OTHER INFORMATION TO THE REPORT FINANCE GENOMTEC S.A. FOR THE THIRD QUARTER OF 2024

Wrocław, 29 November 2024

1 Information about the report and a glossary of terms and abbreviations used in it

Genomtec Joint Stock Company based in Wrocław, address: ul. Bierutowska 57-59, 51-317 Wrocław, registered in the Register of Entrepreneurs of the National Court Register under the number 0000662554 - District Court for Wrocław Fabryczna in Wrocław VI Economic Division of the National Court Register ("**GENOMTEC**", "**GENOMTEC S.A.**", "**Company**", "**Issuer**"), NIP number: 8992809452, REGON: 365935587.

As at 30 September 2024 (the "**Balance Sheet Date**"), the share capital of GENOMTEC S.A. amounted to PLN 1,332,457.00 and consisted of 13,324,570 shares with a nominal value of PLN 0.10 each ("**Shares**").

This document (**"Report", "Report"**) contains information prepared in accordance with the Regulation on Current and Periodic Reports.

The semi-annual financial statements in the Report are understood to mean the financial statements of Genomtec S.A. for the period 1 January - 30 September 2024 (the "**Reporting Period**") prepared in accordance with International Financial Reporting Standards as endorsed for use in the EU. The financial statements are contained in a separate document.

The source of the data in the Report, unless otherwise indicated, is GENOMTEC S.A.. The date of publication of the Report ("**Report Date**") is 29 November 2024.

"**WSE**" means the Warsaw Stock Exchange.

"**CCC**" means the Act of 15 September 2000. Commercial Companies Code.

"**Ordinance on current and periodic reports**" means the Ordinance of the Minister of Finance of 29 March 2018 on current and periodic information provided by issuers of securities and the conditions for recognising as equivalent the information required by the laws of a non-member state.

"Articles of Association" means the Articles of Association of GENOMTEC S.A. publicly available at https://genomtec.com.

"**Public Offering Act**" means the Act of 29 July 2005 on Public Offering and the Conditions for Introducing Financial Instruments to the Organised Trading System and on Public Companies.

"**Accounting Act**" means the Act of 29 September 1994 on accounting.

Unless otherwise stated, financial figures are presented in thousands.

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2 Letter from the Management Board

Dear Shareholders and Investors

In the introduction to the interim report for the third quarter of 2024, we would like to emphasise that we have conducted intensive business activities as part of the M&A process and research activities towards the development of Genomtec's diagnostic technologies.

We are working on the process of acquiring a partner or selling the technology we are developing. We aim to maximise the return on this transaction for shareholders. We are and will be focusing in the near term on developing the technology and bringing it to the commercialisation stage, either through licensing, the sale of a spin-off or through the sale of Genomtec depending on which direction the M&A transaction moves.

We continue our meetings with potential partners. This is also linked to our participation in industry conferences, where we have direct access to them. In addition, we have held dozens of meetings and presentations on the operation of the Genomtec ID system, including with board members of potential partners. These discussions were the starting point for the non-disclosure agreements we signed. We already have several non-disclosure agreements (NDAs) signed, including with companies located in the USA, including those listed on the NASDAQ market. These are large players in the clinical diagnostics, biotechnology and pharmaceutical markets. We are currently in dialogue with the R&D teams of potential partners and are responding to their enquiries regarding the feasibility of our technology and confirmation of its parameters.

As regards the course of clinical trials of the Genomtec ID platform, which are being conducted in France and Poland, further activities in the area of these clinical trials, will be closely coordinated with the course of the M&A process and will respond to the needs of this process. If there is a need to accelerate these trials, it is possible to adjust the course of the trials and respond to the needs of the M&A process by modifying the trial protocol. We are currently continuing to recruit patients according to the original study protocol. Additional samples positive for atypical bacteria need to be obtained; unfortunately, we have no control over when and how many cases of infection caused by these bacteria will emerge. As a reminder, the European Commission has postponed the deadline for the mandatory registration of Group B in-vitro diagnostic medical devices under the IVDR regime from May 2025 to the end of 2029. The current registration therefore covers us for more than five years.

In terms of activities in the oncoSNAAT cancer project, the focus has been on further development of the technology. In recent months, we have focused on the development of the area of single nucleotide change detection using the LAMP technique. Laboratory work in this area has now been completed. The next step we are working on is the selection of sample volume parameters. We are talking about a liquid biopsy sample, i.e. a sample that will come from, for example, venous blood. We have also started work on a method for isolating/compacting the genetic material. Once these two areas are completed, we will already be able to prepare a full specification for the microfluidic card requirements.

We have a secure cash position, consisting of more than PLN 21.5 million in grant funding from PARP and funds from the share issue carried out this spring. The vast majority of the grant funds still remain to be spent on further stages of project development, which should be completed in the first half of 2027.

In the third quarter, we received an advance payment of PLN 4 million from the PARP grant, which we planned to settle by 30 September. Due to procedural reasons, we were not able to settle the advance in its entirety and in order to avoid charging interest for not using the funds by the specified deadline, the funds were returned to PARP. At the same time, we requested another advance payment, which according to the schedule should have been received by the company on 3 December. Despite the

return of the advance payment, funds from the PARP grant remain available, with approximately PLN 20.5 million still to be used.

At the end of the third quarter, the cash balance amounted to PLN 6 million, taking into account, inter alia, the settlement of costs related to the issue. If the advance payment to PARP had not been repaid, the cash balance would have been higher by PLN 4 million at the end of September, thus, after adjustment, our cash balance would have amounted to PLN 10 million. We assume that the granted grant from PARP and funds from the issue of shares should be sufficient until we carry out the M&A transaction with a potential partner.

The grant from PARP, valid until 2027, is being implemented as planned. The greatest use of the funds will be in 2025 and 2026, when intensive expenditure is foreseen for collaboration with subcontractors and larger hardware and software purchases. Current project work is progressing at a high intensity, highlighting the efficient management of resources and attention to minimising ancillary costs such as interest.

We would like to emphasise that the situation related to the return of the advance payment to PARP does not negatively affect the financing of the project, but reflects the company's responsible approach to the management of funds and timely settlement of the grant.

We thank shareholders and investors for their capital support and contribution to Genomtec's growth.

We remain at your disposal and recommend that you contact us via the Investor Relations Team: investors@genomtec.com

Yours sincerely,

Management Board of Genomtec S.A.

3 Selected financial data

in thousands	01.01.2024 - 30. 09.2024 [PLN].	01.01.2023 - 30. 09.2023 [PLN].	01.01.2024 - 30. 09.2024 [EUR].	01.01.2023 - 30.09.2023 [EUR].
Sales revenue	1	1	0	0
Cost of sales	0	1	0	0
Grant income	1 123	36	261	8
Research and development costs	1 912	74	444	16
General administration and selling expenses	8 496	6 764	1 975	1 478
Operating result	-9 167	-6 819	-2 131	-1 490
Net result	-9 326	-6 763	-2 168	-1 478
Equity	9 482	8 302	2 216	1 909
Cash and cash equivalents	6 175	4 169	1 443	959
Total assets	17 447	15 972	4 077	3 673
Long-term liabilities	4 476	4 526	1 046	1 041
Current liabilities	3 489	3 144	815	723

In order to convert the items shown in the "Selected financial data" table into euros, the items in the statement of financial position were converted using the average exchange rate of the National Bank of Poland (NBP) in force on the day ending the reporting period.

