



## Olink reports third quarter 2022 financial results

November 10, 2022

UPPSALA, Sweden, Nov. 10, 2022 (GLOBE NEWSWIRE) -- Olink Holding AB (publ) ("Olink") (Nasdaq: OLK) today announced its unaudited financial results for the third quarter of 2022.

### Highlights

- Third quarter 2022 revenue totaled \$31.8 million, representing year over year growth of 59% on a reported basis and 68% on a constant currency adjusted like-for-like basis
- Total Explore customer installations reached 40, with 11 installations during the third quarter
- Signature Q100 placements reached 63, with 12 additional placements during the third quarter
- Explore revenue of \$21.7 million accounted for 68% of total third quarter revenue, with Explore Kit revenue totaling \$10.6 million, or 49% of total Explore revenue
- Third quarter kits revenue and analysis services revenue represented 42% and 48% of total revenue, respectively
- Third quarter 2022 adjusted EBITDA was (\$1.7) million, with a net loss of (\$1.3) million; compared to third quarter 2021 adjusted EBITDA of (\$7.5) million and net loss of (\$5.5) million
- Expects full year 2022 revenue to be in the range of \$138 million to \$142 million; representing strong growth of 45% to 49%; with constant currency revenue expected near the top end of this range, and reported revenue expected near the bottom end of this range when including unexpected foreign currency headwinds

"The strengths of the Olink platform are clearly resonating with customers across all major proteomics use cases, and in all major therapeutic areas from high-plex to low-plex; academia, biopharma, and service providers," said **Jon Heimer, CEO of Olink**. "Olink achieved additional major milestones as well, including reaching the 1,000<sup>th</sup> publication highlighting the use of PEA technology, and the launch of Olink Insight to customers and collaborators globally."

### Third quarter financial results

"Our third quarter benefited from very robust revenue growth, favorable product mix, and strong progress toward key financial objectives, even as foreign exchange headwinds were stronger than anticipated," said **Oskar Hjelm, CFO of Olink**. "As we consider Olink's future, the combination of further disciplined investment into the organization plus our strong growth prospects, should help drive our return to sustained profitability next year, and long-term value creation."

Total revenue for the third quarter of 2022 was \$31.8 million, as compared to \$20.0 million for the third quarter of 2021, growing 59% year over year.

Third quarter 2022 kits revenue of \$13.4 million represented 42% of total revenue, versus 26% in the second quarter. Kits yearly revenue growth of 265% was led by very strong performance from Explore.

Analysis services revenue for the third quarter of 2022 was \$15.1 million, flat year-over-year.

Other revenue was \$3.2 million for the third quarter of 2022, as compared to \$1.2 million for the third quarter of 2021, with Signature Q100 providing the largest contribution.

By geography, revenue during the third quarter of 2022 was \$12.4 million in Americas, \$15.0 million in EMEA (including Sweden), and \$4.4 million in China and RoW (including Japan).

Adjusted EBITDA was (\$1.7) million for the third quarter of 2022, as compared to (\$7.5) million for the third quarter of 2021.

Adjusted gross profit was \$21.8 million in the third quarter of 2022, as compared to \$13.1 million in the third quarter of 2021; and reported gross profit was \$21.0 million in the third quarter of 2022, as compared to \$12.4 million in the third quarter of 2021.

By segment, adjusted gross profit margin for kits was 89% for the third quarter of 2022, as compared to 91% for the third quarter of 2021; and reported gross profit margin for kits was 87% for the third quarter of 2022, as compared to 88% for the third quarter of 2021.

Third quarter 2022 adjusted gross profit margin for analysis services was 55% as compared to 59% in the third quarter of 2021; and reported gross profit margin for analysis services was 51% as compared to 55% in the third quarter of 2021. The decline in analysis services margin was driven by fulfillment of the UKB-PPP.

Third quarter 2022 adjusted gross profit margin and reported gross profit margin for Other was 49%; versus third quarter 2021 adjusted gross profit margin and reported gross profit margin of 74%.

Total operating expenses for the third quarter of 2022 were \$29.0 million, as compared to \$24.1 million for the third quarter of 2021. The increase was largely due to continued investment in the Company's organization overall.

Net loss for the third quarter of 2022 was (\$1.3) million, as compared to a net loss of (\$5.5) million for the third quarter of 2021. Net loss per share for

the third quarter of 2022 was (\$0.01) based on a weighted average number of outstanding shares of 119,098,118; as compared to a net loss per share of (\$0.05) in the third quarter of 2021 based on a weighted average number of outstanding shares of 119,007,062.

