

ANNUAL REPORT

2023





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Customer case #1

Re-designing AAV
Manufacturing



Customer case #2

Doping control workflow
solutions for Paris 2024
Olympics

The background of the page is a dark blue-tinted photograph of a laboratory. A pipette is shown in the foreground, dispensing a drop of liquid into one of several test tubes arranged in a rack. The scene is softly lit, creating a professional and scientific atmosphere.

This is Biotage



This is Biotage

Biotage is the Global Go-To Separations Company, built on intelligent workflow solutions to customers spanning drug discovery and development through to diagnostics, analytical testing and environmental testing.

Our expertise and top-tier separation and sample preparation solutions play a key role in streamlining our customers' workflows, improving efficiency, delivering better outcomes, while helping them reduce their environmental impact. We are proud to contribute to sustainable science, helping to make the world a healthier, greener, and cleaner place.



Vision

Biotage helps to shape the sustainable science of tomorrow and our future society for the benefit of humankind.

Mission

We help our customers make the world a healthier, greener and cleaner place

Our Global Presence

Biotage has eighteen locations, in nine different countries. Six locations have research and development activities, while five are manufacturing centers. Our direct sales organization encompasses twenty countries in North America, Europe, and Asia while our distribution network reaches countless additional countries in South America, Europe, Africa, the Middle East, and Asia. All in all, our products have a presence in over eighty countries.





Strategic Foundations Laid for A Robust Future

Despite the challenging market situation, Biotage achieved significant milestones during the year, transitioning into a high-growth life science solutions player. With the Astrea Bioseparations acquisition, Biotage strategically positioned itself as a global separations company with significantly improved capabilities to support the development and manufacturing of biopharmaceuticals and advanced therapeutics.

Key financial indicators	2023	2022	2021	2020	2019
GROUP					
Net sales, SEK millions	1,862	1,566	1,232	1,092	1,101
Growth in net sales, %	18.9	27.1	12.7	-0.8	20.9
Gross profit, million SEK	1,149	948	755	667	685
Gross margin, %	61.7	60.6	61.3	61.0	62.2
Operating margin, %	16.9	20.9	22.0	18.9	18.9
Profit margin, %	18.5	23.1	22.9	21.2	19.5
Profit before tax, million SEK	303	348	269	223	212
Total assets, million SEK	4,931	2,339	1,992	1,434	1,336
Equity/assets ratio, %	74.2	70.0	68.9	69.0	65.5
Capital expenditures, million SEK	90	72	58	61	46
Average number of employees	674	517	497	463	440
Return on equity (ROE), %	9.3	17.8	17.3	18.8	23.7
Return on capital employed (ROCE), %	11.9	21.1	20.3	19.9	22.1
Return on total capital (ROTC), %	9.5	16.7	16.4	16.7	18.4
Adjusted EBITDA	518	464	358	280	208
Adjusted EBITDA, %	27.8	29.6	29.1	25.6	18.9

Product Area



- Biologics & Advanced Therapeutics 24%
- Analytical Testing 22%
- Diagnostics 3%
- Scale Up 8%
- Small Molecules & Synthetic Therapeutics 36%
- Water & Environmental Testing 7%

Geographic Mix



- Americas 40%
- EMEA 40%
- APAC 20%

Recurring Revenue



- Non Recurring (systems) 33%
- Recurring (consumables & service) 67%



Significant Events During the Year



Astrea Bioseparations Now Part of Biotage

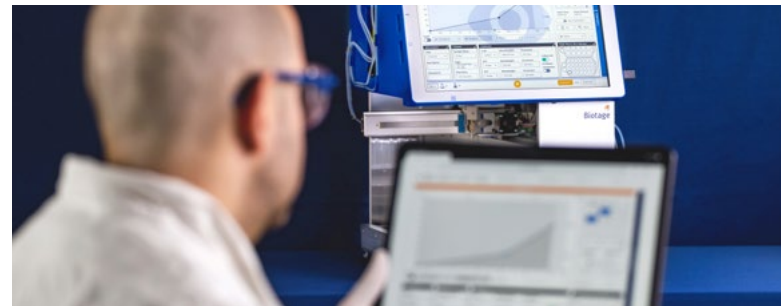
In 2023, Astrea Bioseparations, a high-growth biological chromatography solutions provider, became part of Biotage. This strategic acquisition marks a significant expansion for Biotage into the thriving bioprocessing sector, enhancing our engagement with customers in the biologics and advanced therapeutics segment. The added capabilities have strengthened our support for customers engaged in the development and manufacturing of innovative therapeutics.



Flash Chromatography Excellence

We are one of the leaders in flash chromatography with a large globally installed base of Biotage® Selekt flash purification systems. Staying competitive requires continuous innovation, ensuring we deliver high-quality solutions to our customers using flash chromatography in their work.

During the year, we launched new digital solutions designed to enhance the user experience and system performance, including features such as remote monitoring and control of our flash systems. Employing industry-standard encryption ensures a secure environment for our customers. Additionally, we unveiled a new sensor technology, Biotage® Liquid Level Sensor, that allows scientists to monitor liquid levels in real time during flash purification, optimizing solvent use and enhancing the efficiency and safety of waste solvent management.



Paving the Way for More Peptides

Our comprehensive peptide synthesis-purification-evaporation workflow allows scientists to create diverse peptide libraries for target screening in immunotherapy, vaccine development, and drug discovery within the fast-growing peptide therapeutics market. Peptide purification has been a critical bottleneck to address, as well-purified peptide libraries are pivotal for enhancing the reliability of screening and discovery outcomes.

Our commitment to advancing peptide purification solutions has resulted in the launch of two products tailored to meet various application requirements: Biotage® PeptiRen-96 Plates and, in partnership with Gyros Protein Technologies Biotage® PeptiPEC High-Throughput Kits. These solutions, integrated with Biotage® Extrahera™ sample preparation system, offer automated and efficient cleanup of peptides.





Spotlight

Astrea Bioseparations, now part of Biotage

Astrea Bioseparations is a high-growth chromatography solutions provider, dedicated to facilitating drug developers and manufacturers in delivering high-purity biopharmaceuticals and advanced therapeutics globally.

This strategic acquisition extends Biotage's chromatography franchise into the burgeoning bioprocessing segment, broadening exposure to biologics and advanced therapeutic customers. Astrea Bioseparations has already made a positive impact on Biotage's financial performance, with the sales of the Biologics & Advanced Therapeutics Product Area experiencing growth of 589% in 2023. This segment now accounts for 24% of Biotage revenue (2022: 4%).

Notably, Astrea Bioseparations enhances Biotage's financial outlook through its compelling organic growth rate, attractive gross margins, and exposure to recurring revenues. The acquisition also brings a rich, near-term pipeline of innovative product launches.

Astrea Bioseparations' product portfolio includes chromatography resins, adsorbents, and columns as well as pioneering nanofiber-based purification technologies for biomanufacturing. Serving 21 Food and Drug Administration (FDA) and European Medicines Agency (EMA) approved manufacturing processes, Astrea Bioseparations' impact is global, with more than 180 employees distributed across production, research and development and sales sites in the UK, Isle of Man, Boston (USA) and Singapore.

In 2023, Astrea Bioseparations continued to diversify its product portfolio by introducing novel solutions utilizing their disruptive nanofiber technology for exosome and plasmid DNA purification. Additionally, they launched an upscaled version of their lentivirus purification solution.

These launches showcase Astrea Bioseparations' robust research and development capabilities in addressing the rapidly evolving cell and gene therapy market. The products also mark significant progress in their efforts to accelerate toward manufacturing scale.

Astrea Bioseparations has also focused on improving their operational efficiency and reach-through reinforcing its foothold in the Americas region. Astrea Bioseparations increased its customer fulfillment and warehousing capabilities with a new facility in Canton, Massachusetts.

This investment supports the escalating demand for Astrea's chromatography solutions, fortifying the company's supply capabilities in the North American market.





Financial Goals and Growth

Financial Goals 2023

In 2023, we faced headwinds stemming from the global economic landscape, affecting customers investment capabilities.

However, there was a positive shift in the situation as the year ended. Biotage aspires to outpace market growth, emphasizing profitable growth. This approach facilitates strategic investments, ensuring our sustained success. Despite the challenging global market, the year 2023 advanced our long-term financial objectives.

Organic Growth

Organic growth is defined as revenue growth, excluding acquisitions and adjusting for exchange rates differences. Our goal is for average annual organic growth to equal 12% or more over a three-year period.

Organic growth rate for 2023 was -10.2.

An average organic growth of 5.5% (9.9) was achieved in 2023.

Profitability

The profitability target refers to operating profit after adding back amortization of intangible non-current assets (EBITA margin). Our goal is to achieve an average operation margin of 25% or more over a three-year period.

EBITA 2023 was 20.2.

An average annual EBITA margin over the last three years was 21.8% (22%) in 2023.

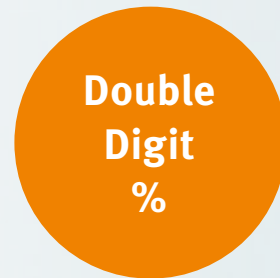
Financial Goals 2024

In February the Biotage board decided on new Financial Goals for the group.

Our organic revenue goal is focused on double digit growth with our profitability aimed toward the upper 20% range (Adjusted EBITDA).

The goals are formulated as an average over a three-year period.

Organic revenue growth



Profitability





Key Financial Summary 2023

1,862 MSEK +19% REVENUE	61.7% +1.1 p.p GROSS PROFIT MARGIN	1,253 MSEK +53% RECURRING REVENUE
435 MSEK +1% ADJUSTED CASH FROM OPERATIONS	518 MSEK +12% ADJUSTED EBITDA	454 MSEK 24% OF REVENUE (+20 P.P) BIOLOGICS & ADVANCED THERAPEUTICS





A New Position of Strength

In 2023, we have taken important strategic steps to position Biotage as the Global Go-To Separations Company. Our transformative capabilities with Astrea Bioseparations facilitate enhanced support for the biopharmaceuticals and advanced therapeutics sector. The shift in medicines towards biologics and the expanding biologics R&D pipeline, coupled with our established presence in the traditional small molecule pharmaceutical industry, have positioned us favorably for future attractive growth. This includes increased recurring revenue, a broader range of solutions and stronger customer intimacy.

With Astrea Bioseparations our portfolio is broader, giving us the ability to serve more customer segments from academia to manufacturing in biopharma and pharma, covering both small and large molecules, including for example oligonucleotides, lipids, peptides, exosomes, and mRNA.

To fuel further growth, Astrea Bioseparations expanded its operations with a new facility in Canton, Massachusetts, and by introducing a scaled-up version of its innovative nanofiber purification technology tailored specifically for cell and gene therapies. This technology holds immense promise for substantial future growth, catering to a market with strong worldwide interest and investment.

When looking at the existing Biotage business, four of our six product focus areas grew in 2023. Some parts of the business were still adjusting from the ongoing changes in the market, including the declined demand for our scale up solutions that have been used to manufacture COVID-19 vaccines and the deceleration of small molecule system sales in China. But while our system sales slowed down, our recurring revenue was stronger, especially with consumables.

Our existing business provides a solid foundation, delivering a predictable revenue stream, industry-leading gross margins, and solid underlying EBITDA and cash generation. A strength of Biotage is its balanced geographical profile, with strong positions in the Americas and EMEA markets and attractive plays in some key Asian markets that offer powerful growth opportunities.

The existing Biotage business has grown steadily over the years, earning widespread recognition among our customers for delivering high-quality, intelligent product solutions that make a difference to their workstreams and productivity. During the year, we continued to be at the forefront of innovation leadership in our key markets. We launched new products to enhance our customers' requirements including improvements to our Biotage® Selekt flash purification systems, aimed at facilitating small molecule development. Furthermore, we introduced new solutions designed for the automated and efficient cleanup of peptides, an area that is receiving increasing attention.





The Biotage of today is a better balanced, sharply focused, and profitable business with a strong defensible market position. While 2023 was undoubtedly a challenging market for everybody, driven by the COVID unwind effects, higher interest rates and rapid deceleration of growth in China, our results were impressive. We grew our revenues and adjusted EBITDA by double digits, with robust cash generation. We also drove higher recurring revenues, which in 2023 accounted for two thirds of our total revenues, allowing the benefit of lower revenue volatility and increased customer intimacy.

These achievements would not be possible without our employees, whose hard work and dedication has propelled us to the powerful market position we have today. The foundation of our success lies in having the right team in place, and our combined expertise will extend our reach even further. Our board members bring a wealth of expertise and insights that will greatly bolster Biotage's journey ahead, strengthening the company governance and commitment to ESG goals. Finally, I want to thank Tomas Blomquist for his leadership during this period. He leaves with our best wishes.

As a financially robust and highly respected company, providing a broad range of separation technology and expertise in attractive growth markets, we are well positioned to continue growing our business for even greater successes. I would like to thank our employees, as well as our customers, investors, and all partners, for the trust they place in us. We look forward to the future with optimism and excitement.

