
gentian
Q4
Fourth quarter
2024 results

Efficient diagnostics for better treatment decisions

www.gentian.com

Gentian Diagnostics

Fourth quarter 2024 highlights

- Record sales of NOK 42.6 million in 4Q24, up 14% vs 4Q23 (13% organic growth). Revenue of NOK 152.1 million for the full year 2024, up 13% vs 2023 (13% organic growth).
- Sales of fCAL® turbo increased 34% in 4Q24 compared to 4Q23, and 42% in 2024 vs 2023.
- Strong US sales growth of 101% in 4Q24 and 39% for the full year 2024 vs 2023.
- Improvement of gross margin to 56%, up from 43% in 4Q23.
- Significant EBITDA improvement to NOK 8.1 million in 4Q24 versus NOK -1.0 million in 4Q23. EBITDA of NOK 24.7 million in 2024 versus NOK 3.3 million in 2023.
- Net profit of NOK 45.3 million including capitalisation of tax loss carried forward of NOK 25.2 million.
- The board proposes a dividend of NOK 0.40 per share due to a solid cash position and sound underlying earnings with current growth opportunities fully financed.
- The NT-proBNP assay development progressed as planned and further studies indicated comparable performance to existing market leading assays. Collaborations with clinical partners have been further strengthened, with contracts finalized to secure access to additional clinical cohorts.

About Gentian Diagnostics

Gentian Diagnostics (OSE: GENT), develops and manufactures high-quality, in vitro diagnostic reagents. Gentian's expertise and focus lies within immunoassays, specifically for infections, inflammation, kidney failure and congestive heart failure. By converting existing and clinically relevant biomarkers to the most efficient automated, high-throughput analysers, the company contributes to saving costs and protecting life. Gentian Diagnostics is headquartered in Moss, Norway, serving the global human and veterinary diagnostics markets through sales and representative offices in Sweden, USA, and China. For more information, please visit www.gentian.com.

Gentian's strategy for long-term growth and value creation

Gentian Diagnostic's purpose is to deliver efficient diagnostics for better treatment decisions.

The growing diagnostics market puts increasing pressure on clinical laboratory efficiency. However, many of the existing, clinically relevant biomarkers are available only on slow and inefficient platforms. Gentian's solution is to utilize PETIA (particle-enhanced turbidimetric immunoassays), based on proprietary nanoparticle technology and knowhow, to convert existing biomarkers to the most efficient automated, high-throughput analysers.

Gentian's portfolio of high-impact diagnostic tests targets several large and growing disease areas such as infections and inflammation, kidney failure and heart failure. The company has four established products – Cystatin C, fCAL® turbo, Canine CRP and fPELA turbo – that contributed to 26% annual revenue growth in 2019-2024. In addition, GCAL® has been launched and is in market development while NT-proBNP is in the product development phase – both having potential to become growth accelerators. The company also has undisclosed projects in exploration and 'proof of concept' phases.

The company's roadmap for long-term growth and value creation is founded on six strategic pillars:

Grow annual revenue from the company's established products by 20%+ annually – by expanding market access through additional commercial partners and regulatory approvals.

Prove clinical relevance of GCAL® and bring NT-proBNP to market.

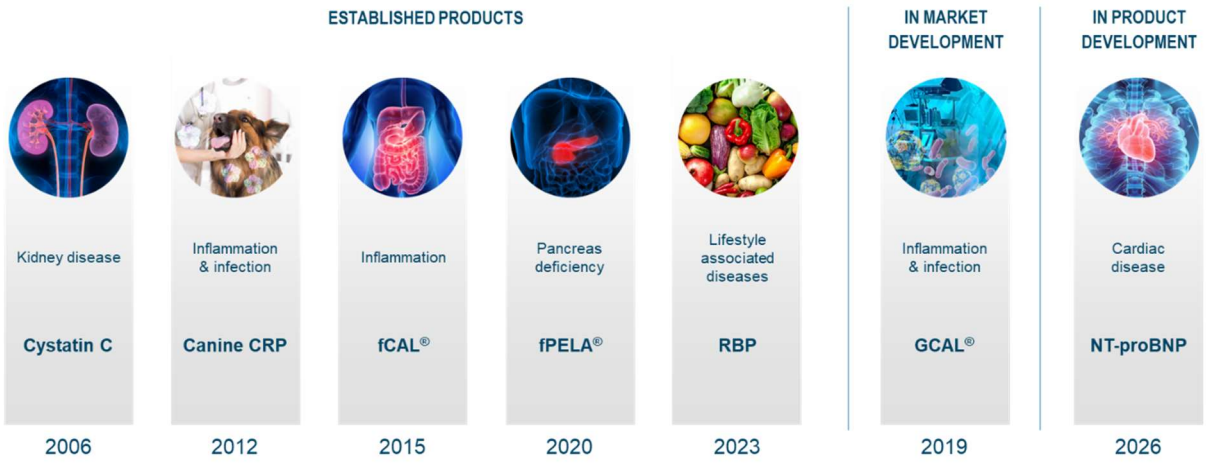
Bring a steady stream of new high-impact diagnostic tests to market.

