

October – December in brief

- **Net sales** rose by about 51 percent to SEK 10,537k (6,974k).
- **Gross profit for the period** improved by SEK 4,013k to SEK 10,956k (6,943k).
- **Operating profit/loss before depreciation and amortization (EBITDA)*** totaled SEK 2,954 (loss: 574k).
- **Operating profit/loss** improved by SEK 3,056k and totaled SEK 1,912k (loss: 1,144k).
- **Comprehensive income for the period** improved by SEK 2,542k to SEK 1,285k (loss: 1,257k).
- **Comprehensive income per share****, basic and diluted, totaled SEK 0.02 (-0.02).
- **Cash flow from operating activities** was a loss of SEK 235k (loss: 1,436k).
- Genovis was certified to ISO 9001:2015. Quality certification means that the management system meets the requirements imposed by International Standard ISO 9001:2015. The certification covers product development, production and sales.

* Genovis has chosen to apply IFRS 16 in advance, as well as the simplification rule regarding short-term leases. Consequently, this will not have any effect on the figures reported for 2017. Costs for rent and leases are therefore recognized under depreciation and amortization and beginning in 2018 will not affect EBITDA for the Group. Read more under accounting policies, page 12.

** Earnings per share is calculated by dividing comprehensive income by the weighted average number of shares during the year. There is no dilution effect.

The full year in summary

- **Net sales** rose by about 51 percent to SEK 34,568k (22,867k).
- **Gross profit** improved by SEK 11,975k to SEK 33,816k (21,841k).
- **Operating profit/loss before depreciation and amortization (EBITDA)*** totaled SEK 4,091k (loss: 6,226k).
- **Operating profit/loss** improved by SEK 6,875 to a loss of SEK 960k (loss: 7,835k).
- **Comprehensive income for the full year** improved by SEK 6,552k to a loss of SEK 1,560k (loss: 8,112k).
- **Comprehensive income per share****, basic and diluted, improved by SEK 0.11 to SEK -0.03 (-0.14).
- **Cash flow from operating activities** was a loss of SEK1,250k, (loss: 8,355k).

| Financial summary | 2018 | 2017 | 2018 | 2017 |
|--|---------------|----------------|----------------|----------------|
| (SEK 000s) | Oct.-Dec. | Oct.-Dec. | Jan. – Dec. | Jan. – Dec. |
| Net sales | 10,537 | 6,974 | 34,568 | 22,867 |
| Gross profit/loss | 10,956 | 6,943 | 33,816 | 21,841 |
| Operating profit/loss | 1,912 | (1,144) | (960) | (7,835) |
| Comprehensive income for the period | 1,285 | (1,257) | (1,560) | (8,112) |
| Comprehensive income per share** | 0.02 | (0.02) | (0.03) | (0.14) |
| Cash flow from operating activities | (235) | (1,436) | (1,250) | (8,355) |
| Cash and cash equivalents at close of period | 9,581 | 4,918 | 9,581 | 4,918 |

* Genovis has chosen to apply IFRS 16 in advance, as well as the simplification rule regarding short-term leases. Consequently, this will not have any effect on the figures reported for 2017. Costs for rent and leases are therefore recognized under depreciation and amortization and beginning in 2018 will not affect EBITDA for the Group. Read more under accounting policies, page 12.

** Earnings per share is calculated by dividing comprehensive income by the weighted average number of shares during the year. There is no dilution effect.

Comments from Fredrik Olsson, Chief Executive Officer



We ended an extremely successful 2018 with our best quarter ever in terms of both sales and profit. Sales jumped 51 percent compared with the same quarter last year and adjusted for currency effects, organic sales growth was 41 percent.

For the second consecutive quarter we can report an operating profit – in the fourth quarter it hit SEK 1.9 million, which gives an operating margin of 18 percent. Operating profit improved significantly both year on year and quarter on quarter.

We see growth in both the quarter and the full year in all main geographic markets – North America, Europe and Asia – and the percentage increase in sales is broadly distributed across the entire product portfolio.

Sales for the full year reached SEK 34.5 million, which represents growth of about 51 percent compared with 2017. We have achieved strong and steady growth for four consecutive years as a result of our dedicated hard work following clear strategies for product development, production, support and marketing.

The substantial improvement in our operating profit compared with the previous year clearly confirms that our business model delivers. In 2018 we laid the foundation for the future expansion of Genovis.

