



Q4 2020

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Highlights

Highlights Q4 2020

Company has undergone a significant transformation

Achieved 2nd best
quarterly
performance – 22.1
MNOK sales*

Therapeutics and
molecular segments
continue to grow

ArcticZymes
Technologies
becomes a pure
enzymes company

Achieved another
profitable quarter –
6.8 MNOK EBITDA*

Biotec BetaGlucans
successfully
divested

4 *All key financial figures are excluding discontinued operations (Biotec BetaGlucans)

Deliverables 2020

All about value creation

Achieved profitability: 45 MNOK EBITDA

Sale growth achieved: 93 MNOK

Rebranded company to ArcticZymes Technologies

Became a pure enzyme company by divesting BBG

Created shareholder value through the share

Merger & acquisition – not achieved



A full-page background image of a snowy mountain range at night, with the aurora borealis (northern lights) glowing in shades of green and blue in the starry sky. The mountains and lights are reflected in a calm body of water in the foreground. A teal-colored geometric shape is overlaid on the bottom left corner.

ArcticZymes Update

ArcticZymes Updates

Commercial Segment Sales



Therapeutics

- ✓ Strong quarterly growth
- ✓ 41% contribution to total Q4 sales
- ✓ Several customers: purchased >5 MNOK of products during 2020
- ✓ ReiThera is progressing well
- ✓ Top tier pharma company starts purchasing SAN-HQ



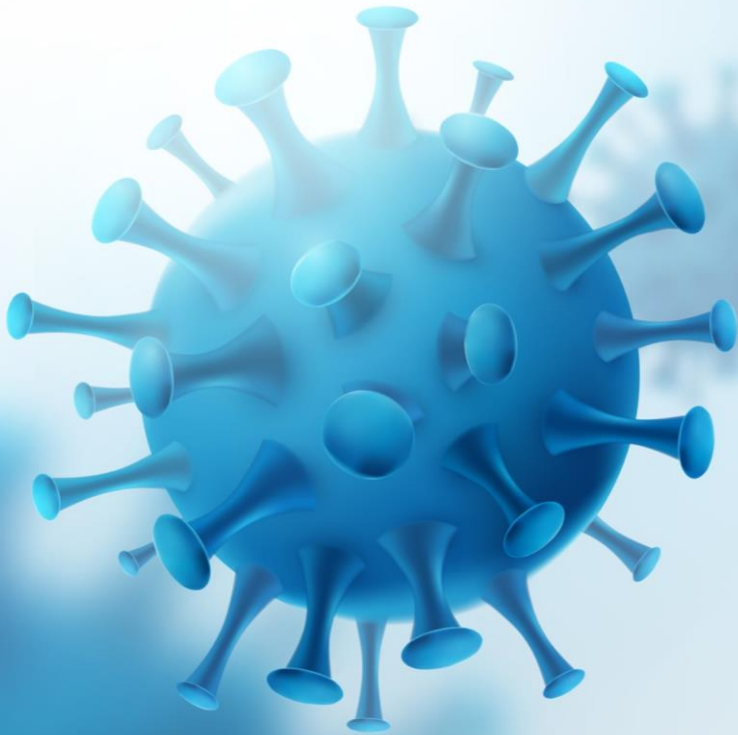
Research & Diagnostics

- ✓ Marginal quarterly growth
- ✓ 59% contribution to total Q4 sales
- ✓ Molecular diagnostics (MDx) sales is main driver
- ✓ Molecular research sales are slow due to lockdowns
- ✓ Sales growth is robust – served by 200+ customers

ArcticZymes Updates

Coronavirus related sales

- ◆ Integral part of underlying business
- ◆ Coronavirus related sales higher for Q4 vs. Q3
- ◆ 32% contribution of total Q4 sales
- ◆ Coronavirus related sales breakdown:
 - ◆ 86% associates with MDx
 - ◆ 14% associates with Therapeutics
- ◆ Quarterly fluctuations to continue



