



Olink reports first quarter 2021 financial results and issues full year 2021 guidance

May 20, 2021

UPPSALA, Sweden, May 20, 2021 (GLOBE NEWSWIRE) -- Olink Holding AB (publ) ("Olink") (Nasdaq: OLK) today announced its financial results for the first quarter of 2021.

Highlights:

- Revenue was \$13.6 million in the first quarter of 2021, representing year over year growth of 70% on a reported basis and 54% on a constant currency adjusted like-for-like basis
- Adjusted EBITDA was (\$3.7) million in the first quarter of 2021, as compared to (\$1.4) million in the first quarter of 2020
- Net loss was (\$14.3) million in the first quarter of 2021, as compared to (\$11.1) million in the first quarter of 2020
- Olink issues 2021 revenue guidance to be in the range of \$90 million to \$92 million, representing 66% to 70% growth over 2020
- Olink completed an initial public offering of 13.2 million common shares in the forms of ADSs, raising \$264.7 million in gross proceeds
- Use of products published in almost 550 peer reviewed studies through March 31st, 2021, including the first two publications on the Explore platform during the first quarter 2021

"Olink had strong financial performance in the first quarter of 2021 with continued robust adoption of our proteomics products and services, which use our proprietary Proximity Extension Assay (PEA) technology. Our dedicated team delivered revenue of \$13.6 million, representing 70% year over year growth, and strong gross margin improvement," said Jon Heimer, CEO of Olink Proteomics. "We successfully completed our IPO in March and are now better positioned to enable new discoveries and improve the lives of patients by enabling understanding of real-time human biology and accelerating proteomics with the scientific community. We expect our strong momentum to continue for the rest of this year and beyond, and are excited about our growing team and strategic investments."

First quarter financial results:

"In the first quarter, our team delivered strong revenue growth, driven by our newest product offering, Explore. Our financial performance and the successful completion of our IPO has strengthened our balance sheet and positioned the company to accelerate investments for future growth," said Oskar Hjelm, CFO of Olink Proteomics.

Total revenue for the first quarter of 2021 was \$13.6 million, as compared to \$8.0 million in the first quarter of 2020. Revenue growth was driven primarily by the Explore platform.

Analysis services revenue for the first quarter 2021 was \$9.6 million, as compared to \$6.0 million in the first quarter of 2020.

Kits revenue for the first quarter of 2021 was \$2.8 million, as compared to \$1.5 million in the first quarter of 2020.

Other revenue was \$1.2 million for the first quarter of 2021, as compared to \$0.5 million in the first quarter of 2020.

Looking at revenue by geography during the first quarter of 2021, revenue in North America was \$7.3 million, in EMEA (includes Sweden) it was \$5.5 million, and it was \$0.8 million in China and RoW (includes Japan).

Adjusted gross profit was \$9.2 million in the first quarter of 2021, as compared to \$5.0 million in the first quarter of 2020.

By segment, adjusted gross profit margin for analysis services for the first quarter 2021 was 64% as compared to 66% in the first quarter of 2020.

Adjusted gross profit margin for kits was 83% for the first quarter 2021, as compared to 44% in the first quarter of 2020.

Adjusted gross profit margin for other was 63% for the first quarter 2021, as compared to 67% in the first quarter of 2020.

Total operating expenses for the first quarter of 2021 were \$22.4 million, as compared to \$9.1 million in the first quarter of 2020. The increase was due to increased spending according to our strategic plan as well as IPO related expenses.

Net loss for the first quarter of 2021 was (\$14.3) million, as compared to (\$11.1) million in the first quarter of 2020.

Net loss per share for the first quarter of 2021 was (\$0.48) based on an average number of outstanding shares of 38,926,170, as compared to (\$0.76) in the first quarter of 2020.

Adjusted EBITDA for the first quarter of 2021 was (\$3.7) million, as compared to (\$1.4) million in the first quarter of 2020.

2021 guidance:

Olink expects full year 2021 revenue to be in the range of \$90 million to \$92 million. We plan to continue to accelerate investments into our platform to further accelerate growth.

Webcast and conference call details

Olink will host a conference call to discuss the first quarter financial results before the market opens May 20, 2021 at 8:00 a.m. Eastern Time. The dial-in numbers are (833) 562-0120 for domestic callers or (661) 567-1096 for international callers, followed by Conference ID: 5167217. A live webcast of the conference call will be available on the "Investors" section of the Company's website at <https://investors.olink.com/investor-relations>. The webcast will be archived and available for replay for at least 90 days after the event.

