



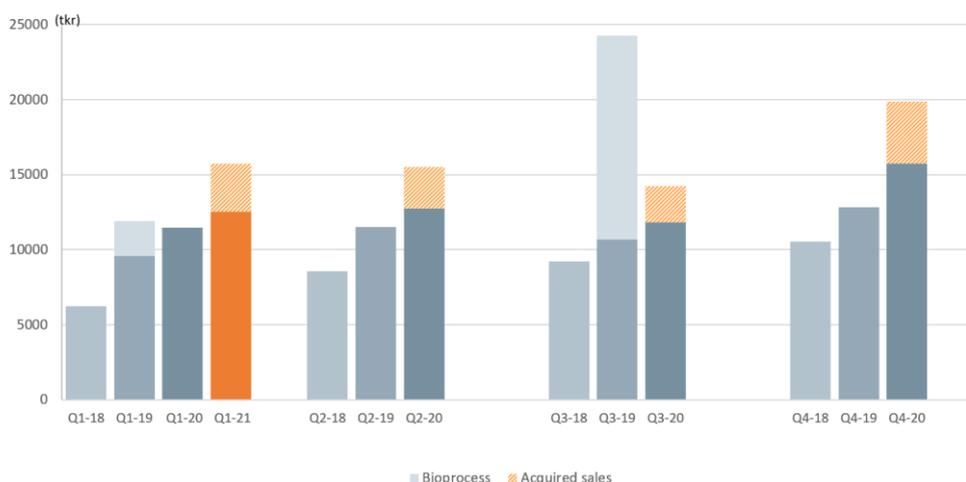
First Quarter Report 2021

- **Net sales** rose by 37 percent to SEK 15,723 (11,475) thousand. Organic growth was 21%.
- **Gross profit** was SEK 15,017 (10,977) thousand.
- **Operating profit before depreciation and amortization (EBITDA)** totaled SEK 1,958 (loss: 847) thousand.
- **Operating profit** totaled SEK 551 (loss: 1,889) thousand.
- **Comprehensive income for the period** totaled SEK 1,607 (loss: 1,915) thousand.
- **Comprehensive income per share**, basic and diluted, totaled SEK 0.02 (-0.03).
- **Cash flow from operating activities** was SEK 3,512 (-1,506) thousand.
- **Cash and cash equivalents at the end of the period** totaled SEK 45,929 (61,641) thousand.

Significant events after the end of the quarter

In April, Genovis and Waters entered into a collaboration to develop efficient methods for biopharmaceutical characterization. The goal of the collaboration is to develop automated workflows for rapid and accurate characterization of critical quality attributes of monoclonal antibodies and other protein-based drugs for bioprocess development, formulation, stability testing and quality control (QC).

Sales by quarter 2018 – 2021



Comments from Fredrik Olsson, Chief Executive Officer

We begin 2021 by showing continued growth of 37% for the first quarter compared with the previous year. This means we have shown growth for 26 consecutive quarters (YoY). The first quarter, which is usually a weaker quarter for Genovis, began with subdued customer activity due to COVID-19-related restrictions, but we gradually saw an increase in activity in our main markets, the US and Europe, with Asia also showing continued strong growth.

Despite the sluggish start to the quarter, the core business for enzymes in Analytics shows organic growth of 21% year-on-year. The market for our antibody business in the US continued to be impacted by reduced general diagnostics and restrictions in the university setting due to the COVID-19 pandemic.



In April we announced a new partnership with Waters aimed at jointly developing and marketing common workflows for biochemical analysis of proteins and biopharmaceuticals. Waters has a strong position in the biopharma industries, especially within quality control. Waters' clear strategy of developing robust and user-friendly analytical instruments lowers the threshold for implementing advanced protein analysis. This step paves the way for new users and new application areas in the development of biological drugs. The strategy and approach align perfectly with Genovis' strategies and goals, so I look forward to combining our unique enzyme technology with Waters' instruments to help our customers in their efforts to develop novel and safer therapeutics.

We will continue our efforts to establish more industrial partnerships to expand our business opportunities moving forward. I see more opportunities to strengthen our customer offering in antibody labelling, glycomics and automation, making complementary technologies and collaborations key components in our growth journey.