ArcticZymes Update

Innovation Pipeline

- **Salt Active Nuclease Upscaling***
 - First medium-scale pilot production batch was successful
 - Working on first large-scale pilot batch
 - Large scale SAN-HQ product commercially available within H1 2021
- **Anticipate several new products will be ready to launch in 2021**
 - **M-SAN ELISA kit:** Similar to SAN-HQ, the M-SAN ELISA kit will support sales our M-SAN enzyme to the therapeutic segment
 - **Taq Polymerase:** 1st thermostable polymerase optimised for robust utility in viral based PCR tests and compatible with our other enzymes*
 - **Reverse Transcriptase:** Similar to Taq Polymerase it will be optimised for use in viral diagnostics assays for both PCR and LAMP based workflows*
 - **Other SAN products:** capture more of the value chain beyond gene therapy and vaccine production
 - **Other enzymes:** several customer specific innovation projects
- **Longer-term innovations are making progress as well**

**Above are partially funded by Innovation Norway grants*





ArcticZymes Update

Strategic Growth Initiatives

• Organic Growth

- Represents main and immediate focus
- Key activity for 2021 will be to complete the infrastructure expansion of R&D and operations
- The project is well underway and progressing as planned
- Continue to invest in new R&D and operational personnel
- All about investing to leverage future growth

• Inorganic Growth

- M&A activities have been scaled back temporarily
- Allows team to focus on the ongoing organic growth expansion initiatives
- Due to the coronavirus pandemic, the market environment at this time is far from ideal



BetaGlucans Divestment

Biotec BetaGlucans (BBG)

Divestiture successfully closed

- Entire BBG subsidiary divested to Lallemand Inc's subsidiary, Danstar Ferment AG
- Deal was closed on 31st December 2020
- ArcticZymes Technologies will support Lallemand during 2021 in managing a smooth transition
- BBG will gradually relocated to the Nordøya site
- Supports our strategy to focus exclusively on its profitable enzyme business
- ArcticZymes Technologies enters 2021 as a pure enzymes company