Secure one new contract with a global commercial partner every year, building on already established partnerships with major diagnostic companies across products.

Grow gross margin from ~50% to 60%+ through economies of scale.

Deliver long-term EBITDA margins of 40% through operational leverage and cost discipline.

Illustration of product categories



Operational summary

Sales

In the fourth quarter of 2024, the company achieved record sales of NOK 42.6 million, a 13% organic growth versus 4Q23 (NOK 37.5 million). Strong Q4 sales growth was seen in Europe (+22%, NOK 32.1 million) and in the US (+101%, 4.1 million) vs. the same period in 2023. Sales to Asia were NOK 6.2 million during the quarter versus NOK 8.9 million in the same quarter last year.

At the product level, the key sales driver in 4Q24 and throughout 2024 was the exceptionally strong performance of fCAL® turbo. Within the 'other' category, fPELA® and cCRP products provided double digit growth, while GCAL contributed with mid-single digit growth across the year.

fCAL® turbo had record high sales of NOK 18.3 million in 4Q24 (+34%) as well as full year sales of NOK 61.3 million (+42%), compared to NOK 13.6 million and 43.2 million in 2023, respectively. All major markets contributed to this strong sales performance, driven by continued market growth and conversion from traditional ELISA methods to the highly automated testing format of fCAL® Turbo. Also, initial sales were recorded from the recently communicated global partnership between Bühlmann Laboratories and Beckman Coulter. Bühlmann Laboratories is Gentian's exclusive and long-term commercial partner for fCAL® and fPELA® Turbo.

Sales of Cystatin C were NOK 13.4 million during 4Q24 and NOK 50.6 million during the 12 months period in 2024, compared to NOK 14.0 million and NOK 56.3 million in the same periods last year. The decline in 4Q24 and full year 2024 is entirely attributed to lower sales to Asia. Orders from China remained affected by the value-based pricing tender implemented by the Chinese government, though we are now seeing early signs of recovery. At the same time, market demand is growing in the USA and Europe, following the publication of new, favourable guidelines for Cystatin C testing in 2024.

The company's Swedish distribution subsidiary, Gentian Diagnostics AB (GAB), continues to demonstrate a positive sales trend for third party products with revenue totalling NOK 18.3 million in 2024, representing an increase of 8% for the full year 2024.

Market development GCAL®

The value of calprotectin as a biomarker has been confirmed across a range of inflammatory disorders, including both paediatric and adult rheumatic diseases. It has proven valuable not only for detecting inflammation but also for monitoring treatment efficacy and assessing disease severity. Moreover, calprotectin is increasingly recognized for its role in prediction of flares in patients in clinical remission providing crucial insights into treatment decisions such as when to stop, modify, or reintroduce therapy.

The GCAL assay is currently being evaluated as a tool for the diagnosis, treatment monitoring, and flare prediction in children with juvenile idiopathic arthritis and other autoinflammatory disorders. This evaluation is being carried out in collaboration with leading European universities and key opinion leaders (KOLs) in the field of autoimmune/auto-inflammatory diseases.

Gentian has strategically expanded its network, engaging with influential KOLs, including members of the Paediatric Rheumatology European Association (PRES) and the European Alliance of Associations for Rheumatology (EULAR). The recent guidelines published by EULAR and PRES have highlighted calprotectin as an essential biomarker, particularly in conditions where early, sensitive biomarkers are crucial for timely diagnosis and the initiation of effective treatment.

In addition to the focus on autoimmune diseases, Gentian remains committed to contribute to improvements in the field of severe infections and sepsis. The company will continue to focus on expanding the adoption of the GCAL assay for early infection diagnosis and risk assessment in patients with severe infections. This is critical for preventing deterioration that could lead to sepsis and death.

By maintaining a strong focus on severe infections and avoidance of sepsis, alongside its growing presence in autoimmune diseases, Gentian is positioned to address critical needs in both fields - ultimately improving patient outcomes and reducing healthcare costs.

Pipeline development

NT-proBNP

The development of a turbidimetric NT-proBNP assay remains the highest priority for the company. This project is also at an advanced stage in product development.

During the fourth quarter of 2024, further studies have demonstrated that the assay's clinical performance in diagnosis of heart failure is comparable to existing market-leading assays. Additional studies will be performed to evaluate assay performance in different clinical settings. Collaborations with clinical partners have been further strengthened, with contracts finalized to secure access to additional clinical cohorts. Moreover, calibration adjustments continue to refine the assay, ensuring its reliability and clinical utility. A freedom-to-operate update confirmed no IP-related obstacles, further solidifying the project's pathway to a successful launch. During the quarter, challenges related to reagent stability were encountered, impacting some clinical activities; however, mitigation strategies have been implemented, and the project remains on track with respect to the development timeline.