Our focus on enzymes for glycan analysis has demonstrated clear value in both academic and industrial applications. In particular, the considerable attention received by scientific publications from the FDA and Johns Hopkins University indicates the value of the products in research. We will continue our product development within glycan analysis moving forward in order to offer products that both improve and simplify the efforts of our customers to develop new and better drugs.

An important milestone for the year was the certification of our operations in compliance with ISO 9001:2015. The work with quality certification has been extensive and was carried out at the same time as our new product launches and the expansion of both production and the marketing organization.

As I look ahead to 2019, I see several exciting new business opportunities that can contribute to the continued development of Genovis. With a strong 2018 behind us, we will focus our product development on new enzymes, as well as on added-value products from our current enzyme base. One example is FabRICATOR-HPLC, which we launched during the autumn. Refining and adapting products for automated analysis systems is an important aspect for solving the challenges our customers in the biopharma industry need to address moving forward – with increasing requirements for productivity and product safety. Closer collaboration with leading suppliers of instruments and technology is crucial if we are to make quick progress in this area, for which reason it will be the focus of our efforts during the year.

In summary, 2018 was a breakthrough year for Genovis and confirmation that our agile and customer-focused organization continues to build value for customers, employees and shareholders.

I would like to thank our shareholders and the Board of Directors for their support and dedication during the year. At the same time, I would like to warmly thank my colleagues for their wonderful contributions during 2018 which have enabled Genovis to make major advances in its development.

We expect continued sales growth in early 2019 and I look forward with great excitement and dedication to our continued journey at Genovis.

Genovis Group in brief

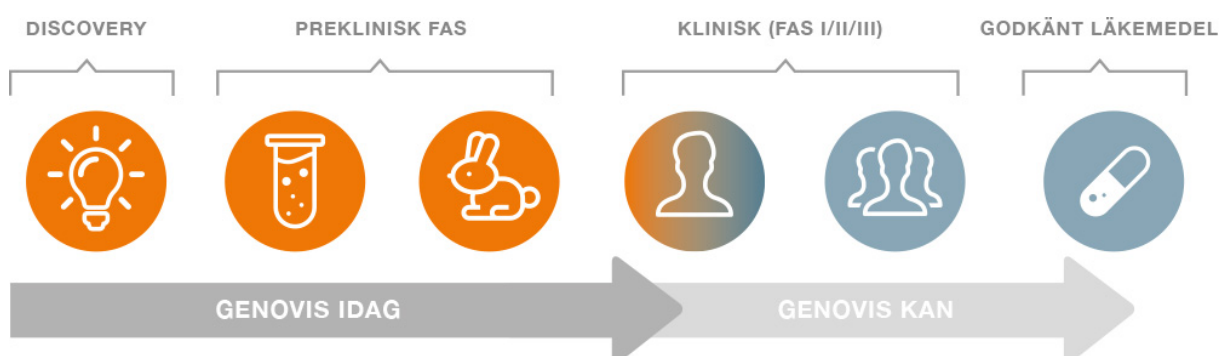


Genovis' enzymes are in a market that covers the entire life science and biotech supply industry. The Parent Company in Lund handles sales in the European market and the subsidiary, Genovis Inc., handles all sales in the North American market. In Asia Genovis works both with direct sales and with distributors who are familiar with the local market.

Genovis' business model has a long-term and sustainable focus based on two primary strategies that together are the drivers of the Company's success:

- continuing to launch unique new products, thereby growing the product portfolio, and
- deliberately working to encourage customers to use Genovis products in several stages farther along on the drug development value chain.

The Company will therefore continue to be creative and develop unique new high-value products for its customers. New products are mainly aimed at customers who work in the discovery phase or in preclinical development. In this phase most of the Company's customers are both curious and willing to test new analytical methods to address the clear needs and challenges related to analyzing biological drugs. Genovis rapidly achieved sales of the newly launched products, which is a clear stamp of quality demonstrating that the Company contributes innovation to the drug development process. Genovis also works on introducing existing products to customers in other parts of the value chain, especially in production and quality control for clinical use.