Torben Jørgensen
CEO and President

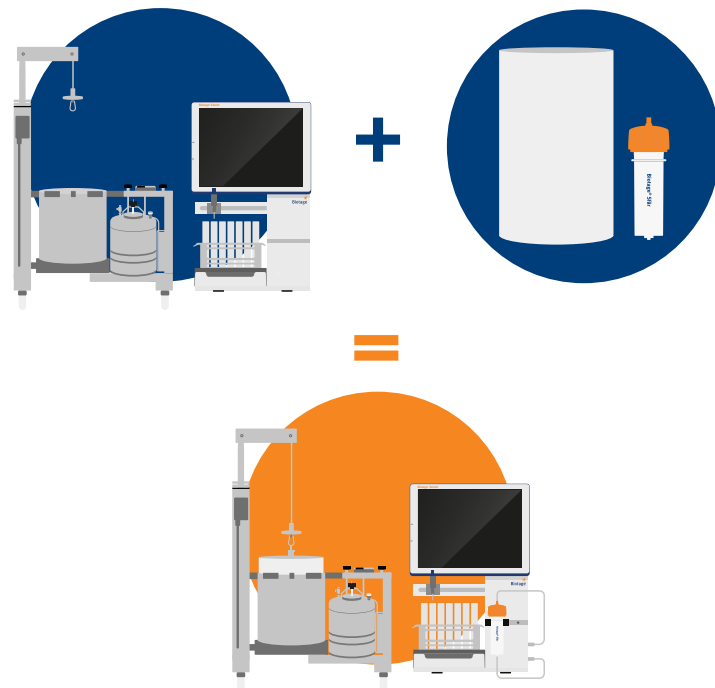




This is How Biotage Creates Value

Biotage, as the Go-To-Separations company, leveraging its comprehensive workflow solutions and expertise, supports the development and manufacturing of a wide array of therapeutic products and creates value through a continual process of investing for growth, a relentless focus of driving higher margin revenue and optimizing its cost structure.

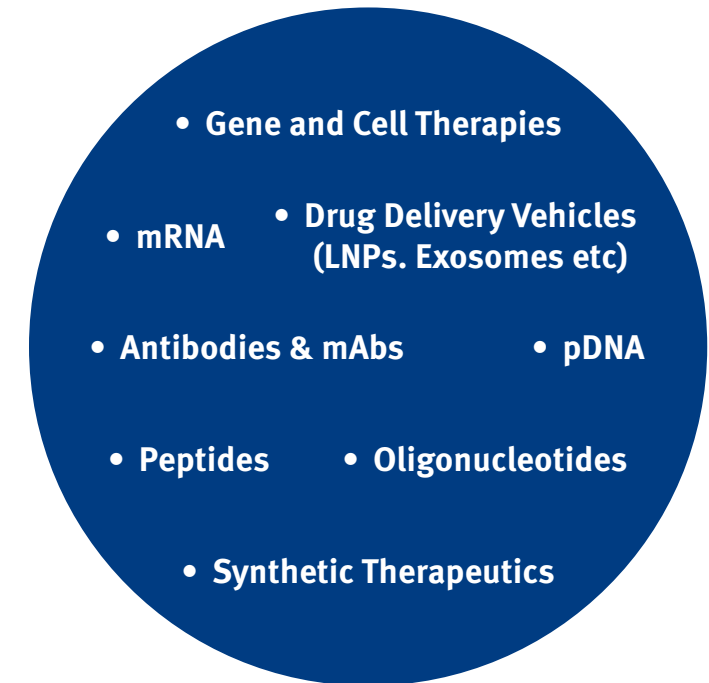
Comprehensive Suite of Workflow Solutions



Capabilities for Every Clinical Stage

- ✓ Drug Discovery
- ✓ Small-Scale Process
- ✓ Process Scale-Up
- ✓ Technology Transfer
- ✓ Full-Scale Manufacturing

Support for a Broad Modality Pipeline





A Values Driven Company

At Biotage, we are driven by a set of core values summarized by the acronym “CARE.” This means that we prioritize caring for one another, our customers, and the well-being of our planet.

Our business is firmly rooted in these values, guiding our actions and decisions in pursuit of a sustainable and more responsible future.

Care stands for:

Collaboration

We’re all part of the same team and treat one another with mutual respect and trust.

Accountability

We meet our commitments and take responsibility for our actions, which means we’re constantly developing our skills and maintaining a positive attitude.

Result orientation

We always focus on meeting customers’ needs and reaching our financial goals while simultaneously ensuring that our value-creating activities benefit humanity.

Entrepreneurship

With an innovative corporate culture characterized by self-determination and openness, we bring the best out of our co-workers while making decisions based on the company’s best interest.



A full-page background image showing an astronaut in a white spacesuit floating in space, with the Earth's blue and white clouds visible in the background. The astronaut is positioned on the left side, looking towards the right.

Environment and Market



Megatrends Shaping Our World

In an era marked by rapid change, Biotage stands well-equipped to handle the evolving landscape. Our solutions and way of working are particularly relevant for three megatrends.

Heightened Emphasis on Responsibility

The desire for a greater sense of purpose in work, as well as a heightened responsibility towards the environment and diversity, present a new paradigm for employers.

Biotage’s Response: Anchored in our people-first philosophy, we aspire to be a good, compassionate, and fair employer, dedicated to addressing the societal concerns of our time. We invest in the training and skill development of our employees, empowering them to reach their full potential. Additionally, we strive to create a robust corporate culture based on our core values, summed up by the acronym “CARE” (Collaboration, Accountability, Result Orientation, Entrepreneurship). Consequently, we are not only rewarding performance, but also behavior aligned with our guiding principles.



Increased Environmental Consciousness

Mitigating humanity’s impact on the environment is central for the planet’s survival. The ongoing climate change has a profound influence on our lives, calling for innovations across all sectors to support environmental sustainability and mitigate the consequences of this crisis.

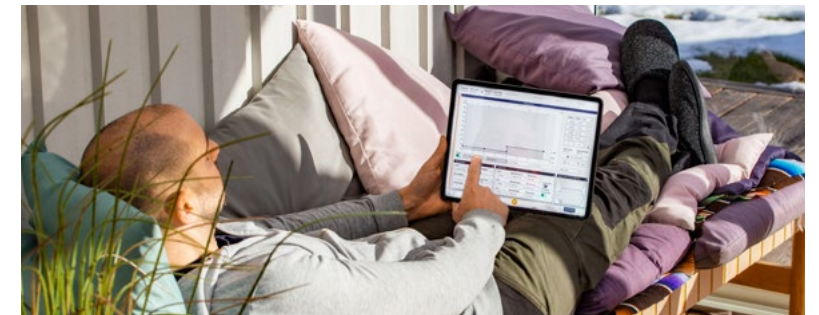
Biotage’s Response: Our products and methods for detecting pollutants in water, soil, and food underscore our commitment to environmental protection. We continuously innovate to reduce the consumption of solvents, pollutants, and other materials, both in our manufacturing and within our customers’ workflows. Furthermore, we are transitioning towards a more sustainable energy mix.



AI and Digitalization

Digital technologies are reshaping research and development, manufacturing, supply chains, business models, and interorganizational communication. AI has potential to accelerate drug discovery by analyzing extensive amounts of data to identify potential candidates and optimize clinical trial design, ultimately expediting the development of new therapies.

Biotage’s Response: We offer digital training and remote support for our customers and employees. With our customers, we are expanding the utilization of our Electronic Data Interchange (EDI) solution to enhance sales and order flow efficiency. We are dedicated to enhancing the digital customer experience and the connectivity of our products while increasing our automation capabilities in our production. We are also looking at AI tools to understand better how they could contribute to improved customer experience.





Market Trends

There are several noteworthy trends in our customer focus areas. We are committed to taking proactive measures to stay relevant in the market and consistently cater to our customers' evolving requirements.

Precision Medicine, Biopharmaceuticals and Advanced Treatments

With precision medicine, treatments can be tailored to individual genetic profiles and specific patient conditions. This approach is particularly relevant in the development of gene therapy treatments and immuno-based biopharmaceuticals, both of which are rapidly gaining prominence.

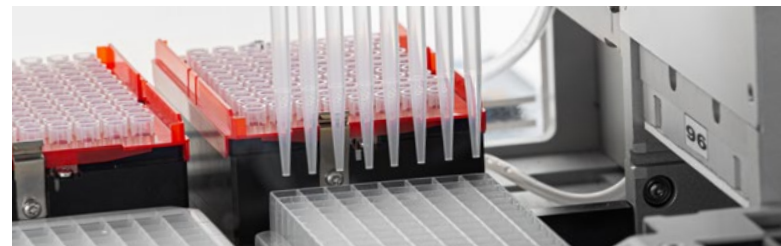
Biotage's opportunities: We offer a suite of solutions designed to enhance synthesis, purification, and evaporation workflows for customers engaged in the discovery, development, and manufacturing of precision medicines. Our offering includes tools for purifying lipids used in mRNA vaccines, automated purification of plasmids for novel biological drugs in cell and gene therapies, and synthesis of peptides and oligonucleotides.



Miniaturization, Biomarker Analysis and Molecular Diagnostics

Advances in analytical instrumentation in diagnostics and analytical sampling support miniaturization, enabling reduced sample volumes and increased capacity. Simultaneously, there is ongoing progress in biomarker and clinical biomolecule analysis, with a growing demand for oligonucleotides for both treatments and sophisticated molecular diagnostics.

Biotage's opportunities: In the realm of miniaturization, an area where Biotage is already active, new advanced workflow solutions are emerging. Furthermore, there is a growing need for comprehensive workflow solutions for the separation and purification of peptides and other large biomolecules. Clinical diagnostics laboratories and contract research organizations are increasingly seeking solutions for the analysis and separation of oligonucleotides.



Water Supply, Environmental Awareness, Food Safety

Climate change makes sustainability and the need to mitigate our environmental impact a necessity. Additionally, there is a growing focus on food safety and drinking water quality.

Biotage's opportunities: In the realm of water supply, there is a demand for stringent public regulation and cost-effective solutions for the rapid detection of contaminants, including but not limited to PFAS. Biotage provides products to fulfill all the needs related to food safety and testing drinking water. By designing products that reduce the environmental footprint of our customers, Biotage is also well-positioned to align with surging environmental awareness.





Success Factors

At Biotage, we are driven by a clear, and well-defined strategy to achieve our long-term objectives. We constantly strive to ensure that we deliver what is important to our customers and the wider society.



People First

Our employees remain at the heart of Biotage's success story. We are committed to empowering individuals who share our passion for contributing to society and the environment. The realization of our goals is supported by our CARE values, promoting collaboration, accountability, result orientation, and entrepreneurship. In return, we offer well-defined career paths, competitive compensation, and continuous skills development.



Sustainability

We provide products designed to reduce the environmental impact of our customers with solutions to help identify contaminants in food and water. Our commitment to sustainability extends to the continuous improvement of our own production processes and facilities. We foster a positive physical and mental work environment, alongside equality in conditions and opportunities. We adhere to our internal Code of Conduct, addressing issues like anti-corruption, while requiring our vendors to adhere to our Supplier Code of Conduct



Customer Excellence

The ongoing success of Biotage relies on our commitment to our customers, positioning ourselves as a reliable expert partner. Through open dialogue, we strive to develop solutions for our customers, enhancing their operational efficiency and productivity.



Digital Transformation

Increasing digitalization of our operations is pivotal to our success. The recent pandemic has emphasized the significance of supporting our customers remotely through digital solutions. We are committed to further digitalization, with a strong emphasis on cybersecurity for both our internal processes and the protection of our customers' interests.



Continuous Innovation

Innovation is integral to maintaining our competitiveness with a systematic approach that places customer needs at the forefront. Our streamlined innovation process swiftly transforms inventions into commercially viable solutions, creating value for our customers.



Operational Excellence

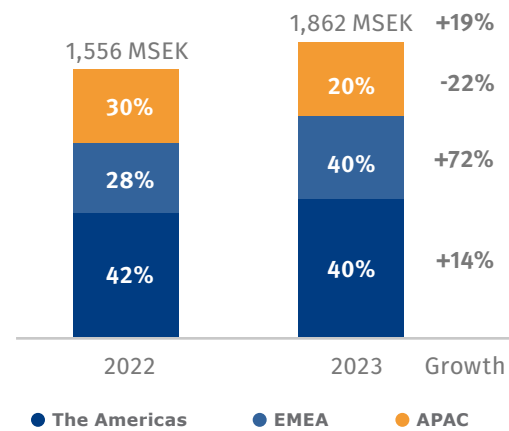
We are constantly working to improve our internal processes. This commitment underpins our continuous improvement efforts, allowing us to better meet our customers' needs and enhance efficiency across regions and functions.



Geographic Markets

It is important for Biotage, as a global company, to maintain a strong local presence, serving customers across three key geographic markets: The Americas, Asia-Pacific (APAC), and Europe, Middle East & Africa (EMEA). Our commitment to being close to our customers is also reflected in our customer-centric organizational structure that fosters collaboration across functions and markets.

The ongoing trend of digitalization supports these efforts, enabling an increasing portion of our marketing and sales activities, including product demonstrations, training, and certain service solutions, to be conducted remotely across national and regional borders. This not only streamlines our internal processes, but also enhances and increases interactions with customers and distributors.





The Americas

The Americas are Biotage's largest end market. In the United States and Canada, we have a dedicated sales and support organization, whereas in Latin America, we sell through distributors. After an exceptionally strong capital systems market and performance in 2022, the demand for systems softened in 2023 due to the rising interest rates and limited access to funding.

While the systems sales declined, our consumables and service sales remained strong, keeping our overall sales in line with the previous year. One area of highlight was our strategic focus on large pharma, which sustained double-digit growth from the top twenty strategic accounts.

Ready to Support Diverse Therapeutic Pipeline

The weaker capital systems market particularly impacted our flash purification and evaporation system sales into small molecule drug discovery. However, this challenge was offset by robust flash chromatography consumables sales into the same segment and growing demand for peptides, driving the success of our parallel peptide synthesis solutions. We also saw early success of our new Biotage® PeptiRen purification solution, which accelerates peptide purification with significantly reduced solvent consumption.

Despite economic challenges in the North American life science research and development sector, we experienced growth with our custom oligonucleotide services to the pharma and diagnostics

development space as well as with our separation tools to the clinical testing sector. Prioritizing opportunities in diverse therapeutic modalities remains a major focus in the Americas.

