ANNUAL REPORT 2023, MAY 13, 2024

BICO

BICO GROUP AB (PUBL)

The BICO Story

BICO was founded in 2016. Today BICO consists of a portfolio of companies, acquired between 2018-2022, with complementary and synergistic technologies. The majority of the companies were acquired during 2021.

The Group provides life science solutions and laboratory automation that enable more efficient development of new treatments with more specificity and less need for animal testing.

We are creating user friendly solutions by combining well-proven, conventional technologies with biology.

Customers benefit from our accessible solutions which streamline and automate workflows to ensure fast and accurate results.

BICO's competitive strengths

- End to end delivery competence
- Leading in innovation – unique position in the bioprinting landscape
- Strong offering in lab automation with agnostic software solution
- Portfolio and offering – possibility to scale and relevant both today and tomorrow
- Highly competent team – inhouse R&D and industry leading expertise
- Prominent customers: pharma and biotech companies, academic and research institutions, and laboratories
- Solid partnerships e.g., Sartorius

Annual Report as of May 13, 2024

This Annual Report as of May 13, 2024, replaces the previously published but not yet submitted Annual Report. This version will be submitted at BICO's Annual General Meeting on May 20, 2024.

SUMMARY 2023

STRATEGY

BUSINESS

SUSTAINABILITY

FINANCIAL INFORMATION

CORPORATE GOVERNANCE

OTHER FINANCIAL INFORMATION

Annual Report 2023

The Board and CEO of BICO Group AB (publ) with company registration number 559050-5052 hereby submit the Annual Report and the consolidated accounts for January 1, 2023 to December 31, 2023.

The company's annual accounts and consolidated accounts are included on pages 38-99 of this document.

The Annual Report has been audited by BICO's auditors and the Auditors' report can be found on pages 100-102.

In the events of any differences between the English version and the Swedish version, the latter shall prevail.

This is BICO

COUNTRIES

Global presence on 65+ markets

EMPLOYEES

880+

NO. OF INSTALLED INSTRUMENTS

46,000+

PUBLICATIONS

12,000+

BUSINESS AREAS

Bioprinting, Bioautomation and Biosciences. More information about business areas on pages 16-22.

CORE VALUES

- Persistence
- Execution
- Transparency
- Inspiration
- Passion

KEY FIGURES, SEK M

	2023	2022
Net sales	**2,249.9**	2,120.8
Total sales growth, %	**6.1**	68.7
Organic growth, %	**5.8**	29.1
Organic growth excluding currency effects, %	**0.3**	13.9
Gross profit	**1,576.7**	1,586.8
Gross margin, %	**70.1**	74.8
Adjusted EBITDA	**217.7**	126.2
Adjusted EBITDA, %	**9.7**	6.0
Earnings per share from continuing operations before and after dilution, SEK	**-12.56**	-41.25
Cash flow from operating activities	**178.4**	-269.4

All numbers in this Annual report refers to continuing operations if not otherwise stated. Ginolis has been classified as discontinued operation from Q4 2023 with retroactive effect.

VISION AND MISSION

Create the future of life-saving treatments by aiming to reduce the organ shortage and speed up drug development by providing accessible life science solutions that combine biology and technology.

Significant Events 2023

CHANGES IN EXECUTIVE MANAGEMENT: NEW CFO AND COO

On January 2 and 5 respectively, it was announced that Jacob Thordenberg was appointed Chief Financial Officer (CFO) and that Marius Balger had been appointed Chief Operating Officer (COO).

GOODWILL IMPAIRMENT OF GINOLIS

On February 21, BICO announced goodwill impairment in Ginolis as well as additional cost savings and downscale of the Ginolis' organization to make it better adapted to the reduced post-pandemic demand.

CHANGES IN THE BOARD OF DIRECTORS

During the AGM 2023 which took place on May 9, Rolf Classon was elected Chairman of the Board and Ulrika Dellby was elected vice chairwoman of the Board. In addition, Gerry Mackay was elected new member of the Board of Directors.

PARTNERSHIP WITH SARTORIUS

During May and June, the next step in the partnership with Sartorius was finalized when several sub-sales and distribution agreements as well as R&D project agreements were signed. The R&D projects are managed in collaboration between participating companies and Sartorius. They target spheroids, 3D tissue models, 3D bioprinting, and digital solutions for automated workflows.

DIVESTMENT OF PROPERTY IN BERLIN

BICO signed an agreement on August 3 to divest the SCIENION building in Berlin, Germany. The transaction was completed in December 2023 and generated a positive cash flow contribution of SEK 243.5m in Q4. The divestment also included a sale-and-lease-back with SCIENION.

MARIA FORSS APPOINTED NEW PRESIDENT AND CEO

On August 21, it was announced that Maria Forss was appointed new CEO and President of BICO. Maria Forss assumed office on November 20.

DIVESTMENT OF GINOLIS

BICO divested Ginolis through a management buy-out in November. The rationale behind the divestment was that Ginolis did not transition fast enough to mitigate the post-pandemic downturn. Ginolis was right sized during 2023, but order intake was not restored according to expectations.

BIOSERO AGREEMENT TO DEVELOP LABORATORY AUTOMATION SOLUTIONS

An agreement was signed on December 4 with a global life science company of a total value of 28 MUSD to design and build an automated R&D, hardware and software platform which consists of 5 sub-projects. The project is estimated to run from late Q4 2023 until Q1 2026 and the platform is aimed to shorten time for drug development workflows.

GOODWILL IMPAIRMENT IN GROUP COMPANIES

BICO concluded during Q2 and Q4 an impairment of goodwill totaling SEK 480m in MatTek, Nanoscribe, QInstruments, SCIENION, and Visikol. The impairment of goodwill were predominantly related to increased weighted average cost of capital (WACC) as well as lower growth projections.

BICO Press release archive: **www.bico.com**

Right-sizing Improvements Paved Way for Profitability

2023 was characterized by leadership change, changed demand from customer segments, and the divestment of Ginolis. Key priorities during the year were right-sizing, cost control, and operational excellence which contributed to delivering improved profitability. We now look ahead for 2024 with focus on our strategic priorities while working with updating the BICO strategy.

SOFTER MARKET AND SALES IN LINE WITH PREVIOUS YEAR

Sales in 2023 amounted to SEK 2,249.9m; an increase of 6.1 percent compared to 2022, 0.6 percent excluding currency effect. BICO showed resilience in sales over the year compared with our industry peers and despite challenging market conditions.

We saw an increased demand during the second half of 2023 for Biosero and their project-based business. In December we announced that Biosero had signed the Group's largest project to date worth 28 MUSD. The project consists of delivering lab automation solutions to a global pharma customer. In addition, some of the Group companies in Bioprinting and Biosciences delivered slightly above expectations on a full year basis.

However, the historically Q4 positive seasonal effect was weaker compared with the corresponding quarter last year. This can be explained by two main reasons. The first was weaker sales than expected from some of our instrument-sales oriented companies, mainly attributable to reduced grants within Academia and Research segment. The second was weak demand from the Diagnostic industry which resulted in hampered sales in Bioautomation. This was also the rationale why Ginolis was divested in November 2023, since the company did not transition fast enough to mitigate the post-pandemic downturn.

The flat sales levels also impacted the organic growth which amounted to 5.8 percent and 0.3 percent excluding currency effect. The gross margin for 2023 amounted to 70.1 percent. This was a decline of 4.7 percent units compared with 2022. The gross margin for 2023 was impacted by extraordinary inventory write-offs in Q2 as well as stronger currency tailwind in 2022.

RIGHT-SIZING AND COST CONTROL IMPROVED PROFITABILITY

Adjusted EBITDA for 2023 amounted to SEK 217.7m corresponding to a margin of 9.7 percent. This was a substantial improvement despite flat sales due to right-sizing and cost control all over the Group. We completed the cost savings programme in Q3 2023 and were able to turn three out of four loss-making companies profitable over the year.

We have diligently worked with initiatives related to Operational Excellence during 2023 which targeted lower costs both on a short-term and long-term basis e.g., inventory management, mapping of supply chain synergies, and re-negotiation of our supplier commitments.

FOCUS ON CASH FLOW AND NET WORKING CAPITAL

In terms of operational cash flow we made improvements during the year, mainly driven by positive development with regards to profitability as well as net working capital. The operational cash flow amounted to SEK 178.4m due to improved EBITDA-margins, cost control and improved working capital levels. Cost control as well as net working capital, especially inventory levels, remains strategic priorities going into 2024.

Net working capital continued to trend positively during all quarters of 2023. We have made improvements during 2023 and decreased net working capital from 32 to 23 percent (net working capital/sales last 12 months). This is the result of more robust processes, including better collection and payment processes as well as inventory management.

We also completed the sale of the Berlin building in December 2023 which generated positive cash flow contribution of SEK 243.5m (within investing activities). This improved total cash balance to SEK 861.0m per December 31, 2023. Given the still somewhat weak market sentiment, we believe it's for now beneficial for the Group to have a strong cash position. This position is something that we continuously evaluate.

GOODWILL IMPAIRMENTS DURING 2023

BICO concluded during Q2 and Q4 an impairment of goodwill totaling SEK 480m in MatTek, Nanoscribe, QInstruments, SCIENION, and Visikol. The impairment of goodwill were predominantly related to increased weighted average cost of capital (WACC) as well as lower growth projections. The impairments did not impact EBITDA but had a result effect on EBIT and were non-cash flow affecting.

PARTNERSHIP WITH SARTORIUS

The strategic collaboration with Sartorius was further formalized during the year and consists of two main parts; one commercial and one which targets R&D. Several sub-sales and distribution agreements as well as R&D project agreements were signed between the parties during May and June 2023. Sartorius distributes a range of BICO products, such as 3D-bioprinting and liquid handling platforms as well as reagents, to customers in the Asia-Pacific region. The R&D projects, managed in collaboration between participating BICO companies and Sartorius, target spheroids, 3D tissue models, 3D bioprinting, and digital solutions for automated workflows.

REFLECTIONS AND PRIORITIES FOR 2024

I joined BICO in late November 2023 and I am impressed by the difference that our technology and solutions are able to make, which creates value for the end-users. I have visited our companies in the Sweden, Germany and the US as well as met key customers. Based on this I have reviewed the current state of all our businesses.

After many acquisitions in a short time and a changed macroenvironment the BICO Group has been on a transformation journey towards profitable growth. During 2023 our efforts were centred around cost control and initiatives related to operational excellence. We have demonstrated good progress in these areas, which is seen by the improved profitability and net working capital, and we will during 2024 continue with these initiatives to further professionalize the group. I am pleased that we have been able to keep the sales levels in a period of right sizing the business aswell as a softer market.

With many good assets in our portfolio and skilled and engaged co-workers we have a good foundation for future commercial success. Using this stronger base, we will continue to strengthen the commercial parts to leverage our portfolio even better and in parallel updating the strategy for BICO.

In order to keep momentum, four strategic priorities for improvement have been identified (read more on page 13). I believe that execution on these priorities will pave the way for the updated strategy which will capture current commercial growth opportunities as well as unlocking future potential.

MARIA FORSS / President and CEO

Trends

1 RAPID GROWTH AND DEVELOPMENT IN REGENERATIVE MEDICINE

Regenerative medicine includes several scientific and medical disciplines where the goal is to develop methods to regrow, repair or replace damaged or diseased cells, organs or tissues, by stimulating the body's self-healing process to repair and restore. Development in this field is mainly driven by technological advances in stem cell biology and tissue engineering. Current developments in 3D bioprinting have potential in regenerative medicine with application areas such as tissue and organ transplants.

2 ALTERNATIVES TO ANIMAL TESTING

Animal testing is still widely used, however the bipartisan FDA Modernization Act 2.0, passed in December 2022, which eliminates the requirement to test experimental drugs on animals. FDA Modernization Act 3.0 was introduced in February 2024, but not yet passed. It seeks to establish clear guidelines for non-animal test methods that better predict drug safety and efficacy.

In the European Union it is prohibited to test cosmetic products on animals and in 2021 the European Parliament adopted a resolution calling on the European Commission to present an action plan to actively phase out animal testing, since it is still allowed for complex human health issues such as repeat dose toxicity and reproductive toxicity.

Changes to regulations with tougher requirements on conducting animal experiments are driving academic institutions and pharmaceutical and cosmetics companies to conduct further research using complex in-vitro models such as 3D bioprinted tissues, 3D microtissues, and organ-on-a-chip microfluidic cell cultures.

3 CONTINUOUS FOCUS ON BIOLOGICAL DRUGS

In recent years, synthetic, biologic and biosimilar drugs have been a focus for pharmaceutical companies. Currently, 8 out of 10 of the globally best-selling drugs are biologics and manufactured by using clonal cell lines. In cell line development, following transfection, single cells need to be isolated from transfected pools. Developing these drugs may take up to 12 years and can cost billions, meaning that the industry is looking for speed, quality, and efficiency in their cell line development workflows.

4 INCREASED FOCUS OF PERSONALIZED MEDICINE

A major trend in medical research is the movement towards more personalized medical treatments. The end-goal is to provide medical treatments based on the patient's own circumstances and completely adapted to the patient's data. For example, the combination of patient medical imaging data and 3D printing technologies has made it possible to create personalized medical implants that have a perfect fit or create organ models to aid doctors preparing for complicated surgeries, thus improving treatment outcomes.

Another application at the forefront of research is the use of 3D bioprinting to replicate a patient's tumor outside the body and then test various potential medicines to find the best one for the patient.

5 LAB AUTOMATION FOR INCREASED EFFICIENCY AND LOWERED COSTS

We see lab automation contributing positively to the first two phases of drug discovery, providing the pharmaceutical industry with methods to increase efficiency in identifying promising drug candidates. And ultimately, innovations in laboratory automation can reduce the time to market for drugs that transform the lives of patients.

Over the last years laboratories have also experienced higher cost and lower availability of skilled labour. Lab automation offers possibilities to set schedules 24/7 and means that the development can proceed efficiently without constant manual touchpoints. Critical data on experiments can be delivered to scientists in a steady stream.

Systems are also designed to connect data with Machine Learning and AI. In addition, this means that the scientists can focus their time on designing experiments and interpreting experimental results while automation executes the physical implementation.

Market Place

TRENDS

Rapid growth and development of regenerative medicine

Alternatives to animal testing

Continuous focus on biological drugs

Increased focus on personalized medicine

Lab Automation for increased efficiency and lowered costs

MARKET DRIVERS

Personalized medicine

Decrease costs, improve efficiency in drug discovery and reduce time to find safe and effective treatments

Long-term enable transplantation of printed organs

Early detection of diseases better and faster

FDA Modernization Act 2.0/3.0 allows non-animal testing methods

Integrated and automated workflows in laboratories

BUSINESS AREAS

BIOPRINTING

Customer base: Academia, Pharma, and Cosmetics
Sales model: Instruments, consumables, reagents, and services
Market position: Market leading

BIOSCIENCES

Customer base: Academia and Pharma
Sales model: Instruments, consumables, reagents, and services
Market position: Market challenger

BIOAUTOMATION

Customer base: Diagnostics and Pharma
Sales model: Instruments, consumables, services, and contract manufacturing
Market position: Market challenger

CUSTOMER SEGMENTS

Academia & Research organizations

- Human implants
- Biomaterials research
- Cell biology
- Teaching
- >11,000+ out of 26,000 applicable academic institutions on a global basis

Pharmaceutical companies

- Drug discovery and compound screening
- Cancer research
- Biopharmaceuticals
- Gene therapy
- Lab Automation
- Catering to the largest pharmaceutical companies in the world

Diagnostic companies

- Novel diagnostic products for disease screening
- Multiplex assays
- Point of Care tests
- Biosensors
- Oncology, Sexually Transmitted Infections (STIs), flu, diabetes, etc.

Cosmetic Industry & Medical Device companies

- Toxicity and cosmetic tests on human tissues
- Personalized treatments and devices

Business Model

BICO's business model is to manufacture hardware, laboratory automation, software solutions, and products to streamline, automate, and increase efficiency and efficacy in workflows. BICO also has an aftermarket offering for reagents, services including software programs and consumables such as bioinks, well plates, and tissue models.

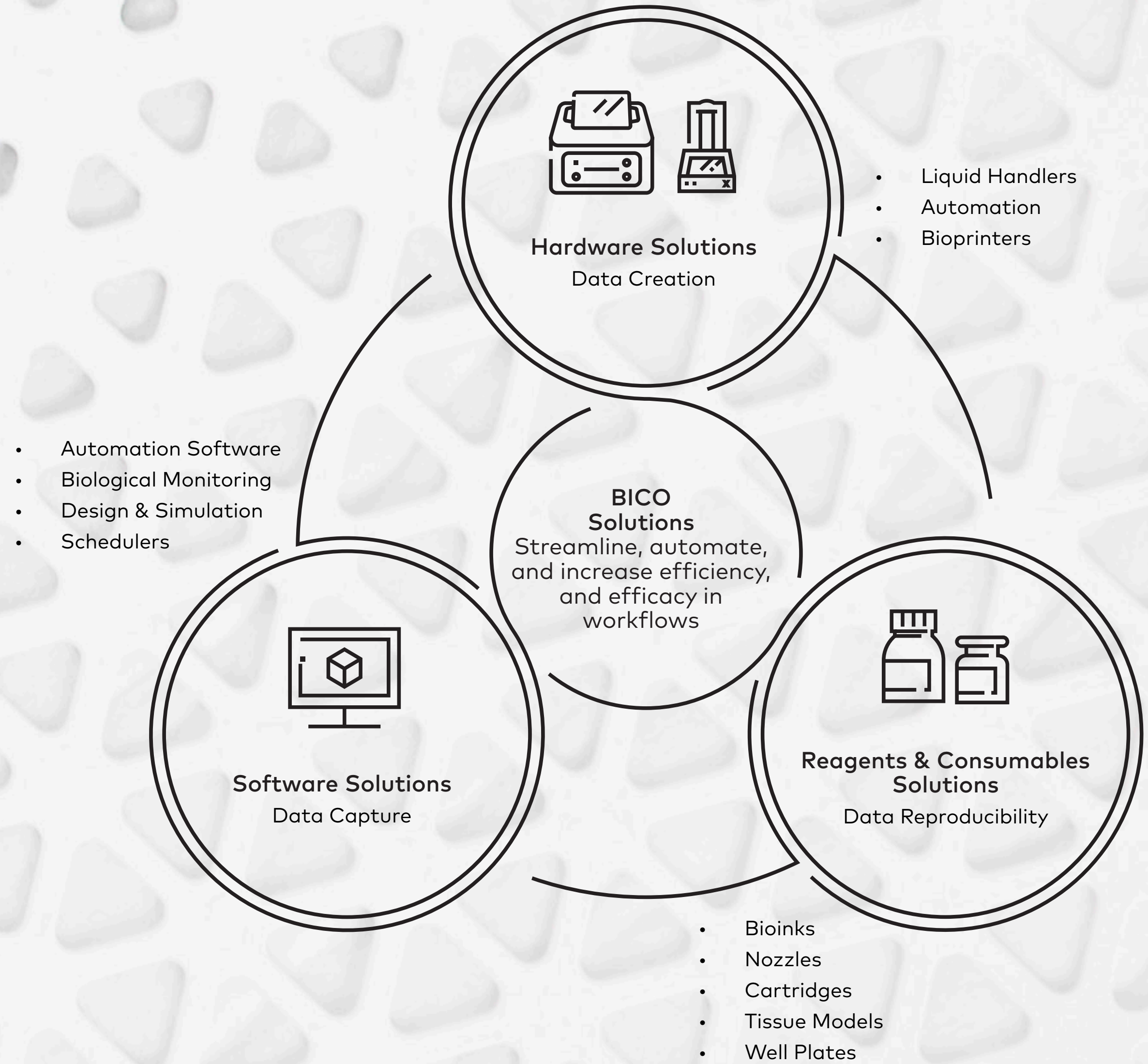
BICO's business model includes the entire value chain from R&D, manufacturing to sales and distribution of the company's products through our North American, European, and Asian sales organizations as well as through an extensive distributor network.

Our technologies enable researchers and practitioners in life sciences to conduct improved cell line development; perform high throughput drug screening and diagnostics; print human tissues and organ tissues for the medical, pharmaceutical, and cosmetic industries; and perform multiomic analyses more efficiently.

Most technology development is done inhouse by our Research & Development teams and often takes place in collaborations with universities and research organizations, as well as with customers. Our close links with Academia, Pharma, and our customers allow us to be agile and act on specific requests.

As BICO has grown and acquired companies, our research and development today take place in Germany, France, the US, Sweden, and Taiwan, and this is also where most of our production takes place.

In addition, BICO and Sartorius finalized the next step in our partnership when several sub-sales and distribution agreements for APAC was signed during 2023. BICO has a global presence in more than 65 markets.



Strategic Priorities for Improvement

During 2023 BICO's efforts were centered around cost control and initiatives related to operational excellence. BICO has demonstrated progress in these areas, but we still need to focus on improvements during 2024.

In order to address these challenges, four strategic priorities for improvement have been identified. We believe that these priorities will pave the way for the updated strategy which will be launched later in 2024. The updated strategy will capture current commercial growth opportunities as well as unlocking future potential.

Cost Control

Outcome 2023:

- A Group-wide cost savings program was launched in Q3 2022 with the aim to save SEK 100m on an annual basis. The program was completed in Q3 2023 and three out of four loss-making Group companies were profitable already by Q1 2023. These three companies continued to deliver in line with expectations during 2023.
- The fourth company, Ginolis, was divested in November 2023. The rationale was that Ginolis did not transition fast enough to mitigate the post-pandemic downturn. Ginolis was right sized during 2023, but order intake was not restored according to expectations.
- The Group has had a cost control focus during 2023 which will also follow in 2024. Strict cost control, right-sizing and cost optimization delivered an adjusted EBITDA of SEK 217.7m for FY 2023.
- The Group had 884 full time equivalents (FTE's) by year-end 2023 compared with 1,061 by year-end 2022, a decrease of 17 percent.

Operational Excellence

Outcome 2023:

- Net working capital development continued to trend positively during 2023. BICO has made improvements during 2023 and decreased net working capital from 32 to 23 percent (net working capital/sales last 12 months). This is the result of more robust processes, including better collection and payment process as well as inventory management.
- Actions related to inventory management have been carried out. All Group companies inventory levels have been mapped and analyzed. Consequently, scrapping and write-downs were carried out in Q2, 2023 of SEK 27m. Targeted action plans have also been implemented for Group companies with elevated inventory levels. Focus going forward is inventory reduction to further improve levels.
- Larger supplier commitments have been reviewed to phase and/or reduce commitments for 2023 and upcoming years. Supplier commitments has been lowered while keeping agreed delivery commitments to customers.
- Group-wide purchase processes have been introduced during 2023 such as common supplier agreements, preferred supplier portfolio, and mapping of opportunities within the Group to bundle volumes and share suppliers. In addition, BICO has also worked with facility space reduction.

Strategic Priorities for Improvement

The Group have identified four strategic priorities to achieve sustainable profitable growth:

1. Drive Commercial Excellence
Improve and strengthen the commercialization effectiveness of our portfolio as well as further explore opportunities for collaborations and partnerships.

2. Complete Strategic Review
The review consists of assessment of the current R&D roadmap and the Group's product portfolio and offering in the light of the market landscape. The findings from the review will highlight commercial opportunities and synergies i.e., how we can further develop our offering and product portfolio which will be essential in BICO's new strategy given the current macro environment as well as geopolitical situation.

3. Invest in People & Culture
BICO will invest more in People & Culture, and to coordinate these efforts a Global Head of HR has been appointed. This role will be responsible for shaping and executing BICO's global HR strategy to build a people and high-performance culture.

4. Continue Operational Excellence Initiatives
The Group will continue to address challenges related to improving processes and continue to keep strict cost control. We will proactively monitor all our businesses during the monthly reviews in order to keep pace to be able to reach progress in improvement projects that have been identified. This area entails work with inventory management as well as supply chain related synergies also during 2024. BICO will continue the ERP implementation and establishment of a Project Management Office, initially to govern larger R&D projects.

Financial Targets

- Valid from 2023 on a mid-term basis (1-3 years)
- Growth target captures market growth opportunities
- Margin target secures focus on profitability, including total R&D spending, and enables positive cash flow excluding acquisition-related items
- Net Debt target enables flexibility in future financing alternatives
- The ambition with the new financial targets is to support self-financed profitable growth

Growth Target

DOUBLE-DIGIT ORGANIC GROWTH IN CONSTANT CURRENCY

OUTCOME 2023:
0.3%, full year 2023. The outcome is below target, however expected given the challenging market environment during 2023, which resulted in decline in sales primarily to customer segments: Diagnostics, Academia, and Biotech.

Margin Target

EBITDA MARGIN LESS CAPITALIZED DEVELOPMENT COST > 10%

OUTCOME 2023:
11.5% for reported EBITDA and 5.1% for adjusted EBITDA, full year 2023. The outcome is slightly below target if adjusted for earn-out adjustments but improving from prior year. Continuous cost-cutting measures are being taken to improve profitability.

Net Debt Target

NET DEBT / EBITDA <3.0x

OUTCOME 2023:
1.6 for reported EBITDA and 2.6 for adjusted EBITDA. The strong cash flow in Q4 has decreased the ratio which is well in line with the target.

The BICO Share

On November 3, 2016 the CELLINK share, now BICO, was listed on the Nasdaq First North Growth Market. On April 20, 2020 it was subsequently listed on the Nasdaq Stockholm's Main Market, sector: Health Care.

SHARE CAPITAL AND VOTES

As of December 31, 2023, the total number of registered and outstanding shares in BICO Group AB (publ) amounted to 70,574,895, where of 1,500,000 are shares of series A and 69,074,895 are shares of series B. The total number of votes amounted to 84,074,895 votes where of 15,000,000 are related to series A and 69,074,895 are related to series B. The share capital amounted to SEK 1,764,372.375. The company does not hold any treasury shares.

INCENTIVE PROGRAMS

BICO has three long-term incentive programs aimed at the Group's staff and Board members. The purpose of the incentive programs is to encourage broad share ownership among employees, facilitate recruitment, retain skilled employees and increase motivation to achieve or exceed the Group's goals.

SHAREHOLDERS

As of December 31, 2023, BICO had approximately 22,600 shareholders, a decrease of 3,400 compared with December 31, 2022. The proportion of non-Swedish shareholders amounted to 36 percent at year-end. The ten largest confirmed owners at year-end are shown in the table to the right.

DIVIDEND

The Board of Directors proposes no dividend for the financial year 2023 given the company's focus on sustainable profitable growth.

COMMUNICATIONS WITH THE STOCK MARKET

The aim is for the company's communications with the stock market to be accessible, accurate and provide clear information that follows the rules and requirements applicable to listed companies. An archive of published press releases and reports can be accessed via the company website at www.bico.com/investors.

Communication with the stock market primarily takes place directly after the publication of the company's financial statements via a teleconference with investors, through the publication of press releases about significant events in the company, and in connection with presentations organized within the company's sector or by BICO.

SHAREHOLDER STRUCTURE

Ten largest shareholders per December 31, 2023

	Holding	Votes
Erik Gatenholm	13.63	20.53
Sartorius Lab Holding GmbH	10.09	8.47
Handelsbanken Funds	9.50	7.97
Héctor Martinez	8.95	13.59
Fourth Swedish National Pension Fund	5.78	4.86
Third Swedish National Pension Fund	2.74	2.30
ARK Investment Management LLC	2.57	2.16
Claes Dinkelspiel	1.54	1.29
Avanza Pension	1.40	1.18
Carl Bennet	1.38	1.16
Total top 10 largest shareholders	**57.59**	**63.51**
Other shareholders	**42.41**	**36.49**
Total	**100.00**	**100.00**

KEY DATA RELATED TO THE BICO SHARE 2023

Liquidity - Primary market	
Lowest share price	23.38
Highest share price	122.0
VWAP	60.14
Number of shares traded	89,017,901
Average number traded per day	354,653
Number of closed trades	317,550
Average number of closed trades per day	1,265
Average worth per closed trades	16,858
Average daily turnover	21,327,333
Daily turnover rel. market value	0.51%
Total liquidity	
Average daily turnover	32,133,442
Daily turnover rel. market value	0.76%
Average number traded per day	535,552
Number of shares traded	134,423,729
Market place and Transaction cateogry	
Share of Nasdaq (ordinary trade)	66.0%
Share of block transactions	8.5%
Share of dark pools (Nasdaq)	2.7%

Business Areas

The Group is divided in the three business areas: Bioprinting, Biosciences and Bioautomation.

Bioprinting

This business area offers systems, products, solutions and services that combine user-friendliness, accessibility and capabilities to enable the proliferation of 3D cell culture with any cell line, in any geometry, using any biomaterial.

The Bioprinting business area comprises six companies that are enabling 3D cell culture and 3D printing.

CELLINK and Nanoscribe provide advanced additive manufacturing solutions, shaping the field of bioprinting. Complementing our bioprinters are the biomaterials produced by Advanced BioMatrix, a leader in the material science field producing bioinks, hydrogel and tunable substrates that seamlessly integrate in cell biology workflows. Visikol is a contract research organization that provides services in cell-based assays, tissue imaging and analysis. The final member in our Bioprinting business area is MatTek, which has been defining standards in in vitro human tissue models for the last 25 years, accelerating the adoption of 3D models and improving insights.

Advanced BioMatrix is offering three dimensional (3D) applications for tissue culture, cell assay, bioprinting and cell proliferation. The company's portfolio includes bioinks, reagents and consumables – products that are recognized as the standard for purity, functionality and consistency.

By releasing the first universal bioink in 2016, CELLINK democratized the cost of entry for researchers around the world and played a major role in turning the then up-and-coming field of 3D bioprinting into what it is today. CELLINK's bioinks, bioprinters, software, and services have enabled breakthroughs in a wide range of applications from 3D cell culturing to tissue engineering to drug development.

For more than 25 years, MatTek has been provider of reliable in vitro human tissue model innovation. These advanced tissue models supports companies to achieve their goals of non-animal testing while lowering testing costs and providing human-relevant results.

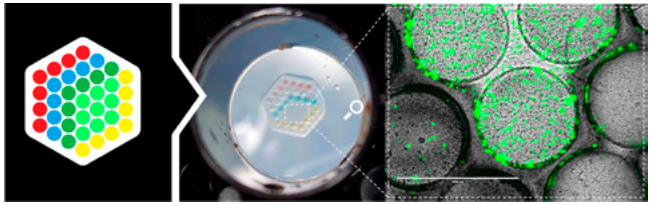
Nanoscribe focuses on high-precision additive manufacturing. Their systems can be used in a wide variety of sectors such as microoptics, micromechanics, biomedical engineering, and photonics technologies.

Visikol is a contract research services company focused on advanced drug discovery, and the fields of bio-imaging, advanced cell culture, bioinformatics and image analysis. The company conducts drug discovery services ranging from early discovery stages through animal studies and analysis of human pathological specimens. A decision was made in February 2024 to integrate Visikol into MatTek.

Allegro 3D's bioprinting technology based on digital light processing (DLP) enables high-precision and high-throughput manufacturing of biomedical devices and human tissues for cell culture, drug screening, and regenerative medicine applications.

Unlocking a new level of bioprinting with Advanced Mode on the BIONOVA X

Bioprinting has taken a step forward with the introduction of the Advanced Mode, a software module on the BIONOVA X, equipping customers with the ability to carry out multi-material printing.



Bioprinting has come a long way since its inception, evolving from basic single-material extrusion systems to more sophisticated technologies capable of printing intricate and complex structures. Traditional bioprinters, were cutting-edge in their own right, often faced limitations in achieving the necessary precision and versatility required for mimicking the complexity of human tissues.

CELLINK's BIONOVA X, the first direct in-well DLP based bioprinter, has taken a leap forward in functionality with the launch of Advanced Mode, a software upgrade available for all customers. Central to the increased functionality Advanced Mode offers is the capability to carry out multi-material printing. With multi-material printing, users can use more than one bioink in each well, for more realistic and functional tissues, that better capture the complexity of native tissue.

The significance of multi-material printing on a DLP bioprinter
Whether it is to provide cells the right environment to function or enable multiple cell types to interact, multi-material printing provides users a great deal of promise and has been leveraged by numerous researchers to inch closer towards capturing in-vivo biology.

Thus far, much of this research has been done on extrusion-based systems, well known for their versatility. While extrusion systems provide users a great deal of flexibility the inherent printing mechanism sacrifices on resolution for the added utility.

Enter DLP printing where the light-based technology cross links constructs layer by layer at lightning-fast speeds and ultra-high resolution. The BIONOVA X provides users with 10µm and now with Advanced Mode this high precision resolution can be applied to multiple materials.

AREAS OF IMPACT

Tissue Engineering
The ability to print with multiple materials opens up new possibilities in tissue engineering. Researchers can now create intricate vascular networks, replicate organ architectures, and generate more physiologically relevant tissue models for drug testing and disease research.

Drug Testing
The precision and versatility offered by the BIONOVA X's Advanced Mode make it an invaluable tool for drug discovery and testing. With multi-stiffness and multi-material printing onboard, advanced coculture models can be developed to mimic healthy and diseased tissues. Giving researchers better models to glean data from and make informed decisions.

Cancer Biology
With multi-material and multi-stiffness capabilities onboard, the BIONOVA X with Advanced Mode gives the users a unique ability to create microenvironments that better capture in vivo biology like never before, shining a light on important mechanisms like cancer invasion, migration and metastasis.

Read more about CELLINK and BIONOVA X: www.cellink.com

A Software Suite to Drive Laboratory Efficiency: Green Button Go Orchestrator

Modern labs, especially those in facilities at pharmaceutical and biotech companies, require research progress at ever greater speeds, with smaller sample sizes, and mitigation of risks from human errors. To help scientists meet these needs, Biosero developed and launched Green Button Go® Scheduler in 2011.

GBG® Scheduler's core competency is communicating with devices from multiple, different manufacturers to compile them into larger solutions for lengthier automated sequences. The software has excelled at its work at a variety of laboratory types, from small startup labs to pharma bio-factories, allowing clusters of devices to be combined into an island and run together on a choreographed schedule. As the pressure for more and faster discoveries grew and continues to grow, however, the scientific market began to ask for a solution that would go a step further.

Biosero's response is a suite of applications built around GBG Scheduler now known as Green Button Go Orchestrator. Launched in 2022, GBG Orchestrator has already been adopted by labs around the world to take their scheduled workflows to the next level, tying the science spread across various islands of automation into lab-wide, orchestrated solutions.

Giving scientists a place to conduct the complex, multifaceted activity in the laboratory

With this new suite of applications in GBG Orchestrator, many of the disparate and unconnected parts of the lab can be brought together to achieve a new level of efficiency. Processes, automated workstations, data, business rules, and personnel are all coordinated and conducted via GBG Orchestrator to achieve robust, reliable, and accelerated scientific outcomes. GBG Orchestrator supports over 400 different devices common to the laboratory space and many industrial modes of transit, empowering labs to take advantage of the latest technology in robotics to power up their solutions.

Now with these tools, it's possible to process precious samples across islands of automation, connect to other key lab software like Laboratory Information Management system via API, facilitate manual and automated workflows from the same portal, and measure the productivity of the entire lab. Businesses have long run on performance analytics, and now the lab is empowered to operate and measure productivity in the same way.

Common areas where Green Button Go Orchestrator makes a major difference

1. Academic core facilities or startups can leverage GBG to manage staff shortages and run samples when team members are not in the lab to improve efficiency

   Even a small workstation powered by GBG Scheduler can alleviate labor challenges in the lab, when too few team members are available at the right times to process samples. GBG Scheduler and a paired workstation can take care of loading plates, washing plates, and managing the interaction between incubator, washer, and plate reader.

In this way, research can continue uninterrupted on weekends or after hours, enabling more efficient use of the lab and its equipment.

2. Mid-size biotech companies can leverage GBG to increase the number of compounds screened per day

   A biotech company is doing part of their workflow by hand and requires multiple reagents and consumables to complete the work. In the past, they have experienced a bottleneck at the plate reading step as well. They are eager to improve their throughput and automate these complex steps so they plan out their automation with GBG Scheduler. With their new automation solution driven by GBG Scheduler, they can automate the manual parts of the work and leverage 6 plate readers are once to keep data flowing without a traffic jam.

3. Major labs running hundreds of thousands of patient samples per year can leverage GBG to increase output and reduce a testing backlog.

   For labs running bulk quantities of tests on patient samples daily, there can be significant challenges with backlogs and samples getting stuck in a queue. These testing situations also require special protections for data. Using GBG Orchestrator, multiple workstations can be connected with high-quality sample storage to help scale to the required sample throughput. Industrial track systems can be used to rapidly transport samples throughout the testing system. Chain-of-custody is respected at every step of the process to ensure that an unbroken line of data can be used to meet regulatory requirements via an extension already built into GBG.

The GBG software suite makes a powerful operational difference for labs looking to increase efficiency, and it can be found in every type of lab and application area around the world supporting scientists in their research.

Read more about Biosero and Green Button Go:
www.biosero.com.

Biosciences

Facilitating faster and smarter workflows in multiomics, biopharma cell line development (CLD), combinatorial screenings and next-generation sequencing.

Molecular biology and multiomics are fast-growing fields with increasing requirements for higher throughput and automation. The Biosciences business area provides instruments that enable the gentle handling of cells and rare samples, rapid transfer of liquids and reagents, as well as downstream analysis platforms to gain valuable insights from experiments, via upright and inverted microscopy. All this brings efficiency and speed to multiple application areas.

The Biosciences business area consists of five companies. Dispendix present in the non-contact liquid handling industry, enabling highly multiplexed assembly of thousands of chemical reactions within minutes and more flexibility in assay development. CYTENA provides pharmaceutical companies with proven single-cell dispensing technology for the deterministic single-cell isolation of a wide range of cell types. Additionally, CYTENA has developed solutions for the automated monitoring of cell-based assays, through an innovative live-cell imaging system, complementing Discover Echo's portfolio of inverted and upright microscopes. Additionally, CYTENA BPS supports the cell line development industry with the first of their kind high-throughput microbioreactors for parallel cultivations in 96-well plates to bring production bioreactor conditions to the 150 to 800 µL scale level. Biosero is one of the leaders in developing innovative software solutions that integrate end-to-end workflows that multiply productivity in the lab there are many additional synergies to capture.

BIOSERO A BICO COMPANY

Biosero is a leader in software solutions, developing science-centric software and laboratory automation solutions that enable researchers to orchestrate their discoveries at every stage. Biosero integrates and connects laboratory automation with business systems to contextualize data, enabling data-driven decisions in a cohesive technology ecosystem.

CYTENA A BICO COMPANY

CYTENA instruments supports automated and highly efficient lab workflows for improved cell line development, microbiomes, live cell imaging, liquid handling, and omics applications that enable new discoveries in areas such as drug development and healthcare research.

