Selvita

Consolidated Q1 2024 Report

Selvita Capital Group

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Table of content

01 — Selected financial data

The consolidated financial statements cover the period from January 1, 2024 to March 31, 2024 with comparative period from January 1, 2023 to March 31, 2023.

Starting from the beginning of 2024, the Group has made changes to the classification of operating segments. Details regarding the change are described in section 1.1.2.

On March 18, 2024, the Management Board of Selvita S.A. passed a resolutionGroup decided to expand the Group'sits operations by launching a new service area related to the discovery and development of biological drugs. The aim is to broaden the service portfolio and create entirely new revenue streams., located in Wrocław, Poland. Details are in section 7.1.

On May 6, 2024, the Group signed an agreement to acquire 100% of the shares in PozLab sp. z o.o. based in Poznań. Details are in section 1.1.3.

1.1. Main results achieved in the reporting period

1.1.1 Consolidated financial data

The table below presents the consolidated financial data of the Selvita S.A. Group:

TABLE 1.
The Consolidated financial data of the Selvita S.A. Group – concerning the consolidated balance sheet

Selvita S.A. Group	Consolidated data in PLN thousand		Consolidated data in EUR thousand	
Item	31.03.2024	31.12.2023	31.03.2024	31.12.2023
Total assets	**638,929**	**636,220**	**148,557**	**146,334**
Trade and other receivables	67,472	70,228	15,688	16,152
Investment in subsidiaries not fully consolidated	62,594	63,313	14,554	14,561
Cash and other monetary assets	44,320	52,654	10,305	12,110
Other financial assets	–	311	–	71
Total liabilities	311,647	309,188	72,461	71,110
Long term liabilities	215,290	215,419	50,057	49,554
Short term liabilities	96,357	93,769	22,404	21,566
Equity	**327,281**	**327,071**	**76,096**	**75,223**
Share capital	14,684	14,684	3,414	3,377

TABLE 2.

The Consolidated financial data of the Selvita S.A. Group – concerning the consolidated profit and loss statement:

Selvita S.A. Group	Consolidated data in PLN thousand		Consolidated data in EUR thousand	
Item	From 01.01.2024 to 31.03.2024	From 01.01.2023 to 31.03.2023	From 01.01.2024 to 31.03.2024	From 01.01.2023 to 31.03.2023
Revenues from sales	**76,340**	**90,593**	**17,667**	**19,273**
Revenues from subsidies	821	1,163	190	248
Other operating revenues	204	57	47	12
Revenues from operating activities	**77,365**	**91,814**	**17,904**	**19,533**
Operating expenses	-79,447	-87,538	-18,386	-18,623
Operating expenses (excl. incentive scheme)	-78,177	-83,136	-18,092	-17,687
Depreciation	-12,466	-10,419	-2,885	-2,217
Depreciation (excl. IFRS 16 impact)	-8,795	-6,766	-2,035	-1,439
Incentive scheme valuation	-1,270	-4,403	-294	-937
Profit/loss from operating activities / EBIT	-2,082	4,275	-482	910
Profit/loss from operating activities / EBIT (excl. incentive scheme)	**-812**	**8,678**	**-188**	**1,846**
Profit/loss before income tax	-3,664	2,485	-848	529
Net profit/loss	-2,136	2,447	-494	521
Net profit/loss (excl. incentive scheme)	**-866**	**6,849**	**-200**	**1,457**
EBITDA	10,384	14,695	2,403	3,126
EBITDA (excl. incentive scheme)	**11,654**	**19,097**	**2,697**	**4,063**
Net cash flows from operating activities	18,495	1,489	4,280	317
Net cash flows from investing activities	-10,144	-19,029	-2,348	-4,048
Net cash flows from financing activities	-17,003	-5,528	-3,935	-1,176
Total net cash flows	-8,652	-23,069	-2,002	-4,908

Selvita S.A. Group	Consolidated data in PLN thousand		Consolidated data in EUR thousand	
Item	From 01.01.2024 to 31.03.2024	From 01.01.2023 to 31.03.2023	From 01.01.2024 to 31.03.2024	From 01.01.2023 to 31.03.2023
Number of shares (weighted average)	18,355,474	18,355,474	18,355,474	18,355,474
Profit per share (in PLN) attributable to the parent entity	-0.12	0.13	-0.03	0.03
Diluted profit per share (in PLN) attributable to the parent entity	-0.12	0.13	-0.03	0.03
Book value per share (in PLN) attributable to the parent entity	17.83	14.71	4.14	3.15
Diluted book value per share (in PLN) attributable to the parent entity	17.83	14.71	4.14	3.15
Declared or paid dividend per share (in PLN)	–	–	–	–

Selected financial data presented in the interim report were converted to Euro as follows:

1. Items relating to the profit and loss statement and the cash flow statement were converted using the exchange rate constituting the arithmetic average of the exchange rates, applicable as of the last day of every month in the given period, based on the information published by the National Bank of Poland (NBP):
   - for the period from 01/01/2024 to 31/03/2024: PLN 4.3211,
   - for the period from 01/01/2023 to 31/03/2023: PLN 4.7005.
2. Balance sheet items were converted using the average exchange rate announced by the NBP applicable as at the balance sheet date; which were:
   - as of 31 March 2024: PLN 4.3009,
   - as of 31 December 2023: PLN 4.3480.

1.1.2 Change in operating segments

Due to the increased importance for the Group, significant revenue growth and contracts related to the Group's activities in the field of analytics and regulatory research services in 2023, and anticipatedas well as the ongoing acquisitions of competencies in related or similaradjacent areas concerning analytical and regulatory researchof drug development services, and considering the integration within the Groupdrug discovery department between centres in Poland and Croatia, which does not justify further separate presentation of results between centres providing identical services, the Group has decided to change its operatingthe way operational segments are presented starting from January 1, 2024. In the opinion of the Management Board, financial information structured asinto the segments: Drug Discovery Segment and Drug Development Segment, in which the Group operates, i.e. the division based on the type of services provided, rather than geographical division, is more meaningful to the readers of the consolidated financial statementsvalueable and should be the main distinguishing feature of business results in the future. To maintain data comparability, historical periods have been presented according to the new structure – details in sectionpoint 2.3.

The previous Segment of Services executed in Croatia is now entirely part of the Drug Discovery Segment, while the Segment of Services executed in Poland is split and included in the respective parts to both segments, namely Drug Discovery and Drug Development.

1.1.3 Closing of agreement on acquisition by Selvita S.A. of 100% shares in PozLab Sp. z o.o.

On May 6, 2024, the Management Board entered with Younick Technology Park sp. z o.o., into a purchase agreement for the acquisition of 100% of the shares in PozLab sp. z o.o., which follows. ("PozLab"), upon fulfilment of the conditions indicated in the preliminary conditional agreement signed on March 27, 2024 (details in section 7.1.). The IssuerPozLab is a CDMO (Contract Development and Manufacturing Organization) company operating in the fields of drug development and manufacturing for early-phase clinical trials. The company was established in 2010 based on the research and development division in Poznań that was discontinued by the GlaxoSmithKline corporation. The company has built competencies and offerings in three main segments: pharmaceutical product development (including the manufacturing of medicinal products), quality control, and microbiological testing. It has approximately 1700 square meters of high-class laboratories located in the YouNick Technology Park in Złotniki near Poznań. The company employs over 80 people. Selvita S.A. acquired PozLab Sharesshares for a total price of PLN 25,000,000, with PLN 21,000,000 paid on the Transaction'stransaction's closing date. The IssuerCompany will retain the amount of PLN 4,000,000 for a period of up to 12 months from the date of closing the Transactiontransaction as security for any, specifically enumerated in the preliminary agreement, events or claims by third parties against PozLab, as well as to secure settlements related to price adjustments. The acquisition of the Sharesshares was financed from the Issuer's own funds. The entityPozLab's results will be reported under the Drug Development Segment.