Performance

| (SEK 000s) | 2018 Oct.-Dec. | 2017 Oct.-Dec. | 2018 Jan. – Dec. | 2017 Jan. – Dec. |
|--|-------------------|-------------------|---------------------|---------------------|
| Net sales | 10,537 | 6,974 | 34,568 | 22,867 |
| Change in inventory, finished goods | 1,403 | 436 | 2,529 | 1,317 |
| Other operating income* | 27 | 23 | 81 | 23 |
| Raw materials and consumables | (1,011) | (490) | (3,362) | (2,366) |
| Gross profit/loss | 10,956 | 6,943 | 33,816 | 21,841 |
| <i>Gross profit/loss**</i> | <i>9,526</i> | <i>6,484</i> | <i>31,206</i> | <i>20,501</i> |
| Gross margin (%)** | 90 | 93 | 90 | 90 |

* Other operating income is attributable to exchange rate gains.

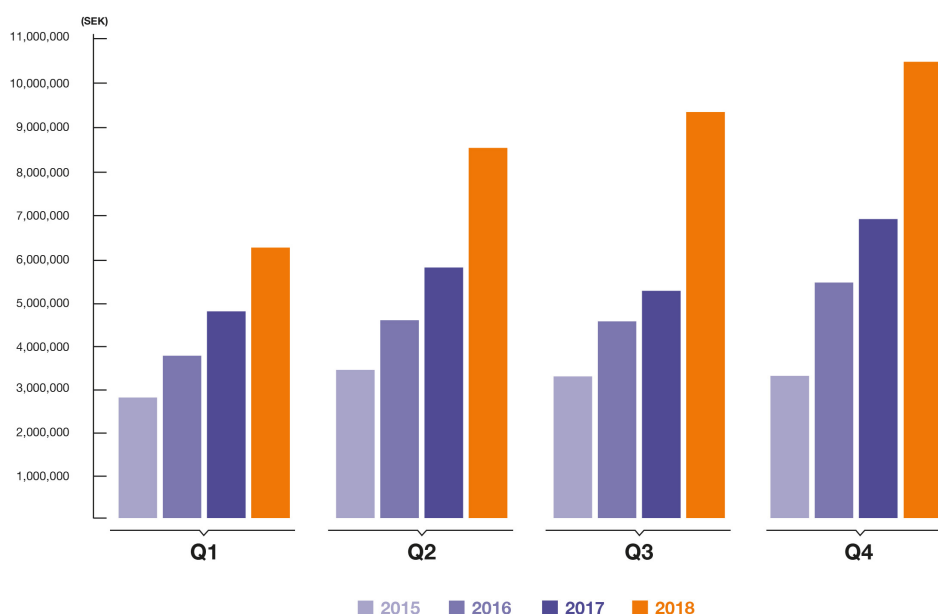
**Excl. other revenue and “Change in inventory, finished goods.”

Net sales

Consolidated net sales for the full year rose to SEK 34,568k (22,867k), an increase in sales of about 51 percent. Net sales for the fourth quarter totaled SEK 10,537k (6,974k), an increase in sales of about 51 percent.

Adjusted for currency effects, net sales for the full year totaled SEK 32,903k, an increase in sales of about 44 percent. Adjusted for currency effects, net sales for the fourth quarter totaled SEK 9,809k, an increase in sales of about 41 percent.

Sales by quarter 2015–2018



Operating profit/loss before depreciation and amortization (EBITDA)

For the full year, EBITDA totaled SEK 4,091 (loss: 6,226k). For the fourth quarter, EBITDA totaled SEK 2,954 (loss: 574k). The final settlement of Genovis' claim which was submitted to the insurance company for costs relating to the arbitration proceedings against Promega has not yet been closed. The remaining booked receivable amounts to about SEK 3.4 million.

Genovis has chosen to apply IFRS 16 in advance. As a result of the transition to IFRS 16, the Company's other external expenses will decrease, while depreciation, amortization, financial expenses and the balance sheet will increase. The Group is applying IFRS 16 retroactively as well as the simplification rule regarding short-term leases. Consequently, this will not require any restatement of 2017. Read more under accounting policies, page 12.

Operating profit/loss (EBIT)

EBIT for the full year was a loss of SEK 960k (loss: 7,835k), corresponding to an improvement of SEK 6,875k. EBIT for fourth quarter was SEK 1,912k (loss: 1,144k), corresponding to an improvement of SEK 3,056k.

Comprehensive income

Comprehensive income for the full year improved by SEK 6,552k to a loss of SEK 1,560k (loss: 8,112k). Earnings per share, based on a weighted average of the number of outstanding shares, improved by 0.11 to SEK -0.03 (-0.14). Comprehensive income for fourth quarter improved by SEK 2,542k to SEK 1,285k (loss: 1,257k). Earnings per share, based on a weighted average of the number of outstanding shares, totaled SEK 0.02 (-0.02).