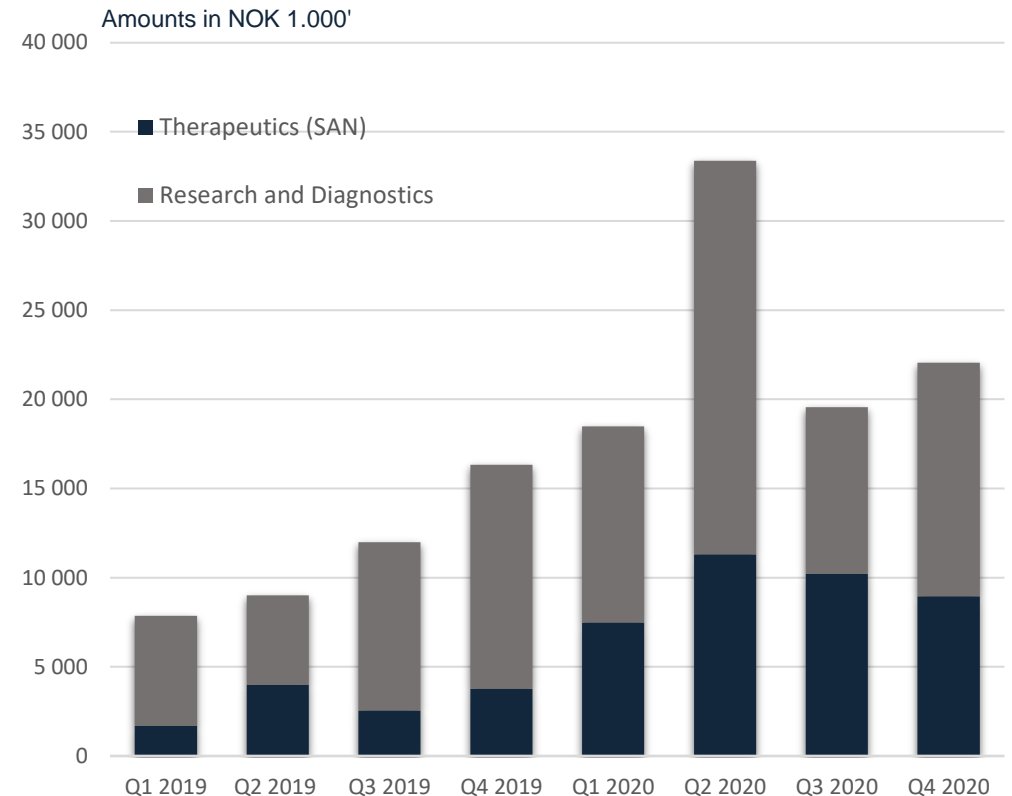
Q4 Financials

ArcticZymes Sales Q4 2020

Positive development

- Sales growth of 35% compared to same quarter last year
- Therapeutics segment (SAN) continues to deliver strong sales: 9.0 MNOK (3.8)
 - Underlying growth is strong
- Research & Diagnostics increase of 4% from 12.6 MNOK to 13.1 MNOK
 - Significant positive COVID-19 impact
 - rSAP for research segment, negatively impacted by COVID-19

