2 million). The decline is linked to stock adjustment after the pandemic period where key customers again see that supply chains are working, and they adjust their inventory levels accordingly. In H1 2023, kit sales generated NOK 4,3 million (NOK 4,0 million). In 2022, reagent kit sales reached NOK 8.9 million.

Laboratories having the right instrument platform is an important prerequisite for long-term recurring reagent kit sales. In Q2 2023, such platform installations reached NOK 0,1 million (NOK 0,3 million) in sales. In H1 2023 this segment has contributed with sales worth NOK 1,4 million (NOK 0,4 million). 2022 in total, platform installation sales ended at NOK 1,3 million.

Sales from testing services amounted to NOK 1,9 million in Q2 2023 (NOK 0,4 million). In H1 2023, this segment amounts to NOK 2,1 million (NOK 0,6 million) in sales. In 2022, the testing services generated NOK 1,0 million. The sales of testing services are to a great extent linked to testing services for smaller labs, and clinical research projects in industry and academia. This segment has in H1 2023 been very positive.



Other income

Other income ended at NOK 2,1 million (NOK 2,5 million) in Q2 2023. In H1 2023, Other income amounts to NOK 4,3 million (NOK 4,8 million). In 2022, Other Income reached NOK 9,6 million. This is driven by research work and grants whereby the 3 projects with grant funding (SkatteFUNN) are progressing

according to plan. In addition, the IBD-project with grants from the Research Council of Norway is in an extensive phase with good progress.

Operating income

For Q2 2023, operating income ended at NOK 5,7 million (NOK 5,5 million). In H1 2023, operating income amounts to NOK 12,1 million (NOK 10,3 million). In 2022, operating income ended at NOK 20,7 million.

Operating expenses

Operating expenses in Q2 2023 ended at NOK 11,1 million (NOK 11,5 million). In H1 2023, operating expenses amount to NOK 24,7 million (NOK 24,0 million). For 2022, the operating expenses ended at NOK 48,9 million.

Cost of goods sold (COGS) represented NOK 0,6 million in Q2 2023 (NOK 0,1 million). In H1 2023, the COGS ended at NOK 1,5 million (NOK 1,8 million). In 2022, the COGS totalled NOK 3,9 million and was affected by inventory movements and lower margin instrument sales as a part of the product mix.

In Q2 2023, Employee benefits expenses ended at NOK 6,5 million (NOK 6,9 million). For H1 2023, employee benefits expenses ended at NOK 13,3 million (NOK 13,2 million). For the year 2022, employee benefits expenses ended at NOK 25,2 million.

Other expenses ended at NOK 2,9 million (NOK 3,7 million) for Q2 2023. In H1 2023, other expenses ended at NOK 7,3 million (NOK 6,9 million). For 2022, the other expenses were NOK 15,1 million. Among the large cost elements are clinical studies for the IBD project, R&D expenses as well as sales and marketing activities. In Q2 2023, GA has capitalised NOK 0,5 million (NOK 0 million) for one late-stage development. Capitalisation of late-stage development costs is required according to IFRS when development projects reach certain late stages and are close to product launch. In 2022, GA did not capitalise any late-stage development costs.

Earnings

Net loss after net financial expenses and tax was NOK -5,5 million for Q2 2023 (NOK -6,1 million). For H1 2023, the net loss reached NOK -12,8 million (NOK -13,8 million). In 2022, the net loss was NOK -28,3 million.

Balance sheet

At the end of Q2 2023, GA had capitalized development costs of NOK 19,6 million (NOK 22,6 million). GA has capitalised development costs of NOK 0,5 million (NOK 0 million) so far in 2023. Cash and cash equivalents were NOK 11,9 million (NOK 33,4 million) at the end of the reporting period.

Outlook

GA has, during Q2 2023, seen that the positive trend in the microbiome market is continuing and that industrial partners are looking for cooperating diagnostic business relations. GA is expecting further solid growth from the new distribution model. The number of new customers is increasing and underlines the strong interest in microbiome testing globally. In addition, the microbiome is continuously linked to diseases and conditions outside the gut. This combined with the FDA approval of new drugs in this market, will facilitate the possibility of strong sales growth in the coming years.

Events after the balance sheet date

There are no further events to report after the balance sheet day.

Miscellaneous

The share

The shares of Genetic Analysis AS are listed on the Spotlight Stock Market.

The ticker is GEAN, and the ISIN code is NO0010692130. As of 30.06.2023, the number of shares was 24 916 312 (24 916 312). All shares have equal rights to the Company's assets and results.

