Interim Report

First nine months of 2020, BioPorto Group

November 18, 2020
Announcement no. 21

BioPorto A/S
Tuborg Havnevej 15
DK-2900 Hellerup
CVR DK-17500317

Highlights

BioPorto will this week initiate patient enrollment for trial of its COVID-19 rapid test

In April 2020, BioPorto deployed an accelerated process to develop an accurate, rapid, point-of-care test for SARS-CoV-2, the virus that causes COVID-19.

The development process has progressed well in the past several months, and in an important advancement, BioPorto will begin collection of patient samples at the University of California, Davis this week. These samples are expected to be collected and analyzed by the end of December. The data from this analysis will form an essential part of the Company's application for Emergency Use Authorization (EUA), which BioPorto is planning to submit to the US Food and Drug Administration (FDA).

Provided the clinical study is completed according to plan and the EUA is granted, BioPorto expects to be able to initiate commercialization in the beginning of 2021.

Analytical studies for The NGAL Test™ application on track, but COVID-19 slows clinical enrollment

BioPorto announced the first patient enrollment for its US pediatric clinical trial of The NGAL Test™ in June 2020. Since then, leading US children's hospitals have continued enrolling patients in the study, and BioPorto has conducted analytical studies according to the Company's plan. However, the global second wave of SARS-CoV-2 infections has restricted BioPorto's access to hospitals and limited the health care system's ability to process and conduct studies according to the originally anticipated schedule. As a result, BioPorto expects to finalize patient enrollment, complete the data analysis and submit a De Novo application to the FDA in Q1 2021, based on the current outlook for the COVID-19 pandemic.

Product sales of The NGAL Test grew by 58% year-to-date

In Q3 2020, revenue generated by sales of The NGAL Test was up 17% compared to Q3 2019. After very strong performance of Research Use Only (RUO) sales in the US in the first half of 2020, US sales in Q3 2020 grew by 2% versus the prior year's Q3, and were up 28% over Q2 2020. In Q3 sales in the Rest of the World (ROW) increased by 80%.

In total, product sales of The NGAL Test in the first nine months of 2020 increased by 58% YoY to DKK 9.8 million, demonstrating that interest in NGAL continues to expand worldwide.

CE Mark of NGALds for near-patient testing expected at the end of 2020

BioPorto expects to self-declare in the EU (CE Mark) its novel gRAD-based test for near-patient measurement of NGAL by late-2020. BioPorto will immediately thereafter initiate commercialization of the test in select countries through established distribution channels.

BioPorto completes fully guaranteed Rights Issue with net proceeds of DKK 93.6 Million

In September 2020, BioPorto initiated a fully guaranteed Rights Issue of 66,645,467 new shares with pre-emptive subscription rights for existing shareholders. The fully guaranteed and highly oversubscribed Rights Issue was successfully completed in October 2020 and yielded net proceeds of DKK 93.6 million. The cash will be allocated to finance the company's operations until October 2021 and to the further development of both NGAL products and the gRAD platform, including the development of tests for new indications.

Guidance for 2020 maintained

BioPorto maintains its financial guidance for 2020, as most recently described in the Interim Report for the second quarter of 2020. Revenue of approximately DKK 30 million is expected in 2020. An operating loss (EBIT) of approximately DKK 73 million is forecast for the year.

Peter M. Eriksen, CEO, Commented:

"I am happy with the operational execution of the organization in Q3 2020. We maintained a solid momentum on sales of The NGAL Test – even compared to a very strong Q3 last year – and saw growth in product driven sales of the test of 58% year to date over the same period last year. This clearly shows that revenue from the test has not been affected by COVID-19. In Q3 2020, we also showed strong progress in the development of new rapid tests on the gRAD platform. We are pushing hard to take the COVID-19 test to trials in Q4 2020 and anticipate generating revenue from this promising viral antigen test early in 2021.

During the quarter, we started enrolling patients in a pediatric clinical trial in the US for the De Novo application to the FDA for The NGAL Test. As we are facing restricted access to hospitals due to the global second wave of COVID-19, we have seen the pace of enrollment slow. This will delay the enrollment completion to Q1 2021.

Finally, we initiated the largest fundraising campaign in BioPorto's history in Q3 2020 through a fully guaranteed Rights Issue. I am very satisfied with the significant interest and support received from investors which resulted in an oversubscribed issue that was completed in October 2020 with net proceeds of DKK 93.6 million. This means we have capitalized BioPorto to enable us to execute on an ambitious strategic trajectory with several critical milestones ahead of us the next 12 months."

