



Extract from annual report 2020/21

ChemoMetec offers high-quality cell counting and analysis equipment for use in, e.g., life science research and development and production of pharmaceuticals.

Company reg. (CVR) no.: 19 82 81 31

Our global team of specialists provide customers with dedicated support at every step along the way. Collaboration matters a lot to us – we continue to adapt our products to find the best solutions to suit our customers' needs.

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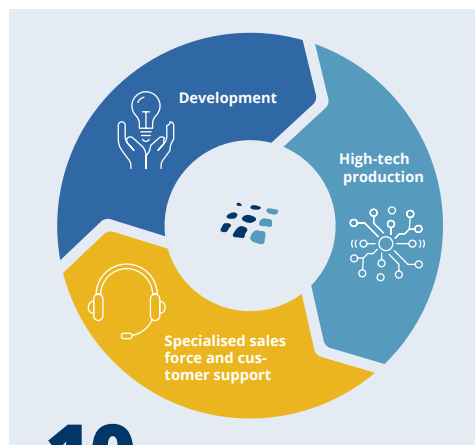
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Business performance

ChemoMetec at a glance

Leading position in cell counting and analysis equipment

ChemoMetec specialises in the development, production and sale of **high-quality analytical equipment** for cell counting and analysis within a broad range of areas – for example, cell-based therapy, cancer and stem cell research, development and manufacturing of pharmaceuticals as well as production and quality control of animal semen and beer.

Our analytical equipment is based on a unique technology platform, and **we offer various innovative solutions**, all of which are characterised by their ability to simplify complex analytical processes. Moreover, it is of key importance to our customers that the analytical results are accurate and consistent, and in this field, ChemoMetec's **products are best in class**.

At ChemoMetec, **our main focus is on our customers**, and we strive to provide the best and most qualified customer support. The combination of unique technology and efficient customer support is key to having a content and loyal customer base – and also a prerequisite for building a profitable and steadily growing business within ChemoMetec's business areas.

We work closely with customers and experts within cell counting to continuously develop **new solutions that are tailored to our customers' requirements – and contribute to achieving the best possible analytical results**.



High-quality analytical equipment

Our analytical equipment primarily comprises analytical instruments and related disposable articles for preparing and storing cell samples during measurement.



+100 countries

We run a global business and sell our analytical equipment in more than 100 countries.



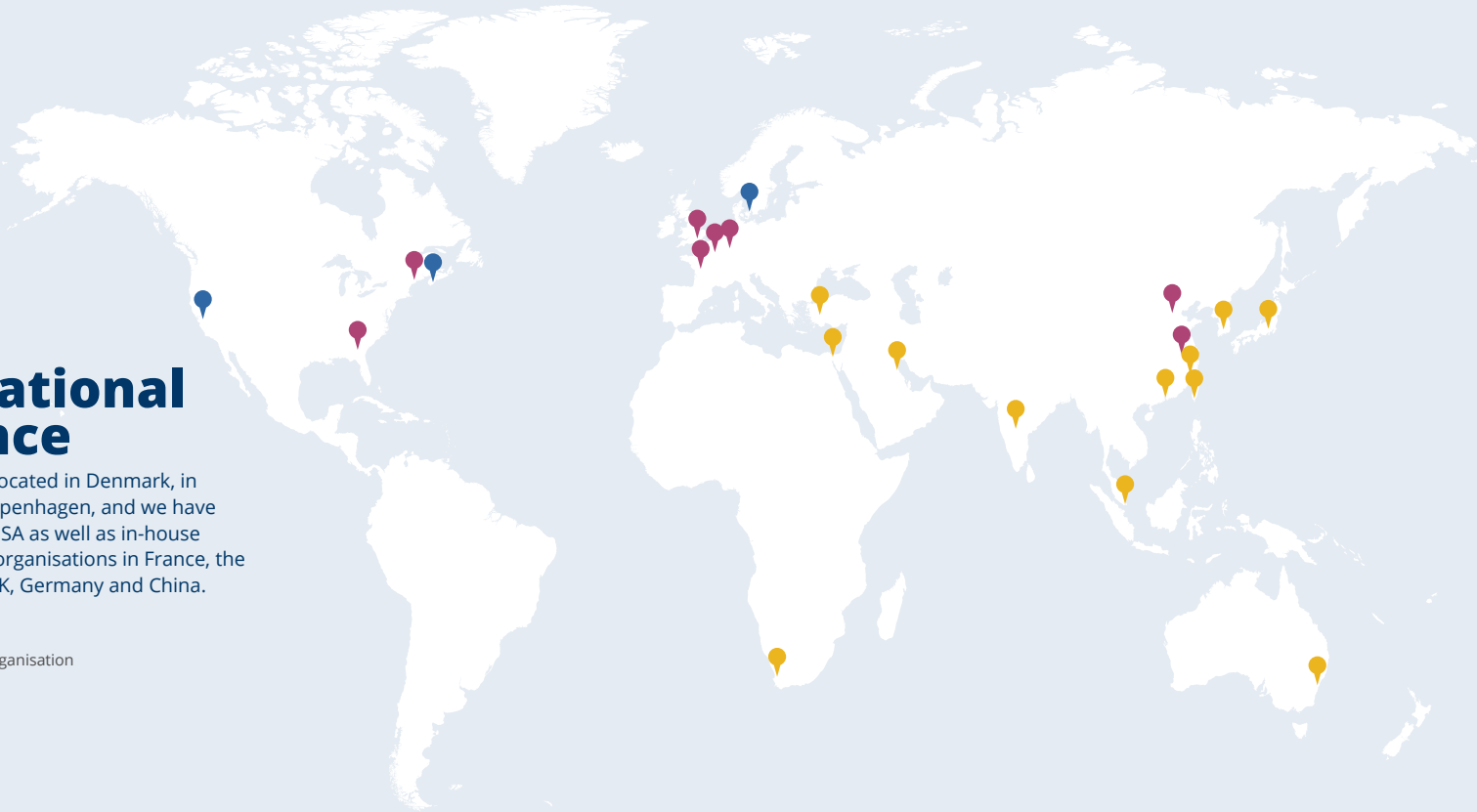
~150 employees

Our employees have unique expertise within development, production and sales – and ensure that we can deliver the right solutions and provide good customer service.