1.1.4 Impact of Incentive Scheme on 2021-2024 financial results

On May 17, 2021 a non-diluting Incentive Scheme for 2021-2024 for employees in the form of the right to acquire shares in the Company at a price of 0.19 PLN per share was adopted. Mr. Paweł Przewięźlikowski, – main shareholder of the Company, undertook to transfer to the Company, free of charge, the shares constituting the subject of the program with an order to release them to the company's employees in the total number of 1,247,720. The fair value of the granted shares is determined as at the grant date and recognized over the vesting period in remuneration costs in correspondence with the increase in equity at the time of vesting by employees during the program period. In 2024, no shares were distributed under the Program.

The valuation of the program, with regards to the shares currently issued to employees as of March 31, 2024, indicated the total estimated cost of PLN 78,021 thousand, which is recognized in the Group's expenses starting the second quarter of 2021 to the second quarter of 2026. The impact of the program on the reporting period result is PLN 1,270 thousand and this amount reduces the gross result, net result, EBIT and EBITDA in 2024 (the details are presented in the table below along with the disclosure of its impact on the balance sheet). The estimated impact on the whole current year and the following years is as follows:

- 2024: PLN 3,172 thousand,
- 2025: PLN 902 thousand,
- 2026: PLN 128 thousand.

TABLE 3.

The impact of the valuation of incentive scheme on consolidated statement of comprehensive income in Q1 2024 in PLN thousand

Item	From 01.01.2024 to 31.03.2024 including incentive scheme	incentive scheme valuation	From 01.01.2024 to 31.03.2024 excluding incentive scheme
Operating expenses	-79,447		-78,177
EBIT	-2,082		-812
Gross loss	-3,664	1,270	-2,394
Net loss	-2,136		-866
EBITDA	10,384		11,654

TABLE 4.

The impact of the valuation of incentive program on consolidated statement of financial position in Q1 2024 in PLN thousand

Item	As of 31.03.2024 including incentive scheme	incentive scheme valuation	As of 31.03.2024 excluding incentive scheme
Equity, incl:	**323 719**	**0**	**323 719**
Other reserve capitals	75,328	-1,270	74,058
Net loss	-2,136	1,270	-866

A detailed description of the program provided in the Note 19 to the interim condensed consolidated financial statements. At the same time, it is important to point out that in the analysis of individual operating segments no impact on the valuation of the incentive scheme was taken due to the one-off and non-cash nature of this event. ●

02 — Management Board's comments on financial results

2.1. Consolidated data excluding incentive scheme impact

In the first quarter of 2024, Selvita S.A. Group recognized total operating revenue of PLN 77,365 thousand, which represents 16% decrease compared to the corresponding period in 2023, when the total operating revenue amounted to PLN 91,814 thousand. The strengthening of the Polish zloty is responsible for about half of the decline, which reduced the Group's comparable revenues by an estimated 8%, or approximately PLN 6.2 million. The Group reported sales increase mainly in Drug Development segment while there was a simultaneous decrease in revenue from Drug Discovery services. In the first quarter of 2024, the revenues from subsidies decreased by PLN 355 thousand from PLN 1,121 thousand to PLN 766 thousand.

TABLE 5.
Selvita S.A. Group – continuing operations

Data in PLN thousand	From 01.01.2024 to 31.03.2024	From 01.01.2023 to 31.03.2023
Revenue	**77,365**	**91,814**
Drug Discovery Segment	57,093	72,858
Drug Development Segment	17,814	16,107
Revenues from subsidies	766	1,121
Other operating revenue	27	21
Unallocated revenues from sales of administration services	1,376	1,560
Unallocated revenues – other	289	147
EBIT (excl. incentive scheme)	**-812**	**8,678**
%EBIT (excl. incentive scheme)	-1%	9%
EBITDA (acc. to IFRS16 excl. incentive scheme)	**11,654**	**19,098**
%EBITDA (acc. to IFRS16 excl. incentive scheme)	15%	21%
Net profit (excl. incentive scheme)	**-866**	**6,850**
%Net profit (excl. incentive scheme)	-1%	7%
MSSF 16 impact on EBITDA	3,671	3,653

TABLE 6.

Selvita S.A. Group – revenues from external customers

Data in PLN thousand	From 01.01.2024 to 31.03.2024	Percentage share	From 01.01.2023 to 31.03.2023	Percentage share
Revenues from external customers	**74,709**	**100%**	**88,965**	**100%**
Biotechnology companies	37,407	50%	47,699	54%
Pharmaceutical campanies – Big Pharma #	17,989	24%	15,599	18%
Pharmaceutical campanies	12,330	16%	16,324	18%
Academia and Foundations	4,385	6%	4,104	4%
Companies operating in the chemical and agrochemical field	1,539	2%	4,439	5%
Other	1,259	2%	800	1%

Group considers Big Pharma as global pharmaceutical companies whose revenues in 2022 exceeded $5 billion.

In the first quarter of 2024, after elimination of the incentive scheme impact, the Group reported EBITDA amounted to PLN 11,654 thousand and decreased by 39% compared to the corresponding period of 2023 which is the result of incomplete contracting of Drug Discovery Segment (utilization rate of human resources on projects was lower by 8 p.p. in the first quarter of this year compared to the same period last year), increase in operating costs related to not fully utilised laboratory space in Drug Discovery (estimated impact of PLN 1.2 million) followed by negative impact of PLN foreign exchange rate strengthening to other currencies estimated at 2.4 p.p. As a consequence, EBITDA in the first quarter of 2024 decreased by 5.7 p.p. to 15.1% compared to the same period last year, when it amounted to 20.8%.

Net loss of Selvita S.A. Capital Group, after adjusting for the impact of the incentive scheme, amounted to PLN -866 thousand.

The structure of revenues from external customers in the first quarter of 2024 is mainly focused on biotechnology and pharmaceutical industries and their share in the total of revenues from external customers amounted to 50% and 40% respectively. Compared to the corresponding period of 2023, sales to biotechnology companies decreased relative to pharmaceutical companies as a whole, with a noticeable increase in the share of Big Pharma companies. Consequently, the overall share of pharmaceutical companies in the revenue mix increased relative to the share of biotechnology companies.

TABLE 7.
Drug Discovery Segment

Data in PLN thousand	From 01.01.2024 to 31.03.2024	From 01.01.2023 to 31.03.2023
Revenue	**57,867**	**73,998**
Revenues from external customers	57,093	72,858
Revenues from subsidies	747	1,119
Other operating revenue	27	21
EBIT (excl. incentive scheme)	**-4,631**	**6,409**
%EBIT (excl. incentive scheme)	-8%	9%
EBITDA (acc. to MSSF16) excl. incentive scheme	**5,256**	**14,951**
%EBITDA (acc. to MSSF16) excl. incentive scheme	9%	20%
IFRS16 impact on EBITDA	2,734	3,161

In the first quarter of 2024 Drug Discovery Segment recorded a decrease in revenues from external customers which decreased by 22% from PLN 72,858 thousand in the first quarter of 2023 to PLN 57,093 thousand in the period reported.

In the first quarter of 2024 EBITDA ratio was at 9%, which is 11 p.p. lower when compared to the corresponding period of 2023. Total EBITDA decreased from PLN 14,951 thousand in the first three months of 2023 to PLN 5,256 thousand in the first three months of 2024 mainly as a result of lower sales revenues and stronger PLN rate to other currencies with sustaining operating expenses (including human resources) at the sufficient level to meet sales requirements when contracting improves. The estimated value of underutilized resources related to laboratory space in the first quarter of 2024 amounted to approximately PLN 2.5 million (in the first quarter of the previous year, it was only PLN 0.7 million because the Laboratory Services Center in Krakow was put into use in March 2023).

TABLE 8.
Drug Development Segment

Data in PLN thousand	From 01.01.2024 to 31.03.2024	From 01.01.2023 to 31.03.2023
Revenue	**17,833**	**16,109**
Revenues from external customers	17,814	16,107
Revenues from subsidies	19	2
EBIT	**3,820**	**2,269**
%EBIT	21%	14%
EBITDA (acc. to MSSF16)	**6,399**	**4,147**
%EBITDA (acc. to MSSF16)	36%	26%
IFRS16 impact on EBITDA	937	492

Drug Development Segment continues to perform very well in the face of high contracting. The growth in the order portfolio in this area has been observed since the third quarter of 2021. In the first quarter of 2024, revenues from services to external customers increased by 11%, from PLN 16,107 thousand in the first quarter of 2023 to PLN 17,814 thousand in the reported period.