Investor meeting

In connection with the release of the Interim Report for the nine months of 2020, BioPorto will host an online investor presentation on November 18, 2020 at 15:00 CET in Danish and at 16:00 CET in English. For further information regarding the online investor meeting, please visit https://bioporto.com/investor-relations.

Financial Highlights

	2020 3rd quarter DKK million	2019 3rd quarter DKK million	2020 9 months DKK million	2019 9 months DKK million	2019 12 months DKK million
Revenue	4.7	6.6	15.7	20.0	26.6
Production costs	(1.8)	(1.9)	(6.0)	(6.8)	(9.3)
Sales and marketing costs	(5.2)	(13.3)	(16.0)	(29.8)	(39.3)
Research and development costs	(9.6)	(8.7)	(24.1)	(18.3)	(24.6)
Administrative costs	(5.9)	(6.8)	(20.3)	(22.8)	(27.8)
Operating profit/loss (EBIT)	(17.7)	(24.0)	(50.8)	(57.7)	(74.3)
Financial items, net	(1.0)	0.8	(1.5)	0.5	0.1
Operating profit/loss before tax	(18.7)	(23.2)	(52.3)	(57.1)	(74.2)
Profit/loss for the period	(17.3)	(21.7)	(48.1)	(53.9)	(69.6)
Total comprehensive income	(16.4)	(21.9)	(46.9)	(54.1)	(70.0)
Non-current assets			16.7	7.4	8.2
Current assets			41.3	52.9	34.5
Total assets			58.1	60.2	42.7
Equity			19.0	40.6	25.3
Non-current liabilities			10.3	1.2	2.5
Current liabilities			28.8	18.4	14.9
Total equity and liabilities			58.1	60.2	42.7
Cash flows from operating activities			(27.5)	(45.8)	(60.2)
Cash flows from investing activities, net			(1.1)	(0.9)	(2.1)
Of which investment in property, plant and equipment			(1.0)	(0.5)	(0.6)
Cash flows from financing activities			35.0	34.2	33.6
Total cash flows			6.4	(12.6)	(28.6)
Revenue growth	(28%)	24%	(22%)	17%	2%
Gross margin	63%	71%	62%	66%	65%
Equity ratio (solvency)	33%	67%	33%	67%	59%
Average number of employees	28	36	27	34	34
Number of shares by the end of the period (1,000)	199,936	174,994	199,936	174,944	174,944
Earnings per share (EPS), DKK	(0.09)	(0.12)	(0.24)	(0.32)	(0.41)
Net asset value per share, period-end, DKK	0.09	0.23	0.09	0.23	0.14
Share price, period-end, DKK	4.01	2.76	4.01	2.76	2.93

Management Review

Important step taken to bring a rapid point-of-care test for COVID-19 to market

Early in the COVID-19 pandemic, BioPorto identified an opportunity to leverage its Generic Rapid Assay Device (gRAD) platform to develop a point-of-care rapid test for SARS-CoV-2, the virus that causes COVID-19. In an accelerated development program, the Company partnered with Southern Danish University (SDU) to create novel antibodies that could be used in an instrument-free lateral flow test based on gRAD technology.

During the course of Q2 and Q3, development progress has been significant, with combinations of antibody pairs optimized, prototypes developed and promising results shown using both ELISA and gRAD formats. Furthermore, BioPorto has entered into an agreement with a European supplier for validation testing and production of the first batches of the new COVID-19 test.

In an important next step, BioPorto will begin collection of patient samples at the University of California, Davis this week. The Company expects to collect approximately 150 samples, with analysis planned for completion by the end of December. This data will form an essential part of an anticipated application to the FDA for the Emergency Use Authorization (EUA).

Provided the clinical study is finalized according to plan and the EUA is granted, BioPorto expects to initiate commercialization in the beginning of 2021.

Solid sales momentum from The NGAL Test continues – year-to-date revenue grows 58%

In Q3 2020, revenue generated by sales of The NGAL Test was up by 17% compared to Q3 2019. After very strong performance on RUO sales from the US in the first half of 2020, sales in Q3 2020 were up 2% over Q3 2019, and up 28% from the prior quarter. In the same period, ROW sales increased by an impressive 80% over the prior year's Q3.

During the first nine months of 2020, total product sales from The NGAL Test increased to DKK 9.8 million – a 58% increase over the same period in 2019. RUO sales in the US grew by 44%, while revenue from product sales of The NGAL Test in ROW was up by 75%. The growth is satisfactory and in line with expectations, as interest for NGAL as a biomarker for Acute Kidney Injury (AKI) is expanding worldwide.