As previously highlighted, the final calibration steps will be performed in the verification phase to align with the additional evaluation of the clinical performance. The company has engaged with experts to obtain advice on calibration strategy and is currently conducting interviews to guide on the positioning of the assay in the market. Following successful completion of these phases, Gentian Diagnostics aims to introduce the assay as a research-use-only (RUO) product in the second half of 2025. The RUO product will enable customers to evaluate the product, while awaiting regulatory clearance and subsequent commercial use of the product. The timeline for a full commercial launch will be subject to capacity constraints with external regulatory clearance institutions, a process beyond the company's control. Typically, this regulatory clearance process takes 6-12 months.

Other pipeline projects

Gentian's proof-of-concept candidate progressed well during the quarter. This project, in close collaboration with a leading in vitro diagnostic (IVD) company, utilizing a novel technological approach, indicated agreement in performance with a commercially available assay. The results so far highlight Gentian's innovative methodology while ensuring compatibility with established diagnostic benchmarks.

In addition to this, Gentian is advancing a second proof-of-concept project, which remains active, although strategic focus is currently placed on the collaborative project with the global IVD partner.

Additionally, Gentian is also exploring new and emerging technologies that align with its strategic vision. This ongoing exploration of external innovations supports the company's commitment to maintaining a leading edge in the in vitro diagnostics field.

Long-term outlook

Gentian targets disease groups that represent a total addressable market of around USD 6.1 billion globally and an estimated growth rate of 4-5% annually over the next 4-6 years, according to leading market data provider Kalorama (2022). From a macro perspective, key growth drivers include a growing and ageing population contributing to an increase in chronic and infectious diseases globally.

The specific segments targeted by Gentian's products add up to a total serviceable market of USD 1.8 billion (2022), with an estimated annual growth rate of 5-10% over the next 4-6 years. The key driver for the higher expected growth rate in the serviceable market is Gentian's selective approach to target attractive segments.

Overall, Gentian targets a market share of 15-20% for its product portfolio which is offered through commercial partners. With a commercial strategy to serve the market through OEM and distribution agreements it is expected that the revenue take will vary across products but remain within the 30-50% range for the product portfolio as a whole.

The company's strategy for growing its market share is founded on innovative biomarkers based on PETIA technology and proprietary know-how offering clinically relevant benefits, supported by an effective go-to-market strategy. The benefits include early diagnostic results that enable improved treatment decisions and a 3-10x increase in volume throughput that saves costs and makes Gentian's offering an attractive solution to the increasing pressure on laboratory productivity.

Gentian growth ambitions and revenue potential are set to be de-risked through several key milestones for the company's product portfolio over the coming 12 months.

The key milestones are:

Established products

- Targeting additional large and medium size commercial partners globally.
- Additional regulatory approvals to allow for geographical expansion.

GCAL® (in market development)

- Dissemination of results from performed clinical studies confirming improved patient outcomes and relevance for the early detection of infections and avoidance of sepsis. Support adoption of GCAL® assay in the diagnosis and assessment of severe infections.
- Support evidence and adoption of GCAL® assay for diagnosis, assessment of disease activity and treatment monitoring in autoimmune and other inflammatory disorders.
- Securing endorsements from key opinion leaders and inclusion in clinical guidelines.
- Securing global commercial partnerships with phased regional rollout.

Pipeline products

NT-proBNP

- Successful technical and clinical verification and validation of the assay.
- Securing endorsements from key opinion leaders.
- Obtain progress on global commercial partnerships.

Other pipeline products

- Finalize proof-of-concept for two new pipeline projects.

Financial performance

Comparative numbers for Gentian in 2023 in ().

Revenue, geographic split and product split

Sales revenue increased by 14% to NOK 42.6 million in 4Q24 (NOK 37.5 million), with organic revenue growth of 13%.

Revenue from the US market was NOK 4.1 million for 4Q24 (NOK 2.0 million), and NOK 12.2 million for the full year of 2024 (NOK 8.7 million), representing a 101% growth for the quarter and 39% growth year to date compared to the same period last year. Europe recorded growth in revenues of 22% compared to the same quarter last year, increasing to NOK 32.4 million in 4Q24 (NOK 26.5 million), and 25% revenue growth for the full year. Sales to Asia, which to some extent is dependent on the timing of large orders, was NOK 6.2 million 4Q24 (NOK 8.9 million) and NOK 23.7 million for the full year (NOK 33.7 million) largely due to the weakened order patterns from China.