Costs

Consolidated expenses for the full year increased by SEK 6,096k to SEK 38,138k (32,042k). Expenses are allocated as follows: raw materials and consumables, which increased by SEK 996k to SEK 3,362k (2,366k), personnel costs, which increased by SEK 2,918k to SEK 16,148k (13,230k), other external expenses, which decreased by SEK 1,053k to SEK 13,577k (14,630k) and other operating expenses, which decreased by SEK 207k to 0 (207k). Personnel costs increased because of the new employees hired to strengthen sales and marketing worldwide, and also because Directors' remuneration for 2018 was paid as salary and recognized under personnel costs. In addition, some items causing the increase were non-recurring. The transition to IFRS 16 resulted in a decrease in other external expenses, depreciation and amortization, as well as an increase in financial expenses. Consolidated expenses for the full year increased by SEK 3,442k to SEK 5,051k (1,609k). Expenses for the fourth quarter increased by SEK 1,477k to SEK 10,054k (8,577k). Expenses are allocated as follows: raw materials and consumables SEK 1,010k (490k), personnel costs SEK 4,438k

(3,954k) other external expenses SEK 3,564k (3,744k) and other operating expenses 0 (181k). Depreciation and amortization for the fourth quarter totaled SEK 1,042k (570k).

Investments

Consolidated capital expenditure for the full year totaled SEK 1,829k (1,763k), of which SEK 937k (456k) is attributable to property, plant, and equipment, primarily laboratory equipment and computers, and SEK 892k (1,307k) thousand is attributable to investments in intangible assets. For the fourth quarter net capital expenditure amounts to SEK 596k (345k), including SEK 275k (234k) attributable to investments in property, plant, and equipment and SEK 321k (111k) attributable to intangible assets.

Cash flow and financial position

Total shareholders' equity for the Group was SEK 26,071k (18,187k) after taking the result for the full year into account. Equity per share based on the weighted average of the number of outstanding shares (basic and diluted) at the end of the full year was SEK 0.42 (0.31). The Group's equity ratio at the end of the full year was 69 (69) percent.

Consolidated cash and cash equivalents at the end of the full year amounted to SEK 9,581k (4,918k). Taking expected revenue into account, the Board believes that the existing working capital is sufficient to run the Company over the next twelve months.

Consolidated cash flow for the full year totaled SEK 4,663k (637k). Cash flow from financing activities totaled SEK 7,742k (10,755k). Consolidated cash flow for the fourth quarter was SEK -655k (-1,572k) and cash flow from financing activities totaled SEK 175k (0).

Only the Group has interest-bearing liabilities, where liabilities to credit institutions relate in their entirety to the present value of estimated future lease payments, which also includes rent for premises.

Liabilities to credit institutions

| | |
|---|-----------|
| Noncurrent interest-bearing liabilities | |
| <i>Maturity between 1 and 4 years</i> | 2,940,424 |
| | |
| Current interest-bearing liabilities | |
| <i>Maturity within 1 year</i> | 2,231,001 |

Taxes

The Group has a deferred tax asset arising from the parent company, amounting to SEK 1,718k (1,718k) at the end of the twelve-month period. It is the Board's assessment that future taxable surpluses will be available against which the unutilized tax losses can be utilized.

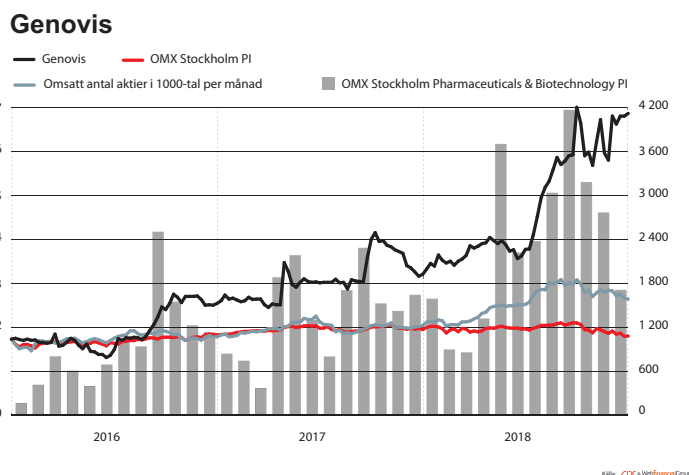
Employees

On Dec. 31, 2018, the Group had 20 employees, compared with the same period the previous year, when the Group had 17 employees. Nineteen people are employed by the parent company in Lund and one person works for the subsidiary Genovis Inc. in the US.