Statement regarding use of non IFRS financial measures

We present certain non-IFRS financial measures because they are used by our management to evaluate our operating performance and formulate business plans. We believe that the use of these non-IFRS measures facilitates investors' assessment of our operating performance. We caution readers that amounts presented in accordance with our definitions of Adjusted EBITDA, Adjusted Gross Profit and Adjusted Gross Profit Percentage may not be the same as similar measures used by other companies. Not all companies and Wall Street analysts calculate the non-IFRS measures we use in the same manner. We compensate for these limitations by reconciling each of these non-IFRS measures to the nearest IFRS performance measure, which should be considered when evaluating our performance. We encourage you to review our financial information in its entirety and not rely on a single financial measure.

Use of forward-looking statements

This press release contains forward-looking statements that are based on management's beliefs and assumptions and on information currently available to management. All statements contained in this release other than statements of historical fact are forward-looking statements, including statements regarding our 2021 revenue outlook, our ability to develop, commercialize and achieve market acceptance of our current and planned products and services, our research and development efforts, and other matters regarding our business strategies, use of capital, results of operations and financial position, and plans and objectives for future operations.

In some cases, you can identify forward-looking statements by the words "may," "will," "could," "would," "should," "expect," "intend," "plan," "anticipate," "believe," "estimate," "predict," "project," "potential," "continue," "ongoing" or the negative of these terms or other comparable terminology, although not all forward-looking statements contain these words. These statements involve risks, uncertainties and other factors that may cause actual results, levels of activity, performance, or achievements to be materially different from the information expressed or implied by these forward-looking statements. These risks, uncertainties and other factors are described under the captions "Risk Factors," and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Registration Statement on Form F-1, as amended (File No. 333-253818) and elsewhere in the documents we file with the Securities and Exchange Commission from time to time. We caution you that forward-looking statements are based on a combination of facts and factors currently known by us and our projections of the future, about which we cannot be certain. As a result, the forward-looking statements may not prove to be accurate. The forward-looking statements in this press release represent our views as of the date hereof. We undertake no obligation to update any forward-looking statements for any reason, except as required by law.

About Olink

Olink Holding AB (Nasdaq: OLK) is a company dedicated to accelerating proteomics together with the scientific community, across multiple disease areas to enable new discoveries and improve the lives of patients. Olink provides a platform of products and services which are deployed across major biopharmaceutical companies and leading clinical and academic institutions to deepen the understanding of real-time human biology and drive 21st century healthcare through actionable and impactful science. The company was founded in 2016 and is well established across Europe, North America and Asia. Olink is headquartered in Uppsala, Sweden.

Contacts

Media and Investor Relations

Olink Holding AB (publ), Stina Thorman, stina.thorman@olink.com, +46707187354

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

| Amounts in thousands of US Dollars | Note | For the three months ended March 31, 2021 | For the three months ended March 31, 2020 |
|---|------|--|--|
| Revenue | 4 | \$ 13,628 | \$ 7,998 |
| Cost of goods sold | | (4,996) | (3,549) |
| Gross profit | | 8,632 | 4,449 |
| Selling expenses | | (5,704) | (2,710) |
| Administrative expenses | | (12,411) | (3,872) |
| Research and development expenses | | (4,219) | (2,587) |
| Other operating (loss)/income | | (105) | 100 |
| Operating loss | | (13,807) | (4,620) |
| Financial income | | 780 | 772 |
| Financial expenses | | (3,991) | (9,683) |
| Loss before tax | | (17,018) | (13,531) |
| Income tax | | 2,723 | 2,413 |
| Net loss for the period (Attributable to shareholders of the Parent) | | \$ (14,295) | \$ (11,118) |
| Basic and diluted loss per share | 9 | \$ (0.48) | \$ (0.76) |

Other comprehensive income/(loss):

Items that may be reclassified to profit or loss:

| | | |
|--|--------------------|--------------------|
| Exchange differences from translation of foreign operations | (20,553) | (15,290) |
| Other comprehensive income/(loss) for the period, net of tax | <u>(20,553)</u> | <u>(15,290)</u> |
| Total comprehensive loss for the period, net of tax | \$ (34,848) | \$ (26,408) |
| Total comprehensive loss for the period (Attributable to shareholder of the Parent) | \$ (34,848) | \$ (26,408) |