For small molecule workflows, our existing and new customers can now benefit from enhanced efficiency with new solutions for remote control, monitoring, and liquid level sensing in the Biotage® Selekt family of flash purification solutions. This not only aids the optimization of small molecule synthesis workflows, but also promotes efficient solvent management and cost reduction.

As we expand our transition to offering complete workflow solutions, our team in the Americas is well-positioned for new opportunities and client collaborations.

Supporting Automation Efforts

Growing automation in labs across the region streamlines sample preparation workflows, reducing inefficiencies.

Leading pharmaceutical labs are realizing the "Lab of the Future" vision through technologies like AI and machine learning. Biotage is well-positioned to benefit from the adoption of automated platforms, with Biotage® Extrahera™ meeting the need for a purpose-built sample preparation platform.

In forensic toxicology, the changing legal status of cannabis has increased demand for cannabinoids testing, distinguishing Delta 9 THC from less psychoactive cannabinoids. Many labs achieve this using ISOLUTE® SLE+ for sample cleanup.

Share of total
turnover in 2023

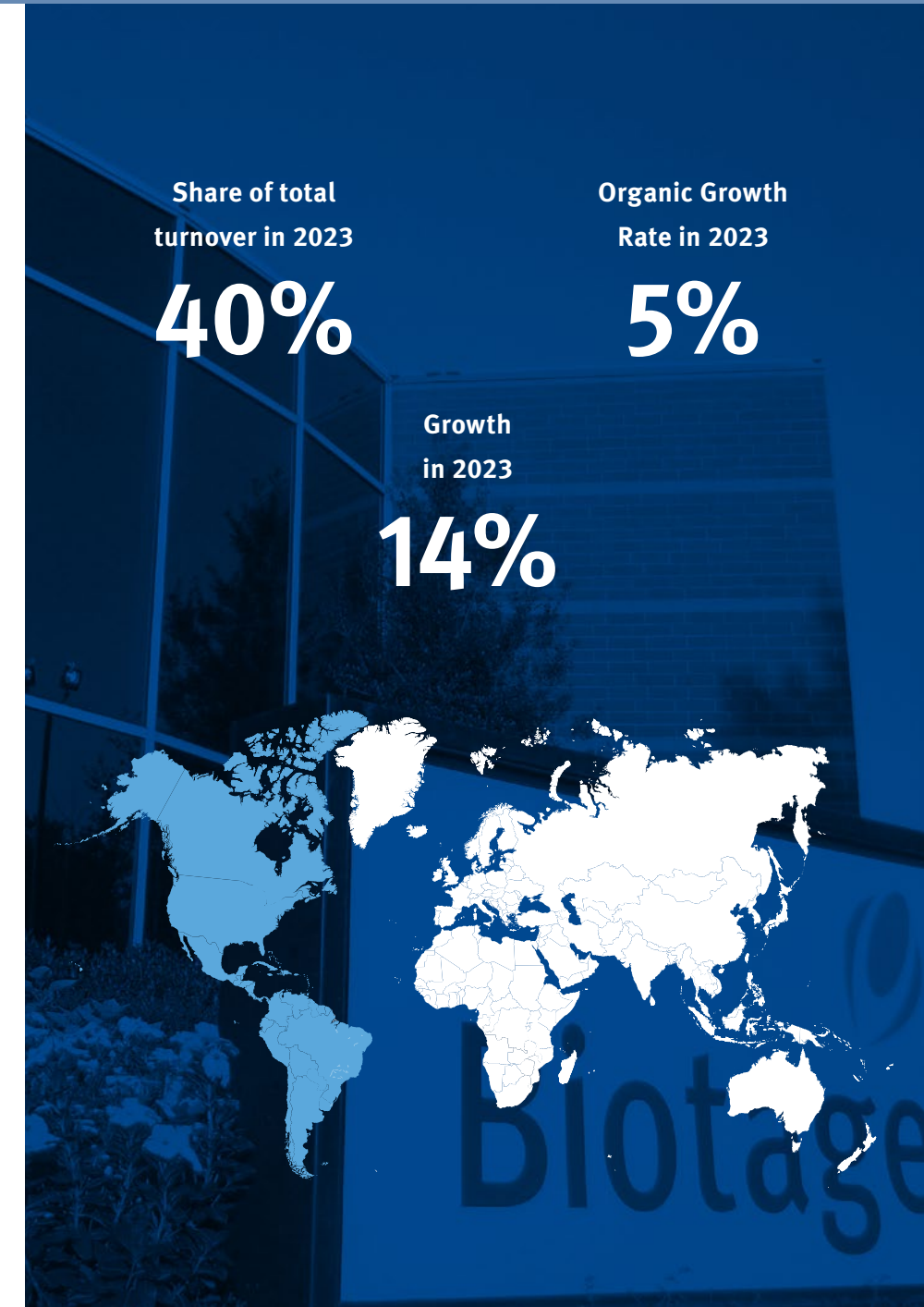
40%

Organic Growth
Rate in 2023

5%

Growth
in 2023

14%





Europe, Middle East, and Africa

Biotage has its own sales organizations across most of Europe, while distributors serve the Middle East, Eastern Europe, and Africa. The results in the EMEA region were diverse, with certain areas experiencing strong growth.

Evolving Dynamics in Drug Discovery and Development

Increased demand for high-potency active pharmaceutical ingredients (APIs) with reduced timelines for production kept the underlying growth in the large-scale flash purification business strong. Customers producing lipids for COVID-vaccines continued destocking, while new lipid projects are working their way through the R&D pipeline, utilizing the Biotage workflow from lab-scale to scale up. Advancements in the mRNA therapy space fuel interest for lipid nanoparticles, driving demand for lipid purification, where we are well-poised to capture this space.

Our oligonucleotide business saw strong growth with both new and existing customers. The need for additional capacity in oligonucleotide therapeutics production is evident as companies have invested R&D resources into this area, and our expertise is well-suited for supporting late-stage discovery and early-stage pre-clinical batches.

The small molecules market faced challenges and ripple effects of the COVID-19, causing cautious investment strategies.

Despite this, our team found avenues for growth through strategic account development and product launches. Notable growth was witnessed in peptide synthesis and biomolecules, establishing us favorably in a competitive landscape.

Sustainability in the pharmaceutical industry is crucial, and Biotage remains committed to offer solutions that enable reduced solvent consumption, crucial for advancing our customers' environmental performance.

Continual Growth in Sample Preparation, Food and Environmental Testing

In 2023, the food and environmental segments experienced considerable growth, particularly through the development of key methods with the world's largest food company and global commercial testing labs, resulting in significant standing orders for our consumables.

Our lab in Cardiff provided strong application support, while a highly engaged sales team focused on developing new customer relationships and executing innovative marketing campaigns.

Biotage takes pride in contributing to healthier and cleaner science by being a part of the 2024 Olympics dope testing sample preparation solutions.

Share of total turnover in 2023

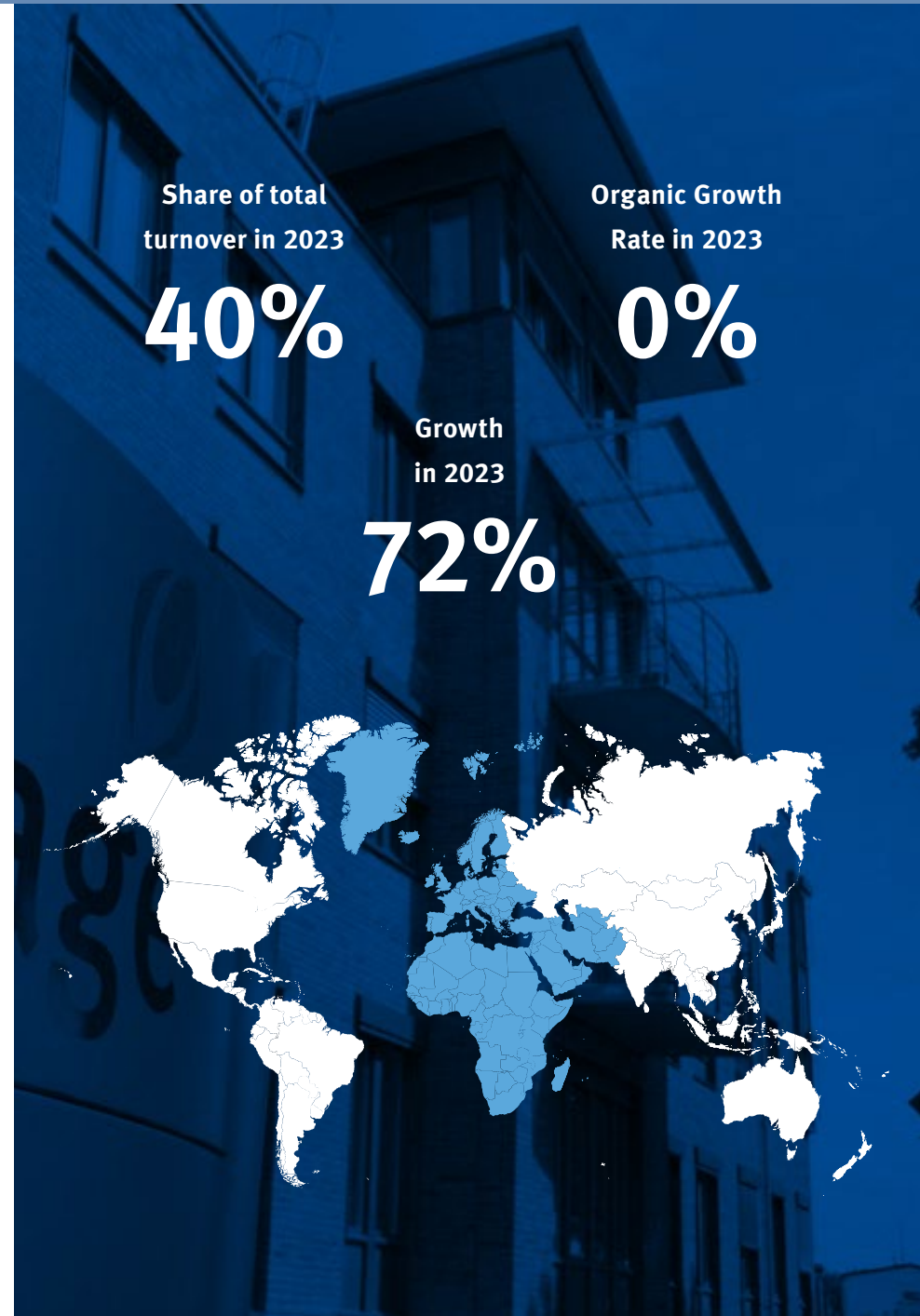
40%

Organic Growth Rate in 2023

0%

Growth in 2023

72%





Asia-Pacific

In APAC, Biotage has its own sales organization in China, Japan, South Korea, India and now also in Singapore. The rest of the region is covered through our distributor network.

In 2023, most of our APAC geographies underwent a process of realignment, with Japan standing out as an exception. The market distortions resulting from COVID-19 began to level out. China and Korea were the most affected regions.

As the COVID-related projects gradually subsided, major contract manufacturing and development organizations (CDMOs) had to rationalize their manufacturing capacity. This, coupled with a macroeconomic recession, resulted in business slowdown in China, particularly in the realm of small molecules.

South Korea experienced the most conservative spending within our customer segments for two decades. This may be attributed to the government’s decision to reduce research budgets, which was further exacerbated by the overall softening of the Korean economy.

Despite the economic uncertainties, our teams displayed resilience by shifting focus to new application areas, driving consumables sales and reallocating resources from service to sales. This enabled us to achieve key milestones and maintain a robust foundation for future growth.

Accelerated Growth in Peptides, Scale Up and Biologics

All regions capitalized on the global trend of enhanced focus on peptide-based therapies. The new automated parallel clean-up solution further enhanced our workflow offering. Positive momentum in Scale Up was observed in India, Japan, and China.

In the biologics sector, significant breakthroughs included Biotage® PhyPrep System sales to Korea’s largest biologics customer, and a repeat system sale to a key pharma company in Japan. Japan saw a positive trend in the business development of oligonucleotides.