CYTENA BPS A BICO COMPANY

Driven by the mission to bring bioreactor conditions into early stages of the pharmaceutical development process, CYTENA BPS provides customers across the wider pharma industry with innovative microbioreactor solutions.

ECHO A BICO COMPANY

Discover Echo was built around a singular vision: to rethink traditional microscope design. Every aspect of workflow, usability, and performance have been pushed to create a product that combines inverted and upright microscopy in a single product.

DISPENDIX A BICO COMPANY

Dispendix provides liquid handling technology to scientists and lab technicians around the world. Liquid handling technology enables new discoveries in areas such as drug development, diagnostics, and synthetic biology.

The Confocal Microscope Provides Automated Functions to Simplify Image Acquisition

Discover Echo has been a leading innovator in microscopy and imaging technologies since starting up in San Diego, California in 2013, and joined the Group in June 2021. Their formula for the mature microscopy market has been to offer hybrid automated microscopes with greater versatility and usability than any other system.

Microscopes are important to a wide scientific community, but especially life science solutions that advance scientific discovery in everything from cell biology to drug development and neurobiology.

Challenging conventions with design evolution

All Discover Echo models replace traditional eyepieces with ultra high-resolution displays and include unique software that advances the workflow of acquiring, sharing, and analyzing images.

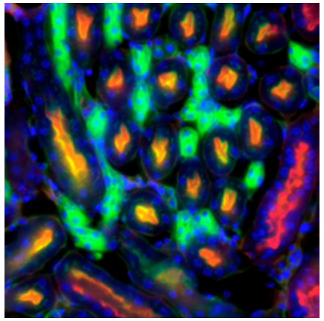
Around 70% of today's research labs use both upright and inverted microscopes to handle different types of samples. Echo's entry level model, Rebel, easily converts between either configuration, so labs no longer need two separate systems. The next step, Revolve, uniquely combines four microscopes into one, covering upright, inverted, transmitted light and fluorescence. It significantly reduces equipment costs and frees up valuable laboratory space.

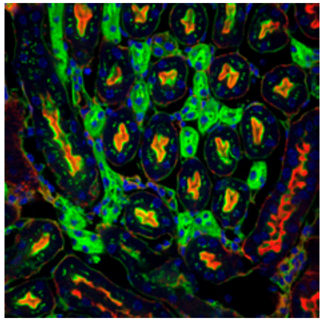
The next generation, suitably called Revolution, amped up the versatility, accommodating a variety of core imaging techniques viewed on an ultra-high resolution display. And its unique, automated hybrid design provides more capability than any other widefield microscope. Samples can be viewed and captured in seconds, and its intuitive software reduces the learning curve, making microscopy easier than ever for a wider range of lab personnel.

New Confocal microscope for high-resolution imaging

In February 2023, Discover Echo launched its latest product: the Echo Confocal microscope – delivering images of biological samples with exceptional clarity and detail. It blocks out-of-focus light, providing higher-resolution images than a traditional widefield microscope.

Confocal microscopes are used to study living cells and tissues, providing three-dimensional images with exceptional detail. They are particularly useful for investigating cellular processes, protein localization, and fluorescently-labeled molecules in living cells. Every aspect of workflow, usability, and performance have been pushed to create a more modern and powerful product.

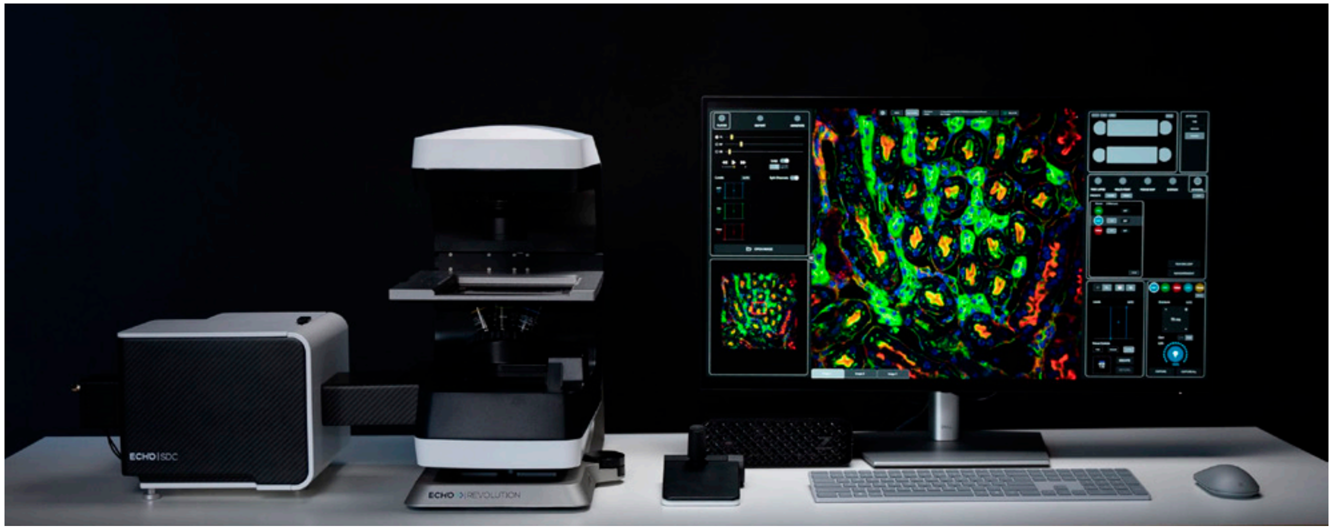




The Echo Confocal microscope is the first of its kind – with a range of automated functions to simplify image acquisition. Its intuitive user interface makes it easy for researchers of all skill levels to operate, while its compact design allows it to fit easily into any lab setting, making it a high-value instrument that is much easier to use. It also includes a range of advanced imaging features, including 3D imaging capabilities and time-lapse imaging, as well as mosaic tiling and multipoint capture. The system also reduces photobleaching, suiting live cell applications.

The Echo Confocal system complements BICO's cell biology technologies – including 3D cell culture, organoids, and bioprinting products – with a high-speed, 3D imaging microscopy platform that expands access to scientists around the globe.

Read more about Discover Echo and the Confocal microscope: www.discover-echo.com.



Bioautomation

Accelerating the development and manufacturing of innovative, reliable, cost-efficient diagnostic and bioanalysis test platforms.

The Bioautomation business area serves customers in the life science and diagnostic industries with end-to-end products and services in precision dispensing, advanced sample preparation, multiplex analysis and assay miniaturization, diagnostic and medical device manufacturing, enabling research-to-production scalability in an automated and cost-effective manner. Comprising three companies – SCIENION, Cellenion and QInstruments – the Bioautomation business area offers a comprehensive product portfolio, as well as providing customer-specific solutions, ranging from application support and customized hardware and software to contract manufacturing.

Products from the Bioautomation business area are driving forward next-generation diagnostics as well as single-cell solutions for multiomics, rare cells, cell line development, drug screening and 3D model development.

CELLENION
A BICO COMPANY

Leveraging SCIENION's dispensing technology, Cellenion is focusing on application areas centered around single-cell and single cellular aggregate isolation with their product portfolio. The systems allow high throughput, image-based automated dispensing of single cells or cell aggregates onto any chosen substrate. Together with consumables, the solutions enable miniaturization of sample preparation protocols on the same instrument before downstream analysis.

QINSTRUMENTS
A BICO COMPANY

QInstruments provides sample preparation automation. The company designs and builds innovative solutions for mixing and temperature control of molecular samples on robotic platforms such as the BioShake®, as well as fast and easy-to-use accessories that accelerate and streamline discovery.

SCIENION
A BICO COMPANY

SCIENION has a portfolio of ultra-low volume precision dispensing systems, readers, consumables, and microarray development, as well as biosensor technologies and contract manufacturing services. With over 20 years of experience, they serve customers in the entire life science sector which can benefit from an integrated product portfolio and services advancing cost-efficient multiplex analysis, miniaturization, and automation – from early research to high-throughput production.

Ginolis which belonged to the Bioautomation business area was divested in November 2023.

Research & Development

Ever since inception in 2016 BICO has had a clear focus on innovation through R&D. BICO has invested in improving and advancing existing technologies, as well as discovering new ones. We are committed to enable our customers and partners with the right tools to contribute with speed, accuracy, and efficiency.

R&D INVESTMENTS

In 2023 about SEK 259.3m were invested in R&D across the Group, where R&D efforts were primarily conducted in the BICO companies operating in the United States, Germany, Taiwan, Sweden, and France.

PROJECT MANAGEMENT OFFICE ESTABLISHED

A Project Management Office (PMO) was established during Q4 2023. The PMO will serve the Group and initially focus on governing of our larger R&D projects.

INTELLECTUAL PROPERTY PORTFOLIO

The Group's intellectual property portfolio encompasses over 540 granted patents and pending patent applications, spread across 14 4 unique innovations. More than 172 patents have been granted. The geographical coverage is mainly focused on the US and Europe, but also includes Australia, Japan, China, South Korea, and India.

PRODUCT LAUNCHES DURING 2023

A selection of launches made during 2023, which spans across the Group:

Discover Echo's Confocal Microscope

The Confocal microscope was launched in February 2023. This specific microscope is used to study living cells and tissues and provides three-dimensional images with exceptional detail. Its compact design allows it to fit easily into any lab setting. It also includes a range of advanced imaging features, including 3D imaging capabilities and time-lapse imaging, as well as mosaic tiling and multipoint capture. Read more about the Confocal microscope on page 21.

CELLINK LUMEN X™ Gen 3

Launched in May 2023, the third generation of LUMEN X™ is a benchtop Digital Light processing (DLP) bioprinting. The instrument provides improvement in printer resolution, and developments in advanced features including the ability to develop multi-stiffness constructs, microfluidic systems, and a design that caters to cell printing. Read more on www.cellink.com.

CELLINK Vivoink™

CELLINK launched Vivonik in October 2023 which is the company's first-ever medical-grade bioink specially designed to support researchers in their work. Vivoink is optimized for superior printability, mechanical stability, and cell viability. The bioink is produced under stringent quality control, with selected manufacturing requirements from ISO 13485 and GMP Annex 1 certification for production facilities. Read more on www.cellink.com.

CYTENA G.PURE

This instrument was brought to the market in May 2023 and automates bead-based nucleic acid purification for Next Generation Sequencing (NGS) and PCR. Based on patented centrifugal liquid evacuation technology, the G.PURE increases data quality and reduces cost and timelines. G.PURE enables efficient and automated purification of nucleic acids using ferromagnetic beads – without consuming hundreds of pipette tips. Read more on www.cytena.com.

Nanoscribe 3D printing by 2GL®

A new feature to the Quantum x align instrument was introduced in November 2023. This new 3D Microfabrication technology offers 3D printing by Two-Photon Grayscale Lithography (2GL). This makes 2GL the fastest 2PP-based 3D printing technology with unparalleled shape accuracy and superior print quality. It paves the way for new applications, such as manufacturing even more filigree micro-optical systems with significantly higher quality in much shorter print times. Read more on www.nanoscribe.com.

QInstruments BioShake Q1

The BioShake Q1 was launched in February 2023. It is an all-in-one mixing device which combines proven shaking capabilities with the added functionality of heating and active cooling. With the open design, a robot can smoothly transfer your labware to the BioShake Q1. The patented locking mechanism holds the plate tight on an exact zero position for robot interaction or liquid handling steps. Read more on www.qinstruments.com.

Sustainability

The BICO Way and our Sustainability Agenda

The BICO Way describes who we are and what we stand for. It is grounded in our core values; passion, persistence, inspiration, transparency, and execution, which defines our culture. It guides us in our everyday decisions. The BICO Way includes our company sustainability policies which are published in our sustainability webpage and our sustainability agenda.

The sustainability agenda is gathered in the BICO Way, which works as a guide for how BICO views sustainability and focuses on how we, as a company, can make a difference. BICO will drive the changes needed in the industry based on bioconvergence. The sustainability framework defines how sustainability is anchored in our business strategy and culture, and focuses on three areas: our People, our Offering and our Planet. The KPI:s for the three areas are shown under respective chapter and not as a summarized table of all KPI:s.

Sustainability impact assessment

We work to reduce our negative impact and improve our positive impact within our business. When conducting double materiality assessments in our value chains, the following areas were concluded to have sustainability impact: market, social, political, regulatory, organizational, climate and pollution.

In the next few years, the Group will work on a sustainability action plan based on the Paris agreement and the new EU Corporate Sustainability Reporting Directives (CSRD) including the European Sustainability Reporting Standards (ESRS). This will increase transparency in our strategy, business model and value chains, and in the positive and negative material impact that they generate.

The identified negative impacts are monitored in the Group wide reporting platform.

IN 2023, BICO HAS FOCUSED THE SUSTAINABILITY AGENDA TOWARDS THE FOLLOWING AREAS:

- Improving the alignment to the requirements in the new EU Corporate Sustainability Reporting Directives and the adjacent European Sustainability Reporting Standards, which is expected to be introduced from fiscal year 2024.
- Update the sustainability policies and internal communication, and training.
- Implement double materiality assessments in our value chains
- Stakeholder dialogues with investors, customers and employees regarding BICO:s sustainability agenda

Sustainability is a long-term strategic focus for BICO, and it is a part of our business strategy.

UN Global Compact

UN SUSTAINABLE DEVELOPMENT GOALS

As of December 2021, we are an official signatory of the UN Global Compact Sustainability Development Goals and the Ten Principles of the United Nations Global Compact. BICO is committed to the Ten Principles of the United Nations Global Compact, treating all workers with respect and dignity, ensuring safe working conditions, and conducting environmentally responsible, ethical operations.

BICO has in 2023 added on the sustainability development goals 10 and 13 to 3, 5, 9 and 12, since these are the goals that BICO can influence the most and which in turn impacts BICO the most. Goal 3 is rooted in all that we do, with our bioconvergence agenda and our goal to improve health and wellbeing and reduce animal testing.

GOAL 3 – GOOD HEALTH AND WELLBEING

Ensure healthy life and promote well-being for all at all ages. A healthier society is a direct effect of BICO's business model. By enabling our customers with our products and services we contribute to shortening research lead times.

BICO supports the SDG 3 sub-categories:
3b Support the research and development of vaccines and medicines that primarily supports developing countries, provide access to affordable essential medicines and vaccines

3.4 By 2030 reduce by one third premature mortality from non-communicable diseases.

GOAL 5 – GENDER EQUALITY

Achieve gender equality and empower all women. Our ambitions towards gender equality are consisting of following up gender equality in all levels in the organization monitoring on- and off boarding processes, gender pay-gap, offered trainings and promotions in all our companies.

BICO supports the SDG 5 sub-categories:
5c Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.

5.1 End all forms of discrimination against all women and girls everywhere.

5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life.

GOAL 9 – INDUSTRY, INNOVATION AND INFRASTRUCTURE

In order achieve our business targets we must have the number one talents to drive innovation. We collaborate with local partners in our R&D and product development projects and are using circular economy models like re-use, refurbish, recycle.

BICO supports the SDG 9 sub-categories:
9b Support domestic technology development research and innovation in developing countries, including by ensuring a conducive policy environment, for everyone, industrial diversification and value addition to commodities.

9.3 Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit and their integration into value chains and markets.

9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increases resource use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.

9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular countries, including, by 2030 encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending.

GOAL 10 – REDUCED INEQUALITIES

Awareness of the importance for respect to everyone and an annual employee training in BICO's Code of Conduct encourages a culture of equal treatment.

BICO supports the SDG 10 sub-categories:
10.2 By 2030 empower and promote the social, economic, and potential inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and promoting appropriate legislation, policies, and action in this regard.

GOAL 12 – RESPONSIBLE CONSUMPTION AND PRODUCTION

By producing high quality products, minimizing hazardous materials and ensure responsible sourcing throughout the value chain BICO strive to minimize harmful effects on the planet and the people on it. The circular economy´s Re-use, Recycle and Refurbish methods are adopted in each company´s operations.

BICO supports the SDG 12 sub-categories:
12.c Rationalize inefficient fossil-fuel subsidies that encourage wasteful consumption by removing market distortions, in accordance with national circumstances, including by restructuring taxation and phasing out those harmful subsidies, where the exist, to reflect their environmental impacts, taking fully into account the specific needs and conditions of developing countries and minimizing the possible adverse impact on their development in a manner that protects the poor and the affected communities.

12.2 By 2030, achieve the sustainable management and efficient use of natural resources.

12.4 By 2030, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts in human health and the environment.

12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.

12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities.

GOAL 13
CLIMATE ACTION

BICO is a member of UN Global Compact showing transparency in the climate performance. The material impacts identified in the double materiality assessments are integrated into the strategic action plan supporting the Agenda 2030 and the Paris Agreement 1.5°C target.

BICO supports the SDG 13 sub-categories:
13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.

13.2 Integrate climate change measures into national policies, strategies and planning.

13.3 Improve education, awareness-raising and human institutional capacity on climate change mitigation, adaption, impact reduction and early warning

Our People

The Group's overall HR strategy offers employees the opportunity to develop in a work environment that is safe, secure, and innovative. Our sustainability roadmap helps us to recruit and retain the talent that is essential to our innovation-based business growth.

BICO as an employer

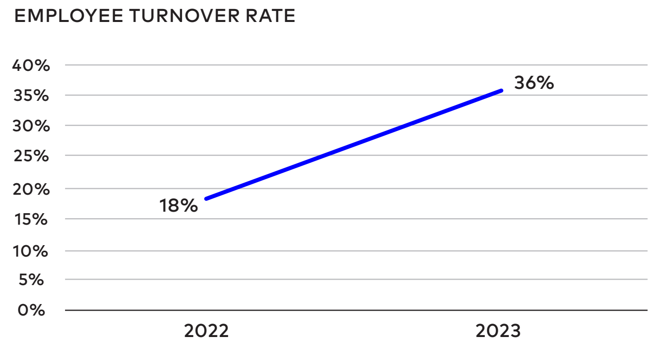
Challenging the industry requires engaged, curious and talented employees who dare to think big and think new. A diverse workforce, in terms of competence, gender, age and ethnicity, is a key component for our business success in innovating cutting-edge products and services. Gender equality is maintained at the same level as previous years, as well as the age distribution among the employees.

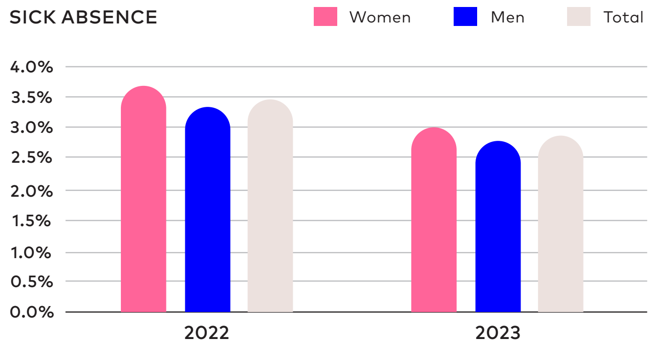
Events in 2023

In 2023 several restructuring initiatives took place towards an improved focus on profitability. This caused a higher total employee turnover rate compared to previous years.

Employee engagement survey

In 2023 58% of BICO Group employees participated in the employment engagement survey. An improvement area highlighted in the survey is internal communication which will be supported by a new HR organization, focusing on culture, alignment and better communication and collaboration.





MATERIAL IMPACTS RELATED TO OUR PEOPLE

Positive material impact

- Code of Conduct training and policy implementation supporting and Respecting the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work and UN Guiding Principles on Business and Human Rights

Negative material impact

- Talent retention when major restructuring initiatives take place
- Risks of personal injuries in workplace accidents or mental illness, including stress or work-life imbalance

OUR PEOPLE	2022			2023		
KPI	**Women**	**Men**	**Total**	**Women**	**Men**	**Total**
Gender equality Board of Directors	38%	62%	100%	38%	63%	100%
Independent board members						88%
Gender equality Top Management	23%	77%	100%	26%	74%	100%
Gender equality Mid Management	31%	69%	100%	31%	69%	100%
Gender equality Employees	39%	61%	100%	36%	64%	100%
Gender equality total BICO Group	**36%**	**64%**	**100%**	**34%**	**66%**	**100%**
Age interval	**<30**	**30-50**	**>50**	**<30**	**30-50**	**>50**
Age distribution	28%	58%	14%	25%	59%	16%

Our Offering

We live in a world of improving health and wellbeing for people, the common link to our customers and partners. Sustainability of our offerings and our manufacturing processes is combined with responsible, ethical collaborations and supplier relationships.

We want to create a transparent and responsible business in our value chain.

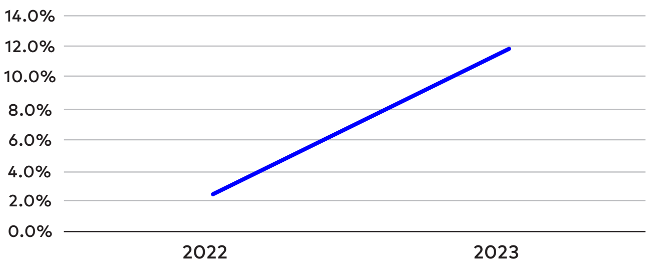
- Our goal is for every product to be CO_2 monitored.
- We have strengthened the relationship with our preferred suppliers around our BICO Business Partner Code of Conduct.
- The business ethics incident reporting has been extended with corruption, legal incidents and harassments on a company level.
- Our emphasis on digitalization of entire workflows enables savings in labor and energy costs, as well as reduction of travel.

Health and wellbeing in our value chain

As a part of our Code of Conduct, we strive for a safe work environment for our employees, customers and workers in the value chain. It is vital for us to focus on the safety and impact of our products.

We are very proud of enabling global life science research towards improved health and wellbeing, and at the same time saving 64,600 animal lives in 2023.

PARTNERS WITH SIGNED CODE OF CONDUCT



Circular business model

In 2023 the circular business model was adopted by five companies within the BICO Group. Between 5-22% of the instruments sold for the circular product portfolio were refurbished instruments at these companies.

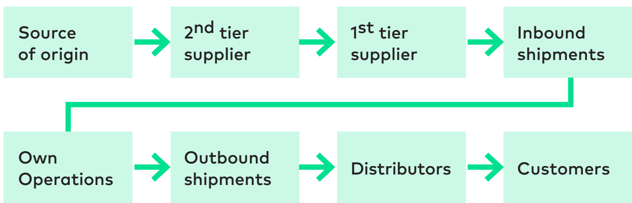
Initiatives for 2023

In 2023, Group companies carried out several initiatives to reduce the environmental impact from their processes. For instance, creating more circular processes (Reuse, Reduce, Refurbish, Resell), validated by CO_2e data. The BICO Business Partner code of conduct was further introduced to more companies in the group.

Our approach through the value chain

BICO's impact throughout the value chain derives from several operational activities and is considered to be very limited due to the nature of our industry segment and our low purchasing volumes in the global supply chain. Our three value chains cover the following steps.

Within the value chains there are positive and negative impacts linked to climate, pollution human rights, corruption, products, and occupational safety.



MATERIAL IMPACTS RELATED TO OUR OFFERING

Positive material impact

- Reusing and recycling electronic equipment and packaging materials
- Increased sales of refurbished instruments
- Reducing our customers research project timelines supporting improved health and wellbeing
- Providing tissue models making our customers saving animal lives in research projects

Negative material impact

- Risks related to human rights or corruption can arise in our business relationships and production facilities
- Risk for lack of transparency regarding conditions for workers in the upstream value chain due to BICO being a small customer in the global supply chain
- Lack of tracking or control when purchasing materials used in production from high-risk countries
- Changes in legal requirements may adversely affect the supply and prices of materials used in production
- New or amended requirements like circular business models from stakeholders or legislators related to BICO's activities or products.

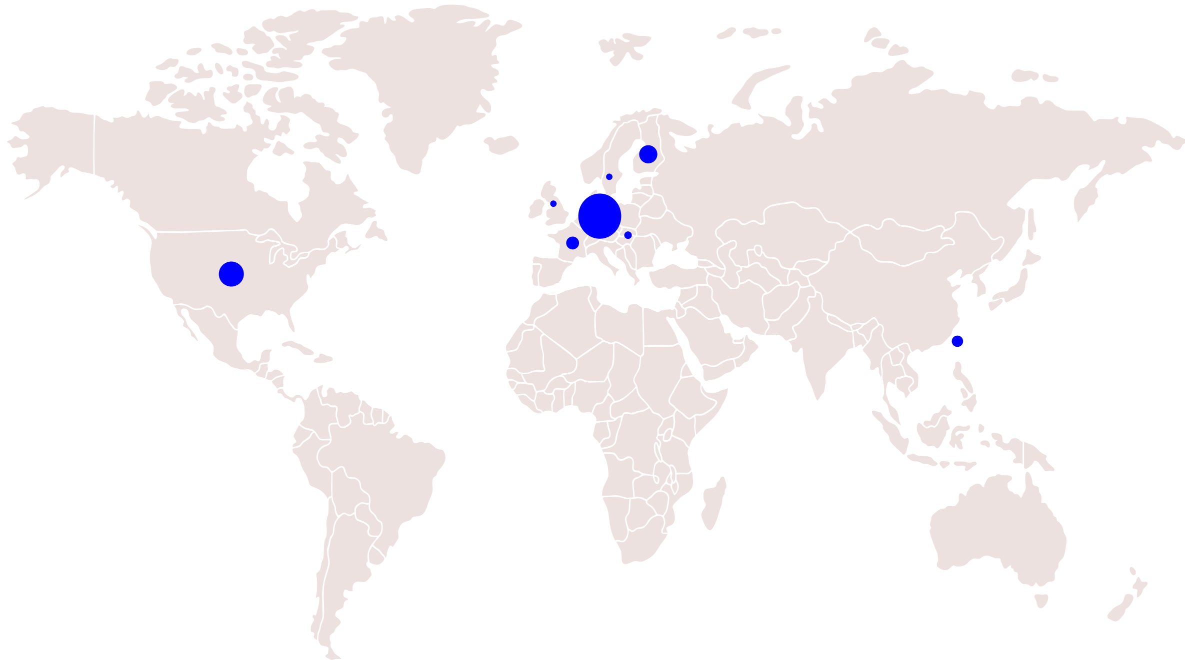
Our Planet

We expect to reach net zero carbon emissions by 2045. 2024 is planned to be the base year for our CO2e reporting aligning to the Paris Agreement 1.5°C target. We will follow the GHG Protocol in our way towards halving our emissions aligning to the Paris Agreement 1.5°C target.

We have prioritized our alignment to the reporting towards the EU's new Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS), which is expected to be introduced from fiscal year 2024.

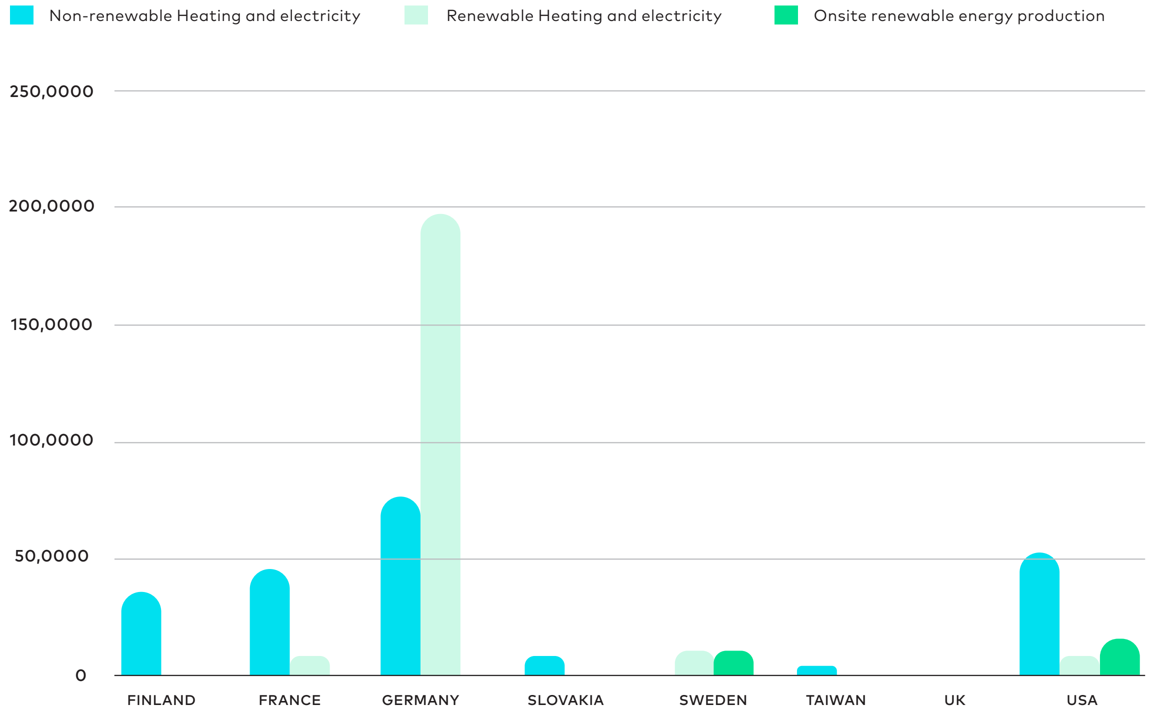
Climate perspective

Scope 1-2 carbon emissions for the Group (direct emissions from owned or controlled sources, plus indirect emissions from purchased power) amounted to 0.03 ton CO_2/sqm and the distribution among the countries where BICO operates is shown in the below graph where the size of the bubbles corresponds to the size of the Scope 1 and 2 emissions.



In 2023 we have improved the quality of data regarding indirect emissions (scope 3) to identify areas where we could improve the climate impact of our value chain.

SCOPE 2 PURCHASED ENERGY PER COUNTRY [KWH]



Water consumption

The double materiality assessment conclusion is that our water consumption has no material impact since our operations don´t consume process water in its assembly nor laboratory environments.

Energy usage

We strive towards reducing our energy usage to the greatest extent possible. BICO encourages Group companies to switch to renewable energy sources where possible. Four sites are now 100% powered by renewable energy, and three sites are located in premises which have renewable energy production. 40% of the global operations´ purchased energy originates from renewable sources.

Initiatives for 2023

In 2023 the BICO Group took several initiatives to improve the tracking of Scope 3 CO_2e emissions. Energy saving initiatives took place and the company Biosero moved into a solar powered manufacturing facility.

MATERIAL IMPACTS RELATED TO OUR PLANET

Positive material impact

- Energy reduction initiatives and moving to renewable energy in our operations
- Closer collaboration with our suppliers within the circular business model
- Expanding reuse and refurbish offering to our customers

Negative material impact

- Pollution of air, soil and water has its main impact in the upstream value chain at the source of origin, 2nd tier suppliers and inbound shipments. Downstream: outbound shipments contribute to air pollution.
- Biodiversity and Ecosystems and water use impact is limited to the upstream source of origin and 2nd tier suppliers.
- Climate change is mainly impacted by the selection of materials in our products and the energy consumption in our operations
- Climate change such as global warming, extreme weather, pandemics, and natural disasters can lead to economic risks and, for example, sharply increased overhead and energy costs.

OUR PLANET	2022	2023
Category 5: Waste generated in operations (tCO_2)	**Total**	**Total**
Mixed waste	-	9.46
Landfill	27.49	42.66
Combustion	0.05	0.45
Recycled	1.07	0.61
Composting	0.01	0.02
Hazardous	0.39	0.94
Total Waste (tCO_2)	**29.00**	**54.15**

OUR PLANET	2022	2023
Category 6: Business travel (tCO_2)	**Total**	**Total**
Company cars	-	10
Rental cars	6	88
Private cars	69	114
Flights	963	1,553
Train	8	30
Ferry	-	-
Hotel	68	1,622
Total Business travel (tCO_2)	**1,114**	**3,417**

OUR PLANET	2022	2023
Category 9: Downstream transportation and distribution (tCO_2)	**Total**	**Total**
Road	93	22
Air	942	845
Ocean	-	-
Rail	-	-
Total Shipments (tCO_2)	**1,036**	**868**

Explanation on Calculation of GHG Emissions

Applied Standards

GHG emissions are accounted for and reported based on the mandatory disclosures set out in the GHG Protocol's 2004 Cor- porate Accounting and Reporting Standard and 2011 Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Operational control was selected as the consolidation approach.

Data Concepts

Accounting of Scope 1 and 2 GHG emissions and Scope 3 categories in the upstream value chain is carried out on the basis of calculations. Accounting of Scope 3 categories in the downstream value chain is limited and include a number of assumptions and estimates. The company's own data was used for most of these calculations and models. Accounting for the GHG categories "Downstream transportation and distribution" was based on internal data and data reported by carriers. The data concepts used for fiscal 2023 accounting are described in more detail below for each GHG category.

Scope 3

Category 3: "Fuel- and energy-related activities (not included in Scope 1 and 2)". The fuel and energy consumption used to calculate Scope 1 and 2 GHG emissions was each multiplied by specific emission factors. This was reported as 0 (zero) for 2023.

Category 5: "Waste generated in operations". The amount of waste generated was multiplied by emission factors specific to each material and method of disposal. The data collection from the waste management has been extended with the new categories Combustion, Composting and Hazardous. The BICO Group operates in Lifescience, an industry sector with comparably low emissions in its value chain.

Category 6: "Business travel". The recorded train, airplane, and rental car routes as well as the number of nights spent in hotels were each multiplied by specific emission factors. Routes and nights spent in hotels that were not recorded were estimated in each case and also multiplied by a specific emission factor. Spend per category is used when other sources are not available.

Category 9: "Downstream transportation and distribution" GHG emissions accounted for in the "Downstream transporta- tion and distribution" category were multiplied by an estimated factor for the ratio of paid to unpaid transportation activities to customers in a warehouse selected based on data availability.

Sustainability Governance

Implementation process

2023 has been a year focused on improving the alignment to CSRD/ESRS, which is expected to be introduced from fiscal year 2024. Great emphasis was placed on implementing new sustainability policies, improving the data quality from the Group's companies, and appointing a sustainability sponsor from each company's leadership team.

Stakeholders

BICO Group's stakeholders play a vital role in making sure BICO has the right focus on its sustainability work. For us, it is vital to keep an open dialogue with the stakeholders that affect us, and whom we affect. When conducting dialogues with our stakeholder groups we use a variety of channels, for instance meetings and interviews, as well as our internal or external communication channels. In 2023 BICO conducted a stakeholder dialogue mainly with our main investors and customers and via the employee engagement survey.

BICO's sustainability management and the governance of our sustainability framework and strategy are monitored on the Group level. Our sustainability efforts are highly integrated with BICO's overarching management structure and as a result, with the responsibility of our management team. Group companies are responsible for the implementation of the sustainability agenda, and during 2023 extended their reporting on various sustainability-related metrics in a Group-wide reporting system.

For the Auditor's report on the Sustainability Report, see page 102.

Corporate Sustainability Governance Model

The Board of Directors (the "Board") of BICO is the ultimate decision-making forum, mostly on a high strategic level. In respect of corporate sustainability this includes the establishment of a strategy for corporate sustainability and an organization to execute such strategy. The Board fulfils these responsibilities among other things through the approval of:

(i) the BICO Group business and strategy
(ii) the Corporate Sustainability Policy for the BICO Group,
(iii) the Sustainability Governance Instruction for the BICO Group, which outlines the governance structure for sustainability management within the BICO Group
(iv) the Annual and Sustainability Report. The Board is regularly updated on corporate sustainability matters.

The President and Chief Executive Officer (the "President") is responsible for the execution of the Corporate Sustainability Strategy and implementation of the governance structure set by the Board. The President is via the Executive Management Team (EMT) managing the execution of the corporate sustainability strategy in the BICO Group. EMT is a decision-making body that is chaired by the President.

Each company´s Chief Executive Officer (CEO), within BICO has the responsibility to ensure that procedures and controls are in place in order to implement and adhere to the corporate sustainability objectives, strategy and policies set by the Board, the President and EMT.

Code of Conduct

Our internal Code of Conduct applies to all employees of BICO Group companies. In 2023, 84% of all employees were trained in the Code of Conduct as part of an awareness campaign.

The preferred suppliers and partners to any company within the BICO Group are expected to commit to the same social, environmental, and ethical responsibilities, as laid out in the Code of Conduct for Business Partners.

BICO's Code of Conduct is based on human rights and labor rights, information protection, environment, health and safety, governance and management systems, product safety and business ethics. The Code of Conduct has been harmonized with the UN principles for the Global Compact and the ILO Convention on Human Rights. The Code of Conduct and the Business Partner Code of Conduct describe BICO's business ethics position and principles for these.

In 2023, the Group had twelve whistleblowing cases concerning the Code of Conduct and 0 (zero) reports of cases where corruption has been identified.

Whistleblower function

Managing whistleblowing reports is of utmost importance to promote transparency and accountability within an organization. Therefore, BICO has a clear and confidential channel for reporting, where whistleblowers can feel safe to report misconduct without fear of retaliation.

We will treat all internal and external concerns with the gravity they deserve. We are working together with Whistlelink, which is an external, safe, and secure whistleblowing system that allows you to report suspected wrongdoings, easily and anonymously. We guarantee full anonymity, sensitivity and confidentiality throughout the entire case process. The system is available on BICO's website, which also enables reporting from third parties.

Over the past year, BICO has continued to prioritize and strengthen its whistleblowing management. A dedicated whistleblowing function has been available to ensure that employees and other stakeholders can report misconduct in a safe and confidential manner. By promoting a culture of transparency, the organization strives to ensure that every whistleblower is treated fairly and that reported cases are investigated thoroughly and promptly.

In 2023, a total of twelve whistleblowing cases were received, all of which were investigated by independent and/or external functions. A number of cases have resulted in changes to operations or disciplinary measures for individuals. The handling of some of the cases are ongoing and is expected to be completed shortly.

Life sciences in the taxonomy

At present, the majority of BICO's commercial offerings to its customers is not covered by the EU Taxonomy Regulation (the Taxonomy Regulation).

Accounting principles
For reporting in accordance with Article 8 of the Taxonomy Regulation, turnover, capital expenditure (CapEx) and operating expenditure (OpEx) are defined as follows. These definitions differ from the definitions of CapEx and OpEx in BICO's traditional financial reporting.

Turnover
Total turnover corresponds to net sales in the income statement in the financial statements.

CapEx
Total CapEx corresponds to additions, including capitalized research and development expenditure, to these balance sheet items: property, plant and equipment, intangible assets before re-measurements, amortization, depreciation and impairment.

OpEx
Total OpEx corresponds to non-capitalized research and development expenditure and any indirect expenditures relating to the day-to-day servicing of property, plant and equipment.

Taxonomy-eligible turnover, CapEx and OpEx
Turnover pursuant to the above definition that is linked to a taxonomy-eligible economic activity forms the basis for calculating the proportion of turnover that is taxonomy-eligible. CapEx and OpEx pursuant to the above definitions that are associated with taxonomy-eligible economic activities form the basis for calculating the proportion of CapEx and OpEx that is taxonomy-eligible. Also, individually applicable eligible CapEx and OpEx items are added to the proportion of taxonomy-eligible CapEx and OpEx.

