



Press release  
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## **CELLINK has entered into an agreement to acquire the advanced robotics and diagnostics automation company Ginolis**

CELLINK AB (publ) ("CELLINK") has entered into an agreement with the shareholders of Ginolis Oy ("Ginolis"), a Finnish company focusing on diagnostics automation and advanced robotics solutions for medical and diagnostic industries, to acquire all shares for a purchase price on cash- and debt-free basis of 70M euros (the "Acquisition"). Forty percent of the purchase price will be paid in newly issued shares of series B in CELLINK (the "Consideration Shares") and the remaining purchase price in cash. CELLINK's Board of Directors will resolve to issue the Consideration Shares in accordance with the authorization from the Extraordinary General Meeting held on December 17, 2020.

### **The transaction in brief**

- Founded in 2010, Ginolis is a leading life sciences robotics and diagnostics automation company providing workflows and solutions for medical and diagnostics companies around the world. Ginolis offers a range of highly innovative, modular, robotics systems for precise manufacturing of multiplex assays, lateral flow PoC-tests, and medical devices. Ginolis is currently both manufacturing and also providing systems for manufacturing of Covid-19 tests in the U.S. and Europe. In addition, Ginolis offers a portfolio of solutions to automate the production of consumables for medical devices, aligning well with the CELLINK's business model. Ginolis will continue as a part of CELLINK Industrial Solutions along with Scienion and Cellenion.
- Through the strategic acquisition of Ginolis, the Group will be able to capitalize on several strong synergies within the field of microfluidics, diagnostics, and bioprinting; further strengthening its bioconvergence powerhouse position. Ginolis' innovative modular robotics and workflows, the Xanthia platform, enable precision-oriented manufacturing of microfluidic, multiplex assays, medical devices, and lateral flow IVD tests known as PoC tests. The cutting-edge modularity of the Ginolis robotics make the platforms ideal for scale-up of bioprinting systems and product offerings, enabling strategic and industrial expansion of our bioprinting capabilities to pharma and biotech customers; a mission the Group committed to two years ago. Many of the great tools offered by Ginolis will ensure higher quality bioprinting experiments and results, faster throughput of printed tissues, and more reliable and reproducible data. For instance, Ginolis' 3D Metrology system, the Pixie, will be a perfect

plugin to our bioprinting workflows that will enable rapid quality assurance of bioprinted tissues to ensure a whole new level of reproducibility. CELLINK will also gain capacity to deliver large-scale automation to customers in the medical technology field and diagnostics, as well as an associated portfolio of innovative consumables that complement our existing offering.

- The purchase price for Ginolis all outstanding shares on a cash- and debt-free basis and under the assumption that the working capital at closing equals the normalized working capital amounts to 70M euros. Forty percent of the purchase price will be paid by issuance of the Consideration Shares and the remaining purchase price will be paid in cash.
- Through Ginolis' complementary technology offering, CELLINK sees great synergies that will support future growth especially with Scienion and with the CELLINK bioprinting business. Ginolis' revenue reached 18M euros during 2020 with an EBITDA margin of 12 percent. Pro-forma revenue growth is expected for 2021 and Ginolis' growth rate is expected to be in the range of CELLINK's financial growth target.
- The Acquisition is in line with CELLINK's commercial, bioconvergence strategy, strengthening CELLINK's product offering and brings the Group closer to the patients through cutting edge products used in human diagnostics and tissue printing.
- The Group will be able to capitalize on the strong market growth within Ginolis offering and application areas. The Group will also gain capacity to deliver large-scale automation projects for the medical and diagnostic industries.
- CELLINK and Ginolis have an established relationship, which contributes to a smooth integration between the companies.
- The Acquisition's completion and the transfer of Ginolis' shares are expected to take place by March 1, 2021 provided that all conditions for completion are met.
- Ginolis will remain under current entity and management post-transaction.
- Ginolis will be consolidated in CELLINK's financial statements from CELLINK's first quarter 2021 and in the financial reporting from March 1, 2021.
- CELLINK's Board of Directors will resolve on an issue in kind of the Consideration Shares in accordance with the authorization from the Extraordinary General Meeting held on December 17, 2020.

