



**CONSOLIDATED H1 2022
REPORT
SELVITA CAPITAL GROUP**



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1. SELECTED FINANCIAL DATA

The consolidated financial statements cover the period from January 1, 2022 to June 30, 2022 with comparative period from January 1, 2021 to June 30, 2021.

1.1. Main results achieved in the reporting period

On May 17, 2021, the General Meeting resolved to adopt a non-diluting Incentive Scheme for 2021-2024 for employees in the form of the right to acquire shares in the Company at a preferential price of 0.19 PLN per share. Mr. Paweł Przewięźlikowski – founder, member of the Supervisory Board and 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. The programme's impact during the reporting period is PLN 22,606,416 with **a detailed description of the program is provided in the Note 34 to the interim 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.

1.1.1. Consolidated financial data

The table below presents 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	
	30.06.2022	31.12.2021	30.06.2022	31.12.2021
Items				
Total assets	493,276	455,923	105,387	99,127
Trade and other receivables	85,748	65,616	18,320	14,266
Cash and other monetary assets	76,100	83,550	16,259	18,165
Other financial assets	1,237	13,435	264	2,921
Total liabilities	251,422	250,369	53,716	54,435
Long term liabilities	155,888	154,513	33,305	33,594
Short term liabilities	95,534	95,856	20,411	20,841
Equity	241,854	205,554	51,672	44,691
Share capital	14,684	14,684	3,137	3,193

- concerning the consolidated profit and loss statement:

Item	Consolidated data in PLN thousand				Consolidated data in EUR thousand			
	From 01.01.2022 to 30.06.2022	From 01.01.2021 to 30.06.2021	From 01.04.2022 to 30.06.2022	From 01.04.2021 to 30.06.2021	From 01.01.2022 to 30.06.2022	From 01.01.2021 to 30.06.2021	From 01.04.2022 to 30.06.2022	From 01.04.2021 to 30.06.2021
Revenues from sales	195,486	139,240	102,007	69,819	42,106	30,621	21,993	15,439
Revenues from subsidies	2,980	1,927	1,441	1,002	642	424	311	222
Other operating revenues	553	483	300	159	119	106	65	35
Revenues from operating activities	199,019	141,650	103,748	70,980	42,867	31,151	22,368	15,696
Operating expenses	-183,510	-126,602	-96,097	-68,035	-39,527	-27,842	-20,719	-15,045
Operating expenses (excl. incentive scheme)	-160,904	-118,082	-84,467	-59,515	-34,658	-25,968	-18,211	-13,161
Depreciation	-18,089	-11,622	-9,237	-5,943	-3,896	-2,556	-1,922	-1,314
Depreciation (excl. IFRS 16 impact)	-11,075	-6,981	-5,714	-3,607	-2,385	-1,535	-1,232	-798
Incentive program valuation	-22,606	-8,520	-11,630	-8,520	-4,869	-1,874	-2,507	-1,884
Profit from operating activities / EBIT	15,509	15,048	7,651	2,945	3,341	3,309	1,650	651
Profit from operating activities / EBIT (excl. incentive scheme)	38,115	23,568	19,281	11,465	8,210	5,183	4,157	2,535
Profit before income tax	13,353	13,272	6,947	4,170	2,876	2,919	1,498	922
Net profit	10,173	9,825	4,256	2,115	2,191	2,161	918	468
Net profit (excl. incentive scheme)	32,779	18,345	15,886	10,635	7,060	4,034	3,425	2,352
EBITDA	33,598	26,670	16,888	8,888	7,237	5,865	3,641	1,965
EBITDA (excl. incentive scheme)	56,204	35,190	28,518	17,408	12,106	7,739	6,149	3,849
Net cash flows from operating activities	35,130	25,578	13,907	14,527	7,567	5,625	2,998	3,212
Net cash flows from investing activities	-24,971	-142,137	-19,716	-2,193	-5,379	-31,258	-4,251	-485
Net cash flows from financing activities	-20,433	84,081	-10,365	-13,048	-4,401	18,491	-2,235	-2,885
Total net cash flows	-10,274	-32,478	-16,174	-714	-2,213	-7,142	-3,487	-158
Number of shares (weighted average)	18,355,474	18,355,474	18,355,474	18,355,474	18,355,474	18,355,474	18,355,474	18,355,474
Profit (loss) per share (in PLN)	0.47	0.49	0.20	0.11	0.10	0.11	0.04	0.03
Diluted profit (loss) per share (in PLN)	0.47	0.49	0.20	0.11	0.10	0.11	0.04	0.03
Book value per share (in PLN)	12.62	9.01	12.62	9.01	2.70	1.99	2.70	1.99
Diluted book value per share (in PLN)	12.62	9.01	12.62	9.01	2.70	1.99	2.70	1.99
Declared or paid dividend per share (in PLN)	-	-	-	-	-	-	-	-

Selected financial data presented in the half year 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 01/01/2022 r. to 30/06/2022 r.: 4.6427 PLN,
 - for the period from 01/04/2022 r. to 30/06/2022 r.: 4.6381 PLN,
 - for the period from 01/01/2021 r. to 30/06/2021 r.: 4.5472 PLN,
 - for the period from 01/04/2021 r. to 30/06/2021 r.: 4.5222 PLN.

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 30 June 2022: PLN 4.6806,
 - as of 31 December 2021: PLN 4.5994.

2. MANAGEMENT BOARD'S COMMENTS ON FINANCIAL RESULTS

2.1. Consolidated data excluding incentive scheme impact

SELVITA S.A. GROUP				
Data in PLN thousand	From 01.01.2022 to 30.06.2022	From 01.01.2021 to 30.06.2021	From 01.04.2022 to 30.06.2022	From 01.04.2021 to 30.06.2021
Revenue	199,019	141,650	103,749	70,981
Segment of Services executed in Poland	101,095	68,600	53,605	34,796
Segment of Services executed in Croatia	74,911	59,053	38,529	29,216
Bioinformatics Segment	21,272	13,145	10,848	6,641
Revenues from subsidiaries	2,980	1,927	1,441	1,002
Other operating revenue	553	483	300	159
Exclusions of revenues between segments	-1,792	-1,558	-974	-833
EBIT (excl. incentive scheme)	38,115	23,569	19,281	11,465
%EBIT (excl. incentive scheme)	19%	17%	19%	16%
EBITDA (acc. to IFRS16 excl. incentive scheme)	56,204	35,190	28,518	17,408
%EBITDA (acc. to IFRS16 excl. incentive scheme)	28%	25%	27%	25%
Net profit (excl. incentive scheme)	32,779	18,345	15,886	10,635
%Net profit (excl. incentive scheme)	16%	13%	15%	15%
MSSF 16 impact on EBITDA	7,014	4,641	3,523	2,336