Sales per segment

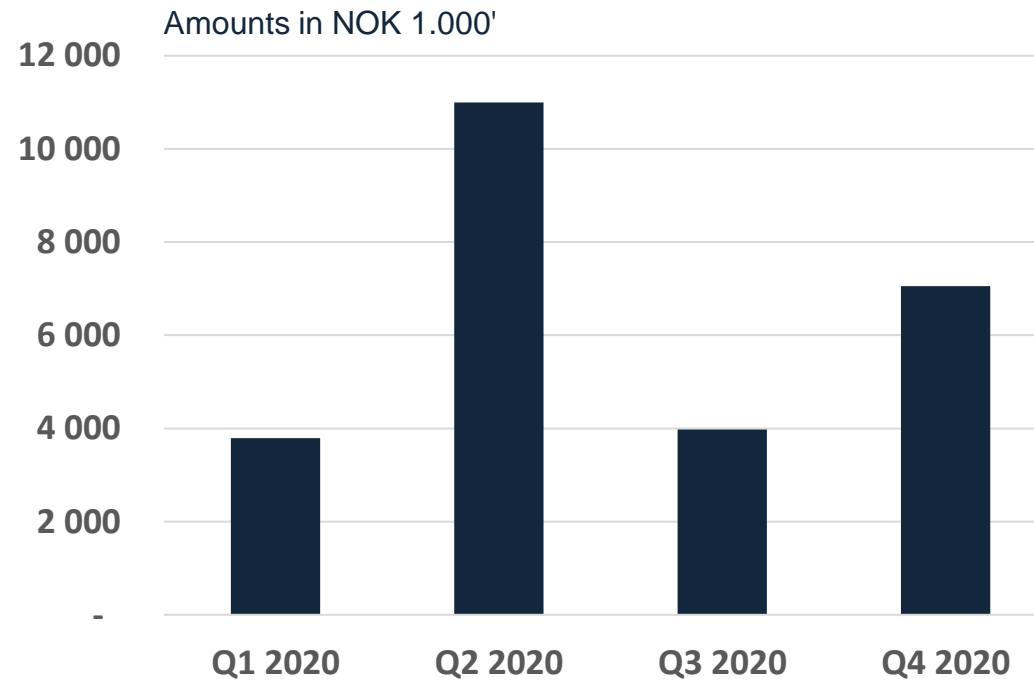


ArcticZymes Sales Q4 2020

Covid-19 impact is estimated at 28% of annual sales

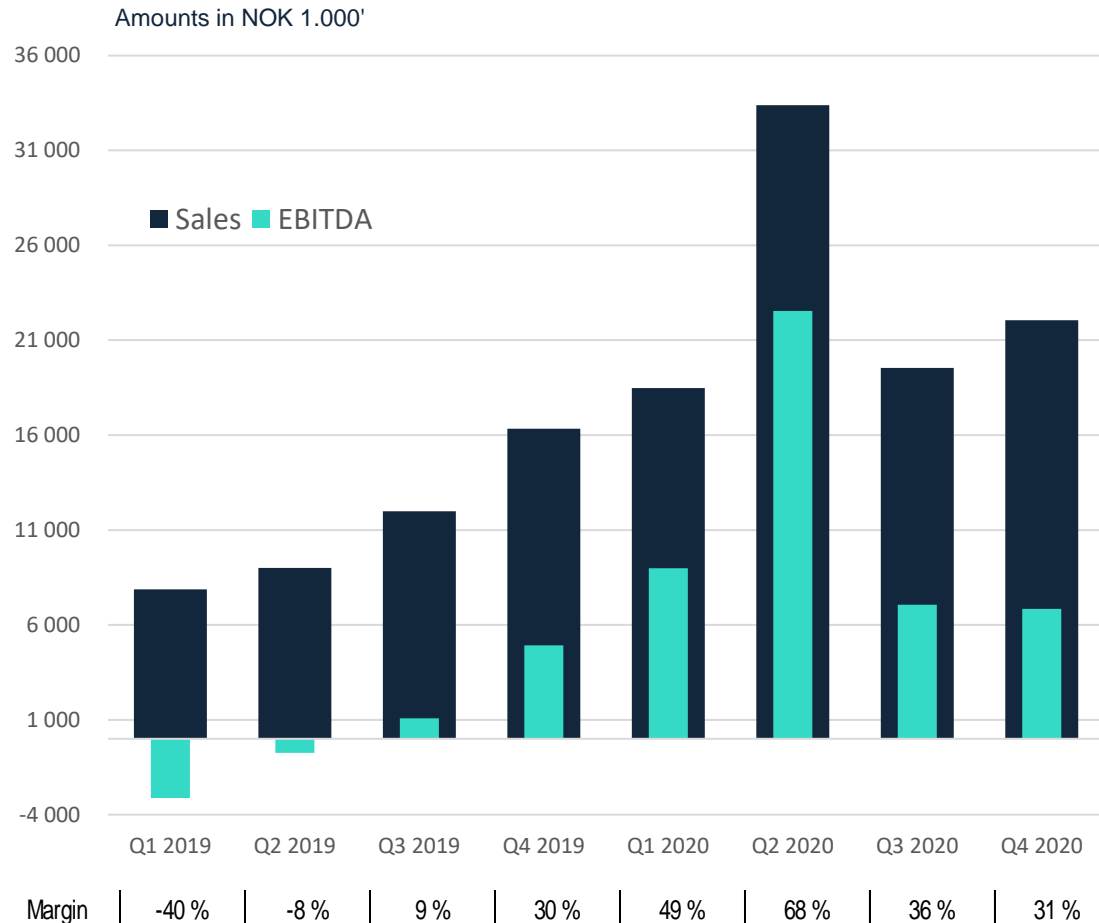


Estimated Covid-19 related sales



ArcticZymes Technologies

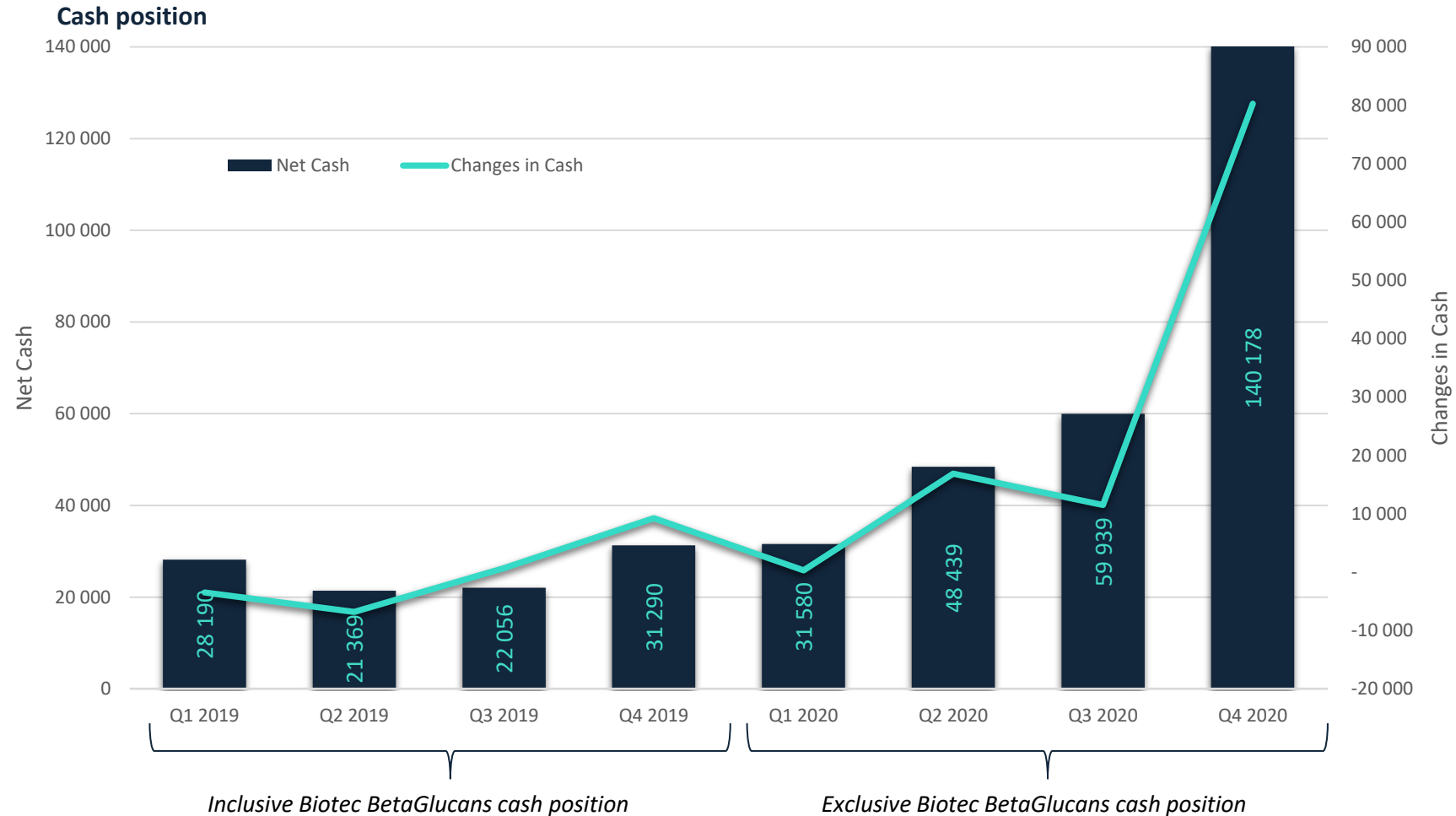
Growth in sales and expenses




- 35% improvement in sales (MNOK 22.1 vs 16.3)
- 39% improvement in EBITDA (MNOK 6.8 vs 4.9)
- Expenses increased by 3.9 MNOK
 - Increase in personnel
 - Divestment related expenses
 - Increase in property, plant and equipment related expense
 - IPR

Cash Flow

Divestment of BBG contributed with 70 MNOK in Q4





Outlook 2021 & Beyond

Outlook 2021 and Beyond

A new era as a pure enzymes company

New Innovations

Becoming Europe's leading one-stop-shop enzyme supplier in next 2-3 years



Performance

Focus on topline sales growth

Profitability

Focus remains on increasing profitability

Investment

Expanded facilities as well as talented personnel will be core to organic growth



Thank you!

arcticzymes.com