Geographic split

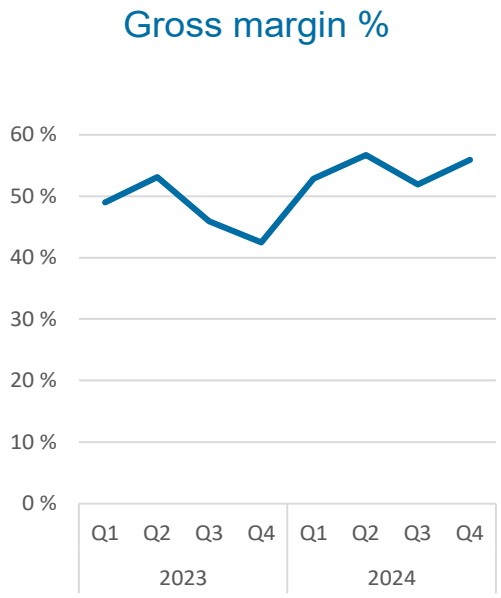
NOK million	4Q24	4Q23	2024	2023
US	4.1	2.0	12.2	8.7
Europe	32.4	26.5	116.2	92.8
Asia	6.2	8.9	23.7	33.7
Total	42.6	37.5	152.1	135.2

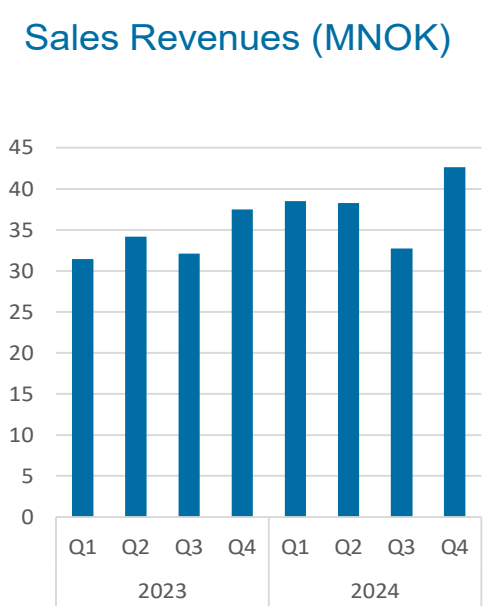
The portfolio of established products continues to grow according to Gentian's strategy and long-term growth plan in all markets with the exception of China. The sales of Cystatin C decreased by 4% in the fourth quarter of 2024. Sales of fCAL turbo experienced a 34% increase in sales for 4Q24 compared to 4Q23. The distribution of third-party products conducted by the Swedish subsidiary Gentian Diagnostics AB (GAB) decreased by 1% in 4Q24 compared to 4Q23.

Product split

NOK million	4Q24	4Q23	2024	2023
Cystatin C	13.4	14.0	50.6	56.3
fCAL® turbo	18.3	13.6	61.3	43.2
Third party products	4.7	4.8	18.3	17.0
Other	6.2	5.1	21.8	18.7
Total	42.6	37.5	152.1	135.2

Approximately 75% (78%) of the sales revenue in the quarter came from long-term contracts with established customers.





Gross margin

Gross margin was 56% (43%) of sales revenue in 4Q24. The improvement is mainly a result of a continued favourable product mix in the quarter. Gentian expects continued price increases in raw material prices and labour cost, but maintains its ambition that over time, the gross margin will continue to improve with increasing sales.

Operating expenses

Operating expenses ended at NOK 19.8 million (NOK 26.1 million) in 4Q24. In 4Q23, the group recognised an impairment of NOK 6.5 million related to capitalised R&D expenses.

R&D expenses amounted to 27% (56%) of operating expenses in 4Q24. In addition, NOK 3 million (NOK 1.3 million) of the R&D expenses were capitalised in the quarter.

Earnings

Operating profit before depreciation and amortization (EBITDA) ended at NOK 8.1 million (NOK -1.0 million) for 4Q24 and NOK 24.7 million (NOK 3.3 million) for the full year of 2024. Net profit was NOK 33.0 million (NOK -10.1 million) for the quarter and NOK 45.3 million (NOK -10.6 million) for 2024. In 4Q24 the company recognised NOK 112.2 million from its tax loss carried forward which has contributed to a positive tax effect of NOK 25.2 million included in net profit.

The board proposes a dividend of NOK 0.40 per share due to a solid cash position and sound underlying earnings with current growth opportunities fully financed. A revised dividend policy will be published in the 2024 annual report.

Balance sheet

Cash and cash equivalents as of 31 December 2024 were NOK 84.7 million (NOK 87.6 million). The cash is placed in both savings accounts and current accounts.

Accounts receivables as of 31 December 2024 were NOK 23.3 million (NOK 11.6 million), and inventory NOK 45.9 million (NOK 37.1 million).