EBITDA margin for this segment in the first quarter of 2024 was 36% and increased by 10 p.p. compared to the corresponding period of 2023. The operating profitability in the first quarter of 2024 increased by 7 percentage points compared to the corresponding period of 2023.

TABLE 9.

Selvita s.A. Group – operations not consolidated

Ardigen

Data in PLN thousand	From 01.01.2024 to 31.03.2024*	From 01.01.2023 to 31.03.2023*
Revenue	**11 425**	**13 643**
Revenues from external customers	11 413	12 891
Revenues from subsidies	-	739
Other operating revenue	13	14
EBIT	**-270**	**-68**
%EBIT	-2%	0%
EBITDA (acc. to MSSF16)	**71**	**266**
%EBITDA (acc. to MSSF16)	1%	2%
Net profit (excl. incentive scheme)	**-296**	**-315**
%Net profit	-3%	-2%
IFRS16 impact on EBITDA	165	146
(Loss) / net profit **	**-719**	**-147**

* Supplementary data on discontinued operations not consolidated in the financial statements due to the loss of control over this segment from January 1st, 2023

** included in the consolidated financial statements under "Share of profit/loss from associated entities valued using the equity method"

Ardigen Segment (activity discontinued from January 1st, 2023), i.e. subsidiary Ardigen S.A. (together with Ardigen Inc.) achieved in the first quarter of 2024 revenues from external customers at the level of PLN 11,413 thousand, which means a decrease by 11% compared to the revenues achieved in the previous year, which amounted to PLN 12,891 thousand. In the first quarter of 2024, this segment incurred an operating loss of PLN 270 thousand, compared to an operating loss of PLN 68 thousand in the same period last year, which is the result of lower revenues, and cost inflation not fully passed on to external customers. The above also resulted in a decrease in EBITDA, which amounted to 0,6% and reported 1.4 p.p. decrease.

2.2. Contracted (Backlog)

The value of the 2024 contracts portfolio resulting from commercial contracts and grant agreements (backlog) as of May 21, 2024 amounts to PLN 249,459 thousand and increased by 3% compared to 2023 backlog announced on 28 May 2023.

The actual dynamics of the backlog after normalizing the negative impact of the strengthening of the Polish zloty against foreign currencies would be +8%.

The lower backlog dynamics observed for Drug Discovery Segment is the result of a continuing more difficult market environment, i.e. access to financing for biotechnology companies in the United States, which causes these companies to be more cautious in spending their R&D budgets. The Group has been observing an improvement in contracting within this segment, as the change in backlog dynamics is improving by approximately 8 percentage points within eight weeks from the last published backlog at the end of March 2024. In the Drug Development Segment, the contracting dynamic increases reporting 68% growth.

The contracted order portfolio total for 2024 at Pozlab indicates a 5% increase.

For Ardigen Segment, we observe a decreasing backlog dynamics of -18% year on year from PLN 38,358 thousand to PLN 31,473 thousand.

TABLE 10.

Backlog *

Item	For 2024 as of May 21, 2024	For 2023 as of May 28, 2023	Change	Change %
Drug Discovery Segment	180,084	201,494	-21,410	-11%
Drug Development Segment	64,051	38,172	25,879	68%
Total organic growth from continued operations	**244,135**	**239,666**	**4,469**	**2%**
Grants	2,387	3,471	-1,084	-31%
Pozlab sp. z o.o.**	2,937	–	2,937	100%
Total Selvita Capital Group from continued operations	**249,459**	**243,137**	**6,322**	**3%**

* Backlog includes the revenues already invoiced in a given year and 2024 portfolio of orders.

** From the perspective of the Capital Group, backlog includes revenues starting from the date of gaining control i.e., from May 6, 2024 and 2024 portfolio of orders.

TABLE 11.

Backlog #

Item	For 2024 as of May 20, 2024	For 2023 as of May 31, 2023	Change	Change %
Pozlab sp. z o.o.#	9.507	9.017	490	5%

From the perspective of standalone legal entity, backlog. Backlog includes the revenues already invoiced in a given year and 2024 portfolio of orders.

2.3. Historic data under the new operating segment structure

TABLE 12.

Selvita S.A. Capital Group

Data in PLN thousand	Q1'2022	Q2'2022	Q3'2022	Q4'2022	Q1'2023	Q2'2023	Q3'2023	Q4'2023
Revenue	**84,059**	**92,354**	**94,749**	**93,667**	**91,814**	**89,141**	**84,184**	**86,754**
Drug Discovery Segment	69,507	75,562	77,914	75,776	72,858	70,501	63,172	66,282
Drug Development Segment	12,502	14,129	14,435	13,921	16,107	14,981	17,450	18,578
Revenues from subsidies	734	797	1,264	947	1,121	1,539	1,681	304
Other operating revenue	12	9	40	29	21	39	47	52
Unallocated revenues from sales of administration services	1,163	1,707	1,163	2,747	1,560	2,002	1,693	1,535
Unallocated revenues – other	141	150	-67	247	147	79	141	3
EBIT (excl. incentive scheme)	**16,429**	**18,453**	**18,655**	**17,227**	**8,678**	**9,540**	**4,985**	**5,057***
%EBIT (excl. incentive scheme)	20%	20%	20%	18%	9%	11%	6%	6%
EBITDA (acc. to IFRS16 excl. incentive scheme)	**24,970**	**27,355**	**28,087**	**25,831**	**19,098**	**21,218**	**16,966**	**16,431***
%EBITDA (acc. to IFRS16 excl. incentive scheme)	**30%**	**30%**	**30%**	**28%**	**21%**	**24%**	**20%**	**19%**
Net profit (excl. incentive scheme)	**16,893**	**15,886**	**15,704**	**14,963**	**6,850**	**12,028**	**-2,064**	**12,554***
%Net profit (excl. incentive scheme)	**20%**	**17%**	**17%**	**16%**	**7%**	**13%**	**-3%**	**14%**
MSSF 16 impact on EBITDA	3,352	3,378	3,411	3,600	3,653	3,711	3,683	3,643

* excl. profit on loss of control

TABLE 13.

Drug Discovery Segment

Data in PLN thousand	Q1'2022	Q2'2022	Q3'2022	Q4'2022	Q1'2023	Q2'2023	Q3'2023	Q4'2023
Revenue	**70,250**	**76,368**	**79,212**	**76,730**	**73,998**	**72,077**	**64,891**	**66,603**
Revenues from external customers	69,507	75,562	77,914	75,776	72,858	70,501	63,172	66,282
Revenues from subsidies	734	797	1,258	943	1,119	1,537	1,672	269
Other operating revenue	9	9	40	11	21	39	47	52
EBIT (excl. incentive scheme)	**13,366**	**14,949**	**15,888**	**14,070**	**6,409**	**6,863**	**1,197**	**323**
%EBIT (excl. incentive scheme)	19%	20%	20%	18%	9%	10%	2%	0%
EBITDA (acc. to MSSF16) excl. incentive scheme	**20,586**	**22,467**	**23,740**	**21,519**	**14,951**	**16,575**	**11,171**	**9,752**
%EBITDA (acc. to MSSF16) excl. incentive scheme	29%	29%	30%	28%	20%	23%	17%	15%
IFRS16 impact on EBITDA	2,995	3,004	3,026	3,144	3,161	3,183	3,158	3,123