Share capital and share performance

Share capital at the end of the full year amounted to SEK 15,775,000 and the total number of shares amounted to 63,100,000 with a par value of SEK 0.25. Genovis' shares are traded on Nasdaq First North Stockholm under the ticker symbol GENO.

First North is Nasdaq's European emerging market intended for small, growing businesses, with a less extensive rulebook than the main market. Erik Penser Bank is the Certified Advisor for Genovis, certifiedadviser@penser.se, tel: +46 (0)8-463 83 00.



Parent Company

Net sales and operating profit/loss in the Parent Company are attributable to the primary and only business area: product sales of products and/or of research-based innovations. According to Genovis, the Company does not meet the definition of geographical areas under IAS 14 and therefore no secondary segment information is provided.

Revenue

Revenue for the full year, including change in inventory, finished goods, amounted to SEK 29,863k (19,499k) of which SEK 27,253k (18,182k) was attributable to sales and SEK 81k (0) is attributable to other revenue. Other revenue for the full year is attributable to foreign exchange gains. Revenue for the fourth quarter was SEK 9,249k (5,963k), including SEK 7,818k (5,527k) attributable to revenue from sales and SEK 28k (0) to other revenue. Other revenue is attributable to foreign exchange gains.

Costs

The Parent Company's operating expenses for the full year totaled SEK 31,563k (27,739k) and expenses for the fourth quarter totaled SEK 8,141k (7,467k).

Performance

Net loss was SEK 1,700k (loss: 8,240k) for the full year and SEK 1,110k (loss: 1,504k) for the fourth quarter.

Investments

Capital expenditure for the full year totaled SEK 1,829k (1,763k), of which SEK 937k (456k) is attributable to property, plant, and equipment, primarily laboratory equipment and computers, and SEK 892k (1,307k) is attributable to investments in intangible assets. For the fourth quarter net capital expenditure amounts to SEK 596k (136k), including SEK 275k (25k) attributable to investments in property, plant, and equipment and SEK 321k (111k) attributable to investments in intangible assets.

Taxes

The Parent Company has a deferred tax asset that totaled SEK 1,718k (1,718k) at year-end, corresponding to a loss carryforward of SEK 8,340k. It is the Board's assessment that future taxable surpluses will be available against which the unutilized tax losses can be utilized. The Company's total tax loss amounts to SEK 171 million (169).

Subsidiary Genovis Inc.

The subsidiary Genovis Inc. handles all sales in the North American market.

OTHER INFORMATION

Related party transactions

Genovis' board member and principal owner Mikael Lönn, who holds a 19.80 percent stake in Genovis, owns 12.24 percent of the shares in Redeye AB, for which Mikael Lönn is also a board member. Genovis purchased issuance advisory and analysis services from Redeye AB for a total of SEK 1,061 over the full year. Chairman of the board Mårten Winge provided consultancy services during the full year for a total of SEK 80k.

Events after the end of the year

No other events were reported after the end of the year.

Nomination Committee

Nomination Committee prior to the 2019 Annual General Meeting:

Mikael Lönn

Leif Olsson

Erik Walldén

Torbjörn Fridh

The Nomination Committee had its first meeting, at which Mikael Lönn was appointed chairman. Shareholders wishing to submit comments or proposals to the Nomination Committee should do so no later than March 1, 2019, by email to info@genovis.com or by letter to Genovis AB, Valberedningen, Box 790, SE-220 07 Lund, Sweden.

Outlook

Although the Life Science field is relatively independent of business cycles, periods of uncertainty can influence our customers' appetite to invest in new technology. With all development projects proceeding according to plan, Genovis is positioned to make additional advances with respect to both new products and sales. Taken together, volume growth is expected to be positive in 2019.

Risk Factors

Genovis' general view of the financial risks that could affect operations has not changed since the description published in the most recent annual report. Genovis' business risks include the risk that anticipated revenue might not materialize since the Company is active in a market in which competing companies have substantially larger financial resources at their disposal. For a detailed overview of the Company's financial risks please refer to page 54 in Genovis' 2017 annual report.

Annual General Meeting

The Annual General Meeting will be held at 5 p.m. on May 23, 2019, at Scheelevägen 2 (Medicon Village, Lund).

Annual Report

The 2018 Annual Report is expected to be available on the Genovis website www.genovis.com and at the Genovis office as of May 2, 2019.

