

Current Report No 2/2023

Obtaining a valuation of the portfolio of Genomtec's intellectual property rights

With reference to ESPI reports 22/2022 dated September 7, 2022 and ESPI 27/2022 dated November 30, 2022. The Board of Directors of Genomtec S.A., based in Wrocław, Poland (the "Issuer", the "Company") announces that it received from Dennemeyer Consulting GmbH a valuation report of the intellectual property rights portfolio held by Genomtec.

Taking into account the estimation according to DIN/ISO 77100 adopted by Dennemeyer, the number of patents granted (9), patent pending applications (26) and the conversion of all patent applications into patents, including trademarks as well as the 14-year protection period of the entire IP (intellectual property) portfolio, the fair value of the Company's intellectual property is estimated at EUR 191.336 million.

According to the report received, the intellectual property portfolio held by the Company is valued at EUR 95.663 million taking into account a standard 8-year patent term.. It should be noted that the above amount assumes a discount on patent applications currently pending, and if the current 100% success rate of conversion of patent applications into patents is maintained, the amount will amount to EUR 109.335 million. At the same time, it should be taken into account the opinion of Dennemeyer Consulting GmbH that the Company's intellectual property portfolio is young, and the assumed 8-year period included in the valuation represents only 57% of the shortest of the available protection periods for developed inventions. Thus, assuming a conservative calculation period of 14 years (the shortest duration of patent protection) and the conversion of all patent applications into patents, the valuation of Genomtec's IP portfolio amounts to EUR 191.336 million.

At the same time, it should be taken into account that the valuation made should not be equated with the valuation of the company, as it only concerns intellectual property and does not take into account aspects such as, inter alia, manufactured products, technical schemes, the team, certificates and approvals obtained. In the opinion of the Management Board, the valuation of Genomtec's intellectual property rights portfolio estimated by Dennemeyer corresponds to its fair value. At the same time, the Management Board emphasizes that the received valuation is the result of the work of an independent company and should not constitute a recommendation to Genomtec Investors and Shareholders of the final transaction value in the process of establishing strategic partnerships, selling licenses and/or selling all or part of the owned intellectual property and related technology. This Report does not constitute an investment recommendation to acquire shares in the Issuer. All financial values are gross.

Dennemeyer is a reputable global firm providing legal services in the areas of patents, trademarks, data verification, project execution, audit support during litigation as well as other services related to intellectual property portfolio management. Dennemeyer is an entity with more than 60 years of tradition and 20 regional offices located on 6 continents. The Issuer will inform about the next significant stages of the strategic options review process in current reports.