Taxonomy-eligible and taxonomy-aligned economic activity
To identify the economic activities that are relevant to BICO, it was necessary to interpret both the Taxonomy Regulation, Commission delegated regulation and the Environmental delegated activities in its business.

BICO's interpretation is that for an economic activity to be considered covered by the taxonomy, the activity must (1) generate, or be intended to generate, external turnover, (2) comply with the description of the activity in Annex I or II to the delegated Act and (3) have practically applicable technical review criteria attached to them.

With this interpretation as a starting point, BICO has determined that the company has no activities that are relevant to report according to the taxonomy. BICO also does not conduct any activities related to nuclear power or fossil gas (Annex XII Disclosures Delegated Act).

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

EU Taxonomy

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023.

	Proportion of turnover / Total turnover	
	Taxonomy-eligible per objective	Taxonomy-aligned per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Here's an overview of the different abbreviations and their corresponding objectives:

CCM: Climate Change Mitigation
CCA: Climate Change Adaptation
WTR: Water and Marine Resources
CE: Circular Economy
PPC: Pollution Prevention and Control
BIO: Biodiversity and ecosystems

These codes help clearly identify the objective to which each economic activity contributes, as per the EU Taxonomy Regulation.

				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	Absolute turnover (3)	Proportion of Turnover (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of total turnover, year N (18)	Category (enabling activity) (20)	Category (transitional activity) (21)
		SEKm	%	%	%	%	%	%	%	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	%	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**0%**	**0%**	**0%**
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0.0**	**0%**																
Total (A.1+A.2)		**0.0**	**0%**																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**2,249.9**	**100%**																
Total (A+B)		**2,249.9**	**100%**																

EU Taxonomy

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023.

	Proportion of CapEx / Total CapEx	
	Taxonomy-eligible per objective	Taxonomy-aligned per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of total CapEx, year N (18)	Category (enabling activity) (20)	Category (transitional activity) (21)
		SEKm	%	%	%	%	%	%	%	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	%	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES			**0%**																
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**0%**	**0%**	**0%**
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)																			
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0.0**	**0%**																
Total (A.1+A.2)		**0.0**	**0%**																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		**306.7**	**100%**																
Total (A+B)		**306.7**	**100%**																

Here's an overview of the different abbreviations and their corresponding objectives:

CCM: Climate Change Mitigation
CCA: Climate Change Adaptation
WTR: Water and Marine Resources
CE: Circular Economy
PPC: Pollution Prevention and Control
BIO: Biodiversity and ecosystems

These codes help clearly identify the objective to which each economic activity contributes, as per the EU Taxonomy Regulation.

EU Taxonomy

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023.

				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	Absolute OpEx (3)	Proportion of OpEx (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of total OpEx year N (18)	Category (enabling activity) (20)	Category (transitional activity) (21)
		SEKm	%	%	%	%	%	%	%	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	%	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES			**0%**																
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**0%**	**0%**	**0%**
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)																			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0.0**	**0%**																
Total (A.1+A.2)		**0.0**	**0%**																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		**306.0**	**100%**																
Total (A+B)		**306.0**	**100%**																

	Proportion of OpEx / Total OpEx	
	Taxonomy-eligible per objective	Taxonomy-aligned per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Here's an overview of the different abbreviations and their corresponding objectives:

CCM: Climate Change Mitigation
CCA: Climate Change Adaptation
WTR: Water and Marine Resources
CE: Circular Economy
PPC: Pollution Prevention and Control
BIO: Biodiversity and ecosystems

These codes help clearly identify the objective to which each economic activity contributes, as per the EU Taxonomy Regulation.

Management Report

The Board of Directors and the CEO of BICO Group AB (publ), corporate ID number 559050-5052, hereby submit the annual accounts and consolidated accounts for the financial year from January 1 to December 31, 2023. All numbers in this report refers to continuing operations if not otherwise stated. Ginolis has been classified as discontinued operation from the fourth quarter 2023 with retroactive effect.

Operations
Founded in 2016, BICO (formerly CELLINK), is a provider of life science solutions and laboratory automation that enable more efficient development of new treatments with more specificity and less need for animal testing. The company has a focus on developing solutions through our three business areas: Bioprinting, Biosciences, and Bioautomation. BICO's business model is to manufacture hardware, laboratory automation, software solutions, and products to streamline, automate, and increase efficiency, and efficacy in workflows. BICO also has an aftermarket offering for reagents, services, including software programs and consumables such as bioinks, well plates, and tissue models.

The Group and the Parent Company
The Parent Company BICO Group AB (formerly CELLINK AB) with corporate ID number 559050-5052 is a listed public company and its domicile is Gothenburg, Sweden. The Group consists of the Parent Company and subsidiaries. The parent company owns and manages the subsidiaries.

Important events during the year

- On January 2 and 5 respectively, it was announced that Jacob Thordenberg was appointed Chief Financial Officer (CFO) and that Marius Balger had been appointed Chief Operating Officer (COO)
- On February 21, BICO announced goodwill impairment in Ginolis as well as additional cost savings and downscale of the Ginolis' organization to make it better adapted to the reduced post-pandemic demand
- During the AGM 2023 which took place on May 9, Rolf Classon was elected Chairman of the Board and Ulrika Dellby was elected vice chairwoman of the Board. In addition, Gerry Mackay was elected new member of the Board of Directors
- During May and June, the next step in the partnership with Sartorius was finalized when several sub-sales and distribution agreements as well as R&D project agreements were signed. The R&D projects, managed in collaboration between participating companies and Sartorius, target spheroids, 3D tissue models, 3D bioprinting and digital solutions for automated workflows
- BICO signed an agreement on August 3, to divest the SCIENION building in Berlin, Germany. The transaction was completed in December 2023 and generated a positive cash flow contribution of SEK 243.5m in Q4. The divestment also included a sale-and-lease-back with SCIENION
- On August 21, it was announced that Maria Forss was appointed new CEO and President of BICO. Maria Forss assumed office on November 20
- BICO divested Ginolis through a management buy-out in November 2023. The rationale behind the divestment was that Ginolis did not transition fast enough to mitigate the post-pandemic downturn. Ginolis was right sized during 2023, but order intake was not restored according to expectations
- An agreement was signed on December 4 with a global life science company of a total value of 28 MUSD to design and build an automated R&D, hardware and software platform which consists of 5 sub-projects. The project is estimated to run from late Q4 2023 until Q1 2026 and the platform is aimed to shorten time for drug development workflows
- BICO concluded during Q2 and Q4 an impairment of goodwill totaling SEK 480m in MatTek, Nanoscribe, QInstruments, SCIENION, and Visikol. The impairment of goodwill were predominantly related to increased weighted average cost of capital (WACC) as well as lower growth projections

Financial comments

Sales and earnings development
Net sales for the full year amounted to SEK 2,249.9m (2,120.8), an increase of 6.1 percent (95.1) compared with the corresponding period last year. Organic growth for the full year amounted to 5.8 percent (29.1) and 0.3 percent excluding currency effects (13.9). Bioprinting reported organic growth of 3.5 percent (31.0) and -1.6 percent (15.6) excluding currency effects. Biosciences reported organic growth of 15.8 percent (28.6), and 10.2 percent (12.3) excluding currency effects. Bioautomation reported organic growth of -9.5 percent (19.3), and -15.1 percent (5.2) excluding currency effects.

Services accounted for 13.7 percent (13.6) of sales. Consumables accounted for 17.5 percent (17.5) of product sales for the period. For more information on the distribution of net sales, see Note 5.

Earnings
Gross profit for the full year amounted to SEK 1,576.7m (1,586.8), which meant a gross margin of 70.1 percent (74.8). The gross margin was impacted by extraordinary inventory write-offs in the second quarter. EBITDA for the full year amounted to SEK 360.4.m (15.0), corresponding to an EBITDA margin of 16.0 percent (0.7). EBITDA was positively impacted by revaluation of contingent considerations, whereas last year was negatively impacted by one-off bad debt and higher option costs.

Items affecting comparability SEK m	Jan-Dec 2023	Jan-Dec 2022
EBITDA	**360.4**	**15.0**
Revaluation of contingent considerations	-169.9	-25.2
Costs/income related to option programs	-9.3	35.2
One-off provision for bad debt	-	43.9
Extraordinary inventory write-offs	26.9	-
Restructuring costs related to personnel changes	27.0	24.3
Extraordinary governmental support	-12.4	-
Realization profit from sale-and-lease-back in Berlin	-10.7	-
Acquisition-related costs and bonuses	5.8	24.3
ERP, Phase one implementation costs	-	7.7
Legal costs	-	1.0
Adjusted EBITDA	**217.7**	**126.2**

Adjusted EBITDA for the full year amounted to SEK 217.7m (126.2). Items in the adjusted EBITDA amount for the full year are shown above. Operating profit for the full year amounted to SEK -664.8m (-2,848.6), corresponding to an operating margin of -29.5 percent (-134.3). Operating profit for the full year was affected by impairment of goodwill of SEK -480.3m (-2,557.8), and also impairments of other intangible assets. For more information on impairment, see note 12.
Other operating income in the period amounted to SEK 223.5m (109.3). Other operating income was mainly related to revaluation of contingent considerations, but also received grants and realization profit from sale of building in Berlin.

Financial items were affected by market developments and dividends on the company's short-term investments of net SEK 0.0m (-28.9) in the period, since the short-term investments were converted into cash during Q4 2022. Furthermore, there were net negative currency effects, mainly related to unrealized exchange rate effects on non-currency hedged intra-group loans in the Parent Company, of SEK -144.0m (374.5) in the period. Financial items were also charged with costs related to convertible bonds totaling SEK -82.2m (-80.0) for the period, see further information in Note 10 and 19.

Net profit/loss from continuing operations for the period for the full year amounted to SEK -887.6m (-2,657.1), corresponding to earnings per share from continuing operations before and after dilution of SEK -12.56 (-41.25).

Balance sheet
BICO's total assets decreased to SEK 6,059.8m (7,528.9) during the financial year. The decrease mainly relates to the write-down of goodwill and sale of building in Berlin, but also lower inventories and trade receivables due to improved net working capital management and a decrease in booked contingent considerations. At the end of the year the company had SEK 861.0m (925.2) in cash and cash equivalents, and it is therefore well-placed for continued expansion.

The Group's external financing consisted of interest bearing liabilities of SEK 1,422.2m (1,393.0), of which SEK 1,404.4m (1,365.4) relates to convertible debentures, net after transaction costs. In addition, the Group has leasing liabilities totaling SEK 536.0m (460.2), where the increase is mainly relating to the sale-and-lease-back of the building in Berlin. Reported contingent considerations to be paid amount to SEK 48.7m (278.3), of which SEK 48.7m (83.6) is reported as due within 12 months. See note 20 and 23 for more information on the contingent considerations.

Cash flow, investments, and liquidity
Cash flow from operating activities for the full year amounted to SEK 178.4m (-269.4), of which SEK 183.7m (-266.1) consisted of changes in working capital. The cash flow from changes in inventories amounted to SEK 7.2m (-162.1). Inventory management have been carried out to address elevated levels which have been identified in some of the Group companies. Further actions will be taken during 2024. The cash flow from changes in operating receivables amounted to SEK 110.4m (-189.4). Operating receivables decreased in the period, mainly due to improved collection procedures in 2023. The cash flow from changes in operating liabilities amounted to SEK 66.1m (85.4) and was mainly impacted by increased accounts payables and contract liabilities.

Cash flow from investment activities during the period amounted to SEK -129.7m (212.9), of which SEK -82.4m (-218.2) was attributable to the cash purchase price for acquisitions and contingent considerations paid during the period, as well as associated acquisition costs. During the year, payment to the former owners of Advanced BioMatrix, Allegro 3D, Nanoscribe and QInstruments were made. SEK 0.0m (960.7) was attributable to the purchase and sale of short-term interest rate funds and other short-term investments during the period. The Group invested SEK -119.8m (-255.5) in intangible assets, mainly attributable to development of new products. Investments in tangible assets amounted to SEK -171.4m (-274.1), of which SEK -88.1m (-167.2) was attributable to the buildings in Berlin, Germany and Oulu, Finland respectively. Sales value of tangible fixed assets amounted to 247.9 (-) whereof the vast majority was related to the sale-and-leaseback of the Berlin building.

Cash flow from financing activities for the period amounted to SEK -101.9m (455.3) and consisted mainly of a share issue from options of SEK 5.9m (539.7), additional borrowings of SEK 4.7m (-), less amortization of leasing liabilities of SEK -100.9m (-73.8) and repayment of loans of SEK -11.3m (-4.3).

The total cash flow for the full year amounted to SEK -53.3m (398.8).

At the end of the year, the Group's cash and cash equivalents and short-term investments amounted to SEK 861.0m (925.2).

Sustainability
BICO's sustainability work aims to strengthen the company's long-term competitiveness and growth, and to promote all aspects of our society. Carrying out this work responsibly is crucial to BICO's commercial success, profitability, and shareholder value. The most important sustainability aspects as determined by the Board and management based on materiality and risk consist of:

- Developing, recruiting and retaining skilled employees
- Ethical collaborations and sustainable supplier relationships
- Following the GHG Protocol and aligning to the Paris Agreement 1.5°C target.

BICO's sustainability report has been prepared separately from the management report and can be found on pages 24-37.

Risk and risk management

BICO's Executive management has identified conceivable events that could have an impact on the company's operations. This was presented to the Board of Directors in August 2023 and was based on the annual risk review being carried out by the Executive management in June 2023. In addition, the risks are also being reviewed as part of the work with the Annual report. The risk review consists of an evaluation of the most relevant risks and mitigation activities is carried out annually. The annual review 2023 consisted of risk evaluations being updated, risk owners were fine tuned and more sustainability related risks were added.

The events have been evaluated and reduced to a net list of the most relevant risks. The risks have been assessed as low, moderate, and high. They have also been assessed after focus compared with previous year, i.e., 2023 versus 2022, as lower, unchanged, or higher. In order to manage and mitigate identified risks, a number of risk mitigation activities have been established. An evaluation of the most relevant risks and mitigation activities is carried out annually. The most significant risks are presented below.

Risk areas
The Group is exposed to various types of risks through its operations. Risks can primarily be sorted into three different categories: External and market-related risks, operational risks, and financial risks.

External and market-related risks

Geopolitical risks and other external events

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Risk description
BICO is exposed to external events such as geopolitical risks, natural disasters, terrorism, global economic downturn, and pandemics may adversely impact our business. External factors such as geopolitical tensions and possible associated sanctions are risks that can lead to the imposition or escalation of trade controls, tariffs, taxes, or other restriction to market access, which could affect BICO's ability to expand in markets that have significant needs for the Group's products and solutions.

Risk mitigation
During the year, the war in Ukraine had a limited direct effect in terms of reduced sales but continued to have a large indirect effect in terms of supply chain challenges, which amongst others resulted in increased focus on inventory levels to mitigate supply chain risks. The Executive Management has the overall responsibility to monitor and mitigate geopolitical risks for the Group and its subsidiaries. Geopolitical risks that have occurred during the year such as developments in Yemen have resulted in discussions to secure supply chain and identify if any sales are at risk. BICO has concluded the effect of the development in the Middle East has been limited.

Legal and regulatory environment

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Risk description
BICO's market is affected by legislation and regulations in many countries. Legal or political decisions can affect BICO's ability to run or develop its business. Failures to comply with laws may result in BICO being investigated by government agencies and authorities. Further, quality issues may lead to civil legal proceedings. Government investigations, litigations, and other legal proceedings, regardless of outcome, could be costly, divert management attention, or damage our reputation and the demand for our products.

Risk mitigation
To protect the Group from the financial effects of any claims, BICO has a group-wide insurance program that encompasses the global operations including insurance coverage for general and business-related claims for damages. The insurable risks are covered by adequate limits based on current risk exposure levels. Insurance policies have been entered into with insurance companies with high credit ratings and a documented ability to provide claims assistance.

Market and competition

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Risk description
Fluctuations in the economy, such as recessions, could result in customers reducing investments, and thereby negatively impacting the demand for BICO's products. BICO operates within a competitive field. New products and improved methods are launched continuously, and the future development of the market can influence BICO's competitiveness. Technological advances are currently being made at a fast pace, which is affecting the competitive situation in the market. BICO is subject to risks related to product quality from a customer perspective, and if BICO's products do not meet customer expectations, this could entail a higher risk of customers choosing alternative suppliers.

Risk mitigation
BICO operates a decentralized organizational structure amongst others in order to secure commercial decisions made by the team closest to the market. BICO continuously invests in research and development to ensure that the Group can offer competitive products to the market.

Operational risks

Employees

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Risk description
Being able to attract and retain highly skilled and qualified employees and managers are important for BICO's current and future operations and business plan. The inability to attract employees may impact succession planning for critical positions, implementation of BICO's strategic objectives, and ultimately negatively affect of our business operations.

Risk mitigation
The Group works actively with a performance management process including targeted recruitments, retention strategies, evolvement of culture and ensure talent management and development of employees throughout the organization.

Operations

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Risk description
In relation to the value chains of the subsidiaries, we face different challenges and risks. However, some risks apply to all, for instance ensuring control and safety. The group is impacted by inflation, for example, increased raw material costs, as well as commodity price increases. The Group faces risks controlling the value chain in terms of ensuring compliance with our Code of Conduct and more specific risks related to human rights and anti-corruption. Furthermore, we also face the risk of ensuring that our suppliers are supporting and meet our quality and safety standards. As quality, safety, and ethical business practices are some of our cornerstones, we assess this risk to be significant to our business going forward. External parties have a significant impact on this risk and are addressed by the group companies in their work to secure an efficient production process.

Risk mitigation
In terms of our supplier's compliance with our safety and quality standards, we are currently working with various standards, such as ISO 14001 and ISO 9001. Several of the companies within the Group also have various safety and quality standards to ensure that the products being delivered to the customers also keep a high quality and safety.

Some work with their own safety policies while others are working with external certification for their products, for instance UL (Under-writer Laboratories), REACH and ROHS.

Environment

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Risk description
The main environmental risks within the Group are related to the Scope 3 emissions like shipments, business travel, purchased goods and waste. Moreover, are circular business models with new or amended requirements like, reduced usage of single-use products or lease-not-own strategies, from stakeholders or legislators related to BICO's activities or products a future risk. Pollution in air, water and soil is very limited in BICO´s operations and value chains and have no material impact.

Risk Mitigation
BICO has improved the number of data points covering the Scope 3 emissions and supporting the EU Environmental Sustainability Reporting Standards (ESRS). The quality of data is continuously improving in the online reporting tool used by the BICO companies. Moreover, BICO provides possibilities of re-using instruments. Low carbon products like cleaning instruments for well plates are offered.

IT and IT security

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Risk description
An information security risk is the product of an information security threat's probability to realize and its business impact. That product defines the information security risk level associated with a threat and a vulnerability allowing that threat to be realized.

Risk mitigation
At BICO, we have documented and implemented a formal global risk management methodology. The Executive Management has established an information security policy and information risk management methodology that applies to all companies in the Group. The information security policy defines the strategic level governance for managing information security within BICO, i.e., the information security objectives, scope and responsibilities based on ISO 27001 information security management system, an international standard for implementing information security management best practices.

Since not all threats can be addressed with technical controls, the Group has established and implemented a global IT security policy and mandatory annual employee cyber security trainings to build resilience to most common threats targeting employees, i.e., phishing, ransomware, social engineering, and eavesdropping.

Intellectual property rights (IPR)

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Risk description
BICO is dependent on intellectual property protection to be able to pursue development, marketing, and sales without obstructive competition. If the protection of intellectual property rights, trade secrets and other intangible assets on which the Group depends turns out to be inadequate, the Group's opportunities to commercialize its products, and perhaps also its ability to achieve profitability in its operations, will be adversely affected. If the Group should lose IPRs or other intangible assets, or if the Group is unable in another way to maintain adequate protection for named assets, this would have a major negative impact on the Group's operations and financial position and could lead to recognized intangible assets being written down. Conversely, BICO is dependent on newly developed or acquired technology with freedom to operate and that BICO does not infringe the rights of third parties, which can otherwise lead to costly legal proceedings and damages.

Risk mitigation
BICO works actively with experts in the field to achieve intellectual property protection for its products, and to monitor its existing IPR portfolio. In the event of infringement by a third party, BICO takes measures to remove the infringement, for example by requesting that the infringing actions stop. BICO also conducts ongoing reviews of any obstacles in the development phase of new products and in connection with acquisitions to ensure that the Group has freedom to operate and that new products do not infringe on the rights of third parties.

Financial risks

Financial risks

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Risk description
A more in-depth description of the Group's financial risks is provided in note 2. BICO's operations are exposed to various types of financial risks that may affect the Company's performance and cash flows. This is primarily a result of exchange rate fluctuations, but also credit and counterparty risks, liquidity, and refinancing risk and, to a certain extent, interest rate risks.

Risk mitigation
The Group's financial risks are managed in accordance with the Group's Finance Policy. The CEO is responsible for conducting the business in accordance with the instructions from the Board of Directors and is joined by the CFO on the reporting on compliance with policies and potential risks.

The CFO is responsible for the Company's financial reporting and for complying with the Board of Directors' authorization to the CEO and senior executives in relation to risk and reporting. The CFO participates in Audit Committee meetings and is responsible for following up and reporting on the Company's internal control and financial risks to the Audit Committee and the Board of Directors. The Group's financial risks are monitored and reported by the CFO to the Board of Directors, the Audit Committee, and the CEO.

The share

As of December 31, 2023, the share capital of BICO Group AB (publ) amounted to SEK 1,764,372 (1,762,372), divided into 70,574,895 shares (70,494,895). The shares were traded on the NASDAQ Mid Cap during the financial year. There are two types of shares, 1,500,000 Series A shares and 69,074,895 Series B shares, with 10 and 1 vote per share respectively, but with the same share of equity per share. There are no restrictions on the transfer of shares or on the shares' voting rights in law or in rules in the articles of association.

The company is aware of several "lock-up" commitments that limit shareholders' opportunities to sell their shares. These are attributable to the acquisitions the company has made in recent years. In acquisitions where the sellers of the companies receive shares in BICO as part of the purchase price, a "lock-up" commitment is normally included which limits the shareholder's right to sell the shares for a certain period after the acquisition. These restrictions vary between 6 and 36 months depending on the structure of the transaction and are negotiated as part of the commercial terms of the transaction.

Ownership

As of 31 December 2023, the company's five largest shareholders (capital) were: Erik Gatenholm, 13.63%; Sartorius Lab Holding GmbH, 10.09%; Handelsbanken Funds, 9.50%; Héctor Martínez, 8.95%, and Fourth Swedish National Pension Fund, 5.78%.

Share-based incentive programs

BICO Group AB had three outstanding equity-regulated option programs during 2023. See note 6 for details and terms.

Guidelines for remuneration to senior executives

At the AGM on April 26, 2021, it was resolved to introduce guidelines for remuneration to senior executives. The term senior executives refer to the CEO, CFO, and other members of the executive management. "Other members of the executive management" refers to people in the executive management team that report directly to the CEO. The guidelines are forward-looking and are applied to remunerations that are agreed, and changes made to already agreed remunerations. The guidelines were adopted by the AGM in 2021 and must be updated at least every fourth year.

The guidelines essentially entail the following: The company shall offer market conditions that allow the company to recruit and retain skilled staff. Remuneration to the executive team shall consist of fixed basic salary, variable remuneration, long-term incentive programs, pensions and other customary benefits. The remuneration is based on the individual's commitment and performance in relation to pre-established goals, and both individual and common goals for the entire company. Evaluation of individual performance is carried out continuously.

Remuneration

Remuneration shall be market-based and may consist of fixed salary, variable cash remuneration, pension benefits and other benefits. The AGM may in addition decide on share and share price-related remuneration. The fixed salary shall consider the individual's experience and areas of responsibility and shall be reviewed annually.

The fulfilment of criteria for paying variable cash remuneration must be measurable over a period of one or more years.

Variable cash remuneration shall amount to a maximum of 100 percent of the total fixed salary during the measurement period. Further variable remuneration may be payable in extraordinary circumstances. Please see note 6 for information about extraordinary payments in 2023.

Incentive programs

The AGM decides on share or share price-related incentive programs. Before each AGM, the Board of Directors shall consider whether such a long-term incentive program for the company's senior executives should be proposed. Incentive programs shall contribute to long-term value growth and that the company, participants, and shareholders receive a common interest in the positive value development of the share.

Pension and other benefits

The CEO's pension benefits shall be defined contribution plans. Pension benefits for other senior executives shall be defined contribution plans, unless the executive is covered by a defined benefit plan under mandatory provisions in a collective agreement. Pension premiums for defined contribution plans shall amount to no more than 31 percent of the fixed annual salary.

Other benefits may include life insurance, health insurance and car benefits. Such benefits may amount to no more in total than 5 percent of the fixed annual salary.

Notice period

In the event of termination of employment by the company, the period of notice may be no more than 12 months. Fixed salary during the period of notice and severance pay may not exceed in total a sum equivalent to the fixed salary for 12 months. In the event of termination of employment by the senior executive, the period of notice may be no more than six months, without entitlement to severance pay.

Other

The Board of Directors has appointed a Remuneration Committee. The committee's tasks include preparing the Board's decisions on proposed guidelines for remuneration to senior executives. The Board shall draft proposals for new guidelines at least every four years and shall present the proposal at the AGM for a decision. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration for the company management, the application of the guidelines for remuneration to senior executives, and prevailing remuneration structures and remuneration levels in the company.

The Board of Directors may decide temporarily to deviate from the guidelines, in part or in whole, if there are special reasons for justifying it in an individual case to protect the company's long-term interests, including its sustainability, or to assure the company's financial viability.

Other disclosures

Corporate Governance report
The Corporate Governance report is prepared independently of the Annual report and can be found on pages 101-106.

Research and Development
BICO actively conducts research and development to improve current technologies and products. Read more about BICO's Research and Development on page 23. During 2023, SEK 259.3m was invested in Research and Development, of which SEK 107.4m has been capitalized in the balance sheet.

Outlook
Several market reports where one example is McKinsey Global Institute's report: The Bio Revolution which indicates that the market in which the Group operates will grow rapidly in the coming years. Developments are driven by increased demand from pharmaceutical companies for better methods to test and develop new drugs, increased research in regenerative medicine as well as basic and applied research at universities. The company focuses primarily on growing in that market organically.

Seasonal effects
BICO's sales are affected by seasonal effects. Historically, the Group has gradually increased sales and profit during the calendar year, with a certain decline during the holiday period (July-August). Q1 is normally the weakest quarter, and Q4 the strongest.

Dividend
The Board of Directors proposes no dividend for the financial year 2023 given the company's focus on sustainable profitable growth.

Subsequent events
For information about subsequent events, refer to Note 31.

Annual General Meeting
BICO's AGM for the financial year of 2023 will be held on Monday May 20, 2024. Further information will be available at www.bico.com/investors/. Information on decisions taken at the AGM will be published on the same day as the Annual General Meeting, provided that the voting results have been compiled or no later than 2 weeks after the AGM has taken place.

Proposed appropriation of profits
The Board of Directors and the CEO propose that the available funds, SEK 5,589,958,162 be disposed of as follows:
Carried forward: SEK 5,589,958,162.

The financial statements were approved and issued by the Parent Company's Board of Directors on May 13, 2024. Regarding the company's earnings and position in general, reference is made to the following income statements, balance sheets and cash flow statements.

Financial statements

All numbers in this Annual report refers to continuing operations if not otherwise stated. Ginolis has been classified as discontinued operation from Q4 2023 with retroactive effect.

Consolidated income statement

SEK m	Note	2023	2022
Net sales	5	2,249.9	2,120.8
Other operating income	7	223.5	109.3
Changes in inventories		-3.4	3.0
Capitalized work on own account		102.7	164.8
Operating expenses			
Raw materials and consumables		-669.7	-537.1
Other external expenses	9	-501.9	-662.0
Staff costs	6	-1,035.2	-1,162.3
Amortization, depreciation and impairment	12, 13	-544.9	-305.8
Impairment of goodwill	12	-480.3	-2,557.8
Other operating expenses	8	-5.5	-21.5
Operating profit/loss		**-664.8**	**-2,848.6**
Profit/loss from financial items			
Finance income	10	20.8	427.5
Finance costs	10	-252.2	-187.6
Net finance income		**-231.4**	**239.9**
Profit/loss after financial items		**-896.2**	**-2,608.7**
Taxes	11	8.6	-48.4
Profit/loss from continuing operations		**-887.6**	**-2,657.1**
Discontinued operation			
Profit/loss from discontinued operation	27	-286.2	-747.6
Total profit/loss for the year		**-1,173.8**	**-3,404.7**
Attributable to:			
Owners of the Parent Company		-1,172.7	-3,401.8
Non-controlling interests		-1.1	-2.8
Basic earnings per share, SEK, Total	18	-16.62	-52.87
Diluted earnings per share, SEK, Total	18	-16.62	-52.87
Basic earnings per share, SEK, continuing operations		-12.56	-41.25
Diluted earnings per share, SEK, continuing operations		-12.56	-41.25
Basic earnings per share, SEK, discontinued operation		-4.06	-11.62
Diluted earnings per share, SEK, discontinued operation		-4.06	-11.62

Consolidated statement of comprehensive income

SEK m	Note	2023	2022
Profit/loss for the year		**-1,173.8**	**-3,404.7**
Other comprehensive income			
Items that have been or may be transferred to profit or loss for the year			
Translation differences for the period in the translation of foreign operations, continuing operations	17	40.7	283.4
Translation differences for the period in the translation of foreign operations, discontinued operation		-21.1	19.4
Tax on components that have been or may be transferred to profit or loss for the year, continuing operations		-	-5.2
Other comprehensive income for the year		**19.6**	**297.6**
Comprehensive income for the year, total		**-1,154.3**	**-3,107.1**
Comprehensive income for the year, continuing operations		**-846.9**	**2,378.9**
Comprehensive income for the year, discontinued operation		**-307.4**	**-728.2**
Attributable to			
Owners of the Parent Company		-1,152.5	-3,105.5
Non-controlling interests		-1.7	-1.6

Consolidated balance sheet

SEK m	Note	Dec 31, 2023	Dec 31, 2022
ASSETS			
Non-current assets			
Intangible assets	12	3,188.2	4,045.0
Property, plant and equipment	13	241.7	459.8
Right-of-use assets	24	485.7	441.8
Long-term investments	23	4.9	3.4
Non-current receivables	23	40.6	40.0
Deferred tax assets	11	57.8	101.9
Total non-current assets		**4,018.8**	**5,091.9**
Current assets			
Inventories	14	427.3	531.0
Current tax assets		22.8	28.3
Contract assets	5	92.2	160.3
Trade receivables	15, 23	520.0	699.7
Prepaid expenses	16	32.2	32.5
Other receivables		53.2	60.0
Short-term investments	2, 23	-	-
Cash and cash equivalents*	29	861.0	925.2
Assets held for sale	27	32.2	-
Total current assets		**2,040.9**	**2,437.0**
TOTAL ASSETS		**6,059.9**	**7,528.9**

*The balance includes restricted funds of SEK 56.9m (9.3).

SEK m	Note	Dec 31, 2023	Dec 31, 2022
EQUITY AND LIABILITIES			
Equity	17		
Share capital		1.8	1.8
Other contributed capital		7,580.5	7,590.5
Translation reserve		345.6	325.4
Retained earnings including profit for the year		-4,853.0	-3,675.5
Equity attributable to owners of the Parent Company		**3,074.9**	**4,242.2**
Non-controlling interests		25.4	27.2
Total equity		**3,100.3**	**4,269.3**
Non-current liabilities			
Interest-bearing non-current liabilities	2, 19	1,415.8	1,384.9
Non-current lease liabilities	2, 19	440.4	370.5
Other provisions	21	27.0	24.9
Other non-current liabilities	2, 20	4.8	199.7
Deferred tax liabilities	11	224.5	340.1
Total non-current liabilities		**2,112.5**	**2,320.0**
Current liabilities			
Interest-bearing current liabilities	2, 19	6.5	8.0
Current lease liabilities	2, 19	95.6	89.7
Trade payables	2, 23	170.2	132.6
Contract liabilities	5	258.6	300.9
Current tax liabilities		41.0	49.8
Other liabilities	2, 20	79.0	114.5
Accrued expenses	22	196.1	244.0
Total current liabilities		**847.0**	**939.5**
Total liabilities		**2,959.5**	**3,259.5**
TOTAL EQUITY AND LIABILITIES		**6,059.8**	**7,528.9**

Consolidated cash flow statement

SEK m	Note	2023	2022
Operating activities			
Profit/loss after financial items		-896.2	-2,608.7
Profit/loss from discontinued operation	27	-286.2	-747.6
Tax from discontinued operation		-13.4	29.3
Adjustments for non-cash items	29	1,241.6	3,354.4
Income tax paid		-51.1	-30.8
Cash flows from operating activities before changes in working capital		**-5.3**	**-3.3**
Cash flows from changes in working capital			
Increase (-)/decrease (+) in inventories		7.2	-162.1
Increase (-)/decrease (+) in operating receivables		110.4	-189.4
Increase (+)/decrease (-) in operating liabilities		66.1	85.4
Changes in working capital		**183.7**	**-266.1**
Cash flows from operating activities		**178.4**	**-269.4**
Investing activities			
Acquisition of property, plant and equipment	13	-171.4	-274.1
Acquisition of intangible assets	12	-119.8	-255.5
Acquisition of subsidiary/business, net effect on liquidity	26	-82.4	-218.2
Divestment of subsidiary/business, net effect on liquidity	27	-2.3	-
Sales value tangible fixed assets	12	247.9	-
Change in financial fixed assets		-1.7	-
Acquisition (-)/Disposal (+) of short-term investments		-	960.7
Cash flows from investing activities		**-129.7**	**212.9**
Financing activities			
New share issue	17	5.9	539.7
Issue costs		-0.6	-7.2
Received option premiums		-	0.9
New external loan		4.9	-
Repayment of loans		-11.3	-4.3
Repayment of lease liability	24	-100.9	-73.8
Cash flows from financing activities		**-102.0**	**455.3**
Cash flows for the year		**-53.3**	**398.8**
Cash and cash equivalents at the beginning of the year		925.2	481.2
Exchange difference in cash and cash equivalents		-10.9	45.2
Cash and cash equivalents at end of year*	28	**861.0**	**925.2**

*The balance includes restricted funds of SEK 56.9m (9.3).

Consolidated statement of changes in equity

SEK m	Share capital	Other contributed capital	Translation reserve	Retained earnings incl. profit/loss for the year	Non-controlling interests	Total
Equity, opening balance, Jan 1, 2022	**1.6**	**7,017.1**	**29.0**	**-273.8**	**28.8**	**6,802.7**
Profit/loss for the year	-	-	-	-3,401.8	-2.8	**-3,404.7**
Other comprehensive income for the year	-	-	296.4	-	1.2	**297.6**
Transactions with shareholders						
New share issue	0.2	539.4	-	-	-	**539.6**
Option premium	-	0.9	-	-	-	**0.9**
Issue costs, net of tax	-	-5.9	-	-	-	**-5.9**
Share-based payments	-	39.0	-	-	-	**39.0**
Equity, closing balance, Dec 31, 2022	**1.8**	**7,590.5**	**325.4**	**-3,675.5**	**27.2**	**4,269.3**
Equity, opening balance, Jan 1, 2023	**1.8**	**7,590.5**	**325.4**	**-3,675.5**	**27.2**	**4,269.3**
Profit/loss for the year	-	-	-	-1,172.7	-1.1	**-1,173.8**
Other comprehensive income for the year	-	-	20.2	-	-0.7	**19.6**
Transactions with shareholders						
New share issue	0.0	5.9	-	-	-	**5.9**
Issue costs, net of tax	-	-0.6	-	-	-	**-0.6**
Share-based payments	-	-20.1	-	-	-	**-20.1**
Other movements	-	4.8	-	-4.8	-	**-**
Equity, closing balance, Dec 31, 2023	**1.8**	**7,580.5**	**345.6**	**-4,853.0**	**25.4**	**3,100.3**

Parent Company income statement

SEK m	Note	2023	2022
Net sales	5	38.4	70.4
Other operating income	7	174.6	46.9
Operating expenses			
Raw materials and supplies		-	-6.4
Personnel expenses	6	-59.6	-84.2
Other external costs	9	-79.8	-129.9
Amortization, depreciation and impairment	12, 13	-1.4	-3.2
Other operating expenses	8	-2.9	-6.3
Operating profit/loss		**69.3**	**-112.7**
Profit/loss from financial items			
Profit/loss from participations in Group companies	25	-1,392.1	-775.1
Other interest income and similar profit/loss items	10	250.5	634.0
Interest expenses and similar profit/loss items	10	-241.2	-172.3
Net finance income		**-1,382.7**	**-313.4**
Profit/loss after financial items		**-1,313.4**	**-426.1**
Appropriations		23.9	-211.9
Taxes	11	-1.4	-15.5
Profit/loss for the year		**-1,290.9**	**-653.5**

Parent Company other comprehensive income

SEK m	Note	2023	2022
Profit/loss for the year		**-1,290.9**	**-653.5**
Other comprehensive income			
Components that will not be reclassified to profit/loss for the year		-	-
Components that will be reclassified to profit/loss for the year		-	-
Other comprehensive income for the year		**-**	**-**
Comprehensive income for the year		**-1,290.9**	**-653.5**

Parent Company balance sheet

SEK m	Note	Dec 31, 2023	Dec 31, 2022
ASSETS			
Non-current assets			
Intangible assets	12		
Patents, licenses and software		4.7	0.2
Other intangible assets		2.3	2.4
Property, plant and equipment	13		
Equipment, tools, fixtures and fittings		2.3	3.7
Financial assets			
Participations in Group companies	25	2,603.8	3,450.1
Receivables from Group companies	30	3,205.0	3,323.8
Other long-term securities holdings	23	4.9	3.4
Other non-current receivables	23	0.3	0.3
Deferred tax asset	11	-	1.3
Total non-current assets		**5,823.3**	**6,785.0**
Current assets			
Inventories	14	-	0.5
Trade receivables	15	0.1	1.0
Receivables from Group companies	30	872.0	1,335.9
Other receivables		3.1	2.6
Prepaid expenses and accrued income	16	9.6	6.0
Short-term investments	2, 23	-	0.0
Cash and bank balances*	29	673.9	620.0
Total current assets		**1,558.7**	**1,966.0**
TOTAL ASSETS		**7,381.9**	**8,751.0**

*The balance includes restricted funds of SEK 47.8m (-).