Proposal for dividend

The Board of Directors proposes that no dividend be paid for the 2018 financial year.

Financial calendar 2019

| | | |
|--------------------|--------------------------|-------------|
| Year-end Report | January 1 – December 31 | February 26 |
| Interim report | January 1 – March 31 | May 8 |
| Half-Yearly Report | January 1 – June 30 | August 28 |
| Interim report | January 1 – September 30 | November 21 |

Interim reports may be ordered from the Company or downloaded at the Genovis website:

Genovis AB, Box 790, SE-220 07 Lund, Sweden T: +46 (0)46-10 12 30, Fax: +46 (0)46-12 80 20

www.genovis.com.

Forward-looking information

This report contains forward-looking information based on the current expectations of Group management at Genovis. Although the management believes that the expectations reflected in such forward-looking information are reasonable, no assurance can be given that such expectations will prove correct. Consequently, actual future results may vary materially from those implied in the forward-looking statements due to such changes in economic, market and competitive conditions, changes in the regulatory environment and other government actions, fluctuations in exchange rates and other factors.

Accounting policies

This interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and the relevant provisions of the Swedish Annual Accounts Act. The report for the Parent Company has been prepared in accordance with chapter 9 of the Swedish Annual Accounts Act, Interim Reports. The accounting policies applied for the Group and the Parent Company are consistent with the accounting policies used in the preparation of the most recent annual report.

IFRS 9 – Financial Instruments

The Group has begun to apply IFRS 9 Financial Instruments in 2018. The effects were described in the most recent annual report.

IFRS 15 – Revenue recognition

IFRS 15 governs the recognition of revenue. The principles on which IFRS 15 is based will provide users of financial statements with more useful information about the company's revenue. Under this increased disclosure requirement, information must be provided on the revenue's nature, timing and uncertainty in connection with revenue recognition, as well as cash flows arising from customers with contracts. According to IFRS 15 revenue should be recognized when the customer assumes control of the sold goods or service and is able to use or benefit from the goods or service. IFRS 15 replaces IAS 18 Revenue and IAS 11 Construction Contracts as well as the related SIC and IFRIC interpretations. IFRS 15 entered into force on January 1, 2018. Implementation of IFRS 15 will not materially affect how the Group reports revenue and consequently, there is no need for a transition method.

IFRS 16 Leases

Genovis has chosen to apply IFRS 16 commencing on January 1, 2018. IFRS 16 replaces the IFRS standards that currently regulate accounting for leasing – specifically IAS 17, IFRIC 4, SIC-15 and SIC-27. The challenge of IFRS 16 is that a much greater variety of contracts are now covered by these judgements and estimates, including leases that are capitalized as assets and liabilities in the balance sheet, with the effect that the cost in the income statement is allocated to depreciation of operating income and interest expense in net financial items. The Company is applying the simplified approach for the transition.

The standard requires assets and liabilities arising from all leases, with some exceptions, to be recognized in the balance sheet. This model reflects that, at the start of a lease, the lessee obtains the right to use an asset for a period of time and has an obligation to pay for that right. In the income statement, depreciation is reported separately from interest expense attributable to the lease liability. Implementation of IFRS 16 has affected the Group's balance sheet in that total noncurrent assets increased by SEK 3,257k, liabilities to credit institutions are higher by SEK 3,416k (current liabilities by SEK 1,879k and noncurrent liabilities by SEK 1,537k). In the income statement, a transfer was made from other external expenses (2,152k) to depreciation and amortization (SEK 1,861k) and financial expenses (SEK 449k). As a result, EBITDA has increased from SEK 1,941k to SEK 4,093k. The Group is applying IFRS 16 retroactively as well as the simplification rule regarding short-term leases. Consequently, this will not require any restatement of 2017.