Enrollment in The NGAL Test clinical study slowed as a second wave of COVID-19 limited access to hospitals

After the start of enrollment for the US prospective clinical study for The NGAL Test was delayed by the late winter/spring COVID-19 outbreak, BioPorto announced the first patient enrollment in the trial in June 2020.

Over the past several months, leading US children's hospitals have continued enrolling patients in this clinical trial, and BioPorto has conducted the planned analytical testing that is required for a De Novo application to the FDA.

While the global second wave of patients with SARS-CoV-2 emphasizes the need for better COVID-19 tests, the pandemic's steep rise in the US has also restricted clinical trial access and slowed hospitals' ability to meet typical study enrollment expectations. The pattern, seen also during the early COVID-19 outbreak, causes enrollment to be slower than planned. As a result, BioPorto now expects to finalize patient enrollment, complete the data analysis and submit the De Novo application to the FDA in Q1 2021.

CE-mark for NGALds for near-patient testing anticipated in 2020

In Q3, BioPorto has continued the development of a test for rapid, semi-quantitative determination of NGAL levels, based on the Company's gRAD platform.

The gRAD platform is a lateral flow test development platform which enables the development of rapid tests to provide results in less than 15 minutes, without the need for instrumentation or complex user training.

Based on testing in at least one early study, results from the NGALds have shown 100% sensitivity and 89.3% specificity at the 300 ng/mL cutoff, compared to results obtained with laboratory-based product, The NGAL Test. These results provide a strong indication of the potential accuracy that this novel near-patient test may offer for settings outside the hospital, such as in physician offices, or urgent care clinics.

To leverage the exciting potential of new applications for the NGAL biomarker, BioPorto expects to file and obtain a self-declaration (CE Mark) for the NGALds in Europe before year-end. Immediately following this filing, the Company intends to initiate commercialization of the test in select countries via established distribution channels.

As expected, antibodies and ELISA kits represent a smaller share of BioPorto's portfolio

Continuing the trend seen in the first half of 2020, Q3 revenue from antibody and ELISA kits sales decreased as BioPorto continued to focus exclusively on the company's own portfolio of over 150 monoclonal antibodies.

Revenue from sales of antibodies in the first nine months of 2020 totaled DKK 4.4 million compared to DKK 8.1 million in the same period in 2019. Sales of ELISA kits were DKK 1.1 million in the first nine months of 2020, compared to DKK 3.9 million last year. The decline is due to the phasing out of the MBL ELISA kits from the BioPorto catalog, as discussed in prior Company reports.

Successful completion of fully guaranteed and oversubscribed Rights Issue with DKK 93.6 Million in net proceeds

To strengthen its financial position, in September 2020 BioPorto announced the initiation of a Rights Issue with pre-emptive subscription rights for existing shareholders. In total, 66,645,476 new shares with a nominal value of DKK 1 each were offered at a subscription price of DKK 1.60 per new share, making the offering the largest in BioPorto's history.

BioPorto had received advance subscription commitments and guaranteed undertakings from existing shareholders, institutional investors, and qualified investors for all of new shares offered, guaranteeing aggregate gross proceeds of approximately DKK 106.6 million with net proceeds of DKK 93.6 million.

At the end of the subscription period on October 13, 2020, 97.5% of the new shares had been subscribed for by the exercise of pre-emptive subscription rights. Furthermore, BioPorto had received additional

subscription forms causing the Rights Issue to be considerably oversubscribed. The remaining new shares not subscribed for by exercise of preemptive subscription rights were allocated on a discretionary basis.

The 66,645,476 new shares were admitted to trading and official listing on Nasdaq Copenhagen with first day of trading on October 22, 2020. After the completion of the offering, BioPorto's share capital was increased by DKK 66,645,476. The nominal value of the company's total share capital amounts to DKK 266,581,904 divided into 266,581,904 shares each carrying 1 voting right.

BioPorto expects to apply cash at hand and net proceeds from the offering to finance the company's operations until October 2021, and to further develop NGAL, which includes building the US organization to prepare for a potential FDA clearance, and supporting NGAL's clinical development, including costs for a clinical trial and submission to FDA for an adult NGAL application. Furthermore, BioPorto will apply funding to develop the gRAD platform, including developing tests for new indications using this flexible technology.

Related Party Transactions

Certain members of the Board of Directors and members of BioPorto's management participated in the Company's Rights Issue completed on October 21, 2020. In total, they acquired 531,309 new shares at a price of DKK 1.60 per share totaling DKK 850,094 as specified in Company announcement no. 20/2020 dated October 21, 2020.