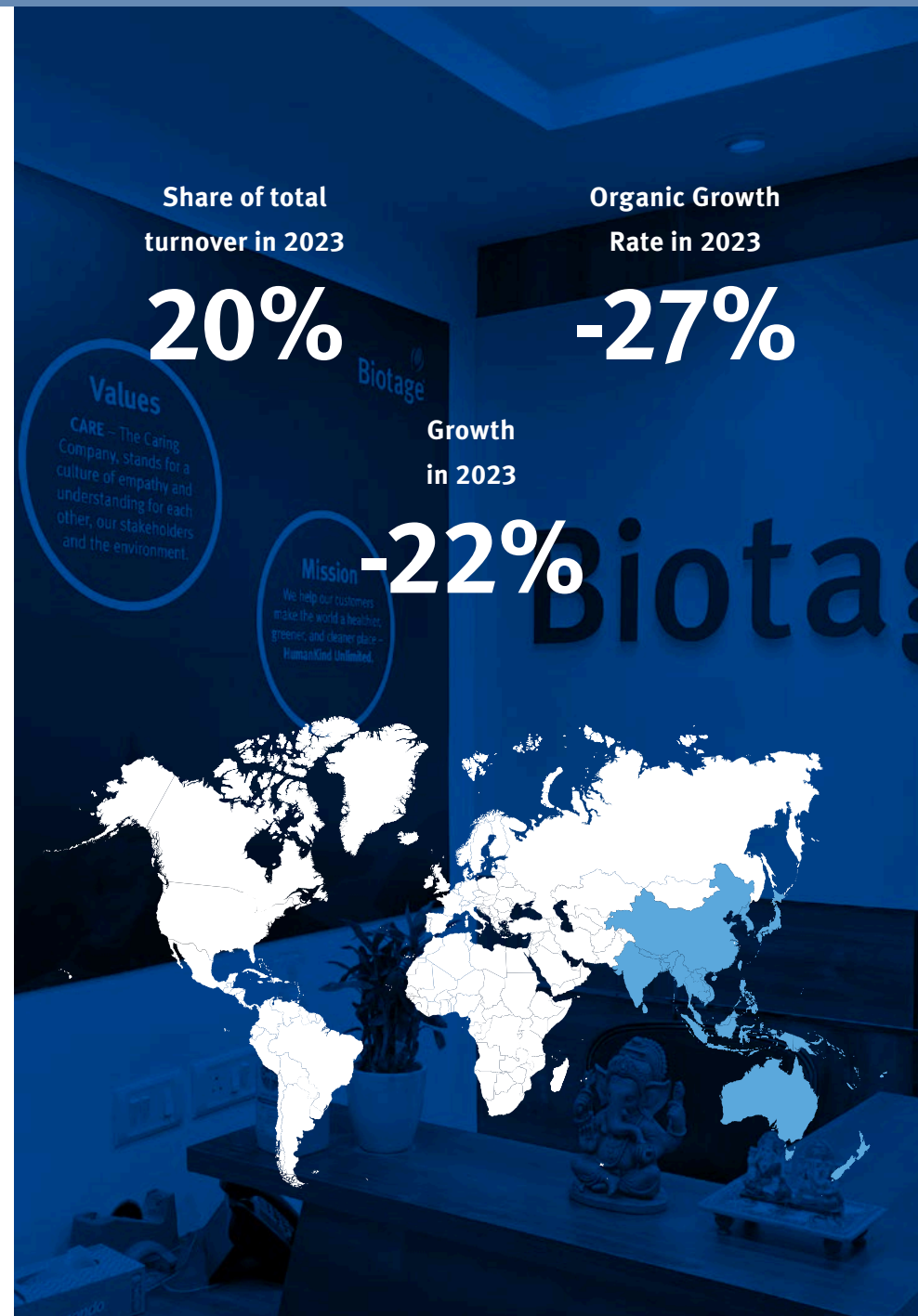
As the focus on cell and gene as well as mRNA therapies continue to develop, our teams are well-positioned to seize potential opportunities in this space.

Sharpened Focus on Analytical and Environmental testing

Japan achieved record system sales with CRO’s embracing automation. China succeeded in system and consumables sales through focus on new application areas and customer segments.

India, Singapore, and Korea implemented successful consumable strategies, focusing on food and clinical segments, and Korean customers enhanced their sample processing with Biotage® Extrahera™ HV 5000, especially in food and environmental applications. Positive strides in PFAS testing were made in Japan, China, and Korea, anticipating future growth.

Our sample preparation workflows are aiding the Chinese Center for Disease Control and Prevention (CDC) in monitoring harmful substances in human samples.



Share of total turnover in 2023

20%

Organic Growth Rate in 2023

-27%

Growth in 2023

-22%

Values

CARE - The Caring Company, stands for a culture of empathy and understanding for each other, our stakeholders and the environment.

Mission

We help our customers make the world a healthier, greener, and cleaner place - HumanKind Unlimited.

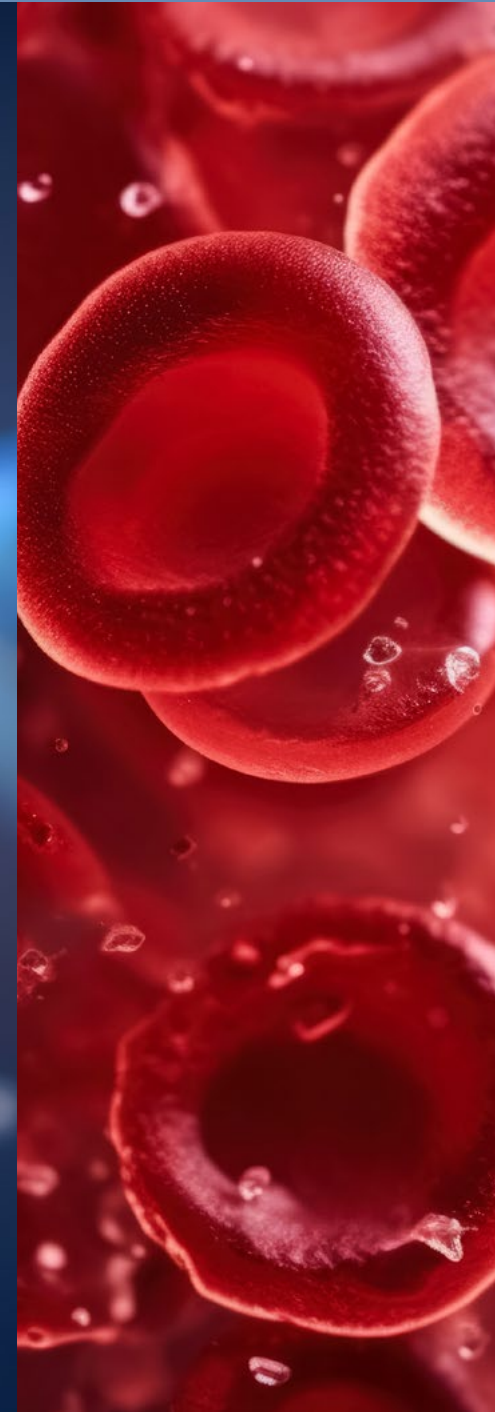


Market and Customer Focus Areas

Biotage core expertise and focus is built on separation and sample preparation technologies. We serve a diverse customer base that is committed to fostering a healthier and more sustainable world. Our broad solution and platform offering is designed to optimize our customers' workflows, enhancing their efficiency and reducing their environmental impact.

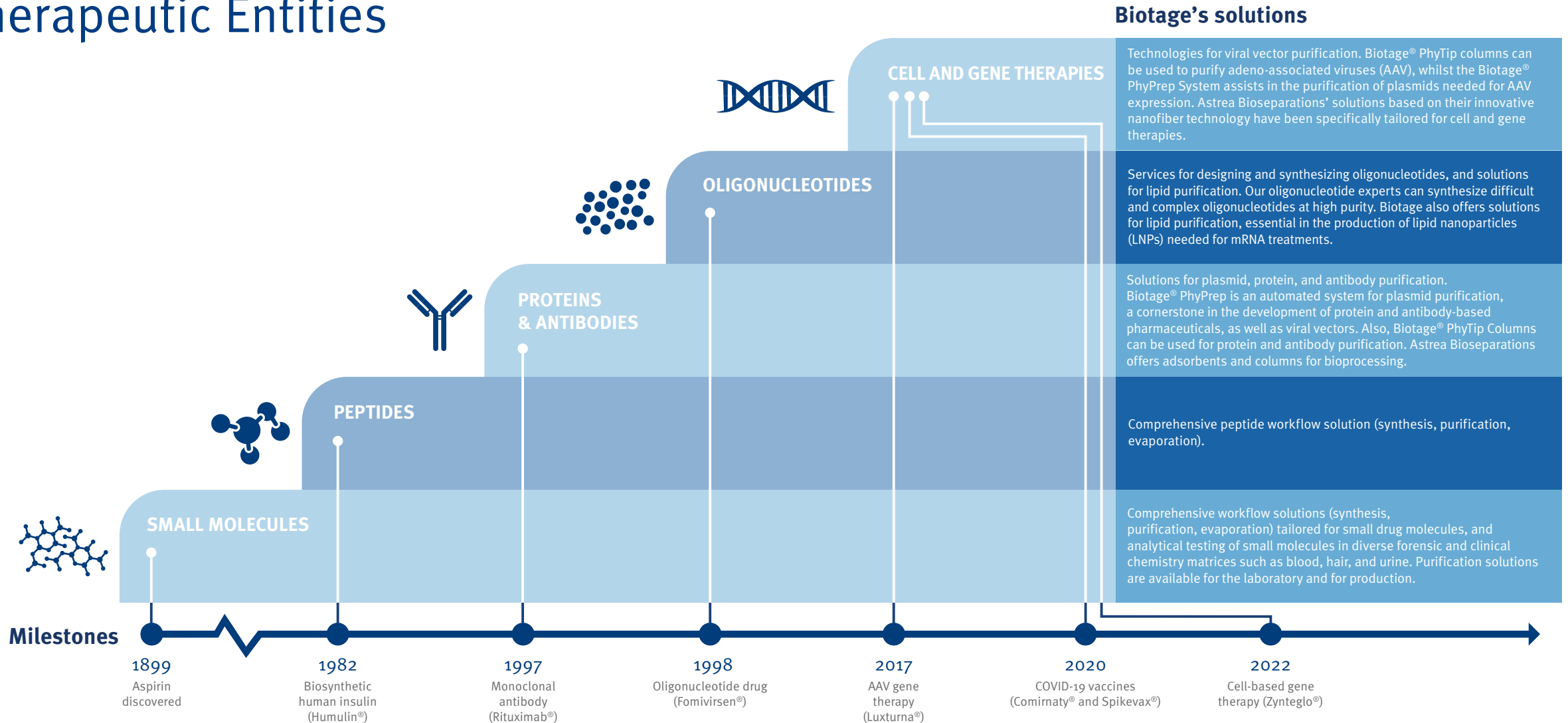
We service the small molecule market enabling our customers to separate molecules for analysis and processing typically in the pharmaceutical, forensic, diagnostics and water, food, and environmental markets.

With Astrea Bioseparations, we now have a strong play in the large molecule market, enabling our customers to purify molecules such as antibodies as they work towards developing new therapeutics. With our newly developed fiber devices we can help our customers to separate and purify the largest target molecules critical to the emerging cell and gene therapy market.





The Evolution of Therapeutic Entities





Drug Discovery, Development and Manufacturing

Biotage delivers solutions to customers working in the pharmaceutical and biotech industries as well as academia, contract research and production.

The process of discovering, developing, and scaling up pharmaceuticals requires a robust and often complex workflow. Typically, pharmaceuticals are produced using chemical synthesis, employing processes like chromatography and evaporation to purify and concentrate small molecules. With Astrea Bioseparations, Biotage is now even more adept at facilitating the development of biologically derived molecules, including plasmid DNA and viral vectors.

Biotage enhances customer workflows by automating manual steps, improving reliability and productivity, while reducing their solvent consumption and their environmental impact. For scaling up drug candidates from development to large-scale manufacturing,

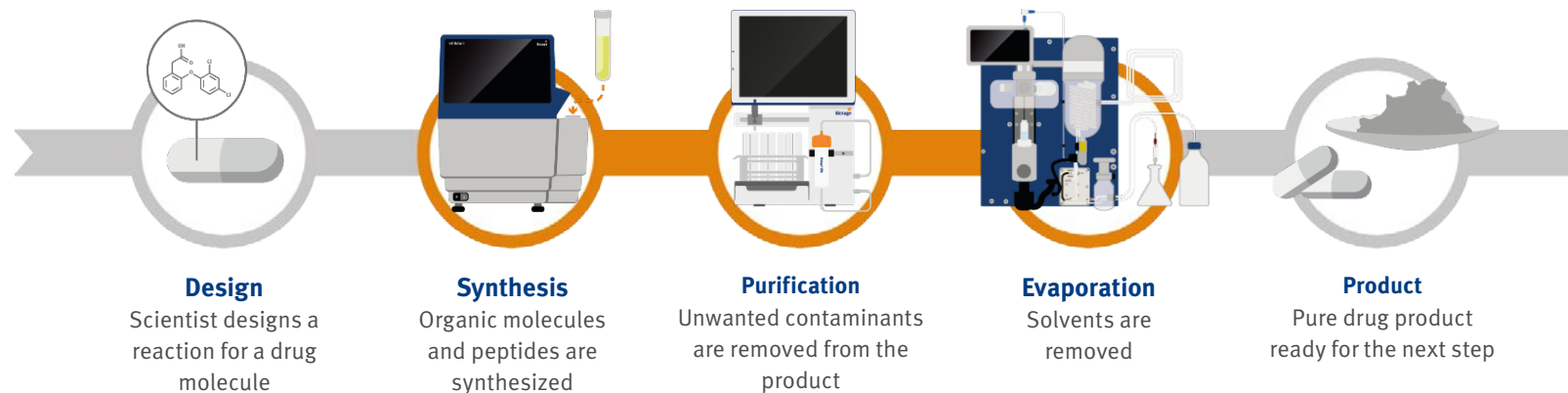
Biotage offers tailored solutions to its customers, including additional chromatography column media and resin solutions to remove undesired substances.

Separation of Plasmids and Proteins

In the production of biological medicines, the desired plasmid must first be purified from substances originating from the bacterial culture. After separation and introduction into new cell hosts, the plasmids generate desired proteins, which are then isolated and purified for research and clinical assessment. Biotage and Astrea Bioseparations offer automated solutions at different scales to facilitate these processes.

In addition to its bioseparation adsorbents and columns, Astrea Bioseparations has also developed a nanofiber-based technology tailored for the purification of viral vectors, ensuring fast and efficient processing.

Small Molecule Workflow





Customer Case Study

Re-designing Adeno-Associated Virus Manufacturing

Gene therapy drugs hold immense promise in curing certain diseases, but the cost and complexity of manufacturing create a significant barrier to access. In response, the Swedish consortium GeneNova was established, bringing together partners from the government, industry, and academia with the goal of making these therapies more accessible. Biotage is a key contributor to GeneNova, providing technology and expertise in plasmid DNA and adeno-associated virus (AAV) purification.

Interest in gene therapy drugs, particularly AAV-based therapies, is surging as they have the potential to revolutionize the treatment of genetic diseases. AAV manufacturing requires large amounts of high-quality plasmids, a labor-intensive and time-consuming process. Biotage’s automated plasmid purification solutions are used within the consortium with the goal of streamlining production methods.