Our continued investments in product development are clearly reflected in our pipeline, which is strong and diversified in glycomics, automation and antibody labelling, but also in potential new application areas. This means we have laid a solid foundation for new business opportunities and continued growth moving forward. During the quarter, we expanded and strengthened our research, product development and production teams to take advantage of and implement new business opportunities.

In March, we learned that we received a grant of SEK 2 million from Vinnova for development of a new platform for identification and production of enzymes for protein analysis. The grant will include a dedicated research position and will be carried out in collaboration with the Department of Applied Microbiology at the Faculty of Engineering and the Department of Infectious Diseases at Lund University.

Although our markets continue to be impacted by uncertainty and restrictions for our customers in their work as a result of the pandemic, the increased vaccination rate will hopefully gradually improve conditions in 2021.

In conclusion, I would like to thank all of my colleagues at Genovis who have done a great job helping our customers every day to have access to the innovative products that continuously grow Genovis' business.

Genovis Group in brief

Genovis will apply its knowledge and imagination to design and provide innovative tools for the development of the drugs of the future.



Genovis' enzymes and antibodies are in a market that covers the entire life science and biotech supply industry.

The Parent Company in Lund handles sales and marketing in the European market, as well as development, application & support, production and administration. Genovis Inc. is responsible for the North American market, with a warehouse and logistics center in San Diego. Sales in North America are handled by sales representatives based in Boston and San Diego. In Asia Genovis

works both with direct sales and with distributors who are familiar with the local market.

Genovis' business model has a long-term and sustainable focus based on two primary strategies that together are the drivers of the Company's success:

- Continue to launch unique new products, thereby expanding the product portfolio for continued growth.
- Deliberately work to encourage customers to use Genovis' products in several stages further along on the drug development value chain.

The Group will have a creative focus and develop unique new products that have a high value for the customer. New products are mainly aimed at customers who work in the discovery phase, preclinical development, or diagnostics. In this phase most of the Group's customers are both curious and willing to test new concepts and analytical methods to address the clear needs and challenges related to understanding, identifying and analyzing biopharmaceuticals. More and more of Genovis' customers in the biopharma industry are now using the products farther along in the value chain for biological drug development and have growing confidence in Genovis as a provider of high-quality, innovative products for the biopharma industry. A key component of Genovis' growth strategy is to continue to launch innovative products as the brand grows stronger and in pace with the expansion and broadening of our customer base.

The Group's financial performance in summary

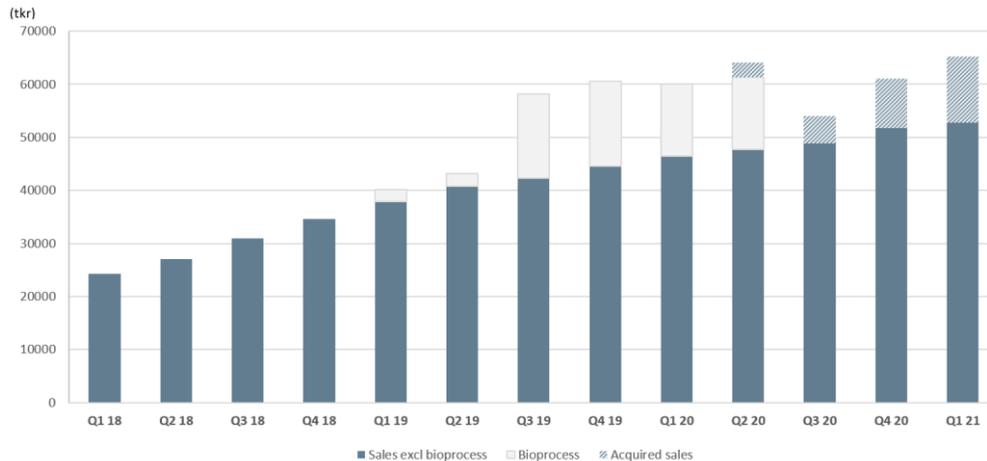
(SEK 000s)	1st Quarter		Full year
	2021	2020	2020
Net sales	15,723	11,475	61,030
Gross profit	15,017	10,977	59,370
Operating profit/loss (EBIT)	551	-1,889	3,140
Comprehensive income for the period	937	-1,915	1,973
Cash flow from operating activities	3,512	-1,506	3,755
Cash and cash equivalents at close of period	45,929	61,641	44,118
Earnings per share* (SEK)	0.02	-0.03	0.10

Financial overview

Net sales

Consolidated net sales for the quarter rose to SEK 15,723 (11,475) thousand, an increase in sales of 37 percent. Adjusted for currency effects and acquired sales, growth was 20.8%.