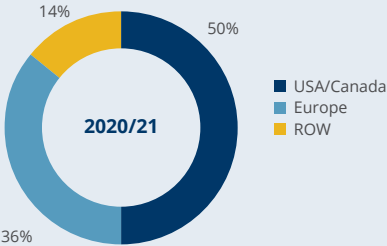
International presence

Our head office is located in Denmark, in Allerød north of Copenhagen, and we have two offices in the USA as well as in-house sales and support organisations in France, the Netherlands, the UK, Germany and China.

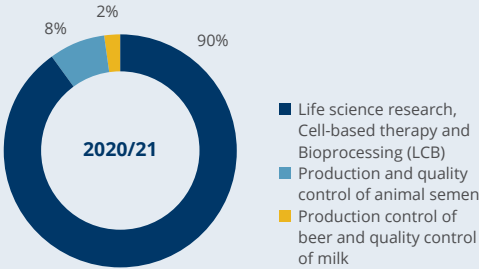
- Office
- Sales and support organisation
- Distributor



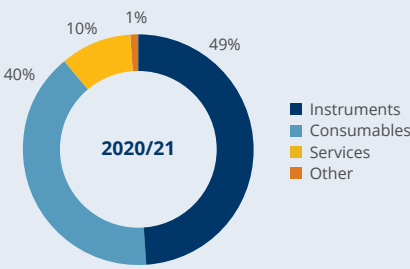
Breakdown of revenue by geography



Breakdown of revenue by business area



Breakdown of revenue by segment



CEO letter

Maintaining momentum in a year marked by Covid-19

ChemoMetec made it safely through a year marked by significant uncertainty, restrictions and extraordinary market conditions, and we were able to continue building up our business and avoid losing important momentum. We maintained strong growth rates and generated record-high earnings, and we are now looking forward to continuing the solid performance under more normal market conditions.

Focus on maintaining as normal operations as possible

The past financial year was marked by Covid-19, which impacted our business and our customers. For example, physical visits and meetings at our customers were only possible to a limited extent, and many laboratories and other customers had to send home their employees or close their businesses for a while. Meanwhile, some of our customers also experienced hectic activity during the Covid-19 period.

We focused particularly on adapting to the applicable restrictions and on protecting our employees and customers to the greatest extent possible – and also on continuously identifying the risks and challenges associated with Covid-19. Consequently, I

am very pleased that we successfully kept up our production, quality control and logistics functions and maintained nearly normal operations. This way, we were able to meet demand for our products and by and large deliver as agreed.

We also increased the use of digital tools to maintain contact and provide services to our existing customers, and we thereby also managed to continue our sales efforts aimed at potential customers to some extent. The implementation of the new tools was successful, and in future, we will use the positive experience to further optimise the entire sales process.

It is difficult to assess precisely the effect of Covid-19 on ChemoMetec as our custom-



The past financial year was in many ways challenging due to Covid-19, and an exceptional effort was required from everyone across ChemoMetec. In that light, I am very pleased that we made it safely through the year – and managed to maintain strong growth and provide reasonable services to our customers.

Steen Søndergaard, CEO

ers were impacted in a number of different ways. However, overall and in light of the extraordinary market conditions throughout the financial year, we are very proud to note that we generated growth of 31% – even though the USD rate did not develop to our advantage. I ascribe this not least to our good relations to our large and broad group of loyal customers and an exceptional effort on the part of our entire organisation.

Growth driven by cell-based therapy and sales of new cell counter

Growth continues to be driven particularly by progress in the area of cell-based therapy with significant activity within the development of new types of therapies in the USA, Europe and China. Many therapies are also used in practice, but scaling of the therapies still takes place at a moderate pace – partially due to the high price. We expect continued significant growth in this area in the coming years, and ChemoMetec is well positioned to capitalise on this growth opportunity.

During the past year, we also saw a significant increase in sales of our latest cell counter, the NC-202, which was launched in the 2019/20 financial year, as well as increased sales of service contracts.

Product development affected by Covid-19 – launch of XcytoMatic delayed

Unfortunately, we could not avoid that our product development became affected by Covid-19 as we had difficulties conducting external tests and interacting with potential customers. Likewise, the activity of our R&D department was affected by employees working from home. This meant that the launch of our new fully automatic cell counter, the XcytoMatic, was postponed and is now expected to be fully developed by the end of 2021. The instrument is targeted at the cell counting market, primarily within bioprocessing. We have great expectations that the XcytoMatic and the NC-202 will smooth our way into new lucrative areas in which we currently do not have a major presence – and at the same time increase sales to existing customers.