Certain Members of the Board of Directors and Members of Corporate Management participated in the Company's rights issue completed on April 15, 2020. In total they acquired 285,486 new shares at a price of DKK 1.60 per share totalling DKK 456,778 as specified in Company announcement no. 11/2020 dated April 15, 2020.

Financial Calendar for 2021

Date:	Description:
March 17	Deadline for shareholder proposals – Annual General Meeting
March 17	Annual Report 2020
April 29	Annual General Meeting
May 12	Interim report – for the three-month period ended March 31, 2021
August 18	Interim report – for the three-month period ended June 30, 2021
November 17	Interim report – for the three-month period ended September 30, 2021

Events After the Reporting Period

No material events, apart from completion of the Rights Issue and capital increase described above, have occurred after the reporting period.

Financial Review

Income Statement

The financial review is based on the Group's consolidated financial information for the period ended September 30, 2020, with comparative results for September 30, 2019 in brackets.

In the third quarter of 2020 revenues totaled DKK 4.7 million (DKK 6.6 million) and for the first nine months of 2020 totaled DKK 15.7 million (DKK 20.0 million). Earnings before interest and taxes (EBIT) showed a loss of DKK 17.7 million (DKK 24.0 million) in the third quarter of 2020 and in the first nine months of 2020 showed a loss of DKK 50.8 million (DKK 57.7 million). The cash position as of September 30, 2020 was DKK 24.5 million (DKK 34.1 million).

Revenue

Revenue in the third quarter of 2020 was DKK 4.7 million (DKK 6.6 million) and for the first nine months of 2020 totaled DKK 15.7 million (DKK 20.0 million). In the third quarter of 2020 NGAL revenue totaled DKK 2.7 million (DKK 2.3 million) and for the first nine months of 2020 totaled DKK 9.8 million (DKK 7.4 million).

Revenue in the third quarter of 2020 totaled DKK 1.8 million (DKK 1.8 million) from RUO sales in the US, DKK 0.9 million (DKK 0.5 million) from sales in ROW and DKK 0.0 (DKK 0.0 million) in NGAL-related fees and licenses.

For the first nine months of 2020 revenue from The NGAL Test was DKK 4.9 million (DKK 3.4 million) from RUO sales in the US, DKK 4.9 million (DKK 2.8 million) from sales in ROW and DKK 0.0 million (DKK 1.2 million) in NGAL-related fees and licenses.

Revenue from the sale of antibodies amounted to DKK 1.7 million (DKK 2.7 million) in the third quarter of 2020. For the first nine months of 2020 revenue from sale of antibodies was DKK 4.4 million (DKK 8.1 million). This reduction was expected, due to the strategic decision made in 2019 to focus on the Company's own antibodies.

Revenues from the sale of ELISA kits totaled DKK 0.3 million (DKK 1.4 million) during the third quarter of 2020, and DKK 1.1 million (DKK 3.9 million) for the first nine months of 2020. Similar to antibodies, the ELISA kit revenue decline was anticipated due to narrowing of the product portfolio.

Figure 1. Revenue by quarter (DKK million)

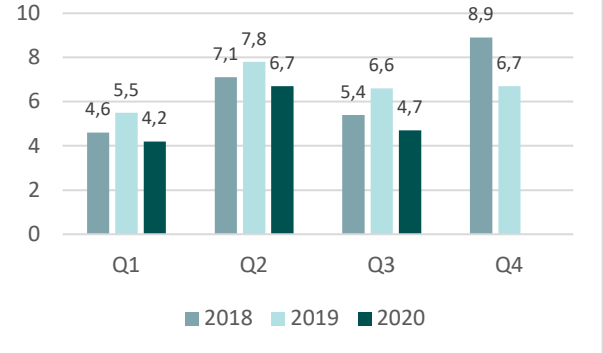


Figure 2. NGAL product revenue by quarter (DKK million)

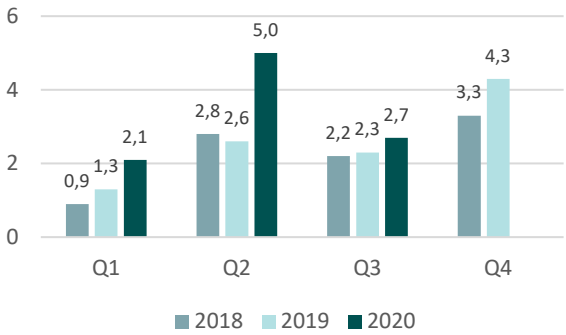
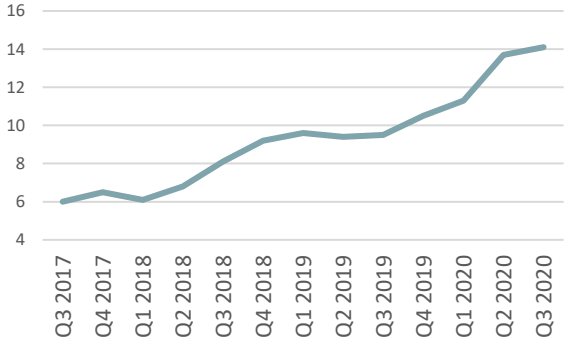