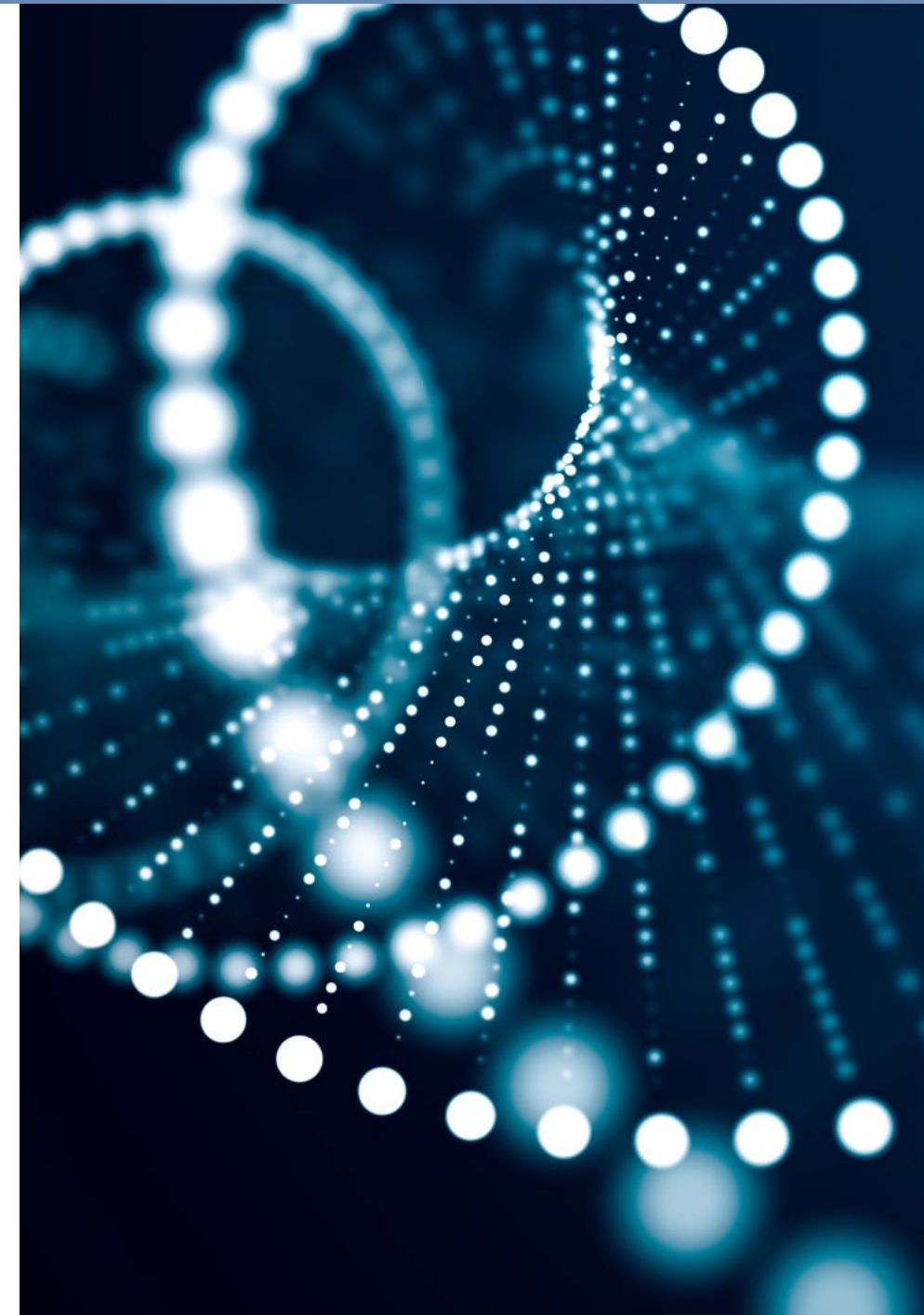
KTH Royal Institute of Technology in Stockholm, the coordinator of GeneNova, compared the Biotage® PhyPrep System for automated plasmid purification with a commercially available manual plasmid purification kit. Their aim was to identify the best solution to produce AAV9, a serotype of interest in therapeutics and clinical trials. The plasmids were purified in gigaprep scale, with the study focusing on plasmid quality, their preparation time and AAV titers.

The automated process demonstrated a 90% reduction in manual labor time, from nine hours with the manual kit, to thirty-five minutes with Biotage® PhyPrep. The total process time was reduced by almost half. Even when running an optional precipitation step with the system, the manual labor time can be reduced by 80%. Smallscale production of AAV9 showed a remarkable twenty-fold increase in yields using PhyPrep compared to the manual kit, when using the AAV-MAX production system and HEK293 VPC2.0 cells.

The conclusion of the study was that the Biotage® PhyPrep automation significantly reduced plasmid preparation time and enhanced AAV yields. The automated plasmid purification does not only deliver potential cost savings, but also opens up avenues for accelerating gene therapy research and development, which will ultimately assist in making gene therapy drugs more accessible.

Table 1. Time required for lysis and purification of four plasmids according to manufacturer’s instructions. Active time exclude process steps above 30 minutes(walk-away time).Total time is the process time from start to finish (active time + walk-away time).

Comparison: Plasmid Purification Preparation Time		
	Active Time	Total Time
Manual Kit	8 h 45 min	9 h 45 min
Biotage® PhyPrep	35 min	5 h
Biotage® PhyPrep + precipitation	1 h 45 min	6 h 15 min





Diagnostics and Analytical Testing

This customer focus area serves customers in clinical, forensic, and doping laboratories using diagnostic tools and analytical tests.

Our customers use analytical chemistry for preparing and investigating, for example, patient samples for diagnosis, clinical drug development studies, forensic analysis, and doping control. Reliable results require meticulous sample preparation involving multiple, involved steps.

Biotage automates and streamlines laboratory workflows by providing solutions for pre-treating, processing, and evaporating samples. Our automated systems, configured for various applications and supported by a broad offering of consumables, are designed to separate selected compounds from samples.

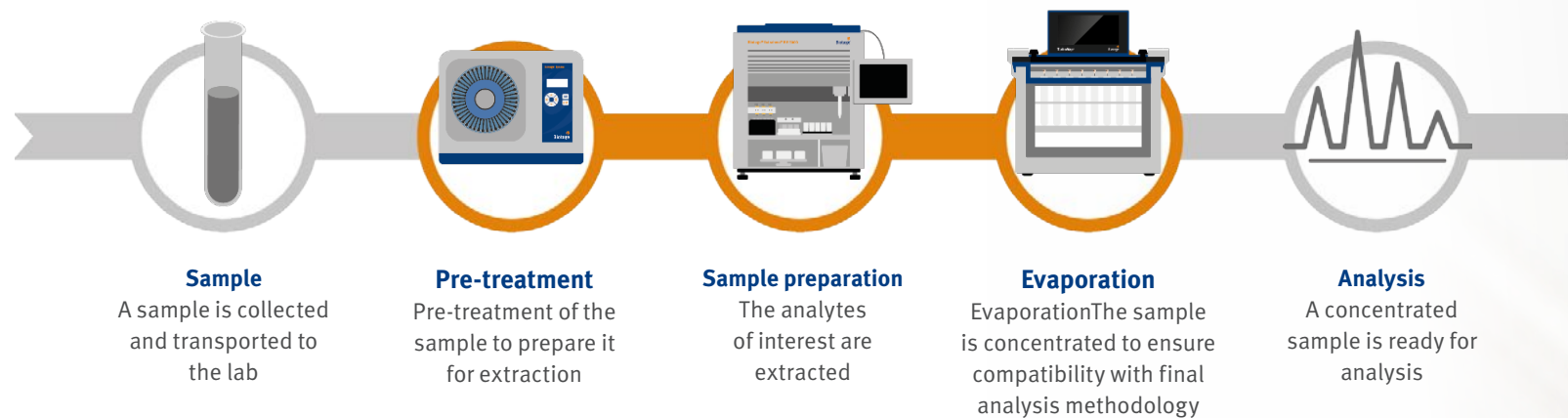
The off-the-shelf sample extraction methods and automated workstations cater to both miniaturized and large-volume applications. Biotage's diverse product portfolio results from ongoing collaboration with customers to develop tailored methods.

Analytical testing, prevalent in regulated areas with stringent laws, prioritizes patient safety and personal integrity. The company's solutions follow strict protocols, ensuring safe and fully reproducible results.

Oligonucleotide Synthesis

Biotage services within oligonucleotide synthesis provide our customers with high-quality oligonucleotides that can be used in PCR, next-generation sequencing and other diagnostic testing kits.

Workflow for Doping, Clinical and Forensic Toxicology Applications





Customer Case Study 🏆

Doping control workflow solutions for Paris 2024 Olympic and Paralympic Games

The World Anti-Doping Agency (WADA) has granted accreditation to the French Anti-Doping Laboratory (LADF) at the University of Paris-Saclay as one of the thirty globally authorized laboratories for conducting examinations on blood and urine samples collected for anti-doping controls. As the Paris 2024 Olympic and Paralympic Games rapidly approach, Magnus Ericsson, the director of LADF, offers a behind-the-scenes glimpse into the laboratory's meticulous preparations.

“We have recently moved to our new laboratory and are now in the process of recruiting extra staff for the Olympic Games, finalizing all development work, including automation, and getting all the different security measures and organization in place. Our objective is to be fully prepared ready and fired up in the beginning of July.”

As the world eagerly awaits the gathering of 10,500 athletes from 206 nations participating in 32 sports and 329 events, the focus on reliable, precise, and rapid analysis of samples is paramount. Biotage's commitment aligns with LADF's mission to successfully fulfill their duty in preserving the purity of athletic competition at the world's most celebrated sporting event. Through our partnership and expertise in sample preparation, we strive to guarantee the requisite speed and accuracy in delivering test results.

With 11 Biotage® Extrahera™ workstations already set-up and Biotage slated to provide on-site technical support, as well as back-up instrumentation, Magnus is expecting a seamless transition to a fully automated sample preparation process.

“Moving away from manual preparation in the Olympic Games means that we are moving towards what we use in our normal routine. So, in fact, although we are new to the Olympics, we are familiar with an automated sample preparation workflow. Collaborating with Biotage service to ensure all the equipment is in its best shape, and that all the consumables and spare instrumentation needed are in place well ahead of the event is essential.”

In addition, he highlights the significance of the entire workflow, also including solid phase extraction consumables and evaporation, as a key factor in ensuring the laboratory's success.

“For the Olympic Games we will use three main analytical methods covering more than 700 compounds, and on top of that we will use another four methods for special purposes. All these methods are based on sample preparation using solid-phase extraction with the Extrahera platform and TurboVap evaporators. The automation brings relief for the staff, as well as increases quality and security by minimizing manual handling and potential errors.”





Water and Environmental Testing

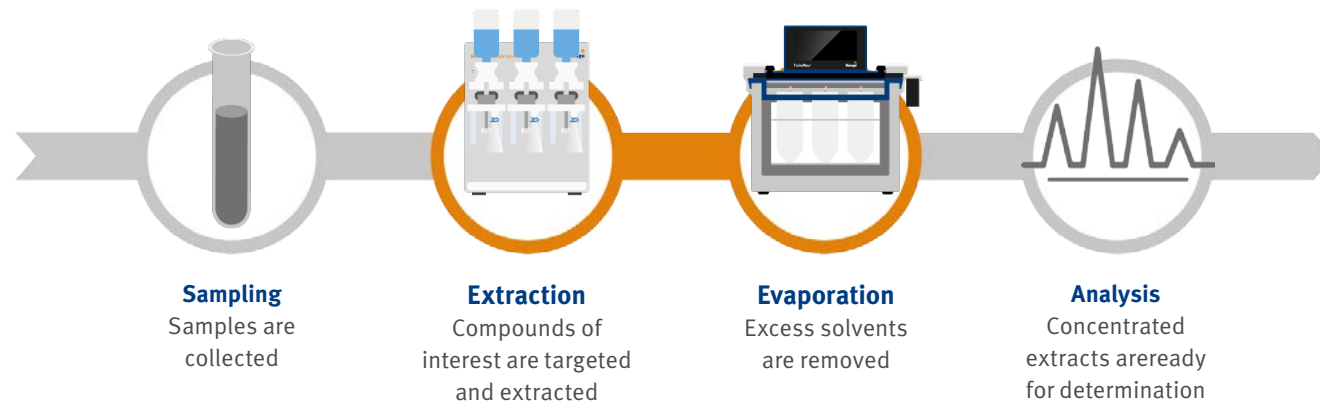
This customer focus area supports customers within the public sector, academia, and institutions dedicated to environmental protection and food safety.

Many environmental laboratories use analytical chemistry to detect contaminants in drinking water, soil, plants, and air, that could affect the environment and human health. Additionally, analytical chemistry can play a vital role in identifying target allergens or quantifying specific substances in food products. However, before conducting such analyses, sample preparation is essential, involving pre-treatment, extraction, and evaporation.

Biotage enhances laboratory efficiency by delivering sample preparation solutions that automate numerous manual steps in the workflow. Our automated systems, with versatile configurations and a wide range of consumables, are designed to separate targeted compounds from complex samples commonly encountered in the environment.

We are experienced in developing products for sample processing adhering to established protocols and industry best practices. An example of this is the environmental analysis methods mandated by the US Environmental Protection Agency (EPA) that regulate the procedures and approved products for conducting tests.

Workflow for Water Testing Applications





Sustainable Development





Biotage and Agenda 2030

Biotage supports initiatives focused on the UN's 17 Sustainable Development Goals and has identified several objectives where the company has a clear impact.



The use of Biotage's diagnostic and drug research and manufacturing solutions helps us to meet **Goal 3: Good health and well-being**. By advancing our customers' research and development activities to support therapeutic breakthroughs for treating and, with today's biologics and advanced therapeutics even curing, serious diseases globally.