The items of the cash flow statement and income statement have been translated according to the arithmetic average of the average exchange rates announced by the National Bank of Poland on the last

day of each completed month of the period, at the euro exchange rate of 4.3022 for the data for the period ending 30.09.2024, and at the euro exchange rate of 4.5773 for the data for the period ending 30.09.2023.

Asset and liability items and cash at the end of the period have been translated according to the average exchange rate in force at the balance sheet date at the euro exchange rate of 4.2791 for the figures for the third quarter ending 30.09.2024 and at the euro exchange rate of 4.3480 at 31 December 2023

4 Basic data of the Company

Name (company): GENOMTEC S.A.
Headquarters Wrocław
Address: 57-59 Bierutowska Street, 51-317 Wrocław
KRS: 0000662554
NIP 8992809452
REGON: 365935587
Register Court District Court for Wrocław-Fabryczna in Wrocław, VI Economic Division KRS
Share capital PLN 1 332 457.00
Telephone number +48 793 440 931
Web address http://www.genomtec.com/
Email: office@genomtec.com

The company has the status of a public company, whose shares have been listed on the main market of the Warsaw Stock Exchange since 16.02.2023.
In terms of financial reporting, the Company applies IAS/IFRS principles.
The Company's financial year runs from 1 January to 31 December.
During the Reporting Period and up to the date of publication of the Report, the Company did not form a group and there were no changes in the organisation of the Company during the Reporting Period.
There is no subsidiary of the Company.
The company has no branches.
During the Reporting Period, there were no changes in the Company's fundamental business management principles.

5 Company authorities

5.1.1 Management

The Company's governing body is the Board of Directors.
The Management Board consists of up to 5 (five) Members, appointed by the Supervisory Board, including the President and the Vice-President or Vice-Presidents if the Management Board is composed of several Members.
The joint term of office of the Board Members is 3 years. Each Member of the Management Board may be elected for a further term of office. A Member of the Management Board may be dismissed or suspended for important reasons by the Supervisory Board.

The terms of office of the members of the Management Board shall expire at the latest on the date of the General Meeting approving the financial statements for the last full financial year in which they served as members of the Management Board.

The composition of the Issuer's Management Board as at the Balance Sheet Date was as follows:

- Miron Tokarski President of the Management Board
- Michał Wachowski Member of the Management Board

The composition of the Issuer's Board of Directors as at the Report Date was as follows:

- Miron Tokarski President of the Management Board
- Michał Wachowski Member of the Management Board

dr Miron Tokarski

Chief Executive Officer (CEO)

Miron jest współzałożycielem firmy Genomtec S.A i jej prezesem. Jest także diagnostą laboratoryjnym. Absolwent Wydziału Farmaceutycznego z Oddziałem Analityki Medycznej Uniwersytetu Medycznego we Wrocławiu. Tytuł doktora nauk medycznych w dziedzinie biologii molekularnej uzyskał w grudniu 2021 od Uniwersytetu Medycznego we Wrocławiu.

Autor publikacji oraz współautor patentów Genomtec. Ambitny, młody naukowiec. Jego praca magisterska została nagrodzona przez Fundację Hasco-Lek. Kierownik projektu badawczego Narodowego Centrum Nauki.

W Genomtec Miron uczestniczy aktywnie w pracach B+R w zakresie biologii molekularnej w obszarze chorób zakaźnych.

Michał Wachowski

Członek Zarządu, Chief Financial Officer (CFO)

Michał ma ponad 14 letnie doświadczenie w obszarze finansowania przedsiębiorstw, zarządzania inwestycjami oraz doradztwa biznesowego. Przed dołączeniem do zespołu pełnił rolę dyrektora inwestycyjnego w aktywnie inwestującym funduszu typu Venture Capital. Wcześniej był członkiem Zarządu średniej wielkości spółki produkcyjnej z sektora energetycznego oraz wiceprezesem ds. finansowych w start-upie z branży chemicznej. Doradzał w szeregu transakcji z zakresu inwestycji, fuzji oraz przejęć oraz w procesach restrukturyzacyjnych. Wcześniej pełnił funkcje operacyjne w ARP, TFS, Deloitte, Polimex-Mostostal oraz Central Europe Trust. Absolwent studiów magisterskich Szkoły Głównej Handlowej w Warszawie na kierunku Finanse i Bankowość oraz studiów podyplomowych Transfer Technologii Informatycznych do Przedsiębiorstw.

W Genomtec odpowiedzialny za finanse Spółki.

5.1.2 Supervisory

The Supervisory Board exercises constant supervision over the Company's activities in all areas of its business. In accordance with the Company's Articles of Association, the Supervisory Board consists of 5 (five) to 7 (seven) members, including the Chairman. Members of the Supervisory Board are appointed and dismissed by the General Meeting for a joint term of 3 years. Any Member of the Supervisory Board may be re-elected to this function. Any Member of the Supervisory Board may be dismissed at any time. If the General Meeting has not elected the Chairman of the Board, he/she shall be elected at the first meeting in a given term of office by the Supervisory Board from among its members. The term of office of a member of the Supervisory Board shall expire, at the latest, on the date of the General Meeting which approves the financial statements for the last full financial year in which the member served on the Supervisory Board.

The composition of the Issuer's Supervisory Board as at the Balance Sheet Date and the Report Date was as follows:

- Beata Turlejska Chairperson of the Supervisory Board
- Andrzej Taudul Member of the Supervisory Board
- Trevor Hawkins Member of the Supervisory Board
- Paweł Duszek Member of the Supervisory Board
- Gualtiero Garlasco Member of the Supervisory Board

The Supervisory Board may appoint committees or commissions, both permanent and ad hoc, to deal with specific matters, as consultative and advisory bodies consisting of individual Supervisory Board Members, advisers and experts.

5.1.3 Audit Committee

The Audit Committee was appointed from among the members of the Supervisory Board on the basis of Resolution No. 01/10/2021 of the Supervisory Board dated 22.10.2021.
The Audit Committee operates on the basis of the Rules of Procedure of the Audit Committee adopted by the Company's Supervisory Board, which sets out, among other things, the detailed scope of the Committee's tasks and powers.
As at the Report Date, the composition of the Audit Committee was as follows:

- Paweł Duszek - Chairman of the Audit Committee
- Trevor Hawkins - Member of the Audit Committee
- Beata Turlejska - Member of the Audit Committee

The Company's Audit Committee held two meetings in 2024 up to the date of publication of this report.

5.2 History and objects of the Company

Genomtec S.A., headquartered in Wrocław, Poland (Company, Issuer, Genomtec), was founded in 2016 by a group of scientists and engineers with experience and expertise in the fields of molecular biology and microsystems and photonics.

The Company's core business is research and development in the field of biotechnology.

The company's flagship project is Genomtec ID, a diagnostic system that has the potential to become the new standard in diagnostics, thanks to its mobility, speed and effectiveness in detecting pathogens such as viruses, bacteria or fungi, as well as genetic mutations through the analysis of biological material: swabs, urine, saliva.