Figure 3. NGAL product revenue, LTM (DKK million)



Production Costs

Production costs in the third quarter of 2020 were DKK 1.8 million (DKK 1.9 million) bringing the gross profit for the quarter to DKK 3.0 million (DKK 4.7 million) and the gross margin for the quarter to 63% (71%).

For the first nine months of 2020 production costs totaled DKK 6.0 million (DKK 6.8 million) bringing the gross profit for first nine months of 2020 to DKK 9.7 million (DKK 13.2 million) and the gross margin for the first nine months of 2020 to 62% (66%).

The decrease in production costs is primarily related to lower spending on consumed goods of DKK 1.0 million for the first nine months of 2020.

Sales and Marketing Costs

Sales and marketing costs totaled DKK 5.2 million (DKK 13.3 million) in the third quarter of 2020 and DKK 16.0 million (DKK 29.8 million) for the first nine months of 2020.
The decrease is driven by reduced consultancy spend of DKK 2.9 million, lower staff related costs of DKK 3.5 million and reduced travel costs of DKK 2.2 million.

Research and Development Costs

Research and development costs in the third quarter of 2020 equaled DKK 9.6 million (DKK 8.7 million) and for the first nine months of 2020 were DKK 24.1 million (DKK 18.3 million). For the first nine months of 2020, clinical study costs increased by DKK 3.3 million and were associated with activities for the NGAL pediatric clinical study.

Administrative Costs

Administrative costs in the third quarter of 2020 totaled DKK 5.9 million (DKK 6.8 million) and for the first nine months of 2020 totaled DKK 20.3 million (DKK 22.8 million). For the first nine months the decrease is related to reduction of consulting expense of DKK 1.8 million and reduction in travel costs of DKK 1.1 million compared to same period in 2019.

Financials Items, Net

Financial items, net was an expense of DKK 1.0 million (income of DKK 0.8 million) for the third quarter of 2020. For the first nine months of 2020 financial net was an expense of DKK 1.5 million (income of DKK 0.5 million).

Tax on Income for the Period

In the third quarter of 2020 tax on income for the year was an income of DKK 1.3 million (income of DKK 1.6 million), and for the first nine months of 2020 an income of DKK 4.1 million (income of DKK 3.2 million). Tax on income for the year is primarily related to refunded tax losses originating from research and development costs.

Balance Sheet

The balance sheet total was DKK 58.1 million as of September 30, 2020 (DKK 60.2 million).

Assets

Intangible assets were DKK 1.1 million (DKK 1.6 million). The company has no capitalized research and development costs.

Fixtures and fittings, tools and equipment equaled DKK 2.4 million (DKK 1.6 million). The increase primarily consists of leasehold improvements and furniture, partly offset by depreciation of existing equipment.

Rights-of-use assets were DKK 11.6 million (DKK 3.4 million). Rights-of-use assets consists of the group leases of office spaces and vehicles. The increase is related to a new office space in Boston, US, partly offset by depreciation of existing rights-of-use assets.

Financial assets equaled DKK 1.7 million (DKK 0.8 million) and consist of deposits.

Inventories were DKK 3.8 million (DKK 3.7 million) and consists primarily of finished goods.

Total receivables were DKK 13.1 million (DKK 15.0 million), of which trade receivables totaled DKK 5.7 million (DKK 7.4 million).

Income tax receivables were DKK 4.1 million (DKK 7.0 million), other receivables were DKK 2.3 million (DKK 0.0 million) and prepayments were DKK 1.0 million (DKK 0.7 million).

As of September 30, 2020, BioPorto's cash position was DKK 24.5 million (DKK 34.1 million) and is primarily invested in deposit accounts with two Nordic banks.

Equity

After transfer of the loss of the period, equity stood at DKK 19.0 million (DKK 40.6 million).

Liabilities

Non-current liabilities equaled DKK 10.3 million (DKK 1.2 million). The increase is mainly due to a new lease of office space in Boston, US.