Risks

Several risk factors can affect GA's operations. It is therefore of great importance to consider relevant risks in addition to the Company's growth opportunities. For a detailed description of the risks attributable to the Company and its shares, please refer to the prospectus published by the Company in 2021. The prospectus is available on the following website: www.genetic-analysis.com/ipo-2021/

Auditor's review

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

Financial calendar

GA issues interim reports and statements quarterly according to IFRS. The financial calendar is planned as follows:

Interim report Q3 2023	16.11.2023
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Other information

For further information about Genetic Analysis AS's operations, please refer to the company website: www.genetic-analysis.com. If you are interested in more detailed information about GA's products, please visit www.ga-map.com.

Contact information

For additional information, please contact the company:

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Condensed Financial Statements



GENETIC ANALYSIS AS
CONDENSED STATEMENT OF PROFIT OR LOSS

Figures in NOK thousands	Notes	Unaudited	Unaudited	Unaudited	Unaudited	Audited
		Q2 2023 01.04- 30.06.2023	Q2 2022 01.04- 30.06.2022	H1 2023 01.01- 30.06.2023	H1 2022 01.01- 30.06.2022	2022 01.01- 31.12.2022
Sales revenue	2	3 653	2 984	7 766	5 484	11 163
Other income	3	2 050	2 500	4 300	4 832	9 584
OPERATING INCOME		5 703	5 484	12 066	10 316	20 747
Cost of goods sold	4	586	108	1 539	1 771	3 907
Employee benefits expenses	5, 7	6 507	6 881	13 262	13 224	25 196
Depreciation and amortization expenses		1 326	1 256	2 901	2 485	4 834
Other expenses	7	2 872	3 684	7 253	6 909	15 116
Other gains and losses		-157	-414	-175	-343	-122
OPERATING EXPENSES		11 134	11 515	24 780	24 046	48 931
Financial income		11	2	22	2	27
Financial expenses		66	28	133	57	118
FINANCE - NET		-54	-26	-111	-55	-90
PROFIT / LOSS BEFORE INCOME TAX		-5 485	-6 057	-12 825	-13 785	-28 274
Income tax expenses		0	0	0	0	0
NET PROFIT / LOSS		-5 485	-6 057	-12 825	-13 785	-28 274
Earnings per share (NOK)		-0,22	-0,24	-0,51	-0,55	-1,13
Number of shares (thousands)	8	24 916	24 916	24 916	24 916	24 916
Number of outstanding share options (thousands)		1 911	1 285	1 911	1 285	2 061
Number of subscription rights (thousands)		5 390	10 010	5 390	10 010	5 390
Earnings per share - fully diluted (NOK) *		-0,22	-0,24	-0,51	-0,55	-1,13
Number of shares - fully diluted (thousands)		24 916	24 916	24 916	24 916	24 916

* Earnings per share - fully diluted (NOK) is equal to Earnings per share (NOK) as long as the company has a negative net loss and under these circumstances an increase in the number of shares would have an anti-dilutive effect.



GENETIC ANALYSIS AS CONDENSED STATEMENT OF COMPREHENSIVE INCOME

		Unaudited	Unaudited	Unaudited	Unaudited	Audited
<i>Figures in NOK thousands</i>	Notes	Q2 2023	Q2 2022	H1 2023	H1 2022	2022
		<i>01.04- 30.06.2023</i>	<i>01.04- 30.06.2022</i>	<i>01.01- 30.06.2023</i>	<i>01.01- 30.06.2022</i>	<i>01.01- 31.12.2022</i>
Profit for the period		-5 485	-6 057	-12 825	-13 785	-28 274
Items that will not be reclassified to profit or loss		0	0	0	0	0
Items that may subsequently be reclassified to profit or loss		0	0	0	0	0
Other comprehensive income / (loss) for the period, net of income tax		0	0	0	0	0
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD		-5 485	-6 057	-12 825	-13 785	-28 274

GENETIC ANALYSIS AS
CONDENSED STATEMENT OF
FINANCIAL POSITION

		Unaudited	Audited	Unaudited
<i>Figures in NOK thousands</i>	Notes	30.06.2023	31.12.2022	30.06.2022
Assets				
Non-Current Assets				
Property, plant, equipment	6	7 092	8 142	1 372
Intangible assets	7	19 606	20 845	22 576
Total Non-Current Assets		26 698	28 987	23 948
Current Assets				
Inventory		2 029	1 755	1 851
Trade receivables		2 489	2 610	1 937
Other receivables		8 869	5 749	8 922
Cash and cash equivalents		11 880	25 323	33 429
Total Current Assets		25 268	35 437	46 140
Total Assets		51 966	64 424	70 088
Equity and Liabilities				
Equity				
Share capital	8	14 950	14 950	14 950
Share premium		29 191	29 191	57 140
Retained earnings		-12 531	0	-13 747
Total Equity		31 609	44 140	58 343
Non-Current Liabilities				
Lease liabilities	6	5 892	6 638	288
Other borrowings		500	700	900
Total Non-Current Liabilities		6 392	7 338	1 188
Current Liabilities				
Trade payables		3 423	4 616	2 242
Other current liabilities		10 541	8 330	8 316
Total Current Liabilities		13 964	12 946	10 558
Total Equity and Liabilities		51 966	64 424	70 088