The Genomtec ID is a handy diagnostic system with a cuboid shape and dimensions of approximately 10cm x 10cm x 15cm, which stands out for its mobility and speed of testing while maintaining the highest standards for sensitivity and specificity. The Genomtec ID will be able to test up to five pathogens simultaneously on a single reaction card, which, in the opinion of the Board, represents optimum information value for the test analyser.

In 2023, the Company, started work on the development of a new diagnostic platform operating on the basis of isothermal amplification techniques of nucleic acids. The project aims to develop technology and an automated system for mutation detection in the area of clinical oncology based on a lab-on-chip

solution and isothermal nucleic acid amplification techniques for, among other things, the selection of targeted therapies in the area of oncology.

As at the date of publication of this report, the Company does not form a group and there are no subsidiaries of the Company. The Company has no branches.

During the reporting period, there were no changes to the Company's basic business management principles.

On 16 February 2023. The company made its debut on the WSE Main Market.

Object of activity

Genomtec S.A.'s activities consist of research and development in the area of the application of isothermal methods in molecular diagnostics.

Another area of the Company's activity is the development and commercialisation of genetic tests with applications in, among others, the detection of infectious diseases with a viral basis, including COVID-19, caused by the SARS-CoV-2 virus. However, the activities in the area of testing are treated by the Board as side activities, and the Company's most important projects are Genomtec ID and the oncology project "OncoSNAAT".

The experience gained from scientific and business projects has enabled the development of a technology that is free of the disadvantages of the currently dominant approach to genetic diagnostics, including, in particular, *Point of Care Testing* (POCT) - i.e. instrument size, power consumption, time to result, cost of production of the analyser and reaction cards.

With this in mind, the Issuer decided to develop its equipment based on the rapidly developing isothermal method of amplification of genetic material using the LAMP technique. The Company uses a proprietary automated version of this method called SNAAT® (*Streamlined Nucleic Acid Amplification Technology*).

The annual market growth rate for isothermal nucleic acid amplification techniques is estimated to be significantly higher than the current market standard, the *Polymerase Chain Reaction* (PCR).

5.3 Strategy and objectives

The Company focuses on research and development activities. The Company's strategic objective is to develop key technological and scientific competencies in order to maximise the effect of ongoing tasks related to current projects. The Company currently does not have the capacity and production resources for mass production of devices or reaction cards, and the development strategy does not assume that such production capacity would be implemented by the Company on its own. The Company's development strategy is to develop innovative technologies as part of its in-house scientific team, to secure intellectual value through patents and patent applications and to commercialise projects in collaboration with external partners.

The Company's strategic objective is therefore to achieve the ability to commercialise and market the results of the work carried out by the Company's specialists. This currently primarily concerns the flagship project, the Genomtec ID diagnostic system, and the oncology project.
For the Company, the strategic projects are Genomtec ID and the oncology project, and the Company is currently investing the most time and resources in the development of these projects. The strategy for the development of these products was to certify them before an authorisation body in Europe and to achieve external small-scale production capacity, which took place in the second half of 2022 for Genomtec ID. The market sale of the results of the Company's work can, in principle, take place in one of two basic formulas: strategic partnerships and licensing, or the sale of the technology, which are options that the Company is currently analysing and for which it is seeking a business partner or investor. Work in this area was stepped up at the end of 2022 with the start of cooperation with Clairfield Partners LLC. The object of the concluded agreement is to advise on the process of establishing strategic partnerships, selling licenses and/or selling all or part of its intellectual property and related technology. According to the concluded agreement, Clairfield Partners LLC is responsible for, among other things, the identification and selection of potential buyers and partners. These activities include, among other things, drafting the necessary materials and establishing contacts with, among others, global companies in the in-vitro diagnostic medical device sector.
Since the start of R&D, the company has been taking measures that make successful market commercialisation likely, such as:

- cooperation with international partners such as CDMOs in the area of reaction cards and the analyser, which lends credibility to the production capacity in the eyes of international players;
- the development of a team of specialists with international experience in the commercialisation of medical devices;
- taking care to protect intellectual property through granted patents and patent applications, thus building the value of the technology.

In parallel, using the overseas contacts of those working or collaborating with the Company, including a team from the UK, the Company is in discussions with potential business partners presenting its technology and commercial opportunities.
The company also participates in trade fairs and industry conferences.
At the date of publication of this Report, the Board has not decided on a single route to market the Company's output. The main criterion that the Management Board will take into account when choosing the appropriate route is the maximisation of the Company's shareholder value and the efficiency of the Company's development.

5.4 Company development projects

5.4.1 Genomtec ID

Genomtec ID is the Company's flagship technology solution that offers rapid genetic diagnostics using SNAAT® technology. The Genomtec ID system allows the diagnostic process to be carried out at the point of patient care (e.g. primary care clinics, pharmacies, doctors' surgeries, hospital emergency departments (EDs)) without the need for its complex and time-consuming handling in the laboratory by qualified personnel. Currently, the Genomtec ID platform is in the industrialisation phase in collaboration with an external partner (*Contract Development and Manufacturing Organisation* - CDMO).

In Q2 2022, the Issuer reached a significant milestone of obtaining the CE-IVD mark for its flagship solution, the Genomtec®ID Respiratory Panel 5-Plex (RP5-PLEX) diagnostic panel for the detection of pathogens that cause respiratory diseases, required for all in-vitro diagnostic (IVD) devices to be marketed in the countries of the European Economic Area (EEA) and Iceland, Norway and Liechtenstein. GENOMTEC has filed an application for a new in-vitro diagnostic medical device with the Office for Registration of Medicinal Products, Medical Devices and Biocidal Products and, following the expiry of the statutory deadline for the application, has been granted the right to market the Genomtec ID Respiratory Panel 5 - Plex product in the European Union (*ESPI current report number 12/2022 of 8 June 2022*).

5.4.2 Oncology project

The oncology project 'oncoSNAAT' is a method developed by Genomtec that uses SNAAT® technology for cancer diagnosis for use in distributed diagnostics. The project consists of the development of technology and an automated system for the detection of genetic variants in the field of clinical oncology based on a lab-on-chip solution and isothermal nucleic acid amplification techniques. The R&D work will include lab-on-chip technology for the detection of genetic variants in oncology diagnostics using microfluidic cards to enable the diagnosis and application of molecularly targeted therapies. In the course of further work, the technology will be developed using a dedicated analyser and a clinical trial will be conducted.

Furthermore, in addition to the areas of upper respiratory disease diagnostics or oncology, which are among the most attractive segments of the diagnostics market, the technology under development can be used in: the area of drug dosage, epidemiology, veterinary diagnostics or food safety, among others. The project started in January 2024 and will last until 2027.

5.5 Intellectual property

Patent protection of the technology owned or the processes comprising the technology is a key area for building and protecting the intellectual value developed in the Company.

As at the date of this report, the Company holds patents in Europe, the USA, Canada, Brazil and Japan. In addition, the Company has more than 30 patent applications in global markets.