The equity ratio was 84.5% as of 31 December 2024.

Events after the balance sheet date

There are no events after the balance sheet date.

Statement of Profit and Loss – Gentian Diagnostics Group (unaudited)

	Note	2024	2023	2024	2023
(Figures in NOK thousands)		Q4	Q4	01.01-31.12	01.01-31.12
Sales revenues	3	42 610	37 466	152 069	135 153
Cost of goods sold	4,7	-18 779	-21 543	-69 254	-70 905
Gross profit		**23 831**	**15 923**	**82 816**	**64 248**
Other income	5,6	1 842	334	4 601	7 193
R&D expenses	7,8	-5 278	-14 651	-21 916	-36 083
Sales and marketing expenses	7	-9 134	-6 082	-28 067	-23 067
Administrative expenses	7	-5 371	-5 399	-21 711	-25 054
Operating profit		**5 890**	**-9 875**	**15 723**	**-12 762**
Finance income		2 411	1 081	6 857	5 807
Finance cost		-541	-1 007	-2 516	-3 411
Net financial items		**1 870**	**74**	**4 340**	**2 396**
Profit (loss) before tax		**7 760**	**-9 800**	**20 064**	**-10 366**
Tax expense		25 229	-282	25 229	-282
Net profit (loss)		**32 990**	**-10 082**	**45 293**	**-10 648**
Other comprehensive income *Items that will or may be reclassified to profit or loss:*					
Exchange differences		-527	293	-454	75
Total other comprehensive income		**-527**	**293**	**-454**	**75**
Total comprehensive income for the period		**32 463**	**-9 789**	**44 839**	**-10 573**
Earnings per share					
Basic EPS from net profit/(loss)	12	2.14	-0.65	2.94	-0.69
Diluted EPS from net profit/(loss)	12	2.09	-0.65	2.87	-0.69

Statement of Financial Position – Gentian Diagnostics Group (unaudited)

	Note	2024	2023
(Figures in NOK thousands)		31.12	31.12
Assets			
Non-current assets			
Intangible assets	9	28 457	21 158
Property, plant and equipment		6 259	7 751
Right-of-use assets		7 764	10 294
Financial assets		-	101
Deferred tax assets		25 229	-
Total non-current assets		**67 709**	**39 304**
Current assets			
Inventory		45 943	37 116
Accounts receivables and other receivables		31 275	16 976
Cash and cash equivalents		84 738	87 642
Total currents assets		**161 955**	**141 734**
Total assets		**229 664**	**181 038**
Equity and liabilities			
Paid-in equity			
Share capital	11	1 542	1 542
Share premium		293 810	293 810
Other paid-in equity		20 907	18 332
Total paid-in equity		**316 260**	**313 684**
Retained earning			
Retained earning		-122 210	-167 049
Total retained equity		**-122 210**	**-167 049**
Total equity		**194 050**	**146 636**
Liabilities			
Lease liabilities	10	5 507	9 006
Deferred tax liabilities		-.	73
Total non-current liabilities		**5 507**	**9 080**
Current liabilities			
Accounts payable and other current liabilities		30 108	25 323
Total current liabilities		**30 108**	**25 323**
Total liabilities		**35 615**	**34 402**
Total equity and liabilities		**229 664**	**181 038**

Statement of changes in equity (unaudited)

(figures in NOK thousands)

	Share capital	Share premium	Other paid-in capital	Retained earnings	Translation differences	Total equity
Equity at 01.01.2023	**1 542**	**293 810**	**15 294**	**-155 966**	**-511**	**154 170**
Net result for the year				-10 648		-10 648
Share based payments			3 038			3 038
Other comprehensive income					75	75
Equity at 31.12.2023	**1 542**	**293 810**	**18 332**	**-166 614**	**-435**	**146 636**
Equity at 01.01.2024	**1 542**	**293 810**	**18 332**	**-166 614**	**-435**	**146 636**
Net result for the year				45 293		45 293
Share based payments			2 576			2 576
Other comprehensive income					-454	-454
Equity at 31.12.2024	**1 542**	**293 810**	**20 907**	**-121 321**	**-890**	**194 050**

Cash Flow Statement (unaudited)