Developments in Europe back on track and sustained satisfactory growth in the US market

One of our significant focus areas in 2020/21 was to revitalise our sales efforts in Europe. Here, growth lagged behind our other markets for some time, but by strengthening our sales efforts and reorganising the sales organisation, we successfully took growth in Europe to a highly satisfactory level in the past year. With the new sales initiatives completed, we now have the right set-up to generate satisfactory results in the coming years as well.

In ChemoMetec's largest geographical market, USA/Canada, growth rates in the past year were lower than in previous years, and this development is caused by several issues. The USD rate was lower, many customers in the US market were hard hit by Covid-19 restrictions, and lastly, ChemoMetec's employees did not return fully to the office until in early April 2021. In light of these difficult conditions, growth was satisfactory.

We continue to see substantial growth potential in the US market, and in 2020/21, we therefore invested in and strengthened our US organisation. In the past year, we opened our second office in the USA, in San Diego, California, and our physical presence now gives us a strong platform for realising our growth ambitions both on the east and the west coast of the USA. In the coming year, we plan to strengthen our presence further by establishing a new sales office in Boston.

In the Rest of World region, overall revenue declined, but we saw reasonable trends in the important Chinese market. The devel-

opment in this region is not least attributable to Covid-19.

Focus on a sustainable platform

Now, we look forward to returning to more normal market conditions and operations as well as to paying more visits to existing and prospective customers.

In the coming year, we will continue investing in developing our organisation. We are aware that the current strong growth and our opportunities for achieving future profitable growth depend on the continued build-up of a sustainable platform which is robust and scalable in the longer term – and where we maintain the agility which is such a significant competitive parameter to us.

After a very unusual year, I would like to thank everyone at ChemoMetec for their strong commitment under difficult working conditions. Your efforts have been crucial for the success of ChemoMetec during a challenging period.

A big thank you also to our customers for their understanding, loyalty and valuable collaboration and to our shareholders for their continued support.

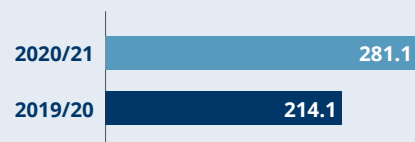
Steen Søndergaard
CEO

Highlights 2020/21

Revenue

DKKm

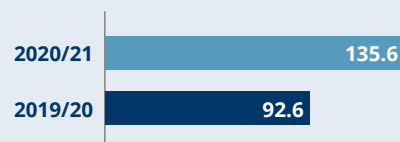
281.1 ^ 31%



EBITDA

DKKm

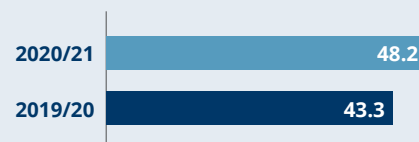
135.6 ^ 46%



EBITDA margin

%

48.2 ^ 4.9 percentage points



Product development

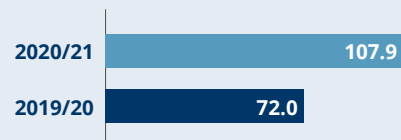
Our product development in the past year was focused on the upcoming high-speed cell counter, the XcytoMatic, as well as product upgrades and new applications for the NC-202.

The launch of the XcytoMatic has been postponed due to Covid-19, and the new instrument is now expected to be launched in late 2021.

Cash flow from operating activities

DKKm

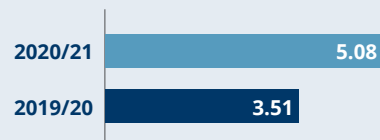
107.9 ^ 50%



Earnings per share

DKK

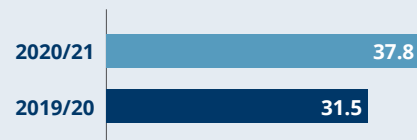
5.08 ^ 45%



Return on equity

%

37.8 ^ 6.3 percentage points



Guidance for 2021/22

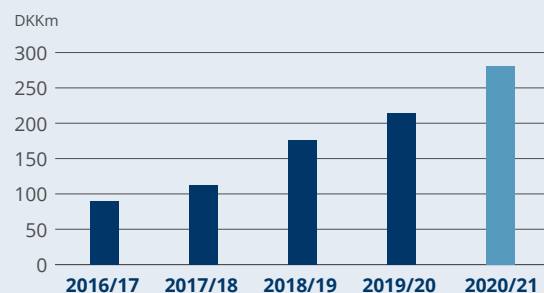
- For 2021/22, we expect revenue of DKK 316-326 million and EBITDA of DKK 150-155 million.
- Investment in e.g. product development, production facilities and intangible assets is expected to amount to approximately DKK 40 million.

Key figures and financial ratios

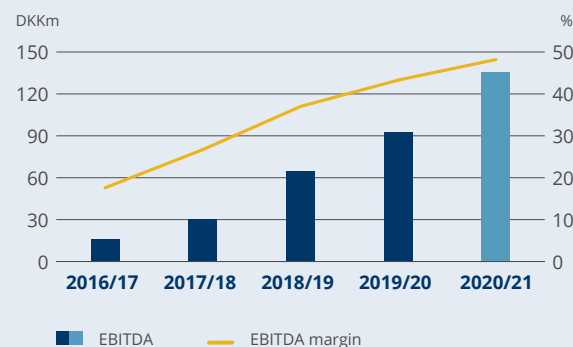
DKK'000	2020/21	2019/20	2018/19	2017/18	2016/17
Income statement					
Revenue	281,127	214,101	175,513	112,687	90,329
EBITDA	135,630	92,610	64,888	30,072	15,865
EBIT	116,023	77,470	54,079	24,284	10,419
Net financials	-3,290	-1,547	-368	-982	-1,767
Profit for the year	88,354	59,163	41,845	18,215	7,486
Comprehensive income	88,330	59,166	41,849	18,204	7,528
Balance sheet					
Assets	344,909	263,116	238,215	113,995	97,620
Net working capital	45,658	35,108	26,813	20,448	17,450
Invested capital	138,991	118,357	100,195	82,880	72,689
Equity	264,977	202,751	173,341	73,010	64,377
Net interest-bearing debt	-147,751	-94,650	-79,400	10,203	9,675
Cash flows					
- from operating activities	107,901	72,016	58,310	25,436	9,757
- from investing activities	-24,683	-26,605	-27,060	-16,462	-10,281
- from financing activities	-26,037	-46,260	57,779	-7,927	-355