List of the Issuer's patents:

Lp.	Patent number	Country of application	Title	Validity
1	Pat. 235210	Poland	Method of detecting genetic material in a biological sample and a device for its implementation	21.12.2036
2	US 10781479	USA	A method of detecting genetic material in a biological sample and a device for its implementation	21.12.2037
3.	237232	Poland	Borrelia burgdorferi nucleotide sequence duplication primer set, Borrelia burgdorferi detection method, Lyme disease diagnostic method and Lyme disease diagnostic kit	20.10.2037
4.	6961700	Japan	Method for detection of genetic material in a biological specimen, the device for the execution of this method	20.12.2037
5	Pat.239727	Poland	Non-contact temperature monitoring kit, method of generating electromagnetic radiation wave fronts and use of the kit to generate temperature field profiles	03.01.2038
6	Pat.240016	Poland	Human papillomavirus type 16 HPV16 Human papillomavirus detection primer set type 16, how to detect HPV16 infection, use of HPV infection detection primer set	09.09.2039
7	338891	Albania, Austria, Belgium, Bosnia and	A method of detecting genetic material in a biological sample	20.12.2037

Lp.	Patent number	Country of application	Title	Validity
		Herzegovina, Bulgaria, Croatia, Cyprus, Montenegro, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Macedonia, Malta, Monaco, the Netherlands, Norway, Portugal, Romania, San Marino, Serbia, Slovakia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States.	and a device for its implementation	
8	63179	Serbia	Method of detecting genetic material in a biological sample and a device for its implementation.	20.12.2037
9	BR 112019012501-9	Brazil	Method of detecting genetic material in a biological sample and a device for its implementation (UM MÉTODO PARA DETECTAR MATERIAL GENÉTICO EM UMA AMOSTRA BIOLÓGICA E UM DISPOSITIVO PARA SUA IMPLEMENTAÇÃO)	20.12.2037

Lp.	Patent number	Country of application	Title	Validity
10	11608521	USA	Method of detecting genetic material in a biological sample and a device for its implementation (continuation)	23.10.2037
11	PAT.88667-1	Canada	A method of detecting genetic material in a biological sample and a device for its implementation	20.12.2037
12		Poland	Mycoplasma pneumoniae dnaE gene nucleotide sequence duplication primer set, Mycoplasma pneumoniae detection method, Mycoplasma pneumoniae infection detection method and Mycoplasma pneumoniae infection detection kit	

5.6 Sources of funding

In order to raise additional funding for the development of the Company's activities, in particular the oncology project 'OncoSNAAT', on 22 April 2024, the Extraordinary General Meeting of the Company adopted a resolution to issue up to 1,066,684 new series O ordinary bearer shares with a nominal value of PLN 0.10. The issue price of series O shares was PLN 10.00. As part of the issue of O series shares, the Company raised PLN 10,666,840. The capital increase by O series shares took place on 16 May 2024.

5.7 Description of the Issuer's significant achievements or failures during the Reporting Period, including a list of the most significant events

5.7.1 Recognition by NCRD of the project implemented by the Company as having been completed

On 29 January 2024, the Company received information from the National Centre for Research and Development that the NCRD recognised the project implemented by the Company entitled "Development of technology and mobile diagnostic equipment based on a lab-on-chip solution for the detection of infectious diseases." as completed in terms of content and finance. The Project was subsidised by NCBR, and according to the subsidy agreement with NCBR, the Company is obliged to ensure the sustainability of the Project for a period of 3 years. The total cost of the Project was approximately PLN 12.2 million, the NCRD grant awarded was approximately PLN 8.9 million. (ESPI current report no. 2/2024).

5.7.2 Grant of patent in Canada

On 12 February 2024, the Company became aware of a positive decision by the Canadian Patent Office granting the Company patent protection for its invention entitled "*A method of detecting genetic material in a biological sample and a device for its implementation*". (ESPI current report no. 3/2024).

5.7.3 Receipt of a decision from the Polish Patent Office granting patent protection

On 28 February 2024, the Company became aware of a positive decision by the Polish Patent Office granting the Company patent protection for the invention entitled "*A set of primers for duplicating the nucleotide sequence of the dnaE gene of Mycoplasma pneumoniae, a method for detecting Mycoplasma pneumoniae bacteria, a method for detecting Mycoplasma pneumoniae infection and a kit for detecting Mycoplasma pneumoniae infection*". (ESPI Current Report No. 5/2024).

Changes to the Supervisory Board of Genomtec S.A.

On 12 March 2024, changes to the composition of the Company's Supervisory Board took place, with Mr Jarosław Oleszczuk resigning as a Member of the Issuer's Supervisory Board effective as of the time of submission, and Mr Karol Hop submitting a statement of resignation from the Company's Supervisory Board as of the opening of the Extraordinary General Meeting of the Company convened for 12 March 2024. On the same day, the Extraordinary General Meeting of the Company decided to appoint new members to the Issuer's Supervisory Board in the persons of Ms Beata Turlejska and Mr Gualtiero Garlasco. (ESPI current report no. 6/2024).

Conclusion of an investment agreement to increase the Company's share capital

On 26 March 2024, the Company entered into an investment agreement with ten shareholders of the Company, including 5HT Family Foundation, the President of the Company's Management Board, Miron Tokarski, and the Company's founders, pursuant to which the aforementioned shareholders undertook to provide financing to the Company by taking up a total of 1,066,684 new ordinary bearer shares issued by the Company for a unit issue price of PLN 10.00. On 22 April 2024, the Extraordinary General Meeting of the Company adopted a resolution to increase the Company's share capital (ESPI Current Report No. 11/2024 and 13/2024).

Resolution on the issue of shares and changes in the Supervisory Board

On 22 April 2024, an Extraordinary General Meeting of the Company took place, which adopted a resolution to increase the Company's share capital through the issue of up to 1,066,684 new series O ordinary bearer shares to the exclusion of all pre-emptive rights of existing shareholders, to amend the Company's articles of association and to apply for the admission and introduction of the series O shares to trading on the regulated market (ESPI current report No. 13/2024).

In addition, on the same day, the Company received the resignation of Mr Michael Jank from the position of Member of the Supervisory Board of the Company with effect from the opening of the Extraordinary General Meeting, and during the Extraordinary General Meeting, Mr Trevor Hawkins was appointed to the position of Member of the Supervisory Board of the Company as of the same date (ESPI current report No. 14/2024).

Registration of share capital increase

On 16 May 2024, amendments to the Company's Articles of Association resulting from the aforementioned resolution of the Extraordinary General Meeting of the Company of 22 April 2024 on

increasing the Company's share capital through the issue of new O series ordinary bearer shares were registered by the District Court for Wrocław Fabryczna in Wrocław, 6th Commercial Division of the National Court Register.

Recognition by NCRD of the grant received by the Company as completed

On 27 September 2024, the Company received information from the National Centre for Research and Development (NCBR) that the NCBR recognised the project implemented by the Company entitled: "Development of a mobile diagnostic apparatus based on a lab-on-chip solution for the detection of COVID-19 disease (SARS-CoV-2 virus)" (the Project) for being substantially and financially completed. The Project was subsidised by NCRD, and according to the subsidy agreement with NCRD, the Company is obliged to ensure the sustainability of the Project for a period of 3 years. The total cost of the Project was approximately PLN 10.3 million, the NCRD grant awarded was approximately PLN 6.7 million. As part of the Project, the Company has developed and tested a multiplex kit for the genetic identification of the SARS-CoV-2 virus using the RT-LAMP technique, for use in diagnostic laboratories, and a POCT diagnostic system based on a lab-on-chip solution and the RT-LAMP technique for detecting the SARS-CoV-2 virus in distributed diagnostics.