	2024	2023	2024	2023
(Figures in NOK thousands)	Q4	Q4	01.01-31.12	01.01-31.12
Operating activities				
Profit (loss) before tax	7 760	-9 800	20 064	-10 366
Depreciation and amortisation	2 258	2 420	8 963	9 566
Impairment	-	6 469	-	6 469
Gain on bargain purchase	-	-	-	-892
Change Inventory	-3 324	4 030	-8 826	2 692
Change accounts receivables	-21 730	4 910	-11 724	-1 196
Change accounts payables	2 590	-862	2 840	-878
Accrued cost of options	138	755	2 576	3 038
Change in other assets and liabilities	8 250	5 770	-435	7 024
Net cash flow from operating activities	**-4 059**	**13 690**	**13 457**	**15 458**
Investing activities				
Payments of property, plant and equipment	-293	-222	-1 377	-955
Investment in intangible assets	-3 000	-1 318	-9 573	-3 532
Purchase of shares in other companies net of cash acquired	-	-	-	-390
Net cash flow from investing activities	**-3 293**	**-1 541**	**-10 950**	**-4 877**
Financing activities				
New debt	-	-	-	-
Lease payments	-1 190	-1 157	-4 950	-4 598
Proceeds from issue of share capital	-	-	-	-
Net cash flow from financing activities	**-1 190**	**-1 157**	**-4 950**	**-4 598**
Net change in cash and cash equivalent	-8 541	10 993	-2 442	5 982
Cash and cash equivalents at beginning of period	93 797	76 393	87 642	81 599
Effect of currency translation of cash and cash equivalents	-518	256	-462	61
Net cash and cash equivalents at period end	**84 738**	87 642	**84 738**	**87 642**

Notes

1. General information

Gentian Diagnostics ASA is registered in Norway and listed on the Euronext Oslo Børs. The company's headquarters are in Bjørnåsveien 5, 1596 Moss, Norway. The company is a research and development-based company that develops and manufactures biochemical reagents for use in medical diagnostics and research. The customers are medical laboratories and universities worldwide. The group consists of the parent company Gentian Diagnostics ASA and the subsidiary Gentian AS, also located in Norway.

In addition, Gentian AS has a wholly owned subsidiary, registered in Florida, USA, named Gentian USA Inc., and a wholly owned subsidiary in Sweden, Gentian Diagnostics AB. Gentian Diagnostics AB also has a wholly owned subsidiary in Sweden, Getica AB, 100 % of the shares in Getica AB was sold from Gentian Diagnostics ASA to Gentian Diagnostics AB on November 25, 2024.

2. Accounting principles

The interim consolidated financial statements for the group are prepared using the same accounting principles and calculation methods as used for the annual financial statements 2023 for Gentian Diagnostics ASA.

The accounting principles used have been consistently applied in all periods presented, unless otherwise stated. From 2024 the expenses are presented using the functional method. Comparable figures for previous periods have been prepared accordingly.

Amounts are in thousand Norwegian kroner unless stated otherwise. The groups presentation currency is NOK (Norwegian kroner). This is also the parent company’s functional currency. The company uses currency rates published by DNB ASA and the central bank of Norway (Norges Bank).

2.1. Basis of preparation

The interim financial statements of the group have been prepared in accordance with IAS 34 Interim Financial Reporting Standards and interpretations in issue but not yet adopted.

No new accounting standards and interpretations have been published that have been assessed to be of material impact for the group in 2024.

2.2. Basis of consolidation

The interim financial statements comprise the financial statements of the company and its subsidiaries. As of 31 December 2024, Gentian AS, located in Moss, Norway is a 100% owned and controlled subsidiary.

3. Sales revenue

Sales revenue Geographical split	4Q24	4Q23	2024	2023
Europe	32 353	26 530	116 169	92 757
Asia	6 156	8 893	23 715	33 673
USA	4 100	2 043	12 186	8 722
Total	**42 610**	**37 466**	**152 069**	**135 153**

Sales revenue by product category	4Q24	4Q23	2024	2023
Renal diagnostic products	13 428	14 014	50 600	56 321
Inflammation diagnostic products	21 297	15 881	71 991	51 770
Other diagnostic products	7 885	7 572	29 479	27 062
Total	**42 610**	**37 466**	**152 069**	**135 153**

4. Cost of goods sold

(NOK 1000)	4Q24	4Q23	2024	2023
Change in inventory of goods under manufacture and finished goods	1 337	-640	4 959	-2 410
Purchase of goods	7 192	12 455	24 791	39 971
Other manufacturing expenses	10 250	9 727	39 503	33 344
Total	**18 779**	**21 543**	**69 254**	**70 905**

5. Other income

(NOK 1000)	4Q24	4Q23	2024	2023
Public grants	1 842	186	4 601	6 154
Other income	-	148	-	1 040
Total	**1 842**	**334**	**4 601**	**7 193**

6. Public Grants

In some cases, Gentian is eligible for tax deductions (SkatteFUNN) for some of the ongoing projects. The company also from time to time is rewarded with other grants from national and international programs.