Sales proceeds, 12-month rolling (2018 – 2021)



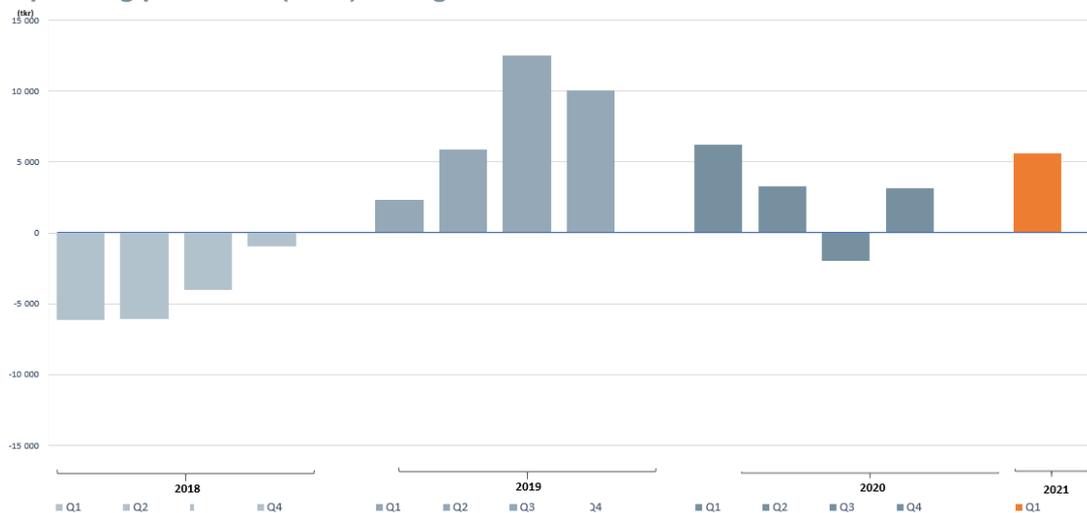
Operating profit/loss before depreciation and amortization (EBITDA)

Operating profit/loss before depreciation and amortization for the first quarter was SEK 1,958 (loss: -847) thousand.

Operating profit/loss (EBIT)

Operating profit/loss after depreciation and amortization for the quarter was SEK 551 (loss: 1,889) thousand, corresponding to an increase of SEK 2,440 thousand.

Operating profit/loss (EBIT) rolling 12 months



Comprehensive income

Comprehensive income for the quarter was SEK 1,607 (loss: -1,915) thousand, which corresponds to an increase of SEK 3,522 thousand. Earnings per share, based on a weighted average of the number of outstanding shares, totaled SEK 0.02 (-0.03).

Expenses

Consolidated expenses totaled SEK 15,021 (13,915) thousand. Expenses are allocated as follows: raw materials and consumables SEK 1,962 (1,049) thousand, personnel costs SEK 7,825 (6,101) thousand, other external expenses SEK 4,969 (4,369) thousand and other operating expenses SEK 266 (1,354) thousand.

Investments

The Group's net capital expenditure was SEK 926 (742) thousand, including SEK 865 (395) thousand attributable to property, plant, and equipment (mainly laboratory equipment), and SEK 61 (347) thousand relating to investments in intangible assets.

Cash flow and financial position

Total shareholders' equity for the Group was SEK 88,771 (83,385) thousand after taking the result for the quarter into account. Equity per share based on the weighted average of the number of outstanding shares (basic and diluted) at the end of the period was SEK 1.36 (1.30). The Group's equity ratio at the end of the quarter was 82 (87) percent.

Consolidated cash and cash equivalents at the end of the period amounted to SEK 45,929 (61,641) thousand. Taking expected revenue into account, the Board believes that the existing working capital is sufficient to run the Company over the next twelve months.

Consolidated cash flow for the quarter was SEK 1,811 (46,649) thousand. Cash flow from financing activities totaled SEK -775 (-783) thousand.