Data in PLN thousand	From 01.01.2022 to 30.06.2022	Percentage share	From 01.01.2021 to 30.06.2021	Percentage share
Revenues from external customers	192,837	100%	137,307	100%
Biotechnology companies	100,030	52%	67,198	49%
Pharmaceutical companies	71,066	37%	57,332	42%
Academia and Foundations	6,816	4%	3,904	3%
Companies operating in the chemical and agrochemical field	6,290	3%	4,215	3%
Other	8,635	4%	4,658	3%

In the first half of 2022, Selvita S.A. Group recognized total operating revenue of PLN 199,019 thousand, which represents 41% increase compared to the corresponding period in 2021, when the total operating revenue amounted to PLN 141,650 thousand. Group continued growing organically in all operating segments. The revenues from subsidiaries increased by PLN 1,053 thousand to PLN 2,980 thousand in the first half of 2022 compared to PLN 1,927 thousand in the corresponding period in 2021.

In the first half of 2021, after elimination of the incentive scheme impact, the Group reported EBITDA which amounted to PLN 56,204 thousand and increased by 60% compared to the corresponding period of 2021. The high dynamics of EBITDA is the effect of increase in the Group's profitability of services executed by the Group. Another positive impact on EBITDA of 2.3 p.p. is Polish zloty depreciation against other currencies. As a result, EBITDA ratio in the first half of 2022 increased by 3.4 p.p. to 28.2% compared to the corresponding period of 2021 of 24.8%.

The Group's net profit, after elimination of the incentive scheme impact, amounted to 32,779 thousand and increased by 79% compared to the net profit reported during the corresponding period of 2021. The high dynamics of net profit is the effect of higher EBITDA, as described in the previous paragraph, and the recognition of the investment relief in Croatia (PLN 1,602 thousand) along with settlement of the R&D relief in Poland (PLN 1,217 thousand) directly in the first half of 2022, as opposed to 2021 when it was recognised in the fourth quarter for the whole 2021.

The structure of revenues from external customers in the first half of 2022 is mainly focused on biotechnology and pharmaceutical industries and their share in the total of revenues from external customers amounted to 52% and 37% respectively. Compared to the corresponding period of 2021, the share of the revenue mix in biotechnology industry increased as a result of higher growth dynamics versus growth of revenues reported by other industries.

SEGMENT OF SERVICES EXECUTED IN POLAND				
Data in PLN thousand	From 01.01.2022 to 30.06.2022	From 01.01.2021 to 30.06.2021	From 01.04.2022 to 30.06.2022	From 01.04.2021 to 30.06.2021
Revenue	103,238	69,356	54,733	35,143
Revenues from external customers	96,654	65,109	51,034	33,255
Between segments and to Ryvu	4,441	3,490	2,570	1,541
Revenues from subsidiaries	1,726	504	908	225
Other operating revenue	417	253	221	122
EBIT (excl. incentive scheme)	19,804	7,666	10,647	4,554
%EBIT (excl. incentive scheme)	19%	11%	19%	13%
EBITDA (acc. to MSSF16) excl. incentive scheme	28,971	14,583	15,323	8,079
%EBITDA (acc. to MSSF16) excl. incentive scheme	28%	21%	28%	23%
IFRS16 impact on EBITDA	3,006	2,577	1,515	1,286

In the first half of 2022 Segment of Services executed in Poland recorded continuing growth of revenues from external customers which increased by 48% and amounted to PLN 96,654 thousand compared to PLN 65,109 thousand during the corresponding period in 2021. The very good contracting results in the area of regulatory services reported from the third quarter of the last year continued in the first half of 2022.

The dynamics of external sales reported in the second quarter of 2022 increased to 53% from 43% achieved in the first quarter of 2022.

Effective beginning of 2022, sales responsibility regarding services executed in Croatia was transferred on Selvita global sales team and the respective sales costs overheads are allocated to the Services Executed in Croatia Segment. In case the corresponding cost had been allocated to

the Services Executed in Croatia in 2021, EBIT, EBITDA of this segment would have been lower by 2.4 p.p. (approximately PLN 1,441 thousand) while EBIT, EBITDA of the Segment of Services Executed in Poland would have been higher by 2.2 p.p. (PLN 1,441 thousand).

In the first half of 2022 EBITDA ratio was at 28%, which is 7 p.p. higher when compared to the corresponding period of 2021. Total EBITDA increased from PLN 14,583 thousand in the first half of 2021 to PLN 28,971 thousand in the first six months of 2022 mainly as a result of higher sales revenues followed by proportionally lower fixed costs.

Comparing the second quarter of 2022 with the first quarter of 2022, EBITDA remained at the same level.

SEGMENT OF SERVICES EXECUTED IN CROATIA				
Data in PLN thousand	From 01.01.2022 to 30.06.2022	From 01.01.2021 to 30.06.2021	From 01.04.2022 to 30.06.2022	From 01.04.2021 to 30.06.2021
Revenue	74,955	59,246	38,551	29,233
Revenues from external customers	74,911	59,053	38,529	29,216
Other operating revenue	44	193	22	17
EBIT	15,078	13,708	7,806	6,304
%EBIT	20%	23%	20%	22%
EBITDA (acc. to MSSF16)	23,353	17,825	12,032	8,432
%EBITDA (acc. to MSSF16)	31%	30%	31%	29%
IFRS16 impact on EBITDA	3,725	1,781	1,864	907

Segment of Services executed in Croatia has been extracted in 2021 as a result of the acquisition of Fidelta d.o.o. (currently Selvita d.o.o.) which is the only legal entity in this operating segment. In the first half of 2022, Selvita d.o.o. continued the upward trend, achieving 27% increase in sales from PLN 59,053 thousand in the first half of 2021 to PLN 74,911 thousand in the first half of 2022. In the first half of 2022, the Segment continued its dynamic development in all areas of the services provided, i.e. in the field of chemistry, ADME / DMPK, *in vitro* research and *in vivo* & toxicology.