SEK m	Note	Dec 31, 2023	Dec 31, 2022
EQUITY AND LIABILITIES			
Equity	17		
Restricted equity			
Share capital		1.8	1.8
Development expenditure reserve		-	-
Non-restricted equity			
Share premium reserve		7,573.6	7,537.2
Retained earnings		-692.8	7.8
Profit/loss for the year		-1,290.9	-653.5
Total equity		**5,591.8**	**6,893.3**
Untaxed reserves		-	23.9
Provisions			
Other provisions	21	3.1	3.0
Total provisions		**3.1**	**3.0**
Non-current liabilities			
Liabilities to credit institutions	2, 19	-	2.0
Convertible bonds	19	1,404.4	1,365.4
Other interest-bearing liabilities	23	0.6	0.6
Other non-current liabilities	20	-	194.8
Total non-current liabilities		**1,405.0**	**1,562.8**
Current liabilities			
Liabilities to credit institutions	2, 19	-	2.0
Liabilities to Group companies	30	281.3	122.2
Trade payables	2, 23	6.7	2.9
Tax liabilities		13.0	13.6
Other liabilities	20	40.0	86.3
Accrued expenses and deferred income	22	41.0	40.9
Total current liabilities		**382.0**	**267.9**
TOTAL LIABILITIES		**1,790.1**	**1,857.7**
TOTAL EQUITY, PROVISIONS AND LIABILITIES		**7,381.9**	**8,751.0**

Parent Company cash flows

SEK m	Note	2023	2022
Operating activities			
Profit/loss after financial items		-1,313.4	-426.1
Adjustments for non-cash items	29	1,386.8	445.3
Income tax paid		-0.7	-2.1
Cash flows from operating activities before changes in working capital		**72.7**	**17.1**
Cash flows from changes in working capital			
Increase (-)/decrease (+) in inventories		0.5	-0.5
Increase (-)/decrease (+) in operating receivables		-100.7	32.0
Increase (+)/decrease (-) in operating liabilities		163.4	-152.0
Changes in working capital		**63.2**	**-120.5**
Cash flows from operating activities		**135.8**	**-103.4**
Investing activities			
Acquisition of property, plant and equipment	13	-	-2.7
Acquisition of intangible assets	12	-4.8	-
Acquisition of subsidiary/business, net effect on liquidity	25	-82.4	-159.0
Acquisition (-)/Disposal (+) of financial receivables		-0.1	-698.1
Acquisition (-)/Disposal (+) of short-term investments		-	960.7
Cash flows from investing activities		**-87.2**	**100.9**
Financing activities			
New share issue	17	5.9	540.5
Issue costs		-0.6	-7.2
Repayment of loans		-4.0	-2.0
Cash flows from financing activities		**1.3**	**531.3**
Cash flows for the year		49.9	528.8
Cash and cash equivalents at the beginning of the year		620.0	91.1
Exchange difference in cash and cash equivalents		4.0	0.1
Cash and cash equivalents at end of year*	28	**673.9**	**620.0**

*The balance includes restricted funds of SEK 47.8m (-).

Parent Company statement of changes in equity

	Restricted equity		*Non-restricted equity*			
SEK m	**Share capital**	**Development expenditure reserve**	**Share premium reserve**	**Retained earnings**	**Profit/loss for the year**	**Total Equity**
Equity, opening balance, Jan 1, 2022	**1.6**	**1.6**	**7,002.7**	**-54.8**	**22.0**	**6,973.3**
Appropriation of profits	-	-	-	22.0	-22.0	-
Profit/loss for the year	-	-	-	-	-653.5	**-653.5**
Change in development expenditure reserve	-	-1.6	-	1.6	-	-
Transactions with shareholders						
New share issue	0.2	-	539.4	-	-	**539.6**
Option premium	-	-	0.9	-	-	**0.9**
Issue costs, net of tax	-	-	-5.9	-	-	**-5.9**
Share-based payments	-	-	-	38.9	-	**38.9**
Equity, closing balance, Dec 31, 2022	**1.8**	**-**	**7,537.2**	**7.8**	**-653.5**	**6,893.3**
Equity, opening balance, Jan 1, 2023	**1.8**	**-**	**7,537.2**	**7.8**	**-653.5**	**6,893.3**
Appropriation of profits	-	-	-	-653.5	653.5	-
Profit/loss for the year	-	-	-	-	-1,290.9	**-1,290.9**
Transactions with shareholders						
New share issue	0.0	-	5.9	-	-	**5.9**
Merger result	-	-	-	-0.1	-	**-0.1**
Issue costs, net of tax	-	-	-0.6	-	-	**-0.6**
Share-based payments	-	-	-15.9	-	-	**-15.9**
Other movements	-	-	47.0	-47.0	-	-
Equity, closing balance, Dec 31, 2023	**1.8**	**-**	**7,573.6**	**-692.8**	**-1,290.9**	**5,591.8**

Notes

Note 1 Accounting principles

These consolidated accounts were prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations of the applicable standards issued by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU. The Swedish Annual Accounts Act and RFR 1 'Supplementary accounting rules for groups' were also applied.

The Parent Company applies the same accounting principles as the Group with the exceptions outlined below in the section 'The Parent Company's accounting principles.' Any discrepancies between the accounting principles of the Parent Company and those of the Group were caused by restrictions to the ability to apply IFRS in the Parent Company due to the Swedish Annual Accounts Act and the Swedish Pension Obligations Vesting Act, and in some cases for tax reasons.

The potential impact of climate change was considered when the consolidated accounts were prepared, particularly in conjunction with the main climate-related risks identified by BICO. These refer to a strong increase in overhead and energy costs and potential changes to the environmental legislation. These risks may affect the Group's sales of products and solutions, including the transport of goods. They may also affect the Group's use of buildings and associated costs.
In 2023, climate change had no significant impact on the consolidated financial statements or on the estimates and assumptions and were made in the preparation of the consolidated financial statements.

Classification
Non-current assets, non-current liabilities and provisions essentially consist of amounts that are expected to be recovered or paid more than twelve months after the reporting date. Current assets and current liabilities essentially consist of amounts expected to be recovered or paid within twelve months of the reporting date.

Consolidation principles
The consolidated accounts include the Parent Company BICO Group AB (publ) and the subsidiaries in which the Parent Company had a controlling influence at year-end. Intra-Group receivables and liabilities, income or expenses and unrealized gains or losses arising from intra-Group transactions were eliminated in full when the consolidated accounts were prepared.

Functional currency and reporting currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The Parent Company's functional currency is the Swedish krona, which is also the reporting currency of the Parent Company and the Group. This means that the financial statements are presented in Swedish kronor. All figures are rounded to the nearest million kronor (SEKm), and to one decimal place, unless otherwise stated.

Assets and liabilities in foreign subsidiaries, including goodwill and other consolidated surplus and deficit values, are translated into Swedish kronor at the exchange rate at the date of the balance sheet. Income and expenses in foreign subsidiaries are translated into Swedish kronor at an established average exchange rate. Translation differences arising from the currency translation of foreign subsidiaries are recognized in Other comprehensive income.

Foreign currency
Transactions in foreign currencies in the Parent Company are reported in the functional currency using the exchange rates at the transaction date, while income and expenses in foreign subsidiaries are translated into Swedish kronor at an established average rate. Monetary assets and liabilities in foreign currencies are translated into the functional currency

using the exchange rate at the balance sheet date. Exchange rate differences arising from translation are reported in the income statement. Non-monetary assets and liabilities that are recognized at historical cost are recognized using the exchange rate at the time of the transaction. The exchange rate difference is then reported in the same way as other changes in the value of the asset or liability.

Key exchange rates against SEK used in the accounts:

Currency	Rate at the balance sheet date	
	Dec 31, 2023	**Dec 31, 2022**
EUR	11.0960	11.1283
USD	10.0416	10.4371

Source: The Riksbank (Sweden's central bank)

CHANGED ACCOUNTING PRINCIPLES

Changed accounting principles due to new or amended IFRS
Amendments to IAS 1 - Disclosure of accounting policies, as of January 1, 2023. The changes affect the requirements in IAS 1 regarding disclosure of accounting principles. By applying the changes, significant accounting policies are included, instead of significant accounting policies.

Future accounting principles
New and amended IFRS with future application are not expected to have a material impact on the company's financial statements.

Changed method for impairment test of goodwill resulted in retrospective change of impairment model for goodwill and other intangible assets
The Council for Swedish Financial Reporting Supervision ("the Council") is responsible for reviewing financial reports of Swedish listed companies. As part of its normal oversight the Council has reviewed BICO´s annual report for 2022. As part of this review process, BICO and the Council have had communication primarily related to BICO's model for impairment tests of goodwill and other intangible assets. The Council has primarily reviewed BICO's impairment tests of goodwill for 2022.
As previously disclosed in its annual reports, BICO has in its impairment test applied a method of cash flow projections over a total period of ten years (described in note 12, Annual report 2022). The chosen period, which has been audited and accepted, was used to reflect the value of the business given its growth prospects.
The Council has advocated that BICO should apply a five-year forecast period in the goodwill impairment tests. BICO has therefore decided to change method for impairment test of goodwill. This has resulted in retroactive adjustments of the impairment tests per December 31, 2022, and has had an effect on previously reported figures in the statement of financial position and the income statement. The retrospective adjustments have not had any impact of reported cashflows. Details of the effects of the retrospective adjustments is described further in note 34.

Income statement by function
The company will change the format of its income statement from nature based to function based with full implementation during the first quarter of 2024. The change is being implemented to increase comparability in the company's cost structure and adapt to the most common market practice. This change will affect the reported gross margin negatively as more costs (eg production staff) than before will be included in the cost of goods sold. Net sales, EBITDA, EBIT and net profit will be unchanged.

THE PARENT COMPANY'S ACCOUNTING PRINCIPLES

The Parent Company has prepared its annual report in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Accounting Standards Council's recommendation RFR 2 – Accounting for legal entities. According to RFR 2, in the annual report for the legal entity, the Parent Company shall apply all IFRS and statements adopted by the EU to the extent possible within the scope of the Swedish Annual Accounts Act and with regard to the link between accounting and taxation. The recommendation specifies the exceptions from and amendments to the IFRS that should be made. The differences between the Group's and Parent Company's accounting principles are stated below. The accounting principles described below for the Parent Company have been applied consistently to all periods presented in the Parent Company's financial statements.

The accounting principles have not been changed from the previous year.

Shares and participations
Shares and participations in Group companies are reported at cost and tested for impairment annually. Dividends are recognized in the income statement.

Shareholder contributions
Unconditional shareholder contributions are recognized directly in the equity of the recipient and capitalized by the shareholder in shares and participations if no impairment is required.

Leases
The Parent Company does not apply IFRS 16. Instead, leases are expensed on a straight-line basis over the term of the lease.

Description of accounting principles
Unless otherwise stated, the accounting principles of the Group described in this annual report were applied consistently to all periods included in the Parent Company's financial statements. The Group's accounting principles were applied consistently to the reporting and consolidation of subsidiaries.

To increase the understanding of the accounting principles applied by the Group, BICO has chosen to report them in connection to each note.

Note 2
Financial risk management

BICO's operations are exposed to various types of financial risks that may affect the Company's performance and cash flows. This is primarily as a result of exchange rate fluctuations, but also credit and counterparty risks, liquidity and refinancing risk and, to a certain extent, interest rate risks.

The Group's financial risks are managed in accordance with the Group's Finance Policy. The CEO is responsible for conducting the business in accordance with the instructions from the Board of Directors and is joined by the CFO on the reporting on compliance with policies and potential risks. The CFO is responsible for the Company's financial reporting and for complying with the Board of Directors' authorization to the CEO and senior executives in relation to risk and reporting. The CFO participates in Audit Committee meetings and is responsible for following up and reporting on the Company's internal control and financial risks to the Audit Committee and the Board of Directors. The Group's financial risks are monitored and reported by the CFO to the Board of Directors, the Audit Committee and the CEO.

Foreign currency risk
Exchange rate fluctuations affect the Group's performance and equity in various ways, either as a transaction exposure or as a translation exposure. Transaction exposures comprise commercial flows in foreign currencies. For the Group, these mainly arise because European companies purchase most of their products in EUR but partly invoice in USD, mainly to Asia and North America. Also, Swedish companies report costs in SEK, while the Group has limited invoicing in SEK. There are also transactions where American companies invoice customers or have costs in EUR. As a consequence, the reported numbers in SEK are exposed to currency fluctuations, mainly between EUR, USD and SEK.
The amortization and impairment of acquired surplus values from foreign subsidiaries is also affected by a change in exchange rates as the values are calculated in the foreign currency and translated into SEK.

When the earnings and net assets of subsidiaries are translated, a translation exposure affects the Group's other comprehensive income and equity in the event of currency exchange rate changes. The exchange rate difference, which is recognized in other comprehensive income, is attributable to changes in the USD/SEK exchange rate (for US subsidiaries and related surplus values) and the EUR/SEK exchange rate (for European subsidiaries and associated surplus values).

Due to the acquisition of American subsidiaries, intra-Group receivables in USD arose in the Parent Company. Due to a planned settlement in the near future, it was determined that these do not form part of the net investment in the foreign operation. This means that the currency exchange differences on the receivables affect the Group's total net finance income and are therefore not recognized in other comprehensive income. Nevertheless, the effect on net finance income is offset by a corresponding effect in other comprehensive income from the translated equity of the subsidiary, which means that total equity is not affected to any material extent.

A 10 percent increase in EUR and USD, respectively, over the financial year would have resulted in the following transaction exposure effect on the Group's operating profit, mainly because the operating profit in the foreign subsidiaries fluctuates with the currency, but also because the amortization and impairment of surplus values denominated in EUR and USD would have increased in the accounting currency (SEK).

Currency	2023	2022
EUR	-103.8	-151.9
USD	10.8	-137.6

The net translation exposure (in thousands) for the Group is divided into the currencies below. A 10 percent change in each closing rate would have affected the respective SEK amount by 10 percent, which would have entailed a corresponding change in other comprehensive income and equity.

Currency	*Local currency* 2023	*SEKm* 2023
EUR	110.5	1,225.7
USD	-89.6	-900.2

Currency	*Local currency* 2022	*SEKm* 2022
EUR	154.2	1,715.8
USD	-71.5	-746.4

The Group's policy is not to hedge against transaction and translation fluctuations in exchange rates.

Liquidity and refinancing risk
Financing risk refers to the risk that costs will be higher and funding opportunities will be limited when loans are to be renewed, and that payment obligations might not be met due to insufficient liquidity or difficulties in obtaining financing. The Company shall be an attractive borrower and plan sufficiently in advance so that it can receive financing on good terms.

The Company currently has mainly external financing in the form of convertible bonds that mature in 2026. For further information on the convertible bonds, see Note 19. The Company also has contingent considerations that are payable in coming years due to acquisitions made in 2021 and 2022. For more information on contingent considerations, see Notes 20, 23 and 26.

In other respects, the Company has financed its growth through equity raised from the Company's shareholders.

Interest rate risk
Interest rate risk is the risk that interest rate changes will affect the Group's earnings and cash flow (cash flow risks). The vast majority of the Company's external financing currently consists of convertible bonds with a nominal value of SEK 1,500m that mature in 2026. The bonds have a fixed interest rate of 2.875 percent, which corresponds to SEK 43.1m a year. Consequently, the interest expense is mostly predictable at present, and the interest rate risk linked to loans is considered to be low.

The summary below shows the effect that a change in market interest rates of one percentage point would have had on the consolidated income statement and equity.

	Change, %	2023	2022
Market interest rate	(+/-) 1	15.0	15.0

Credit and counterparty risk
Credit risk is the risk of losses caused by a counterparty's inability to meet its contractual obligations. The risk for BICO is mainly linked to trade receivables and contract assets. To control the risk, the Company continuously evaluates outstanding receivables and historical credit losses.

The Company requests advance payments from new customers if there are doubts about the counterparty's ability to pay. For BICO, there is no significant concentration of credit risk related to any individual customer, counterparty or geographical region. The Company has a broad customer portfolio with the majority of sales coming from a large number of customers. The Company also works with distributors in certain regions, which has some effect on the concentration risk, mainly in relation to the Asian market.

A customer is deemed to be in default if it has payment difficulties or if a receivable is more than 90 days overdue. The reasoning for this is that several customers routinely pay late. At that point, there is a notable increase in expected credit losses according to BICO's model. Credit risk is handled in the accounts by recognizing a loss allowance based on how long the receivable has been overdue and on an individual review of the customer based on previous payment patterns and external factors. The loss allowance is measured at an amount equal to the expected credit losses for the entire remaining payment term, which means that a loss allowance is also recognized for receivables that are not yet due for payment. Improved collection procedures, including but not limited to the introduction of a factoring solution during the year, have contributed to the decreased loss allowance (both in nominal and relative amounts) compared with prior year.

Maturity structure for financial liabilities, including future interest payments (non-discounted amounts)

Group, Dec 31, 2023	<1 year	2 years	3 years	4 years	>4 years	Total
Interest-bearing liabilities	49.6	49.6	1,525.3	0.6	0.7	1,625.8
Trade payables	169.3	1.0	-	-	-	170.2
Lease liabilities	100.5	100.6	94.8	75.7	279.9	651.4
Other liabilities	70.5	5.2	1.3	1.3	1.3	79.7

Group, Dec 31, 2022	<1 year	2 years	3 years	4 years	>4 years	Total
Interest-bearing liabilities	52.1	57.1	46.7	1,511.6	1.7	1,669.2
Trade payables	132.6	-	-	-	-	132.6
Lease liabilities	88.7	79.1	75.3	70.5	182.0	495.7
Other liabilities	113.5	116.6	80.8	0.5	-	311.4

Parent Company, Dec 31, 2023	<1 year	2 years	3 years	4 years	>4 years	Total
Interest-bearing liabilities	43.1	43.1	1,521.6	-	0.6	1,608.4
Trade payables	6.7	-	-	-	-	6.7
Other liabilities	38.8	-	-	-	-	38.8

Parent Company, Dec 31, 2022	<1 year	2 years	3 years	4 years	>4 years	Total
Interest-bearing liabilities	45.3	45.2	43.2	1,510.8	0.6	1,645.1
Trade payables	2.9	-	-	-	-	2.9
Other liabilities	85.3	114.6	80.1	-	-	280.1

Receivables are only written off when the counterparty is declared bankrupt or if changes to the nominal value of the receivable are agreed. See also Note 15 for further information on the Group's trade receivables. The work on collecting overdue receivables is continuous.

The Company also has credit and counterparty risk for cash and cash equivalents. To control the risk, the Company has consistently invested cash in well-established counterparties with a low determined risk of default.

Capital risk management

The Group's capital structure must be kept at a level that ensures the opportunity to continue operations and create returns for shareholders and benefits for other stakeholders, while maintaining an optimal structure for the reduction of capital costs.

To maintain or adjust the capital structure, the Group may, subject to shareholder approval, when appropriate, vary the dividends to shareholders, reduce the share capital for payment to shareholders, issue new shares or sell assets to reduce the debt/equity ratio. The Group analyzes the debt/equity ratio continuously. Net debt includes interest-bearing financial liabilities. The Group's capital consists of assets less interest-bearing liabilities. The Group is not subject to any external capital requirements (covenants).

From time to time, the Group has more liquid assets than required to conduct the Company's operations. On such occasions, the excess liquidity can be invested in fixed income funds and bonds, in accordance with the Group's Finance Policy. The purpose is to manage the Group's capital at the lowest risk possible for when the Company needs the capital, e.g., for acquisitions or other investments. The investments should preserve value rather than generate significant capital gains. The Company's liquidity must be available at short notice to support continued growth.
A basic condition for the investment is that the issuer has an official rating or that there is a credit analysis of the issuer. The lowest permitted rating for investments is BB-. Individual investments may be included with a maximum term of 6 years until maturity or first redemption day, and a final maturity must be specified. See the table below regarding the weighting of the Company's investment of excess liquidity. The company has not used the possibility to invest excess liquidity during 2023.

Issuer	Risk category	Maximum exposure allowed
Individual issuer of bonds and hybrid capital	Investment grade	10%, but never exceeding SEK 120m
Individual issuer of bonds and hybrid capital	High yield	5%, but never exceeding SEK 60m
Individual issuer of commercial papers	Investment grade	10%, but never exceeding SEK 120m
Individual issuer of commercial papers	High yield	5%, but never exceeding SEK 60 m
Bonds, treasury bills and hybrid capital issued by the Government of Sweden		30%
Bonds, treasury bills and hybrid capital issued by directly or indirectly held, wholly owned subsidiaries of the Government of Sweden		20%

Note 3
Critical accounting estimates and judgments

Preparation of the financial statements in accordance with IFRS requires the Board of Directors and Group management to make assessments, estimates and assumptions that affect the application of the accounting principles and the figures reported for assets, liabilities, income and expenses.
Estimates and assumptions are based on historic experiences and a number of other factors that are considered reasonable under the prevailing circumstances. The result of these estimates and assumptions is then used to assess the carrying amounts of assets and liabilities which are not otherwise apparent from other sources. The actual outcome may deviate from these estimates and judgments. Assessments and assumptions are reviewed regularly depending on their nature, but at least annually. Changes in estimates are reported in the period in which they are made if they only affect that period, or in the period in which they are made and in future periods, if the change affects both the period concerned and future periods. Assessments made by Group management that have a significant impact on the financial statements and estimates that may result in significant adjustments in future financial statements are described below.

Business combinations

Business combinations are recognized according to the acquisition method of accounting. The determination of fair value often requires Group management to make assumptions and estimates about future events. Assumptions and estimates relating to the determination of the fair value of acquired patents, technologies, customer relationships and trademarks generally require significant estimates of forecasted cash flows, growth and discount rates. Changes in any of these assumptions or estimates used to determine the fair value of acquired assets and liabilities may affect the amounts relating to assets, liabilities and goodwill as a result of the purchase price allocation. Future net gains may be affected as a result of changes in depreciation/amortization and the impairment of assets, including goodwill. The Group uses external valuation experts for the preparation of purchase price allocations to ensure that the acquired net assets are assessed objectively.

Assessment of cash-generating units and impairment testing of goodwill and other intangible assets
Impairment testing requires the identification of the Group's smallest cash-generating units, which requires estimates to be made. Per December 31, 2023, the Group was deemed to comprise 10 cash-generating units, which reflects the Group's revenue streams and historical acquisitions. Testing for impairment has been carried out at this level. Due to impairments of goodwill during the year, there is no headroom in these CGU. A change in this estimate could have significant consequences on the Group's earnings in future periods. See Note 12 for further information.

In the calculation of recoverable amounts of cash-generating units when goodwill and other intangible assets were tested for impairment, several assumptions were made about future conditions and estimates of parameters. An account of these is included in Note 12.

Contingent considerations
In connection with the Group's acquisitions, a portion of the purchase price – the contingent consideration – depends on future events, such as the sales and performance of the acquired entity. In these cases, a discounted, probability-weighted assessment of the possible outcomes of the contingent consideration is conducted at the time of acquisition and included in the purchase price and recognized in other liabilities. Future sales and the discount rate are significant unobservable inputs in the calculation. An increase in future sales, a weakened SEK or a reduction in the discount rate increases the outcome of contingent considerations.

Renewed assessments of the potential outcome of contingent considerations are made in each reporting period. Information received after the acquisition is assessed to determine whether any new information has emerged that relates to circumstances that existed at the time of the acquisition or to subsequent events. In the latter case, any adjustments to the previously reported amounts are reported in other income or other operating expenses in the period in which the change arises. In the former case, adjustments are made to the purchase price allocation, provided it is still preliminary (not older than 12 months). Consequently, changes in the estimate may have significant impact on the Group's earnings.

See also Note 20 and Note 23 for information on contingent considerations.

Loss allowance for trade receivables
BICO recognizes loss allowances for trade receivables based on the provisions on expected credit losses in IFRS 9. In relation to this, accounting estimates are made as to whether trade receivables will be recoverable at their full value, and at what level any loss allowance should be recognized. BICO's cash-generating units have a varying history related to bad debt losses. Estimates are therefore required to assess the risk of future credit losses. The principles are described in more detail in Notes 2 and 15.

Deferred tax
Deferred tax assets attributable to tax losses were capitalized in the Group to the extent that they can be used against future taxable profits in the near future. To determine this, the Group management has produced forecasts for the companies that include tax losses, and assumed that companies who have been loss-making from a tax perspective in recent years do not fulfil the criteria to capitalize deferred taxes of tax loss carry forwards. Assumptions and estimates used in the calculation generally require significant estimates of forecasted cash flows and growth per legal entity. A change in any of these factors could lead to changes in the reported amounts. See Note 11 for further information.

Leases
The recognition of leases in accordance with IFRS 16 requires a certain degree of judgment, primarily regarding the lease term. The Group defines lease term as the non-cancellable period of a lease, plus any periods covered by options to extend if it is reasonably certain that such options will be exercised.

The Group has several leases that include options to extend or terminate. At the beginning of the lease term, the Group determines whether or not it is reasonably certain that the option to extend or terminate the lease will be exercised. This assessment considers all relevant factors that create an economic incentive to extend or terminate the lease. After the start date, the Group reviews the lease term if a significant event occurs or if there is a change in circumstances within the Group's control that affects its ability to exercise or not exercise the option to extend or terminate the lease (e.g., the expense of major improvements or adaptations to the leased asset).
The Group generally includes the extension period in the lease term for leases of premises with non-cancellable periods of less than three years. Within this period, it is usually considered to be reasonably certain that the Group will exercise its option to renew the leases. The extension periods for leases with longer non-cancellable periods are not included in the lease term as it is not reasonably certain that they will be exercised.

See Note 24 for further information on the Group's leases.

Capitalization of development expenditures
Recognition of capitalized development expenses requires assessments to determine whether expenses can be capitalized during the course of a project. Factors affecting the assessment include the project's development stage and its future earnings capacity. To ensure that this is managed correctly, the Group continuously works with project documentation and follow-up, monitors expenditure incurred in relation to the project budget and forecasts future earnings capacity.

A changed estimate of the projects' earnings capacity could have significant impact on the Group's earnings in future periods. See also Note 12 for further information on the Group's capitalized development expenses.

Convertible bonds
On March 19, 2021, the Group issued senior, unsecured convertible bonds with a total nominal value of SEK 1,500m. Convertible bonds are a hybrid instrument that mainly comprises two parts: a liability portion and an equity portion. To determine the portion of the convertible loan that should be classified as equity, the implicit market rate is used, i.e., the interest rate at which the Company would likely have been able to borrow without the embedded option to convert into shares. This interest rate is used to discount the liability, and the difference between the discounted value and the issued convertible debt is the portion of the loan that is classified as equity. In 2021, the Company determined that this interest rate was 5.5 percent. A change in this estimate could have had material effects on the consolidated income statement and consolidated balance sheet, both over the year and in future periods.

See also Note 19 for information on the convertible bonds.

Note 4
Segments

ACCOUNTING PRINCIPLES
The operating segments' earnings include directly attributable items and items that can reasonably and reliably be attributed to the segments. The recognized items in the operating segments' earnings are measured in accordance with the earnings monitored by the Company's chief operating decision-maker.

Segments
The Group consists of three reporting segments: Bioprinting, Biosciences and Bioautomation.

The Group's operations are divided into operating segments based on which parts of the operations the company's highest executive decision-maker, the Group's CEO, follows up. The business is organized in such a way that the CEO monitors the sales and earnings generated by the Group's segments. Since the CEO monitors the results of operations and decides on the distribution of resources based on the description of segments below, these constitute the Group's operating segments.
The Group's segments are identified on the basis that different market offerings have been merged into one segment in cases where they have similar financial properties, products, production processes, customers and distribution methods. Follow-up of the Group's segments is mainly on sales and EBITDA, which is why these performance measures are presented in tables to the right.

Bioprinting
Bioprinting comprises CELLINK Bioprinting, MatTek, Visikol, Nanoscribe, Advanced BioMatrix and Allegro 3D. The segment offers 3D-bioprinters, 3D-printers and bioink with a wide range of technologies for many demanding applications, resolutions (50 micrometers – 200 nanometers) and volume/speed requirements as well as services focused on the rapid discovery and development of new drugs, including advanced tissue imaging and cell culture services.

Biosciences
Biosciences consist of CYTENA, CYTENA Bioprocess Solutions, Dispendix, Discover Echo and Biosero. The segment provides advanced lab instruments and software for connected intelligent workflows for analyzing data with applications in cell culture, cell imaging, cell sorting and sample preparation for various analyses, such as in genomics. The instruments are sold with proprietary consumables and/or proprietary software.

Segment reporting

SEKm	Bioprinting Jan–Dec 2023	Biosciences Jan–Dec 2023	Bioautomation Jan–Dec 2023	Group functions Jan–Dec 2023	Eliminations	Total
Net sales	660.5	1,107.1	482.3	-	-	**2,249.9**
Raw materials and supplies reduced with changes in inventories	-150.7	-390.0	-132.5	-	-	**-673.2**
Capitalized work for own account	43.7	34.5	24.5	-	-	**102.7**
Other operating income	20.1	16.0	16.3	207.8	-36.7	**223.5**
Other external costs	-164.1	-193.5	-115.4	-65.6	36.7	**-501.9**
Personnel expenses	-320.4	-432.1	-220.2	-62.6	-	**-1,035.2**
Other operating expenses	-3.0	-1.6	-0.2	-0.7	-	**-5.5**
EBITDA	**86.1**	**140.3**	**55.0**	**79.0**	-	**360.4**
EBITDA, %	**13.0%**	**12.7%**	**11.4%**	**N/A**	-	**16.0%**
Amortization and depreciation of fixed assets	-	-	-	-	-	**-544.9**
Impairment of goodwill	-	-	-	-	-	**-480.3**
Financial income	-	-	-	-	-	**20.8**
Financial expenses	-	-	-	-	-	**-252.2**
Result before tax	-	-	-	-	-	**-896.2**

Bioautomation
Bioautomation comprises SCIENION, Cellenion and QInstruments. The segment offers scientific instruments and solutions for the scalable production of diagnostics and consumables that enable both single cell and other workflows. The segment also offers contract manufacturing services based on its technology.

Group functions
Group functions comprise costs that could not be allocated to a specific segment, such as Group-wide administration and shareholder costs.

The Group's operating segments

SEKm	Bioprinting Jan–Dec 2022	Biosciences Jan–Dec 2022	Bioautomation Jan–Dec 2022	Group functions Jan–Dec 2022	Eliminations	Total
Net sales	649.5	959.6	534.3	-	-22.6	**2,120.8**
Of which Internal Net sales	*18.0*	*3.3*	*1.3*	-	*-22.6*	**-**
Raw materials and supplies reduced with changes in inventories	-148.1	-288.6	-120.0	-	22.6	**-534.0**
Capitalized work for own account	53.8	80.3	30.7	-	-	**164.8**
Other operating income	27.3	18.4	27.0	41.7	-5.1	**109.3**
Other external costs	-179.2	-293.8	-137.4	-56.7	5.1	**-662.0**
Personnel expenses	-362.3	-485.5	-230.2	-84.4	-	**-1,162.3**
Other operating expenses	-7.7	-4.3	-4.1	-5.4	-	**-21.5**
EBITDA	**33.3**	**-13.8**	**100.2**	**-104.6**	-	**15.0**
EBITDA, %	**5.1%**	**-1.4%**	**18.8%**	**N/A**	-	**0.7%**
Depreciation, amortization and impairment of fixed assets	-	-	-	-	-	**-305.8**
Impairment of goodwill	-	-	-	-	-	**-2,557.8**
Financial income	-	-	-	-	-	**427.5**
Financial expenses	-	-	-	-	-	**-187.6**
Result before tax	**-**	**-**	**-**	**-**	**-**	**-2,608.7**

Non-current assets by geographic area

	Group	
	2023	**2022**
Sweden	259.2	261.0
Germany	1,469.6	2,142.4
USA	2,181.5	2,408.4
Rest of the world	140.7	280.1
Total	**4,051.0**	**5,091.9**

Note 5
Revenue

ACCOUNTING PRINCIPLES

Revenue recognition
The Group recognizes revenue when promised goods or services are transferred to customers with an amount that reflects the consideration to which the Company expects to be entitled in exchange for these goods or services.

To meet the accounting requirements according to this principle, a five-step model is applied, which consists of the following parts: identify the contract with the customer, identify the various performance obligations, determine the transaction price, allocate the transaction price to the various performance obligations and recognize the revenue when the performance obligations are satisfied. The Group applies several different payment structures for customers in different markets.

Revenue streams
The Group's products that are offered in the market include instruments, bioinks, tissues and consumables. The Company also sells product-related services in the form of contract manufacturing, maintenance, extended warranties, installation, software and training. See also Note 4 for a more detailed description of the market offerings in each segment.

Performance obligations and timing of revenue recognition
BICO's performance obligations to customers usually comprise the sale of goods manufactured by the Company and the provision of services. These performance obligations are included in the contract with the customer.

Promises to deliver the goods are considered to be distinct in nature and distinct in the agreement. The customer may choose to buy the goods separately and is therefore considered to benefit from them, either separately or together with other goods. Goods have been determined to constitute separate performance obligations, and the sale of goods is recognized as revenue at the point in time when control of the goods is transferred to the customers, which is when the goods have been delivered according to the agreed terms of delivery. The Group also develops and sells customer-specific products. Such product-related projects cover several periods. These are accounted for over time, which is the case when the Company's performance obligation does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date. For projects in progress in which revenue is recognized over time, BICO estimates the degree of progress towards complete satisfaction in the project based on the actual expenditure compared with the total expected cost of completing the delivery and recognizes the project's revenue over time, in accordance with this assumption.

The warranties that accompany BICO's products are standardized and are therefore not considered to constitute separate performance obligations. For further information on Company's warranties, see Note 20. Any provisions made are considered to reflect the actual cost of handling warranty matters. Extended warranties are recognized as revenue over the term of the agreement.

BICO also sells product-related services. Services are usually invoiced in advance and recognized as revenue over the term of the service contract. Revenue from services that has not been recognized is reported as prepaid income (contract liabilities) in the balance sheet.
Services offered are generally stated separately from each other and from the product in the contract with the customer. Even if such services are often provided in connection with the sale of a product, they are considered to be distinct, as the customer may derive benefit from the good or the service on its own or in conjunction with other resources that are readily available to the customer, and as BICO's promise to transfer to the product or service to the customer can be separated from other promises made in the contract.

DISCLOSURES

Breakdown of revenue
BICO's operations comprise three segments: Bioprinting, Biosciences and Bioautomation. See Note 4 for further information. A geographic breakdown of the Company's sales is presented below.
The basis for a geographical region is based on the region in which the customer is based.

In the past two financial years, BICO had no customer that accounted for more than 10 percent of total sales.

Contract balances (contract assets and contract liabilities)

	Group	
Contract assets	**Dec 31, 2023**	**Dec 31, 2022**
Projects in progress that are recognized over time and linked to products	92.2	160.3
Total	92.2	160.3

The risk of credit losses linked to contract assets is considered to be small, as contract assets are invoiced regularly. The risk of credit losses is therefore considered to relate to trade receivables rather than contract assets, and no loss allowance is recognized for contract assets. For information on loss allowances for trade receivables, see Note 2 and Note 15.

The Company's contract liabilities can be divided into three types: (1) maintenance services invoiced in advance; (2) products invoiced in advance, which give rise to advance payments from customers; and (3) projects in progress, where revenue is recognized over time, and invoicing exceeds the accrued revenue.

Revenue from the sale of services is recognized over the period when the service is provided to the customers. Advance payments from customers are recognized as revenue when the product has been delivered according to the agreed terms of delivery.

Net sales by Customer country

SEKm	Bioprinting 2023	Bioprinting 2022	Biosciences 2023	Biosciences 2022	Bioautomation 2023	Bioautomation 2022	Total 2023	Total 2022	Parent Company 2023	Parent Company 2022
Australia	5.5	6.5	5.2	2.9	3.9	2.5	14.6	11.8	-	-0.5
Austria	10.0	1.5	1.7	0.7	0.7	0.6	12.3	2.7	-	-
Belgium	1.6	1.9	13.4	11.9	6.8	1.8	21.7	15.6	0.2	0.4
Canada	10.3	5.3	13.6	13.9	7.3	6.1	31.1	25.4	-	-
China	51.4	25.3	94.4	52.8	31.5	23.5	177.3	101.7	-	-
Denmark	1.5	1.4	10.7	5.6	10.9	2.8	23.0	9.7	0.2	0.2
Finland	2.2	0.3	1.2	0.1	9.2	26.7	12.5	27.1	3,0	6.8
France	10.0	12.0	14.9	8.6	16.0	4.5	40.9	25.0	0.6	2.7
Germany	55.7	37.7	44.7	46.5	39.0	29.6	139.4	113.8	18.8	28,0
Hong Kong	44.3	46.0	17.8	20.4	-	-	62.2	66.4	-	-
Ireland	4.6	1.8	2.3	-	27.6	35.2	34.5	37.1	-	-
Israel	2.7	9.9	4.4	13.3	3.2	7.9	10.4	31.1	-	-0.5
Italy	26.6	30.2	6.2	2.7	1.4	4.4	34.2	37.2	0.2	4.9
Japan	53.5	31.8	28.0	27.3	3.3	3.4	84.8	62.5	-	-
South Korea	8.2	8.6	3.5	8.7	3.5	4.4	15.1	21.7	-	-
Netherlands	9.4	2.5	10.2	10.7	12.3	4.1	31.9	17.3	-	-0.4
Singapore	5.4	10.4	6.1	2.0	16.8	5.4	28.3	17.9	-	0.5
Spain	12.1	3.4	5.1	5.1	7.9	10.0	25.1	18.5	-	-
Sweden	5.7	3.4	21.5	6.0	1.9	5.8	29.1	15.2	7.9	10,0
Switzerland	3.4	14.7	92.6	79.3	20.8	32.9	116.8	126.8	0.1	0.2
Taiwan	1.8	1.6	11.3	19.5	-	2.1	13.2	23.2	0.4	-0.4
UK	26.1	27.0	47.5	37.9	40.4	42.4	114.0	107.3	0.3	0.2
USA	267.7	303.3	638.0	565.1	204.9	255.7	1,110.6	1124.2	6.4	18.4
Other	40.8	45.0	13.0	15.4	13.2	21.1	67.0	81.5	0.2	-0.1
Total	**660.5**	**631.5**	**1,107.1**	**956.4**	**482.3**	**533.0**	**2,249.9**	**2,120.8**	**38.4**	**70.4**

Net sales by products and services

SEKm	*Bioprinting* 2023	2022	*Biosciences* 2023	2022	*Bioautomation* 2023	2022	**Total, Group** 2023	2022	**Parent Company** 2023	2022
Products	567.2	536.3	974.7	878.9	400.7	416.2	1,942.6	1,831.5	-	2.9
Services	93.3	95.2	132.5	77.5	81.6	116.7	307.3	289.3	38.4	67.5
Total	**660.5**	**631.5**	**1,107.1**	**956.4**	**482.3**	**533.0**	**2,249.9**	**2,120.8**	**38.4**	**70.4**

Net sales of products, by consumables and instruments

SEKm	*Bioprinting* 2023	2022	*Biosciences* 2023	2022	*Bioautomation* 2023	2022	**Total, Group** 2023	2022	**Parent Company** 2023	2022
Consumables	249.7	248.8	29.4	23.1	61.0	49.0	340.1	320.6	-	0.0
Instruments	317.5	287.8	945.3	855.8	339.7	367.2	1,602.5	1,510.9	-	2.9
Total	**567.2**	**536.3**	**974.7**	**878.9**	**400.7**	**416.2**	**1,942.6**	**1,831.5**	**-**	**2.9**

The tables below provide information on when existing contract liabilities are expected to be recognized as revenue and on revenue recognized during the reporting period that was included in contract liabilities at the beginning of the period.