Only the Group has interest-bearing liabilities, where liabilities to credit institutions relate in their entirety to the present value of estimated future lease payments, which also includes rent for premises.

Lease liabilities (thousand)

Noncurrent lease liabilities

Maturity between 1 and 4 years	2,135
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Current lease liabilities

Maturity within 1 year	2,612
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Taxes

The Group has a deferred tax asset of SEK 6,173 (1,718) thousand, of which SEK 1,718 (1,718) arises from the Parent Company, as well as deferred tax on intra-group profit on inventories which during the period totaled SEK 4,455 (0) thousand. It is the Board's assessment that future taxable surpluses will be available against which the unutilized tax losses can be utilized.

Employees

On March 31, 2021, the Group had 35 employees, an increase of nine people compared with the same period last year, when the Group had 26 employees. In connection with the acquisition of QED Biosciences in April 2020, the number of employees in the US increased by 8 people. In all, 25 people are employed by the Parent Company in Lund and nine people work for the subsidiary Genovis Inc. in the US.

Share capital and share performance

Share capital at the end of the quarter was SEK 16,366,429 and the total number of shares was 65,465,714 with a par value of SEK 0.25. Genovis shares are traded on Nasdaq First North growth Market under the ticker symbol GENO. First North is Nasdaq's European emerging market intended for growth companies.

Parent Company

Net sales and operating profit/loss in the Parent Company are attributable to the primary and only business area: product sales and/or of research-based innovations.

Revenue

Revenue for the first quarter, including change in inventory of finished goods, amounted to SEK 9,686 (9,612) thousand, of which SEK 8,431 (9,061) thousand was attributable to revenue from sales and SEK 195 (551) thousand to other revenue. Other revenue relates to foreign exchange gains.

Expenses

The Parent Company's total expenses for the period amounted to SEK 10,311 (11,718) thousand.

Performance

The loss for the first quarter was SEK 414 (loss: 2,106) thousand.

Investments

Net capital expenditure was SEK 931 (742) thousand, including SEK 870 (395) thousand attributable to property, plant, and equipment (mainly laboratory equipment), and SEK 61 (347) thousand relating to investments in intangible assets.

Taxes

The Parent Company has a deferred tax asset and at the end of the quarter it was SEK 1,718 (1,718) thousand, corresponding to a loss carryforward of SEK 8,340 thousand. It is the Board's assessment that future taxable surpluses will be available against which the unutilized tax losses can be utilized. The Company's total tax loss amounts to SEK 143 (171) million.

Subsidiary Genovis Inc.

The subsidiary Genovis Inc. is a full-service provider of antibody products for research and diagnostics, as well as custom antibody services to academia and industry. The Company identifies and produces new antibodies for production of products such as biological drugs and diagnostic kits. The Company handles all sales of SmartEnzymes™ in the North American market.

Other information

Related party transactions

Genovis' board member and principal owner Mikael Lönn, who holds a 15.26% stake in Genovis, owns 12.24% of the shares in Redeye AB, for which Mikael Lönn is also a board member. Genovis has purchased analysis services from Redeye AB for a total of SEK 105 thousand during the period.

Outlook

Although the Life Science field is relatively independent of business cycles, periods of uncertainty can influence our customers' appetite to invest in new technology. With the majority of the development projects proceeding according to plan, Genovis is positioned to make additional advances with respect to both new products and sales. The COVID-19 outbreak during the first quarter of 2020 has had a significant impact on the current business climate. Despite the uncertainty about short-term market trends, Genovis' growth potential for the future remains intact.

Risk Factors

Genovis' general view of the financial risks that could affect operations has not changed since the description published in the most recent annual report. Genovis' business risks include the risk that anticipated revenue might not materialize since the Company is active in a market in which competing companies have substantially larger financial resources at their disposal. For a detailed overview of the Company's financial risks, please refer to page 59 in Genovis' 2020 Annual Report.

Auditor's review

This report has not been reviewed by the Company's auditor.

Future reporting dates

Annual General Meeting May 20, 2021

In view of the COVID-19 pandemic, the Board of Directors has decided that the Annual General Meeting shall be conducted without the physical presence of shareholders, representatives or third parties, and that shareholders shall only be entitled to exercise their voting rights by postal voting before the Meeting. Information on the resolutions passed at the Annual General Meeting will be disclosed on May 20, 2021, as soon as the outcome of the postal voting has been finally confirmed.

