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Genetic Analysis

INVITATION TO SUBSCRIBE FOR UNITS IN
Genetic Analysis AS

IMPORTANT INFORMATION

Any investment in securities is associated with risk. The prospectus for Genetic Analysis AS ('Genetic Analysis' or 'GA' or the 'Company') outlines potential risks relating to the Company's operations and its securities. Before making an investment decision, the information about these risks, together with the rest of the prospectus, should be read carefully. The prospectus is available to download from the Company's website (www.genetic-analysis.com), Sedermera Fondkommission's website (www.sedermera.se) and Spotlight Stock Markets website (www.spotlightstockmarket.com).

Nordnet

SEDERMERA
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Investment highlights - Genetic Analysis

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 flora’s composition and function, ranging from gastrointestinal disorders to neurological and autoimmune diseases. Genetic Analysis has developed the GA-map® Platform, which is currently the only patented and CE-marked routine diagnostic tool for microbiota on the market. First marker is for Irritable Bowel Syndrome (IBS) and Inflammatory Bowel Disease (IBD) and more markers are in the pipeline. With this advantage, Genetic Analysis is now poised to launch its growth plan to ramp up revenues.

1. Genetic Analysis sells the only patented and CE-marked standardized testing tool for efficient and faster microbiome analysis, the GA-map®, which generates recurring revenues.
2. Solid validated technology. GA-map® is underpinned through approx. 20 peer review scientific articles and has been used in more than 50 clinical trials.
3. GA-map® Dysbiosis Test for IBS and IBD patients is launched in labs in the EU and US.
4. In connection with the Company’s growth plan, Genetic analysis will work to establish GA-map® as the preferred solution for laboratories that perform microbiota testing and further from an industry leader position also work to increase the size of the total market by establishing GA-map® in Labs that are currently not performing Microbiome testing.
5. The market for patient selection and monitoring of treatments represents a huge market for GA-map® and is expected to increase significantly as Pharma companies are developing microbiome altering medications.

The planned IPO in summary

Subscription period: 30 August – 13 September 2021.

Subscription price: NOK 78.00 per unit, corresponding to NOK 7.80 per share. Warrants of series TO 1 and TO 2 are issued free of payment.

Minimum subscription: 70 units (equivalent to NOK 5,460). Each unit consists of ten (10) shares, six (6) warrants of series TO 1 and seven (7) warrants of series TO 2.

Issue volume: The initial IPO comprises a maximum of approximately NOK 60 million (gross) and the total combined amount the Company can raise through warrant exercise amounts to approximately NOK 101 million (gross).

Subscription commitments: GA has received written subscription commitments of approximately NOK 48 million, corresponding to approximately 80.4 percent of the initial IPO.

Valuation (pre money): NOK 134 million.

Planned first day for trading: Shares and warrants of series TO 1 and TO 2 are scheduled to be admitted to trading on Spotlight Stock Market on October 1, 2021.

Ticker and ISIN code for the shares: GEAN and NO0010692130.

Ticker and ISIN code for warrants of series TO 1: GEAN TO 1 and NO0011054223.

Ticker and ISIN code for warrants of series TO 2: GEAN TO 2 and NO0011054231.

Warrants of series TO 1: Warrants of series TO 1 entitles the holder to subscribe for one (1) newly issued share at a price of NOK 9.30, during the period from 2 November to 16 November 2022. Upon full exercise of all warrants of series TO 1 at the exercise price, the Company will receive approximately NOK 43 million (gross).

Warrants of series TO 2: Warrants of series TO 2 entitles the holder to subscribe for one (1) newly issued share at a price of NOK 10.70, during the period from 8 November to 22 November 2023. Upon full exercise of all warrants of series TO 2 at the exercise price, the Company will receive approximately NOK 58 million (gross).

PIONEER IN THE HUMAN MICROBIOTA FIELD

Genetic Analysis is a Norwegian company, a pioneer in the human microbiota field with over ten years of expertise in microbiota analysis. Genetic Analysis was founded in 2008, based on the research work of Professor Knut Rudi from the Norwegian University of Life Sciences.

A PARADIGM SHIFT WITHIN MICROBIOME DIAGNOSIS - KEY TO ANY SUCCESSFUL TREATMENT

The selection of microbes present in the gut can, for patients suffering from different conditions or diseases deviate significantly from the "healthy normal" microbiota. Reliable diagnostics is, therefore, the key to select treatment and follow up response on treatment for personalised medicine. Genetic Analysis routine diagnostic tool for microbiota – the GA- map® - will diagnose possible imbalance in this complex ecosystem, referred to as dysbiosis, via In Vitro Diagnostics (IVD) testing. Dysbiosis is associated with several chronic conditions, diseases and infections, i.e. IBS/IBD Diabetes/Obesity, Non Alcoholic Fatty Liver Disease (NAFLD), Non Alcoholic Steatohepatitis (NASH) and colorectal cancer. GA-map® will enable selection of patients, follow-up the effect of treatment, and thus improve patient's life's and reduce treatment costs.