	2020/21	2019/20	2018/19	2017/18	2016/17
Financial ratios					
EBIT margin (%)	41.3	36.2	30.8	21.5	11.5
EBITDA margin (%)	48.2	43.3	37.0	26.7	17.6
Tax rate (%)	21.6	22.1	22.1	21.8	13.5
Return on invested capital (%)	90.2	70.9	59.1	31.2	15.4
Revenue/Invested capital	2.0	1.8	1.8	1.4	1.2
Net interest-bearing debt/EBITDA	-1.1	-1.0	-1.2	0.3	0.6
Financial gearing	-0.6	-0.5	-0.5	0.1	0.2
Return on equity (%)	37.8	31.5	34.0	26.5	12.4
Average no. of employees	128	102	85	69	65
Share-related ratios					
Market price per share (DKK)	843.50	315.00	158.00	61.00	32.50
Earnings per share (DKK)	5.08	3.51	2.69	1.17	0.48
Book value per share (DKK)	15.2	11.7	10.0	4.2	3.7
Dividend paid per share	1.50	20.50	-	-	-

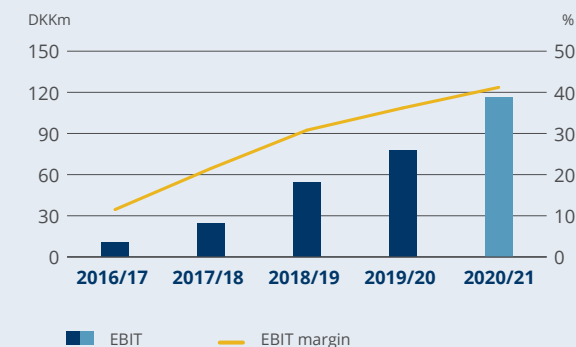
Revenue



EBITDA and EBITDA margin



EBIT and EBIT margin



Our business model

ChemoMetec's business model reflects our objectives of developing and improving analytical measuring techniques within cell counting and analysis as well as establishing close long-term relationships with customers and end-users.

Through many years' targeted efforts to develop high-quality solutions within cell counting and analysis, ChemoMetec has built a strong market position and international presence.

We endeavour to run our business on a sustainable basis and create a solid foundation for future value creation for the benefit of ChemoMetec, our customers, partners, employees and shareholders as well as society at large.

Resources

- Know-how and expertise
- Patented technology platform
- Insights from customers, partners and experts
- Capital and production facilities

Core business



Value creation

- Approx. 7-8 million cell counts and analyses annually
- Effective solutions as well as competent advice and support to our customers
- Danish and international jobs
- About 150 employees, who are offered challenging and meaningful jobs as well as the opportunity for personal and professional development
- Significant export revenue – export share of more than 95%
- Shareholder return
- Tax payments by the employees and ChemoMetec

Our markets

Cell counting and analysis are used in a broad range of areas, and ChemoMetec's analytical equipment is used in all of these areas – in both private and public businesses and across companies' value chains from research to production.

ChemoMetec's most important market is *cell-based therapy*, but with the launch of the NC-202 last year and the XcytoMatic later in 2021, we expect that production and process control within *bioprocessing* will also play a key role.

The markets which ChemoMetec addresses are estimated to grow overall in the range of 5-7% annually, and this provides a good basis for achieving future growth. In some sub-segments of the market, however, we see significantly higher growth rates, e.g., in *cell-based therapy*, a market that did not exist only a few years ago.

Overall, growth in the cell counter market is driven by, for instance, increased focus on cell-based research and therapies, higher incidence of chronic diseases and infectious diseases as well as increasing investments and production in the biotech and pharmaceutical industry. Moreover, the development of improved cell counting solutions, including better image analysis, helps drive growth.

During the past seven years, ChemoMetec has generated annual organic growth of around 30% on average, and this growth was primarily driven by new market shares. ChemoMetec's global market share within cell counting is estimated at 15-25%, ranking ChemoMetec among the three largest players in the global market. It should be noted, however, that the figures are subject to great uncertainty as it is difficult to obtain accurate data for market size and growth rates in the global cell counting market.

In the coming years, ChemoMetec expects to be able to win additional market share and thus to outgrow the market.

Cell counter market – ChemoMetec's presence and application of ChemoMetec's products*

Customer segments	Typical areas of application for ChemoMetec's products
Research and development (private and public)	<ul style="list-style-type: none"> • Cell-based therapy • Gene therapy • Stem cell research
Hospitals and laboratories	<ul style="list-style-type: none"> • Cell-based therapy • Gene therapy
Pharmaceutical and biotech companies	<ul style="list-style-type: none"> • Cell-based therapy • Gene therapy • Production and process control (bioprocessing)
Other, including manufacturing companies	<ul style="list-style-type: none"> • Analysis of animal semen • Production and process control of beer

* The above overview is not exhaustive, but includes the most important areas in which ChemoMetec is present.