Current liabilities were DKK 28.8 million (DKK 18.4 million) of which trade payables were DKK 2.2 million (DKK 3.2 million), tax payables were DKK 0.1 million (DKK 0.0 million) and other payables were DKK 23.2 million (DKK 12.3 million).

Cash Flow Statement

Net cash expenditure from operating activities amounted to DKK 27.5 million (DKK 45.8 million), the decrease was driven by the net loss from the first nine months of 2020 and partly offset by a decrease in working capital.

Net cash spent on investing activities was DKK 1.1 million (DKK 0.9 million) which consisted of investment in new property, plant and equipment. In 2019, the investments were primarily software.

Net cash provided from financing activities totaled DKK 35.0 million (DKK 34.2 million) primarily related to proceeds from share capital increase in April 2020.

The net cash flow for the first nine months of 2020 was positive by DKK 6.4 million (negative by DKK 12.6 million).

Accounting Policies

The interim report for the first nine months of 2020 has been prepared in accordance with IAS 34 and the additional Danish regulations for the presentation of quarterly interim reports by listed companies. The interim report is presented as condensed interim financial statements.

The interim report for the first nine months of 2020 follows the same accounting policies as the annual report for 2019, except for new accounting standards and interpretations (IFRSs) endorsed by the EU effective for the accounting period beginning on January 1, 2020. The amendments to IFRS standards that became effective on January 1, 2020 did not have a material impact on the consolidated financial statements of the BioPorto Group.

At the time of publishing this Interim Report, there are several new or modified standards and interpretations which have yet to come into effect and which are therefore not implemented in the consolidated financial statements. The new or modified standards and interpretations will be implemented when they become mandatory and are not expected to have an impact on the consolidated financial statements of the BioPorto Group.

Focus on finalizing enrollment for FDA clearance of The NGAL Test and preparations for obtaining approvals of new gRAD-based products

Management's priorities for 2020 are:

- Finalize collection of additional patient data for the FDA application of The NGAL Test for pediatrics and submit for clearance in Q1 2021
- Finalize test development and patient enrollment for the gRAD-based COVID-19 test for rapid detection of SARS-CoV-2 by the end of 2020, followed by submission of an FDA EUA application
- Obtain CE-mark for NGALds for near-patient testing of NGAL levels in late-2020
- Review new opportunities for NGAL, gRAD and BioPorto's antibody library; define a pipeline of targeted assays and biomarkers
- Grow total revenue by 10% by building sales of The NGAL Test

Guidance for 2020 Maintained

BioPorto maintains its financial guidance for 2020, as most recently described in its Interim Report for the second quarter of 2020. Revenue is expected to be approximately DKK 30 million, with an increasing share of sales from global NGAL revenue, while sales of antibodies and ELISA kits are expected to continue to decline due to BioPorto's narrowed focus on the Company's own antibody library. It is expected that BioPorto's 2020 revenue will be back-end loaded. The guidance does not include any sales of an FDA-cleared NGAL test or gRAD related products in 2020.

BioPorto expects to incur an operating loss (EBIT) of approximately DKK 73 million, affected by full year impact of 2019 hires and by higher costs related to clinical studies.

Guidance is subject to change depending on impacts from the development of the COVID-19 pandemic.

Forward-Looking Statements

This interim report contains forward-looking statements, including forecasts of future revenue and net profit/loss. Such statements are subject to risks and uncertainties, as various factors, many of which are beyond BioPorto's control, may cause actual results and performance to differ materially from the forecasts made in this interim report.

For Further Information:

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About BioPorto

BioPorto is an in-vitro diagnostics company that provides diagnostic tests and antibodies to clinicians and researchers around the world. We use our antibody and assay expertise to transform novel research tools into clinically actionable biomarkers that can make a difference in patients' lives. BioPorto is headquartered in Copenhagen, Denmark and is listed on the Nasdaq Copenhagen stock exchange (CPH:BIOPOR).

Statement by the Management

The Board of Directors and Executive Management today considered and approved the Interim Report of the BioPorto Group for the period January 1, 2020 – September 30, 2020.

The Interim Report, which is unaudited and has not been reviewed by the company's auditors, is presented in accordance with IAS 34 “Interim financial reporting” as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies.

In our opinion, the Interim Report gives a true and fair view of the Group’s assets, liabilities and financial position as of September 30, 2020, and of the results of the Group’s operations and cash flows for the period January 1, 2020 – September 30, 2020.

Furthermore, in our opinion the management's report includes a fair review of the development and performance of the business, the results for the period and the Group’s financial position in general and describes the principal risks and uncertainties that it faces.