5.8 Events after the Balance Sheet Date

Apart from the information provided in this Report, there were no significant events relating to the Company's operations after the balance sheet date.

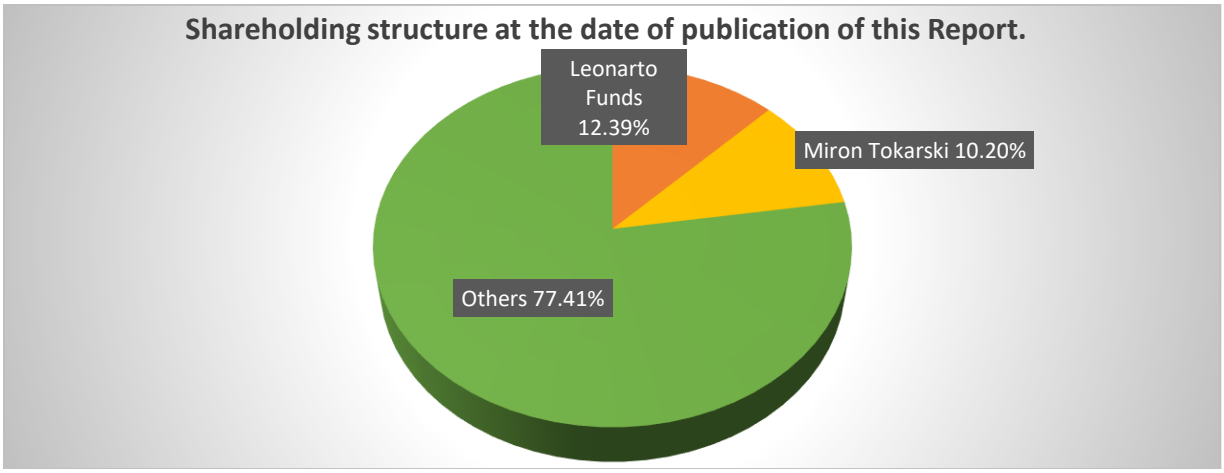
6 Shareholders and Company shares

The Company's registered share capital as at the Report Date is PLN 1,332,457, divided into 13,324,570 ordinary bearer shares with a nominal value of 0.10 (ten cents) per share.
The Company's share capital is divided into:
(a) 1,000,000 series A ordinary bearer shares,
(b) 142,860 Series B ordinary bearer shares,
(c) 4,000,000 Series C ordinary bearer shares,
(d) 583,670 series D ordinary bearer shares,
(e) 85,900 series E ordinary bearer shares,
(f) 76,000 series F ordinary bearer shares,
(g) 710,110 G-series ordinary bearer shares,
(h) 830,000 series H ordinary bearer shares,
(i) 730,000 J series ordinary bearer shares,
(j) 1,205,639 series K ordinary bearer shares,
(k) 794,361 series L ordinary bearer shares,
(l) 1,237,000 series M ordinary bearer shares,
(m) 400,000 series N ordinary bearer shares,
n) 462,346 Series I ordinary bearer shares, and
(o) 1,066,684 Series O ordinary bearer shares.

The company does not hold any treasury shares.

The shareholding structure of the Issuer at the date of this report is as follows:

Shareholder	Number of shares	Number of votes	Share in the share capital	Share in the number of votes at the AGM
Leonarto Funds SCA	1 650 620	1 650 620	12,39%	12,39%
Miron Tokarski	1 359 068	1 359 068	10,20%	10,20%
Others	10 314 882	10 314 882	77,41%	77,41%
TOTAL	**13 324 570**	**13 324 570**	**100,00%**	**100,00%**



From the date of publication of the previous interim report, i.e. the interim report for H1 2024, i.e. from 27 September 2024, Mr Miron Tokarski's share in the total number of shares and votes in the Company increased by 3,950 shares (0.03%). Apart from the above, there were no changes in the ownership of significant blocks of shares in the Issuer.

As at the Reporting Date, the following members of the Company's management and supervisory bodies hold Shares in the Company:

Shareholder	Number of shares/votes held	Nominal value of shares (PLN)	Share in the share capital	Share in the number of votes at the AGM
Miron Tokarski - President of the Management Board	1 359 068	135 906,80	10,20%	10,20%
Michał Wachowski - Member of the Management Board	48 341	4 834,10	0,36%	0,36%
Beata Turlejska - Chairman of the Supervisory Board	833	83,3	0,01%	0,01%
Trevor Hawkins - Member of the Supervisory Board	0	0	0,00%	0,00%
Paweł Duszek - Member of the Supervisory Board	0	0	0,00%	0,00%

Shareholder	Number of shares/votes held	Nominal value of shares (PLN)	Share in the share capital	Share in the number of votes at the AGM
Andrzej Taudul - Member of the Supervisory Board	3 441	344	0,03%	0,03%
Gualtiero Garlasco - Member of the Supervisory Board	0	0	0,00%	0,00%

At the date of publication of the report, none of the Company's management and supervisory bodies are entitled to shares in the Company (other than under the incentive scheme), nor do they hold shares in related parties.

Since the date of the previous interim report, i.e. the interim report for H1 2024, i.e. 27 September 2024, the shareholding of Mr Miron Tokarski and Mr Michał Wachowski in the total number of shares and votes in the Company increased by 3,950 shares/votes (0.03%) and 3,335 shares/votes (0.03%) respectively.

Apart from the above, there have been no changes in the ownership of significant blocks of shares in the Issuer

6.1 Description of factors and events, in particular of an unusual nature, having a significant impact on the Company's financial performance

Apart from the information provided in this report, the Company does not identify any factors or unusual events affecting the result of its operations.

6.2 Indication of factors which, in the Issuer's opinion, will affect its results in the perspective of at least the next quarter

The Company does not generate any material revenue from the sale of its products and the sales revenue it reports is due to one-off orders for customers. The Company's products currently ready for sale are GENOMTEC's genetic tests - Genomtec® SARS-CoV-2 EvaGreen® RT-LAMP CE-IVD Duo Kit. In the Company's opinion, Genomtec's tests have a number of advantages over currently used genetic tests using the RTPCR method, among which are the lower cost, the possibility of taking a sample from saliva (simpler, less inconvenient for the patient) and the lower level of detection. However, the company points out that in Poland, RT-LAMP genetic tests are not reimbursed by the public payer (NFZ) and are therefore subject to full payment by the patient. Until RT-LAMP technology tests are recognised as diagnostically equivalent to RT-PCR tests and covered by reimbursement, sales of the Company's tests must focus on cooperation with private facilities, which limits the market. The aforementioned lack of reimbursement is the main reason for not achieving significant revenues from the sale of genetic tests in Poland. In European markets, RT-LAMP tests are reimbursed in some countries such as the Netherlands, Germany, Spain, the UK, Austria and Belgium. The Company's flagship project, the Genomtec ID platform, which is in the development stage, is not currently available for sale. The Company has obtained IVDD certification and achieved external small-scale production capacity in the second half of 2022. Further funding for the development of Genomtec ID and thus the possible

achievement of significant revenues from the commercialisation of this technology will be possible if the next tranches of grants and subsidies received are properly accounted for and received, which are crucial (in addition to investor contributions) as external sources of funding for the Company's operations. On 30 November 2022, it entered into an agreement with Clairfield Partners LLC, based in New York, to advise on the process of establishing strategic partnerships, selling licences and/or selling all or part of its intellectual property and related technology. Clairfield is responsible for, among other things, identifying and selecting potential buyers and partners. These activities include drafting the necessary materials and establishing contacts with, among others, global companies in the in-vitro diagnostic medical device sector. In addition, Clairfield will support the Company in organising the due diligence process, shaping the negotiation strategy and coordinating the process of final discussions related to the potential transaction.