TABLE 14.
Drug Development Segment

Data in PLN thousand	Q1'2022	Q2'2022	Q3'2022	Q4'2022	Q1'2023	Q2'2023	Q3'2023	Q4'2023
Revenue	**12,505**	**14,129**	**14,441**	**13,942**	**16,109**	**14,983**	**17,459**	**18,612**
Revenues from external customers	12,502	14,129	14,435	13,921	16,107	14,981	17,450	18,578
Revenues from subsidies	–	–	6	3	–	2	9	34
Other operating revenue	3	–	–	18	2	–	–	–
EBIT (excl. incentive scheme)	**3,063**	**3,504**	**2,767**	**3,156**	**2,269**	**2,678**	**3,788**	**4,734**
%EBIT (excl. incentive scheme)	24%	25%	19%	23%	14%	18%	22%	25%
EBITDA (acc. to MSSF16) excl. incentive scheme	**4,383**	**4,888**	**4,347**	**4,311**	**4,147**	**4,644**	**5,795**	**6,679**
%EBITDA (acc. to MSSF16) excl. incentive scheme	35%	35%	30%	31%	26%	31%	33%	36%
IFRS16 impact on EBITDA	357	374	385	456	492	528	525	519

03 — The group's assets and the structure of assets and liabilities

3.1. Consolidated data

As of March 31, 2024, the total value of the Selvita Group's assets was PLN 638,929 thousand. At the end of March 2024, the most significant current assets are short-term receivables which amounted to PLN 67,472 thousand and cash amounting to PLN 44,320 thousand. The decrease in cash is due to significant cash flows related to investing activities, settlement of financial liabilities that exceed positive cash flows from operating activities.

Fixed assets are mainly Laboratory Services Center in Kraków, laboratory equipment, recognized assets due to the right to use and deferred tax assets in the amount of PLN 14,758 thousand. The total of non-current assets increased in comparison to December 31, 2023, by PLN 11,570 thousand mainly as a result of increase of right to lease assets due to laboratory space lease agreements extension and purchased laboratory equipment.

The main item in the Selvita Group's equity and liabilities is equity, which amounted to PLN 327,281 thousand as of March 31, 2024. Its slight increase compared to the end of 2023 is the net effect of the net loss in the first quarter of 2024 and positive value of foreign exchange from foreign entity valuations.

Another significant source of financing are long term liabilities which amounted to PLN 215,290 thousand at the end of March 2024. The highest value items in the long-term liabilities are credits and bank loans in total of PLN 108,386 thousand and lease liabilities in total of PLN 67,743 thousand. Short-term liabilities amounted to PLN 96,357 thousand at the end of March 2024 compared to PLN 93,769 thousand at the end of December 2023, which is mainly due to higher trade liabilities. ●

TABLE 15.

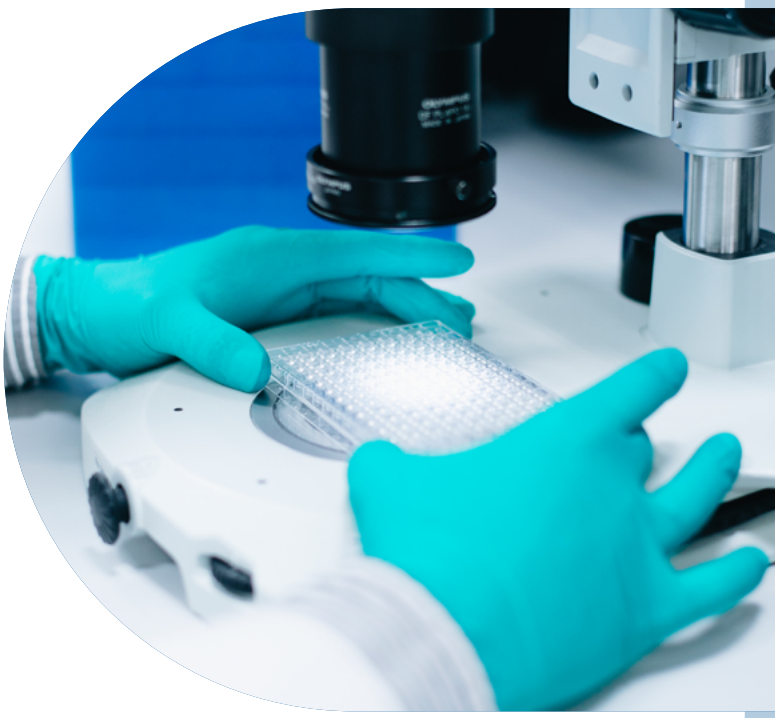
The assets structure demonstrates the Group's high financial liquidity, which is confirmed by the following ratios:

	31.03.2024	31.12.2023
Current ratio current assets/current liabilities including short-term provisions and deferred revenues (excl. accruals)	1.63	1.80
Quick ratio (current assets-inventory)/current liabilities including short-term provisions and deferred revenues (excl. accruals)	1.55	1.72

04 — Current and projected financial condition

The Group's financial position as of the report date is good. As of March 31, 2024, the value of the Group's cash (including other financial assets) amounted to PLN 44,320 thousand, and at May 19, 2024, the total cash (including other financial assets) of the Selvita S.A. Group amounted to PLN 24,212 thousand. The decrease in the level of cash compared to March 31, 2024, is due to payment for Pozlab sp. z o.o. shares on May 6, 2024 in amount of PLN 21 million.

The Group meets its obligations timely and maintains sustainable cash levels ensuring its financial liquidity. Cash generated from operations allows to execute the planned investments in particular in the expansion of laboratory infrastructure. ●



05 — Significant off-balance sheet items

Significant off-balance sheet items are described in the Note 20 to the condensed interim consolidated financial statements.

06 — Explanation of differences between the financial results disclosed in the quarterly report and previously published forecasts of the financial results

The Issuer has not published financial forecasts for the first quarter of 2024. ●

07 — Significant events in reporting period

7.1. Significant events in reporting period

Selvita S.A. expands operations through introduction of new type of services related to biologic drug discovery and development

The Management Board of Selvita S.A., on March 18, 2024, adopted a resolution regarding the expansion of the Company's operations through the introduction of a new type of services related to the discovery and development of biologic drugs. The Company's objective is to broaden its services portfolio and create entirely new revenue streams. The new activity in the field of biologic drugs will enable the Company to address the second-largest segment of the drug discovery market, after small molecule drugs. The Company plans to commence its operations in the biologic drugs field by providing services related to the preclinical development of monoclonal antibodies.

In connection with the planned entry into the new service area, Selvita entered into a conditional equipment purchase agreement on March 18, 2024, with Pure Biologics S.A. headquartered in Wrocław, Poland ("Seller"). Under this agreement for the amount of PLN 1,976,138 net, Selvita in April 2024 acquired a set of high-quality equipment necessary to provide services related, among others, to the selection and preclinical development of biologic antibodies ("Equipment").

On March 15, 2024, the Company also concluded - conditioned by Consent - a 5-year lease agreement ("Agreement") for approximately 430 square meters of laboratory space with the space owner in the Business Garden complex in Wrocław, Vastint Poland sp. z o.o. The Agreement allows the possibility of increasing the laboratory space to approximately 800 square meters. Ultimately, this could create jobs for approximately 50 specialists.

Simultaneously, the Company has entered into letters of intent with 16 high-class specialists in the field of biologic drug development ("Team"), with extensive experience gained, among others, from Pure Biologics S.A., expressing readiness to enter into employment agreements with Selvita.

The Team, Equipment, and laboratory space are intended to form the foundation for further expansion of Selvita's service portfolio in biologic drugs and the gradual increase in resources in line with the increase of sales in the new area.

This area will be reported under the Drug Discovery segment.

Receipt of a significant purchase order

The Company on March 26, 2024, within the framework of cooperation with a biopharmaceutical company based in Europe ("Client"), as previously disclosed by the Company in the current report No. 12/2023 dated of September 1, 2023, it has received four orders to conduct stability tests and sample analyses from the process of purifying a biological drug ("Orders").

The total estimated value of the Orders amounts to 3,689,868 EUR (15,900,748 PLN converted at the average exchange rate of the National Bank of Poland as of March 26, 2024, 1 EUR = 4.3093 PLN). In the year 2024, services amounting to 1,393,840 EUR (6,006,474 PLN converted at the average exchange rate of the National Bank of Poland as of March 26, 2024, 1 EUR = 4.3093 PLN) will be provided under the Orders, thereby increasing the total value of cooperation with the Client in 2024 to amount between3,653,030 EURand 5.754.959 EUR (15,742,002 PLN and 24,799,844 PLN converted at the average exchange rate of the National Bank of Poland as of March 26, 2024, 1 EUR = 4.3093 PLN). The final value of services provided under the Orders will depend on the number of batches sent for testing by the Client.