Market trends

The ever-growing demands of customers in ChemoMetec's business areas in terms of precision, quality and well-documented processes place ChemoMetec's high-quality analytical instruments in a favourable position and entail attractive partnership opportunities.



Among the trends supporting our business model and growth opportunities are the following:

Stricter compliance and process documentation requirements

- ChemoMetec's analytical equipment is typically used in areas subject to strict compliance with both internal and external requirements (e.g. FDA CFR21 Part 11). The same applies to documentation of processes and the overall workflow. Thus, there is a great demand for analytical equipment with the right specifications and which, using the fewest possible resources, can be validated and interact with other parts of a customer's given workflow.
- In connection with the approval of *cell-based therapies*, the overall workflow often needs to be approved, and this means that the individual parts, including the instruments used for cell counting, must subsequently remain the same. It is very costly and complex to change analysis methods after an overall approval has taken place.
- In line with the growing requirements for compliance and documentation, many customers within ChemoMetec's business areas generally allocate more resources for cell counting – with the specific aim of ensuring compliance and documentation.

Calls for digitalisation and automation of analytical processes

- Analytical processes are typically time-consuming and resource-intensive, which is why there is a great demand for analytical equipment that can perform analyses fast, automatically and with a high degree of accuracy. In addition, there is a growing need for both digitalisation and automation of the overall workflow in connection with analytical processes, and this entails a demand for analytical equipment which is easily integrated into the overall workflow. In this connection, variants of the XcytoMatic are intended to become a part of the fully automated solutions.

Development of new therapies, including cell-based therapy

- The life science industry consistently seeks to develop new therapies aimed at a wide range of diseases – an example is “personalised medicine”, a rapidly developing area. The therapies in this field include cell-based therapies and gene therapy. A common feature of the two therapies is that they require cell counting both during the development process and when the therapies subsequently come into use.

Our products

Our analytical equipment comprises analytical instruments and related consumables for storing and preparing cell samples.

In principle, the instruments are built around a fluorescence microscope with a built-in camera, and the images are analysed automatically by proprietary software.

The consumable, which may be a disposable cassette or counting chamber, is placed in the instrument where the actual measurement takes place with one or more images being taken of the prepared sample through a measurement window in the cassette or counting chamber. The disposables ensure customers a particularly user-friendly workflow and a very robust analysis concept.

Furthermore, ChemoMetec offers its customers a range of other services and solutions, including software, test kits, reagents/excipients, licences for assays, installation and service contracts.

ChemoMetec's solutions



Our unique cassette plays a key role

Our disposable cassette for the NucleoCounter instruments is a key factor of our success within cell counting.

Cell samples to be analysed are sucked directly into the cassette. Dyes are not added manually, because they are deposited within the cassette during production.

The cassette containing the cell sample is then placed in the NucleoCounter instrument and the rest of the analysis is performed automatically. The cell count results are available after a short while, and the software used to control the entire process is compliant with the strict FDA requirements for handling digital data.

This is a more simple and more precise concept than the ones used by competing cell counters, and it eliminates many of the factors typically causing measurement variations and inconsistencies by calibrating all cassettes individually during the production process. Moreover, the cassette increases safety for the user, partly because the dyes are sealed in the cassette, and partly because we do not use trypan blue, a potentially cancer-causing dye which many competitors are using.

Our most important analytical instruments:



NucleoCounter NC-202

The NC-202 is an upgraded version of the NC-200, and the product is based on the advanced Xcyto technology. This means, among other things, that we can offer our customers one cell counting protocol for all mammalian cell types, an analysis time of around 25 seconds per analysis, improved screen display as well as the option to optimise workflows and process control.



NucleoCounter NC-200

The NC-200 offers fast and simple cell counting that can be performed using only one cassette without manual addition of either dye or auxiliary reagents. In addition, the analyses provide information on average cell sizes and cell clumping.



NucleoCounter NC-250

The NC-250 is a competitive top-of-the-line product offering fast and cost-effective high-precision cell counting. In addition to cell counting, the NC-250 can also perform cell cycle analysis.

The NC-250 uses disposable counting chambers made of glass with two or eight chambers.



NucleoCounter NC-3000

The NC-3000 is an easy-to-operate, flexible analysis platform that may be used both for cell counting and various types of cell analysis, e.g. analysis of cell cycle and programmed cell death. In contrast to flow cytometers, the NucleoCounter NC-3000 makes it possible to qualify the analytical results by way of a visual inspection of the captured images of cells.

Business performance in 2020/21

ChemoMetec grew its revenue by 31% in 2020/21 from DKK 214.1 million to DKK 281.1 million despite the extraordinary market conditions caused by Covid-19. EBITDA increased from DKK 92.6 million to DKK 135.6 million, a 46% increase. As in previous years, growth was primarily driven by increasing sales within cell therapy in all key geographies. Sales of the new cell counter, the NC-202, maintained momentum, more than quadrupling in the past year. The upcoming cell counting product, the XcytoMatic, is expected to be released for sale at the end of 2021.

Sales performance and market developments

ChemoMetec's customers, the relations to customers and the possibilities for carrying out normal sales activities were impacted by Covid-19 throughout the financial year 2020/21.

As a result of Covid-19, many customers closed their laboratories for extended periods, while other customers, e.g. within *cell-based therapy*, generally continued their activities. Some customers even stepped up their activities, for example customers engaging in vaccine development.