The dynamics of external sales reported in the second quarter of 2022 increased to 32% from 22% achieved in the first quarter of 2022.

In the first half of 2022 the segment's EBITDA profitability was 31% and remained at the close level to the corresponding period of 2021. Operating profit reached 20% in the first half of 2022 compared to 23% in the corresponding half of 2021. The lower operating profit resulted from depreciation of newly leased premises in the new location (Hondlova street) and bearing the cost of sales management.

Comparing the second quarter of 2022 with the first quarter of 2022, EBITDA remained at the same level.

Additional information on the operating activities of this segment is provided in section 8 of this report.

BIOINFORMATICS SEGMENT

Data in PLN thousand	From 01.01.2022 to 30.06.2022	From 01.01.2021 to 30.06.2021	From 01.04.2022 to 30.06.2022	From 01.04.2021 to 30.06.2021
Revenue	22 618	14 605	11 436	7 437
Revenues from external customers	21 272	13 145	10 848	6 641
Revenues from subsidiaries	1 254	1 423	532	776
Other operating revenue	92	37	56	20
EBIT	3 233	2 194	828	606
%EBIT	14%	15%	7%	8%
EBITDA (acc. to MSSF16)	3 879	2 782	1 163	896
%EBITDA (acc. to MSSF16)	17%	19%	10%	12%
IFRS16 impact on EBITDA	284	283	145	143

Revenue from external customers in bioinformatics segment (i.e. subsidiary Ardigen S.A., including Ardigen Inc.) amounted to PLN 21,272 thousand in the first half of 2022, which represent increase of 62% compared to the corresponding period of the previous year of PLN 13,145 thousand. Particularly noteworthy is that in the first half of 2022 bioinformatics segment generated an operating profit of PLN 3,233 thousand, compared to PLN 1,194 thousand in the corresponding period of 2021 which is an increase of 47% y/y. EBITDA ratio was 17% and reported 2 p.p. decrease due to higher development expenses related to own platforms.

2.2. Contracted (Backlog)

BACKLOG					
Item	For 2022 as of Sep 2, 2022	For 2021 as of Sep 16, 2021	Change	Change %	
Services executed in Poland	178,988	125,510	53,478	43%	
Services executed in Croatia	128,066	112,441	15,625	14%	
Bioinformatics	43,866	28,134	15,732	56%	
Grants	7,965	6,051	1,914	32%	
Total Selvita Group	358,885	272,136	86,749	32%	

The value of the 2022 contracts portfolio resulting from commercial contracts and grant agreements as of September 2, 2022 (backlog) amounts to PLN 358,885 thousand and increased by 32% compared to 2021 backlog announced in September last year. Services executed in Poland reported the most significant increase both in terms of total value and percentage change showing dynamics of 43% and PLN 53,478 thousand increase compared to the previous year. Another significant growth dynamics was reported by the bioinformatics segment which reported 56% increase year on year. The backlog of Services to be executed in Croatia indicates a solid increase by 14% compared to the previous year.

3. THE GROUP'S ASSETS AND THE STRUCTURE OF ASSETS AND LIABILITIES

3.1. Consolidated data

As of June 30, 2022, the total value of the Selvita Group's assets was PLN 493,276 thousand. At the end of June 2022, the most significant current assets are short-term receivables which amounted to PLN 85,748 thousand and cash amounting to PLN 76,100 thousand. The increase in short-term receivables is the result of an increase in the scale of the Group's operations. The decrease in cash is the result of significant investing activity transactions, financing of investing activity cash flows and servicing financial liabilities which overall exceeded the positive cash flows generated on operating activity.

Fixed assets are mainly laboratory equipment, recognized assets due to the right to use and deferred tax assets in the amount of PLN 10,205 thousand. The total of non-current assets increased in comparison to December 31, 2021, by PLN 26,265 thousand mainly as a result of fixed assets additions regarding Laboratory Services Center and purchase of land at Podole street.

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

	30.06.2022	31.12.2021
Current ratio		
current assets/current liabilities including short-term provisions and deferred revenues (excl. accruals)	2.63	2.44
Quick ratio		
(current assets-inventory)/current liabilities including short-term provisions and deferred revenues (excl. accruals)	2.56	2.41

The main item in the Selvita Group's equity and liabilities is equity, which amounted to PLN 241,854 thousand as of June 30, 2022. Increase of equity compared to the end of 2021 is due to net profit generated in 2022 and recognized reserve capitals from incentive scheme valuation of PLN 22,606 thousand.

Another significant source of financing are long term liabilities which amounted to PLN 155,888 thousand at the end of June 2022. The highest value items in the long-term liabilities are credits and bank loans in total PLN 76,731 thousand (dedicated to financing the purchase of Selvita d.o.o. shares (formerly Fidelta d.o.o) since the Parent Entity did not commence using the available loan for Laboratory Services Center) and lease liabilities in total PLN 60,175 thousand. Short-term liabilities remained comparable and amounted to PLN 95,534 thousand at the end of June 2022 and PLN 95,856 thousand at the end of 2021.

4. CURRENT AND PROJECTED FINANCIAL CONDITION

The Group's financial position as of the report date is very good. As of June 30, 2022, the value of the Group's cash and other financial assets amounted to PLN 77,337 thousand, and at September 7, 2022, the total cash of the Selvita S.A. Group together with other financial assets amounted to PLN 79.648 thousand. Such low increase of the level of cash compared to June 30, 2022 is the effect mainly of financing of expenses for the construction of the Research and Development Centre for Laboratory Services from own funds, and thus the lack of disbursement of any loan tranche for this investment.

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 the expansion of laboratory infrastructure.

5. SIGNIFICANT OFF-BALANCE SHEET ITEMS

Significant off-balance sheet items are described in the Note 36 to the mid-year consolidated financial statements.

6. EXPLANATION OF DIFFERENCES BETWEEN THE FINANCIAL RESULTS DISCLOSED IN THE HALF YEAR REPORT AND PREVIOUSLY PUBLISHED FORECASTS OF THE FINANCIAL RESULTS

The Issuer did not publish the financial forecast for 2022.