Hellerup, November 18, 2020

Executive Management:

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Peter Mørch Eriksen
CEO

Board of Directors:

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Thomas Magnussen
Chairman

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Torben A. Nielsen
Vice chairman

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Kirsten Drejer

_____

Christopher Lindop

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Michael Singer

Statement of comprehensive income

Income statement

	2020 3nd quarter DKK thousand	2019 3nd quarter DKK thousand	2020 9 months DKK thousand	2019 9 months DKK thousand	2019 12 months DKK thousand
Revenue (Note 1)	4,742	6,647	15,672	19,995	26,622
Production costs	(1,750)	(1,929)	(5,997)	(6,784)	(9,293)
Gross profit/loss	**2,992**	**4,718**	**9,675**	**13,211**	**17,329**
Sales and marketing costs	(5,176)	(13,274)	(15,980)	(29,846)	(39,268)
Research and development costs	(9,646)	(8,670)	(24,114)	(18,271)	(24,556)
Administrative costs	(5,875)	(6,772)	(20,338)	(22,765)	(27,804)
Profit/loss before financial items (EBIT)	**(17,705)**	**(23,998)**	**(50,757)**	**(57,671)**	**(74,299)**
Financial income	-	647	4	647	503
Financial expenses	(969)	140	(1,512)	(111)	(451)
Profit/loss before tax	**(18,674)**	**(23,211)**	**(52,265)**	**(57,135)**	**(74,247)**
Total income taxes	1,325	1,555	4,123	3,244	4,605
Profit/loss for the period	**(17,349)**	**(21,656)**	**(48,142)**	**(53,891)**	**(69,642)**
	DKK	DKK	DKK	DKK	DKK
Profit/loss / comprehensive income per share (EPS & DEPS)	(0.09)	(0.12)	(0.24)	(0.32)	(0.41)

Statement of comprehensive income

	2020 3nd quarter DKK thousand	2019 3nd quarter DKK thousand	2020 9 months DKK thousand	2019 9 months DKK thousand	2019 12 months DKK thousand
Profit/loss for the period	**(17,349)**	**(21,656)**	**(48,142)**	**(53,891)**	**(69,642)**
Amounts which will be re-classified to the income statement:					
Exchange rate adjustment foreign subsidiaries	957	(218)	1,193	(173)	(325)
Comprehensive income	**(16,392)**	**(21,874)**	**(46,949)**	**(54,064)**	**(69,967)**

Balance sheet

Assets

	2020 30 September DKK thousand	2019 30 September DKK thousand	2019 31 December DKK thousand
Non-current assets			
Intangible assets, property, plant and equipment and right-of-use assets			
Rights and software	1,059	1,574	1,262
Fixtures and fittings, tools and equipment	2,407	1,591	1,710
Right-of-use assets	11,567	3,396	3,537
Total intangible assets, property, plant and equipment and right-of-use assets	**15,033**	**6,561**	**6,509**
Financial assets			
Deposits	1,688	799	1,709
Total financial assets	**1,688**	**799**	**1,709**
Total non-current assets	**16,721**	**7,360**	**8,218**
Current assets			
Inventories	3,752	3,706	4,155
Trade receivables	5,693	7,358	5,695
Income tax receivables	4,129	6,954	4,742
Other receivables	2,290	-	567
Prepayments	958	715	1,183
Total inventories and receivables	**16,822**	**18,733**	**16,342**
Cash	24,510	34,133	18,122
Total current assets	**41,332**	**52,866**	**34,464**
Total assets	**58,053**	**60,226**	**42,682**

Balance sheet

Liabilities

	2020 30 September DKK thousand	2019 30 September DKK thousand	2019 31 December DKK thousand
Equity			
Share capital	199,936	174,944	174,944
Treasury shares	-	-	-
Exchange-rate adjustments	521	(520)	(672)
Retained earnings	(181,491)	(133,800)	(148,950)
Total equity	**18,966**	**40,624**	**25,322**
Liabilities			
Non-current liabilities			
Lease obligation	8,722	598	1,545
Other non-current liabilities	1,553	622	957
Total non-current liabilities	**10,275**	**1,220**	**2,502**
Current liabilities			
Current portion of non-current liabilities	3,348	2,796	2,306
Trade payables	2,204	3,193	3,237
Tax payables	93	49	78
Other payables	23,167	12,344	9,237
Total current liabilities	**28,812**	**18,382**	**14,858**
Total liabilities	**39,087**	**19,602**	**17,360**
Total equity and liabilities	**58,053**	**60,226**	**42,682**

