

ArcticZymes Technologies Q2 2020 Results

Tromsø, Norway, 19 August 2020 – ArcticZymes Technologies (OSE: AZT) reported sales of NOK 44.3 million (16.9) and an EBITDA of NOK 27.2 million (-0.5) for the second quarter of 2020. Improvements are in all areas of the business

Highlights from Q2 2020

- Biotec Pharmacon ASA was rebranded as ArcticZymes Technologies ASA
- Gross profit for the Group improved 244% to NOK 40.0 million (Q2 2019: NOK 11.6 million)
- ArcticZymes had Q2 sales of NOK 33.4 million growing by 270% (Q2 2019: NOK 9.0 million)
- BetaGlucans had Q2 sales of NOK 10.9 million growing by 39% (Q2 2019: NOK 6.9 million)
- ArcticZymes growth continues to be driven by strong sales in the therapeutic segment and upsides relating to sales of enzymes to COVID-19 diagnostic tests
- Upsides relating to COVID-19 pandemic is estimated at NOK 11 million for ArcticZymes and NOK 2 million for consumer health
- The Group delivered positive EBITDA with NOK 27.2 million (Q2 2019: NOK -0.5 million)
- Cash-flow for the Q2 was NOK 20.4 million (Q2 2019: NOK -6.8 million)

CEO Jethro Holter comments:

“Overall, Q2 has been an outstanding quarter. An overall excellent performance has enabled us to deliver our most profitable quarter with an EBITDA of NOK 27 million. Operations have been firing maximally in order to serve growth in the underlying business as well as to capture all upsides relating to the coronavirus pandemic. Our operational flexibility to optimally handle significant spikes in demand and a dedicated team has collectively proved to be our greatest asset.

Setting coronavirus aside, sales growth remains strong in the underlying business. The main growth driver has been sales of the Salt Active Nuclease (SAN) products to the therapeutics segment. The SAN products continue to attract new customers who are developing gene therapies and vaccines. Furthermore, our well-established customers are regularly submitting substantially larger orders as they advance their development programs. ArcticZymes secured a supply agreement for SAN HQ with ReiThera, a leading Italian vaccine company, who is fast tracking the development of a COVID-19 vaccine. SAN HQ will be used to optimize one critical step in the manufacturing process of the vaccine.

At the beginning of the year, the company made a promise to drive the company into profitability during 2020. Based on the strong financial performance during the first half, we fully expect to achieve our goal with respect to profitability.

Now we are entering the second half, we do anticipate a slow-down in COVID-19 related sales. That aside, our main focus has always and will continue to be towards building on the strong foundations in the underlying business and driving inherent growth through new customers, existing long-term partners and through our expanding product portfolio.”

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Second Quarter 2020 Presentation and Video Conference

A presentation by ArcticZymes Technologies' CEO, Jethro Holter and CFO, Børge Sørvoll, will take place today, 19 August 2020, at 08:30 am CET via tele-/video-conference. Call in details: +47 21 40 41 97 with conference id: 111 206 898#. Participants who want to participate in the webcast are asked to send an email to ir@biotec.no for a separate invitation.

The results, report and presentation for the second quarter 2020 will be available on www.newsweb.no and on the Company's homepage www.arcticzymes.com from 07:00 am on 19th August 2020.

For more information, please contact:

CEO, Jethro Holter
CFO, Børge Sørvoll

Tel: +47 46 85 91 46
Tel: +47 95 29 01 87
ir@arcticzymes.com

About ArcticZymes Technologies ASA

ArcticZymes Technologies is a Norwegian life sciences company with a core strategic focus on specialized and novel enzyme technologies.

The ArcticZymes Group is creating value from innovation in life science markets via its subsidiaries, ArcticZymes and Biotec BetaGlucans. Its technologies capitalize on more than three decades of world-class research at the Arctic University of Tromsø to offer niche and high-tech products in several biotech segments.

ArcticZymes represents the company's core business. It develops, manufactures and commercialises novel recombinant enzymes for use in molecular research, In Vitro Diagnostics (IVD) and therapeutics.

Biotec BetaGlucans represents a non-core business focusing on the marketing of immunomodulating beta-glucans in several market segments.

Listed on the Oslo Stock Exchange since 2005, earlier under the [Biotec] ticker and since June 2020 under the new [AZT] ticker. ArcticZymes Technologies headquarters is located in Tromsø, Norway, in the SIVA Innovation Centre.

ArcticZymes Technologies' unique IP and capabilities are protected via a large portfolio of patents around both enzyme and beta-glucan products.

For more information, please visit the website: www.arcticzymes.com