7. SIGNIFICANT EVENTS IN REPORTING PERIOD

7.1. Significant events in reporting period

Conclusion of significant purchase orders

On 10 January 2022, the Issuer's subsidiary Selvita Inc. received a purchase order from a biotechnology company based in the United States under a framework agreement that was concluded on 22 August 2016, the subject of which is to support the customer's drug discovery platform in the field of medicinal chemistry consisting in the synthesis of chemical compounds indicated by the customer. The value of the order, which will be executed within the next 12 months, amounts to USD 4,717,440 (PLN 18,899,951.61 converted at the average exchange rate of the National Bank of Poland 1 USD = 4.0064 PLN as of 10 January 2022).

The Issuer's cooperation with the Client has lasted since 2016. The received purchase order is one of the largest single purchase orders ever received by the Issuer.

In addition, on 18 January 2022, the Issuer's subsidiary Ardigen S.A received a purchase order with a total value of EUR 1,191,967.00 (PLN 5,387,810.04 converted at the exchange rate of EUR 1 = PLN 4.5201), under a framework agreement concluded on 19 February 2018 from the largest pharmaceutical companies based in Germany. The subject of the purchase order is to support the client's computational biology business in the digital transformation of data processing, access, analysis and interpretation (using AI) in order to reduce the duration and increase the probability of success of the client's R&D projects. Ardigen's collaboration with the client has been ongoing since 2018.

Changes in the Management Board

On 31 January 2022. The Issuer's Supervisory Board appointed Ms. Adrijana Vinter to the Issuer's Management Board with effect from 1 February 2022. Ms. Adrijana Vinter currently serves as Managing Director of Selvita d.o.o., based in Croatia, a subsidiary of the Issuer.

Joining the Issuer's Management Board, Ms. Vinter will be responsible for overseeing the drug discovery services provided across the Issuer's group.

At the same time, the Management Board of the Issuer informed that it received a statement on resignation of Ms. Edyta Jaworska from the position of the Member of the Management Board without stating reasons, effective as of 31 January 2022.

Conclusion of a real estate purchase agreement

On March 7, 2022 the Issuer, as the buyer, concluded with Ringier Axel Springer Polska sp. z o.o. with its registered office in Warsaw ("Seller") a definitive agreement for the purchase ("Agreement") of real property located in Krakow, at Podole Street, with a total area of 10.930 m² ("Property"), adjacent to the property on which construction of the Research and Development Centre

for Laboratory Services of Selvita S.A. is currently in progress. The acquisition of the Property secures the possibility of further expansion of the laboratory infrastructure for the Issuer in the future, thus enabling further organic growth of the Company. Pursuant to the Agreement Property was purchased for the price of PLN 8.744.000 net.

Announcing the new Selvita Capital Group Strategy for 2022-2025

On March 31, 2022 the Company announced that the new Development Strategy of Selvita Group for the years 2022-2025 ("Strategy") has been adopted.

The business objectives of the Company's previous strategy for 2020-23, as reported in the current report no 10/2020 on April 29, 2020, that assumed an increase in sales revenue to EUR 70 million, an increase in the scale of operations through acquisitions and over EUR 230 million in market capitalisation, had been achieved by the end of last year.

In view of the above, the Company's Management Board decided to present a new development strategy for 2022-2025. During this period Selvita plans to triple its sales revenue (to EUR 200 million), maintaining high profitability. The Company intends to implement the strategy through organic growth and acquisitions. The implementation of the planned investments will enable Selvita to become a global leading pre-clinical CRO.

The Selvita Group Development Strategy for 2022-2025 is focused around three main goals:

- Building a comprehensive drug discovery and development offering – supplementing the drug discovery offer and building the drug development segment;
- Focus on providing high-value services for the customer – specialization in selected therapeutic areas and development of unique competences;
- Growth of the Group's business in the largest markets in the United States and the United Kingdom – growing teams and potentially establishing new research locations.

To implement the Strategy the Company plans to allocate funds in the total amount of approximately EUR 210 million, including approximately EUR 40 million to finance organic growth, approximately EUR 60 million for laboratory infrastructure development and approximately EUR 100 million for acquisitions. Selvita's Management Board anticipates that the capital expenditures will be financed with own funds, from grants, as well as with bank loans and debt instruments, including leasing agreements (the assumed target level of net debt to EBITDA is below 3x).

Obtaining a permit for investments subject to tax relief

On April 12, 2022 the subsidiary Selvita d.o.o. received the decision of the Minister of Economy and Sustainable development No. 517-03-02-01-01-22-8 of April 7, 2022 on the issuance of a permit for investments subject to tax relief.

Obtaining this permit will enable the company to take advantage of the income tax relief in the amount of 25% of the investment expenditure incurred in the period from March 26, 2021, to March 26, 2024.

7.2. Post balance sheet significant events

None.

7.3. Unusual events occurring in the reporting period (Covid-19)

Covid-19 pandemic, which began in the first quarter of 2020, continued during the whole reported period, and from May 16, 2022, the epidemic was abolished and the state of epidemic threat came into force. The Issuer currently do not record a negative impact of Covid-19 on operational efficiency and timeliness in terms of the services provided.

Particularly, in the reporting period direct business contacts, physical participation in conferences has been possible again, which is essential for the implementation and provision of the services offered by the Issuer and was the greatest challenge from the Issuer's perspective in recent quarters. The Issuer's Management Board expects that, due to the lifting of the restrictions related to Covid-19, this tendency will continue in the following quarters.

The Company's Management Board is analysing the Issuer's situation on an ongoing basis. New circumstances, if any, having a significant effect on the Issuer's financial results and business position, will be communicated promptly after their occurrence.

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 neighbouring countries, and the dynamic and unpredictable nature of the current situation in Ukraine, the Management Board of the Company analyzes 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.

8. MANAGEMENT BOARD'S INFORMATION ON GROUP'S ACTIVITIES

THE AREA OF DRUG DISCOVERY/DRUG DEVELOPMENT

The first half of the 2022 saw the introduction of a new department, Integrated Drug Discovery (IDD), within the Selvita Group. The IDD department will be responsible for the scientific delivery of all IDD projects and IDD Business Development activities across the Selvita Group. The first five IDD team members have been appointed, including the first external appointment with significant DMPK and CRO experience. We are currently in the process of recruiting several additional external high calibre scientists with IDD experience across a range of disciplines, including in vitro pharmacology and medicinal chemistry. It is envisaged in the initial phase of growth the IDD department will employ up to ten team members.