At the same time, physical customer meetings were largely replaced by online meetings – even after laboratories reopened.

Covid-19 affected our customers to varying degrees – but we generated 31% growth.

At the beginning of the financial year, the Covid-19 situation created great uncertainty about the severity of the impact on our growth opportunities and revenue. In this connection, it was an advantage to ChemoMetec that our most important customers in the private sector were not as severely hit as the laboratories of the academic environment, which were completely closed down in many countries. Moreover, our sales organisation quickly and effectively switched to digital solutions and established new customer service solutions.

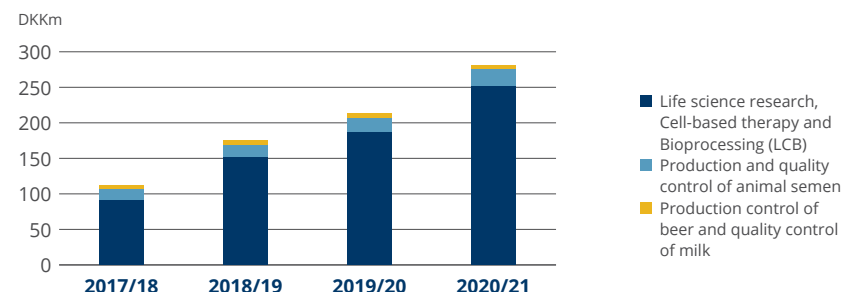
It is not possible to determine the effect of Covid-19 on revenue as the pandemic had both positive and negative effects. However, it is a fact that ChemoMetec experienced good progress in the financial year 2020/21. Revenue was up by DKK 67.0 million to DKK 281.1 million, a 31% increase. ChemoMetec's revenue growth significantly outperformed the estimated global market growth of 5-7%, and we thus continued to win market share in the cell counting area in the past year. Sales of instruments were up by 20%, while sales of consumables grew by 29%. This development is satisfactory for a year marked by Covid-19. Revenue from the service business, comprising service contracts and installations, surged by 220% in 2020/21 to amount to

Service contracts now account for 10% of revenue and are expected to grow further in the coming years.

DKK 28.4 million, corresponding to 10% of revenue. Service contracts for the NC-200 and the NC-202 were introduced only a few years ago, and this part of the business has shown a very positive trend. Revenue from service contracts is expected to account for an increasing proportion of ChemoMetec's business in the years ahead.

Most of our revenue, 90%, derives from the LCB market (Life science research, Cell-based therapy and Bioprocessing). The

Breakdown of revenue by business area



remaining 10% of revenue derives partly from the semen analysis market, partly from the markets for counting brewing yeast and somatic cells in milk.

As in the preceding financial years, revenue growth was primarily driven by a significant increase in sales of cell counting products in the part of the LCB market (previously referred to as LCF) that comprises *cell-based therapy*. ChemoMetec's revenue in this field primarily comprises NC-200 cell counting products, but sales of our latest cell counting product, the NC-202, show good progress.

The NC-202 cell counter was generally well received in the market. Sales of instruments in the past financial year more than quadrupled, and additional growth is expected in the coming financial year.

As in the 2019/20 financial year, only limited sales and marketing resources were allocated to the Xcyto products in the 2020/21 financial year. One reason for this is that we have decided to give top priority to sales of our cell counting products as this area is currently estimated to hold

The latest cell counter, the NC-202, has been well received, and sales more than quadrupled in 2020/21.

the most attractive potential and also to be more profitable.

With a view to supporting ChemoMetec's overall growth, we continued our efforts to strengthen and adjust the organisation in 2020/21, both in Denmark and globally. The number of employees at the head office in Allerød increased by 34 full-time employees from 74 to 108, while in ChemoMetec overall we saw a net increase of 40 full-time employees from 107 to 147. The number of employees at the international offices amounted to 40 at the end of the financial year, 30 of which were employed in the US subsidiary.

In the past year, we once again spent substantial resources on marketing ChemoMetec's products. The main purpose is to generate more leads for our sales staff and distributors. The efforts primarily target electronic media, e.g. LinkedIn-based cam-



paigns, Google SEO optimisation, online webinars and direct marketing campaigns. These web-based activities will play an increasingly important role, and not least in connection with Covid-19, digital solutions were often the only way ChemoMetec could communicate with both prospective and existing customers.

During the past seven years, ChemoMetec has generated annual organic growth of around 30% on average, and this growth was primarily driven by new global market shares in the cell counting area. ChemoMetec's global market share within cell counting is estimated at around 15-25%, ranking us among the three largest players in the global market.

*During the past seven years,
ChemoMetec has
generated annual revenue
growth of around 30%
– which reflects that we
have won market share.*

The upcoming cell counting products belonging to the XcytoMatic family are expected to contribute positively to the future revenue performance. The first XcytoMatic product is expected to be released for sale in late December 2021.

Focus areas in 2021/22

ChemoMetec's goal is to create a basis for continued growth and strong earnings through in-depth insight into customer needs, continued strengthening of our state-of-the-art technological platform as well as best-in-class customer support.

In the coming financial year, focus will mainly be on the following areas.