Our solutions are used to analyze water quality, food safety, and the environment, contributing to Goal 3 and **Goal 6: Clean water and sanitation**. Biotage's solutions help customers to reduce their businesses' environmental impact addressing **Goal 12: Responsible consumption and production**. Our efforts in manufacturing, including phasing out fossil fuels, reducing chemical use, and implementing waste reduction in packaging and consumables, align with these goals. We also advocate for sustainable public procurement practices.

We contribute to **Goal 8: Decent work and economic growth** through our sustainable economic development ensuring decent working conditions, internally and externally. Our gender equality initiatives, focusing on equal pay and fair compensation, contribute to **Goal 5: Gender equality**. In the coming years, the focus will be on fair assessment of recruitment and promotions.

We are aligning our developmental processes, including industrialization, to achieve **Goal 9: Industry, innovation, and infrastructure**. Our focus on environmental impact shapes product development, influencing design decisions, resource-efficiency, and the adoption of clean technologies and industrial processes. Using a sustainability checklist from the start in our development process ensures environmentally conscious project management. Additionally, leveraging digital tools minimizes travel in our projects.

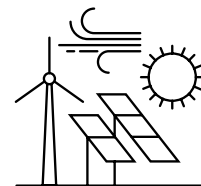




Biotage's Impact on the Environment and Society

Biotage is committed to addressing a range of societal challenges in a sustainable manner. Our sustainability initiatives extend globally, focusing on areas where our operations have the greatest impact - environmentally, socially, and commercially. When it comes to the environment, Biotage prioritizes the development, manufacture, and usage of our products. Socially, our attention is directed towards our employees and supply chain, while commercially we ensure Biotage is a responsible and ethical business.

In alignment with the new European Standards and Directives, we have updated our materiality analysis and performed a double materiality analysis. The difference is that a double materiality analysis covers both the identification and reporting of sustainability issues that are material to a company's financial performance and those that have an impact on the wider world. The double materiality analysis supports compliance with current and forthcoming formal requirements and expectations within the Corporate Sustainability Reporting Directive (CSRD) and taxonomy. Also, it ensures that we are focusing on the right areas in our sustainability work. You can find our double materiality analysis on page 33.

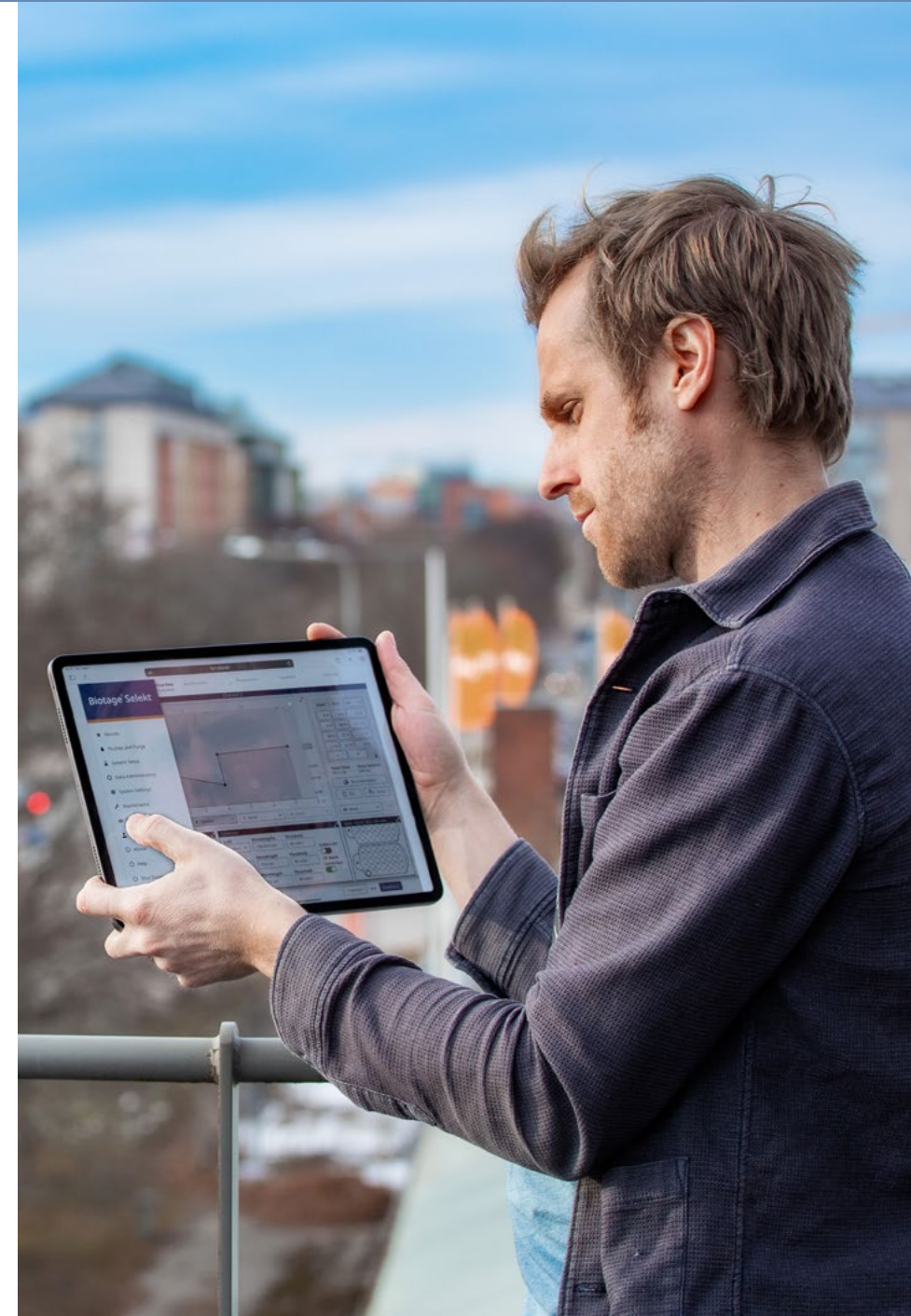


How Our Products and Services Affect the Environment

Our goal is to develop and manufacture products and services that streamline our customers' workflows and reduce their environmental impact. We are committed to reducing the environmental impact of our products throughout their life cycle. During the past year, we enhanced the environmental checklist for our product development process, including for example energy usage, materials, and chemical consumption.

In manufacturing processes, we have a strong emphasis on reducing solvent usage. This initiative began several years ago and remains an ongoing focus.

We are working to assess and minimize our climate footprint. This includes the installation of solar panels on two of our sites and investigating the possibility of transitioning to green energy. To further align with our sustainability goals, we have decreased the use of packaging materials. We are using more recycled materials, and we continue exploring opportunities to increase the use of recycled materials in both existing and new types of packaging.





Employees

Biotage employees are given a high degree of personal freedom and responsibility. Our commitment to diversity and equal opportunities extends to fostering a physically and psychosocially safe and healthy work environment. We cultivate team spirit and loyalty through shared goals and values that articulate clear expectations for both the company and its employees.

We actively measure gender equality and equal opportunities using various tools in the US and Sweden, and globally through our comprehensive compensation framework and promotions review. To date, no discrepancies have been found. The equal pay index for Biotage Sweden is 95,2. We achieved two out of the four goals in our Affirmative Action Plan, which is a program designed to promote equal employment opportunities in the US. At our UK sites, we employ two different compensation frameworks for comparison and have not identified any gender-related gaps within our operations.

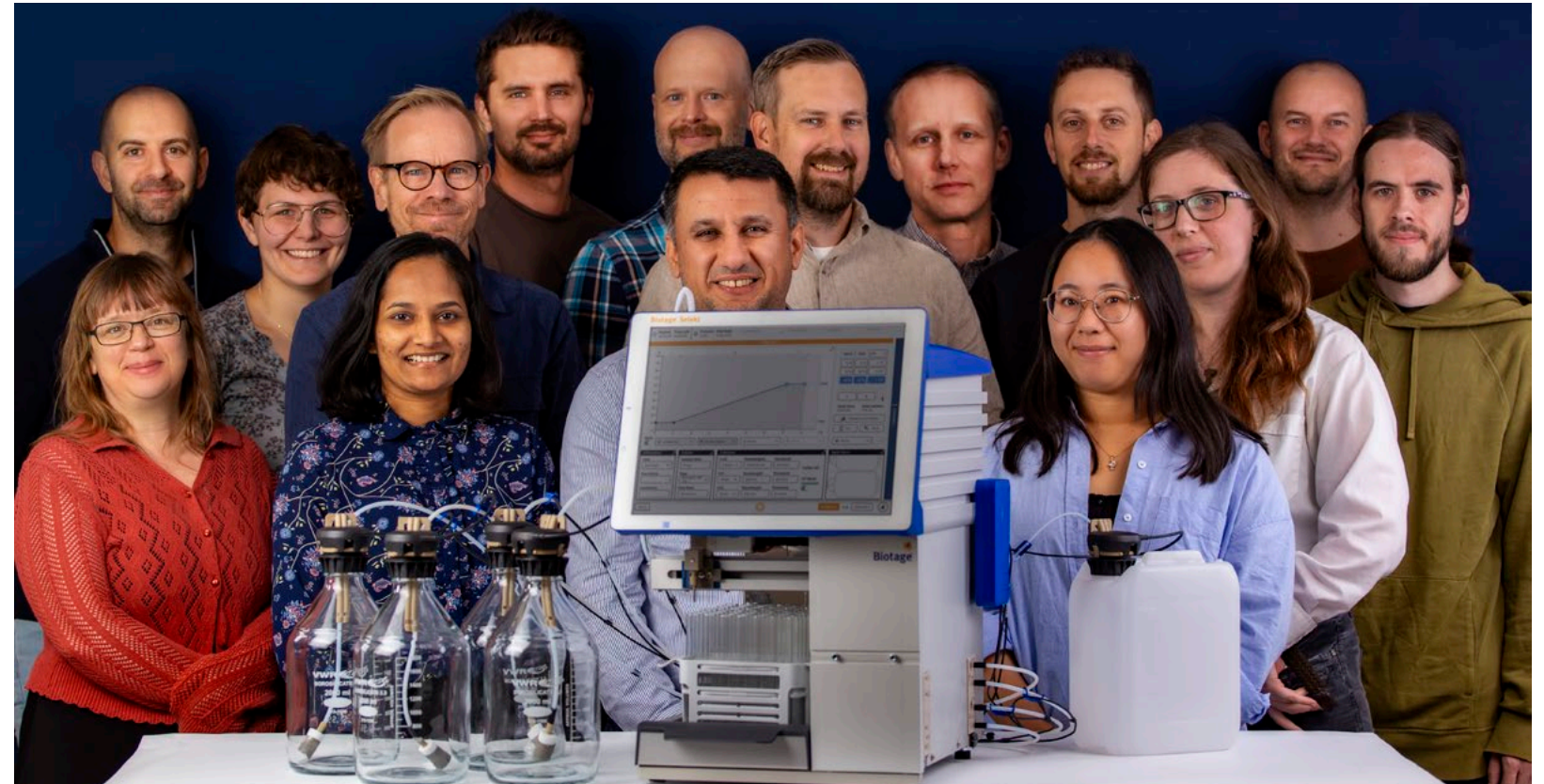
Through our efforts to achieve a safe and healthy working environment, we have successfully reduced accidents and increased reporting at our largest production facility in the UK over several years. In 2023, we expanded the reporting and follow-up to include all production facilities and sites in the UK, US, and Sweden. Furthermore, we are testing a project to facilitate global reporting, set to launch in 2024 encompassing all our sites.

We have introduced initiatives to better leverage employees' opinions and ideas, resulting in our innovation funnel, local surveys and interviews related to retention and engagement as well as local reward programs. In this regard, we actively collaborate across functions in various forums to promote transparency and capture diverse perspectives.

Responsible, Ethical Business Relationships

At Biotage, our commitment to responsibility extends to being a trusted partner for all our customers, suppliers, and stakeholders. This is anchored by our common corporate culture and clear leadership. We conduct business with active governance, ensuring adherence to strong business ethics and compliance with applicable laws and regulations. Governance is executed through our Code of Conduct and related policies, with all our employees undergoing thorough training, with annual refresh, on these principles.

In late 2022, we introduced our Supplier Code of Conduct, which involves the evaluation and inspection of our suppliers' governance and a healthy work environment. We have rolled it out to our largest suppliers so far and will extend this initiative in 2024. Additionally, we are implementing extended supplier audits for the top suppliers. The code is part of our supplier follow-up system through which we evaluate and inspect our suppliers. To maintain transparency and accountability, we have a whistleblower system that empowers both employees and external partners to report concerns or improprieties.





Double Materiality Analysis

The double materiality assessment is a comprehensive process that integrates various stakeholder perspectives through workshops, interviews, and an initial gap analysis in alignment with the European Sustainability Reporting Standards (ESRS). Our interviews with stakeholders, both internal and external, are specifically designed to gather information on us, our customers, and suppliers. The result of this work highlights ours as well as our customers' and suppliers' sustainability impacts, risks, and opportunities in the short-, medium- and long-term.

To ensure alignment, we have conducted training sessions and workshops with different stakeholder groups, including our executive team. Throughout the process we have utilized the ESRS standards and different international frameworks. The results have identified eleven key areas that are material to Biotage, which will serve as our focal points for 2024 and beyond as we set and pursue our sustainability goals:

1. Workers in the Value Chain

Short-term, we focus on an extended assessment of our top suppliers to secure human rights and decent working conditions.

2. Substances of Very High Concern

We are aware that we are using certain chemical substances in our production that are classified as substances of very high concern (SVHC) under the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) regulation due to their potentially negative impact on human health or the environment. We remain focused that these substances are replaced with substitutes in the short- to mid-term.