The increasing complexity of the medicinal chemistry projects being undertaken across all Selvita Group sites has successfully seen the redeployment of scientific expertise across all of the legacy Selvita and Fidelta sites to provide the best possible scientific solutions to our partner's projects.

The first half of 2022 has seen an increase in the number of IDD business development activities being supported resulting in multiple proposals being generated. These proposals have already delivered several new IDD projects which have either already been initiated in Q2 or will shortly commence in Q3.

During first half of the year in Chemistry department there was an integration between Poland and Croatia sites. Chemistry department have grown in numbers of employees at each site: Zagreb, Poznan and Cracow which allow to provide support for new clients as well as expand collaborations for the existing partners. Department continued working mainly for the pharmaceutical industry clients on the medicinal chemistry and IDD projects from European clients but with the increased interest also from the US. Majority of the collaborations have been prolonged during H1 with the most significant reported on 10th of January 2022 with value of the work order USD 4,717,440.

Selvita scientists across three research sites in Zagreb, Poznan and Cracow have worked on improving the physicochemical properties and activities of new compounds with promising pharmacological profile. One of the main tasks for our medicinal chemists was to design new scaffolds - molecular skeletons around which small libraries of compounds could be built to validate the biological hypothesis of the project to enable the project to move to the next stage of development. Medicinal chemists were responsible for studying the structure-activity relationship (SAR) and designing new, more biologically active compounds using appropriate synthetic strategy.

The team of organic chemists was focusing on the cost-effective and time-efficient syntheses of a series of compound libraries with potential activity against specific molecular targets. The analytical chemists purified and characterized the synthesized substances which were then subjected to further studies including: ADME testing, in vitro pharmacology studies, and PK profile

determination. The test results were then fed back to the team of computational and medicinal chemists to enable further iterative structure optimization according to the adopted strategy.

Computational chemistry department continue with growing, to be able support the IDD projects by analysing the data available in the public domain, tracking the SAR for the duration of the projects, by designing next-generation structures using virtual techniques based on the protein structure, such as virtual screening or focused docking, to identify key ligand-protein interactions. Recently, Selvita has increased the range of available modelling tools and put significant emphasis on the application of the artificial intelligence approaches to drug discovery by employing experienced specialists. We expect AI to become an area of dynamic growth within the DD business.

In H1 2022 scientist have been involved in two grant projects supported by NCBiR:

1. Creation of ProBiAI platform to produce focused libraries of bioactive compounds by applying machine learning and by integrating the design, parallel synthesis and automatic purification, all of which optimized using artificial intelligence methods in order to accelerate the drug discovery process. The platform will utilize machine learning and it will integrate library design, parallel synthesis, and automatic purification. These processes will be optimized with the help of AI.
2. Technology platform for new generations of drugs against diseases caused by coronaviruses, in particular SARS-CoV-2" - The project is devoted to the establishment of a service platform enabling the discovery of innovative drugs to fight coronavirus infections, particularly COVID-19, based on high throughput screening of the focused library of compounds with potential antiviral properties

Both platforms were progressing according to the schedule with no major issues to be reported.

Department remain very active in implementation and development new synthetic techniques including cold isotope labelling, photochemistry as well as successful campaigns for peptide synthesis projects.

In H1 Selvita scientist attend on several international drug discovery and chemistry focused conferences as the presenters, speakers or for the education purposes, continuing building our global presence in the biotech industry.

Similarly to previous quarters more than 95% of the projects were based on the FTE model.

Pharmacology and Translational Research has continued to prosecute IDD projects and integrated pharmacology projects, as well as stand-alone services for its clients during H1 2022. Scientific integration with KRK site was initiated and it has included cross trainings between sites, exploration of novel technological platforms, discussions related to introduction of AI into DD process, as well as scientific review of Selvita IDD projects.

In vitro pharmacology group has continued to support hit and lead identification and optimization on various drug discovery projects, either by in vitro compound testing or ex vivo analysis of animal samples from in vivo studies. A testing of drug candidates, translational research, biomarker

exploration and analysis has continued to be performed on collected human tissues for several clients. First two FTE based projects that are not IDD have been initiated.

Additional laboratory space has been dedicated to ex vivo work in In vivo pharmacology, in particular histopathology, clinical pathology, formulation room and laboratory dedicated for work with viruses. During H1, most of the work was focused on bacterial and viral infections, fibrosis, gastro-intestinal diseases, inflammation, and immuno-inflammation. In addition to compound testing in number of studies across different animal models, a group has put significant focus on developing novel medically highly relevant models and procedures, such as a colonoscopy in mice.

In addition to very busy first half of the year, Pharmacology and Translational Research has been rather active in external scientific communication. Role of pathology in biomedical research was presented at LAS webinar series in May. Our research on repurposing of tetracycline antibiotics as new immuno-oncology agents presented at 7th Croatian Congress of Microbiology with International Participation in May has won the best poster award.

In June, effects of oseltamivir on pulmonary changes in an immunocompetent murine model of influenza B (Florida/04/2006) were reported on AMS- Microbe Conference. Furthermore, we have evaluated several different semisynthetic high-fat diets in development of a 4-week mouse NASH model and have reported outcome of the study at EASL International Liver Congress, also held in June.

Five papers have been published in scientific journals, two of them from internal work and three from collaboration with academic institutions.

1. Unprecedented Epimerization of an Azithromycin Analogue: Synthesis, Structure and Biological Activity of 2'-Dehydroxy-5"-Epi-Azithromycin. Goran Kragol, Victoria A Steadman, Zorica Marušić Ištuk, Ana Čikoš, Martina Bosnar, Dubravko Jelić, Gabrijela Ergović, Marija Trzun, Berislav Bošnjak, Ana Bokulić, Jasna Padovan, Ines Glojnarčić, Vesna Eraković Haber. *Molecules*. 2022;27(3):1034. Published 2022 Feb 3. doi:10.3390/molecules27031034
2. Synthesis, photochemistry and computational study of novel 1,2,3-triazole heterostilbenes: Expressed biological activity of their electrocyclization photoproducts. Mlakić M, Faraho I, Odak I, Talić S, Vukovinski A, Raspudić A, Bosnar M, Zadravec R, Ratković A, Lasić K, Marinić Ž, Barić D, Škorić I. *Bioorg Chem*. 2022 Apr;121:105701. doi: 10.1016/j.bioorg.2022.105701. Epub 2022 Feb 23. PMID: 35228009
3. Isolation of MDCK cells with low expression of mdr1 gene and their use in membrane permeability screening, Ana Bokulic, Jasna Padovan, Darija Stupin Polancec, Astrid Milic. *Acta Pharmaceutica*, June 2022
4. New naphtho/thienobenzo-triazoles with interconnected anti-inflammatory and cholinesterase inhibitory activity. Mlakić M, Odak I, Faraho I, Talić S, Bosnar M, Lasić K, Barić D, Škorić I. *Eur J Med Chem*. 2022 Jul 19;241:114616. doi: 10.1016/j.ejmech.2022.114616.
5. Biological evaluation of novel bicyclic heteroaromatic benzazole derived acrylonitriles: synthesis, antiproliferative and antibacterial activity. Perin N, Cindrić M, Zlatar I, Persoons L, Daelemans D, Radovanović V, Banjanac M, Brajša K, Hranjec M*. *Medicinal Chemistry Research* 2022; 31(8):1-12, DOI:10.1007/s00044-022-02915-w