Half-Yearly Report	January 1 – June 30	August 12
Interim Report	January 1 – September 30	November 11

Reports may be downloaded at the Genovis website:

<https://investor.genovis.com/sv/finansiella-rapporter/#delarsrapporter>

or requested from the company by phone or letter: Genovis AB, Box 790

SE-220 07 Lund, Sweden T: +46 (0)46-10 12 30

Certified Adviser

Erik Penser Bank, +46 (0)8 463 83 00, certifiedadviser@penser.se, is the company's certified adviser.

Forward-looking information

This report contains forward-looking information based on the current expectations of Group management at Genovis. Although the management believes that the expectations reflected in such forward-looking information are reasonable, no assurance can be given that such expectations will prove correct. Consequently, actual future results may vary materially from those implied in the forward-looking statements due to such changes in economic, market and competitive conditions, changes in the regulatory environment and other government actions, fluctuations in exchange rates and other factors.

Accounting policies

This interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and the relevant provisions of the Swedish Annual Accounts Act. The report for the Parent Company has been prepared in accordance with chapter 9 of the Swedish Annual Accounts Act, Interim Reports. The accounting policies applied for the Group and the Parent Company are consistent with the accounting policies used in the preparation of the most recent annual report.

For more information

Additional information about the company is available on the company's website: genovis.com
For questions about this report, please contact: Fredrik Olsson, CEO, and President, t:
+46 (0)46-10 12 33.

Financial information - Group

Statement of comprehensive income

(SEK 000s)	1st Quarter		Full year
	2021	2020	2020
Net sales	15,723	11,475	61,030
Change in inventory, finished goods	1,061	4	2,844
Other operating income/expenses*	195	547	1,772
Raw material and consumables	-1,962	-1,049	-6,276
Gross profit	15,017	10,977	59,370
Personnel costs	-7,825	-6,101	-28,653
Other external costs	-4,968	-4,369	-18,657
Other operating costs	-266	-1,354	-3,487
Operating profit/loss before depreciation and amortization (EBITDA)	1,958	-847	8,573
Depreciation, amortization, and impairment of plant, property, and equipment and intangible assets	-1,407	-1,042	-5,433
Operating profit/loss (EBIT)	551	-1,889	3,140
Net financial items	189	-72	-991
Profit/loss after financial items		-1,961	2,149
Taxes	-70	-45	4,297
Profit/loss after tax for the period	740	-2,006	6,446
Items that may be reclassified subsequently to profit or loss			
Translation of foreign subsidiary	937	91	-4,473
Comprehensive income for the period	1,607	-1,915	1,973

* The item Other operating income/expenses relates to exchange rate gains.
The entire profit is attributable to Parent Company shareholders

	1st Quarter		Full year
	2021	2020	2020
Earnings per share (SEK)*		-0.03	0.10
Number of shares			
Weighted average for the period	65,465,714	63,967,428	65,090,819
Number of shares at start of period	65,465,714	63,100,000	63,100,000
Number of shares at end of period	65,465,714	65,465,714	65,465,714
Share price at end of period, SEK	35.8	20.70	31.5

* Based on weighted average of the number of outstanding shares (basic and diluted)

Summary Balance Sheet

(SEK 000s)	<u>March 31</u> 2021	<u>March 31</u> 2020	<u>Dec. 31</u> 2020
Assets			
<i>Noncurrent assets</i>			
Intangible assets	16,315	3,448	15,832
Property, plant and equipment	12,208	9,176	12,497
Financial assets	6,220	1,718	6,243
<i>Current assets</i>			
Cash and cash equivalents	45,929	61,641	44,118
Total assets	107,932	95,332	106,648
Equity and liabilities			
Equity	88,771	83,385	87,165
Deferred tax	2,510	0	2,421
Noncurrent liabilities	2,548	1,982	3,318
Current liabilities	14,103	9,965	13,744
Total shareholders' equity and liabilities	107,932	95,332	106,648

Changes in equity

(SEK 000s)	<u>March 31</u> 2021	<u>March 31</u> 2020	<u>Dec. 31</u> 2020
Opening balance	87,165	35,620	35,620
Issue of new shares	0	49,680	49,571
Exchange rate difference	963	91	-4,472
Profit/loss for the period	670	-2,006	6,446
Amount at end of period	88,771	83,385	87,165
Attributable to shareholders in Genovis AB	88,771	83,385	87,165

Key financial figures	<u>March 31</u> 2021	<u>March 31</u> 2020	<u>Dec. 31</u> 2020
Equity/assets ratio (%)	82	87	82
Equity per share at end of period* (SEK)	1.36	1.30	1.34

* Based on weighted average of the number of outstanding shares (basic and diluted).