6.3 Description of principal hazards and

The Company as the most significant risk factors, taking into account the likelihood of occurrence of and the anticipated magnitude of the negative impact, identifies:
- the risks associated with the early stage of the Company's development and the failure to generate sales revenue;
- risks associated with the implementation of the development strategy;
- external funding risks;
- risks relating to intellectual and industrial property rights;
- the risk of not being able to continue operations in the event of failure to obtain external funding.

Risk factors directly related to the Company's activities

Risks related to the early stage of the Company's development and to the lack of sales revenue generation

The Company's activities consist of carrying out research and development work related to the development of technology applicable to mobile genetic diagnostics, including the development of diagnostic panels. The Company is in the development phase prior to the commercialisation of its flagship Genomtec ID genetic diagnostics platform.

The Company has negative financial results, which is related to the stage of the Company's business, which incurs costs to carry out research and development work and does not generate any significant sales revenue. The Company finances its operations from external investors and grants.

The Company, using its *know-how* in the area of molecular biology, has also developed two-gene genetic tests for the detection of SARS-CoV-2. The Company considers the development of these tests as a use of its in-house knowledge and experience, but they are not a key business line of the Company. As at the date of the report, there are no regular sales of the aforementioned tests.

The Company's research and development work is, by its very nature, subject to uncertainty as to the market outcome of product commercialisation. The Company's research demonstrates the effectiveness of its technology which, together with the Company's recognition of market demand for its products and analysis of competitor offerings, allows it to assume that the Company's products will attract interest.

The early stage of product development and the nature of the Company's operations operating in the highly innovative medical diagnostics segment are also associated with the possibility of failing to meet commercialisation deadlines. The process of technology development and implementation to the market is a multi-stage one, which means that unforeseen circumstances affecting the adopted work schedule may arise.

Due to the early stage of development of the Company and its products, there is a risk of a further lack of sales revenue. The profit outlook is also unknown, which is highly likely to lead to losses in subsequent periods. For the Company's further development, it may be necessary to raise additional funds from external sources, which the Company plans to obtain from the issue of shares, a new grant or in the form of loans. The Company continuously analyses the opportunities offered by the market in this respect. In particular, if it becomes difficult to obtain financing from a share issue or a grant, the Company's Management Board is considering alternative forms of financing its operations in the form of further loans.

In the Company's view, the materiality of the risk factor described, if it were to occur, would be high, but the probability of occurrence is medium.

Risks associated with the implementation of the development strategy

The Company's development strategy is to carry out research and development work on a number of projects with a view to bringing them to commercial sale. The Company plans to achieve this objective in cooperation with external partners or by selling the technology to an external entity,. In order to achieve commercialisation, the Company's strategy is to complete a series of stages related to the validation, industrialisation and commercialisation of the device. Due to the innovative nature of the work in progress, there is a risk that the Company's assumptions will fail in whole or in part.

Work on the projects may be prolonged, if only due to technological problems, which may cause problems with financing subsequent stages. In addition, there is a risk, assessed by the Company as low, that in the course of work on Genomtec ID, another competing product with significantly better properties than the Company's product will appear on the market.

At the same time, the Company continuously monitors the market for diagnostic equipment and analyses the potential interest of large, foreign corporations that could become commercialisation partners of the Company or acquire the technology under development.

In the Company's opinion, the materiality of the described risk factor, should it occur, would be medium. The probability of the described risk factor occurring is medium.

External financing risks

From the beginning, the Company's primary sources of funding have been contributions from the founders and external investors, as well as funds obtained from support programmes such as grants and subsidies.

It cannot be definitively assumed that the funds raised from the issue of Shares and the grant amounts remaining at the Company's disposal will be sufficient to generate sales proceeds. In the event of a shortfall in funds, the Company will be forced to consider the use of new external sources of financing. The need for, and scale of, the Company's use of external financing, if any, will depend primarily on the results of the Company's completed research and development and commercialisation of its products.

In the Company's opinion, the materiality of the described risk factor, should it occur, would be high. The probability of the described risk factor occurring is medium.

Risks associated with grants and subsidies

The company has benefited and is benefiting from grants and subsidies

In order to receive public funding, the Company must meet certain competition conditions. The use of grants results in the Company obtaining funding mainly in the form of advance payments, which it then settles in accordance with the application and grant agreement. There is a risk that the costs incurred by the Company on research projects will be questioned and the final grant amount will be subject to reduction. The Company is also exposed to the risk of requesting repayment of grants received, with such a procedure only being initiated in circumstances of the grant not being used in accordance with the objectives of the grant agreement. In turn, the possibly prolonged time for government agencies to process settlements of advances and payment requests may result in the need to spend large amounts from own funds before they are reimbursed. The realisation of the above risk would adversely affect the implementation of the development strategy adopted by the Company and its liquidity. The Company attaches particular importance to duly complying with the terms of the co-financing agreements and, to its knowledge, there is no risk that the above negative conditions will occur.

In the Company's opinion, the materiality of the described risk factor, should it occur, would be high. but the probability of its occurrence is low.

Risk of not being able to continue operations if external financing is not obtained

The Company conducts research and development activities, which are financed from its own funds derived from shareholders' contributions and proceeds from a grant received from the Polish Agency for Enterprise Development. Due to the fact that the current stage of the Company's operations and market development is characterised by negative financial results and negative net flows from operating and investing activities, the possibility of continuing operations depends on the possibility of obtaining further financing. The Company continuously analyses the opportunities offered by the market in this respect. In particular, in the event of difficulties in obtaining financing from the issue of shares or a grant, the Company's Management Board is considering alternative forms of financing its operations in the form of further loans.

In the Company's view, the materiality of the risk factor described, if it were to occur, would be high and the probability of occurrence is medium.

Risk of losing key staff

One of the foundations on which the Company relies in its day-to-day operations and through which it pursues its growth strategy is human capital. The Company's development prospects require the commitment, loyalty and retention of key employees. The specific nature of the Company's business requires employees to have high, specialised qualifications and experience, and their possible loss could cause serious difficulties in finding successors with the appropriate competencies. The loss of key personnel would significantly disrupt the Company's development process and put into question the effectiveness of the implementation of the adopted strategy.