GENETIC ANALYSIS AS

CONDENSED STATEMENT OF CHANGE IN EQUITY

Figures in NOK thousands

	Share capital	Share premium	Retained earnings	Total equity
CHANGE IN EQUITY H1 2022				
Equity at 01.01.2022	14 950	57 140	0	72 090
Net result for the year	0	0	-13 786	-13 786
Proceeds from share issue	0	0	0	0
Costs of share issue	0	0	0	0
Share based payments	0	0	39	39
Settlement of uncovered losses	0	0	0	0
Equity at 30.06.2022	14 950	57 140	-13 747	58 343
CHANGE IN EQUITY 2022				
Equity at 01.01.2022	14 950	57 140	0	72 090
Net result for the year	0	0	-28 274	-28 274
Other comprehensive income	0	0	0	0
Proceeds from share issue	0	0	0	0
Costs of share issue	0	0	0	0
Share based payments	0	0	324	324
Settlement of uncovered losses	0	-27 949	27 950	1
Equity at 31.12.2022	14 950	29 191	0	44 141
CHANGE IN EQUITY H1 2023				
Equity at 01.01.2023	14 950	29 191	0	44 141
Net result for the year	0	0	-12 825	-12 825
Proceeds from share issue	0	0	0	0
Costs of share issue	0	0	0	0
Share based payments	0	0	294	294
Settlement of uncovered losses	0	0	0	0
Equity at 30.06.2023	14 950	29 191	-12 532	31 609

Quarterly Condensed Statement of Change in Equity is not audited.



GENETIC ANALYSIS AS CONDENSED STATEMENT OF CASH FLOW

<i>Figures in NOK thousands</i>	Notes	Unaudited H1 2023 01.01- 30.06.2023	Unaudited H1 2022 01.01- 30.06.2022	Audited 2022 01.01- 31.12.2022
Profit/Loss before income tax		-12 825	-13 786	-28 274
Depreciation and amortisation		2 901	2 485	4 834
Stock options	5	294	39	324
Items classified as financing activities		-99	22	7
Change in working capital				
Changes in inventory		-275	516	612
Changes in trade receivables		-2 999	-886	-1 559
Changes in trade payables		-1 193	-172	2 202
Changes in other items		2 212	-791	2 396
Net cash flow from operating activities		-11 984	-12 573	-19 458
Purchase of property, plant, equipment		-145	-227	-227
Payments of capitalized development	7	-498	0	0
Net cash flow from investing activities		-643	-227	-227
Repayments of borrowings		-200	-200	-400
Instalments on lease liabilities	6	-615	-381	-1 401
Paid in capital		0	0	0
Net cash flow from financing activities		-815	-581	-1 801
Net change in cash and cash equivalents		-13 442	-13 381	-21 486
Cash and cash equivalents at beginning of period		25 323	46 810	46 810
Cash and cash equivalents at end of period		11 880	33 429	25 323

Notes to the Condensed Financial Statements

The figures in parentheses refer to the corresponding period last year.

1. Accounting Principles

The condensed consolidated financial statements for Q2 2023 have been prepared in accordance with International Financial Accounting Standards (IFRS) and IAS 34 for interim financial reporting. Genetic Analysis has applied the same accounting policies as in the consolidated financial statements since 2021. The interim financial statements do not include all the information required for a full financial report and should therefore be read in conjunction with the consolidated financial statements for 2021 and 2022, which were prepared in accordance with the Norwegian Accounting Act and IFRS, as adopted by the EU, and can be found at the following web page:

<https://www.genetic-analysis.com/financial-reports/>.