3. Health & Safety

Health & safety is our strength with good procedures in place for our production sites and laboratories. We will ensure that new acquisitions and sales offices are included in our annual health & safety reporting.

4. Work-Life Balance

Part of our corporate culture is about monitoring the work-life balance. We follow-up on this, among other things, with our annual performance reviews as well as with employee surveys.

5. Business Conduct

Our work with corporate culture encompasses business conduct. We have several policies that provide guidelines on how we take care of business conduct related questions, such as our internal code of conduct, policy against corruption and bribery, whistleblowing, an external supplier code of conduct, as well as human trafficking and modern slavery. We educate new employees and provide annual recurring training.

6. Responsible Marketing Practices

We are careful in our marketing statements and only publish well-verified information based on data.

7. Pollution of Air

Pollution of air is a risk area that needs thorough monitoring, even though we have a low impact today.

8. Pollution of Water

Pollution of water is a potential risk area, and the levels need to be constantly monitored. During the year our Cardiff facility reduced its emissions into the water system to almost zero. Ongoing testing will continue to be carried out.

9. Climate Change Adaptation

Climate change adaptation is seen as an opportunity, and we are making a move from air freight to sea freight for example.

10. Climate Change Mitigation

Climate change is a risk that we are mitigating for example through our product development process, looking at the entire product life cycle. During our new product evaluation process, we assess raw material use and energy consumption to ascertain if reductions can be achieved.

11. Waste

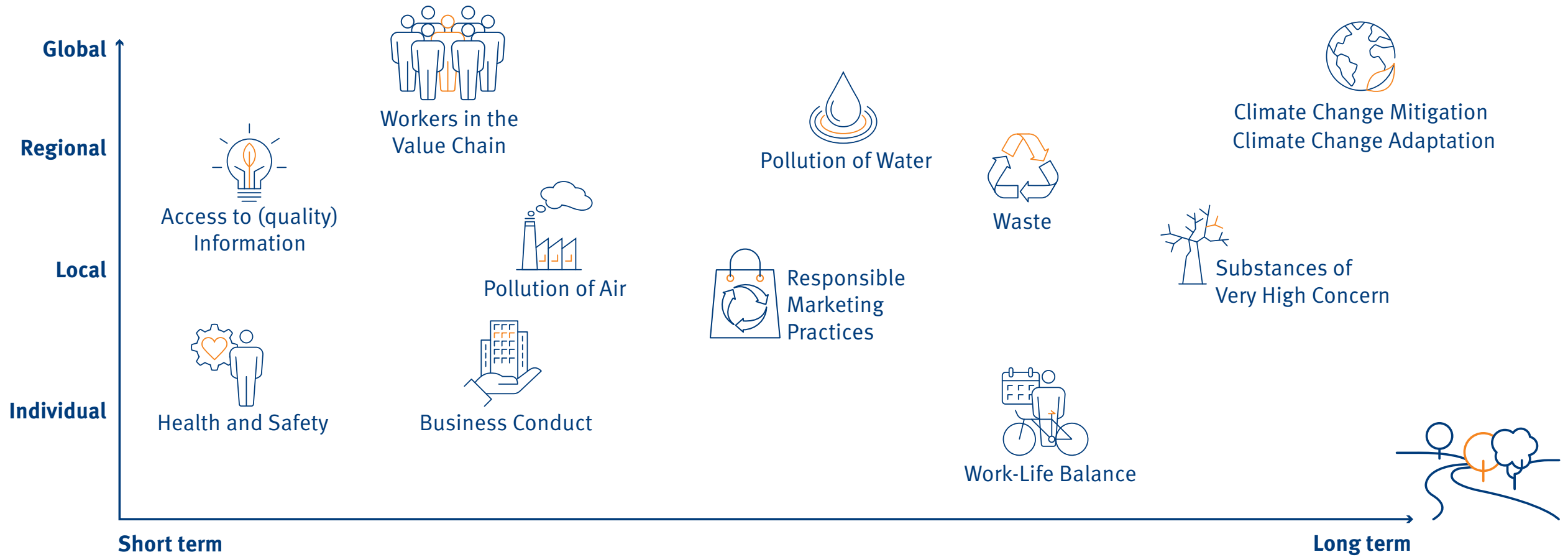
Strong emphasis will be placed on waste generated by our products and on the possibilities of recycling material where possible.

12. Access to Quality Information

Easy access to quality information online and specialist network available internally and for customers.



Double Materiality Analysis: Biotage's impact, long and short term





Key Sustainability Targets for 2023 and Our Performance

Environment

We continued the work on optimizing our chemical processes at the Cardiff site to reduce solvent usage.

In 2023, we have been building a process to collect historic and current data on our greenhouse gas emissions company-wide. We have also implemented a software platform to assist in this data collection, enabling us to establish an emissions baseline and to measure the ongoing improvements resulting from our environmental initiatives.

Our sites in Uppsala, Cardiff and Cambridge all switched to using electricity certified as being sourced from renewable sources.

We finalized the implementation of solar panels to our site in Cardiff, Wales.

80% of the packaging for our solid phase extraction (SPE) consumables and Biotage® Sfär Columns is from recycled sources.

Approximately 50% of the packaging for the systems we manufacture in Cardiff, Wales, is sourced from recycled materials.

We are currently undertaking a project to analyze alternative plastics with reduced environmental impact, exploring their potential for future use in our products.

Social

The Biotage framework for equal pay is in place, and no unreasonable pay gaps were identified in Sweden, the US, APAC, or the UK.

In Sweden, we are using Equal Pay Index and there our score was 95,2. The Swedish average is 95,3.

In the US, we have achieved two out of the four goals outlined in our Affirmative Action Plan. We successfully met our goals for female representation in the top leadership and operational roles, but did not meet our goals for female and minority representation in the second-tier leadership.

Our target was to reduce accidents and incidents by 20%. We decreased the number of accidents with 41% and incidents with 66%.

We have established an aligned reporting for accidents, incidents, and near-misses that we will start using for all sites from 2024 going forward.

In addition, the total sick leave for the UK has decreased over 1% to 2.84%, including both short and long-term sick leave. In Sweden, the total sick leave was 2.67%, which is double the level from 2022. Short-term sick leave was 0.99% in Sweden. At Astrea Bioseparations, sick leave was 0.013%.

We have implemented a range of initiatives, including talent programs, promotion tracking, development programs and innovation funnel.

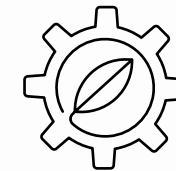
Additionally, we have enhanced our internal training platform Biotage Academy and onboarding of new employees. We have also published articles addressing mental health and wellbeing and started introducing Mental Health First Aiders (MHFA) to a wider group.

Governance

In our continuous cybersecurity monitoring of our global internet presence, we maintained the highest security rating (A) in the SecurityScorecard cybersecurity tool.

A digitized form and process were launched for reporting and handling personal data breaches.

To support anti-corruption, we rolled out our Supplier Code of Conduct to our largest suppliers.





EU Taxonomy Regulation

The Taxonomy Regulation is a vital part of the European Commission's plan of action for redirecting capital flows towards a more sustainable economy. Being a classification system for environmentally sustainable economic activities, the taxonomy is an important step towards achieving carbon neutrality by 2050 in line with the EU's climate objectives.

Biotage is obligated by the EU Non-Financial Reporting Directive to disclose the extent to which the activities carried out meet the criteria of the EU Taxonomy.

As of this financial year, reporting must be done for all six climate targets:

- » Climate change mitigation
- » Climate change adaptation
- » Sustainable use and protection of water and main resources
- » Transition to a circular economy
- » Pollution prevention and control
- » Protection and restoration of biodiversity and ecosystems

The European Commission has decided that for the new targets it is only necessary to report whether companies are covered by the new activities or not, which for Biotage is related to the Transition to Circular Economy.

In the following sections, as a non-financial parent company, we present the share of the Group's turnover, our investments (CapEx) and operating expenses (OpEx) for the 2023 reporting period, eligibility of the taxonomy.

Turnover KPI

Most of the Group's turnover is not aligned with the EU Taxonomy's economic activities.

The share of taxonomy-eligible and taxonomy-aligned economic activities in our total turnover has been calculated as the portion of turnover derived from products and services associated with taxonomy-eligible and taxonomy-aligned economic activities (numerator) divided by net sales (denominator) in each case for the fiscal year of January 1, 2023, to December 31, 2023.

The denominator of the turnover KPI can be reconciled with our consolidated financial statements, see the line Net sales in the income statement on page 50.

Biotage assesses revenues attributable to the sale of spare parts to be taxonomy-eligible according to CE 5.2 Circular Economy.

CapEx KPI

The KPI is defined as taxonomy-eligible and taxonomy-aligned CapEx (numerator) divided by our total CapEx (denominator).

Total CapEx consists of an increase in tangible and intangible fixed assets during the fiscal year, before depreciation and any revaluations, and excluding changes in fair value. It includes acquisitions of property, plant and equipment (IAS 16), intangible fixed assets (IAS 38) and rights of use (IFRS16). Increases due to business combinations are also included. Goodwill is not included in CapEx, as goodwill is not defined as an intangible asset in accordance with IAS 38. Our total CapEx can be reconciled with our consolidated financial statements, see the line Acquisitions for the year and Investments in subsidiaries for the year in notes 10, 11 and 13.

Biotage has identified taxonomy-eligible investments in 2023, which are related to CCM 6.5 Transport with motorcycles, passenger cars and light motor vehicles and CCM 7.6 Installation, maintenance and repair of renewable energy technologies.

**OpEx KPI**

The KPI is defined as taxonomy-eligible and taxonomy-aligned OpEx (numerator) divided by our total OpEx (denominator).

Total OpEx consists of direct non-capitalized costs relating to research and development, building renovation measures, short-term letting, all forms of maintenance and repair, and all other direct costs relating to the function of property, plant and equipment.

In 2023, Biotage has identified taxonomy-eligible operating costs attributable to CCM 7.3 Installation, maintenance and repair of energy-efficient equipment and 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces adjacent to buildings).

Biotage reports 0% taxonomy alignment for each KPI as Biotage has not yet implemented processes to assess taxonomy alignment. We will in 2024 initiate and improve processes to meet criteria for relevant economic activities.

Biotage does not have any activities linked to nuclear energy and fossil gas-related activities, see table below:

Row	Nuclear energy related activities	Yes/No
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



Capital expenditure

Financial year 2023				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	CapEx (3)	Proportion of CapEx, 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Bio-diversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Bio-diversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		MSEK	%	J; N; N/EL	J; N; N/EL	J; N; N/EL	J; N; N/EL	J; N; N/EL	J; N; N/EL	J/N	J/N	J/N	J/N	J/N	J/N	J/N	%	E	T

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1. Environmentally sustainable activities (Taxonomy-aligned)

CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-
Of which Enabling																	0%		
Of which Transitional																	0%		

A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)

				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	7	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	1	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		8	1%	1%	-	-	-	-	-								0%		
A. CapEx of Taxonomy eligible activities (A1+A2)		8	1%	1%	-	-	-	-	-								0%		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

CapEx of Taxonomy-non-eligible activities	724	99%
TOTAL	732	100%



Operating expenses

Financial year 2023				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')											
Economic Activities (1)	Code (2)	OpEx (3)	Proportion of OpEx, 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Bio-diversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Bio-diversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)		
		MSEK	%	J; N; N/EL	J; N; N/EL	J; N; N/EL	J; N; N/EL	J; N; N/EL	J; N; N/EL	J/N	J/N	J/N	J/N	J/N	J/N	J/N	%	E	T		
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-		
Of which Enabling			%																		
Of which Transitional			%																		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL												
Installation, maintenance or repair of energy efficiency equipment	CCM 7.3	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL											0%	
Installation of charging stations	CCM 7.4	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL											0%	
OpEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	0%	-	-	-	-	-											0%	
A. OpEx of Taxonomy eligible activities (A1+A2)		0	0%	0%	-	-	-	-	-											0%	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
OpEx of Taxonomy-non-eligible activities		679	100%																		
TOTAL		679	100%																		



Auditor's Opinion Regarding the Statutory Sustainability Report

To the General Meeting of shareholders of Biotage AB

Task and Allocation of Responsibilities

The Board of Directors is responsible for the FY 2022 sustainability report on Pages 29–40 and for ensuring that it is drawn up pursuant to the Annual Accounts Act (“årsredovisningslagen”).

The Focus and Scope of the Review

Our review has been carried out in accordance with FAR's [Swedish Association of Authorized Public Accountants] recommendation RevR 12 - The auditor's opinion on the statutory sustainability report. This means that our review of the sustainability report has a different focus and a considerably smaller scope compared to the focus and scope of an audit pursuant to International Standards on Auditing and best auditing practices in Sweden. We believe that this review provides sufficient grounds for our statement.

Statement

A sustainability report has been prepared.

Uppsala, April 3, 2024

Öhrlings PricewaterhouseCoopers AB

Leonard Daun
Authorized Public Accountant



Financial Statements

The background of the page features a dark blue color with a subtle grid pattern. A light blue line chart with circular markers is overlaid on the grid, showing an overall upward trend with some fluctuations. The chart is positioned in the lower right quadrant of the page.



Management Report

About the Company

Biotage is the Global Go-To Separations company, supporting customers from drug discovery and development through to diagnostics and analytical testing with intelligent and sustainable workflow solutions. Our expertise and top-tier separation solutions play a key role in streamlining our customers' workflows and improving their outcomes.

Our customers span a broad spectrum of market segments ranging from pharmaceutical, biotechnology, diagnostics, contract research and contract manufacturing, as well as clinical, forensic and academic laboratories, and organizations focused on food safety, clean water and environmental sustainability.