In the Company's view, the materiality of the risk factor described, if it were to occur, would be high, but the probability of occurrence is medium.

Risks associated with suppliers and customers

The Company procures the materials and components necessary for its operations from a relatively narrow, selected group of a few suppliers that meet the high criteria required by the Company. The Company contacts suppliers when specific orders are placed, and also maintains ongoing cooperation in the supply of the necessary basic components for both electronics and molecular biology. Working with a small group of established suppliers ensures the high quality of materials purchased, but may make the Company more susceptible to changes in prices offered by suppliers and to the reduction or discontinuation of supplies of essential materials or components.

When selecting cooperation partners, the company was primarily guided by the experience and competence of the entities and their employees, as well as the quality of production and the stability of the counterparty's financial situation.

In the Company's opinion, the materiality of the described risk factor, should it occur, would be medium. The probability of the described risk factor occurring is medium.

Risks related to intellectual and industrial property rights

The Company's employees' knowledge, scientific and research achievements or the technological processes used, as well as the patents resulting therefrom (including the proceedings pending before the patent offices in this respect), are key assets. For effective protection against infringement of these rights, the Company has been granted patents for inventions in Poland, the USA, Japan, Canada, Brazil and by the European Patent Office, and has applied for further inventions to be patented in selected jurisdictions. The Company has registered trademarks in the European Union and the USA in its favour.

Disclosure of the Company's intellectual and industrial property would risk replication of the Company's proprietary, specific solutions by competitors. This situation could have serious repercussions on the Company's business and economic situation, including its financial results.

The Company's business also involves the risk of infringing the intellectual and industrial property rights of third parties. The Company is particularly cautious in this regard, and each time the process of obtaining a patent requires an assessment by patent attorneys and offices to ensure that the invention is innovative and does not infringe on the intellectual property of another patentee. The risk of possible infringement of another's intellectual property rights occurs mainly in distant markets, outside the European Union or the USA, where the aspect of intellectual property monitoring is not as advanced and systematised. Given the broad scope of patent protection set out in the Company's patent applications, the risk of infringement of third parties' intellectual property rights cannot be categorically excluded, although such a situation is unlikely, due to the analysis carried out by the patent offices, prior to issuing a patent decision, of the innovativeness of the patent and its impact on third parties' rights. However, in the event that a third party brings an action to protect its patent rights, the Company could be exposed to the costs of such proceedings and their unfavourable outcome, which would adversely affect it.

The Company's invention process involves research work, often spanning many years, and the development of various technologies, including the involvement of various parties, in particular employees and collaborators. Due to the imprecision or absence of certain provisions in the Company's contracts, including those relating to the subjects of the intellectual property rights transferred, there

is a risk that the effectiveness of the Company's acquisition of these rights may be questioned, and thus a potential risk of employees or collaborators raising claims against the Company on this account.

In the Company's view, the materiality of the risk factor described, if it were to occur, would be high, but the probability of its occurrence is low.

Risks associated with registration tests

It is characteristic of the area in which the Company operates that products are required to undergo validation prior to being placed on the market in order to obtain registration. Validation generally takes place in external, independent bodies. These tests are to verify that the product meets the criteria that are required for their registration and marketing. The standard registration procedure requires a diagnostic validation of the product parameters, which can be carried out internally, but is usually done externally, with an independent body (e.g. a diagnostic laboratory, a clinical hospital) carrying out the tests. There is a risk that during the testing, quality deficiencies will be detected or inaccurate diagnostic parameters will be highlighted, affecting the speed of the registration procedure and resulting in additional costs associated with rectifying the identified deficiencies. In extreme cases, the Company's products may fail to obtain registration. The Company operates in a field subject to strict technological, operational and legal requirements, so the presented risk factor is a natural element of the process of introducing products to the market.

In the Company's view, the materiality of the risk factor described, if it were to occur, would be high and the probability of occurrence is medium.

Risks associated with possible failures of the Company's products

The risk of failure of the Company's products relates to the components and materials used in the manufacture of the diagnostic test kits (chemical and biochemical raw materials), microfluidic reaction cards (polymers and other substances used in the production of microstructures) and the control device (mechanical, electronic components and housing materials). The company uses in part materials and other chemical/biochemical components from external manufacturers, while specialist subcontractors are responsible for sourcing the materials and components used for the microfluidic card and the analyser (control device) itself. Therefore, it cannot be ruled out that in the future a situation of reduced quality of the corresponding test mixture production will arise, which may negatively affect the diagnostic parameters of the performed genetic test or the failure of the Genomtec ID diagnostic platform as a whole. In addition, the lack of adherence to quality management principles at the production stage of the reaction cards and analyser components, as well as its final assembly in the production technology process, may result in hidden product defects. Inadequate training of the process line staff, as well as inadequate servicing of the automated equipment used in the production process, may also contribute to the above. It is not excluded that the safety system of the production operations of subcontractors, as well as the Company itself, may be disrupted by failures (electrical or mechanical of the process line) and unplanned downtime, natural disasters, terrorist attacks and other similar events that may have a negative impact on the overall quality of the product. The failure rate of the Genomtec ID product may be increased under unsuitable conditions of use, such as very high or very low outdoor temperatures, high dust or humidity, over which the Company has no direct control, but the Company will clearly define the environmental framework for the use of the product in the instructions for use of the diagnostic device. Failures can also occur as a result of excessive shocks to

the analyser during operation or transport. There is also a risk of failure of the analyser's software due to incorrect coding of the operating system and its commands, or due to damage to electrical (micro surge), which may adversely affect the quality of the product and its use for diagnostic purposes.

In the Company's opinion, the materiality of the described risk factor, if it were to occur, would be medium and the probability of its occurrence is low.

Risks associated with the Company's product commercialisation model

The company plans to commercialise its products globally, including the Genomtec ID platform and genetic testing. In the case of the Genomtec ID project, a potential strategic partner or technology buyer could be a large foreign company, as in the case of global commercialisation plans, knowledge of trends in global markets, particularly the *point-of-care testing* (*POCT*) medical device market, is key. The risks associated with the current diagnostic test distribution model are several, the most important being: (i) inability to identify the market potential of the distributor or misidentification of the market potential; (ii) erroneous commercial agreements, which may result in claims and legal or administrative proceedings; (iii) failure of the distributor to meet agreed sales targets and the need to enforce them; (iv) definition of a consistent warranty and claims policy and its implementation and maintenance for all distributors; (v) dependence on one key distributor in a given market or globally; (vi) the difficulty of control in many aspects in hermetic markets, such as the Chinese market, including the issue of production of counterfeit products and the quality of service provided; (vii) the risk of an authorised distributor going out of business and having to be replaced by another in a given market, and (viii) the risk of loss of the Company's credibility (image) due to inconsistent marketing policies or unauthorised activities by the distributor(s).

In the Company's opinion, the materiality of the described risk factor, should it occur, would be low. The probability of the described risk factor occurring is low.