#### 2022 guidance

Olink expects full year 2022 revenue to be in the range of \$138 million to \$142 million; representing strong growth of 45% to 49%; with constant currency revenue expected near the top end of this range, and reported revenue expected near the bottom end of this range when including unexpected foreign currency headwinds.

#### Webcast and conference call details

Company management will host a conference call to discuss financial results at 8:00 am ET. Investors interested in listening to the conference call are required to register online [here](#). A live webcast will be available in the "Events" 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.

#### Olink investor day

On November 14th, 2022, from 11:00 am to 2:30 pm ET, Olink will host an investor day, providing direct access to key opinion leaders and collaborators from leading academic centers and industry, highlighting exciting research and development settings where Olink is a meaningful contributor. The agenda will also include Olink's perspectives on the considerable progress made in proteomics over the past year, major commercial initiatives ongoing at the Company, and our planning for continued strength in the market.

#### 2023 annual general meeting of shareholders

Olink will hold its 2023 annual general meeting of shareholders in Uppsala, Sweden, on April 17, 2023. Shareholders are entitled to have items addressed at the annual general meeting if the request has been submitted to the Board of Directors not later than seven weeks prior to the annual general meeting.

#### 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, adjusted gross profit margin, adjusted gross profit margin by segment, and constant currency revenue growth, 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.

We are not able to forecast constant currency revenue on a forward-looking basis without unreasonable efforts due to the high variability and difficulty in predicting foreign currency exchange rates and, as a result, are unable to provide a reconciliation to forecasted constant currency revenue.

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#### 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 2022 revenue outlook, our Explore externalizations, 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 caption "Risk Factors" in our Form 20-F (Commission file number 001-40277) 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 for 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.

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

Three months ended

Nine months ended

Amounts in thousands of U.S. Dollars	September 30,		September 30,	
	2022	2021	2022	2021
<b>Revenue</b>	\$ 31,772	\$ 19,974	\$ 81,963	\$ 51,290
Cost of goods sold	(10,785)	(7,565)	(30,589)	(18,384)
<b>Gross profit</b>	<b>20,987</b>	<b>12,409</b>	<b>51,374</b>	<b>32,906</b>
Selling expenses	(11,240)	(9,035)	(31,293)	(21,718)
Administrative expenses	(11,998)	(11,086)	(40,391)	(35,669)
Research and development expenses	(6,443)	(4,210)	(19,761)	(13,419)
Other operating income	725	276	1,292	1,039
<b>Operating loss</b>	<b>(7,969)</b>	<b>(11,646)</b>	<b>(38,779)</b>	<b>(36,861)</b>
Interest, net	(112)	(57)	(367)	(2,010)
Foreign exchange, net	6,427	4,853	16,906	(648)
Other financial expenses	-	18	-	(1,738)
<b>Loss before tax</b>	<b>(1,654)</b>	<b>(6,832)</b>	<b>(22,240)</b>	<b>(41,257)</b>
Income tax benefit	366	1,361	3,960	10,890
<b>Net loss for the period (Attributable to shareholders of the Parent)</b>	<b>\$ (1,288)</b>	<b>\$ (5,471)</b>	<b>\$ (18,280)</b>	<b>\$ (30,367)</b>
<b>Basic and diluted loss per share</b>	<b>\$ (0.01)</b>	<b>\$ (0.05)</b>	<b>\$ (0.15)</b>	<b>\$ (0.37)</b>
<b>Other comprehensive (loss)/income:</b>				
<i>Items that may be reclassified to profit or loss:</i>				
Exchange differences from translation of foreign operations	(31,989)	(16,703)	(84,378)	(24,089)
Other comprehensive (loss)/income for the period, net of tax	(31,989)	(16,703)	(84,378)	(24,089)
Total comprehensive (loss)/income for the period, net of tax	(33,277)	(22,174)	(102,658)	(54,456)
<b>Total comprehensive (loss)/income for the period (Attributable to shareholder of the Parent)</b>	<b>\$ (33,277)</b>	<b>\$ (22,174)</b>	<b>\$ (102,658)</b>	<b>\$ (54,456)</b>