Summary Statement of Cash Flows

(SEK 000s)	1st Quarter		Full year
	2021	2020	2020
Profit/loss for the period	551	-1,889	3,140
Adjustment for items not affecting cash flow	1,407	1,042	5,433
Changes in working capital	1,365	-587	-3,827
Net financial items	189	-72	-991
Cash flow from operating activities	3,512	-1,506	3,755
Investing activities	-926	-742	-20,431
Cash flow after investing activities	2,586	-2,248	-16,676
Financing activities	-775	-783	-3,770
Issue of new shares	0	49,680	49,572
Cash flow for the period	1,811	46,649	29,126
Cash and cash equivalents at start of period	44,118	14,992	14,992
Cash and cash equivalents at close of period	45,929	61,641	44,118

Financial information – Parent Company

Summary Income Statement

(SEK 000s)	<u>1st Quarter</u>		<u>Full year</u>
	2021	2020	2020
Operating income incl. change in inventory, finished goods	9,686	9,612	61,860
Operating costs	-10,310	-11,718	-42,299
Operating profit/loss	-624	-2,106	19,561
Net financial items	210	0	-686
Profit/loss for the period	-414	-2,106	18,875

Summary Balance Sheet

(SEK 000s)	<u>March 31</u>	<u>March 31</u>	<u>Dec. 31</u>
	2021	2020	2020
Assets			
Noncurrent assets	31,432	10,407	30,861
Current assets	36,937	18,438	41,953
Cash and cash equivalents	43,379	60,107	38,884
Total assets	111,748	88,952	111,698

(SEK 000s)	<u>March 31</u>	<u>March 31</u>	<u>Dec. 31</u>
	2021	2020	2020
Equity and liabilities			
Restricted equity	16,366	16,466	16,366
Unrestricted equity	86,321	65,762	86,734
Liabilities			
Current liabilities	9,061	6,724	8,598
Total shareholders' equity and liabilities	111,748	88,952	111,698

Changes in equity

(SEK 000s)	<u>March 31</u>	<u>March 31</u>	<u>Dec. 31</u>
	2021	2020	2020
Opening balance	103,100	34,654	34,654
Issue of new shares	0	49,680	49,571
Profit/loss for the period	-414	-2,106	18,875
Equity at the end of the period	102,687	82,228	103,100
Attributable to shareholders in Genovis AB	102,687	82,228	103,100

Summary Statement of Cash Flows

(SEK 000s)	1st Quarter		Full year
	2021	2020	2020
Profit/loss for the period	-624	-2,105	19,561
Adjustment for items not affecting cash flow	360	297	1,279
Changes in working capital	5,480	-704	-23,030
Net financial items	0	0	-1
Cash flow from operating activities		-2,512	-2,191
Investing activities	-931	-742	-22,178
Cash flow after investing activities	4,285	-3,254	-24,369
Financing activities	211	49,680	49,572
Cash flow for the period	4,495	46,426	25,203
Cash and cash equivalents at start of period	38,884	13,681	13,681
Cash and cash equivalents at close of period	43,379	60,107	38,884

Statement by the Board of Directors and Chief Executive Officer

The Board of Directors and the Chief Executive Officer certify that this interim report provides a true and fair overview of the development of the Parent Company's and the Group's business activities, financial position and results of operations as well as the significant risks and uncertainties to which the Parent Company and the companies included in the Group are exposed.

Lund April 29, 2021
Genovis AB (publ.)

On behalf of the Board of Directors Fredrik Olsson
Chief Executive Officer

This information is information that Genovis AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on April 29, 2021.

This information is also available in Swedish. Please visit: <https://investor.genovis.com/en/>