The decrease in balances from the previous period is attributable to lower advance payments from customers.

Contract liabilities	*Group* **Dec 31, 2023**	**Dec 31, 2022**
Prepaid income	94.8	92.8
Projects in progress that are recognized over time	132.1	121.1
Advance payments from customers	31.7	87.0
Total	**258.6**	**300.9**

Of the SEK 300.9m that were classified as contract liabilities on December 31, 2022, SEK 206.2m was recognized as revenue in 2023.

Contract liabilities	*Group* **2024**	**2025-**
Expected point in time for revenue recognition	215.7	42.9
Total	**215.7**	**42.9**

Net sales by timing of revenue recognition	*Group* **2023**	**2022**
Over time	503.9	393.7
Point in time	1,746.1	1,727.1
Total	**2,249.9**	**2,120.8**

Note 6
Employees, staff costs and fees

ACCOUNTING PRINCIPLES

Defined contribution pension plans
The Group has defined contribution pension plans only. This means that the Group pays fixed fees to a separate independent legal entity and has no obligation to pay additional fees. The costs are expensed when the benefits are earned, which usually coincides with payment of the premiums.

Recognition of equity-settled programs
The fair value of granted employee stock option programs is calculated on the grant date using the Black-Scholes valuation model, taking into consideration terms and conditions related to the share price. The value is recognized as a staff cost that is allocated over the vesting period with a corresponding increase in equity.

The recognized cost corresponds to the fair value of the estimated number of options and shares that are expected to vest. In subsequent periods, this cost is adjusted to reflect the actual number of vested options. When equity-settled programs are exercised, shares are delivered to the employee. The shares delivered are newly issued shares. When exercised, the payment of the strike price that is received from the employee is reported as an increase in equity.

Employee options are granted free of charge. All but one board member, and employees who have subscribed to warrants under warrants programs have paid market price for their warrants. Consequently, these are not recognized within the IFRS 2 framework.

Recognition of state aid
Received subsidies relating to employees are recognized as a reduced staff cost in the period to which they apply.

Average number of employees and costs for remuneration to employees

	2023			2022		
Average number of employees/country	*Men*	*Women*	**Total**	*Men*	*Women*	**Total**
Parent Company						
Sweden	12	11	**23**	17	18	**35**
Other Group						
Germany	230	86	**316**	282	121	**403**
USA	214	107	**321**	217	152	**369**
Sweden	47	34	**82**	67	41	**107**
France	23	19	**42**	22	18	**40**
England	17	9	**27**	24	12	**36**
Taiwan	18	7	**25**	17	7	**24**
Slovakia	7	14	**21**	7	14	**21**
Japan	6	2	**8**	7	4	**11**
Indonesia	7	1	**8**	7	1	**8**
China	3	4	**7**	3	3	**6**
Singapore	3	2	**5**	-	-	**-**
Total, continuing operations	**588**	**296**	**884**	**670**	**390**	**1,061**
Finland	61	2	63	75	12	**86**
Other	8	0	8	11	1	**12**
Total, discontinued operation	**69**	**2**	**71**	**86**	**13**	**98**
Total	**656**	**299**	**955**	**756**	**403**	**1,159**

Women, %

Parent Company and Group	2023	2022
Board of Directors	38	38
Other senior executives	29	33

Costs for remuneration to employees

	2023	2022
Parent Company		
Salaries and remuneration	33.1	43.0
Pension costs, defined contribution plans	5.3	6.2
Social security contributions	11.9	17.8
Subsidiary		
Salaries and remuneration	829.3	916.6
Pension costs, defined contribution plans	15.7	14.6
Social security contributions	108.0	116.2
Total, continuing operations	**1,003.4**	**1,114.3**
Discontinued operation		
Salaries and remuneration	35.9	72.9
Pension costs, defined contribution plans	5.2	10.9
Social security contributions	2.2	4.2
Total, discontiued operation	**43.3**	**88.0**
Total	**1,046.6**	**1,202.4**

Of the Group's pension costs, SEK 1,150 thousand (856) refers to the Group's Board of Directors and CEO, of which SEK 1,150 thousand (856) refers to the CEO.

The Group received SEK 12.4m (0.0) in employee retention related subsidies during the year, of which SEK 0.0 m (0.0) was attributable to the Parent Company.

Salaries and other remuneration broken down by the Board of Directors/CEO and other employees

	2023		2022	
	Board of Directors and CEO	*Other employees*	*Board of Directors and CEO*	*Other employees*
Parent total	7.9	25.2	6.4	36.6
(of which bonuses, etc.)	*3.9*	*-1.0*	*1.3*	*8.6*
Subsidiaries total	50.6	778.7	21.5	895.1
(of which bonuses, etc.)	*9.3*	*39.0*	*0.1*	*50.9*
Total, continuing operations	**58.5**	**803.9**	**27.9**	**931.7**
Discontined operations total	3.7	32.2	-	72.9
(of which bonuses, etc.)	-	-	-	*1.8*
Total	**62.2**	**836.1**	**27.9**	**1,004.6**

SALARIES AND OTHER REMUNERATION TO THE BOARD OF DIRECTORS AND SENIOR EXECUTIVES IN BICO

Board of Directors

During the year, SEK 2,580 thousand (2,430) was expensed as fees to the Board of Directors, pursuant to a resolution by the 2023 Annual General Meeting. The Chairman of the Board received SEK 650 thousand (710) and the other members jointly received SEK 1,930 thousand (1,720).

There were no pension costs or pension commitments for the Board of Directors. For information on related party transactions conducted with Board members, see Note 30.

CEO

Erik Gatenholm has been the CEO of BICO since the Company was founded until November 2023. In the 2023 financial year, Erik Gatenholm had a fixed salary cost of SEK 3,453 thousand (3,003) and SEK 930 thousand (1,305) in variable remuneration. The pension is according to a defined contribution plan.

Maria Forss has been the CEO of BICO since November, 2023. In the 2023 financial year, Maria Forss had a fixed salary cost of SEK 484 thousand (0) and SEK 3,025 thousand (0) in variable remuneration cost. The pension is according to a defined contribution plan.

Termination by the Company is subject to a 12-month notice period and termination by the CEO is subject to a six-month notice period. During the notice period, the CEO is entitled to all benefits according to the employment contract. If the CEO finds other employment of which the Company approves during the notice period, the Company shall have the right to offset the remuneration received by the CEO from the new employment. If either party terminates the employment, the Company has the right to demand that the CEO leaves her position with immediate effect.

Other senior executives

During the financial year 2023, senior executives consisting of 7 (8) people incl. two CEOs had a fixed salary cost of SEK 15,044 thousand (25,329). Variable salary amounted to SEK 6,028 thousand (6,733). Premiums for customary occupational pension have been paid. In the event of termination of senior executives (excl. CEO), the group must observe a notice period of three months.

The Executive Management of BICO Group during 2023 consisted of: President and CEO Erik Gatenholm (until November 20); President and CEO Maria Forss (from November 20); EVP and CTO Hector Martinez; CFO Jacob Thordenberg ; SVP & General Counsel & HR Lotta Bus; COO Marius Balger (from March 1) and Head of Corporate Development & M&A Artur Aira (March 1-June 30).

Share-based payments

During the year, BICO have had a total of four long-term incentive programs awarded to the group's staff and board members. The purpose of the incentive programs is to encourage broad share ownership among BICO's employees, facilitate recruitment, retain competent employees and increase motivation to achieve or exceed the group's goals.
The first program included 80,000 remaining options for the Board, each redeemable for a share at a price of

SEK 74.34. The program expired in January 2023, when these options were converted to shares.

LTIP 2019

The second program initially included a maximum of 1,600,000 options for employees and 220,000 options for board members. For employees, each of the options was initially redeemable for a share at a price of SEK 126.46 in January 2023. For board members, each of the options will be redeemable for a share at a price of SEK 143.32 during the period December 2024 to December 2025.

In January 2023, the vesting period for 364,200 options issued to employees in this program was extended to July 2023. The remaining 1,235,800 options for employees were canceled since the market price was below the redemption price. The program for employees expired in July 2023, and no options were converted to new shares.

LTIP 2021

The Annual General Meeting 2021 resolved on April 26, 2021 to introduce an additional incentive program aimed at employees within the BICO Group. The program comprises a maximum of 3,000,000 options, of which 2,500,000 are free of charge. For employees, options may be redeemed against a share at a price of SEK 598.50 during the period May 2025 to May 2026, provided that certain financial conditions are met during the vesting period.

LTIP 2022

An extraordinary general meeting in December 2022 decided to introduce an additional incentive program of a total of 2,500,000 free options to employees. The options will be redeemable for one share at a price of SEK 150 during the period June-September 2026, provided that a number of financial conditions for the group are met during the vesting period. Options were distributed to employees during Q2 2023.

Remuneration and other benefits to the Board of Directors of the Parent Company and the Executive Management, 2023

SEK thousand	Board fee/ Fixed salary	Variable salary and LTI	Other benefits	Pension costs	Total	Outstanding options, No.
Board of Directors						
Rolf Classon, Chairman of the Board	650	-	-	-	650	-
Ulrika Dellby, Vice chairwomen	510	-	-	-	510	-
Bengt Sjöholm, Board member	285	-	-	-	285	20,000
Helena Skåntorp, Board member	350	-	-	-	350	40,000
Gerry Mackay, Board Member	250	-	-	-	250	-
Christian Wildmoser, Board Member	285	-	-	-	285	40,000
Susan Tousi, Board Member	250	-	-	-	250	45,000
Erik Gatenholm, Board Member	-	-	-	-	-	-
Total	**2,580**	**-**	**-**	**-**	**2,580**	**145,000**
Executive Management						
Erik Gatenholm, CEO	3,453	930	755	1,000	6,138	-
Maria Forss, CEO	484	3,025	1	150	3,661	200,000
Other senior executives (5 people)	11,107	2,073	19	2,085	15,284	167,750
Total	**15,044**	**6,028**	**775**	**3,235**	**25,082**	**367,750**

Remuneration and other benefits to the Board of Directors of the Parent Company and the Executive Management, 2022

SEK thousand	Board fee/ Fixed salary	Variable salary and LTI	Other benefits	Pension costs	Total	Outstanding options, No.
Board of Directors						
Carsten Browall, Chairman of the Board	710	-	-	-	710	160,000
Rolf Classon, Board member	285	-	-	-	285	-
Bengt Sjöholm, Board member	250	-	-	-	250	20,000
Helena Skåntorp, Board member	350	-	-	-	350	40,000
Ulrika Dellby, Board Member	300	-	-	-	300	-
Susan Tousi, Board Member	250	-	-	-	250	52,500
Christian Wildmoser, Board Member	285	-	-	-	285	40,000
Total	**2,430**	**-**	**-**	**-**	**2,430**	**312,500**
Executive Management						
Erik Gatenholm, CEO	3,003	1,305	30	856	5,194	-
Other senior executives (7 people)	22,326	5,428	23	2,901	30,678	344,869
Total	**25,329**	**6,733**	**53**	**3,757**	**35,872**	**344,869**

Other disclosures

As of 31 December 2023, a total of 3,746,497 options have been allocated to individuals, of which 3,207,363 options are reported within the framework of IFRS 2. The remaining outstanding options are issued at market price and are thus not covered by the rules in IFRS 2.

The options that are reported within the framework of IFRS 2 have as vesting condition that the employee remains working in the group at the time of redemption in order to expire. In addition to the employment requirement, there are additional financial conditions for redemption regarding the incentive program from 2021 and 2022. Other options are not subject to any earnings requirements. None of the group's incentive programs are cash-settled. If all outstanding options were to be redeemed for shares, it would correspond to a total increase in number of shares of approximately 5.3% as of December 31, 2023.

Outstanding options as of 31 December 2023 had a weighted average exercise price of SEK 301.90, with a weighted average remaining term of 2.67 years. The sum of the calculated fair value for granted options at the time of grant amounted to SEK 38.6m in 2023 and mainly consisted of granted options in LTIP 2022. Fair value on each grant date is calculated using the Black-Scholes valuation model. The input to the model is presented below:

	2023	**2022**
Weighted average share price	60.8	164.72
Weighted average strike price	150	598.50
Expected volatility	56.32%	35.57%
Term of the option (years)	3.17	4.2
Risk-free interest	2.68%	0.56%
Expected dividends	0.00%	0.00%

The income for stock option programs during the year amounts to SEK 20.1m (cost of -39.0).

Below is a summary of the granted options within the framework of IFRS 2:

	2023		**2022**	
	Number of options	**Weighted average strike price (SEK)**	**Number of options**	**Weighted average strike price (SEK)**
Outstanding at the beginning of the year	2,040,362	543.39	2,919,850	463.46
Granted during the year	2,565,403	150.00	491,625	598.50
Forfeited during the year	-1,398,402	376.29	-975,113	520.67
Exercised during the year	-	-	-396,000	74.34
Outstanding at the end of the year	**3,207,363**	**301.90**	**2,040,362**	**543.39**

Note 7
Other operating income

ACCOUNTING PRINCIPLES

Revenue from public grants that are not linked to future performance requirements is recognized as other operating income when the conditions for receiving the government grant are met and the economic benefits associated with the transaction are likely to accrue to the Group, and the income can be reliably calculated.

Public grants were measured at the fair value of the asset received by the Company. Revenue from public grants linked to future performance requirements is recognized as revenue when the performance occurs and the economic benefits associated with the transaction are likely to accrue to the Group, and the income can be reliably calculated. Public grants were measured at the fair value of the asset received by the Group. Grants received before the requirements to recognize the income were met are reported in contract liabilities. If government grants are received for capitalized development projects, such grants are recognized in the balance sheet, either as a reduced asset or as prepaid income. When the project is complete, the government grants are subsequently recognized in the income statement in the period in which the asset is amortized.

Employee retention related subsidies are recognized as a reduced staff cost in the period to which they relate, see also Note 6.

Receivables and liabilities in foreign currencies were measured using the exchange rate on the balance sheet date. Exchange rate differences on operating receivables and operating liabilities are included in operating profit/loss.

Renewed assessments of the potential outcome of contingent considerations are made in each reporting period. Information received after the acquisition is assessed to determine whether any new information has emerged that relates to circumstances that existed at the time of the acquisition or to subsequent events. In the latter case, any adjustments to the previously reported amounts are reported in other income or other operating expenses in the period in which the change arises. In the former case, adjustments are made to the purchase price allocation, provided it is still preliminary. Consequently, changes in the assessment may have significant impact on the Group's earnings.

	Group		*Parent Company*	
Other operating income	**2023**	**2022**	**2023**	**2022**
Foreign exchange gains on receivables/liabilities of an operating nature	0.0	42.8	2.5	20.0
Government grants	24.2	13.8	0.0	-
Revaluation of contingent considerations	171.3	25.2	171.3	25.2
Other	28.0	27.5	0.7	1.7
Total	**223.5**	**109.3**	**174.6**	**46.9**

Note 8
Other operating expenses

ACCOUNTING PRINCIPLES

Receivables and liabilities in foreign currencies were measured using the exchange rate on the balance sheet date. Exchange rate differences on operating receivables and operating liabilities are included in operating profit/loss.

	Group		*Parent Company*	
Other operating expenses	**2023**	**2022**	**2023**	**2022**
Foreign exchange losses on receivables/liabilities of an operating nature	-4.1	-20.0	0.9	-6.0
Capital losses	0.0	-1.5	-0.5	-0.2
Revaluation of contingent consideration	-1.4	-	-1.4	-
Total	**-5.5**	**-21.5**	**-2.9**	**-6.2**

Note 9
Remuneration to auditors

Audit engagement means a review of the annual report and accounting and of the other duties of the Board of Directors and the CEO that it is incumbent upon the Company auditor to perform, as well as advice or other assistance prompted by observations during such a review or in the performance of other such duties. Audit business in addition to the audit assignment describes quality assurance services, including assistance with observations during such reviews, which must be carried out in accordance with legislation, articles of association, statutes and agreements, and which culminate in a report that is also intended for parties other than the client. Tax advice is reported separately if received. Everything else is other services.

	Group		Parent Company	
Deloitte	**2023**	**2022**	**2023**	**2022**
Audit assignment	8.8	7.9	2.4	3.1
Audit activities outside the audit assignment	0.7	0.7	0.7	0.3
Tax advice	1.5	1.9	0.8	0.1
Other services	-	-	-	-
Total remuneration to Deloitte, continuing and discontinued operations	**11.1**	**10.5**	**3.9**	**3.6**

Of the total fee of SEK 11.1m to Deloitte for the 2023 financial year, the fee to Deloitte AB amounted to SEK 6.0m, of which SEK 5.1m was for the audit assignment, SEK 0.7m was for audit operations in addition to the audit assignment, and SEK 0.2m was for tax advice and other services.

	Group		Parent Company	
Other auditors	**2023**	**2022**	**2023**	**2022**
Audit assignment	0.5	0.3	-	-
Audit activities outside the audit assignment	-	-	-	-
Tax advice	0.5	-	-	-
Other services	0.3	0.2	-	-
Total remuneration to other auditors, continuing and discontinued operations	**1.3**	**0.5**	**-**	**-**
Total remuneration to auditors, continuing and discontinued operations	**12.4**	**11.0**	**3.9**	**3.6**

Note 10
Financial items

ACCOUNTING PRINCIPLES

Interest income and interest expenses are distributed over the term using the effective interest method. The effective rate is the interest rate at which the present value of all future payments and disbursements during the fixed-interest period equals the gross value of the financial asset or the amortized cost of the financial liability.

Dividends are recognized when the owner's right to receive the payment has been established. Receivables and liabilities in foreign currencies were measured using the exchange rate on the balance sheet date. Exchange rate differences on financial receivables and liabilities held for cash management purposes are recognized in financial items.

Group	**2023**	**2022**
Net gains on financial assets at fair value	1.8	-
Dividends on holdings at fair value through profit or loss	-	8.6
Foreign exchange gains	-	412.1
Interest income on financial assets at amortized cost	18.7	6.8
Other	0.3	0.0
Total finance income	**20.8**	**427.5**
Net losses on financial assets at fair value	-	-35.1
Foreign exchange losses	-144.0	-37.6
Charges resulting from financial liabilities	-7.4	-6.1
Increase in the period of discounted amounts for contingent consideration	-3.8	-10.6
Interest expenses on financial liabilities at amortized cost	-97.1	-98.2
Total finance costs	**-252.2**	**-187.6**

Parent Company	**2023**	**2022**
Net gains on financial assets at fair value	1.8	-
Dividends on holdings at fair value through profit or loss	0.2	6.2
Foreign exchange gains	-	428.4
Intra-Group interest income	230.8	193.2
Interest income on financial assets at amortized cost	17.7	6.2
Total finance income	**250.5**	**634.0**
Foreign exchange losses	-143.2	-38.4
Net losses on financial assets at fair value	-	-35.1
Intra-Group interest expense	-5.0	-
Increase in the period of discounted amounts for contingent consideration	-3.8	-10.6
Charges resulting from financial liabilities	-5.7	-6.1
Interest expenses on financial liabilities at amortized cost	-83.5	-82.1
Total finance costs	**-241.2**	**-172.3**

Note 11
Taxes

ACCOUNTING PRINCIPLES

In the consolidated income statement, income tax consists of current tax based on taxable income for the period in question and changes in deferred tax. Tax is recognized in the income statement, except when it relates to items recognized in other comprehensive income or directly in equity. In such cases, the tax is also recognized in other comprehensive income or in equity, respectively.

The basis for calculating current income tax is the tax rates and tax laws that had been adopted or announced on the balance reporting date. Current tax assets and tax liabilities for the current period and previous periods are determined at the amount expected to be recovered from or paid to the tax authority.

Deferred tax is recognized on the reporting date in accordance with the balance sheet method for temporary differences between the carrying amount and tax base of assets and liabilities.
Deferred tax liabilities are not recognized, however, if they arise as a result of the initial recognition of goodwill. Deferred tax is also not reported if it arises as a result of a transaction that constitutes the first reporting of an asset or liability that is not a business combination and which, at the time of the transaction, does not affect either accounting profit or taxable profit. Deferred income tax is determined using the tax rates (and laws) that have entered into force or been announced on the reporting date and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred tax assets are reported to the extent it is probable that future taxable profits will be available against which the temporary differences can be used.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax assets and liabilities relate

Tax recognized in the income statement

	Group		*Parent Company*	
	2023	**2022**	**2023**	**2022**
Current tax on profit/loss for the year	-33.1	-61.6	-	-16.1
Current tax related to the previous year	-14.2	-3.5	-0.1	-0.7
Deferred tax relating to temporary differences	112.5	14.6	-1.3	1.3
Deferred tax relating to loss carry-forwards	-56.6	2.1	-	-
Total recognized tax expense	**8.6**	**-48.4**	**-1.4**	**-15.5**

Reconciliation of effective tax

The link between tax at the average tax rate and recognized tax for the Group is shown in the table below.

	Group				*Parent Company*			
	2023	**%**	**2022**	**%**	**2023**	**%**	**2022**	**%**
Profit before tax	-896.2		-2,608.7		-1,289.5		-638.0	
Tax at the tax rate applicable to the Parent Company	184.6	20.6%	537.4	20.6%	265.6	20.6%	131.4	20.6%
Tax effect of:								
Non-deductible costs*	-121.9	-13.6%	-564.9	-21.7%	-293.1	-22.7%	-170.4	-26.7%
Non-taxable income	51.1	5.7%	12.1	0.5%	35.7	2.8%	5.2	0.8%
Utilization of previously non-capitalized loss carry-forwards	11.0	1.2%	21.1	0.8%	-	-	18.9	3.0%
Increase in loss carry-forwards without any corresponding capitalization of deferred tax	-82.6	-9.2%	-72.8	-2.8%	-9.5	-0.7%	-	-
Effect of foreign tax rates	23.1	2.6%	22.3	0.9%	-	-	-	-
Tax related to previous years	-57.7	-6.4%	-3.6	-0.1%	-0.1	0.0%	-0.7	-0.1%
Other	1.1	0.1%	-	-	-	-	-	-
Total tax	**8.6**	**1.0%**	**-48.4**	**-1.9%**	**-1.4**	**-0.1%**	**-15.5**	**-2.4%**

*The amount for non-deductible costs is largely an effect of the write-down of goodwill (for the group) and shares in subsidiaries (for the parent company).

to taxes issued by the same tax authority and either relate to the same taxable entity or to different tax entities if there is an intention to settle any balances through on a net basis.

Tax losses

Deferred tax assets attributable to tax losses were capitalized to the extent that they can be used against future taxable profits.

The Group's total tax losses expire according to the below. Accumulated loss carry-forwards that were not capitalized were SEK 650.3m (1,013.1).

Expiry structure for loss carry-forwards	Not restricted	Restricted
Loss carry-forwards that expire within 1 year	-	-
Loss carry-forwards that expire within 2–5 years	-	-
Loss carry-forwards that expire after 5 years	27.0	35.6
Loss carry-forwards that do not expire	474.2	162.6
Total loss carry-forwards	**501.2**	**198.2**

Issue costs

In the financial year, issue costs of SEK 0.6m (7.2), recognized in equity, were deducted as deductible costs in the tax calculation. The tax effect of SEK 0.0m (1.4) was recognized directly in equity.

Deferred taxes recognized in the balance sheet

Deferred tax assets and liabilities in the balance sheet relate to the following:

Group	Dec 31, 2023		Dec 31, 2022	
	Assets	*Liabilities*	*Assets*	*Liabilities*
Intangible assets	3.6	-212.8	-	-302.4
Property, plant and equipment*	7.5	-6.7	0.2	-9.3
Inventories	3.0	-	1.8	-
Trade receivables	3.3	-0.3	7.5	-
Provisions	1.8	-9.5	-	-
Other operating liabilities	22.3	-	16.6	-19.1
Loss carry-forwards	14.3	5.5	75.8	-
Other	1.9	-0.6	-	-9.3
Total	**57.8**	**-224.5**	**101.9**	**-340.1**

*Of the reported deferred tax assets, SEK 8.8m (2.5) relate to leases. If these would have been reported gross, deferred tax assets would have been SEK 144.8m (122.8) and deferred tax liability SEK -136.0m (-120.3).

Parent Company	Dec 31, 2023		Dec 31, 2022	
	Assets	*Liabilities*	*Assets*	*Liabilities*
Trade receivables	-	-	1.3	-
Loss carry-forwards	-	-	-	-
Total	**-**	**-**	**-**	**-**

Change in deferred taxes on temporary differences and loss carry-forwards

	Dec 31, 2023		Dec 31, 2022	
	Group	*Parent Company*	*Group*	*Parent Company*
Opening balance, deferred taxes, net	-238.2	1.3	-163.7	-
Recognized in profit/loss for the year, continuing operations	55.9	-1.3	16.7	1.3
Recognized in profit/loss for the year, discontinued operation	13.4		-29.3	-
Business combinations	-	-	-34.3	-
Translation differences	2.2	-	-27.5	-
Closing balance, deferred taxes, net	**-166.8**	**-**	**-238.2**	**1.3**

Note 12
Intangible assets

ACCOUNTING PRINCIPLES

Goodwill
Goodwill represents the difference between the cost of a business acquisition and the fair value of the acquired assets, assumed liabilities and contingent liabilities. Goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill is allocated to cash-generating units. A cash-generating unit is the lowest level at which goodwill is monitored for internal control purposes. Goodwill is tested for impairment annually, or more frequently if there are indications that it might be impaired. Expenses for internally generated goodwill are recognized in the income statement as an expense when they arise.

Capitalized product development expenditure
Research costs are expenses for research aimed at obtaining new scientific or technological knowledge. Product development expenses refer to expenditure where research results or other knowledge is applied to create new or improved products or processes. Research expenses are expensed in the period in which they arise. If government grants for research are received, such grants are recognized as revenue in the same period as the expenses are expensed.

In the Group, development expenditure is recognized as an intangible asset if the asset is deemed to be able to generate future economic benefits, and then only if it is technically and financially possible to complete the asset, if it is intended and possible to use the asset in the operations or sell it, and if the value can be reliably measured. In the consolidated balance sheet, capitalized development expenses recognized at cost are reduced by accumulated amortization and impairment.

If government grants are received for capitalized development projects, such grants are recognized in the balance sheet, either as a reduced asset or as prepaid income. When the project is complete, the government grants are subsequently recognized in the income statement in the period in which the asset is amortized.

Patents and licenses
Patents and licenses are recognized at cost less accumulated amortization and impairment. In addition to patents acquired from third parties, the Company has recognized expenses for external legal representatives and registration fees for patent applications in the balance sheet. These expenses relate to the acquisition of legal rights in accordance with IAS 38 and were therefore capitalized. Amortization of capitalized patent costs for pending patents begins when the underlying technology is implemented.

Trademarks
Trademarks identified during business combinations are recognized at cost minus accumulated amortization and impairment. Internally generated trademarks are expensed in the period in which they arise.

Software-as-a-Service (SaaS) arrangements A SaaS arrangement is a contract that gives the Group access to cloud-based software for the term of the contract. Costs related to configuration and adaptation and regular costs for access to the cloud-based software are recognized as other external expenses during the period in which the service is used.

Amortization
Amortization is recognized in the income statement on a straight-line basis over the estimated useful life of intangible assets unless the useful life is considered indefinite. Goodwill is tested for impairment annually or as soon as indications arise that the asset in question has decreased in value. Amortizable intangible assets are amortized from the date when they are available for use. The estimated useful lives are:

Asset	Year
Capitalized development costs	5–10 years
Patents	10–12 years
Customer relations	5–10 years
Trademarks	10 years to indefinite
Technology	5–15 years
Other	5–10 years

Capitalized product development expenditure is mainly amortized over 5 to 10 years, which corresponds to the expected useful life of most products. The amortization period for patents is consistent with the useful life of the underlying patents. If the useful life of the patent exceeds the economic life of the underlying technology, the amortization period is adapted to the shorter life. The amortization of patents begins when the underlying technology has been put into use and the application has been registered.

The amortization methods used, residual values and useful lives are reviewed at the end of every year.

Impairment
On each reporting date, an assessment is made of whether there is any indication of a decrease in value of the Group's assets. Goodwill and trademarks, which are not amortized regularly, are tested for impairment once a year. However, such testing may be carried out more frequently if there are indications that an asset may have decreased in value.

Impairment testing is performed to assess the asset's recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and value in use. Value in use is the present value of future cash flows attributable to the asset and the present value of the net sales value at the end of the useful life. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. An earlier impairment loss is reversed when there has been a change in the assumptions that formed the basis for determining the asset's recoverable amount when the impairment loss was recognized, which means that the impairment loss is no longer deemed necessary. Reversals of previously recognized impairment losses are tested individually and recognized in the income statement. Impairment losses on goodwill are not reversed in subsequent periods.

Group	2023							2022						
	Goodwill	*Capitalized product development expenditure*	*Patents, licenses and trademarks*	*Customer relations*	*Technology*	*Other*	*Total*	*Goodwill*	*Capitalized product development expenditure*	*Patents, licenses and software*	*Customer relations*	*Technology*	*Other*	*Total*
Accumulated cost														
At beginning of the year	5,927.9	532.1	211.3	222.2	741.5	76.7	7,711.6	5,441.5	301.9	173.4	191.3	494.4	71.2	6,673.8
Investments	-	107.4	23.9	-	0.1	-	131.4	-	219.8	16.0	-	0.1	1.2	237.1
Reclassifications	-	-9.0	6.7	-	-	-3.1	-5.4	-	-6.8	1.1	-	0.6	-1.2	-6.3
Business combinations*	-	-	-	-	-	-	-	-159.6	-	-0.2	9.9	168.2	-	18.3
Disposals and retirements	-597.9	-65.3	-0.9	-14.3	-61.9	-16.8	-757.1	-	-2.0	-2.0	-	-	-	-4.0
Translation differences	-189.1	-3.7	-4.6	-3.9	-20.8	-2.1	-224.3	646.0	19.2	23.0	21.0	78.1	5.5	792.7
At year-end	**5,140.9**	**561.4**	**236.4**	**204.0**	**658.5**	**54.7**	**6,856.1**	**5,927.9**	**532.1**	**211.3**	**222.2**	**741.5**	**76.7**	**7,711.6**
Accumulated amortization and impairment														
At beginning of the year	-3,305.4	-70.0	-39.8	-84.3	-129.8	-37.3	-3,666.6	-	-32.2	-18.1	-33.3	-42.8	-24.7	-151.1
Amortization for the year	-	-45.3	-11.8	-41.3	-76.4	-7.8	-182.7	-	-36.0	-10.2	-40.7	-76.0	-11.3	-174.3
Impairments for the year	-480.3	-95.9	-	-27.2	-101.6	-20.9	-726.0	-3,182.8	-7.0	-8.2	-4.9	-2.9	-	-3,205.8
Reclassifications	-	9.1	-5.0	-	-	1.5	5.5	-	6.8	-1.1	-	-0.6	1.2	6.3
Disposals and retirements	625.0	54.8	0.6	15.5	68.7	16.8	781.4	-	-	-	-	-	-	-
Translation differences	105.9	2.3	1.4	2.8	6.0	1.9	120.3	-122.5	-1.5	-2.2	-5.4	-7.5	-2.5	-141.7
At year-end	**-3,054.9**	**-145.0**	**-54.6**	**-134.5**	**-233.1**	**-45.8**	**-3,668.0**	**-3,305.4**	**-70.0**	**-39.8**	**-84.3**	**-129.8**	**-37.3**	**-3,666.6**
Carrying value at the beginning of the year	**2,622.6**	**462.1**	**171.5**	**137.9**	**611.7**	**39.3**	**4,045.0**	**5,441.5**	**269.8**	**155.3**	**158.0**	**451.7**	**46.5**	**6,522.7**
Carrying value at year-end	**2,086.1**	**416.3**	**181.7**	**69.5**	**425.7**	**8.9**	**3,188.2**	**2,622.6**	**462.1**	**171.5**	**137.9**	**611.7**	**39.3**	**4,045.0**

*In 2022, goodwill was negative, due to a reclassification to technology and reduced reported values of contingent considerations in connection with the adoption of previously preliminary purchase price allocations.

Parent Company	2023				2022			
	Capitalized product development expenditure	*Patents, licenses and software*	*Other*	*Total*	*Capitalized product development expenditure*	*Patents, licenses and software*	*Other*	*Total*
Accumulated cost								
At beginning of the year	2.4	0.2	4.5	7.1	2.4	0.2	4.5	7.1
Reclassifications	-0.1	-0.2	0.3	-	-	-	-	-
Investments	-	4.8	-	4.8	-	-	-	-
Disposals and retirements	-	-	-	-	-	-	-	-
At year-end	**2.3**	**4.8**	**4.8**	**11.9**	**2.4**	**0.2**	**4.5**	**7.1**
Accumulated amortization and impairment								
At beginning of the year	-2.4	-0.1	-2.2	-4.7	-0.8	-	-1.7	-2.5
Reclassifications	0.1	0.1	-0.1	0.1	0.1	-0.1	-	-
Amortization and impairment for the year	-	-0.1	-0.3	-0.4	-1.8	-	-0.5	-2.2
Disposals and retirements	-	-	-	-	-	-	-	-
At year-end	**-2.3**	**-0.1**	**-2.5**	**-4.9**	**-2.4**	**-0.1**	**-2.2**	**-4.7**
Carrying value at the beginning of the year	-	0.1	2.3	2.4	**1.7**	**0.2**	**2.8**	**4.7**
Carrying value at year-end	**-**	**4.7**	**2.3**	**7.0**	**-**	**0.1**	**2.3**	**2.4**

OTHER INFORMATION

Research and development expenditure that has been expensed

Research and development expenditure of SEK 151.9m (143.3) was expensed over the year and included in operating expenses. The corresponding figure for the Parent Company is SEK - m (-).

Impairment testing

The Group's goodwill is attributable to acquisitions of subsidiaries and their operations. Goodwill was tested for impairment for each cash-generating unit (CGU). Per December 31, 2023, the Group was deemed to comprise 10 (11) separate cash-generating units, which reflects the Group's revenue streams and historical acquisitions. As of December 31, 2023, the Group has a large number of cash-generating units that currently have revenue streams that are relatively independent of each other. As relevant businesses are integrated and joint sales offers are drawn up, this assessment can be changed.

The Group's recognized goodwill is SEK 2,086.1m (2,622.6), which can be broken down by cash-generating unit as shown in the table below:

Goodwill per CGU	Segments	Dec 31, 2023	Dec 31, 2022	WACC after taxes, 2023	WACC after taxes, 2022
CELLINK	Bioprinting	82.6	85.8	13.3%	12.4%
Dispendix	Biosciences	51.6	51.7	13.3%	12.4%
CYTENA	Biosciences	-	-	13.3%	11.8%
SCIENION	Bioautomation	-	265.2	13.8%	11.3%
Ginolis	Bioautomation	-	-	N/A	12.3%
MatTek	Bioprinting	119.4	218.1	12.8%	10.8%
Visikol	Bioprinting	-	5.3	14.3%	12.3%
Nanoscribe	Bioprinting	76.1	172.1	13.3%	11.8%
Discover Echo	Biosciences	501.8	521.5	12.8%	11.4%
QInstruments	Bioautomation	460.6	477.6	12.8%	11.4%
Biosero	Biosciences	794.0	825.3	13.8%	12.4%
Total		**2,086.1**	**2,622.6**		

In addition to goodwill, trademarks with an indefinite useful life from acquisitions amount to SEK 87.5m (90.2), which is broken down by cash-generating unit according to the table below:

Trademarks with indefinite useful lives	Dec 31, 2023	Dec 31, 2022
Discover Echo	47.9	49.8
CELLINK	19.4	20.1
QInstruments	20.2	20.3
Total	**87.5**	**90.2**

Goodwill and trademarks were tested for impairment based on forecasts. These forecasts were produced internally by Group management, assisted by the management teams of the subsidiaries. The most important variables in the forecasts were revenue growth, EBITDA less own work capitalized margin, costs, working capital and investments.

When testing the CGUs for impairment, in addition to the discount rates after taxes (WACC) and the perpetual growth, a revenue growth of up to 30 percent for individual years was assumed, with a decreased revenue growth rate over time. It was assumed that the EBITDA margin less own work capitalized would increase over time, from sometimes negative or low single-digit figures to above 20 percent. This assumption was based on the entities' historical margins and sales growth, any planned initiatives that will be implemented in each unit, and on a comparison with similar companies in the market.

The calculations are generally based on an EBITDA less own work capitalized margin on par with the history and short-term budgets of each unit and a gradual reduction in investment needs in relation to sales as a result of sales development and the planned rate of investment. According to the forecasts, profitability will increase over time. This means a margin improvement from historical actuals in many CGUs, which is due to an increased focus on profitability in the Group's financial targets, followed by planned cost-savings initiatives. Alternatively, the cash-generating unit may grow into its existing cost base. The revenue growth rate used is an overall assessment of the management's forecasts and external market reports, which generally indicate good growth in the industry in which BICO's companies will operate in the years to come, even if percentages vary between units. It is assumed that the working capital will change in proportion to sales and gradually decrease as operations mature.

The forecast cash flow periods cover five years. See note 1 for further explanation of the changed forecast period compared to the published annual report 2022.

The forecasts are based on the 2024 budget per cash operating unit as adopted by the Board of Directors. The budgets were then extrapolated into year 2-5 in the cash flow models based on history, market reports, planned local initiatives and assumptions made in connection with each acquisition. The perpetual growth rate after the forecast period is expected to be 2.5 (3.0) percent in all cash generating units, which is somewhat higher than the expected long-term inflation in Sweden. This is justified by the disruptive sector in which BICO's products are expected to be demanded for many years to come as well as operations in countries with higher expected inflation than Sweden. Most long-term acquisition forecasts remain the same as in prior year, however for some CGUs growth rate and EBITDA less own work capitalized margins have decreased somewhat compared with the previous period, primarily in the CGUs where an impairment has been carried out during 2023.

WACC was calculated using the Capital Asset Pricing Model for the Group as a whole. For the respective CGU, the BICO Group total WACC is applied with a CGU specific addition in both 2022 and 2023, see table above for the WACC applied per CGU. Due to increased market interest rates, the discount rate is higher than in the previous year which also contributed to the impairments of goodwill within the year.