During the H1 2022 the Department of Cell and Molecular Biology (CMBD) has continued the execution of Drug Discovery projects based on SAR (Structure-Activity Relationship) studies. Scientists (FTEs), which constituted nearly 50% of CMBD employees, have been involved in the execution of above mentioned projects for several foreign biotech and pharma companies from Europe and USA. Their role was to develop and optimize panel of biochemical and cell-based assays that were then used to determine activity and efficacy as well as mechanism of action of novel drug candidates. During this period of time CMBD has launched execution of several new FTE-based Drug Discovery Projects for clients from UK, EU and USA.

In H1 2022 CMBD High-Content Screening (HCS) team introduced several new assays into its offer and acquired several imaging-based projects. High-Throughput Screening team (HTS) has acquired additional dispensers and finalized purchasing of state-of-art automated pipetting station from Tecan which will be installed in the new Selvita's facility in 2023. Furthermore, to increase screening capabilities, Selvita started the process of purchasing additional compound libraries of more than 200k NCEs. It is worth noting that in H1 2022 both teams finalized the discussion with European client related to HCS-HTS campaign for testing the library of over 100k compounds and initiated the execution of the screen. Biophysical team selected and purchased two major pieces of equipment that broaden the portfolio of available techniques to support Fragment-based Drug Design capabilities; they will be delivered in Q3 2022. In addition, two expert scientists were hired to support biophysical activities and image-based screening. New projects involving novel PROTAC (protein degrader technology) were initiated. Finally, a number of FFS projects were started for customers from Europe, USA and Asia.

Moreover, in the described period of time, scientists from Selvita`s Cell and Molecular Biology Department have been engaged in the execution of three projects co-financed by National Center for Research and Development (NCBiR). Activities performed within the scope of the first project "HiScAI – Development of phenotypic assay platform, based on high-content screening technology (HCS) with the analysis using artificial intelligence algorithms, to facilitate drug discovery process for treatment of neuroinflammatory and fibrotic diseases" have been focused on development of complex assays enabling multiparametric analysis of phenotypic changes in cells with the use HCS technology and AI computational procedures. In H1 the HiScAI team successfully completed Industrial Research Package in the grant – set of AI-supported assays in the field of neuroinflammation were developed. Currently the execution of these assays is being fully automated to increase throughput. Concurrently assays for fibrotic diseases are being developed. In the second project "Technology platform for new generations of drugs against diseases caused by coronaviruses, in particular SARS-CoV-2" CMBD scientists were supporting the activities of chemists by conducting biochemical and cell-based assays on compounds that are supposed to have anti-viral activity. The biology activities in the third project "Creation of ProBiAI platform for generation of targeted libraries of biologically active molecules utilizing machine learning, integrating design, parallel synthesis and automated purification in order to accelerate drug discovery process" has been initiated and includes designing of experiments and sourcing of required materials.

During H1 2022, in addition to revenues generated by organic chemistry and integrated projects, a significant part of the Drug Discovery revenues came from the production and purification of recombinant proteins and the structural analysis of protein-ligand complexes, which

the Biochemistry Department in Krakow specializes in. High-quality recombinant proteins have been produced using both bacterial and eukaryotic (insect and mammalian cells) expression systems that enable the production of a wide variety of proteins, including those that are relatively difficult to produce. Similarly, crystal-grade proteins have been purified for currently running projects and were used to generate high quality diffracting crystals followed by the structure solution and 3D model building. These research projects were carried out for the European and US clients representing the global pharmaceutical and biotechnology concerns, as well as smaller biotech companies related to the Drug Discovery activity. The continuing number of projects carried out in the Biochemistry Department in H1 2022 is undoubtedly related to the recognition of the service offer and strengthening the brand of services of the Recombinant Protein Production Platform and Selvita's Structural Biology. In addition, in H1 2022, the Biochemistry Department continued with significant progress the project co-financed by the Małopolska Center of Entrepreneurship. This project aims to expand the Structural Biology Platform related to the crystallography and structural analysis of protein-ligand complexes. It involves the development and implementation of methods for the production and crystallization of various classes of proteins as molecular targets that are potentially important in the process of drug discovery.

Selvita DMPK department's focus remains on cross-site integration aimed at building capacity, streamlining operations and expanding capability. New ADME lab space in Krakow is in the final stages of completion, in addition to onboarding of new staff, aimed to support increased demand for H2/2022. DMPK supports clients from virtual, biotech and large pharma organisations through either standalone screening services and IDD projects across the Selvita group. These services include a full suite of standard in vitro ADME assays required to progress discovery projects; in vivo rodent PK, PK/PD and toxicology studies; as well as GLP bioanalytical support (clinical).

REGULATORY STUDIES

In the first half of 2022, the Contract Development and Research Department worked within three teams: the Analytical Laboratory, the Quality Control Laboratory and the Biological Test Laboratory.

Analytical Laboratory continued work on projects related to the development, optimization, and validation of analytical methods for pharmaceutical products for regular customers.

As part of the ongoing support for the CMC project for an innovative client, revalidation of analytical methods and stability studies were carried out, and the process of supporting the preparation of registration documentation was initiated. The project is based on FTE cooperation.

In the area of biopharmaceuticals, cooperation with the same client was continued. The project involved the development of another molecule for which a full package of analytical methods was adopted. For the first molecule project was continued, stability studies were started after the material had been fully certified.