“With this strategic acquisition of Ginolis, we are further realizing CELLINK's bioconvergence vision and to create the future of medicine by taking one step closer to the patients and improving healthcare around the world. Ginolis' advanced robotics and diagnostics automation for medical device and diagnostic industries can be fully integrated with CELLINK's current offering and our present and future customers workflows and needs.

The Group's offering will be strengthened by synergies in workflows that automates precision-oriented manufacturing of microfluidic and lateral flow IVD tests; known as PoC tests, the capacity to deliver large-scale automation to customers in medical technology, diagnostics, as well as industrial scale bioprinting and tissue manufacturing. The cutting-edge modularity of the Ginolis robotics makes the platforms ideal for scale-up of bioprinting systems and product offerings, enabling strategic and industrial expansion of our bioprinting capabilities to pharma and biotech customers; a mission the Group committed to two years ago. Many of the great tools offered by Ginolis will

ensure higher quality bioprinting experiments and results, faster throughput of printed tissues, and more reliable and reproducible data. In addition, it is also possible for the Group to further capitalize on the current rapid growth in the application area of PoC-tests where Ginolis is currently manufacturing Covid-19 tests in the U.S. and Europe.

CELLINK's core is our strong bioconvergence agenda and developing and commercializing cutting edge technologies. Ginolis' ambition and product road map will enhance our position in the clinical field, which is well aligned with our long-term vision to create the future of medicine. To summarize: Ginolis will further be strengthening our strategic offering and contribute to our strong platform to become the leading bioconvergence company." Erik Gatenholm, CEO, CELLINK.

"Over the last 11 years we have developed a strong foundation and built well-renowned customer relationships within our industry. As current partner to CELLINK we are well acquainted with the culture, the technology – and innovation driven agenda as well as the Group's high ambitions. We look forward to be a part of the Group's bioconvergence vision and to bring our expertise, products and workflows to a wider audience." Teijo Fabritius CEO, Ginolis.

### **About Ginolis**

Founded in 2010, Ginolis is a leading life sciences robotics and diagnostics automation company providing workflows and solutions for medical and diagnostics companies around the world. Ginolis offers a range of highly innovative, modular, robotics systems for precise manufacturing of multiplex assays, lateral flow PoC-tests, and medical devices.

The company is headquartered in Oulu, Finland with manufacturing site in Estonia as well as sales offices in China, UK, and the US. The company has around 90 employees. Read more at: <https://www.ginolis.com/>

### **Background and motivation for the Acquisition**

The Acquisition is in line with CELLINK's commercial bioconvergence strategy, strengthening CELLINK's product offering and brings the Group closer to the patients through cutting edge products used in human diagnostics.

Through the strategic acquisition of Ginolis, the Group will be able to capitalize on several strong synergies within the field of microfluidics, diagnostics, and bioprinting; further strengthening its bioconvergence powerhouse position. Ginolis' innovative modular robotics and workflows enable precision-oriented manufacturing of microfluidic, multiplex assays, medical devices, and lateral flow IVD tests known as PoC tests. The cutting-edge modularity of the Ginolis robotics makes the platforms ideal for scale-up of bioprinting systems and product offerings, enabling strategic and industrial expansion of our bioprinting capabilities to pharma and biotech customers; a mission the Group committed to two years ago. Many of the great tools offered by Ginolis will ensure higher quality bioprinting experiments and results, faster throughput of printed tissues, and more reliable and reproducible data.

Ginolis more than doubled its turnover from 2019 and had a turnover of 18M euros in 2020. We have identified major synergies with Ginolis, which are expected to result in a growth rate in line with CELLINK's financial growth targets and improved margins going forward.

Through this strategic Acquisition CELLINK see the following synergies:

### **Enabling the next generation of bioprinting systems**

The cutting-edge modularity of the Ginolis robotics makes the platforms ideal for scale-up of bioprinting systems and product offerings, enabling strategic and industrial expansion of our bioprinting capabilities to pharma and biotech customers; a mission the Group committed to two years ago. Many of the great tools offered by Ginolis will ensure higher quality bioprinting experiments and results, faster throughput of printed tissues, and more reliable and reproducible data. For instance, Ginolis' 3D Metrology system, the Pixie, will be a perfect plugin to our bioprinting workflows that will enable rapid quality assurance of bioprinted tissues to ensure a whole new level of reproducibility.