Impairments
During the year, impairment of goodwill amounted to SEK -480.3m (-2,557.8) and comprised the following CGUs and amounts:

Impairment per CGU, SEKm	2023	2022
CELLINK	-	-123.0
Mattek	-94.0	-344.0
Visikol	-5.0	-128.0
Nanoscribe	-98.0	-217.0
cytena	-	-222.8
Discover Echo	-	-436.0
Biosero	-	-619.0
Scienion	-267.3	-448.0
QInstruments	-16.0	-20.0
Total	**-480.3**	**-2,557.8**

SCIENION SEK -267.3m
The WACC for this CGU has increased by 2.5 percentage points since 2022 because of rising market interest rates and perceived higher risk in future cash-flows. In addition, SCIENION's performance has been characterized by weak financial development over the last year attributable to the weaker demand from the diagnostic industry. This will lead to a slower growth pace than previously forecasted, which in turn impacts the goodwill value. Major organizational changes and right-sizing during 2023 to mitigate the weaker demand have been made.

MatTek SEK -94.0m
The WACC for this CGU has increased by 2.0 percentage points since 2022 because of rising market interest rates. Since the acquisition was made relatively recently, the CGU has not yet accumulated a significant difference between recoverable amount and carrying amount. Due to the limited headroom from 2022, the increase in WACC led to an impairment of this CGU in 2023.

Visikol SEK -5.0m
The WACC for this CGU has increased by 2.0 percentage points since 2022 because of rising market interest rates. In addition, Visikol has developed weaker than anticipated over the last year. This has led to no contingent consideration being in question for fiscal year 2023, something which was expected at the time of acquisition and impacted the goodwill value at the acquisition date. Further in 2023, a decision has been made to integrate Visikol into MatTek since BICO has concluded that Visikol has better opportunities to reach profitability as an integrated part of MatTek. Due to the integration, Visikol's offering will be smaller and more focused on profitability. Given this, future projections have been lowered, resulting in a need for goodwill impairment.

QInstruments SEK -16.0m
The WACC for this CGU has increased by 1.4 percentage points since 2022 because of rising market interest rates. Since the acquisition was made relatively recently, the CGU has not yet accumulated a significant difference between recoverable amount and carrying amount. Due to the limited headroom from 2022, the increase in WACC led to an impairment of this CGU in 2023.

Nanoscribe SEK -98.0m
The WACC for this CGU has increased by 1.5 percentage points since 2022 because of rising market interest rates. In addition, Nanoscribe has not been able to deliver according to the high expectations set in 2021 when the company was acquired. This has resulted in lowered growth estimates which in combination with a limited headroom from 2022 and the increase in WACC led to an impairment of this CGU in 2023.

Impairments carried out in 2022 were attributable to a shortened forecast period in the impairment tests, from ten years which was previously applied to five years. See note 1 for further information.

The recoverable amounts, which are calculated by the Group as value in use, exceed or equal the reported amounts for all cash-generating units after the conducted amortization.

Sensitivity analysis
To support the impairment tests performed on the intangible fixed assets, an analysis has been performed to demonstrate the sensitivity of material assumptions in the impairment test. In this analysis, reasonable changes to assumptions have been made, and to the extent that the recoverable amount of cash-generating units would fall below book value, additional information is provided on next page.

The sensitivity in the calculations was tested for an increase/decrease in WACC of one percentage point and an increase/decrease in the perpetual growth rate of one percentage point. Furthermore, the calculations were tested for changes in revenue growth and EBITDA less own work capitalized margin by 5 percent each year. These are the reasonably possible changes of important assumptions that were identified for all cash-generating units. In 4 (8) cash-generating units, at least one of the above sensitivity analyses indicates additional impairment of goodwill. Many acquisitions were made relatively recently, which means that the entities have not yet accumulated a significant difference between recoverable amount and carrying amount.

The table on the next page shows the effect in SEKm on the Group's recoverable amounts if the discount rate (WACC) would increase/decrease by one percentage point, if the perpetual growth would increase/decrease by one percentage point, if the revenue growth would increase/decrease by 5 percent each year and finally, if the EBITDA less own work capitalized margin would increase/decrease by 5 percent yearly. At the end of the table, it shows the absolute change in the recoverable amount in SEKm that would make it correspond to the carrying value, as well as the total recoverable amount.

The disclosure in the table is provided for the 4 (8) cash-generating units where either of the Group's sensitivity analyses indicates the impairment of goodwill.

	2023	2022
SEKm	4 cash-generating units with an indication of impairment in at least one sensitivity analysis	8 cash-generating units with an indication of impairment in at least one sensitivity analysis
Effect of a one percentage point increase in WACC	-213	-558
Effect of a one percentage point decrease in WACC	258	704
Effect of a one percentage point increase in perpetual growth	171	518
Effect of a one percentage point decrease in perpetual growth	-143	-412
Effect of an increase in revenue growth by 5 percent yearly during the forecast period	37	102
Effect of a decrease in revenue growth by 5 percent yearly during the forecast period	-38	-102
Effect of an increase in EBITDA less own work capitalized by 5 percent yearly during the forecast period	133	333
Effect of a decrease in EBITDA less own work capitalized by 5 percent yearly during the forecast period	-135	-332
Change in recoverable amount to show the carrying amount	84	0
Total recoverable amount	2 186	4 928

Note 13 Property, plant and equipment

ACCOUNTING PRINCIPLES

Property, plant and equipment are recognized as assets in the balance sheet when, based on available information, it is likely that the future economic benefits associated with the holding will accrue to the Group, and that the cost of the asset can be reliably calculated. The carrying amount of property, plant and equipment consists of costs less accumulated depreciation and any impairment losses.

Subsequent costs

Subsequent costs are added to the historical cost only when it is probable that future economic benefits associated with the asset will flow to the Company and the cost of the item can be measured reliably.

All other subsequent costs are expensed in the reporting period in which they are incurred.

Depreciation

Depreciation according to plan is based on original costs less the calculated residual value. The residual values and useful lives of property, plant and equipment are reviewed each reporting date and adjusted as necessary.

Depreciation is carried out on a straight-line basis over the asset's estimated useful life. Land is not depreciated. The estimated useful lives are:

Asset	Year
Equipment, tools, fixtures and fittings	3–5 years
Leasehold improvements	5 years
Buildings	20–50 years

Group	2023				2022			
	Land and buildings	*Leasehold expenditure*	*Equipment,tools, fixtures and fittings*	Total	*Land and buildings*	*Leasehold expenditure*	*Equipment, tools, fixtures and fittings*	Total
Accumulated cost								
At beginning of the year	215.8	52.0	303.8	571.7	37.4	31.5	184.3	253.1
Investments	90.4	11.8	73.1	175.3	167.3	21.4	85.4	274.1
Reclassifications*	-92.7	3.0	34.3	-55.4	-	-4.4	13.0	8.5
Business combinations	-	-	-	-	-	-	0.2	0.2
Disposals and retirements	-214.6	-0.8	-29.1	-244.4	-	-0.4	-1.0	-1.5
Translation differences	3.5	-1.3	-7.3	-5.1	11.1	4.0	22.1	37.1
At year-end	**2.5**	**64.7**	**374.8**	**442.0**	**215.8**	**52.0**	**303.8**	**571.7**
Accumulated depreciation and impairment								
At beginning of the year	-	-7.4	-104.5	-111.9	-	-3.1	-40.8	-44.0
Depreciation and impairment for the year	-65.7	-6.9	-58.6	-131.2	-	-4.2	-48.3	-52.4
Reclassifications*	58.8	-0.2	-37.5	21.0	-	0.2	-9.6	-9.4
Disposals and retirements	2.3	-	12.4	14.7	-	0.2	0.4	0.6
Translation differences	2.2	0.5	4.4	7.0	-	-0.4	-6.2	-6.6
At year-end	**-2.4**	**-14.0**	**-183.9**	**-200.3**	**-**	**-7.4**	**-104.5**	**-111.9**
Carrying value at the beginning of the year	**215.8**	**44.7**	**199.3**	**459.8**	**37.4**	**28.3**	**143.5**	**209.2**
Carrying value at year-end	**-**	**50.7**	**190.9**	**241.7**	**215.8**	**44.7**	**199.3**	**459.8**

Parent Company	2023			2022		
	Leasehold expenditure	*Equipment, tools, fixtures and fittings*	Total	*Leasehold expenditure*	*Equipment, tools, fixtures and fittings*	Total
Accumulated cost						
At beginning of the year	**-**	**5.7**	**5.7**	0.4	3.0	3.4
Investments	-	-	-	-	2.7	2.7
Disposals and retirements	-	-1.4	-1.4	-0.4	-	-0.4
At year-end	**-**	**4.3**	**4.3**	**-**	**5.7**	**5.7**
Accumulated depreciation and impairment						
At beginning of the year	**-**	**-2.0**	**-2.0**	-0.2	-1.1	-1.3
Depreciation and impairment for the year	-	-1.0	-1.0	-	-0.9	-0.9
Disposals and retirements	-	1.0	1.0	0.2	-	0.2
At year-end	**-**	**-2.0**	**-2.0**	**-**	**-2.0**	**-2.0**
Carrying value at the beginning of the year	**-**	**3.7**	**3.7**	**0.2**	**1.9**	**2.1**
Carrying value at year-end	**-**	**2.3**	**2.3**	**-**	**3.7**	**3.7**

*Reclassification mainly related to asset held for sale.

Note 14
Inventories

ACCOUNTING PRINCIPLES
Inventories are recognized at the lower of cost and net realizable value, where the cost is calculated using the first-in, first-out (FIFO) principle. The cost of inventories includes the costs for purchasing and manufacturing as well as other expenses to bring the goods to their current location and condition. The cost of an asset produced by the Company includes costs directly related to production of the asset and a reasonable proportion of indirect manufacturing costs.

	Group		*Parent Company*	
	Dec 31, 2023	**Dec 31, 2022**	**Dec 31, 2023**	**Dec 31, 2022**
Raw materials and consumables	196.0	258.0	-	-
Advances to supplier	22.1	37.8	-	-
Work in progress	56.5	132.3	-	-
Finished goods and goods for resale	152.7	102.9	-	0.5
Total	**427.3**	**531.0**	**-**	**0.5**

An obsolescence write-down of SEK 20.3m (8.0) is included in the closing balance for inventories.

Note 15
Trade receivables

ACCOUNTING PRINCIPLES
Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method. As trade receivables have short expected maturities, the value is approximated to the nominal amount without discounting.

If the expected holding period exceeds 12 months, the receivables are classified as non-current.

Measurement of expected credit losses
BICO applies the simplified approach to expected credit losses, according to which an allowance for expected credit losses is recognized with an amount corresponding to the lifetime expected loss allowance for the trade receivable from initial recognition.

On every reporting date, the Group assesses whether financial assets recognized at amortized cost are credit impaired. Credit risk is handled in the accounts by recognizing a loss allowance based on how long the receivable has been overdue and on an individual review of the customer based on previous payment patterns and external factors. Expected credit losses also include expected credit losses relating to receivables that are not overdue.

Loss allowances for trade receivables are deducted from the assets' gross value and recognized in other external costs. The Group's expected credit losses were valued at SEK 29.7m (87.1). As several of the Group's customers generally pay their receivables late, BICO believes that the loss allowance covers the risk on the balance sheet date, even though the allowance is less than the total amount overdue more than 90 days. The Group's customers largely consist of universities and large pharmaceutical companies with good payment capacity.

Receivables are only written off when the counterparty is declared bankrupt or if changes to the nominal value of the receivable are agreed.

Changes in loss allowance for accounts receivable

	Group		*Parent Company*	
	Dec 31, 2023	**Dec 31, 2022**	**Dec 31, 2023**	**Dec 31, 2022**
Opening balance	-87.1	-32.2	-6.1	-16.5
Acquired/divested loss allowance	0.6	0.0	0.0	0.0
Amounts written down	64.0	22.3	5.5	17.8
Revaluation of loss allowance, net	-6.8	-77.2	0.0	-7.4
Translation difference	-0.4	0.0	0.0	0.0
Closing balance	**-29.7**	**-87.1**	**-0.6**	**-6.1**

Improved collection process and final derecognition of large receivables has contributed to the decreased loss allowance compared with prior year.

	Group		*Parent Company*	
Age analysis	**Dec 31, 2023**	**Dec 31, 2022**	**Dec 31, 2023**	**Dec 31, 2022**
Not past due	381.6	417.7	0.1	0.0
Receivables, 1–30 days past due	77.9	123.5	-	-
Receivables, 31–90 days past due	38.9	130.4	-	-
Receivables, 91–180 days past due	22.7	38.4	-	-
Receivables, 181–365 days past due	12.9	44.6	-	-
Receivables, >365 days past due	15.6	32.2	0.6	6.6
Total trade receivables, gross	**549.7**	**786.8**	**0.7**	**7.1**

	Group		*Parent Company*	
Trade receivables	**Dec 31, 2023**	**Dec 31, 2022**	**Dec 31, 2023**	**Dec 31, 2022**
Trade receivables, gross	549.7	786.8	0.7	7.1
Loss allowance, receivables, not past due	-0.9	-3.0	-	-
Loss allowance, receivables, 1–30 days past due	-1.4	-2.8	-	-
Loss allowance, receivables, 31–90 days past due	-1.9	-9.2	-	-
Loss allowance, receivables, 91–180 days past due	-6.7	-10.1	-	-
Loss allowance, receivables, 181–365 days past due	-4.8	-33.1	-	-
Loss allowance, receivables, >365 days past due	-14.1	-28.8	-0.6	-6.1
Trade receivables, net	**520.0**	**699.7**	**0.1**	**1.0**

Note 16
Prepaid expenses and accrued income

	Group		Parent Company	
	Dec 31, 2023	**Dec 31, 2022**	**Dec 31, 2023**	**Dec 31, 2022**
Rent and leases	7.0	7.8	2.0	2.0
Insurance and alarms	3.7	3.1	1.3	0.7
Pension premiums	0.4	-	0.4	-
Fairs	2.9	3.5	-	-
Products and services	4.0	2.0	-	-
Licenses	9.8	5.9	5.7	2.9
Unpaid grants for development projects	-	1.1	-	-
Other	4.4	9.1	0.3	0.4
Total	**32.2**	**32.5**	**9.6**	**6.0**

Note 17
Equity

ACCOUNTING PRINCIPLES

Transaction costs that can be directly attributed to the issue of new shares or options are reported, net after tax, in equity as a deduction from the issue proceeds.

The Group has designated certain intra-Group receivables of a financial nature as a part of a net investment in a foreign operation. In practice, monetary non-current receivables from a foreign operation, the settlement of which are not planned or likely to happen in the foreseeable future, are part of the Company's net investment in such foreign operation. The exchange rate difference arising from the monetary non-current receivable is recognized in other comprehensive income and accumulated in the translation reserve in equity.

Share capital

Per December 31, 2023, the Company's registered share capital was SEK 1,764,372 (1,762,372) divided into 70,574,895 shares (70,494,895), of which 1,500,000 were Series A shares and 69,074,895 were Series B shares, with a quota value of SEK 0.025.

The change in the number of shares and share capital over the financial year is shown below.

No. of shares	**Class A shares**	**Class B shares**	**Total**
At beginning of the year	1,500,000	68,994,895	70,494,895
New share issue	-	80,000	80,000
Non-cash issue	-	-	-
At year-end	**1,500,000**	**69,074,895**	**70,574,895**

Share capital	**Class A shares**	**Class B shares**	**Total**
At beginning of the year	37,500	1,724,872	1,762,372
New share issue	-	2,000	2,000
Non-cash issue	-	-	-
At year-end	**37,500**	**1,726,872**	**1,764,372**

Other contributed capital

This refers to equity contributed by the owners, including share premium reserves that arose in connection with issues.

Translation reserve

The translation reserve includes all exchange rate differences that arise when translating financial statements from foreign operations that prepared their financial statements in a currency other than the currency in which the consolidated financial statements are presented. The Parent Company and the Group present their financial statements in Swedish kronor.

Dividends

Dividends are proposed by the Board in accordance with the rules of the Swedish Companies Act and are resolved upon by the Annual General Meeting. The Board of Directors proposes that no dividend be paid for the 2023 financial year.

Dilutive effect of outstanding stock option programs and convertible bonds

If all outstanding options were to be exercised for shares, this would correspond to a total increase of 5.3 percent of all shares outstanding per December 31, 2023. If all outstanding convertible bonds were to be exercised for shares, this would correspond to a total increase of 3.6 percent of all shares outstanding per December 31, 2023.

A description of the outstanding stock option programs is provided in Note 6. A description of the convertible bonds is provided in Note 19.

Note 18
Earnings per share

ACCOUNTING PRINCIPLES

The calculation of basic earnings per share is based on profit/loss for the year attributable to the Parent Company's shareholders in the Group and on the weighted average number of shares outstanding over the year. Diluted earnings per share is calculated by adjusting the average number of shares to include all potential ordinary shares that give rise to a dilutive effect. The dilution from BICO's incentive programs is attributable to the outstanding employee stock options and the warrants.

	Basic		*Diluted*	
	2023	**2022**	**2023**	**2022**
Earnings per share (SEK), Total	-16.62	-52.87	-16.62	-52.87
Earnings per share (SEK), continuing operations	-12.56	-41.25	-12.56	-41.25
Earnings per share (SEK), discontinued operation	-4.06	-11.62	-4.06	-11.62

The calculations of the numerators and denominators used in the above calculations of earnings per share are shown below.

Basic earnings per share

Basic earnings per share for 2023 was calculated based on the profit/loss for the year attributable to the Parent Company's holders of ordinary shares, which totaled SEK -1,727,7 (-3,401,8), and on the weighted average number of shares outstanding in 2023, which was 70,572,046 (64,348,627). The two components were calculated as follows:

Profit/loss for the year attributable to the shareholders of the Parent Company, before dilution

	2023	**2022**
Profit for the year attributable to owners of the Parent Company, continuing operations	-886.4	-2,654.3
Profit for the year attributable to owners of the Parent Company, discontinued operation	-286.2	-747.6
Profit/loss attributable to the Parent Company's shareholders, before dilution, Total	**-1,727.7**	**-3,401.8**

Weighted number of shares outstanding, before dilution

	2023	**2022**
Number of shares outstanding, opening balance	70,494,895	62,130,269
Effect of share issues	77,151	1,051,234
Effect of non-cash issues	-	1,167,124
Number of shares used in the calculation of basic earnings per share	**70,572,046**	**64,348,627**

The number of shares outstanding at year-end was 70,574,895 (70,494,895).

Diluted earnings per share

Diluted earnings per share for 2023 was calculated based on the profit/loss for the year attributable to the Parent Company's holders of ordinary shares, which totaled SEK -1,129.5m (-3,358.8), and on the weighted average number of shares outstanding in 2023, which was 73,077,796 (66,876,838). The two components were calculated as follows:

Profit/loss for the year attributable to the shareholders of the Parent Company, diluted

	2023	**2022**
Profit/loss for the year attributable to the shareholders of the Parent Company, continuing operations	-886.4	-2,654.3
Effect of interest on convertible bonds, continuing operations	43.1	43.1
Profit/loss attributable to the Parent Company's shareholders, after dilution, continuing operations	**-843.3**	**-2,611.2**
Profit for the year attributable to owners of the Parent Company, discontinued operation	-286.2	-747.6
Profit/loss attributable to the Parent Company's shareholders, after dilution, Total	**-1,129.5**	**-3,358.8**

Weighted number of shares outstanding, after dilution

	2023	**2022**
Weighted number of shares, before dilution	70,572,046	64,348,627
Effect of option programs	-	22,461
Effect of convertible bonds	2,505,750	2,505,750
Number of shares used in the calculation of diluted earnings per share	**73,077,796**	**66,876,838**

Options that were granted to employees were deemed to be potential ordinary shares in the event that the share price exceeds the strike price. They were included in the calculation of diluted earnings per share if the vesting conditions related to the options would have been met based on the Company's performance up until the reporting date, and to the extent that they give rise to a dilutive effect. If the profit/loss for the year is a loss, the dilutive effect is not considered in the calculation of earnings per share. The options were not included in the calculation of basic earnings per share. Further information on the options is available in Note 6.

Dilution from convertible bonds is calculated by increasing the number of shares by the total number of shares that the convertibles correspond to and increasing the profit/loss by the reported interest expense after tax. Potential ordinary shares are seen as dilutive only during periods when it leads to a lower profit or greater loss per share.

Note 19
Interest-bearing liabilities

ACCOUNTING PRINCIPLES

Loans are initially recognized at fair value, net of transaction costs incurred, and subsequently measured at amortized cost. Any difference between the proceeds and the redemption amount is recognized in profit or loss over the period of the loans using the effective interest method. Loans are classified as interest-bearing non-current or current liabilities in the balance sheet.

	Group		*Parent Company*	
	Dec 31, 2023	**Dec 31, 2022**	**Dec 31, 2023**	**Dec 31, 2022**
Non-current liabilities				
Liabilities to credit institutions[1]	8.3	15.9	-	2.0
Convertible bonds	1,404.4	1,365.4	1,404.4	1,365.4
Lease liabilities	440.4	370.5	-	-
Other interest-bearing liabilities	3.1	3.7	0.6	0.6
Total	**1,856.2**	**1,755.5**	**1,405.0**	**1,368.0**
Current liabilities				
Liabilities to credit institutions[1]	5.5	8.0	-	2.0
Lease liabilities	95.6	89.7	-	-
Other interest-bearing liabilities	0.9	-	-	-
Total	**102.0**	**97.7**	**-**	**2.0**

[1] For information on pledged assets, see Note 28.

Convertible bonds

On March 19, 2021, the Company issued senior, unsecured convertible bonds with a total nominal value of SEK 1,500m. The number of bonds is 750 and the nominal value per convertible is SEK 2.0m. As of March 19, 2026, the holders of the bonds have the right to convert them into shares at a conversion price of SEK 598.5 per share, which corresponds to a premium of 42.5 percent on the share price at issue. Bonds that are not converted into shares will be redeemed at the nominal amount on March 19, 2026.

The interest rate is 2.875 percent and it is payable semi-annually, in September and March, with the first payment in September 2021.

	Group		*Parent Company*	
Convertible bonds	**2023**	**2022**	**2023**	**2022**
Opening balance	1,365.4	1,328.4	1,365.4	1,328.4
Transaction costs	5.7	5.4	5.7	5.4
Capitalized interest	33.4	31.6	33.4	31.6
Recognized liability, December 31	**1,404.4**	**1,365.4**	**1,404.4**	**1,365.4**

Convertible bonds are a hybrid instrument that mainly comprises two parts: a liability portion and an equity portion. To determine the portion of the convertible loan that should be classified as equity, the implicit market rate is used, i.e., the interest rate at which the Company would likely have been able to borrow without the embedded option to convert into shares. This interest rate is used to discount the liability, and the difference between the discounted value and the issued convertible debt is the portion of the loan that is classified as equity. In 2021, the Company determined that this interest rate was 5.5 percent. Over the term of the loan, the loan will be adjusted upwards using the same discount rate so that at the end of the loan, the liability will be SEK 1,500m.

Note 20
Other liabilities

ACCOUNTING PRINCIPLES

Contingent considerations were measured at fair value during the preparation of the purchase price allocation based on a weighted probability assessment of the various possible outcomes, after which they were discounted to the present value.

Future sales and the discount rate are significant unobservable inputs in the calculation. An increase in future sales, a weakened SEK or a reduction in the discount rate increases the outcome of contingent considerations.

Contingent considerations were classified as other non-current liabilities or other current liabilities and measured at fair value in accordance with IFRS 13, level 3.

Renewed assessments of the potential outcome of contingent considerations are made in each reporting period. Information received after the acquisition is assessed to determine whether any new information has emerged that relates to circumstances that existed at the time of the acquisition or to subsequent events. In the latter case, any adjustments to the previously reported amounts are reported in other income or other operating expenses in the period in which the change arises. In the former case, adjustments are made to the purchase price allocation, provided it is still preliminary.

	Group		*Parent Company*	
	Dec 31, 2023	**Dec 31, 2022**	**Dec 31, 2023**	**Dec 31, 2022**
Other non-current liabilities				
Contingent consideration	-	194.7	-	194.7
Other non-current liabilities	4.8	5.0	-	-
Total	**4.8**	**199.7**	**-**	**194.7**
Other current liabilities				
Contingent consideration	48.7	83.6	37.7	83.6
Other current liabilities	30.3	31.0	2.4	2.8
Total	**79.0**	**114.6**	**40.0**	**86.4**

Note 21
Other provisions

ACCOUNTING PRINCIPLES

Provisions are recognized in the balance sheet when the Group has a legal or constructive obligation as a result of past events, it is probable that an outflow of financial resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are not made for future operating losses. Where the effect of the timing of payment is significant, provisions are calculated by discounting the expected future cash flow at a pre-tax interest rate that reflects current market assessments of the time value of money and, if applicable, the risks specific to the obligation.

Provisions that are non-current liabilities

	Group		*Parent Company*	
	Dec 31, 2023	**Dec 31, 2022**	**Dec 31, 2023**	**Dec 31, 2022**
Warranty commitments	20.5	21.3	-	-
Other	6.4	3.6	3.1	3.0
Total	**27.0**	**24.9**	**3.1**	**3.0**

Change in provision for warranty claims

	Group		*Parent Company*	
	Dec 31, 2023	**Dec 31, 2022**	**Dec 31, 2023**	**Dec 31, 2022**
Carrying amount at the beginning of the period	21.3	18.3	-	-
Provisions made during the period	7.7	5.7	-	-
Amounts claimed during the period	-6.2	-4.2	-	-
Divestments	-2.0	-	-	-
Translation differences	-0.3	1.5	-	-
Carrying amount at the end of the period	**20.5**	**21.3**	**-**	**-**

Note 22
Accrued expenses and deferred income

	Group		*Parent Company*	
	Dec 31, 2023	**Dec 31, 2022**	**Dec 31, 2023**	**Dec 31, 2022**
Personnel-related expenses	103.8	155.7	9.6	15.7
Consultancy, audit and Board fees	5.7	6.2	9.8	4.3
Accrued cost of materials	25.5	9.4	-	-
Accrued interest	12.8	12.2	12.8	12.2
Other accrued expenses	48.4	60.6	8.1	6.5
Other prepaid income	-	-	0.7	2.2
Total	**196.1**	**244.0**	**41.0**	**40.9**

Note 23
Financial assets and liabilities

ACCOUNTING PRINCIPLES
Financial instruments that are recognized in the balance sheet include the following assets and liabilities: long-term investments, non-current receivables, trade receivables, contract assets, intra-Group receivables and liabilities, short-term investments, cash and cash equivalents, interest-bearing liabilities, contingent considerations and trade payables. Trade receivable and debt instruments are recognized when they are issued. Other financial assets and financial liabilities are reported when the Group becomes a party in the instrument's contractual terms and conditions. On initial recognition, a financial asset or financial liability is measured at fair value.

Assets and liabilities measured at amortized cost
After initial recognition, non-current receivables, trade receivables, contract assets, intra-Group receivables and liabilities, cash and cash equivalents, interest-bearing liabilities and trade payable are measured at amortized cost including any transaction costs. Interest income and expenses and exchange rate gains and losses are recognized in profit or loss. Gains or lo losses arising out of derecognition are recognized directly in profit or loss.

Financial assets measured at amortized cost are subject to ongoing impairment testing and allowances for expected credit losses. See also Note 15 for a description of the management of expected credit losses related to the Group's trade receivables.

Financial assets and liabilities measured at fair value through profit or loss
Long- and short-term investments are measured at fair value through profit or loss after initial recognition. This means that net gains and losses, including all interest and dividend income, are recognized in profit or loss. The Group does not apply hedge accounting. The Group's short-term investments, which mainly consist of listed fixed income funds and bonds, are measured at fair value in accordance with IFRS 13, level 1 (quoted market values in an active market). The Group's long-term investments consist of strategic investments in unlisted companies. The investments are measured at fair value in accordance with IFRS 13, level 3 (inputs not based on observable market data).

When long-term investments are acquired, the cost is deemed to correspond to the fair value, as the transaction is carried out between two independent parties. Thereafter, financial changes to the acquisition target, such as valuations in connection with new share issues, earnings and sales trends, are considered to constitute factors that affect the fair value. The fair value of long-term investments is remeasured every reporting period, and any difference from the previously reported amount is recognized in net finance income in the period in which the change arises.

Contingent considerations were measured at fair value during the preparation of the purchase price allocation based on a weighted probability assessment of the various possible outcomes, after which they were discounted to the present value. Future sales and the discount rate are significant unobservable inputs in the calculation. An increase in future sales, a weakened SEK or a reduction in the discount rate increases the outcome of contingent considerations. Contingent considerations were classified as other non-current liabilities or other current liabilities and measured at fair value in accordance with IFRS 13, level 3.

Renewed assessments of the potential outcome of contingent considerations are made in each reporting period. Information received after the acquisition is assessed to determine whether any new information has emerged that relates to circumstances that existed at the time of the acquisition or to subsequent events. In the latter case, any adjustments to the previously reported amounts are reported in other income or other operating expenses in the period in which the change arises. In the former case, adjustments are made to the purchase price allocation, provided it is still preliminary. Implicit interest and exchange rate differences that arise on the contingent considerations are reported in net finance income.

Derecognition from the statement of financial position
A financial asset is derecognized from the balance sheet when the rights in the agreement are realized, expire or the Company loses control of it. The same applies to parts of a financial asset. A financial liability is derecognized from the balance sheet when the obligation in the agreement is met or otherwise terminated. The same applies to parts of a financial liability.
Acquisitions and disposals of financial assets are recognized on the date when the Company undertakes to acquire or divest the asset, except when the Company acquires or sells quoted securities, in which case settlement date accounting is applied.

Fair values in level 3
The table below presents the reconciliation between the opening and closing balances for financial instruments measured in level 3 according to IFRS 13.

Group	Contingent considerations	Long-term investments
Fair value, January 1, 2023	**-278.3**	**3.4**
Acquisitions	-11.7	-
Payment to seller	82.4	-
Total gains and losses recognized in operating profit/loss for the year	169.9	-
Total gains and losses recognized in net finance income for the year	-11.0	1.5
Fair value, Dec 31, 2023	**-48.7**	**4.9**

Group	Dec 31, 2023	Dec 31, 2022	IFRS 13 fair value level
Financial assets			
Financial assets at fair value through profit or loss			
Long-term investments	4.9	3.4	3
Short-term investments	-	-	1
Financial assets at amortized cost			
Non-current receivables	40.6	39.9	
Contract assets	92.2	160.3	
Trade receivables	520.0	699.7	
Cash and cash equivalents	861.0	925.2	
Total financial assets	**1,518.7**	**1,828.5**	
Financial liabilities			
Financial liabilities at fair value			
Contingent considerations	-48.7	-278.3	3
Financial liabilities measured at amortized cost			
Liabilities to credit institutions	-13.8	-23.9	
Convertible bonds	-1,404.4	-1,365.4	
Other interest-bearing liabilities	-4.0	-3.7	
Lease liabilities	-536.0	-460.1	
Trade payables	-170.2	-132.6	
Total financial liabilities	**-2,177.1**	**-2,264.0**	

Financial assets or liabilities were offset to the extent that they had the same counterparties and maturity structure, which affects certain intra-Group receivables and liabilities in the Parent Company.
The carrying amounts above for financial assets and liabilities correspond in all essentials to the fair values, except with regard to convertible bonds. These are traded on the Frankfurt Stock Exchange, and per December 31, 2023, the market price was approximately 69 percent of the nominal amount.

Parent Company	Dec 31, 2023	Dec 31, 2022	IFRS 13 fair value level
Financial assets			
Financial assets at fair value through profit or loss			
Long-term investments	4.9	3.4	3
Short-term investments	-	-	1
Financial assets at amortized cost			
Non-current receivables	0.3	0.3	
Trade receivables	0.1	1.0	
Receivables from Group companies	4,077.0	4,659.7	
Cash and cash equivalents	626.1	620.0	
Total financial assets	**4,708.4**	**5,284.4**	
Financial liabilities			
Financial liabilities at fair value			
Contingent considerations	-37.7	-278.3	3
Financial liabilities measured at amortized cost			
Liabilities to credit institutions	-	-4.0	
Convertible bonds	-1,404.4	-1,365.4	
Other interest-bearing liabilities	-0.6	-0.6	
Liabilities to Group companies	-281.3	-122.2	
Trade payables	-6.7	-2.9	
Total financial liabilities	**1,730.7**	**-1,773.4**	

Valuation techniques and significant unobservable inputs

Instruments	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Contingent consideration	Discounted cash flows: The valuation model discounts the present value of expected cash flows using a risk-adjusted discount rate. Expected cash flows are determined based on probable scenarios for future outcomes in relevant parameters, amounts that are payable in case of each outcome and the probability of each outcome.	• Forecast annual growth rate • Discount rate	The estimated fair value would increase (decrease) if: • The annual growth was higher (lower) • The discount rate was lower (higher)
Long-term investments	If a transaction occurred recently, the valuation model is based on the most recent transaction for the specific company. If there were significant changes in conditions between the transaction date and the reporting date and BICO is of the view that these could have a significant impact on the fair value, the carrying amount is adjusted to reflect such changes.	• Multiple on equity • Valuation at the most recent issue of new shares	The estimated fair value would increase (decrease) if: • The multiple on equity was higher (lower) • The valuation at the most recent new issue of shares was higher (lower)

SENSITIVITY ANALYSIS

Contingent consideration
Per December 31, 2023, BICO has five historical acquisitions where a contingent consideration could be paid in the future. The contingent considerations are mainly connected to revenue in the acquired companies.

The contingent considerations were discounted with an interest rate of 2.3–4.68 percent. 100 percent are denominated in USD. In total, contingent considerations of SEK 48.7m were reported as a liability as of December 31st, 2023. During the year, booked contingent considerations were reversed to the P/L as probability for payout decreased, resulting in a positive EBITDA effect of SEK 169.9m. If all contingent considerations had been estimated to be payable with a probability of 100 percent, the reported liability for contingent considerations (short-term and long-term) would amount to SEK 150.3m per December 31, 2023, all other things equal. Other reasonably possible changes in unobservable inputs would have the following effect on the reported liability, all other things equal:

	Increase	Decrease
Discount rate (1% change)	-0.2	0.2
Exchange rates EUR and USD (10% change)	4.8	-4.8
Future sales (10% change)	4.8	-4.0

Note 24
Leases

ACCOUNTING PRINCIPLES
At the inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the beginning of the lease, or when reviewing a lease that contains multiple components – lease and non-lease components – the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component.
However, for leases of buildings and land where the Group is the lessee, the Group has decided not to differentiate between non-lease components, so both lease and non-lease components that are paid with fixed amounts are treated as a single lease component.

Leases where the Group is the lessee
The Group recognizes a right-of-use asset and a lease liability at the commencement date of the lease. The right-of- use asset is initially measured at cost, which includes the initial value of the lease liability plus lease payments paid at or before the commencement date plus any initial direct costs. The right-of-use asset is then depreciated on a straight-line basis from the commencement date to the end of the asset's useful life or the end of the lease term, whichever is earlier, which for the Group is usually the end of the lease term.

The lease liability, which is divided into non-current and current portions, is initially measured at the present value of the remaining lease payments for the estimated lease term. The lease term consists of the non-cancellable period together with any additional periods in the lease if, at the commencement date, it is deemed reasonably certain that they will be utilized.

The lease payments are usually discounted by using the Group's incremental borrowing rate, which, in addition to the Group's credit risk, reflects each lease's lease term, currency, and the quality of the underlying asset as intended security. Where the interest rate implicit in the lease can readily be determined, that rate is used instead.
The lease liability comprises the present value of fixed payments and variable lease payments that depend on an index or a rate over the estimated lease term. The value of the liability is increased by the interest expense for each period and decreased by the lease payments.
Interest expense is calculated as the value of the liability multiplied by the discount rate.

The lease liability for the Group's premises with index-linked rent is calculated based on the rent that applies at the end of each reporting period. At this point, the liability is adjusted and a corresponding adjustment is made to the carrying amount of the right-of-use asset.
In a corresponding manner, the values of the liability and the asset are adjusted if the lease term is revised. This occurs when the last date for terminating the lease in the previously determined lease term for the lease of premises has passed, or upon the occurrence of significant events or a significant change in circumstances in a way that is within the Group's control and affects the prevailing determination of the lease term.

The Group presents right-of-use assets and lease liabilities as separate items in the balance sheet.

No right-of-use asset or lease liability is recognized for leases with a lease term of 12 months or less or for leases with an underlying asset of low value (less than SEK 50 thousand). Lease payments for such leases are expensed on a straight-line basis over the lease term.

Lessee
The Group's property, plant and equipment consist of both owned and leased assets.

	Dec 31, 2023	Dec 31, 2022
Property, plant and equipment, owned	241,7	459.8
Right-of-use assets	485.7	441.8
Total	**727,4**	**901.5**

Leased assets mainly consist of real estate and premises and to a lesser extent of vehicles and office equipment. No leases contain covenants or other restrictions in addition to the security in the leased assets.

Real estate leases
The Group leases buildings for offices, production and storage. The leases generally have a term from one to ten years.

Some leases contain an option to extend the lease for an additional period.
Sometimes the leases contain lease payments based on changes in local price indices. Some leases also require the Group to pay fees relating to real estate taxes and other expenses that are imposed on the lessee.

Options to extend or terminate
Certain leases contain options to extend or terminate the lease, which the Group may or may not exercise up to one year before the end of the non-cancellable period. When possible, the Group attempts to include such options in new leases, as they contribute to operational flexibility. The options may only be exercised by the Group and not by the lessor.

It is determined at the commencement date of the lease whether it is reasonably certain that an option to extend will be exercised. The Group reassesses whether it is reasonably certain that an option to extend will be exercised upon the occurrence of either a significant event or a significant change in circumstances that is within the Group's control.

The Group's leases usually have non-cancellable periods of one to ten years, with options for the Group to extend for further periods. The leases contain no final end date. For leases with a non-cancellable period of 3–10 years, it has been determined that it is not reasonably certain that additional periods will be utilized. For leases with a non-cancellable period of less than three years, it has been determined in most cases that it is reasonably certain that additional period(s) will be utilized, which usually results in lease terms of three to five years.

Other leases
Leases of vehicles and office equipment usually have lease terms of one to three years. These leases are usually short-term leases and/or leases of low-value assets. In such cases, the Group has chosen not to report right-of-use assets and lease liabilities for these leases.

The Group did not have any material leases with the Group as the lessor in 2022 or 2023.

Additions to right-of-use assets were SEK 162.8m (255.7) in 2023. This figure includes the cost of right-of-use assets that were newly acquired during the year and additional amounts from reviewing lease liabilities due to changed payments as a result of changes in the lease term. The main addition to right-of-use assets during the financial year is the sale-and lease-back of real estate for SCIENION in Berlin, Germany.