For another client, work related to the development and validation of analytical methods for a biological drug was carried out. The project concerned both the active substance and the finished product.

In the area of biopharmaceuticals, a new client has been acquired for whom analytical methods are developed, validated, and standard certification is performed. The project will be continued until the end of 2022 and will be finalized with the certification of the active substance. The work covers a wide spectrum of analytical techniques such as LC-MS, HPLC, and CE.

Another new biopharmaceutical client has ordered the development of an analytical methods package. The project will be completed in Q3 2022.

The scope and scale of work related to the analysis of nitrosamines in active substances and medicinal products using the LC-MS technique have been significantly expanded. Work was also initiated on the analysis of pyrrolizidine alkaloids in products of plant origin.

Additionally, the number of projects related to method development and degradation tests to identify impurities in pharmaceutical products has increased.

For customers in the agrochemical area, cooperation was continued, consisting of the testing of ions and metals content in the GLP standard. As in previous years, projects in the field of validation and 5-batch analyses as well as physicochemical analyses were continued for agrochemical customers.

In H1 2022, the activities of the Biological Assay Laboratory focused on the execution of projects for biological drugs using cell-based, biochemical, and biophysical methods. Many GMP-compliant routine batch release and stability tests have been carried out on several biological drugs of various classes for European, US, and Australian customers. In H1 2022, projects related to the development of bioassays for drugs to aid cancer therapy in the future continued. Moreover, scientists from Selvita's BAL have been engaged in the development and validation of methods for the analysis of a biological product with cytostatic and immunotherapeutic properties used in cancer therapy. In addition, BAL started optimization of the bioassay for a new biological product for a European customer and launched a project for a new agrochemical customer. In H1 2022, the new contracts for analytical methods transfer were signed with regular and new clients.

In the area of regulatory and release studies, in Quality Control Laboratory certification of active substances as well as biological and small molecule finished products was carried out for several regular pharmaceutical companies. Routine testing of veterinary drugs has also begun. In order to provide complex services to pharmaceutical companies, stability tests of products seasoned under controlled conditions in stability chambers were initialized and stability tests for previously transferred products were taken over. The transfer of several new products was completed, further transfers are ongoing.

ARDIGEN S.A.

Ardigen is a rapidly growing bio-IT company operating on the global pharmaceutical and biotech market, specialising in the use of Artificial Intelligence technologies in the process of developing new therapies and innovative drugs.

In the first half of 2022, Ardigen focused its activities on promoting and selling its products and services. After an almost two-year interval due to the pandemic, Ardigen's intensive physical presence at conferences in the US and Western Europe was resumed. After the interval, Ardigen

returned with a new, refreshed image and an enlarged stand presenting itself as a professional, experienced, stable and trustworthy partner. Potential customers were able to find out more about what we have to offer during personal meetings with Ardigen representatives.

What Ardigen has to offer was broadly presented in two parts:

The first is **general services**, to provide the necessary competencies that enable Ardigen's clients, pharmaceutical and biotechnology companies, to pursue an AI-Driven strategy. The services provided enable them to build the foundation necessary for these companies to significantly improve their drug discovery processes using AI technologies.

The second part consists of **specialised services** implemented on the basis of proprietary, high-tech AI Platforms. In this case, Ardigen solves selected problems for which currently available methods are very time-consuming and costly or even ineffective. The value delivered by Ardigen is primarily an increase in the probability of success and a reduction in the time of a single drug development programme.

In order to maintain a high growth rate it was important to enlarge the team and involve new people in the sales team, in particular two people permanently based in the USA in the two largest biotech hubs, i.e. Boston and California.

As in previous years, intensive sales work in the first half of the year resulted in the acquisition of new customers. A major achievement is the conclusion of contracts with 3 new customers from the Big Pharma segment, and an increase in contracting with existing customers. Due to the high potential of this segment, it is strategic for Ardigen's functioning. Ardigen's reputation, which has been built consistently over the past seven years, and the growing demand for the development of AI in the direction of Drug Discovery means that more major pharmaceutical companies are opening up to cooperation with Ardigen.

In the second quarter of 2022 we began the analysis of trends in the area of the provided general services, based on the extensive knowledge from the Company's ongoing work and market analyst reports. The aim of these analyses is to identify strategic areas that will allow the Company to maintain a high growth rate in future years while maintaining attractive margins.

The result of the strategic analysis will be a new sales offer launched in January 2023. An important feature of this offer will be the synergistic integration of value that Ardigen can deliver to customers by combining different areas of expertise and the manufactured products including platforms developed in the area of R&D.

The first half of the year was also marked by intensive recruitment activities allowing the Company's operations to scale in tandem with dynamic sales growth. In May and June, a "Code Against Cancer" marketing campaign was conducted targeting potential employees. These activities translated into a significant increase in interest in the company among people from Poland and abroad. Ardigen's strength is its team of world-class professionals, hence Employer Branding activities aimed at talent acquisition are of particular importance.

RESEARCH AND DEVELOPMENT ACTIVITIES

IMMUNOLOGY

During the first half of 2022, the immunology team continued to work intensively on the development of the ArdImmune platform. The component allowing prediction and ranking of neoantigens has been significantly improved. Work was also continued on the TCRact module allowing the generation of “synthetic T-cell receptors”, which are used as a key component of cell therapies.

A business strategy for the application of the ArdImmune platform in the development of cell therapies has been created in collaboration with BlueStar BioAdvisors, a New York-based consulting company.

A total of more than 50 patients with colorectal cancer were enrolled to the observational clinical study NCT04994093. The biological samples collected in this study are used to perform experiments that will serve to augment the pHLA:TCR database, which is essential to the operation of the ArdImmune platform.

There were three meetings with members of the Scientific Board: Prof. Olivera Finn and Prof. Michael Schmitt, during which antigens that could be used during the experimental validation of the ArdImmune platform were selected.

In order to establish new business and scientific contacts, team representatives participated in four scientific conferences in Europe and the USA.

MICROBIOME

Ardigen continued to implement grants received under the NCBR Fast Track, and prepared for the finalisation of the BioForte project.

The project on harnessing the potential of the environmental microbiome in forensic science has also been continued. The work is being carried out in a consortium with the Central Forensic Laboratory of the Police and Jagiellonian University.