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

| Amounts in thousands of US Dollars | Note | As of March 31, 2021 (Unaudited) | As of December 31, 2020 |
|--|------|--|-------------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Intangible assets | | \$ 323,461 | \$ 347,387 |
| Property, plant and equipment | | 5,856 | 5,774 |
| Right-of-use assets | | 4,381 | 4,684 |
| Deferred tax assets | | 1,066 | 37 |
| Other long-term receivables | | 129 | 133 |
| Total non-current assets | | <u>334,893</u> | <u>358,015</u> |
| Current assets | | | |
| Inventories | | 20,962 | 20,826 |
| Trade receivables | | 17,890 | 33,482 |
| Other receivables | | 3,632 | 2,856 |
| Prepaid expenses and accrued income | | 2,075 | 1,491 |
| Cash at bank and in hand | | 191,418 | 8,655 |
| Total current assets | | <u>235,977</u> | <u>67,310</u> |
| TOTAL ASSETS | | \$ 570,870 | \$ 425,325 |
| EQUITY | | | |
| Share capital | 5 | 30,964 | 27,224 |
| Other contributed capital | 5 | 499,452 | 257,774 |
| Reserves | | 18,807 | 39,360 |
| Accumulated losses | | (38,953) | (24,658) |
| Total equity attributable to shareholders of the Parent | | <u>\$ 510,270</u> | <u>\$ 299,700</u> |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Interest-bearing loans and borrowings | 5, 6 | 1,998 | 63,965 |
| Deferred tax liabilities | | 29,372 | 33,193 |
| Total non-current liabilities | | <u>31,370</u> | <u>97,158</u> |
| Current liabilities | | | |
| Interest-bearing loans and borrowings | 5, 6 | 2,124 | 2,146 |
| Accounts payable | | 9,852 | 6,658 |
| Current tax liabilities | | 224 | 506 |
| Other current liabilities | | 17,030 | 19,157 |
| Total current liabilities | | <u>29,230</u> | <u>28,467</u> |
| Total liabilities | | \$ 60,600 | \$ 125,625 |
| TOTAL EQUITY AND LIABILITIES | | \$ 570,870 | \$ 425,325 |

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

| Amounts in thousands of US Dollars | Note | For the three months ended March 31, 2021 | For the three months ended March 31, 2020 |
|---|------|--|--|
| Operating activities | | | |
| Loss before tax | | \$ (17,018) | \$ (13,531) |
| <i>Adjustments reconciling loss before tax to operating cash flows:</i> | | | |
| Depreciation and amortization | | 3,663 | 2,863 |
| Net finance expense | | 3,211 | 8,911 |
| <i>Changes in working capital:</i> | | | |
| (Increase) in inventories | | (1,402) | (440) |

| | | | |
|---|---|-------------------|------------------|
| Decrease in accounts receivable | | 14,068 | 7,821 |
| (Increase) in other current receivables | | (2,185) | (845) |
| Increase in trade payables | | 3,723 | 618 |
| (Decrease)/Increase in other current liabilities | | (730) | 76 |
| Interest paid | | (1,976) | (1,397) |
| Tax paid | | 33 | (4,140) |
| Cash flow used in operating activities | | \$ 1,387 | \$ (64) |
| Investing activities | | | |
| Purchase of property, plant and equipment | | (948) | (658) |
| Decrease/(Increase) in other non-current financial assets | | - | 23 |
| Cash flow used in investing activities | | \$ (948) | \$ (635) |
| Financing activities | | | |
| Proceeds from issue of share capital | 5 | 264,706 | 710 |
| Share issue costs | 5 | (19,288) | - |
| Proceeds from interest-bearing loans and borrowings | | 2,400 | 8,000 |
| Repayment of interest-bearing loans and borrowings | 6 | (65,627) | - |
| Payment of principal portion of lease liability | | (534) | (275) |
| Cash flow from financing activities | | \$ 181,657 | \$ 8,435 |
| Net cash flow during the period | | 182,096 | 7,736 |
| Cash at bank and in hand at the beginning of the period | | 8,655 | 6,162 |
| Net foreign exchange difference | | 667 | 501 |
| Cash at bank and in hand at the end of the period | | \$ 191,418 | \$ 14,399 |

A reconciliation of Adjusted EBITDA to operating loss, the most directly comparable IFRS measure, is set forth below:

| <i>Amounts in thousands of U.S. Dollars</i> | For the three months ended March 31, 2021 | For the three months ended March 31, 2020 |
|---|--|--|
| Operating (loss)/profit | (13,807) | (4,620) |
| Add: | | |
| Amortization | 2,720 | 2,317 |
| Depreciation | 943 | 546 |
| EBITDA | (10,144) | (1,757) |
| Management Adjustments | 6,422 | 348 |
| Adjusted EBITDA | \$ (3,722) | \$ (1,409) |

Reconciliations of Adjusted Gross Profit to gross profit, the most directly comparable IFRS measure, are set forth below:

| <i>Amounts in thousands of U.S. Dollars, unless otherwise stated</i> | For the three months ended March 31, 2021 | For the three months ended March 31, 2020 |
|--|--|--|
| Revenue | \$ 13,628 | \$ 7,998 |
| Cost of goods sold | (4,996) | (3,549) |
| Gross profit | 8,632 | 4,449 |
| Gross profit % | 63.3% | 55.6% |
| Less: | | |
| Inventory fair value step up | - | 253 |
| Depreciation charges | 579 | 273 |
| Adjusted Gross Profit | \$ 9,211 | \$ 4,975 |
| Adjusted Gross Profit % | 67.6% | 62.2% |