COMPETITIVE ADVANTAGE

The microbiome testing market is today characterized by non-standardized research-based testing. Genetic Analysis has developed the only patented and CE-marked standardized testing platform for microbiome analysis. The patented technology is well underpinned through approx. 20 articles and the GA-map® has been used in more than 50 clinical trials. The Company has an extensive network of contacts and partnerships with well-known players in the Diagnostics and Pharma industry. Genetic Analysis was recently awarded NOK 16 million by the Norwegian Research Council to develop new microbiome marker to aid treatment of IBD.

FAST-GROWING MARKET THAT WILL ACCELERATE THE NEED FOR GA-MAP®

As the research and knowledge of the interplay between microbes and medicine increase, new therapies will arise and possibly change how existing drugs are prescribed. For example, physicians might be able to predict how a person will respond to a particular drug based on their gut bacteria profile and change a person's prescription accordingly. Approx. USD 4.7 billion[1] has been invested in the market for microbiome altering drugs, and there are currently approx. 700 clinical programs at various stages.[2] FDA-approval of such drugs will make the need for routine diagnostics within gut microbiota even more imminent. Patient selection and monitoring of treatments represent a huge market for GA-map®. The market is expected to increase significantly as Pharma companies are developing microbiome altering medications. The need for pre- and post-testing is therefore expected to increase.

PRODUCTS ON THE MARKET IN LABS IN THE EU AND US

Genetic Analysis has launched its products in molecular labs in the EU and US:

- GA-map® Dysbiosis Test for IBS and IBD patients.
- GA-map® Fecal COVID-19 Test for detection of COVID-19.
- Strong product pipeline in other disease areas, i.e., IBD and Diabetes T2.

In connection with the Company's growth plan Genetic Analysis will launch and expand the commercialization of the GA-map® Dysbiosis Test as a diagnostic tool for patient monitoring treatment and clinical research in the EU and the US and will strive to become the preferred solution for this expanding market.

EXPERIENCED BOARD AND MANAGEMENT

Genetic Analysis Board and management have extensive experience of Diagnostics, BigPharma, biotech, business development, and strategic partnerships.

GROWTH PLAN TO RAMP UP REVENUES

Genetic Analysis has initiated a growth plan to make the businesses grow rapidly in the next few years. The growth plan focuses on significantly expanding the commercialization of the current product portfolio within IBS/IBD in the EU and US through carefully selected distributors for vast expansion and strategic direct sales. The Company has proven its existing business model to molecular labs and is now ready, with the CE-marked GA-map®, to become the preferred provider of microbiota tests, first in the EU and the US, and start the process of entering the Chinese market. The Company also has the ambition to utilize the benefits of the scalable diagnostic platform in other strategic indications with large unmet needs such as NAFLD / NASH and colorectal cancer. Genetic Analysis aims to break even in 2023 based on existing products with a turnover ranging from MNOK 50 to 70. To fund the continued expansion, Genetic Analysis now conducts an IPO prior to listing on Spotlight Stock Market.

GA-map®-platform

Sample, PCR and bacterial detection to fast and reliable microbiome analysis.

1,2 www.microbiometimes.com

Milestones

OPERATIVE MILESTONES

H1 - Completed during the period

- CE-mark and launch GA-map® Dysbiosis Test 2nd generation with functional bacterial profiles and time-optimization for Genetic Analysis lab.
- Agree upon a new distribution model for the US market.
- Sign an agreement with a high-volume lab customer in Europe.*

2021

H2

- Launch commercial sales of the GA-map® from the new high-volume lab customer in Europe.
- Sign an intentional agreement with 2nd high volume lab customer in the US.
- Sign an agreement with a Chinese distributor.
- Sign agreement with a Pharma company for developing a companion Diagnostic marker for Gut Microbiome.

H1

- Sign agreement with Pharma partner for IBD product development project.
- Launch / commercial sales of the GA-map® from the 2nd high volume lab customer in Europe.
- Launch / commercial sales of the GA-map® from the 2nd high volume lab customer in the US.
- Sign an agreement with a partner for development of a project with the aim to find early microbiota markers for Diabetes T2 and start the project.

2022

H2

- Prototype of IDB prognostic marker.
- Initial meetings with FDA on IBD prognostic marker**.

H1/H2

- Plan completed for FDA approval on IBD prognostic marker.
- Launch of RuO(Research Use Only) product version for IDB prognostic marker.
- Agreement for RuO customer on IBD for the US.
- CFDA approval in China approved (Class III approval, if not approved as innovative IVD in 2022).
- Prioritize the next disease area(s) for development of microbiota test(s)
  - NAFL/ NASH
  - Cancer/ Colorectal Cancer
  - Dementia (Parkinson)

2023
2024

2024

- Start development project for new biomarkers for the next disease area in cooperation with a partner with the aim of developing a Companion Diagnostic product.
- Start of IBD marker approval for the EU market
- Start approval process for additional Asian markets (Japan + possibly Korea and/ or India) for GA-map® dysbiosis test.