### **The increased demand for microfluidic and lateral flow IVD tests, PoC-tests**

There is a current rapid growth in the application area of PoC-tests and an increased demand for modules and systems that can provide PoC testing, which is a 25 billion USD market (according to the BCC report: Point of Care Diagnostics: Technologies and Global Markets). The hallmark of these tests is that they provide quick and reliable answers, do not require laboratory analysis and that in many cases they can be carried out by the patient (e.g., pregnancy tests).

We see a great demand for this type of testing in the future; partly as a result of Covid-19, partly because we are in the future assessing an increased distribution of tests in more applications such as early detection of influenza.

Whatever the purpose of PoC-tests, they help to detect diseases proactively and early, which increases individuals' well-being and increases the chances of a rapid recovery, reduces the burden on health care facilities and helps to limit the spread of infection. We also see opportunities for development for this type of technology in, for example, veterinary diagnostics. With this Acquisition we will increase our market penetration and our capacity within the precise manufacturing of PoC-tests.

### **Synergies with the Group's existing product offering and future product development**

The Group's existing workflows can be integrated with Ginolis' product range and great synergies regarding innovation and joint future product development has been identified, especially with Scienion, which was acquired in August 2020 and CELLINK's bioprinting business. Ginolis' business model resembles CELLINK with a technology and innovation driven agenda and we believe that the integration of Ginolis will enable a smooth integration, as there is already an established cooperation between the companies. Ginolis will remain with current management post-transaction.

## **Increased capacity to deliver larger automation workflows**

With this Acquisition, CELLINK will also be able to cater for processes from early R&D to standardized large-scale high throughput production. Combined with CELLINK's cutting edge workflows and Ginolis' we will be able to merge and add more components to our workflows. CELLINK will also gain more capacity (through production units) and be able to deliver large-scale automation solutions to customers in medical technology and diagnostics. Ginolis is currently manufacturing Covid-19 tests in the US and Europe.

The complimentary product portfolio will together with the current offering position CELLINK as a market leader in automation solutions for medical and diagnostic industries. Ginolis can be fully integrated with CELLINK's current offering in our present and future customers workflows as well as integrated with the Group's global sales forces. The products are well-suited to be sold together with CELLINK's existing customer base.

## **Purchase price**

The total purchase price for 100 percent of Ginolis' shares on a cash- and debt-free basis and under the assumption that the working capital at closing equals the normalized working capital, amounts to 70M euros. Forty percent of the purchase price will be paid by issuance of the Consideration Shares and the remaining purchase price will be paid in cash.

## **Issue of the Consideration Shares**

CELLINK's Board of Directors will resolve to issue the Consideration Shares in accordance with the authorization from the Extraordinary General Meeting held on December 17, 2020.

The Consideration Shares will be issued at a subscription price determined by the volume weighted average price of CELLINK shares of series B on Nasdaq Stockholm under the last trading day preceding the completion date, i.e., preliminary on February 26, 2021.

The Consideration Shares will be covered by a lock-up undertaking for 6 months with partial release every month.

## **Closing**

The Acquisition's completion and the transfer of Ginolis' shares are expected to take place by March 1, 2021 provided that all conditions for completion are met.

## **Advisors**

Advokatfirman Vinge acted as legal advisors to CELLINK in connection with the Acquisition and Deloitte advised on financial and tax due diligence.

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### **About CELLINK**

Founded in 2016, CELLINK is the leading bioconvergence company in world that provides technologies, products and services to create, understand and master biology. With a focus on the application areas of bioprinting, multiomics, cell line development, and diagnostics, the company develops and markets innovative technologies that enable researchers in the life sciences to culture cells in 3D, perform high-throughput drug screening and print human tissues and organs for the medical, pharmaceutical and cosmetic industries. CELLINK's products are trusted by more than 1,800 laboratories, including ones at all the top 20 pharmaceutical companies, are being used in more than 65 countries, and have been cited in more than 700 publications. CELLINK is creating the future of medicine. Visit [cellink.com](http://cellink.com) to learn more. CELLINK is listed on the Nasdaq Stockholm under CLNK B.