Consolidated statement of comprehensive income

| (SEK 000s) | 2018 | 2017 | 2018 | 2017 |
|---|---------------|----------------|----------------|----------------|
| | Oct.-Dec. | Oct.-Dec. | Jan.-Dec. | Jan.-Dec. |
| Net sales | 10,537 | 6,974 | 34,568 | 22,867 |
| Change in inventory, finished goods | 1,403 | 436 | 2,529 | 1,317 |
| Other operating income | 27 | 23 | 81 | 23 |
| Raw materials and consumables | (1,011) | (490) | (3,362) | (2,366) |
| Gross profit/loss | 10,956 | 6,943 | 33,816 | 21,841 |
| Personnel costs | (4,438) | (3,954) | (16,148) | (13,230) |
| Other external expenses | (3,564) | (3,744) | (13,577) | (14,630) |
| Other operating expenses | 0 | 181 | 0 | (207) |
| Operating profit/loss before depreciation and amortization (EBITDA) | 2,954 | (574) | 4,091 | (6,226) |
| Depreciation, amortization and impairment of plant, property, and equipment and intangible assets | (1,042) | (570) | (5,051) | (1,609) |
| Operating profit/loss (EBIT) | 1,912 | (1,144) | (960) | (7,835) |
| Net financial items | (494) | (64) | (640) | -91 |
| Profit/loss after financial items | 1,418 | (1,208) | (1,600) | (7,926) |
| Taxes | (110) | (27) | (110) | (22) |
| Profit/loss after tax for the period | 1,308 | (1,235) | (1,710) | (7,948) |
| Items that may be reclassified subsequently to profit or loss | | | | |
| Translation of foreign subsidiary | (23) | (22) | 150 | (164) |
| Comprehensive income for the period | 1,285 | (1,257) | (1,560) | (8,112) |
| -attributable to shareholders in Genovis AB | 1,285 | (1,257) | (1,560) | (8,112) |

| Earnings per share (SEK)* | 2018 | 2017 | 2018 | 2017 |
|---|------------|------------|------------|------------|
| | Oct.-Dec. | Oct.-Dec. | Jan.-Dec. | Jan.-Dec. |
| Based on weighted average of the number of outstanding shares (basic and diluted)*. | 0.02 | (0.02) | (0.03) | (0.14) |
| Number of shares | | | | |
| Weighted average for the period | 63,100,000 | 60,294,162 | 61,935,460 | 58,692,491 |
| Number of shares at beginning of period | 63,100,000 | 60,294,162 | 60,294,162 | 55,294,162 |
| Number of shares at end of period | 63,100,000 | 60,294,162 | 63,100,000 | 60,294,162 |
| Share price at end of period, SEK | 6.92 | 3.24 | 6.92 | 3.24 |

Condensed consolidated balance sheet

| (SEK 000s) | 2018 | 2017 |
|-------------------------------|---------------|---------------|
| Assets | Dec. 31 | Dec. 31 |
| <i>Noncurrent assets</i> | | |
| Intangible assets | 2,611 | 4,042 |
| Property, plant and equipment | 6,349 | 3,022 |
| Financial assets | 1,718 | 1,718 |
| Current assets | 17,567 | 12,606 |
| Cash and cash equivalents | 9,581 | 4,917 |
| Total assets | 37,826 | 26,305 |

Equity and liabilities

| | | |
|-------------------------------------|---------------|---------------|
| Equity | 26,071 | 18,187 |
| Noncurrent liabilities | 2,940 | 1,755 |
| Current liabilities | 8,815 | 6,363 |
| Total equity and liabilities | 37,826 | 26,305 |

Consolidated statement of changes in equity

| (SEK 000s) | 2018 | 2017 |
|--|---------------|---------------|
| | Jan.-Dec. | Jan.-Dec. |
| Amount, beginning of twelve-month period | 18,187 | 15,544 |
| Rights issue | 9,444 | 10,755 |
| Exchange rate difference | 150 | (164) |
| Profit or loss, full year | (1,710) | (7,948) |
| Amount, end of twelve-month period | 26,071 | 18,187 |
| Attributable to shareholders in Genovis AB | 26,071 | 18,187 |

| | 2018 | 2017 |
|--|---------|---------|
| Key financial figures | Dec. 31 | Dec. 31 |
| Equity/assets ratio (%) | 69 | 69 |
| Equity per share, end of twelve-month period* (SEK) | 0.42 | 0.31 |

* Based on weighted average of the number of outstanding shares (basic and diluted).