The tests covered by the Orders are crucial for evaluating and confirming the effectiveness of the production process, ensuring the appropriate quality of the product. Additionally, data necessary for the registration of the biological product and confirmation of its stability will be collected under the Orders.

The conditional agreement for the acquisition of 100% of the shares in PozLab sp. z o.o. by Selvita S.A.

On March 27, 2024, Selvita S.A., as the buyer, entered into a preliminary conditional agreement ("Preliminary Agreement") for the acquisition of 100% of the shares ("Shares") in PozLab sp. Z o.o., headquartered in Poznan ("PozLab"), ("Transaction"), with Younick Technology Park sp. Z o.o., headquartered in Złotniki, as the seller ("Seller").

The price for the Shares has been set at PLN 25,000,000 of which:

- PLN 21,000,000 will be paid on the day of acquisition of the Shares;
- PLN 4,000,000 will be retained by the Issuer for a period of up to 12 months from the date of closing the Transaction as security for any, specifically enumerated in the Agreement, events or claims by third parties against PozLab, as well as to secure settlements related to price adjustments.

The acquisition of the Shares will be financed from the Issuer's own funds.

The closing of the Transaction, including the completion of a series of formalities typical for such transactions, payment of the price for the Shares, and the acquisition of PozLab by the Issuer through the conclusion of a promised share purchase agreement, is conditioned upon the fulfillment of the following conditions ("Suspensive Conditions"):

- obtaining the consent of the National Centre for Research and Development (in Polish: Narodowe Centrum Badań i Rozwoju), granted in at least documentary form, for the acquisition of all Shares by the Issuer; and
- completion of the capital restructuring process of the Seller's group by concluding, between PozLab and a third party designated by the Seller, an agreement for the sale of 100% of the shares in Applied Manufacturing Science sp. z o.o., a subsidiary of PozLab.

7.2. Post balance sheet significant events

Receipt of a significant purchase order

The Issuer received on April 11, 2024, an order from a biotech company based in Europe ("Client"), the subject of which is lead optimization, a key stage in the immuno-oncology drug discovery project undertaken by the Client ("Order"). Within the Order, the Issuer will conduct on behalf of the Client integrated drug discovery (IDD) services, covering project management performed by the Issuer's IDD team, medicinal and synthetic chemistry, in vitro pharmacology, ADME (absorption, distribution, metabolism, and excretion) and PK (pharmacokinetic) profiling as well as recombinant protein production. The project's goal within the Order is to obtain a preclinical candidate with a defined target product profile. Works within the scope of the Order will be carried out over the course of 18 months.

The value of the Order is EUR 3,348,577 (which equates to PLN 14,281,346 when converted at the average exchange rate of the National Bank of Poland on April 11, 2024, where 1 EUR = 4.2649 PLN). The Issuer's collaboration with the Client has been ongoing since 2020, and the Order is the largest project undertaken so far by the Issuer for the Client.

Closing of an acquisition of PozLab sp. z o.o. by Selvita S.A.

On May 6, 2024, the Issuer, as the buyer, entered into a purchase agreement ("Agreement", "Transaction") for the acquisition of 100% of the shares ("Shares") in PozLab sp. z o.o., headquartered in Poznan ("PozLab") with Younick Technology Park sp. z o.o., headquartered in Złotniki, as the seller ("Seller"), after the fulfilment of all conditions precedent indicated in the preliminary conditional agreement.

The Issuer acquired PozLab Shares for a total price of PLN 25,000,000, with PLN 21,000,000 paid on the Transaction's closing date. The Issuer will retain the amount of PLN 4,000,000 for a period of up to 12 months from the date of closing the Transaction as security for any, specifically enumerated in the preliminary agreement, events or claims by third parties against PozLab, as well as to secure settlements related to price adjustments. The acquisition of the Shares was financed from the Issuer's own funds.

Acquisition of CDMO (Contract Development and Manufacturing Organization) will strengthen the Issuer's offering in the field of small molecule drug development and allow it to enter a completely new, highly attractive area related to drug development services for early clinical trials.

Receipt of a significant purchase order by the affiliated company

On May 14, 2024, the company affiliated with the Issuer - Selvita Inc., within the framework of cooperation with a biopharmaceutical company based in the United States ("Client"), has received an order ("Order") to engage entities from the Issuer's capital group ("Selvita") in a fully integrated drug discovery program to assist with the lead optimization of their hit compound.

Team members from Selvita's chemistry, CADD (Computer-Aided Drug Design), in vitro pharmacology, ADME (absorption, distribution, metabolism, and excretion), and PK (pharmacokinetic) profiling, and in vivo pharmacology will play an integral part in this Order to ensure the project goals are met. The goal of the collaboration is to identify a minimum of one primary clinical development candidate within 18 to 24 months, ensuring that the compound has all needed properties to later be proclaimed as a clinic candidate.

The total estimated value of the agreement amounts to USD 2,461,564 (which equates to PLN 9,772,655 when converted at the average exchange rate of the National Bank of Poland on May 14, 2024, where 1 USD = 3.9701 PLN). In 2024, services amounting to USD 1,624,632 (which equates to PLN 6,449,959 when converted at the average exchange rate of the National Bank of Poland on May 14, 2024, where 1 USD = 3.9701 PLN) will be provided under the Order. The final value of services provided under the Order will depend on the resources deployed on the project and the ADME and PK testing completed throughout the project duration.

7.3. Unusual events occurring in the reporting period

Conflict in Ukraine

Due to the Russian invasion on Ukraine, the Issuer's Management Board has analyzed the potential impact of the ongoing conflict on the Issuer's operations. The Management Board did not identify any significant risks that could affect the Issuer's operations as of the date of this report. In particular, it should be noted that the Issuer does not have any assets in Ukraine, and does not conduct business and operations in Ukraine and Russia. The share of entities from Ukraine, Belarus or Russia as customers and suppliers in the Issuer's structure remains insignificant. Nevertheless, due to risks associated with Russia's actions, including the potential risk of spillover from Russia's current invasion of Ukraine into neighboring countries, and the dynamic and unpredictable nature of the current situation in Ukraine, the Management Board of the Company analyses the Issuer's situation in the context of this geopolitical risk on an ongoing basis. Any new circumstances having a significant impact on the financial results and business situation of the Issuer will be communicated to investors. ●

08 — Management board's information on group's activities

8.1. Drug Discovery Segment

In Drug Discovery Segment, as per our strategy, we have continued investing in development of services that are strengthening our capabilities in areas of inflammation and oncology. Being already at forefront of immunology and inflammation services market, we have decided to make our offer even broader by development of immunometabolism area, especially focused on obesity and diabetes. Obesity stands as one of the most pressing global health challenges of our time, with its prevalence reaching epidemic proportions and it burdens individuals with heightened risks of cardiovascular disease, diabetes, and other serious conditions. Therefore, this area is demanding innovative solutions. We will be addressing this urgent need through development of new services tailored specifically for the obesity market. Recent in vivo and in vitro assays have demonstrated the feasibility and efficacy of various metabolic platforms in preclinical models. These assays utilize sophisticated experimental techniques to elucidate the mechanisms of action and therapeutic potential of novel metabolic interventions. Throughout the whole of 2024 and 2025 we plan to expand this platform and become a leading partner for our pharma and biotech clients.