(NOK 1000)	4Q24	4Q23	2024	2023
SkatteFUNN	1 842	220	4 423	2 202
Other research programs	-	-34	178	3 952
Total	**1 842**	**186**	**4 601**	**6 154**

7. Expenses by nature

(NOK 1000)	4Q24	4Q23	2024	2023
Cost of materials	8 529	11 815	29 751	37 561
Employee benefit expenses	20 113	18 599	72 765	70 795
Depreciation	2 258	2 420	8 963	9 566
Impairment	-	6 469	-	6 469
Other operating expenses	7 662	8 371	29 468	30 718
Total	**38 562**	**47 674**	**140 947**	**155 109**

8. Research and Development (R&D) expenses

The Gentian Group has per 31 December 2024 three ongoing R&D projects. Costs related to the projects consist of salary, external procurement of services, and other operating expenses. One of the projects went over in the development phase in 2021, and consequently the capitalisation of the costs on this project was started. In addition, the R&D department is responsible for application validation.

Recognised research and development expenses *(NOK 1000)*	4Q24	4Q23	2024	2023
Purchase of external services	679	1 803	2 329	5 700
Salary and other operating expenses	6 605	6 540	25 223	22 843
Depreciation and amortisation	994	1 159	3 936	4 603
Impairment	-	6 469	-	6 469
Capitalised research and development expenses	- 3 000	-1 318	-9 573	-3 532
Total	**5 278**	**14 651**	**21 916**	**36 083**

9. Intangible assets

As of 31 December 2024, the recognised intangible assets in the Group amounts to NOK 28.5 million. The intangible assets are derived from capitalisation of R&D expenses.

Intangible assets are tested for impairment at least annually, or when there are indications of impairment. The impairment test is based on an approach of discounted cash flows. The valuation is sensitive to several assumptions and uncertainties, and the result from the valuation is thus limited to ensure sufficient certainty for the recognised amount in the financial statement.

10. Interest bearing debt

Loan and loan expenses is recorded in the balance sheet and expensed in the Statement of Profit and Loss at amortised cost. If a loan and loan expenses is related to an asset, and the real value of the asset is lower, the asset is written down to its real value. There was no value adjustment of assets in 4Q 2024.

Interest bearing debt for Gentian is relating to instrument leases and calculated leases based on contracts according to IFRS 16.

11. Share capital and number of shares

20 largest shareholders in Gentian Diagnostics ASA as of 31 December 2024 according to VPS and disclosures from investors:

Shareholder	No of shares	%
Vatne Equity AS	2 110 224	13.68 %
Kvantia AS	1 803 368	11.69 %
Holta Invest AS	1 228 502	7.97 %
Verdipapirfondet Delphi Nordic	697 006	4.52 %
Safrino AS	649 700	4.21 %
Carpe Diem Afseth AS	578 189	3.75 %
J.P. Morgan SE	523 631	3.40 %
Verdipapirfondet Delphi Norge	384 572	2.49 %
Verdipapirfondet DNB SMB	356 065	2.31 %
Portia AS	300 000	1.95 %
Krefting, Johan Henrik	298 000	1.93 %
Viola AS	258 421	1.68 %
Intertrade Shipping AS	257 716	1.67 %
Cressida AS	235 000	1.52 %
Lioness AS	220 000	1.43 %
Marstal AS	212 407	1.38 %
Verdipapirfondet Storebrand Vekst	211 665	1.37 %
Mutus AS	210 465	1.36 %
Silvercoin Industries AS	181 277	1.18 %
Caaby AS	173 500	1.12 %
Other Shareholders	4 532 642	29.39 %
Total Shares	**15 422 350**	**100.00%**

12. Earnings per share

	4Q24	4Q23	2024	2023
Earnings/ loss (-) for the period	32 989 603	-10 082 126	45 292 989	-10 647 559
Number of shares:				
Weighted average number of outstanding ordinary shares	15 422 350	15 422 350	15 422 350	15 422 350
Effect of dilutive potential shares:				
Share options	339 962	-	374 591	-
Weighted average number of shares issued with diluted effect	15 762 312	15 422 350	15 796 941	15 422 350
Basic earnings/ loss (-) per share	2.14	-0.65	2.94	-0.69
Diluted earnings/loss (-) per share	2.09	-0.65	2.87	-0.69

13. Share-based compensation

The company has a share option program covering certain key personnel. Per 31 December 2024, the program has sixteen members.

The share option program for key personnel is settled in shares, however, the company may resolve settlement in cash. The fair value of the issued options is expensed over the vesting period:

For options issued from 2020 and up to 2021,1/3 of the options will vest 24 months after the day of grant, 1/3 will vest 36 months after the day of grant and 1/3 will vest 48 months. For options issued from 2022, 2023 and 2024, 1/2 of the options will vest after 36 months and 1/2 of the options will vest after 48 months. Unvested options may be cancelled if the holder terminates its employment with the group.

The cost of the employee share-based transaction is expensed over the average vesting period. The value of the issued options of the transactions that are settled with equity instruments (settled with the company's own shares) is recognised as salary and personnel cost in profit and loss and in other paid-in capital.