Risks associated with the dominant market share of PCR technology

The technology of amplification of genetic material by Polymerase Chain Reaction (PCR) and its various variations holds the largest share of the molecular diagnostics market (41.1% in 2021 according to Molecular Diagnostics Market by Product & Service, Test Type, Technology, Application, End User - Global Forecast to 2027). This is due to the entrenched nature of this technology in the market, as it has been used since the 1980s, becoming a basic diagnostic standard. There is a risk of 'distrust' by diagnostic laboratories of isothermal techniques, including the LAMP technique used by Genomtec ID, by virtue of the fact that they are younger techniques than PCR and less popular to date. The position of the PCR technique is also strengthened by the manufacturers of diagnostic kits and devices in PCR technology themselves, who, having invested heavily in the protection of intellectual property and the development of their products in PCR technology, are interested in maintaining the market status of this technology. Despite the risks indicated, the LAMP technique as well as other isothermal methods are gaining ground.

In the Company's opinion, the materiality of the described risk factor, should it occur, would be low. The probability of the described risk factor occurring is low.

Risk factors related to the environment in which the Company operates

Risks related to the legal environment

The Company's activities are subject to specific provisions in the field of medical device and diagnostic laws, in particular the Medical Devices Act, Regulation (EU) 2017/746 of the European Parliament and of the Council of 5 April 2017 on *in-vitro* diagnostic medical devices and repealing Directive 98/79/EC and Commission Decision 2010/227/EU and Regulation (EU) 2017/745 of the European Parliament and of the Council of 5 April 2017 on medical devices, amending Directive 2001/83/EC, Regulation (EC) No 178/2002 and Regulation (EC) No 1223/2009 and repealing Council Directives 90/385/EEC and 93/42/EEC.

The legal and regulatory environment in the field of medical device and diagnostic law continues to be characterised by volatility, and the rules are not applied uniformly by the courts and public authorities, particularly in Poland.

Changes in the indicated legal regulations may have a serious impact on the legal environment of the Company's operations, and the entry into force of a new regulation may be associated, among other things, with interpretation problems, inconsistent court decisions or unfavourable interpretations adopted by public administration bodies.

Significant for the Company's operations are regulatory changes in the area of *in-vitro* medical diagnostics related to the planned May 2022 commencement of the IVDR Regulation in the European Union, imposing new certification obligations on research and development companies. However, it is noted that, as of the date of the report, R&D and the procedure for industrialisation and clinical validation of the Company's products are already being carried out by the Company under a regime of more stringent requirements.

In the Company's opinion, the materiality of the described risk factor, should it occur, would be low. The probability of the described risk factor occurring is low.

Competition risks

The Company operates as a company with a research and development profile. The Company's competitors are companies with a similar business profile, operating in particular scientific disciplines and medical diagnostic segments, as well as subsidiaries of foreign concerns established in Poland.

The leaders in the molecular testing segment for infectious diseases are global companies such as Roche Diagnostics, BioMérieux, Abbott Laboratories and Bio-Rad Laboratories. However, these companies are currently focused on the production of very expensive benchtop laboratory diagnostic equipment. Direct competitors to the Company's solution are smaller, innovative companies that are working on rapid tests and portable diagnostic devices for molecular diagnostics of infectious diseases (and possibly other segments). Currently commercially available diagnostic solutions targeting patient care sites that fall into this category include Abbot ID Now and Roche Cobas LIAT.

The emergence of new entities with a business profile similar to that of the Company cannot also be ruled out. Strong competition, including the diversified form of business conducted by competing entities, links of competing entities with foreign concerns and an increase in the number of entities conducting consulting activities may reduce the number of projects carried out by the Company and their unit value.

However, given the Company's model of intellectual property protection and the barrier to entry into such projects, as well as the technological advantages identified by the Management Board and subject to patent protection, the likelihood of this risk materialising is relatively low.

In the Company's opinion, the materiality of the described risk factor, should it occur, would be low. The probability of the described risk factor occurring is low.

Risks related to the potential impact of the armed conflict in Ukraine on the Company's operations

On 24 February 2022, the Russian Federation launched a military invasion in Ukraine without a declaration of war. The Management Board emphasises that the Company's operational activities are not dependent on the situation in Ukraine, Belarus or Russia. At the same time, due to the lack of resolution of the military action, it is currently not possible to assess the impact of the conflict in question on a strategic level in the long term. The ongoing war is not completely without an impact on the Company's environment, which may hamper its operations. The outbreak of armed conflict increases risk aversion among investors, limiting the financing of innovative projects, including those in the biotechnology sector. At the same time, hostilities indirectly lead to higher interest rates and potentially increase the cost of financing. On the other hand, the increased volatility of exchange rates observed due to the conflict may affect the Company's settlement values, which have a significant share in the Company's revenue and cost structure. In addition, the hostilities cause a reduction in the supply of raw materials and an increase in their prices, which may be reflected in the prices of components and materials used in production. In the opinion of the Management Board, given the course of the conflict to date, the indicated areas do not have a significant impact on the Company's current operations.

In the Company's opinion, the materiality of the described risk factor, should it occur, would be medium. The probability of the described risk factor occurring is low.

Currency risk

Foreign currency settlements are significant in the Company's cost and revenue structure. However, due to the nature of the business, the Company does not generate significant revenues. Most of the Company's foreign currency revenues and costs are settled in EUR and USD. In the future, the Company plans to sell its products abroad, which will involve settling in foreign currencies, primarily in USD and EUR, which will also mean a more significant exposure to changes in foreign currency exchange rates. As the currency in which the Company reports is the zloty, exchange rate volatility may lead to an increase in operating costs if the zloty weakens or a decrease in sales revenue if the zloty strengthens. The indicated risk factor occurs due to the international nature of the Company's operations, the employment of foreign employees and associates living outside Poland and the purchase of materials and services abroad. The Company has not decided to hedge against currency risk using financial instruments, particularly given the high costs of such hedging. In the Company's opinion, the materiality of the described risk factor, should it occur, would be low. The probability of the described risk factor occurring is low.

6.4 Description of changes in the organisation of the Issuer's capital group

The Issuer does not form a Capital Group.

6.5 Related party transactions

The Company did not enter into transactions with related parties on other than arm's length terms during the reporting period.

6.6 Performance forecasts

The company has not published financial forecasts.

6.7 Relevant court proceedings

During the period covered by this Report, the Company was not a party to any proceedings pending before any court, arbitration body or public administration authority concerning the Issuer's liabilities or receivables.

6.8 Sureties and guarantees

During the Reporting Period, the Issuer did not issue any sureties or guarantees.

6.9 Other information

In the opinion of the Company's Board of Directors, apart from the information contained within this report, there is no other information which, in the opinion of the Company, is material for the assessment of its human resources, assets, financial position, financial result and their changes and information which is material for the assessment of the Company's ability to fulfil its obligations.

6.10 Statement of the Management Board regarding the information contained in the Report

The Management Board of GENOMTEC S.A. declares that, to the best of its knowledge, the selected financial information presented in the Report for Q3 2024 and the comparable data have been prepared in accordance with the applicable accounting principles and that they reflect in a true, reliable and clear manner the Issuer's property and financial situation and its financial result, and that the semi-annual report on the Issuer's activities provides a true picture of the Issuer's development, achievements and situation, including a description of the main threats and risks.

The report was approved for publication on 29 November 2024.

Signatures of all Board Members:

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Miron Tokarski - President of the Management Board

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Michał Wachowski - Member of the Management Board