

ArcticZymes Technologies Q3 2020 Results

Tromsø, Norway, 22 October 2020 – ArcticZymes Technologies (OSE: AZT) reported sales of NOK 30.8 million (22.5) and an EBITDA of NOK 10.1 million (0.8) for the third quarter of 2020. Underlying growth continues.

Highlights from Q3 2020

- Annual group sales exceed 100 MNOK for the first time
- Gross profit for the Group improved 65% to NOK 26.0 million (Q3 2019: NOK 15.7 million)
- ArcticZymes had Q3 sales of NOK 19.5 million growing by 63% (Q3 2019: NOK 12.0 million)
- Biotec BetaGlucans had Q3 sales of NOK 11.2 million growing by 7% (Q3 2019: NOK 10.5 million)
- Upsides relating to COVID-19 pandemic is estimated at NOK 4 million for ArcticZymes and NOK 1.25 million for consumer health
- The Group delivered positive EBITDA with NOK 10.1 million (Q3 2019: NOK 0.8 million)
- Cash-flow for Q3 was positive NOK 13.6 million (Q3 2019: NOK 0.7 million) giving a cash balance of NOK 69.7 million (Q3 2019: NOK 22.1 million)

CEO Jethro Holter comments:

“ArcticZymes delivered another strong quarter with the underlying business contributing to solid growth. A new milestone was achieved in exceeding 100 MNOK in annual group sales for the first time. The company continues to deliver on profitability by accomplishing an EBITDA of 10.1 MNOK for the quarter.

The therapeutic segment remains the key contributor to growth through sales of the Salt Active Nuclease (SAN) products. It is supported by a broadening customer base of gene therapy and vaccine manufacturers engaged in developing viral vector-based therapeutics. With respect to ReiThera, activities are progressing well. ReiThera’s vaccine development project recently entered phase 1 clinical trials.

Sales in the molecular diagnostics segment continue to grow in all regions served. Furthermore, efforts to expand into new geographies with large domestic populations, such as China and India, are materialising.

The Coronavirus pandemic continues to impact the business. As expected, Coronavirus related upsides attributed towards third quarter sales but to a lesser extent than in the second quarter. Conversely, sales to research kit manufacturers have slowed down during the quarter. Lockdowns have impacted our customers’ ability to sell stockpiled kit-based products to the end user market. Overall, the supply chain relating to Coronavirus remains complex and unpredictable. Fluctuations in quarterly sales are expected for the foreseeable future.

Going into the last quarter of the year, our focus will continue 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. Furthermore, plans are underway to expand ArcticZymes facilities in both manufacturing and R&D as part of the company's forward leaning organic growth initiatives."

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Third Quarter 2020 Presentation and Webcast

A presentation by ArcticZymes Technologies' CEO, Jethro Holter and CFO, Børge Sørvoll, will take place today, 22 October 2020, at 08:30 am CET as a live webcast from Hegnar TV (https://channel.royalcast.com/webcast/hegnarmedia/20201022_9). It will be possible to post questions through the webcast console but it will not be possible to ask questions per phone or email.

The results, report and presentation for the third quarter 2020 will be available on www.newsweb.no and on the Company's homepage www.arcticzymes.com from 07:00 am on 22th October 2020.

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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