In precision medicine area of the offer, the main goal was development of new in vitro 3D models that represent a valuable tool in advancing our understanding of cancer biology and improving patient outcomes. These models have the potential to revolutionize oncology research and contribute to the development of more personalized and effective cancer therapies. Alongside, we have developed in vivo models that were mainly centered around different solid tumors (4T1, PC3, HCT116, B16F10). On the other hand, more efforts were put to leukemia-related case studies, cell-based and biophysical methods development for antibody-drug conjugates (ADCs), building of high-throughput protein degrader platform, medium-throughput efficacy, and selectivity screening for growth factor receptor inhibitors as well as CAR-T cytotoxicity assays and introducing a kinase panel analysis into the offer. Our oncology offer is well complemented with translational approach to preclinical studies, where we have already established collaborations with hospitals in Croatia but also since recently, with hospitals in Poland. By using information contained within patient-derived materials, translational research holds the promise of transforming the landscape of oncology field.

We have continued developments of chemistry capabilities related to modalities outside of small molecule field e.g. degraders and peptides which was followed by optimization of current DMPK assays, as well as expanding the current offering (dual sink-PAMPA, alpha Log D HT screening, BSEP inhibition) with new assays and in support of requirements driven by new developments in pharmacology. We have also implemented and developed new synthetic techniques including photochemistry and electrochemistry. In our efforts to invest more into automated processes, we have also introduced high-throughput experimentation (HTE) approach.

Our ongoing investment in expanding and strengthening our AI department underscores the commitment to cutting-edge technology in order to drive innovation. By developing advanced machine learning algorithms and predictive analytics, the AI team is helping to facilitate data-driven decision-making, optimizing candidate selection, and unlocking novel therapeutic opportunities. By integrating AI seamlessly into our drug discovery services but also by automatization of our labs, we aim to enhance efficiency and reduce costs,

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which will make us even better and more effective allies, delivering tailored solutions, proactive support, and unparalleled value to our clients.

Reaccreditation of our animal facility in Zagreb by AAALAC signifies the ongoing commitment to maintaining the highest standards of animal care and welfare, ensuring scientific integrity and ethical responsibility in research practices.

8.2. Drug Development Segment

In the first quarter of 2024, in the area of small molecule drugs, the Drug Development Segment carried out projects related to the optimization and validation of analytical methods for medicinal products as part of cooperation with one of the largest pharmaceutical companies in the world. Additionally, transfers of analytical methods in connection with contracted stability studies for the same client were started. Cooperation with a leading client operating in the field of innovative medicines was continued to support the Chemistry, Manufacturing and Controls (CMC) process. The cooperation included small-molecule projects, such as analyses of bispecific antibodies, for which stability studies were continued. Projects related to the characterization of antibody drug conjugate (ADC) products were also carried out. The team developed dynamically in the area of projects related to the analysis of nitrosamines, pyrrolizidine alkaloids, and other genotoxic impurities. Several projects related to the identification of impurities using high-resolution mass spectrometry were also carried out. In the area of small and large molecules, two new projects were initiated regarding the analysis of extractables and leachables. The number of projects analyzing glycols in pharmaceutical samples has also increased. The laboratory has expanded its expertise in the analysis of peptides and modified peptides. The implemented projects were mainly related to the development of analytical methods and the identification of compounds using the LC-HRMS technique. In addition, a package of stability tests for peptide vaccines was started. Transfers of methods for release analyses of suspension antibiotics were also planned.

Projects related to method validation and formulation analyses were carried out for agrochemical clients, including long-term stability studies and physico-chemical analyses. Projects related to the validation of methods and analyses of active substances for plant protection products were continued.

In the area of the low-molecular substances platform, an additional GC-MS/MS device was purchased, which will speed up the execution of current orders and allow for increasing analytical capabilities, including extending the scope of services to include complementary pesticide analyses.

In the area of services related to biological drugs, a dynamic development of cooperation with the main client operating in the US market was observed. Several projects were carried out related to validation studies of analytical methods, stability tests, characterization of the product, and the manufacturing process itself. This collaboration resulted in a comprehensive analysis of biopharmaceuticals, particularly focused on the identification and quantification of host cell protein contamination. Using a previously developed state-of-the-art mass spectrometry technique, the laboratory has significantly increased its capabilities, exceeding prevailing industry standards. New orders related to the transfers of analytical methods for biological products (peptides and monoclonal antibodies) were contracted. After completing the transfer stage, these products will be routinely analyzed for release to the EU market. Collaboration with an important UK client also continued, focusing on proteomics studies including relative and absolute quantification. Moreover, expanding the scope and scope of services, the laboratory started proteomic research with a leading Swiss pharmaceutical company. Following the planned strategy, rela-

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tionships were established with pharmaceutical companies in the field of oligonucleotide research and antibody-drug conjugates (ADC) research. In addition, cooperation with one of our regular significant clients in the field of biodistribution and bioanalytical research was continued, culminating in a service agreement ensuring partnership until 2027. New high-performance liquid chromatography systems dedicated to the analysis of protein products were purchased.

In the first quarter of this year, the Biological Analysis Laboratory focused on the optimization and qualification of new biological tests using reporter lines for two European clients who are developing innovative drugs from the group of peptide vaccines. Another success was the expansion of cooperation with one of the European clients to include the development of biological methods for new biopharmaceuticals used in the treatment of patients suffering from migraine pain and multiple system atrophy (MSA).

In the area of quality control research, cooperation was continued in the implementation of several routine release and stability tests of small-molecule and biological drugs of various classes for European, US, and Australian clients. To ensure complementarity of services in the area of testing biological products in the Good Manufacturing Practice (GMP) quality system, the offer has been extended to include the storage of reference samples for each series of products manufactured and delivered to patients. This became possible thanks to the purchase and appropriate adaptation of new refrigeration chambers.

8.3. Ardigen

Ardigen is an AI CRO company which brings about AI transformation in drug discovery projects implemented by pharmaceutical and biotechnology companies. The company delivers value on the line between biology and artificial intelligence to increase the likelihood of success and accelerate drug discovery processes. Thanks to its proprietary platforms, it supports scientists in finding valuable knowledge in large biological and chemical data sets, helping them discover innovative drugs and develop concepts of personalized medicine.

In analytical reports, Ardigen is listed among the top 5% of leaders on the global AI in Drug Discovery market. Such high listing is the result of over 8 years of scientific work, the Company's active presence on the American and European markets, and the implementation of over 400 commercial projects with over 100 clients, including 15 large pharmaceutical companies.

One of Ardigen's chief aims for 2024 is to significantly strengthen the sales force, mainly in the United States, and to implement the strategy of acquiring new clients while strengthening the position with the existing ones from the sector of the largest pharmaceutical companies.

In February 2024, Livia Legg became the Company's Chief Commercial Officer. Livia also joined the Company's Board bringing extensive leadership experience in business development and commercial operations that will significantly strengthen Ardigen's sales initiatives and contribute to the achievement of the Company's ambitious growth goals.

Livia Legg has a distinguished career in global business development, sales and marketing leadership, most recently serving as Chief Commercial Officer at Shanghai ChemPartner and General Manager of ChemPartner Corporation US & EU from 2015.

The first quarter of 2024 was marked by intense sales and strategic marketing initiatives aimed at strengthening Ardigen's brand presence and supporting industry relationships in key global markets.

Ardigen attended numerous conferences and industry fairs, for instance: Precision Medicine World Conference (San Francisco), SLAS (Boston), Precision Medicine in Inflammatory Bowel Disease Summit (Boston), NextGen Omics (Boston), JPMorgan (San Francisco), Festival of Genomics (London), BMCS (London), Boston BioTech Forum (Boston), AI in Drug Discovery (London) and RNA Leaders (Basel).

Ardigen has been recognized in international reports as one of the industry leaders, and its contribution and impact in this sector have been appreciated in the following:

- AI-based Clinical Trial Solution Providers Global Market Report 2024
- Global AI in Bioinformatics Market – Latest Trends and Forecast 2024-2030
- Artificial Intelligence (AI) In Drug Discovery Global Market Report 2024
- AI-Enabled Drug Discovery and Clinical Trials Market – Trends Analysis and Forecast till 2029
- Artificial Intelligence In Genomics Market Demand, Trends and Growth Analysis 2023-2028

Numerous promotional activities indicate Ardigen's commitment to advancing the use of AI technology in drug discovery, collaboration and innovation, positioning the company as a trusted partner and industry leader in the rapidly changing Life Sciences environment.