Sale-and-lease-back
Completed sale-and-lease-back transaction in 2023 has been reported as revenue in accordance with IFRS 15. Remaining right-of-use asset has been valued at the share of the previously reported value of the property that relates to the right-of-use retained by the group.

Right-of-use assets

	2023			2022		
	Real estate	Other	Total	Real estate	Other	Total
Opening balance	435.7	6.0	**441.8**	240.5	8.0	**248.4**
Additions to right-of-use assets	161.5	1.3	**162.8**	253.2	2.5	**255.7**
Adjustments of right-of-use assets	15.7	-	**15.7**	-10.8	-1.4	**-12.1**
Expiring right-of-use assets	-21.8	-1.4	**-23.1**	-0.2	-	**-0.2**
Depreciation during the year	-101.1	-3.2	**-104.3**	-77.8	-4.0	**-81.8**
Translation differences	-7.1	0.1	**-6.9**	30.9	0.9	**31.8**
Closing balance	**482.9**	**2.8**	**485.7**	**435.7**	**6.0**	**441.8**

Lease liabilities

	Dec 31, 2023	Dec 31, 2022
Current	95.6	89.7
Non-current	440.4	370.5
Lease liabilities included in the balance sheet	**536.0**	**460.2**

See Note 2, Financial Risk Management, for a maturity analysis of the lease liabilities.

Amounts recognized in profit/loss

	Group	
IFRS 16	**2023**	**2022**
Depreciation of right-of-use assets	-104.3	-81.8
Interest expense on lease liabilities	-12.9	-9.5
Costs for short-term leases	-4.0	-19.3
Costs for leases of low-value assets	-2.6	-6.4
Total	**-123.8**	**-117.0**

Whereof amounts for discontinued operation

IFRS 16	2023	2022
Depreciation of right-of-use assets	-5.1	-4.3
Interest expense on lease liabilities	-0.2	-0.2
Costs for short-term leases	-0.4	-0.6
Costs for leases of low-value assets	-	-
Total	**-5.7**	**-5.0**

Non-cancellable lease payments were:

	Parent Company	
	Dec 31, 2023	**Dec 31, 2022**
Within one year	7.0	6.3
Between one and five years	31.9	36.3
Beyond five years	2.1	4.2
Total	**41.0**	**46.8**

Expensed payments for operating leases were:

	Parent Company	
	2023	**2022**
Minimum lease payments	6.4	10.8
Total	**6.4**	**10.8**

Note 25
Participations in Group companies

Parent Company	Dec 31, 2023	Dec 31, 2022
Accumulated cost		
At beginning of the year	4,269.9	4,266.4
Acquisition	-	44.9
Adjusted preliminary purchase price allocation	-	-123.4
Adjusted shareholder's contributions*	-14.4	-
Shareholders' contributions provided	560.1	82.0
Divestments	-1,172.3	-
At year-end	**3,643.3**	**4,269.9**
Accumulated amortization and depreciation		
At beginning of the year	-819.8	-44.7
Amortization and depreciation for the year**	-1,392.1	-775.1
Divestments	1,172.3	-
At year-end	**-1,039.6**	**-819.8**
Carrying value at year-end	**2,603.8**	**3,450.1**

The US acquisitions made in 2021 and 2022 were carried out through acquisition vehicles, which have since been merged with the acquisition targets. Consequently, part of the purchase price consists of receivables from Group companies and is not included in shares in subsidiaries, and the item shares in subsidiaries does not reflect the entire purchase price for these companies.

Directly held subsidiaries	Corp. ID. No.	Registered office	No. of shares	Holding, %	Carrying value Dec 31, 2023	Carrying value Dec 31, 2022
CELLINK LLC	81–3033020	Blacksburg, VA, USA	10,000	100	1.8	1.0
BICO international AB	559144–2008	Gothenburg, Sweden	1,000	100	0.2	0.2
Dispendix GmbH	755770	Stuttgart, Germany	25,000	100	55.0	54.9
CYTENA GmbH	711600	Freiburg, Germany	78,461	100	342.5	337.4
CELLINK KK	6130001066261	Kyoto, Japan	100,000	100	1.0	0.8
SCIENION GmbH	19874	Dortmund, Germany	186,665	100	341.2	771.8
Ginolis OY	2344452–8	Oulu, Finland	63,056,813	100	-	278.5
MatTek Corp	42877744	Massachusetts, USA	1,000	100	159.2	161.8
CELLINK Bioprinting AB	559314–6169	Gothenburg, Sweden	100	100	2.3	4.4
Visikol Inc	5946263	Delaware, USA	1,000	100	29.0	74.3
Nanoscribe GmbH***	703637	Mannheim, Germany	41,600	100	273.8	400.7
Discover Echo	5386719	Delaware, USA	1,000	100	140.9	142.0
Advanced BioMatrix	6190156	Delaware, USA	1,000	100	52.5	52.5
Qinstruments GmbH	209986	Jena, Germany	66,500	100	637.5	637.6
Biosero Inc	6123939	Delaware, USA	1,000	100	510.5	510.4
Allegro 3D Inc	3956310	California, USA	1,000	100	21.9	21.8
BICO Real Estate OY	3363469-1	Helsinki, Finland	2,500	100	34.3	-
Carrying value at year-end					**2,603.8**	**3,450.1**

*Adjusted shareholder's contributions is relating to adjustment of sharebased remunerations.
**During the year, the subsidiaries Ginolis OY, Scienion GmbH, Visikol Inc, cytena GmbH and Nanoscribe GmbH & Co. KG have been impaired since the value in use has been determined to be lower than book value.
***The consolidated accounts of BICO Group AB make an exception for Nanoscribe GmbH & Co. KG, Eggenstein-Leopoldshafen / Germany, in accordance with section 264b of the German Commercial Code (Handelsgesetzbuch).

Note 26
Acquisitions

EFFECTS OF ACQUISITIONS IN 2023

BICO did not perform any acquisitions according to IFRS 3 during 2023.

Acquisition costs

Acquisition costs were SEK 0.1m (6.1) over the year. The costs refer to fees to lawyers and consultants in connection with due diligence. These expenses were recognized as other external costs in the consolidated income statement and in acquisitions of subsidiaries/operations in the net cash flow from investing activities in the consolidated cash flow statement.

Issue costs related to acquisitions were SEK 0.0m (0.6) for January to December and were recognized as a reduction in equity after deduction for deferred tax.

ACQUISITIONS IN 2022

Allegro 3D

On May 5, 2022, BICO Group AB acquired 100 percent of the shares in Allegro 3D Inc. (corporate identity number C3956310, with its registered office in San Diego, California, USA).
The purchase price was SEK 78.5m, of which SEK 62.0m was paid in cash. The purchase price also includes a reported contingent consideration of SEK 16.5m, which is based on sales targets for 2022–2024. Goodwill related to the acquisition is included in the cash-generating unit CELLINK.

In 2023, the purchase price allocation for the acquisition of Allegro 3D made in 2022 was finalized. No changes compared to what was presented in the Annual Report for 2022, Note 26, page 94 were implemented.

Note 27
Discontinued operation and asset held for sale

ACCOUNTING PRINCIPLES

A discontinued operation is a part of a company's operations that represents an independent line of business or a significant operation within a geographical area or is a subsidiary that has been acquired exclusively for the purpose of resale. Classification as a discontinued operation takes place upon sale or at an earlier time when the operation meets the criteria for being classified as a held for sale.

Profit after tax from discontinued operation is reported on a separate line in the statement of earnings and other comprehensive income. When an activity is classified as discontinued, the design of the comparison year's report on results and other comprehensive income is changed so that it is reported as if the discontinued activity had been discontinued at the beginning of the comparison year. The format of the financial position report for the current and previous years does not change correspondingly.

Divestment of Ginolis

BICO completed the transaction to divest Ginolis on November 10, 2023, through a local management buy-out for EUR 1. Considering the divestment was made to a related party, a fairness opinion of the sales price was obtained from a third party, which confirmed the transaction was made at arm's length terms. The rationale behind the divestment was that the company did not transition fast enough to mitigate the post-pandemic downturn. Ginolis was right sized during 2023, but the order intake was not restored according to expectations. From the divestment date, Ginolis has been treated as discontinued operation in the financial reporting.

The divestment entailed a capital loss of SEK -16.8m, whereof accumulated foreign exchange gains reclassified from equity to net income from discontinued operation of SEK +17.9m and divested net assets of SEK -34.7m. The divestment loss is a non-cash item and reported as part of discontinued operation. The impact on liquidity was SEK -2.3m.

IP-rights and licenses related to the patented PMBi dispensing pump has been carved out from the transaction and transferred to BICO. The building in Oulu, Finland was also carved out from the transaction and is classified as held for sale in the balance sheet. BICO is entitled to 70% of net proceeds if the company is sold within three years after closing.

The asset classified as held for sale relates to the building in Oulu, Finland mentioned above. BICO is currently actively trying to lease out or sell the building.

	Group	
Profit/loss from discontinued operation	**2023**	**2022**
Revenues	19.1	120.2
Expenses	-300.6	-217.3
Impairment of goodwill	-	-625.0
Finance, net	-1.3	3.9
Capital gain/loss on disposal of discontinued operation	-16.8	-
Profit/loss before tax	**-299.6**	**-718.2**
Tax	13.4	-29.3
Profit/loss from discontinued operation	**-286.2**	**-747.6**

Cash Flow from discontinued operation	Group 2023	Group 2022
Cash flow from operating activities	-71.4	-124.4
Cash flow from investment activities	-8.2	-28.8
Cash flow from financing activities	-4.3	-3.2
Cash flow from discontinued operation, net	**-83.9**	**-156.4**

Disposed assets and liabilities	Group 2023	Group 2022
Non-current assets	10.0	-
Inventories	34.3	-
Accounts receivables	6.4	-
Other current assets	11.3	-
Cash and cash equivalents	2.3	-
Non-current liabilities	-4.8	-
Accounts payable	-9.5	-
Other current liabilities	-15.2	-
Net assets and liabilities	**34.7**	**-**

Effect on group's cash and cash equivalents at divestment	Group 2023	Group 2022
Consideration received in cash and cash equivalents	-	-
Less: Cash and cash equivalents in discontinued operation	-2.3	-
Disposal of subsidiary, net effect on cash	**-2.3**	**-**

Note 28
Pledged assets and contingent liabilities

ACCOUNTING PRINCIPLES

A contingent liability is recognized when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events or when there is a present obligation that is not recognized as a liability or provision because it is not probable that an outflow of resources will be required.

	Group		*Parent Company*	
Pledged assets	**Dec 31, 2023**	Dec 31, 2022	**Dec 31, 2023**	Dec 31, 2022
Corporate mortages	-	4.0	-	4.0
Tangible assets	1.6	-	-	-
Blocked funds	56.9	-	47.8	-
Total	**58.5**	**4.0**	**47.8**	**4.0**

	Group		*Parent Company*	
Contingent liabilities	**Dec 31, 2023**	Dec 31, 2022	**Dec 31, 2023**	Dec 31, 2022
Other	-	-	-	-
Total	**-**	**-**	**-**	**-**

Note 29
Statement of cash flows

Cash and cash equivalents	Group Dec 31, 2023	Group Dec 31, 2022	Parent Company Dec 31, 2023	Parent Company Dec 31, 2022
The following sub-components are included in cash and cash equivalents:				
Cash and bank balances[1]	861.0	925.2	673.9	620.0
Total according to the balance sheet	**861.0**	**925.2**	**673.9**	**620.0**
Total according to the cash flow statement	**861.0**	**925.2**	**673.9**	**620.0**

[1] The balance includes restricted funds of SEK 56.9m (9.3) for the Group and SEK 47.8m (0.0) for the Parent Company.

Interest paid and received	Group 2023	Group 2022	Parent Company 2023	Parent Company 2022
Interest received	18.8	6.9	17.7	6.3
Interest paid	-50.6	-61.4	-49.5	-50.4
Total	**-31.8**	**-54.5**	**-31.8**	**-44.1**

Adjustments for non-cash items	Group 2023	Group 2022	Parent Company 2023	Parent Company 2022
Amortization, depreciation and impairment	1,144.2	3,514.4	1,393.4	778.3
Capital gain/loss from divestment of subsidiaries	16.8	-	-	-
Capital gains/losses from the sale of non-current assets	-6.2	3.2	0.3	0.2
Obsolescence in inventories	52.7	9.6	-	-
Unrealized change in the value of and capital gains/losses on short-term investments	-	35.1	-	35.1
Unrealized exchange rate differences	126.6	-397.2	124.6	-418.2
Provision for loss allowance for trade receivables	38.1	112.0	-1.8	9.2
Accrued interest	0.6	12.2	0.6	12.2
Revaluation of contingent considerations	-169.9	-25.2	-169.9	-25.2
Implicit interest expenses for liabilities at amortized cost	50.1	42.2	37.2	42.2
Allocation of issue costs to a period	5.7	5.4	5.7	5.4
Change in other provisions	4.8	3.8	-	3.0
Costs for share-based remuneration	-20.1	39.0	-1.5	3.1
Unrealized change in value of securities	-1.8	-	-1.8	-
Total	**1,241.6**	**3,354.4**	**1,386.8**	**445.3**

Acquisitions of subsidiaries and other business units[2]	Group 2023	Group 2022
Acquired assets:		
Intangible assets	-	100.6
Other non-current assets	-	0.2
Inventories	-	0.5
Other current assets	-	4.0
Total assets	**-**	**105.3**
Acquired provisions and liabilities:		
Provisions	-	-
Deferred tax liabilities	-	-4.7
Interest-bearing liabilities	-	-
Current operating liabilities	-	-1.8
Total provisions and liabilities	**-**	**-6.5**
Purchase price	**-**	**98.8**
Settled in:		
Cash and cash equivalents	-	-82.3
Issued shares	-	-
Contingent consideration	-	-16.5
Net cash outflow on acquisition date:		
Consideration paid in cash and cash equivalents	-	-82.3
Acquisition costs	-	-6.1
Contingent considerations paid	-82.4	-131.6
Less: Cash and cash equivalents in acquisition target	-	1.8
Effect on cash and cash equivalents	**-82.4**	**-218.2**

[2] See Note 26, Acquisitions.

Reconciliation of liabilities derived from financing activities

		Non-cash movements					
Group	**Dec 31, 2022**	**New/expiring leases according to IFRS 16**	**Reclassifications / Divestments**	**Translation differences**	**Implicit interest expenses**	**Cash flows**	**Dec 31, 2023**
Lease liabilities	460.2	184.6	-	-7.9	-	-100.9	536.0
Liabilities to credit institutions	23.9	-	-2.6	-	-	-7.5	13.8
Convertible bonds	1,365.4	-	-	-	39.0	-	1,404.4
Other interest-bearing liabilities	3.7	-	-0.6	-	-	0.9	4.0
Total	**1,853.2**	**184.6**	**-3.2**	**-7.9**	**39.0**	**-107.5**	**1,958.2**

		Non-cash movements					
Group	**Dec 31, 2021**	**New/expiring leases according to IFRS 16**	**Reclassifications**	**Translation differences**	**Implicit interest expenses**	**Cash flows**	**Dec 31, 2022**
Lease liabilities	251.6	250.1	-	32.3	-	-73.8	460.2
Liabilities to credit institutions	26.8	-	-	1.4	-	-4.3	23.9
Convertible bonds	1,328.4	-	-	-	37.0	-	1,365.4
Other interest-bearing liabilities	-	-	3.7	-	-	-	3.7
Total	**1,606.8**	**249.7**	**3.7**	**34.1**	**37.0**	**-78.1**	**1,853.2**

Parent Company	**Dec 31, 2022**	**Implicit Interest expenses**	**Reclassifications**	**Cash flows**	**Dec 31, 2023**
Liabilities to credit institutions	4.0	-	-	-4.0	-
Convertible bonds	1,365.4	39.0	-	-	1,404.4
Other interest-bearing liabilities	0.6	-	-	-	0.6
Total	**1,370.0**	**39.0**	**-**	**-4.0**	**1,405.0**

Parent Company	**Dec 31, 2021**	**Implicit Interest expenses**	**Reclassifications**	**Cash flows**	**Dec 31, 2022**
Liabilities to credit institutions	6.0	-	-	-2.0	4.0
Convertible bonds	1,328.4	37.0	-	-	1,365.4
Other interest-bearing liabilities	-	-	0.6	-	0.6
Total	**1,334.4**	**37.0**	**0.6**	**-2.0**	**1,370.0**

Note 30
Related parties

The Parent Company has a related party relationship to its subsidiaries, see Note 25. Of the Parent Company's total purchases and sales, 3 percent (10) of the purchases and 96 percent (90) of the sales are intra-Group transactions.

Transfer pricing in the Group is based on the arm's length principle, i.e., prices are set as if the parties are independent of each other, well-informed and interested in conducting the transactions.

	Parent Company	
Non-current receivables from Group companies	**Dec 31, 2023**	**Dec 31, 2022**
BICO Life Singapore PTE Ltd	-	3.1
CELLINK KK	10.4	11.6
CELLINK BioPrinting AB	117.6	117.6
SCIENION GmbH	-	144.7
Ginolis Oy	-	-
Visikol Inc	104.1	103.4
Allegro 3D Inc	67.3	65.5
Advanced BioMatrix Inc	123.0	121.8
Biosero Inc	1 126.7	1 118.9
Discover Echo Inc	1 081.4	1 069.5
MatTek Corporation	574.6	567.8
Total	**3,205.0**	**3,323.8**

Current receivables from Group companies

	Parent Company	
	Dec 31, 2023	**Dec 31, 2022**
BICO Life Singapore PTE Ltd	0.5	-
CELLINK BioPrinting AB	153.5	84.7
CELLINK LLC	81.5	188.0
CELLINK Ltd	-	1.6
CELLINK SAS	-	1.5
Advanced BioMatrix Inc	-	0.7
MatTek Corporation	14.9	37.5
Visikol Inc	16.8	8.2
Nanoscribe GmbH & Co. KG	64.2	125.4
Dispendix GmbH	212.2	193.2
CYTENA GmbH	224.2	261.6
CYTENA BioProcess Solutions Co., Ltd	0.1	-
Discover Echo Inc	0.6	3.8
Biosero Inc	53.4	25.1
SCIENION GmbH	38.3	16.7
SCIENION Ltd	7.9	3.1
SCIENION Inc	2.6	2.7
Cellenion SAS	-	2.9
Ginolis Oy	-	377.5
Ginolis AB	-	1.2
BICO Real Estate Oy	1.1	-
QInstruments GmbH	-	0.5
Total	**872.0**	**1,335.9**

Current liabilities to Group companies

	Parent Company	
	Dec 31, 2023	**Dec 31, 2022**
BICO International AB	-0.1	-
CELLINK BioPrinting AB	-	-0.2
CELLINK LLC	-6.1	-12.2
CELLINK KK	-7.3	-7.8
Advanced BioMatrix Inc	-17.2	-1.0
Allegro 3D Inc	-2.2	-
Nanoscribe GmbH & Co. KG	-	-0.3
Nanoscribe Verwaltungs GmbH	-0.1	-0.1
Nanoscribe Holding GmbH	-80.1	-98.6
CYTENA GmbH	-0.4	-1.0
Discover Echo Inc	-46.3	-0.3
Biosero Ltd	-0.5	-
Cellenion SAS	-1.1	-0.7
QInstruments GmbH	-119.7	0.0
Total	**-281.3**	**-122.2**

The Company has tested the intra-Group receivables for impairment and found no indication of impairment. The receivables are subject to interest based on the arm's length principle.

Transactions with key people in senior positions
During the year 335,000 options were granted for free to senior executives in the LTIP 2022 program. See note 6 for more info.

Related party transactions
During the period, the subsidiary Ginolis was divested to local management for 1 EUR. For more information see Note 27. During the year compensation was paid to Advanced Polymer Technology AB amounting to 25 kkr for consulting services. The company is owned by close relative to member of the Board in BICO Group AB, Erik Gatenholm.

Note 31
Events after the reporting date

BICO announced on January 25, 2024 that Catharina Nordlund was appointed Chief Human Resources Officer. The role will further strengthen the Executive Management and be responsible for shaping and executing BICO's global HR strategy in order to build a people and high-performance culture.

BICO announced on March 15, 2024, that Erik Gatenholm and Hector Martinez had decided to leave BICO after discussions with the Board. Several factors contributed to the discussion, including a whistleblower investigation which highlighted the company's aggressive sales culture during the years 2017-2021. Erik Gatenholm also announced that he will not stand for re-election to the Board.

BICO sent out the notice of the 2024 Annual General Meeting (AGM) on April 16, 2024. The AGM 2024 will take place on May 20, 2024, at 1:00pm CEST at BICO's headquarter in Gothenburg. All information related to the AGM is available at www.bico.com, section Corporate Governance, tab for AGM 2024.

BICO announced on April 18, 2023, that Anders Fogelberg has been appointed Chief Commercial Officer (CCO). The CCO will be main responsible for the commercial activities within the BICO Group and ensure cooperation between subsidiaries and that long-term partnerships are built with relevant partners throughout the global life science industry.

BICO announced on May 6, 2024, a changed method for impairment test of goodwill resulting in retroactive impairment of goodwill and other intangible assets with an accumulated non-cash effect on EBIT in 2022 and 2023 of SEK -1,788m.

The Annual General Meeting (AGM) 2024 will take place on May 20, 2024, at 1:00pm CEST at BICO's head quarter, Långfilsgatan 9, Gothenburg, Sweden. All information related to the AGM is available at www.bico.com, section Corporate Governance, tab for AGM 2024.

Note 32
Proposed appropriation of profits

The following non-restricted funds are at the disposal of the Annual General Meeting (SEK):

Share premium reserve	7,573,619,125
Retained earnings	-692,738,424
Profit/loss for the year	-1,290,922,539
Total to allocate	5,589,958,162

The Board of Directors proposes that the non-restricted funds be appropriated as follows:
To be carried forward (SEK): 5,589,958,162

Note 33
Disclosures about the Parent Company

The Parent Company, BICO Group AB, corporate identity number 559050-5052, is a Swedish limited company with its registered office in Gothenburg, Sweden. The Company has its registered office in Gothenburg and conducts its operations on premises on Långfilsgatan 9 in Gothenburg, Sweden. The Group comprises the Parent Company and 31 subsidiaries. The Parent Company owns and manages subsidiaries.

Address to the head office:
BICO Group AB (publ)
Långfilsgatan 9
412 77 Gothenburg, Sweden
www.bico.com

Not 34
Adjusted reporting of goodwill and other intangible assets

As described in note 1, BICO has made changes in its method for forecast periods for goodwill impairment tests. This has led to retroactive effects on the financials in 2022, which has been reported according to the rules on correction of errors and are summarized below.

The adjustment has had no effect on the total cash flow from operating activities, investing activities or financing activities for 2022. However, as a result of the higher impairments in 2022, individual lines in the statement of cash flows have been adjusted to calculate the cash flow from operating activities. This has meant that the net result is lower, while the reversal of items not affecting cash flow has increased compared to the previously published annual report for 2022.

The change has also led to adjustments in the parent company's reporting of shares in group companies and equity which can be seen from the first table below.

	Jan-Dec 2022		
Parent company	Previously reported	Adjust-ment	Adjusted reporting
Income statement			
Profit/loss from shares in Group companies	-436.1	-339.0	-775.1
Net profit/loss for the period	-314.5	-339.0	-653.5
Balance sheet			
Shares in Group companies	3,789.1	-339.0	3,450.1
Equity	7,232.3	-339.0	6,893.3

	Jan-Dec 2022		
Income Statement	Previously reported	Adjustment	Adjusted reporting
Net sales	2,120.8	-	2,120.8
Other operating income	109.3	-	109.3
Change in inventories	3.0	-	3.0
Capitalized work for own account	164.8	-	164.8
		-	
Operating expenses		-	
Raw materials and supplies	-537.1	-	-537.1
Other external costs	-662.0	-	-662.0
Staff costs	-1,162.3	-	-1,162.3
Amortization, depreciation and impairment	-289.8	-16.0	-305.8
Amortization of goodwill	-	-2,557.8	-2,557.8
Other operating expenses	-21.5	-	-21.5
Operating profit/loss	**-274.8**	**-2,573.8**	**-2,848.6**
		-	
Profit/loss from financial items		-	
Financial income	427.5	-	427.5
Financial expenses	-187.6	-	-187.6
Profit/loss after financial items	**-34.9**	**-2,573.8**	**-2,608.7**
		-	
Taxes	-53.2	4.8	-48.4
Profit/loss from continuing operations	**-88.1**	**-2,569.0**	**-2,657.1**
		-	
Discontinued operations		**-**	
Profit/loss from discontinued operations	-747.6	-	-747.6
		-	
Total profit/loss for the year	**-835.7**	**-2,569.0**	**-3,404.7**
Attributable to:			
Owners of the Parent Company	-832.9	-2,569.0	-3,401.8
Non-controlling interests	-2.8	-	-2.8
Net profit/loss for the period	**-835.7**	**-2,569.0**	**-3,404.7**
Items that may be reclassified subsequently to profit or loss			
Translation differences for the period in the translation of foreign operations	396.7	-93.9	302.8
Tax attributable to items that have been transferred or can be transferred to profit	-5.2	-	-5.2
Total comprehensive income	**-444.2**	**-2,662.9**	**-3,107.1**
Basic earnings per share, SEK, Total	-12.94		-52.87
Diluted earnings per share, SEK, Total	-12.94		-52.87
Basic earnings per share, SEK, continuing operations	-1.33		-41.25
Diluted earnings per share, SEK, continuing operations	-1.33		-41.25
Basic earnings per share, SEK, discontinued operations	-11.62		-11.62
Diluted earnings per share, SEK, discontinued operations	-11.62		-11.62

	2022-12-31		
Balance Sheet	Previously reported	Adjustment	Adjusted reporting
Intangible assets	6,712.9	-2,667.9	4,045.0
Deferred tax assets	101.9	-	101.9
Total other non-current assets	945.0	-	945.0
Current assets	2,437.0	-	2,437.0
Total assets	**10,196.8**	**-2,667.9**	**7,528.9**
Share capital	1.8	-	1.8
Other contributed capital	7,590.5	-	7,590.5
Translation reserve	419.3	-93.9	325.4
Retained earnings incl. profit/loss for the year	-1,106.5	-2,569.0	-3,675.5
Equity attributable to owners of the Parent Company	**6,905.1**	**-2,662.9**	**4,242.2**
Non-controlling interests	27.2	-	27.2
Total equity	**6,932.3**	**-2,662.9**	**4,269.3**
Deferred tax liabilities	345.1	-5.0	340.1
Other non-current liabilities	1,980.0	-	1,980.0
Current liabilities	939.5	-	939.5
Total equity and liabilities	**10,196.8**	**-2,667.9**	**7,528.9**

The Board of Directors and the CEO hereby declare that the annual accounts were prepared in accordance with generally accepted accounting practices in Sweden and that the consolidated accounts were prepared in accordance with international financial reporting standards as referred to in the Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards. The annual accounts and consolidated accounts give a fair presentation of the Parent Company's and the Group's financial position and performance. The statutory administration report for the Parent Company and the Group provides a fair view of the Parent Company's and the Group's operations, financial position and performance and describes material risks and uncertainties to which the Parent Company and other companies in the Group are exposed.

Gothenburg, May 13, 2024

Rolf Classon
Chairman of the Board

Ulrika Dellby
Vice Chairwoman of the Board

Erik Gatenholm
Board Member

Gerry Mackay
Board Member

Bengt Sjöholm
Board Member

Helena Skåntorp
Board Member

Susan Tousi
Board Member

Christian Wildmoser
Board Member

Maria Forss
CEO and President

Our audit report was issued on May 13, 2024
Deloitte AB

Åsa Löfqvist
Authorized Public Accountant

Auditor's report

This auditor´s report replaces our auditor´s report which we provided on March 15, 2024.

To the general meeting of the shareholders of BICO Group AB corporate identity number 559050-5052

Report on the annual accounts and consolidated accounts

Opinions
We have audited the annual accounts and consolidated accounts of BICO Group AB for the financial year 2023-01-01 - 2023-12-31. The annual accounts and consolidated accounts of the company are included on pages 38-99 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions
We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other matter
This auditor´s report replaces an earlier provided auditor´s report due to adjusted reporting of goodwill and other intangible assets, refer to note 34 in the financial statements which describes the effects. Our opinions have not been modified in any part of the auditor´s report.

Key Audit Matters
Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Key Audit Matter
Revenue recognition
Revenue amounts to SEK 2 249.9 million for the financial year, and is generated from three segments, mainly within Europe, Asia and North America. For further information related to the company's revenue recognition, refer to note 4 and 5 on the pages 59-63 in the annual report which sets out accounting principles, segment reporting and revenue per geographical area and revenue type. We focus on this area due to high transaction volumes and variations in customer agreements regarding delivery terms and whether a sale is made directly to a customer or via a distributor, which may affect the point in time of revenue recognition.

Our audit procedures
Our audit procedures include, but are not limited to:

- Evaluate the company's policy for revenue recognition in accordance with IFRS 15 to assess whether these are appropriately designed to account for revenue in the correct period.
- Evaluate the design and implementation of relevant internal controls used for revenue recognition in the correct period.
- On a sample basis, test sales transactions to assess whether revenue has been recognized in the correct period.
- Determine that required and accurate disclosures are provided in relevant notes in the annual report related to timing of revenue recognition.

Valuation of goodwill and intangible assets with indefinite useful life
The total goodwill amounts to SEK 2 086.1 million as of December 31, 2023, and has been reduced by an impairment of goodwill of SEK 480.3 million in the cash generating units. The value of the recognized goodwill and other intangible assets with an indefinite useful life, is dependent on future return and profitability in the respective cash generating unit the goodwill and other intangible assets are allocated to and is tested for impairment at least on a yearly basis. For further information about accounting of goodwill and other intangible assets with an indefinite useful life, and significant judgements and estimates, refer to note 12 on the pages 72 in the annual report. We focus on these areas due to the material amount, significant judgements and estimates made by management in the determination of cash generating units and impairment tests of goodwill and other intangible assets with indefinite useful life for the respective cash generating units.

Our audit procedures
Our audit procedures include, but are not limited to:

- Evaluate the design of the company's routines, processes and valuation model for the impairment testing of goodwill and other intangible assets with indefinite useful life and the company's identification of cash generating units on which the impairment test is based upon.
- Assess and challenge management's significant assumptions in the impairment test, assess that the valuation model is consistently applied, test integrity in input data which the calculations are based upon, and test the arithmetic accuracy of the valuation model used.
- Determine that required and accurate disclosures are provided in relevant notes in the annual report.
- Involve valuation specilalists in the execution of certain audit procedures.

Other information than the annual accounts and consolidated accounts
This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-37 och 109-118. Other information also consists of the remuneration report which we obtained prior to the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director
The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or have no realistic alternative but to do so. The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility
Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibilities for the audit of the annual accounts and consolidated accounts is located at the Swedish Inspectorate of Auditors website: www.revisorsinspektionen.se/revisornsansvar. This description forms part of the auditor´s report".

Report on other legal and regulatory requirements

Opinions
In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of BICO Group AB for the financial year 2023-01-01 - 2023-12-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the loss to be dealt with in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions
We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director
The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility
Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibilities for the audit of the annual accounts and consolidated accounts is located at the Swedish Inspectorate of Auditors website: www.revisorsinspektionen.se/revisornsansvar. This description forms part of the auditor´s report".

The auditor's examination of the Esef report

Opinion
In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for BICO Group AB for the financial year 2023-01-01 - 2023-12-31.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion
We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of BICO Group AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of The Board of Directors and the Managing Director
The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.
RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.
The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHMTL format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Deloitte AB, was appointed auditor of BICO Group AB by the general meeting of the shareholders on the 2023-05-09 and has been the company's auditor since 2016-09-16.

Gothenburg May 13 2024
Deloitte AB

Åsa Löfqvist
Authorized Public Accountant

This is a translation of the Swedish language original. In the events of any differences between this translation and the Swedish original the latter shall prevail.

The auditor's opinion regarding the statutory sustainability report

This opinion replaces our opinion which we provided on March 15, 2024. To the general meeting of the shareholders in BICO Group AB (publ), corporate identity number 559050-5052.
Engagement and responsibility
The Board of Directors is responsible for the statutory sustainability report on pages 24–37, and that it is prepared in accordance with the Annual Accounts Act.

The scope of the audit
Our examination has been conducted in accordance with FAR:s auditing standard RevR 12 The auditor´s opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Other matter
This opinion replaces our earlier provided opinion. Our opinion has not been modified in any way.

Opinion
A statutory sustainability report has been prepared.

Gothenburg, May 13, 2024
Deloitte AB

Åsa Löfqvist
Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Corporate Governance Report

This Corporate Governance Report was prepared for BICO Group AB (publ), corporate identity number 559050-5052, for the financial year 2023, pursuant to Chapter 6, Sections 6–9 of the Swedish Annual Accounts Act.

Introduction and principles of corporate governance

BICO Group AB ("BICO") is a Swedish public limited liability company based in Gothenburg and its shares of series B are listed on Nasdaq Stockholm. BICO's corporate governance is based on the Swedish Companies Act, the Swedish Annual Accounts Act, the Nasdaq Stockholm Rule Book for Issuers, internal rules, and the Swedish Corporate Governance Code (the "Code"), which is available at www.corporategovernanceboard.se.

BICO applies any rules provided by laws or other statutes, as well as the Code. To the extent BICO deviates from the Code, the Company adheres to the "comply or explain" mechanism permitted under the Code for deviations from the rules. BICO complied with the Code in all respects in the financial year 2023.

Corporate governance structure

At general meetings, the shareholders make the appointments and adopt the guidelines that form the basis for BICO's corporate governance. The organization chart to the left summarizes BICO's corporate governance structure.

Governance instruments

External governance instruments that set the scope for BICO's corporate governance include the Swedish Companies Act, the Swedish Annual Accounts Act, the Nasdaq Stockholm Rule Book for Issuers, the Code, and other relevant laws. Foreign subsidiaries comply with the applicable laws and regulations in their respective country, but they also ensure compliance with the Group's guidelines for governance and control. The Board of Directors is ultimately responsible for the organization and management of the Company's affairs. Supervision is performed by authorities and bodies appointed by the authorities, both through the Company's reporting to them and through regular audits by the authorities. The internal governance instruments include the Articles of Association as adopted by the Annual General Meeting and the Rules of Procedure for the Board of Directors and the instructions to the CEO, the Board's committees and the financial reporting.

Annual General Meeting

The shareholders of BICO exercise their right to resolve on the Company's affairs at the Annual General Meeting or, where applicable, at an Extraordinary General Meeting. The general meeting is the highest decision-making body of BICO.

The Annual General Meeting shall be held within six months after the end of each financial year. The Annual General Meeting passes resolutions regarding the Articles of Association, appoints the Board of Directors and the Chairman of the Board, elects the auditor, adopts the income statement and balance sheet, resolves on the appropriation of profits and discharge from liability, and resolves on the principles for the appointment of the Nomination Committee and adopts guidelines for remuneration to senior executives, etc.

Each shareholder has the right to be present at the Annual General Meeting, in person or by proxy. Each shareholder has the right to raise issues to be addressed at the Annual General Meeting, and each shareholder is entitled to vote for all shares held by him or her. Notices of meetings and other information prior to general meetings are available at BICO's website. The fact that a meeting has been convened shall also be advertised in the Swedish National Gazette (Sw. Post- och Inrikes Tidningar) and the Swedish business daily newspaper, Dagens industri.

Shareholders who wish to have a matter addressed at the Annual General Meeting should make a written request to the Board of Directors. The request must normally be made to the Board of Directors well in advance of the Annual General Meeting, in accordance with the information provided on BICO's website in connection with the publication of the time and place of the Annual General Meeting.

Shareholders

BICO's shares of series B have been listed on Nasdaq Stockholm since April 20, 2020. According to the share register kept by Euroclear Sweden, there were 22,638 shareholders in BICO per December 31, 2023.

The share capital was SEK 1,764,372.375, divided into 70,574,895 shares, of which 1,500,000 were Series A shares, which confer 10 votes per share, and 69,074,895 were Series B shares, which confer 1 vote per share.

Per December 31, 2023, Erik Gatenholm held 13.63 percent of the total number of shares and 20.53 percent of the votes and Hector Martinez held 8.95 percent of the total number of shares and 13.59 percent of the votes. Sartorius Lab Holding held 10.09 percent of the total numbers of shares and 8.47 percent of the votes. No other shareholder held a direct or indirect stake representing 10 percent or more of the votes for all shares in BICO.

2023 Annual General Meeting

BICOs 2023 Annual General Meeting (in respect of the financial year 2022) was held on May 9, 2023. Approximately 63.80 percent of the votes were represented at the Annual General Meeting.

Resolutions passed at the Annual General Meeting included the following (in addition to matters ordinarily dealt with by the Annual General Meeting):

- The AGM resolved to amend the principles for the appointment of the Nomination Committee so that the Nomination Committee shall consist of four members appointed by the largest shareholders and that the Chairman of the Board shall not formally be part of the Nomination Committee. However, the Chairman of the Board should normally be co-opted to the meetings of the Nomination Committee. No other changes have been made regarding the principles.
- The AGM resolved, in accordance with the Board of Directors' proposal, to authorize the Board of Directors to, for the period until the end of the next Annual General Meeting, one or several occasions and with or without deviation from the shareholders' preferential rights, to resolve on new issue of shares of series B. The authorization may be utilized for new issues of shares of series B, which may be made with provisions regarding contribution in cash, in kind or through set-off corresponding to a dilution of not more than 10 per cent of the registered share capital in the Company at the time of the issue resolution.

2024 Annual General Meeting (AGM)

The Annual General Meeting 2024 will take place on May 20, 2024, at 1:00pm CEST at BICO's head quarter, Långfilsgatan 9, Gothenburg, Sweden. All information related to the AGM is available at www.bico.com, section Corporate Governance, tab for AGM 2024.

Nomination Committee

BICO's Annual General Meeting adopts principles for the appointment of members of the Nomination Committee and instructions to the Nomination Committee. The 2023 AGM resolved to amend the principles for the appointment of the Nomination Committee so that the Nomination Committee shall consist of four members appointed by the largest shareholders in terms of voting rights in the Company per end of September. The Chairman of the Board shall not formally be part of the Nomination Committee. However, the Chairman of the Board should normally be co-opted to the meetings of the Nomination Committee. No other changes have been made regarding the principles.

If the Chairman of the Board, directly or indirectly, is one of the four largest shareholders, the Chairman of the Board shall refrain from nominating a member to the Nomination Committee. The principles also include a procedure for the replacement of a member who resigns prematurely from the Nomination Committee or a member who no longer represents one of the four largest shareholders in terms of voting rights.