Summary Consolidated Cash Flow Statement

| (SEK 000s) | 2018 Oct.-Dec. | 2017 Oct.-Dec. | 2018 Jan.-Dec. | 2017 Jan.-Dec. |
|--|-------------------|-------------------|-------------------|-------------------|
| Cash flow from operations | 1,915 | (1,246) | (960) | (7,938) |
| Adjustment for items not affecting cash flow | 1,042 | 384 | 5,051 | 1,281 |
| Change in working capital | (2,698) | (600) | (4,701) | (1,698) |
| Net financial items | (494) | (26) | (640) | 0 |
| Cash flow from operating activities | (235) | (1,436) | (1,250) | (8,355) |
| Investing activities | (595) | (136) | (1,829) | (1,763) |
| Cash flow after investing activities | (830) | (1,572) | (3,079) | (10,118) |
| Financing activities | 175 | 0 | (1,703) | 0 |
| Rights issue | 0 | 0 | 9,445 | 10,755 |
| Cash flow for the period | (655) | (1,572) | 4,663 | 637 |
| Cash and cash equivalents at start of period | 10,236 | 6,490 | 4,918 | 4,281 |
| Cash and cash equivalents at close of period | 9,581 | 4,918 | 9,581 | 4,918 |

Parent Company

Summary Income Statement

| (SEK 000s) | 2018 Oct.-Dec. | 2017 Oct.-Dec. | 2018 Jan.-Dec. | 2017 Jan.-Dec. |
|--|-------------------|-------------------|-------------------|-------------------|
| Operating income incl. change in inventory, finished goods | 9,249 | 5,963 | 29,863 | 19,499 |
| Operating expenses | (8,141) | (7,467) | (31,563) | (27,739) |
| Operating profit/loss | 1,108 | (1,504) | (1,700) | (8,240) |
| Net financial items | 2 | 0 | 0 | 0 |
| Profit/loss for the period | 1,110 | (1,504) | (1,700) | (8,240) |

Summary Balance Sheet

| (SEK 000s) | 2018 Dec. 31 | 2017 Dec. 31 |
|---------------------------|-----------------|-----------------|
| Assets | | |
| Noncurrent assets | 5,719 | 6,702 |
| Current assets | 16,662 | 12,243 |
| Cash and cash equivalents | 8,597 | 4,032 |
| Total assets | 30,978 | 22,977 |

Equity and liabilities (SEK 000s)

| | 2018 Dec. 31 | 2017 Dec. 31 |
|-------------------------------------|-----------------|-----------------|
| Equity | | |
| Restricted equity | 15,775 | 15,074 |
| Unrestricted equity | 9,661 | 2,618 |
| Liabilities | | |
| Current liabilities | 5,542 | 5,285 |
| Total equity and liabilities | 30,978 | 22,977 |

Statement of changes in equity

| (SEK 000s) | 2018 Dec. 31 | 2017 Dec. 31 |
|--|-----------------|-----------------|
| Amount, beginning of twelve-month period | 17,692 | 15,177 |
| Rights issue | 9,444 | 10,755 |
| Profit or loss, full year | (1,700) | (8,240) |
| Amount, end of twelve-month period | 25,436 | 17,692 |
| Attributable to shareholders in Genovis AB | 25,436 | 17,692 |

| Summary Statement of Cash Flows (SEK 000s) | 2018 Oct.-Dec. | 2017 Oct.-Dec. | 2018 Jan.-Dec. | 2017 Jan.-Dec. |
|---|-------------------|-------------------|-------------------|-------------------|
| Cash flow from operations | 1,108 | (1,504) | (1,700) | (8,240) |
| Adjustment for items not affecting cash flow | 700 | 294 | 2,812 | 1,281 |
| Change in working capital | (460) | 1,160 | (4,163) | (53) |
| Net financial items | 2 | 0 | 0 | 0 |
| Cash flow from operating activities | 1,350 | (50) | (3,051) | (7,012) |
| Investing activities | (596) | (136) | (1,829) | (1,764) |
| Cash flow after investing activities | 754 | (186) | (4,880) | (8,776) |
| Financing activities | 0 | 0 | 9,445 | 10,755 |
| Cash flow for the period | 754 | (186) | 4,565 | 1,979 |
| Cash and cash equivalents at start of period | 7,843 | 4,218 | 4,032 | 2,053 |
| Cash and cash equivalents at close of period | 8,597 | 4,032 | 8,597 | 4,032 |

Statement

The Board of Directors and the Chief Executive Officer certify that this interim report provides a true and fair overview of the development of the Parent Company's and the Group's business activities, financial position and results of operations as well as the significant risks and uncertainties to which the Parent Company and the companies included in the Group are exposed.

Lund February 26, 2019

Genovis AB (publ.)

On behalf of the Board of Directors Fredrik Olsson
President & CEO

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This information is information that Genovis AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the contact person set out above, on February 26, 2019.

This is a translation of the Swedish original. In the event of any discrepancy between this translation and the Swedish original, the Swedish version shall prevail.