Statement of changes in equity

	Share capital DKK thousand	Share premium DKK thousand	Exchange-rate adjustments DKK thousand	Retained earnings DKK thousand	Total DKK thousand
Equity at 1 January 2020	174,944	-	(672)	(148,950)	**25,322**
Comprehensive income					
Profit/loss for the year / Comprehensive income	-	-	-	(48,142)	**(48,142)**
Adjustment of foreign currency fluctuations on subsidiaries	-	-	1,193	-	**1,193**
Transactions with owners					
Issue	24,992	14,995	-	-	**39,987**
Issue costs	-	(2,693)	-	-	**(2,693)**
Share-based compensation	-	-	-	3,299	**3,299**
Transferred to retained earnings	-	(12,302)	-	12,302	-
Equity at 30 September 2020	**199,936**	-	**521**	**(181,491)**	**18,966**

	Share capital DKK thousand	Share premium DKK thou-sand	Exchange-rate adjustments DKK thousand	Retained earnings DKK thousand	Total DKK thousand
Equity at 1 January 2019	165,688	-	(347)	(109,144)	**56,197**
Comprehensive income					
Profit/loss for the year/ Comprehensive income	-	-	-	(53,891)	**(53,891)**
Adjustment of foreign currency fluctuations on subsidiaries	-	-	(173)	-	**(173)**
Transactions with owners					
Issue	9,256	27,493	-	-	**36,749**
Issue costs	-	(616)	-	-	**(616)**
Share-based compensation	-	-	-	2,358	**2,358**
Transferred to retained earnings	-	(26,877)	-	26,877	-
Equity at 30 September 2019	**174,944**	-	**(520)**	**(133,800)**	**40,624**

Cash flow statement

	2020 9 months DKK thousand	2019 9 months DKK thousand	2019 12 months DKK thousand
Profit/loss before financial items	(50,757)	(57,671)	(74,299)
Amortization, depreciation and impairment losses	2,843	2,224	2,857
Warrants	3,299	2,358	3,109
Other non-cash adjustments	866	-	194
Cash generated from operations before working capital	**(43,749)**	**(53,089)**	**(68,139)**
Changes in working capital	11,804	7,004	4,453
Cash generated from operations	**(31,945)**	**(46,085)**	**(63,686)**
Financial income, received	121	429	591
Financial expenses, paid	(438)	(111)	(626)
Tax refund, net	4,756	(51)	3,557
Cash flows from operating activities	**(27,506)**	**(45,818)**	**(60,164)**
Investments in rights and software	(25)	(443)	(460)
Investments in operating equipment	(1,046)	(468)	(646)
Investments in financial assets	(22)	(22)	(957)
Cash flows from investing activities	**(1,093)**	**(933)**	**(2,063)**
Issue, gross proceeds	39,987	36,749	36,749
Issue costs	(2,693)	(616)	(766)
Reduction of non-current liabilities	(166)	(164)	(164)
Reduction of lease obligation	(2,101)	(1,794)	(2,211)
Cash flows from financing activities	**35,027**	**34,175**	**33,608**
Net cash flow from operating, investing and financing activities	**6,428**	**(12,576)**	**(28,619)**
Cash and cash equivalents at beginning of period	18,122	46,709	46,709
Currency adjustments	(40)	-	32
Cash and cash equivalents end of period	**24,510**	**34,133**	**18,122**

Note 1

Segment reporting

Geographic distribution	2020 3rd quarter DKK thousand	2019 3rd quarter DKK thousand	2020 9 months DKK thousand	2019 9 months DKK thousand	2019 12 months DKK thousand
Europe	1,745	2,629	6,824	6,839	9,956
North America	2,505	3,553	7,066	10,414	12,936
Asia	492	406	1,765	2,534	3,182
Other countries	-	59	17	208	548
Revenue	**4,742**	**6,647**	**15,672**	**19,995**	**26,622**

Product groups	2020 3rd quarter DKK thousand	2019 3rd quarter DKK thousand	2020 9 months DKK thousand	2019 9 months DKK thousand	2019 12 months DKK thousand
NGAL revenue					
Product sales	2,680	2,285	9,790	6,206	10,476
Other NGAL revenue	-	-	-	1,168	1,168
Total NGAL revenue	2,680	2,285	9,790	7,374	11,644
Other products and license revenue					
ELISA kits	313	1,398	1,137	3,862	4,752
Antibodies	1,657	2,747	4,445	8,077	9,417
Royalty	13	51	34	148	142
Other products and licenses	79	166	266	534	667
Total other products and license revenue	2,062	4,362	5,882	12,621	14,978
Revenue	**4,742**	**6,647**	**15,672**	**19,995**	**26,622**