Customers and markets

- Continued strengthening of our customer relationships by, e.g.:
 - Great proximity to our customers via a physical presence in main markets and close dialogues about our customers' wishes and needs
 - Increased sales of service contracts
 - Optimising the use of digital solutions, for e.g. meetings and ongoing servicing
- Increased sales to existing customers, e.g. by way of sales to more functions of the individual businesses
- Focus on the *bioprocessing* market with the upcoming cell counting product, the XcytoMatic
- Opening of new sales office in Boston
- Attracting new customers, including newly started businesses within *cell-based therapy*



Products and innovation

- Continued positioning of the NC-202, the latest cell counting instrument
- Completion of the XcytoMatic, the new high-speed cell counter, and subsequent launch
- Increasing focus on developing software that may contribute to automation and efficiency improvements among customers who are typically subject to high standards with respect to documentation and quality control
- Investing in new competencies to sustain innovation
- Upgrading and optimising our production technology with a view to improving efficiency and production capacity and reducing resource consumption

Growth in our activities entails a need for an ongoing strengthening of the foundation on which ChemoMetec is built. Consequently, we maintain a strong focus on strengthening and consolidating the entire organisation to ensure it can keep pace and is well prepared to support ChemoMetec's further development.

Case: Development of vaccine

ChemoMetec supports projects within the development of Covid-19 vaccines

While a number of our customers were affected by Covid-19 lockdowns, especially one group, those engaged in the development of Covid-19 vaccines and treatment of Covid-19, experienced an extraordinarily high level of activity.



Ali Salanti, professor at the University of Copenhagen and head of the team of researchers who developed the Danish vaccine candidate "ABNCoV2".

ChemoMetec has supplied equipment for several Covid-19 projects, one of which concerns the development of the Covid-19 vaccine "ABNCoV2" and is led by a team of researchers at the University of Copenhagen together with the companies AdaptVac, Expres2ion Biotechnologies and Bavarian Nordic.

"We are proud to support one of Europe's leading teams of researchers working on developing vaccines against Covid-19. We have made an NC-202 instrument available to the project so that they do not have to perform time-consuming manual cell counts. This means they can use their resources on the actual vaccine development and thereby realise their goals faster",

says Steen Søndergaard, CEO of ChemoMetec.

The vaccine is being developed according to the same principle as the HPV vaccine and has shown a very strong immune response in animals and humans. The research team

hopes for a "full response", which will prevent the virus from entering the body, and potentially, the vaccine may also give a very long-standing response, which will make humans immune to the virus and virus variants for a longer period of time – potentially for many years.

"We are extremely excited about the phase 1 results of our new Covid-19 vaccine. The vaccine was developed under considerable time pressure, and I would like to thank everyone who contributed to the preclinical vaccine development, including ChemoMetec who made an NC-202 cell counter available to the project",

says Ali Salanti, professor at the University of Copenhagen and head of the team of researchers who developed the Danish vaccine candidate.

Bavarian Nordic will continue the development of the vaccine candidate and has planned a phase 2 trial later in 2021 with up to 210 human subjects.

Source: https://www.carlsbergfondet.dk/da/Nyheder/Nyt-fra-fondet/Nyheder/Danskudviklet-Covid19_vaccine-viser-flotte-resultater-i-foerste-forsoeg-i-mennesker

Case: Bioprocessing

Stronger product portfolio opens up new opportunities

In recent years, we have significantly strengthened our market position within cell counting. With the recent launch of the NC-202 cell counter and the upcoming launch of the high-speed cell counter, the XcytoMatic, we will be able to enter new business areas – and get an opportunity to serve our customers across the entire value chain, which often comprises research, product development, process development, production and quality control.

Bioprocessing will be a special focus area for us in the period ahead, and we will particularly target the area comprising production of antibodies and proteins for use in pharmaceuticals – a rapidly growing area owing to the development of more and more new therapies within this field. In principle, cellular therapy may also be included under bioprocessing, and we have already built a unique position in this field.

There is a great need for cell counting and viability determination within *bioprocessing*, an area involving work with living cells. Analysis capacity, faster analysis, stability of the measuring equipment as well as simplified and safe workflows are key parameters to our customers in this market area. Moreover, customers need to be able to handle data electronically and to automate their data flows as substantial resources are required to meet various documentation requirements and generally to meet the requirements for GMP production (GMP: Good Manufacturing Practice, the common quality standard within the production of pharmaceuticals).

With the NC-202 and especially the XcytoMatic, we can meet customers' needs in the above-mentioned areas, and we aim to build a new attractive business area within *bioprocessing* over the course of a few years.



Statement of comprehensive income

DKK'000	2020/21	2019/20
Revenue	281,127	214,101
Work performed by the entity and capitalised	9,547	8,563
Change in inventory of finished goods and work in progress	-5,001	-5,595
Cost of goods sold	-32,329	-23,150
Gross profit	253,344	193,919
Other external costs	-23,441	-25,728
Staff costs	-94,273	-75,581
Depreciation, amortisation and impairment	-19,607	-15,140
EBIT	116,023	77,470
Other financial income	920	47
Financial expenses	-4,210	-1,594
Profit before tax	112,733	75,923
Tax on profit for the year	-24,379	-16,760
Profit for the year	88,354	59,163
Earnings per share in DKK		
Earnings per share (EPS)	5.08	3.51
Diluted earnings per share (EPS-D)	5.08	3.51
Statement of comprehensive income		
Profit for the year	88,354	59,163
Other comprehensive income:		
Foreign exchange adjustment of foreign subsidiaries	-24	3
Comprehensive income for the year	88,330	59,166