The value of the issued options of the programs that are settled in cash (cash-based programs) is recognised as salary and personnel cost in profit and loss and as a liability in the balance sheet. The liability is measured at fair value at each balance sheet date until settlement, and changes in the fair value are recognised in profit and loss.

Social security tax on options is recorded as a liability and is recognised over the estimated vesting period.

	4Q24	4Q23	2024	2023
Outstanding options at beginning of period	1 115 594	785 632	1 115 594	960 586
Options granted	295 000	339 962	295 000	339 962
Options forfeited	-	-	-	-
Options terminated	-120 000	-10 000	-120 000	-10 000
Options expired	-209 962	-	-209 962	-174 954
Outstanding options at end of period	1 080 632	1 115 594	1 080 632	1 115 594

The outstanding options are subject to the following conditions:

Expiry date	Average strike price	Number of share options
2025-11	62.88	100 000
2026-11	72.60	135 674
2027-12	46.67	209 996
2028-11	40.17	339 962
2029-11	52.39	295 000
		1 080 632

The fair value of the options has been calculated using Black - Scholes - Merton Option Pricing Model. The most important parameters are share price at the grant date, exercise prices shown above, volatility (41.54%), expected dividend yield (0%), an expected term of 5 years, and annual risk-free interest rate (3.665%). The volatility is based on other comparable companies' stock price volatility.

14. Tax

In 2024, the group recognized a deferred tax asset related to previously unutilized tax losses. This recognition is based on the profitability of the subsidiary Gentian AS and the management's assessment that it is more likely than not that sufficient taxable income will be generated within the next five years to utilize this tax loss. This assessment is supported by the company's expected growth, the expectation plan of continued expansion into new geographical markets, the projected launch of new products, and the foundation of long-term customer contracts.

The deferred tax asset recognized amounts to NOK 25.2 million, reflecting the carryforward tax losses specifically related to Gentian AS. The total loss carried forward for the group as of 31 December 2024 is 192.6 million.

Alternative performance measures

Non-IFRS financial measures / alternative performance measures

In this quarterly report, the Group presents certain alternative performance measures ("APMs"). An APM is defined as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specific in the applicable financial reporting framework (IFRS). The APMs presented herein are not measurements of financial performance or liquidity under IFRS or other generally accepted accounting principles, are not audited and investors should not consider any such measures to be an alternative to (a) operating revenues or operating profit (as determined in accordance with generally accepted accounting principles), (b) as a measure of the Group's operating performance; or (c) any other measures of performance under generally accepted accounting principles. The APMs presented herein may not be indicative of the Group's historical operating results, nor are such measures meant to be predictive of the Group's future results.

The company uses APMs to measure operating performance and is of the view that the APMs provide investors with relevant and specific operating figures which may enhance their understanding of the Group's performance. Because companies calculate APMs differently, the APMs presented herein may not be comparable to similarly titled measures used by other companies.

Below is an overview of APMs presented, including an overview of reconciliation and calculation of the relevant APMs.

Organic revenue growth

Organic revenue growth is defined as revenue adjusted for currency effects and effects from M&A. Organic revenue growth measurement provides useful information to investors and other stakeholders on underlying growth of the business without the effect of certain factors unrelated to its operating performance.

Reconciliation	**4Q24**	**3Q23**	**2024**	**2023**
(NOK 1000)				
Sales revenues	42 610	37 466	152 069	135 153
Revenue growth	5 144	9 554	16 900	33 517
Impact using exchange rates from last period	-96	-3 266	246	-11 887
Impact M&A	-	-	-	-
Organic revenue growth	5 049	6 289	17 146	21 630
Organic revenue growth %	13%	23 %	13 %	21 %

EBITDA

EBITDA is a measurement of operating earnings before depreciation and amortisation of tangible and intangible assets and impairment charges. EBITDA are used for providing information of operating performance which is relative to other companies and frequently used by other stakeholders.

Reconciliation	**4Q24**	**4Q23**	**2024**	**2023**
(NOK 1000)				
Operating profit	5 890	-9 875	15 723	-12 762
Depreciation and amortisation	2 258	2 420	8 963	9 566
Impairment	-	6 469	-	6 469
EBITDA	8 148	-986	24 687	3 273

Gross Margin

Gross margin refers to gross profit in % of sales revenues. Gross Margin % is used for providing consistent information of performance related to the production of goods which is relative to other companies and frequently used by other stakeholders.

	4Q24	**4Q23**	**2024**	**2023**
(NOK 1000)				
Sales revenues	42 610	37 466	152 069	135 153
Cost of goods sold	-18 779	-21 543	-69 254	-70 905
Gross profit	23 831	15 923	82 816	64 248
Gross Margin	56 %	43 %	54 %	48 %