FINANCIAL OBJECTIVES

2021 - Turnover at approx. MNOK 7 - 10 (Lower turnover expected due to uncertainty connected to Covid-19).
2022 - Turnover at MNOK 25 - 35.
2023 - Turnover at MNOK 50 - 70 and cash flow break-even on existing products.

* The high-volume lab customer refers to a laboratory company chain in Germany. The agreement pertains to the sale of installation packages for the GA-map® platform.

** Prognostic markers are biological characteristics that are objectively measured and evaluated to predict the course of a disease or a response to a therapeutic intervention among patients with the same characteristic.

CEO Ronny Hermansen

Genetic Analysis GA-map® enables cost efficient and reliable mapping and profiling of gut microbiota via In Vitro Diagnostics (IVD) testing. In recent years research has placed the human microbiome as an essential part of our well-being. At the same time, many diseases and conditions have been linked to an imbalance in the gut microbiota composition.

Genetic Analysis is currently the only company globally that offers a patented and CE-marked standardized testing platform for microbiome analysis, the GA-map® Dysbiosis Test.

We offer an automatic comparison towards a pre-defined "healthy range" microbiota and the test-results are reported immediately. Genetic Analysis has an unique biobank of some 7,000 samples from different disease cohorts that is also available for clinical researchers in academia and pharma.

Our current business is focused on molecular laboratories for routine applications and clinical trials. The GA-map® has been validated and developed from our gathered experience in this area since the start of our operations. Since Genetic Analysis was founded in 2008, more than NOK 200 million has been invested in bringing these products through R&D and into commercialization. Today we have a solid platform and technology and an extensive network of contacts and partnerships with well-known players in the Pharma and Diagnostics industry.

Genetic Analysis is now ready to expand the commercialization of GA-map® as the preferred solution for microbiota testing which will significantly expand the Company's market and ramp up revenues.

GA-map® Dysbiosis Test will identify the imbalance in the gut microbiota referred to as Dysbiosis and is aimed at targeting IBS and IBD. There is a vast need for predictive and diagnostic tools with clinical relevance for the treatment of IBS/IBD. In the US and Europe approx. 73 million people suffer from IBS, and approx. 6 million people suffer from chronic IBD.[3]

Today, the microbiome testing market is characterized by non-standardized research-based technologies, which are less accurate and less efficient for performing routine diagnostics in the labs. Therefore, we see significant benefits and competitive advantages with our diagnostic platform, the GA-map®.

We want to make a difference with GA-map® and improve microbiome testing because correct diagnostics is the key to any successful treatment, including drug response, for personalized medicine.

Genetic Analysis has an edge in this growing and important area with its patented and well-documented standardized testing platform for microbiome analysis. We see an apparent increase in the development of microbiome altering drugs from Pharma companies, which will put the focus on routine diagnostics platforms like the GA-map®.

We have initiated an ambitious growth plan to rapidly grow the business over the next few years in the EU and US. We have proven our existing business model to molecular labs and the Company is now ready, with the CE-marked GA-map®, to be commercialized in the current market for microbiota testing as well as to enter the market for companion diagnostics, where the test will be performed in combination with microbiota altering drugs. The growth plan will expand the commercialization through carefully selected distributors for vast expansion and strategic direct sales of the current product portfolio within IBS/IBD.

Based on the competitive advantages that a standardized diagnostic platform will have in the microbiota field, compared to the current research-based tools, and the huge number of potential patients, we assess that the market for Genetic Analysis technology is significant. In addition, we see future opportunities in other disease indications with great need for cost-efficient and reliable diagnostics, such as Diabetes T2 / Obesity, Liver disease (NAFLD / NASH) and Colorectal Cancer.

We aim to break even in 2023 based on the current product with a turnover ranging from MNOK 50 to 70.

To fund the continued expansion, Genetic Analysis is now conducting an IPO prior to listing on Spotlight Stock Market. I hereby invite you to invest in Genetic Analysis in our mission to visualize human microbiota health by easily accessible and reliable bacteria profiling tools.

Ronny Hermansen
CEO, Genetic Analysis AS

"The GA map® Dysbiosis Test is the only patented and CE-marked standardized testing tool for efficient, reliable and fast microbiome analysis. With this advantage, we have initiated a growth plan that will ramp up revenues over the next few years."

3. www.microbiometimes.com

More information about the offer and how to subscribe for units

READ MORE HERE!

Subscription period:
30 August to 13 September 2021

www.genetic-analysis.com