In the first half of 2022, a final application was submitted and approved jointly with the IBCh PAS in Poznań as part of the Polish Microbiome Map project, and thus the project entered the sustainability phase.

BIOMEDICAL IMAGING

During the first half of 2022, Ardigen carried out development work in the area of Biomedical Imaging resulting from the strategy adopted at the end of last year. This work focuses on the area of applications of machine learning methods to support the early stage of the small-molecule drug discovery process using imaging data from Phenotypic Drug Discovery Platform screening experiments. In the past period, the team has been working on the core functionalities of the platform from predicting the mechanism of action of compounds and hit identification.

A major highlight of the first half of 2022 was signing of a significant contract to continue work with an enlarged team, with one of the major pharmaceutical companies. The work of this project covers the scope of the innovative application of computer vision technology in small-molecule drug discovery. The project is focused on the development of algorithms enabling them to predict

the properties of small-molecule compounds based on images from High-Content Screening (HCS) experiments. In addition, a separate contract has been signed with the same partner in the second quarter of 2022, under which research work will be carried out exploring the opportunities of improving the existing solutions based on alternative datasets.

9. THE CAPITAL GROUP STRUCTURE

PARENT ENTITY

Business name	Selvita S.A.
Registered office	ul. Bobrzynskiego 14, 30-348 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

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

Business name	Ardigen Spółka Akcyjna
Registered office	ul. Podole 76, 30-394 Krakow
Company (ID) REGON	362983380
TAX ID (NIP)	676-249-58-65
Legal form	Joint- Stock company
KRS Number	0000585459
Shareholders	Selvita S.A. holds 46,67% shares entitling to exercise 53,98% votes

Business name	Ardigen Inc.
Registered office	San Francisco, USA
Shareholders	100% of shares held by Ardigen S.A.
Share capital	100.000 USD
Establishing date	February 2021

10. ISSUER'S CORPORATE BODIES

MANAGEMENT BOARD

Bogusław Sieczkowski – President of the Management Board

Miłosz Gruca – Vice President of the Management Board

Mirosława Zydróż – 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

RADA NADZORCZA

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 – Chairman of the Audit Committee

Piotr Romanowski – Audit Committee Member

Tadeusz Wesołowski – Audit Committee Member

Wojciech Chabasiewicz – Audit Committee Member

REMUNERATION COMMITTEE

Paweł Przewięźlikowski – Chairman of Remuneration Committee

Jacek Osowski – Remuneration Committee Member

Piotr Romanowski – Remuneration Committee Member

During the reporting period there was a change in the Management Board. On 31 January 2022. The Issuer's Supervisory Board appointed Ms. Adrijana Vinter to the Issuer's Management Board with effect from 1 February 2022.

At the same time, the Management Board of the Issuer informed that it received a statement on resignation of Ms. Edyta Jaworska from the position of the Member of the Management Board without stating reasons, effective as of 31 January 2022.

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

SHARES HELD BY MEMBERS OF THE ISSUER'S MANAGERIAL AND SUPERVISORY BODIES as of the date of Report publication

Shareholder	Series A*	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	6,66%
Miłosz Gruca	-	60 760	60 760	0,33%	60 760	0,27%
Mirosława Zydróż	-	42 909	42 909	0,23%	42 909	0,19%
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	3 500 000	380 663	3 880 663	21,14%	7 380 663	32,94%
Tadeusz Wesołowski (directly)	-	84 975	84 975	0,46%	84 975	0,38%
Tadeusz Wesołowski (through Augebit FIZ)	-	1 047 738	1 047 738	5,71%	1 047 738	4,68%
Piotr Romanowski	-	100 000	100 000	0,54%	100 000	0,44%
Rafał Chwast	-	121 115	121 115	0,66%	121 115	0,54%

* A Shares are privileged - one share gives the right to two votes at the General Meeting of Selvita S.A.

SHARES HELD BY SIGNIFICANT SHAREHOLDERS OF THE COMPANY
as of June 30, 2022

Shareholder	Shares	% shares	Votes	% votes
Paweł Przewięźlikowski	3 880 663	21,14%	7 380 663	32,94%
Bogusław Sieczkowski	942 417	5,13%	1 492 417	6,66%
Nationale Nederlanden OFE	1 901 000	10,36%	1 901 000	8,48%
AVIVA Investors TFI	1 133 009	6,17%	1 133 009	5,06%
Tadeusz Wesołowski (with Augebit FIZ)	1 132 713	6,17%	1 132 713	5,06%

SHARES HELD BY SIGNIFICANT SHAREHOLDERS OF THE COMPANY
as of the date of Report publication

Shareholder	Shares	% shares	Votes	% votes
Paweł Przewięźlikowski	3 880 663	21,14%	7 380 663	32,94%
Bogusław Sieczkowski	942 417	5,13%	1 492 417	6,66%
Nationale Nederlanden OFE	1 901 000	10,36%	1 901 000	8,48%
TFI Allianz Polska*	1 133 009	9,82%	1 133 009	8,04%
Tadeusz Wesołowski (with Augebit FIZ)	1 132 713	6,17%	1 132 713	5,06%

**On July 1, TFI Allianz merged with Aviva Investors Poland TFI, as reported by the Company in current report 20/2022 dated July 7, 2022.*

12. 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
- Organic growth and subsequent acquisitions
- 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 - the Company incurs most of the costs in Polish zlotys and generates most of its revenues in foreign currencies

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

In the reported period, the Covid-19 pandemic occurred. The Issuer described its effect on its and its capital group operations under Significant events that occurred in the reporting period.

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

Information on the changes in impairments is provided in the notes to the consolidated financial statements.

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 29 to the consolidated financial statements.

Information on deferred income tax provisions and assets

Information on deferred income tax provisions and assets is provided in note 10 to the consolidated financial statements.

Information on significant purchases or disposals of tangible fixed assets

Information on tangible fixed assets is provided in note 12 to the consolidated financial statements.

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

Information on the liabilities in respect of purchases of tangible fixed assets is provided in note 35 to the consolidated financial statements.

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 36 to the consolidated financial statement.

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.

Krakow, September 13, 2022

Bogusław Sieczkowski
President
of the Management Board

Miłosz Gruca
Vice President
of the Management Board

Mirosława Zydrón
Member
of the Management Board

Adrijana Vinter
Member
of the Management Board

Dawid Radziszewski
Member
of the Management Board

Dariusz Kurdas
Member
of the Management Board



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