In the first quarter, a lease agreement for new office space was concluded and work began on moving the Company's headquarters to a new location in Krakow at ul. Sternbacha 1.

Ardigen R&D activities

In the first quarter, there was intensive development on the PhenAID morphological profiling platform, including the construction of a module for optimizing chemical molecules based on phenotypic screening. A road map resulting from contracts concluded with clients and scientific cooperation with Broad Institute of MIT and Harvard was made.

Work continued in the Biologics area as part of commercial cooperation using the developed technology to predict and optimize binding between T cell receptors and targets on the surface of cancer cells. Some of the results from this work will be subjected to laboratory validation.

During the SLAS conference in Boston, the Company's representative presented the latest results of work carried out with Broad Institute of MIT and Harvard.

An important achievement was another scientific paper entitled "Decoding Phenotypic Screening: A Comparative Analysis of Image Representations about different image representation for High Content-Screening data" this time published in Computational and Structural Biotechnology Journal. In this work, using the massive JUMP-CP consortium dataset, Ardigen researchers described and compared multiple deep machine learning approaches to analysing HCS data, specifically from U2OS cells and using the CellPainting protocol. The strengths and weaknesses of both externally and self-supervised learning techniques were shown, as well as the possibility of transferring such models to other data sets. The Company's findings demonstrate the potential for broader, cost-effective application in drug discovery, offering unique insights into HCS data analysis. This publication was possible thanks to cooperation with Janssen Pharmaceutica and the Jagiellonian University.

The results reported in the above paper were presented by Ardigen at the Precision Medicine in Inflammatory Bowel Disease Summit in Boston. ●

09 — The capital group structure

Parent entity

Business name	**Selvita S.A.**
Registered office	Podole 79, 30-394 Krakow
Company (ID)	REGON 383040072
TAX ID (NIP)	6762564595
Legal form	Joint – stock company
KRS Number	0000779822
Website	www.selvita.com

Affiliates

Business name	**Selvita Services spółka z ograniczoną odpowiedzialnością**
Registered office	ul. Bobrzynskiego 14, 30-348 Krakow
Company ID	(REGON) 122456205
TAX ID (NIP)	676-245-16-49
Legal form	Limited liability company
KRS Number	0000403763
Shareholders	100% of shares held by Selvita S.A.

Business name	**Selvita Inc.**
Registered office	Boston, MA, USA
Shareholders	100% of shares held by Selvita S.A.
Share capital	1 USD
Establishing date	March 2015

Business name	**Selvita Ltd.**
Registered office	Cambridge, UK
Shareholders	100% of shares held by Selvita S.A.
Share capital	20.000 GBP
Establishing date	April 2015

Affiliates

Business name	**Selvita d.o.o.**
Registered office	Prilaz baruna Filipovića 29, HR-10000 Zagreb, Croatia
Shareholders	100% of shares held by Selvita S.A.
Share capital	HRK 51.000.000 / EUR 6.768.863,23

10 — Issuer's corporate bodies

Management Board

Bogusław Sieczkowski	President of the Management Board
Miłosz Gruca Vice	President of the Management Board
Mirosława Zydroń	Member of the Management Board
Adrijana Vinter	Member of the Management Board
Dariusz Kurdas	Member of the Management Board
Dawid Radziszewski	Member of the Management Board

Supervisory Board

Piotr Romanowski	Chairman of the Supervisory Board
Tadeusz Wesołowski	Vice Chairman of the Supervisory Board
Paweł Przewięźlikowski	Supervisory Board Member
Rafał Chwast	Supervisory Board Member
Wojciech Chabasiewicz	Supervisory Board Member
Jacek Osowski	Supervisory Board Member

Audit Committee

Rafał Chwast	Chairan of the Audit Committee
Piotr Romanowski	Audit Committee Member
Tadeusz Wesołowski	Audit Committee Member
Wojciech Chabasiewicz	Audit Committee Member

Remuneration Commitee

Paweł Przewięźlikowski	Chairman of Remuneration Committee
Jacek Osowski	Remuneration Committee Member
Piotr Romanowski	Remuneration Committee Member

During the reporting period there were no changes in the Company's corporate bodies. ●

11 — Information on the shareholders holding (directly or indirectly) at least 5% of the total number of votes at the general shareholders' meeting of the company and on shares held by members of the issuer's Management Board and Supervisory Board

TABLE 16.

Shares held by members of the issuer's managerial and supervisory bodies as of 31.03.2024

Shareholder	Preferred shares*	Other series	No. of shares	% of share capital	No. of votes	% votes at GM
Management Board						
Bogusław Sieczkowski	550,000	392,417	**942,417**	5.13%	**1,492,417**	6.83%
Miłosz Gruca	–	60,760	**60,760**	0.33%	**60,760**	0.28%
Mirosława Zydroń	–	42,909	**42,909**	0.23%	**42,909**	0.20%
Adrijana Vinter	–	12,000	**12,000**	0.07%	**12,000**	0.05%
Dawid Radziszewski	–	4,472	**4,472**	0.02%	**4,472**	0.02%
Dariusz Kurdas	–	4,286	**4,286**	0.02%	**4,286**	0.02%
Supervisory Board						
Paweł Przewięźlikowski	2,932,000	38,815	**2,970,815**	16.18%	**5,902,815**	27.03%
Tadeusz Wesołowski (through Augebit FIZ)	–	847,738	**847,738**	4.62%	**847,738**	3.88%
Rafał Chwast	–	121,115	**121,115**	0.66%	**121,115**	0.55%
Piotr Romanowski	–	100,000	**100,000**	0.54%	**100,000**	0.46%
Tadeusz Wesołowski (directly)	–	84,975	**84,975**	046%	**84,975**	0.39%

TABLE 17.

Shares held by members of the issuer's managerial and supervisory bodies as of the date of report publication

Shareholder	Preferred shares*	Other series	No. of shares	% of share capital	No. of votes	% votes at GM
Management Board						
Bogusław Sieczkowski	550,000	392,417	**942,417**	5.13%	**1,492,417**	6.83%
Miłosz Gruca	–	60,760	**60,760**	0.33%	**60,760**	0.28%
Mirosława Zydroń	–	42,909	**42,909**	0.23%	**42,909**	0.20%
Adrijana Vinter	–	12,000	**12,000**	0.07%	**12,000**	0.05%
Dawid Radziszewski	–	4,472	**4,472**	0.02%	**4,472**	0.02%
Dariusz Kurdas	–	4,286	**4,286**	0.02%	**4,286**	0.02%
Supervisory Board						
Paweł Przewięźlikowski	2,932,000	38,815	**2,970,815**	16.18%	**5,902,815**	27.03%
Tadeusz Wesołowski (through Augebit FIZ)	–	847,738	**847,738**	4.62%	**847,738**	3.88%
Rafał Chwast	–	121,115	**121,115**	0.66%	**121,115**	0.55%
Tadeusz Wesołowski (directly)	–	84,975	**84,975**	046%	**84,975**	0.39%
Piotr Romanowski	–	80,000	**80,000**	0.44%	**80,000**	0.37%

*One preferred share gives the right to two votes at the General Meeting of Selvita S.A.