Balance sheet at 30 June 2021

DKK'000	2020/21	2019/20
Assets		
Completed development projects	32,704	28,398
Acquired patents and licences	2,269	2,787
Development projects in progress	22,911	20,198
Intangible assets	57,884	51,383
Land and buildings	24,172	20,550
Plant and machinery	11,692	14,630
Other fixtures and fittings, tools and equipment	6,632	6,758
Property, plant and equipment in progress	-	1,423
Property, plant and equipment	42,496	43,361
Deposits	172	111
Financial assets	172	111
Non-current assets	100,552	94,855
Inventories	30,113	25,112
Trade receivables	50,644	35,441
Other receivables	12,005	7,837
Income tax	-	1,059
Prepayments	1,486	1,871
Receivables	64,135	46,208
Cash and cash equivalents	150,109	96,941
Current assets	244,357	168,261
Assets	344,909	263,116

DKK'000	2020/21	2019/20
Equity and liabilities		
Share capital	17,402	17,402
Other reserves	247,575	185,349
Equity	264,977	202,751
Deferred tax	5,757	10,425
Other provisions	1,290	1,070
Lease liabilities	912	1,190
Non-current liabilities	7,959	12,685
Lease payments	854	677
Credit institutions	592	424
Trade payables	8,710	8,427
Income tax	21,937	11,426
Contractual obligations	18,634	9,207
Other payables	21,246	17,519
Current liabilities	71,973	47,680
Liabilities	79,932	60,365
Equity and liabilities	344,909	263,116

Statement of changes in equity

DKK'000	Share capital	Translation reserve	Retained earnings	Proposed dividend	Total
Equity at 01/07/2020	17,402	14	159,231	26,104	202,751
Profit for the year	-	-	18,744	69,610	88,354
Foreign exchange adjustments	-	-10	-14	-	-24
Comprehensive income	-	-10	18,730	69,610	88,330
Sale of treasury shares	-	-	-	-	-
Distributed dividend	-	-	-	-26,104	-26,104
	-	-	-	-26,104	-26,104
Equity at 30/06/2021	17,402	4	177,961	69,610	264,977

DKK'000	Share capital	Translation reserve	Retained earnings	Proposed dividend	Total
Equity at 01/07/2019	17,402	386	108,293	47,260	173,341
Profit for the year	-	-	33,059	26,104	59,163
Foreign exchange adjustment of foreign subsidiaries	-	-372	375	-	3
Comprehensive income	-	-372	33,434	26,104	59,166
Sale of treasury shares	-	-	318,377	-	318,377
Distributed dividend	-	-	-300,873	-47,260	-348,133
	-	-	17,504	-47,260	-29,756
Equity at 30/06/2020	17,402	14	159,231	26,104	202,751

Cash flow statement

DKK'000	2020/21	2019/20
EBIT	116,023	77,470
Depreciation, amortisation and impairment	19,607	15,140
Financial income	88	47
Financial expenses	-918	-1,189
Income tax paid	-16,569	-11,634
Changes in working capital	-10,330	-7,818
Cash flow from operating activities	107,901	72,016
Purchase, etc. of property plant and equipment	-11,249	-14,288
Disposal of property plant and equipment	-	129
Purchase, etc. of intangible assets	-13,373	-12,446
Addition of investments	-61	-
Cash flow from investing activities	-24,683	-26,605
Debt financing:		
Lease payments	-854	-809
Addition of lease assets	753	2,676
Repayment to mortgage credit institutions	-	-17,982
Raising/repayment of debt to credit institutions	168	-389
Shareholders:		
Distributed dividend	-26,104	-356,751
Dividend, treasury shares	-	8,618
Sale of treasury shares	-	318,377
Cash flow from financing activities	-26,037	-46,260
Change in cash and cash equivalents	57,181	-849
Cash and cash equivalents 01/07/2020	96,941	98,195
Foreign exchange adjustment of cash and cash equivalents	-4,013	-405
Cash and cash equivalents 30/06/2021	150,109	96,941
Cash and cash equivalents composed as follows:		
Cash	150,109	96,941
Credit institutions	-	-
Cash and cash equivalents 30/06/2021	150,109	96,941

Segment information

Revenue by geographical market

DKK'000	Europe	USA/ Canada	Other	Total
2020/21				
Instruments	50,372	63,653	22,613	136,638
Consumables	39,989	56,492	15,554	112,035
Service contracts	9,015	18,992	397	28,404
Other	1,193	2,428	429	4,050
	100,569	141,565	38,993	281,127
2019/20				
Instruments	32,073	59,445	22,762	114,280
Consumables	29,174	45,402	12,319	86,895
Service contracts	2,970	5,751	142	8,863
Other	2,178	1,494	391	4,063
	66,395	112,092	35,614	214,101

Breakdown of revenue by business area

DKK'000	LCB market	Production and quality control of animal semen	Production control of beer and quality control of milk	Total
2020/21				
Instruments	131,185	4,309	1,144	136,638
Consumables	89,169	18,523	4,343	112,035
Service contracts	28,404	-	-	28,404
Other	3,037	810	203	4,050
	251,795	23,642	5,690	281,127
2019/20				
Instruments	109,901	2,990	1,389	114,280
Consumables	66,416	16,080	4,399	86,895
Service contracts	8,863	-	-	8,863
Other	786	1,496	1,781	4,063
	185,966	20,566	7,569	214,101



This extract contains information and data taken from the ChemoMetec Annual Report 2020/21. It does not constitute the official version of the document filed with the Danish authorities. The full version of the ChemoMetec Annual Report 2020/21 in Danish serves as the official version of the ChemoMetec Annual Report 2020/21 in accordance with the requirements of the Danish authorities.

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