2. Specification of Sales Revenue

SALES REVENUE BY GEOGRAPHICAL MARKET	Q2 2023	Q2 2022	H1 2023	H1 2022	2022
<i>Figures in NOK thousands</i>	<i>01.04- 30.06.2023</i>	<i>01.04- 30.06.2022</i>	<i>01.01- 30.06.2023</i>	<i>01.01- 30.06.2022</i>	<i>01.01- 31.12.2022</i>
USA	2 098	1 865	3 867	3 406	7 500
Europe	1 473	709	2 665	1 117	2 371
Rest of world	82	410	1 234	961	1 292
Sales revenue	3 653	2 984	7 766	5 484	11 163

SALES REVENUE BY CATEGORY	Q2 2023	Q2 2022	H1 2023	H1 2022	2022
<i>Figures in NOK thousands</i>	<i>01.04- 30.06.2023</i>	<i>01.04- 30.06.2022</i>	<i>01.01- 30.06.2023</i>	<i>01.01- 30.06.2021</i>	<i>01.01- 31.12.2022</i>
Products	1 668	2 220	4 277	4 019	8 889
Services	1 904	433	2 094	572	983
Platform installations	82	331	1 395	893	1 291
Sales revenue	3 654	2 984	7 766	5 484	11 163

3. Specification of Other Income

OTHER INCOME	Q2 2023	Q2 2022	H1 2023	H1 2022	2022
<i>Figures in NOK thousands</i>	<i>01.04- 30.06.2023</i>	<i>01.04- 30.06.2022</i>	<i>01.01- 30.06.2023</i>	<i>01.01- 30.06.2022</i>	<i>01.01- 31.12.2022</i>
Public grants *	2 050	2 500	4 300	4 832	9 584
R&D support from partners	0	0	0	0	0
Other income	2 050	2 500	4 300	4 832	9 584

* Public grants related to SkatteFUNN and Norwegian Research Council.

4. Cost of Goods Sold (COGS)

In 2022, the COGS was influenced by changes in the product mix. The outplacement of instruments has a lower margin compared to GAs sales of reagent products.

5. Share-Based Payment

The company has a share option program for employees, management and members of the board of directors. As of 30.06.2023, the options program included 26 participants.

In Q2 2023, there was only minor changes to the GA's share option program. The total number of granted share options in GA was 1 911 003 as of 30.06.2023. The total expensed amount in Q2 2023 arising from the option programs was NOK 0,1 million (NOK -0,1 million). YTD 2023 the option program has been expensed at NOK 0,3 (NOK 0 million). In 2022, the company expensed a total of NOK 0,3 million for its share option program.

6. Leases

In Q4 2022, GA moved into new premises in Ulvenveien 80 in Oslo. The new leasing contract is valid until 31.03.2028.

7. Capitalized Development Costs

In Q2 2023, GA has capitalized late-stage development costs of NOK 0,5 million (NOK 0 million) for one project. YTD 2023, the total capitalized development costs amount NOK 0,5 million (NOK 0 million). In 2022, the total capitalized development costs amounted to NOK 0 million.

8. Shareholder information

The following list shows the 20 largest shareholders in Genetic Analysis AS as of 30.06.2023 according to the share registry Euronext Securities Oslo and disclosures from investors:

Shareholder	Number of shares	% Ownership
Avanza Bank AB *	6 619 547	26,57 %
Bio-Rad Laboratories Inc.	5 297 205	21,26 %
Nordnet Bank AB *	1 469 990	5,90 %
Biohit Oyj	1 423 840	5,71 %
Molver AS	644 673	2,59 %
LJM AS	552 291	2,22 %
Muen Invest AS	496 289	1,99 %
S. Munkhaugen AS	484 294	1,94 %
Jama Holding AS	429 351	1,72 %
Bjelland Capital I AS	423 077	1,70 %
Rolfs Holding AS	420 791	1,69 %
Svenska Handelsbanken AB *	360 100	1,45 %
Grøttum, Tore	330 779	1,33 %
Lucellum AS	275 000	1,10 %
Per Anton Invest AS	267 910	1,08 %
Sagahill AS	258 390	1,04 %
Gjone, Erik Borch	256 780	1,03 %
Ochrino AS	256 017	1,03 %
Lemica AS	253 451	1,02 %
Nordnet Livsforsikring AS	248 887	1,00 %
Top 20	20 768 662	83,35 %
Others **	4 147 650	16,65 %
Total	24 916 312	100,00 %

* Nominee accounts

** Members of the board and management of Genetic Analysis AS hold 439.282 shares.

Statement of the Board of Directors

The Board of Directors provides their assurance that the interim report Q2 2023 provides a fair and true overview of the Company's operations, financial position, and results.

Oslo, 30.08.2023

The Board of Directors of Genetic Analysis AS

Per Matsson
Chairperson

Andrew Stapleton
Board member

Rune Sørum
Board member

Camilla Huse Bondesson
Board Member

Staffan Strömberg
Board member



Genetic Analysis' mission is to become the leading company for standardized gut microbiota testing worldwide, and GA is committed to **helping to unlock and restore** the human microbiome through its state-of-the-art technology.



Supplying high quality diagnostics to the microbiome market

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