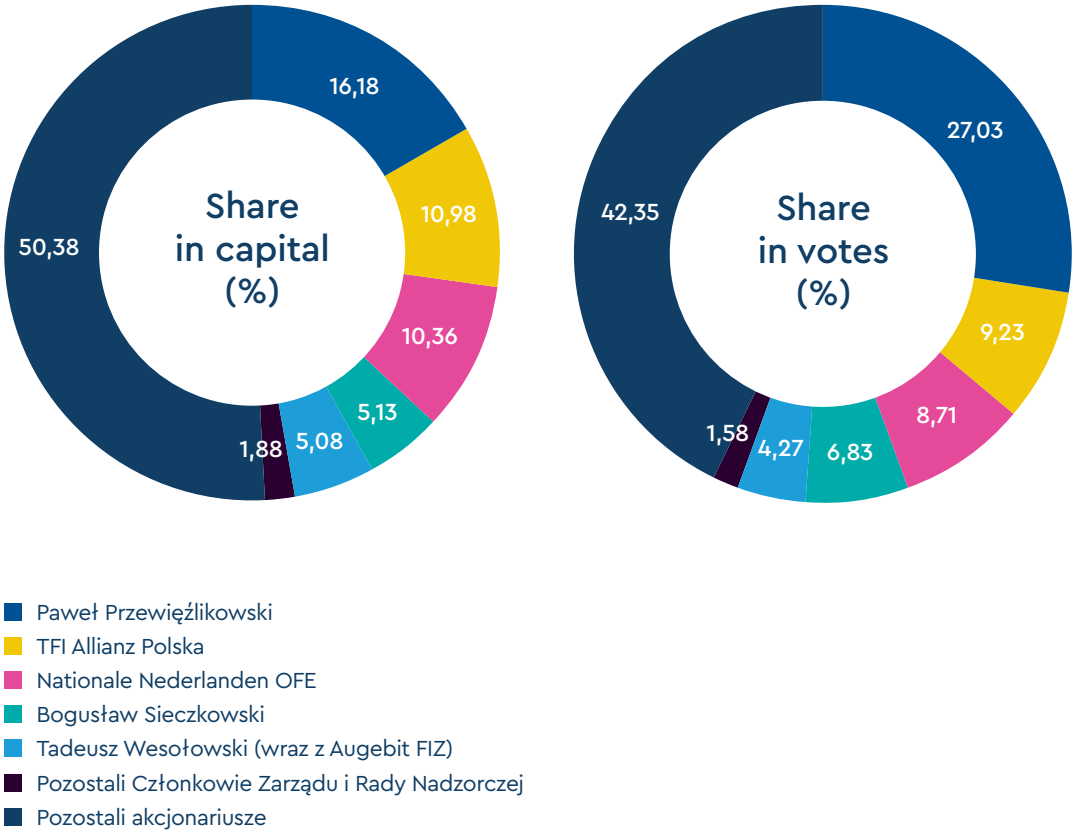
TABLE 18.

Shares held by significant Shareholders of the company as of the date of Report publication

Shareholder	Shares	% shares	Votes	% votes
Paweł Przewięźlikowski	2,970,815	16.18%	5,902,815	27.03%
TFI Allianz Polska	2,015,577	10.98%	2,015,577	9.23%
Nationale Nederlanden OFE	1,901,000	10.36%	1,901,000	8.71%
Bogusław Sieczkowski	942,417	5.13%	1,492,417	6.83%
Tadeusz Wesołowski (wraz z Augebit FIZ)	932,713	5.08%	932,713	4.27%

CHART 1.

Shareholding structure as of the date of Report publication



12 — Statement of the Management Board regarding applicable accounting principles

The Management Board of Selvita S.A. confirms that, to the best of its knowledge, the quarterly financial statements of Selvita Capita Group and Selvita S.A. have been prepared in accordance with the applicable accounting principles and reflect in a true, reliable and clear manner the financial situation of Selvita Capital Group and its financial results.

Report of the Management Board on the activities of Selvita S.A. and Selvita Capital Group contains a true picture of the development and achievements as well as Group's situation, including a description of the basic threats and risks. ●

13 — Additional information

Proceedings pending at court, before an arbitration institution or a public administration authority

Did not occur.

Significant non-arm's length transactions with related entities

Did not occur.

Warranties for loans and borrowings and guarantees granted

Selvita Services sp. z o.o. and Selvita d.o.o. are guarantors of the facility agreement concluded on December 21, 2020 with Bank Polska Kasa Opieki S.A. with its registered office in Warsaw. The facility agreement contains a mechanism of extending the liability for obligations under it to the Issuer's affiliate, in case the Issuer's and Guarantor's share in the consolidated EBITDA of the Selvita Capital Group fell below 75%.

Other information significant for the assessment of the Issuer's position in the area of human resources, assets, cash flows, financial results and changes thereof and information significant for the assessment of the Issuer's ability to settle its liabilities

Not applicable.

Factors which, in the Issuer's opinion, will affect the results over at least the following quarter

The results of the upcoming quarters will depend mainly on the following factors:

- Sales dynamics, new customers and extending the current offer
- Access to financing for biotech companies in the US
- Organic growth and subsequent acquisitions
- The pace of integration of the acquired companies and the dynamics of sales of their services
- The level of investment in sales and marketing
- The level of investments in laboratory infrastructure, including in particular equipment
- Changes in currency exchange rates, especially EUR / PLN and USD / PLN.

Description of factors and events, in particular of an unusual nature, having a significant effect on the financial performance

Not applicable.

Explanations regarding the seasonal or cyclical nature of the Issuer's operations in the reported period

Not applicable.

Information on inventory write-downs to the net realizable amount and reversal of such write-downs

Not applicable.

Information on impairment write-downs in respect of financial assets, tangible fixed assets, intangible assets or other assets and the reversal of such write-downs

Not applicable.

Information on the set-up, increase, utilization and reversal of provisions

Information on the changes in provisions for holidays and bonuses is provided in note 16 to the interim consolidated financial statements.

Information on deferred income tax provisions and assets

Information on deferred income tax provisions and assets is provided in note 6 to the interim consolidated financial statements.

Information on significant purchases or disposals of tangible fixed assets

Information on tangible fixed assets is provided in note 7 to the interim consolidated financial statements.

Information on significant liabilities in respect of purchases of tangible fixed assets

There are no significant liabilities related to the purchase of tangible fixed assets as of March 31, 2024.

Information on significant settlements resulting from court cases

Not applicable.

Error corrections relating to previous periods

Not applicable.

Information on changes in the economic situation and business conditions, which have a significant effect on the fair value of the entity's financial assets and financial liabilities

Not applicable.

Information on the failure to repay a loan or borrowing or a breach of significant terms and conditions of a loan agreement, with respect to which no corrective action had been taken by the end of the reporting period

Not applicable.

Information on changes in the method of valuation of financial instruments measured at the fair value

Not applicable.

Information on changes in the classification of financial assets due to a change in their purpose

Not applicable.

Information on the issue, redemption and repayment of non-equity and equity securities

None.

Information on dividends paid (or declared) in the total amount and per share, divided into ordinary and preference shares

Not applicable.

Events that occurred after the date for which the quarterly financial statements were prepared, not disclosed in these financial statements although they may have a significant effect on the Issuer's future financial results

Not applicable.

Information on changes in contingent liabilities or contingent assets that occurred after the end of the last financial year

Information on changes in contingent liabilities or contingent assets is provided in note 20 to the interim consolidated financial statements.

Other disclosures which may have a material impact on the assessment of the Issuer's financial position and results of operations

Not applicable.

Amounts and types of items affecting the assets, liabilities, equity, net profit/ (loss) or cash flows, which are unusual in terms of type, amount or frequency

Not applicable. ●

Management Board

Krakow, May 22, 2024

Dokument podpisany przez Bogusław Stanisław Sieczkowski
Data: 2024.05.22 13:51:44 CEST

Bogusław Sieczkowski
PRESIDENT OF THE MANAGEMENT BOARD

Dokument podpisany przez Miłosz Kazimierz Gruca
Data: 2024.05.22 14:27:49 CEST

Miłosz Gruca
VICE PRESIDENT OF THE MANAGEMENT BOARD

Dokument podpisany przez Mirosława Monika Zydroń
Data: 2024.05.22 13:17:00 CEST

Mirosława Zydroń
MEMBER OF THE MANAGEMENT BOARD

Digitally signed by Adrijana Vinter
Date: 2024.05.22 14:03:28 CEST

Adrijana Vinter
MEMBER OF THE MANAGEMENT BOARD

Dokument podpisany przez Dariusz Kurdas
Data: 2024.05.22 13:12:09 CEST

Dariusz Kurdas
MEMBER OF THE MANAGEMENT BOARD

Dokument podpisany przez Dawid Patryk Radziszewski
Data: 2024.05.22 16:07:38 CEST

Dawid Radziszewski
MEMBER OF THE MANAGEMENT BOARD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