

Genetic Analysis (GEAN)

Laying the Ground for Profitable Growth

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Genetic Analysis AS ("Genetic Analysis" or "the Company") has developed the GA-map®, a platform for diagnostic analysis of microbiomes. The GA-map® platform aims to standardize microbiome diagnostics, which is expected to generate high long-term sales growth with a CAGR of 39% from 2024-2028. Since our previous analysis update, we have raised our justified market cap for Genetic Analysis from approximately NOK 49m to around NOK 77m, considering the reduced financial risk following the capital raises as well as the launch of a consumer test in the Chinese market, which, according to Analyst Group, holds strong potential. However, given the estimated increase in the number of shares following the capital raises, the increase in terms of value per share is more modest. With an applied EV/S multiple of 1.8x on 2027's estimated sales of NOK 44.5m and a discount rate of 12.4%, a potential present value per share of NOK 1.09 (1.0) is derived in a Base scenario.

Temporary Slowdown in Sales Growth

Genetic Analysis net sales in Q1-25 amounted to NOK 2.4m (3.3), a decrease of 27% Y-Y. Genetic Analysis remains in an early stage of commercialization, and sales are expected to fluctuate between quarters based on activities and inventory levels at partners, as has historically been observed. After a strong Q4-24, with sales growth amounting to 63%, we expected a somewhat softer Q1-25, although sales were still a bit weaker than we had anticipated.

Continued Strong Trend in Gross Margin

The gross margin amounted to 84% (77%) during Q1-25, which was attributable to the manufacturing improvement program and the diminishing low-margin instrument sales. Together with a decreasing operating cost base of -17%, this resulted in an improved EBITDA-result of NOK -3.1m (-4.2), despite the lower sales.

Launch of a Consumer Test in China

In collaboration with Thalys, Genetic Analysis has launched a new microbiome test for the Chinese consumer market. The business model in the collaboration means that Genetic analysis will supply reagent kits to Thalys. While market growth is likely to attract competition, the GA-map® platform provides Genetic Analysis and Thalys with a distinct competitive edge through a diagnostic approach.

Upward Revision of Valuation Range

Through the capital raises, we asses that the financial risk for the Company has decreased and that the proceeds will be sufficient until a sustainable positive cash flow is estimated to be reached in 2027. We have also raised our financial estimates following the launch of the consumer test in China, however offset by downward revisions based on the weaker-than-expected outcome in Q1-25. Taken together with the reduced financial risk, this results in a higher valuation range.

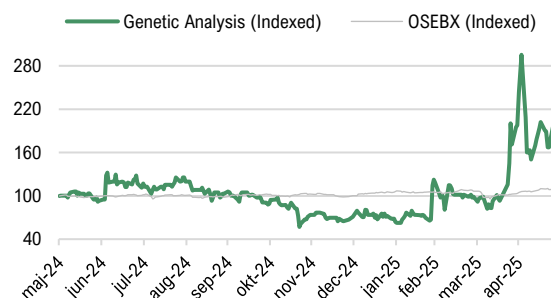
VALUATION RANGE



KEY INFORMATION

| | |
|----------------------------|-------------------------|
| Share Price (2025-06-04) | 1.05 |
| Shares Outstanding | 70,873,847 ¹ |
| Market Cap (NOKm) | 74.4 |
| Net cash(-)/debt(+) (NOKm) | -23.1 ¹ |
| Enterprise Value (NOKm) | 51.3 |
| List | Spotlight Stock Market |
| Quarterly report 2 2025 | 2025-08-27 |

SHARE PRICE DEVELOPMENT



OWNERS (SOURCE: THE COMPANY 2025-03-31)

INSIDER

| Bio-Rad Inc | | | | | 22.5 % |
|----------------------|-------|-------|-------|-------|--------|
| Avanza Bank AB | | | | | 9.5 % |
| Muen Invest AS | | | | | 6.7 % |
| Nordnet Bank AB | | | | | 5.1 % |
| Lucellum AS | | | | | 4.9 % |
| | | | | | |
| Estimates (NOKm) | 2025E | 2026E | 2027E | 2028E | |
| Sales revenue | 20.5 | 33.1 | 44.5 | 59.1 | |
| COGS | -4.5 | -7.7 | -10.4 | -13.9 | |
| Gross profit | 21.0 | 28.4 | 37.2 | 48.2 | |
| Gross margin (adj.) | 78% | 77% | 77% | 77% | |
| Operating expenses | -30.1 | -32.8 | -36.9 | -41.3 | |
| EBITDA | -4.0 | -0.1 | 4.1 | 10.1 | |
| EBITDA margin (adj.) | -44% | -9% | 3% | 12% | |
| P/S | 3.6 | 2.2 | 1.7 | 1.3 | |
| EV/S | 2.5 | 1.6 | 1.2 | 0.9 | |
| EV/EBITDA | neg. | neg. | 12.4 | 5.1 | |
| EV/EBIT | neg. | neg. | 211.0 | 7.5 | |

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Other

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