#### INTERIM CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)

Amounts in thousands of U.S. Dollars	As of September 30, 2022	As of December 31, 2021
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets	243,257	308,124
Property, plant and equipment	13,409	12,696
Right-of-use asset	9,608	8,778
Deferred tax assets	12,106	9,091
Other long-term receivables	347	422
<b>Total non-current assets</b>	<b>\$ 278,727</b>	<b>\$ 339,111</b>
<b>Current assets</b>		
Inventories	35,742	28,940
Trade receivables	30,088	42,061
Other receivables	7,277	4,094
Prepaid expenses and accrued income	9,200	7,476
Cash at bank and in hand	77,126	118,096
<b>Total current assets</b>	<b>\$ 159,433</b>	<b>\$ 200,667</b>
<b>TOTAL ASSETS</b>	<b>\$ 438,160</b>	<b>\$ 539,778</b>
<b>EQUITY</b>		
Share capital	30,988	30,964
Other contributed capital	511,867	506,008
Reserves/(Deficit)	(82,670)	1,701
Accumulated losses	(81,284)	(62,997)
<b>Total equity attributable to shareholders of the Parent</b>	<b>\$ 378,901</b>	<b>\$ 475,676</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Lease liabilities	6,764	5,427
Deferred tax liabilities	21,427	27,092
<b>Total non-current liabilities</b>	<b>\$ 28,191</b>	<b>\$ 32,519</b>
<b>Current liabilities</b>		

Lease liabilities	2,355	2,952
Accounts payable	10,422	8,668
Current tax liabilities	1,419	314
Other current liabilities	16,872	19,649
<b>Total current liabilities</b>	<b>\$ 31,068</b>	<b>\$ 31,583</b>
<b>Total liabilities</b>	<b>\$ 59,259</b>	<b>\$ 64,102</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>\$ 438,160</b>	<b>\$ 539,778</b>

#### INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

Amounts in thousands of U.S. Dollars	Nine months ended September 30,	
	2022	2021
<b>Operating activities</b>		
Loss before tax	\$ (22,240)	\$ (41,257)
<i>Adjustments reconciling loss before tax to operating cash flows:</i>		
Depreciation and amortization	13,034	11,176
Net finance expense/(income)	(16,425)	4,396
Loss on sale of assets	401	36
Share-based compensation expense	5,826	636
Other	(94)	-
<i>Changes in working capital:</i>		
(Increase) in inventories	(13,194)	(6,723)
Decrease in accounts receivable	7,738	9,194
Decrease/(Increase) in other current receivables	(6,435)	(8,804)
Increase/(Decrease) in trade payables	3,281	(1,041)
(Decrease) in other current liabilities	(555)	(1,821)
Interest received	40	-
Interest paid	(407)	(2,192)
Tax paid	(937)	(2,618)
<b>Cash flow used in operating activities</b>	<b>\$ (29,967)</b>	<b>\$ (39,018)</b>
<b>Investing activities</b>		
Purchase of intangible assets	(1,060)	(4,338)
Purchase of property, plant and equipment	(5,115)	(4,784)
Proceeds from sale of property, plant and equipment	-	145
Decrease/(Increase) in other non-current financial assets	56	(301)
<b>Cash flow used in investing activities</b>	<b>\$ (6,119)</b>	<b>\$ (9,278)</b>
<b>Financing activities</b>		
Proceeds from issue of share capital	24	264,706
Share issue costs	-	(19,484)
Proceeds from interest-bearing loans and borrowings	-	2,311
Repayment of interest-bearing loans and borrowings	-	(65,627)
Payment of principal portion of lease liability	(2,144)	(1,952)
<b>Cash flow (used in)/from financing activities</b>	<b>\$ (2,120)</b>	<b>\$ 179,954</b>
Net cash flow during the period	(38,206)	131,658
Cash at bank and in hand at the beginning of the period	118,096	8,655
Net foreign exchange difference	(2,764)	(157)
<b>Cash at bank and in hand at the end of the period</b>	<b>\$ 77,126</b>	<b>\$ 140,156</b>

#### Reconciliations of adjusted gross profit to gross profit, the most directly comparable IFRS measure, by segment (unaudited):

Amounts in thousands of U.S. Dollars unless otherwise stated	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
<b>Kit</b>				
Revenue	13,395	3,668	24,535	11,534
Cost of goods sold	(1,696)	(456)	(3,120)	(1,673)
<b>Kit Gross Profit</b>	<b>\$ 11,699</b>	<b>\$ 3,212</b>	<b>\$ 21,415</b>	<b>\$ 9,861</b>
<b>Kit Gross Profit %</b>	<b>87.3%</b>	<b>87.6%</b>	<b>87.3%</b>	<b>85.5%</b>

Less:				
Depreciation charges	142	116	410	317
Share-based compensation expenses	42	-	122	-
<b>Kit Adjusted Gross Profit</b>	<b>\$ 11,883</b>	<b>\$ 3,328</b>	<b>\$ 21,947</b>	<b>\$ 10,178</b>
<b>Kit Adjusted Gross Profit %</b>	<b>88.7%</b>	<b>90.7%</b>	<b>89.5%</b>	<b>88.2%</b>