The names of the members of the Nomination Committee shall be presented no later than six months before the 2024 Annual General Meeting. The composition of the Nomination Committee from time to time will be published on BICO's website. A press release stating the composition of the Nomination Committee and setting out the procedure for shareholder proposals to the Nomination Committee was published on November 9, 2023. It was also made available on BICO's website. The following members of the Nomination Committee were appointed: Mats Engström (nominated by Erik Gatenholm), Jens M Artelt (nominated by Sartorius Lab Holding GmbH), Malin Björkmo (nominated by Handelsbanken Funds), Claes Dinkelspiel (nominated by Héctor Martínez) and Rolf Classon, Chairman of the Board of BICO (co-opted). The nominating shareholders represented approximately 51 percent of the votes in BICO.

The Nomination Committee shall submit proposals to the 2024 Annual General Meeting regarding the election of the Chairman of the Annual General Meeting, the number of Board members, the election of the Chairman of the Board and other members of the Board, Board fees and remuneration for committee work, election of auditors, fees to auditors and, where applicable, changes to the instructions to the Nomination Committee.

The Nomination Committee has considered diversity issues in its work and used Rule 4.1 of the Code as its diversity policy. BICO's Board of Directors comprises three women and five men. Consequently, the Nomination Committee notes that the proposed Board of Directors does not meet the Code's goal of an equal gender distribution. The proportion of women on the Board of Directors is 38 percent, and the Nomination Committee will keep striving to meet the Code's goal.

The Nomination Committee deems that the proposed Board of Directors, which consists of eight individuals, has a composition that is appropriate to the Company's operations, phase of development and other relevant circumstances. When the independence of the proposed Board members was considered, the Nomination Committee found that its proposal for the composition of the Board of Directors of BICO meets the Code's independence requirement.

Auditor

The auditors of BICO are elected at the Annual General Meeting. The 2023 Annual General Meeting adopted the Nomination Committee's proposal for the re-election of Deloitte AB with Åsa Löfqvist, Authorized Public Accountant, as auditor in charge.

Audit work

The auditor shall review the Company's annual report and accounts and the administration by the Board of Directors and the CEO. After the end of each financial year, the auditor shall submit an auditor's report and an auditor's report for the Group to the Annual General Meeting. According to BICO's Articles of Association, BICO shall have at least one auditor and no more than one deputy auditor.

The auditor in charge has reported her observations from the audit work to the Board of Directors and to the Audit Committee. In connection with the audit work described above, the annual report, the accounts and the administration by the Board of Directors and the CEO were reviewed. In addition to the audit assignment, which is paid according to customary charging standards, Deloitte AB also provided consultations and audit-related services for approximately SEK 0.9m the financial year 2023.

Board of Directors

According to the Articles of Association, the Board of Directors of BICO shall consist of no less than three and no more than 8 members, with no deputies. At the end of the financial year 2023, the Board of Directors of BICO comprised 8 members, elected by the general meeting.

The Board of Directors complies with written Rules of Procedure that are revised annually and adopted at the statutory Board meeting held every year. The Rules of Procedure include rules on Board practices, functions, and the division of work between the Board members and the CEO. In connection with the statutory Board meeting, the Board of Directors also adopts instructions to the CEO, including on financial reporting.

Evaluation of the work of the Board of Directors

The Board of Directors annually conducts a systematic evaluation during which the members are given the opportunity to present their views on the working methods, documentation and their own and the other members' efforts in connection with the work of the Board of Directors. The purpose is to improve the work of the Board of Directors and provide the Nomination Committee with relevant documentation for decisions prior to the Annual General Meeting.

Independence

According to the Code, the majority of the Board members elected by the shareholders' meeting should be independent of the Company and its executive management, and at least two of these Board members should also be independent in relation to the Company's major shareholders.

BICO's Board of Directors is considered to meet the Code's independence requirements, as 7 of the members elected by the general meeting are considered independent in relation to the Company, its executive management and its major shareholders. In 2023, all Board members elected by the general meeting were independent in relation to the Company, its Executive management, and its major shareholders, with the exception of Board member Erik Gatenholm, as he was CEO and President up until November 20, 2023, as well as he is also the largest shareholder of the Company.

The work and responsibilities of the Board of Directors

At the 2023 Annual General Meeting, 8 ordinary Board members with expertise in medical technology and the fields of finance and strategy were elected. The Company's General Counsel, Lotta Bus, was the secretary of the Board during the year. In 2023, 17 Board meetings were held (25 meetings during the financial year 2022), all of which were minuted. The CEO and the CFO presented matters at the Board meetings. On a couple of occasions, other members of the Executive Management also presented matters.

The Board of Directors oversees the work of the CEO and is responsible for ensuring that the organization, management, and guidelines for the Company's funds are appropriately structured. The Board of Directors is also responsible for ensuring that the Company is organized in such a way that there is appropriate internal control and appropriate systems for follow-up of the Company's operations and risks, and for compliance with laws, regulations and internal guidelines. The Board of Directors is further responsible for the development and follow-up of the Company's strategies through plans and goals, decisions on corporate acquisitions and divestments, major investments, appointments and remuneration to the Executive management along with ongoing follow-up during the year. The Board of Directors adopts the budget and year-end accounts.

	Elected	Attendance at Board meetings	Remuneration Committee	Audit Committee	Total remuneration
Rolf Classon[1]	2022	16/17	1/1	21/21	650
Ulrika Dellby[2]	2022	17/17	5/5	23/25	510
Carsten Browall[3]	2018	7/7	1/1	4/4	0
Erik Gatenholm	2016	17/17	-	-	0
Gerry Mackay[4]	2023	8/10	-	-	250
Bengt Sjöholm[5]	2016	17/17	4/5	-	285
Helena Skåntorp	2019	17/17	-	25/25	350
Susan Tousi	2021	17/17	-	-	250
Christian Wildmoser	2019	17/17	6/6	-	285

[1] Rolf Classon was elected Chairman of the Board at the Annual General Meeting held on May 9, 2023 and member of the Audit committee.
[2] Ulrika Dellby was elected vice chair woman at the Annual General Meeting held on May 9, 2023, Chairwoman of the Remuneration committee and member of the Audit committee.
[3] Carsten Browall declined re-election to the Board of Directors at the Annual General Meeting held on May 9, 2023.
[4] Gerry Mackay was elected Board member at the Annual General Meeting held on May 9, 2023.
[5] Bengt Sjöholm was elected member of the Remuneration committee at the Annual General Meeting held on May 9, 2023.

The work of the Board of Directors in 2023
During 2023 the Board of Directors addressed fixed agenda items as per its annual plan, such as strategy for the Group and its three business areas, long-term goals, financial targets, risks and risk management, corporate governance documents, sustainability issues, year-end accounts, and interim reports.

Over the year, the Board of Directors also regularly discussed the business situation, operational excellence, financial targets, financing, cost savings, partnerships, ethics, and compliance.

The Board of Directors gained regular insight into the operations through presentations from the executive management and CEOs of subsidiaries. In addition to scheduled Board meetings, the Board of Directors is provided with monthly updates from the CEO.

Rules of Procedure of the Board of Directors
Prior to each Board meeting, the draft agenda and supporting documents on the matters to be addressed at the meeting are distributed. The draft agenda is prepared by the CEO in consultation with the Chairman of the Board. Matters presented to the Board of Directors are presented for information, discussion, or decision purposes. Resolutions are not passed until the matters have been discussed and each Board member present has been given the opportunity to make a statement. The broad experience of the Board of Directors in various areas ensures a constructive and open discussion. During the year, no Board member made a reservation against a resolution. Open matters are followed up on an ongoing basis.

Committees of the Board of Directors
The Board has the full knowledge of, and is responsible for, all matters on its agenda. Over the year, work was carried out by two committees appointed by the Board of Directors: The Audit Committee and the Remuneration Committee.

Audit Committee
The Board of Directors has appointed an Audit Committee consisting of Helena Skåntorp (chairwoman), Ulrika Dellby and Rolf Classon. The tasks of the Audit Committee are set out in its rules of procedure, which are adopted annually. Without prejudice to the general responsibilities and tasks of the Board of Directors, the Audit Committee shall monitor BICO's financial reporting, monitor the effectiveness of BICO's internal control and risk management, stay informed of the audit of the annual accounts and consolidated accounts, monitor the handling of related party transactions, review and monitor the auditor's impartiality and independence, with particular attention to whether the auditor provides the Company with services other than audit services, and assist in preparations to procure audit services. The auditor, who is elected by the general meeting, attends at least all the Committee's meetings covering external financial reporting. The chairwoman has also updated the party in addition to the Committee's meetings. The Committee also reviews its own work and that of the external auditors annually. The reviews are based on questionnaires, which are then discussed by the Committee as part of a continuous improvement process. The Commitee meet at least annually with the auditors without the Executive management present.

Remuneration Committee
The Board of Directors has appointed a Remuneration Committee consisting of Ulrika Dellby (chairwoman), Christian Wildmoser and Bengt Sjöholm. The tasks of the Remuneration Committee are set out in its rules of procedure, which are adopted annually. The Remuneration Committee shall prepare proposals regarding remuneration principles, remuneration to and other terms of employment for the Company's senior executives. The Remuneration Committee shall also review and evaluate the Company's program for variable remuneration to senior executives, compliance with the guidelines for remuneration to senior executives adopted by the Annual General Meeting, and the Company's current remuneration levels and structures.

The Chief Executive Officer (CEO)
In accordance with the rules of the Swedish Companies Act and other legislation, the CEO is responsible for the day-to-day management in accordance with the Board of Director's guidelines and instructions and should take care of any necessary measures to ensure that the Company's accounts are handled in a satisfactory manner. The CEO shall further ensure that the Board of Directors is provided regularly with the information required by the Board of Directors to adequately monitor the Company and the Group's financial situation, position and development and otherwise meet its reporting obligation regarding financial conditions.

The CEO is also responsible for preparing reports, compiling information from the Executive management prior to Board meetings and presenting the information at the Board meetings.

The CEO shall keep the Board of Directors continuously informed of the development of the Company's operations and sales, the Company's performance and financial position, liquidity and credit situation, important business events and any other event, circumstance or situation that is likely to be of material importance to the Company's shareholders.

Guidelines for remuneration to senior executives
At the Annual General Meeting on April 26, 2021, it was resolved to adopt guidelines for remuneration to senior executives. The term senior executives refer to the CEO, the CFO and certain other people in the Executive management. The guidelines, which must be updated at least every four years, essentially entail the following:

Remuneration shall be market-based and may consist of a fixed salary, variable cash remuneration, pension benefits and other benefits. The general meeting may also decide on share-based remuneration and remuneration linked to the share price. The fixed salary shall be based on the individual's areas of responsibility and experience and shall be reviewed annually. The remuneration guidelines are available in their entirety on the Company's website.

The meeting of the criteria for payment of variable cash remuneration shall be measurable over a period of one or several years. The variable cash remuneration must not exceed 100 percent of the fixed cash salary during the measurement period. Additional variable remuneration may be payable under extraordinary circumstances.

The CEO's pension benefits shall be according to a defined contribution plan. Pension benefits for other senior executives shall be according to defined contribution plans unless the executive is covered by a defined benefit plan under the compulsory provisions of a collective bargaining agreement. Pension premiums for defined contribution plans must not exceed 31 percent of the fixed annual salary.

Other benefits may include life insurance, health insurance and car insurance. Such premiums must not exceed 5 percent of the fixed annual cash salary.

If the Company terminates the employment, the notice period must not exceed 12 months. Fixed salary and severance pay during the notice period must not exceed an amount corresponding to the fixed salary for 12 months. If the employment is terminated by the senior executive, the notice period may not exceed six months and shall not confer a right to severance pay.

As mentioned previously, a Remuneration Committee has been established by the Board of Directors. The Committee's duties include preparing the Board of Directors' decisions on proposals for guidelines for remuneration to senior executives. The Board of Directors shall prepare proposals for new guidelines at least every four years and present the proposals for adoption by the Annual General Meeting. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration to the Executive management, the application of the guidelines for remuneration to senior executives and prevailing remuneration structures and remuneration levels in the Company.

The Board of Directors may temporarily resolve to deviate from the guidelines, wholly or in part, if there are special reasons to do so in the individual case and it is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. For information on the year's remuneration to senior executives, see Note 6.

Further information is available on bico.com

- Articles of Association
- Information from previous Annual General Meetings (notices, documentation, minutes, etc.)
- Information about the Nomination Committee

Internal control systems

Pursuant to the Swedish Companies Act and the Code, the Board of Directors is responsible for internal control in the Company. According to the Swedish Annual Accounts Act, the Corporate Governance Report shall also include information on the most important elements of the Company's system for internal control and risk management in connection with the financial reporting. In addition, the Board of Directors is responsible for ensuring that there are suitable systems for monitoring and controlling the Company's operations and the risks associated with the Company and its operations.

The overall purpose of internal control is to ensure with reasonable certainty that the Company's operational strategies and goals are followed up and that the shareholders' investments are protected. The internal control shall also ensure that it is reasonably certain that the external financial reporting is reliable and prepared in accordance with generally accepted accounting principles and complies with applicable laws and regulations, and requirements on publicly listed companies.

BICO's internal control structure is mainly based on the following five components:

- Control environment
- Risk assessment
- Control activities
- Follow-up
- Information and communication

Control environment
The Board of Directors has the overall responsibility for internal control with regards to financial reporting. To create and maintain a functioning control environment, the Board of Directors has adopted several policies and governance documents that govern the financial reporting. These consist mainly of the Rules of Procedure for the Board, the Instructions to the CEO, the Rules of Procedure for the Audit Committee, and the Instructions for Financial Reporting. The Instructions for Financial Reporting include principles, guidelines and process descriptions for accounting and financial reporting aimed at ensuring good internal control.

The CEO is responsible for ensuring an effective control environment and for the continuous work on internal control and risk management. The CEO reports to the Board of Directors based on established procedures. The CEO is also responsible for internal activity-specific control in the day-to-day operations.

Risk assessment
The risk assessment includes identifying risks that may arise if the fundamental requirements on financial reporting in the Company are not met. BICO's Executive management has prepared a special risk register, in which they have identified and evaluated the risks arising in the Company's operations and evaluated how to manage these risks. Every year, BICO's Executive management shall carry out an overall risk assessment of strategic, operational, and financial risks and present these to the Audit Committee and Board of Directors. The CEO is responsible for the presentation, and the Executive management's risk assessment shall be reviewed annually by the CFO before being presented to the Audit Committee and Board of Directors. The Board of Director's Audit Committee is primarily responsible for continuously evaluating the Company's risk situation, after which the Board also conducts an annual review and assesses the risk situation.

Control activities
Control activities limit the identified risks and ensure an accurate and reliable financial reporting. The Board of Directors is responsible for internal control and follow-up of the Executive management. The annual risk review was presented to the Board of Directors in August 2023 and was based on the

annual risk review work being carried out by the Executive management in June 2023. In addition, the risks are also being reviewed as part of the work with the Annual report. This is done through internal and external control activities and by reviewing and following up on the Company's risk-related policy documents. The effectiveness of the control activities are evaluated annually, and the results of these evaluations are reported to the Board of Directors and the Audit Committee. According to agreements with important suppliers, the Company is guaranteed the right to review each supplier's delivery of services, including any quality aspects thereof.

Ongoing work and measures for 2024
In 2023, BICO focused on the group's internal control in the form of added resources to the internal control function, renewed risk assessments, relevant key controls testing and process reviews in the portfolio companies. BICO has updated finance manuals and control matrixes and communicated these to subsidiaries to ensure good internal control. BICO will continue these efforts in 2024.

Follow-up
Compliance with, and the effectiveness, of the internal control system is monitored continuously. The CEO shall ensure that the Board of Directors receives regular reports on the performance of BICO's operations, including the Company's financial performance and position and information on important events. The CEO also reports on these issues at each regular Board meeting. The Company's compliance with policies and governance documents is subject to annual evaluations. The results of these evaluations will be compiled by BICO's General Counsel and reported to the Board of Directors and the Audit Committee annually.

Information and communication
The Company has information and communication channels aimed at promoting the accuracy of the financial reporting and allowing reporting and feedback from the operations to the Board of Directors and Executive management, for example by preparing and communicating governance documents in the form of internal policies, guidelines, and instructions on financial reporting available and known to the employees concerned. The Board has also adopted an information policy that governs the Company's disclosure of information.

Auditor's examination of the Corporate Governance Statement

This examination report replaces our examination report which we provided on March 15, 2024.

To the general meeting of the shareholders in BICO Group AB (publ) corporate identity number 559050-5052

Engagement and responsibility
The Board of Directors is responsible for that the corporate governance statement on pages 103-108 has been prepared in accordance with the Annual Accounts Act.

The scope of the audit
Our examination of the corporate governance statement is conducted in accordance with FAR´s auditing standard RevU 16 The auditor´s examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Other matter
This examination report replaces our earlier provided examination report. Our opinions have not been modified in any way.

Opinions
A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Gothenburg, May 13, 2024
Deloitte AB

Åsa Löfqvist
Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Board of Directors

Rolf Classon

Born in 1945. Chairman since 2023. Member of the Audit Committee.

Education and work experience
Chemical Engineer and Pol.Mag., from Gothenburg University. 40+ years experience in Pharmaceuticals, Med.Tech., Diagnostics, Life Science Tools and Healthcare including roles such as CEO and Chairman.

Other board assignments
Masimo (NUSE, MASI), Frost Pharma, Metenova AB, and Destination Pet Inc.

Shareholding in BICO
B-shares: 31,000

Independent in relation to the Company, its management and its major shareholders.

Ulrika Dellby

Born in 1966. Vice chairwoman since 2023. Chairwoman of the Remuneration Committee and member of the Audit Committee.

Education and work experience
MBA from Stockholm School of Economics. Extensive experience of strategy, business development and M&A. Former partner of BCG and partner in Private Equity and has more than 15 years of experience as a board member of listed and private companies.

Other board assignments
Chairwoman Fasadgruppen Group AB (publ). Board member of Elanders AB, Kungliga Dramatiska Teatern AB, Lifco AB (publ), Linc AB, Werksta and IVA's business council.

Shareholding in BICO
B-shares: 9,600

Independent in relation to the Company, its management and its major shareholders.

Erik Gatenholm

Born in 1989. Board member since 2016.

Education and work experience
B.Sc. Business Management at Virginia Tech University and a M.Sc. in Innovation & Industrial Management from Gothenburg University. Documented success in biotechnology entrepreneurship with more than 15 years of entrepreneurial experience. Honors include: Forbes 30 Under 30, MIT Review 35 Under 35, Prince Daniel's Fellowship Alumni, Innovator of the Year 2016, The Medicine Maker Power List 100 2018, Entrepreneur of the year 2019, SvD Business Builder of the Year 2020, and Entrepreneur of the year 2020. Co-founder of BICO and CEO and President of BICO, 2016-2023.

Other board assignments
Crownegate AB

Shareholding in BICO
A-shares: 848,958. B-shares: 8,767,036
Holding: 13.63%. Votes: 20.53%

Dependent in relation to the Company, its management and its major shareholders.

Gerry Mackay

Born in 1962. Board member since 2023.

Education and work experience
CEO of Refeyn. Bachelor of Science Honors degree in biochemistry and a Master's degree in education from the University of Glasgow. Extensive experience in life science as CEO of BioOutsource, 2009 to 2016 and senior roles in sales and marketing in the American life science company Millipore as well as Member of Sartorius AG's Executive Board and Head of Marketing, Sales and Services within Lab Products and Services.

Other board assignments
None

Shareholding in BICO
None

Independent in relation to the Company, its management and its major shareholders.

Bengt Sjöholm

Born in 1953. Board member since 2016. Member of the Remuneration Committee.

Education and work experience
M.Sc. in electrical engineering from Lund University of Technology. He has been the CEO of several Swedish companies, including Tylö, and the CEO of a business areas within the Getinge group.

Other board assignments
Chairman and CEO of BSJ i Halmstad AB and board member of Avidicare Holding AB, Köpingbaden Camping och Utveckling AB, HBK Elitfotboll AB and Chairman of Integrum AB.

Shareholding in BICO
B-shares: 343,283
Holding: 0.49% Votes: 0.41%
Options: 20,000

Independent in relation to the Company, its management and its major shareholders.

Helena Skåntorp

Born in 1960. Board member since 2019. Chairwoman of the Audit Committee.

Education and work experience
Extensive experience from leading positions as Certified Public Accountant at PwC, CEO and CFO, including at Jarowskij AB and Arla, and Doctoral student at Stockholm School of Economics. Board member of listed companies for more than 15 years.

Other board assignments
Chairwoman of Plint Holding AB, Ljung & Sjöberg Intressenter AB, Skåntorp & Co AB, and Nielstorp AB. Board member of ByggPartnerGruppen AB (publ) and MEKO AB (publ) In addition on the board in subsidiaries to above mentioned companies.

Shareholding in BICO
B-shares: 4,000
Options: 40,000

Independent in relation to the Company, its management and its major shareholders.

Susan Tousi

Born in 1969. Board member since 2021.

Education and work experience
Extensive R&D and business leadership experience across the life sciences and technology industries. Adept at shaping and leading global commercial, sales and operational strategies, she most recently held a decade-long tenure at Illumina, Inc. where she served as CCO for three years until joining DELFI Diagnostics as CEO. At Illumina, she led the product development organization as Chief Product Officer, and drove the acquisitions of three companies to scale up Illumina's software solutions. She also brings experience from leadership roles at Eastman Kodak's Consumer Inkjet Systems as Corporate VP and General Manager, Phogenix Imaging LLC and Hewlett-Packard. Susan is a 2022 Forbes '50 over 50 Entrepreneurs' honoree and was named one of the 50 Top Diverse Leaders for 2020 by the California Diversity Council. She is a member of the National Academy of Engineers and the International Women's Forum. She holds an MBA degree from UCLA and an Honors BS in Engineering Science and Mechanics from Pennsylvania State University.

Other board assignments
Board member at DELFI Diagnostics.

Shareholding in BICO
Options: 45,000

Independent in relation to the Company, its management and its major shareholders.

Christian Wildmoser

Born in 1955. Board member since 2019. Member of the Remuneration Committee.

Education and work experience
Doctor of Economics and has worked in banking for 25 years. Partner of CVC Capital Partners for 16 years with responsibility for the operations in German-speaking Europe. Currently an investor in growth companies.

Other board assignments
Chairman of Waterdrop Microdrinks GmbH, board member of 1Drop SA and Aurora Holding AG. Also board member of non-profit organizations Ernst von Siemens Musikstiftung and the African Parks Foundation Switzerland.

Shareholding in BICO
B-shares: 318,492
Holding: 0.45% Votes: 0.38%
Options: 40,000

Independent in relation to the Company, its management and its major shareholders.

Executive Management***

Maria Forss

CEO and President
Born in 1972. CEO and President since 2023.

Education and work experience
M.Sc. in Business Administration from Gothenburg School of Economics & Concordia University, Montreal, Canada. Executive Management Program at Stanford University. Certification and advanced courses in board work. 25+ years international experience from leading positions within executive management, business development, strategic marketing and sales in the entire value chain in the life science industry for global companies e.g., Vitrolife and AstraZeneca.

Other board assignments
Chairwoman of BICO International AB. Board member in Mabtech AB.

Shareholding in BICO
B-shares: 40,051
Options: 200,000

Jacob Thordenberg

Chief Financial Officer (CFO)
Born in 1985. CFO since 2023.

Education and work experience
M.Sc Corporate and financial management from Lund University. 10+ years of financial experience, including Head of M&A at BICO, M&A Director at Telia Company, and Deloitte Transaction Services.

Other board assignments
Board member in BICO International AB and CELLINK Bioprinting AB.

Shareholding in BICO
B-shares: 27,809
Options: 54,000

Dr. Héctor Martínez**

CTO, EVP & Co-Founder
Born in 1985. CTO since 2016.

Education and work experience
M.Sc. and PhD in Biomedical Engineering from Chalmers University of Technology. Héctor has 10+ years of experience in developing and commercializing cutting-edge converging technologies that allow BICO's customers to create, understand and master biology.

Other board assignments
None

Shareholding in BICO
A-shares: 567,709
B-shares: 5,751,284
Holding: 8.95%, Votes: 13.59%

Marius Balger

Chief Operating Officer (COO)
Born in 1968. COO since 2023.

Education and work experience
M.Sc. General Mechanical Engineering (Diplom-Ingenieur) Technical University Darmstadt – Hesse, Germany. 30+ years of general business management experience and 20+ Years in Life Science and IVD. Including cross-functional responsibilities ranging from operations, through building and leading sales and distribution networks, product development, lean manufacturing to after-sale service. Previous key leadership functions: General Manager and VP Asia Pacific at MAN AG, CEO of a midsize CDMO and SVP Partnering Business at Tecan AG.

Other board assignments
Chairman of CELLINK Bioprinting AB.

Shareholding in BICO
Options: 45,000

Lotta Bus

SVP & General Counsel & HR*
Born in 1970. General Counsel since 2020.

Education and work experience
LL.M. from Lund University & Maastricht University. 20+ years of experience as an attorney in the law firms Vinge, MAQS and Magnusson, including 14 years as a partner and five years as CEO.

Other board assignments
Board member in Sincrly AB, BICO International AB and CELLINK Bioprinting AB.

Shareholding in BICO
B-shares: 7,000
Options: 68,750

* BICO announced on January 25, 2024, that Catharina Nordlund has been appointed Chief Human Resources Officer and she took up her position in April 2024.
** BICO announced on March 15, 2024, that Hector Martinez is leaving his role as CTO and BICO's Executive Management.
*** BICO announced on April 18, 2024, that Anders Fogelberg has been appointed Chief Commercial Officer and he will assume his position in June 2024.

Multi-year Summary

SEK m	2023 *12 months*	2022 *12 months*	2021 *12 months*	2019/2020 *16 months*	2018/2019 *12 months*
INCOME					
Net sales	2,249.9	2,120.8	1,087.7	416.0	105.5
Other operating income	223.5	109.3	72.1	28.1	18.4
Changes in inventories	-3.4	3.0	12.3	3.5	7.8
Capitalized work on own account	102.7	164.8	87.9	60.7	15.9
Gross profit/loss	**1,576.7**	**1,586.8**	**812.6**	**298.6**	**75.4**
Operating profit/loss (EBIT)	**-664.8**	**-2,848.6**	**-197.4**	**-51.8**	**-3.8**
Profit/loss from financial items	-231.4	239,9	26.8	-2.3	3.8
Profit before tax	**-896.2**	**-2,608.7**	**-170.5**	**-54.1**	**0.1**
Taxes	8.6	-48.4	-25.7	5.2	0.5
Net profit/loss for the period from continuing operations	**-887.6**	**-2,657.1**	**-196.2**	**-48.9**	**0.6**
Net income from discontinued operation	**-286.2**	**-747.6**	**-33.0**	**-**	**-**
Profit/loss for the period	**-1,173.8**	**-3,404.7**	**-229.9**	**-48.9**	**0.6**
Other comprehensive income	19.6	297.6	82.6	-57.8	5.1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-1,154.3**	**-3,107.1**	**-146.6**	**-106.7**	**5.7**
Condensed cash flow statement					
Cash flows from operating activities	178.4	-269.4	-409.2	-79.3	-15.8
Cash flows from investing activities	-129.7	212.9	-4,453.8	-828.0	-110.2
Cash flows from financing activities	-102.0	455.3	4,900.1	1,308.8	140.3
Cash flows for the period	-53.3	398.8	37.1	401.5	14.3
Cash and cash equivalents at the beginning of the period	925.2	481.2	434.9	39.8	23.0
Exchange difference in cash and cash equivalents	-10.9	45.2	9.2	-6.5	2.5
Cash and cash equivalents at the end of the period	861.0	925.2	481.2	434.9	39.8

SEK m	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Aug 31, 2019
BALANCE SHEET					
Non-current assets	4,018.8	5,091.9	7,100.6	1,446.7	404.4
Current assets	2,040.9	2,437.1	2,654.0	1,067.2	198.8
Total assets	**6,059.8**	**7,528.9**	**9,754.6**	**2,513.9**	**603.1**
Equity	3,100.3	4,269.3	6,802.7	2,208.5	549.6
Non-current liabilities	2,112.5	2,320.0	2,221.4	151.1	17.0
Current liabilities	847.0	939.5	730.5	154.3	36.5
Total equity and assets	**6,059.8**	**7,528.9**	**9,754.6**	**2,513.9**	**603.1**

Key Data and Ratios*

Key data and ratios	2023 *12 months*	2022 *12 months*	2021 *12 months*	2019/2020 *16 months*	2018/2019 *12 months*
Gross margin, %	70.2%	74.8%	74.7%	71.8%	71.5%
Operating margin before amortization and depreciation (EBITDA), %	16.0%	0.7%	-3.0%	0.2%	3.2%
Operating margin (EBIT), %	-29.5%	-134.3%	-18.1%	-12.5%	-3.6%
Average number of employees	884	1,061	801	215	95
Net debt (-)/net cash (+) position	-561.3	-467.7	119.7	755.7	108.5
Equity ratio	51%	57%	70%	88%	91%
Share data					
Average number of shares outstanding	73,077,796	66,876,838	61,352,967	44,888,273	34,907,324
Number of shares outstanding on the closing date	70,574,895	70,494,895	62,130,269	51,601,285	38,984,776
Basic earnings per share, SEK, continuing operations	-12.56	-41.25	-3.40	-1.10	0.02
Diluted earnings per share, SEK, continuing operations	-12.56	-41.25	-3.40	-1.10	0.02
Share price on the closing date, SEK	57.0	105.8	277.8	234.5	66.25
Market capitalization on the reporting date, SEK billion	4.0	7.5	17.3	12.1	2.6

* For definitions of alternative key ratios, see page 112.

Alternative Key Ratios

In this Annual report, alternative key ratios are stated, which supplement the measures defined or specified in the applicable rules for financial reporting. Some of these measures are defined in IFRS, while others are alternative measures and are not recognized in accordance with applicable financial reporting frameworks or other legislation.

The alternative key ratios are derived from the company's consolidated financial statements. The measures are used by BICO to provide clearer or more in-depth information in their context than the measures defined in the applicable rules for financial reporting, and thus to help investors and management alike to analyze its operations. Here are descriptions of the measures in this Annual report, together with definitions and the reason why they are used.

Alternative Key Ratios	Definition	Purpose
Equity ratio	Equity divided by total assets.	BICO considers that the equity ratio is a useful measure for the Company's survival.
Gross profit	Net sales less raw materials and supplies reduced by inventory change. Personnel costs and depreciation of fixed assets in production are not included in the gross profit, but are reported on separate lines in the income statement	Shows efficiency in BICO's operations and together with EBITDA gives an overall picture of the ongoing profit generation and expenses.
Gross margin	Gross profit as a percentage of net sales.	The ratio is used for analysis of the Company's effectiveness and profitability.
Net debt (-)/net cash (+) excl. leasing	Short-term investments and cash and cash equivalents, reduced by interest-bearing long-term and short-term liabilities excluding leasing liabilities. Contingent considerations are not included in the net debt measure. A positive number indicates net cash.	BICO believes that net debt/net cash is a useful measure of the company's survival and the ability to execute on an established business plan.
Operating profit before depreciation, amortization and impairment (EBITDA)	Earnings before interest, tax, depreciation, amortization and impairment.	This alternative key ratio is a useful measure for demonstrating the result generated in day-to-day operations. As operating profit is burdened by amortization of surplus values linked to the acquisitions made by BICO, the Group's management considers that operating profit before depreciation and amortization (EBITDA) is a fair measure of the Group's earning capacity.
Operating margin (EBITDA), %	EBITDA in percentage of net sales.	BICO considers operating margin (EBITDA, %) to be a useful measure for showing the performance generated in operating activities.
Adjusted EBITDA	EBITDA adjusted for income and costs affecting comparability.	The same definition as EBITDA, but with the addition of adjustment for income and costs affecting comparability, which improves the possibility of comparisons over time by excluding items with irregularity in frequency or size.
Adjusted EBITDA, %	Adjusted EBITDA as percentage of net sales.	BICO considers that adjusted EBITDA, % to be a useful measure for showing results generated in the operating activities.
EBITDA less own work capitalized	Earnings before interest, tax, depreciation, amortization and impairment reduced by own work capitalized	The same definition as EBITDA, but reduced by own work capitalized. This metric eliminates the effect of accounting treatment of R&D expenses in EBITDA which brings this measure closer to the actual cashflow.
EBITDA less own work capitalized %	EBITDA less own work capitalized as percentage of net sales.	BICO considers that EBITDA less own work capitalized, % to be a useful measure for showing results and cashflow generated in the operating activities.
Operating profit (EBIT)	Earnings before interest and similar items and tax.	BICO considers operating profit (EBIT) to be a useful measure for demonstrating the result generated in operating activities.
Operating margin (EBIT), %	EBIT in percentage of net sales.	BICO considers that operating margin (EBIT, %) is a useful measure for showing the result generated in operating activities.
Organic sales growth	Growth generated from operations in companies that existed in the Group during the corresponding comparison period.	Shows the growth in the existing business adjusted for acquisitions and divestments in the last 12 months.
Organic sales growth, excluding currency effects	Growth generated from operations in companies that existed in the Group during the corresponding comparison period excluding currency effects.	Shows the growth in the existing business adjusted for acquisitions and divestments in the last 12 months excluding currency effects.

Reconciliation of Alternative Key Ratios

Equity ratio, %	Dec 31, 2023	Dec 31, 2022
Equity	3,100.3	4,269.3
Total assets	6,059.8	7,528.9
Equity ratio, %	**51%**	**57%**
Net debt (-)/net cash (+) position excl. leases, SEK m		
Short-term investments	-	-
Cash and cash equivalents	861.0	925.2
Non-current interest-bearing liabilities excl. lease liability	-1,415.8	-1,384.9
Current interest-bearing liabilities excl. lease liability	-6.5	-8.0
Net debt (-)/net cash (+) position	**-561.3**	**-467.7**

Gross profit/loss, SEK m	2023	2022
Net sales	2,249.9	2,120.8
Raw materials and consumables less changes in inventories	-673.2	-534.0
Gross profit/loss	**1,576.7**	**1,586.8**
Gross margin, %		
Gross profit/loss	1,576.7	1,586.8
Net sales	2,249.9	2,120.8
Gross margin, %	**70.1%**	**74.8%**
Earnings before interest, taxes, depreciation and amortization (EBITDA)		
Operating profit/loss	-1,449.9	-274.8
Amortization, depreciation and impairment	1,810.3	289.8
Earnings before interest, taxes, depreciation and amortization (EBITDA)	**360.4**	**15.0**
Earnings before interest, taxes, depreciation and amortization (EBITDA), %		
EBITDA	360.4	15.0
Net sales	2,249.9	2,120.8
EBITDA margin, %	**16.0%**	**0.7%**

Adjusted EBITDA, SEK m	2023	2022
EBITDA	360.4	15.0
Costs/income related to option programs	-9.3	35.2
Acquisition-related costs and bonuses	5.8	24.3
Restructuring costs related to personnel changes	27.0	24.3
One-off provision for bad debt	-	43.9
Revaluation of contingent considerations	-169.9	-25.2
Extraordinary governmental support	-12.4	-
ERP, Phase one implementation costs	-	7.7
Legal costs	-	1.0
Extraordinary inventory write-offs	26.9	-
Realization result from sale-and-lease-back in Berlin	-10.7	-
Adjusted EBITDA	**217.7**	**126.2**
Adjusted EBITDA, %		
Adjusted EBITDA	217.7	126.2
Net sales	2,249.9	2,120.8
Adjusted EBITDA, %	**9.7%**	**6.0%**
EBITDA less own work capitalized		
EBITDA	360.4	15.0
Own work capitalized	102.7	164.8
EBITDA less own work capitalized	257.7	-149.8
Net sales	2,249.9	2,120.8
EBITDA less own work capitalized, %	**11.5%**	**-7.1%**
Operating margin (EBIT), %		
Operating profit/loss	-664.8	-2,848.6
Net sales	2,249.9	2,120.8
EBIT margin, %	**-29.5%**	**-134.3%**
Organic sales growth, %		
Net sales	2,249.9	2,120.8
Net sales generated from companies acquired in the last 12 months	-6.8	-717.6
Organic net sales	**2,243.1**	**1,403.5**
Net sales, comparative period	2,120.8	1,086.9
Organic sales growth, %	**5.8%**	**29%**
Currency effects	-115.5	-165.9
Organic sales growth, excluding currency effects	**0.3%**	**13.9%**

Glossary

3D Cell Culturing
The culturing of cells in an artificially created three-dimensional environment that allows cells to interact, proliferate or mature in environments that are physiologically reminiscent of *in vivo* conditions.

Bioautomation
From early research to high-throughput manufacturing, our Bioautomation business area serves customers across many disciplines, including medicine, pharmaceuticals, cosmetics and food. BICO's customers benefit from our unique product portfolio, total solution services and 20 years of expertise in next-generation multiplex analysis. This business area was previously called Industrial Solutions.

Bioconvergence
A revolution bringing together technology and biology to inspire and create advanced, efficient and cost-effective solutions for the healthcare challenges of today and in the future.

Bioprinting
Based on the principles of 3D printing, a combination of cells, growth factors and other biocompatible components, also knowns as bioinks, are assembled for 3D cell culturing, creating structures and engineering tissues for organ and disease models used in research in life sciences and regenerative medicine.

Biosciences
The Biosciences business area offers a range of bioprocessing technologies and devices that automate tasks in the lab that were previously very labor-intensive, such as liquid handling, single-cell dispensing, multiomics and next-generation sequencing.

Cell Line Development
Method for generating a clonal cell line from a single progenitor cell to minimize population heterogeneity. A single cell proliferates to form colonies that can be used to develop biological or recombinant products.

Diagnostics
Diagnostics entails identifying and monitoring biomarkers and metabolic parameters to determine health conditions.

Multiomics
Multiomics is the area of biological analysis approach molecular and genetic biology to integrate diverse omics data such as genomic, transcriptomics, proteomics, epigenomics and metabolomics to find novel associations between genotype and phenotype. It has transformed the field of medicine and biology, filling the gaps in understanding human health and disease.

Tissue Engineering
A practice where researchers combine advanced engineering and materials science to recapitulate human and animal biology. It refers to combining cells and biologically active molecules into functional tissues. The main objective with tissue engineering is to assemble functional models and structures that restore, maintain or improve damaged tissues or entire organs.

Workflows
A planned sequential execution of established processes and protocols in the laboratory to transform or analyze biomaterials in life sciences. BICO's products and technologies are designed to streamline and optimize these workflows that researchers can work smarter.

JOIN THE BIO-CONVERGENCE REVOLUTION

Financial Calendar and Contact Details

Financial Calendar
May 20, 2024 | **Annual General Meeting**
August 20, 2024 | **Q2 report 2024**
November 13, 2024 | **Q3 report 2024**
February 19, 2025 | **Year-end report 2024**

For further information, contact:
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Jacob Thordenberg, CFO, BICO, jt@bico.com

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