<b>Service</b>				
Revenue	15,132	15,123	49,623	36,528
Cost of goods sold	(7,444)	(6,806)	(23,369)	(15,473)
<b>Service Gross Profit</b>	<b>\$ 7,688</b>	<b>\$ 8,317</b>	<b>\$ 26,254</b>	<b>\$ 21,055</b>
<b>Service Gross Profit %</b>	<b>50.8%</b>	<b>55.0%</b>	<b>52.9%</b>	<b>57.6%</b>

Less:				
Depreciation charges	605	575	1,888	1,575
Share-based compensation expenses	23	-	112	-
<b>Service Adjusted Gross Profit</b>	<b>\$ 8,316</b>	<b>\$ 8,892</b>	<b>\$ 28,254</b>	<b>\$ 22,630</b>
<b>Service Adjusted Gross Profit %</b>	<b>55.0%</b>	<b>58.8%</b>	<b>56.9%</b>	<b>62.0%</b>

<b>Other</b>				
Revenue	3,245	1,183	7,805	3,228
Cost of goods sold	(1,645)	(303)	(4,100)	(1,238)
<b>Gross Profit</b>	<b>\$ 1,600</b>	<b>\$ 880</b>	<b>\$ 3,705</b>	<b>\$ 1,990</b>
<b>Gross Profit %</b>	<b>49.3%</b>	<b>74.4%</b>	<b>47.5%</b>	<b>61.6%</b>

Less:				
Depreciation charges	-	-	-	-
Share-based compensation expenses	-	-	-	-
<b>Other Adjusted Gross Profit</b>	<b>\$ 1,600</b>	<b>\$ 880</b>	<b>\$ 3,705</b>	<b>\$ 1,990</b>
<b>Other Adjusted Gross Profit %</b>	<b>49.3%</b>	<b>74.4%</b>	<b>47.5%</b>	<b>61.6%</b>

**Reconciliation of constant currency revenue growth to revenue growth as reported under IFRS, the most directly comparable IFRS measure (unaudited):**

We use the non-IFRS measure of constant currency growth, which we define as our total revenue growth from one fiscal year to the next on a constant currency exchange rate basis. We measure our constant currency revenue growth by applying the current fiscal period's average exchange rate to the prior year fiscal period.

		<b>Three months ended</b>	
		<b>September 30,</b>	
		<b>2022</b>	<b>2021</b>
<i>Amounts in thousands of U.S. Dollars</i>			
Revenue		\$ 31,772	\$ 19,974
Revenue growth (IFRS)		59%	
Foreign exchange impact		-9%	
Constant currency revenue growth		68%	

**Reconciliation of consolidated adjusted gross profit to gross profit, the most directly comparable IFRS measure (unaudited):**

		<b>Three months ended</b>		<b>Nine months ended</b>	
		<b>September 30</b>		<b>September 30,</b>	
		<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<i>Amounts in thousands of U.S. Dollars unless otherwise stated</i>					
Revenue		31,772	19,974	81,963	\$ 51,290
Cost of goods sold		(10,785)	(7,565)	(30,589)	(18,384)
<b>Consolidated Gross Profit</b>	<b>\$</b>	<b>20,987</b>	<b>\$ 12,409</b>	<b>\$ 51,374</b>	<b>\$ 32,906</b>
<b>Consolidated Gross Profit %</b>		<b>66.1%</b>	<b>62.1%</b>	<b>62.7%</b>	<b>64.2%</b>
Less:					
Depreciation charges		748	691	2,298	1,892
Share-based compensation expenses		65	-	234	-
<b>Consolidated Adjusted Gross Profit</b>	<b>\$</b>	<b>21,800</b>	<b>\$ 13,100</b>	<b>\$ 53,906</b>	<b>\$ 34,798</b>
<b>Consolidated Adjusted Gross Profit %</b>		<b>68.6%</b>	<b>65.6%</b>	<b>65.8%</b>	<b>67.8%</b>

**Reconciliation of adjusted EBITDA to operating loss, the most directly comparable IFRS measure (unaudited):**

<i>Amounts in thousands of U.S. Dollars</i>	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
<b>Operating (loss)</b>	<b>(7,969)</b>	<b>(11,646)</b>	<b>(38,779)</b>	<b>(36,861)</b>
Add:				
Amortization	2,708	2,650	8,530	8,098
Depreciation	1,532	1,106	4,504	3,078
<b>EBITDA</b>	<b>(3,729)</b>	<b>(7,890)</b>	<b>(25,745)</b>	<b>(25,685)</b>
Management adjustments	189	39	990	7,861
Share-based compensation	1,808	335	5,962	636
<b>Adjusted EBITDA</b>	<b>\$ (1,732)</b>	<b>\$ (7,516)</b>	<b>\$ (18,793)</b>	<b>\$ (17,188)</b>