Biotage AB, headquartered in Uppsala, Sweden, is the Parent Company of the Group and has wholly-owned subsidiaries in Sweden, the United Kingdom, Germany, France, Italy, Switzerland, the United States, Japan, China, South Korea, Singapore and India. The Biotage ordinary share is listed on Nasdaq Stockholm.

In June 2023, Biotage completed the acquisition of 100% of Astrea Group Holdings Company Limited (Astrea). Strategically, the acquisition extends Biotage's chromatography franchise into the higher-growth and larger bioprocessing segment, while also increasing exposure to biological medicines and advanced therapies customers. See also note 28 Business acquisitions.

Results and operations

The financial year 2023 was stable with revenue amounting to SEK 1,862 (1,566) million, an increase of 18.9% compared to the previous year and an organic decrease of 10.2%. At the regional level, Americas accounted for 40 (42)% of net sales and EMEA for 40 (28)%, while APAC accounted for 20 (30)%. Gross profit amounted to SEK 1,149 (948) million, an increase of 21.2%, and adjusted EBITDA amounted to SEK 518 (464) million, an increase of no less than 11.6%. Since the acquisition, Astrea Bioseparations has contributed revenue of SEK 393 million, gross profit of SEK 242 million and adjusted EBITDA of SEK 109 million.

In 2023, the Group increased its gross margin by just over 1%age point to 61.7%. The gross margin improved due to continued positive development of recurring revenues. The Group strives to increase the share of recurring revenue, which we define as revenue from consumables and service. For 2023, recurring revenue amounted to 67% of total revenue. Higher recurring revenues lead to better predictability and lower volatility in revenues. The increase is largely due to the acquisition of Astrea Bioseparations, whose revenue is entirely based on consumables.

Operating expenses amounted to SEK -835 (-621) million, an increase of SEK 214 million. The increased cost level compared to the previous year is affected by the acquisition and consolidation of Astrea, including depreciation of excess values. Distribution costs increased by SEK 78 million to SEK -457 (-379) million. Administrative expenses increased by SEK 62 million to SEK -212 (-150) million, with

transaction costs attributable to the acquisition affecting by SEK 33 million. Research and development expenses increased by SEK 50 million to SEK -159 (-109) million. Operating expenses excluding transaction costs and depreciation amounted to SEK -631 (-484) million.

Other operating items for the year of SEK -7 (17) million consist mainly of currency effects on operating liabilities and receivables.

Operating profit for the year decreased to SEK 314 (327) million and the operating margin amounted to 16.9 (20.9)%.

Adjusted EBITDA of SEK 518 (464) million was recognized in order to better track Biotage's underlying profitability net of non-recurring items related to acquisitions. Adjusted EBITDA margin to 27.8 (29.6)%, for definitions see further in note 32.

Net financial items amounted to SEK -11 (21) million, where the revaluation of additional consideration to the sellers of PhyNexus Inc. met the increased financial costs.

Profit after tax decreased to SEK 246 (268) million. The reported tax expense for the year amounted to SEK -57 (-80) million.

Cash flow from operating activities decreased by SEK 57 million to SEK 284 (341) million. Cash flow from operations increased to SEK 435 (429) million. Cash and cash equivalents acquired in Astrea had a positive impact on cash flow from investment activities for the twelve-month period.



Balance sheet items and financial position

The Group's cash and cash equivalents totaled SEK 594 (441) million on December 31, 2023. Interest-bearing liabilities concerned loans in the scope of a revolving credit facility of SEK 150 (150) million, lease liabilities of SEK 109 (67) million, an estimated additional consideration related to the acquisition of PhyNexus Inc. SEK 5 (22) million and Astrea 363 (-). The net cash position was SEK 335 (224) million.

As of December 31, 2023, the Group recognized total goodwill of SEK 2,391 (794) million. The large increase compared to the previous year is mainly related to the acquisition of Astrea, SEK 1,598 million. Other change here attributable to exchange rate changes.

In addition to goodwill attributable to the Astrea acquisition, the Group's goodwill is also attributable to the acquisitions of ATDBio Ltd., PhyNexus Inc. and Horizon Technology Inc. as well as the acquisitions of MIP Technologies AB and two product lines from Caliper Life Sciences Inc.

Accrued expenses for development work amounted to SEK 169 (136) million. Other intangible assets amounted to SEK 586 (172) million and mainly related to identified surplus values linked to acquisitions. The major change compared to the previous year is attributable to the acquisition of Astrea.

Equity as of December 31 amounted to SEK 3,657 (1,637) million. The contribution issue carried out in the parent company in connection with the acquisition of Astrea affected equity by SEK 2,026 million. In addition, the change in equity is explained by SEK 246 million in net income, exchange rate effects on translation of foreign subsidiaries, SEK -155 million and dividends to shareholders of SEK 106 million and other items of SEK 8 million.

As part of the acquisition, 13,954,103 new ordinary shares were issued and after the issue, the total number of shares amounted to SEK 80,667,695 and the share capital to SEK 112,128,096.05. In connection with the termination of the LTIP 2020 incentive program in July, 70,307 C shares were converted into ordinary shares and the company sold 17,960 shares to cover social security contributions, etc.

Investments and depreciation

Investments amounted to SEK 35 (-84) million, of which investments in property, plant and equipment amounted to SEK 26 (35) million. Investments in intangible fixed assets amounted to 65 (35), with capitalized development expenses amounting to SEK 60 (32) million. Acquisition of company -SEK 125 (12) million.

Depreciation amounted to SEK 149 (101) million, of which SEK 29 (18) million was attributable to property, plant and equipment, and SEK 28 (26) million to right-of-use assets. Depreciation of intangible assets amounted to SEK 92 (58) million, where the increase is largely explained by depreciation of excess values related to the acquisition of Astrea.

Research and development

The company's strategy for research and development is market-driven. Development of innovative products is an important instrument of competition and a way of creating opportunities for continued growth. Efforts are mostly aimed at developing new products by improving existing technology and adding new functionality. In the short term, the continuing development of the system platforms and new applications for existing products are key growth drivers. The integration of Astrea R&D enables us to expand

the capabilities in pharmaceutical discovery and development of biological medicines and advanced therapies. With Astrea, we will be better equipped to accelerate our Biologics & Advanced Therapeutics business, with a focus on higher growth and larger bioprocess segments.

Capitalization amounted to SEK 60 (32) million. About one-tenth of the research and development budget is allocated to innovative research on new concepts, and Biotage collaborates with academic research groups within this framework.

Intellectual property rights

Biotage uses its intellectual property rights as a commercial instrument to create competitive advantages. Patent protection is sought for strategically important results, including processes, synthesis and analysis methods, products and applications. In addition to filing patent applications, the company seeks to register its intellectual property rights in the form of design protection and trademarks. Biotage regularly evaluates its own portfolio of intellectual property rights on a cost-benefit basis. Biotage actively monitors the external environment and third-party intellectual property rights to ensure the company does not infringe on the rights of others and other parties do not infringe on the rights of the company. At the end of the year, Biotage including the Astrea Group had 351 (282) granted patents and 110 (75) patent applications, divided into 82 (67) patent families. During the year, 14 (15) new patents were granted and 7 (6) new patent applications were submitted.



Personnel

The number of employees in the Group was 674 (full-time equivalents) compared to December 31, 2022, when the Group had 517 employees. The increase is explained by the acquisition of Astrea. Within the framework of the Group's systematic work environment procedures, Biotage performs risk analyses and annual reviews to ensure a good physical and social workplace environment. Biotage has had relatively low sick leave over the years. Sick leave for all employees in the Swedish companies amounted to 2.67% (1.5). The company invests in fitness activities and is prepared to act quickly and take measures should an employee suffer ill-health. In addition to its Work Environment Policy, the company has a Code of Conduct, an Alcohol and Drug Policy, Anti-corruption Policy, a Policy on Sexual and Other Harassment and a whistleblowing procedure. All of the policies include action plans for handling any breaches of the guidelines. The company's Gender Equality and Discrimination Policy is updated regularly. Biotage conducts annual salary analyses in order to ensure equal pay as far as possible.

Biotage Sweden AB has a collective agreement with Innovation and Chemical Industries in Sweden. Other companies in the Group comply with prevailing local regulations and guidelines. The company applies an individual, performance-based and market-related pay structure.

The environment

Biotage production has a low environmental impact. The company's production consists primarily of assembly and installation of components, and is conducted in compliance with the European Union's RoHS Directive. The environmental impact of Biotage operations is

primarily related to freight and transportation. To reduce this impact, Biotage endeavors to switch from air to sea transport where possible and to optimize packaging by measures such as increasing the number of products in each package and buying packaging material and components locally if it can, and using recycled material as far as possible.

The main environmental impact of production activities is from the use of energy. However, production is not electricity-intensive. The manufacturing facilities in Cardiff and Southampton/Oxford also generate waste in the form of any solvent used in the production process. The company's aim is to regularly replace these solvents, where possible, with others that have a lower environmental impact. Most of the solvents that are used are recycled. At the Cardiff facility, waste is also generated in the form of packaging materials from incoming goods, which are sorted and sent for recycling where possible. The environment is also an important aspect of product development. Ensuring that an environmental approach is an integral part of new product design helps minimize the environmental impact of the company's own production and product use in customers' own operations.

In 2013, Biotage set up Environmental Management Systems (EMS) as part of the program to obtain ISO 14001 certification. In 2016, the Cardiff facility, where most of the company's own production takes place, was awarded ISO 14001 certification. As part of the ISO 14001 program, Biotage is monitoring a number of important parameters that affect the company's environmental performance. Our double materiality analysis shows the risks that have been identified. Levels of emissions to both air and water are monitored based on the permits we have.

Risks

Biotage operations are associated with risks in certain areas.

Customers and market

The company has a broad customer base in several different sectors. In the business excluding Astrea Bioseparations, no customer accounts for more than five% of turnover. This reduces the risk of variations in demand from fluctuations in certain industries or customer-specific circumstances. New or less expensive products from competitors could affect the company's market position. Biotage seeks to establish the broadest possible areas of use for its products and to have sufficient customer segments to ensure that each customer's proportion of sales is kept to a minimum. In recent years, Biotage has worked to broaden its customer base to application areas such as foodstuff and the environment, biomolecules and most recently oligonucleotides, through the acquisition of ATDBio, Ltd and Astrea Bioseparations. In Astrea Bioseparations, few customers account for a larger share of revenue, by working to broaden their customer base and by being part of Biotage's core business will help to balance that risk.

Products and technologies

The company's broad product portfolio reduces sensitivity to product life cycles and economic fluctuations. New biotechnology takes a relatively long time to establish, and Biotage is unable to guarantee that others will not develop products based on new technologies, which would reduce the competitiveness of the company's products or make them redundant.



Production

Production of systems takes place at contract manufacturers in Sweden and the USA and under the company's own auspices in Cardiff, Wales, Salem, New Hampshire and San Jose, California, as well as through the acquisition of Astrea on the Isle of Man; Joliette, Canada; and Cambridge, UK. Consumables are manufactured at the sites in Cardiff, Salem and San Jose, as well as Oxford and Southampton and the Isle of Man, Joliette and Cambridge. All of the production facilities have the capacity to increase production at relatively short notice. Dependence on external production capacity could increase the risk of delays or non-delivery, although this risk is considered minimal. Biotage has special staff who closely monitor how suppliers discharge their obligations in terms of quality and delivery times. In cases where Biotage enters into large call-off contracts, under which the company commits to purchase certain volumes over a certain period, there is a risk of loss if sales do not meet the expectations on which the contracts are based.

Personnel

Biotage has a large number of highly skilled, committed and motivated employees, who have developed strong customer relationships. Recruiting and retaining qualified staff is a prerequisite for pursuing the Group's business strategies. Biotage offers its employees competitive employment conditions, scope for input into the Group's products and services, some control over their own duties, and opportunities for personal development through initial training, continuing training and career planning. During the year, several initiatives aimed at talent have been implemented or started. Despite these activities, there are no guarantees of the possibility of retaining key personnel.

Competitors

Competition in Biotage's markets is fierce and the Company sometimes competes with large and well-established companies that have significantly greater financial and industrial resources at their disposal or focus on a smaller product set. It is not inconceivable that this competition could lead to lower market shares and reduced profitability for Biotage in the future. The company strives for a large market presence, better focus on customer needs and on the entire workflow rather than just a specific part of it, which the competitors do instead.

External risks

The company's operations are exposed to risks associated with the effects of external factors and events. The main external risks include macroeconomic changes, political decisions on bilateral trade agreements, taxes, duties and other regulatory changes. By their very nature, external risks are out of the company's control. Biotage endeavors to manage this type of risk through business intelligence and access to the resources and expertise that will enable the company to respond quickly when it needs to grasp and adapt to changes in the external environment.

Russia's invasion of Ukraine

Biotage is only affected to a small extent by the war in Ukraine, as the war affects the global supply chain as a whole. Biotage terminated cooperation with Russian distributors as soon as the invasion began in February 2022.

The Middle East Crisis

Biotage sees no significant impact attributable to the crisis in the Middle East and transport around the Red Sea. Indirectly, this crisis may have an impact on the supply of inputs from subcontractors and an increase in sea freight prices.

Inflation

The high inflationary pressure is affecting Biotage's cost profile, where, for example, increased energy costs are affecting freight costs in the wrong direction. Furthermore, there is uncertainty as to how the high inflation will affect Biotage customers in the long term and their demand for Biotage products.

Intellectual property rights

Biotage is dependent on non-patentable business secrets, know-how and continuing technological inventions, and on the ability to obtain and maintain patents to protect its technologies and products. Biotage continuously applies for patent protection for the methods and products it develops. Should the company be unsuccessful in protecting its patents, business secrets, know-how or technologies, or have insufficient protection against competitors, the company's competitive position could be undermined and the value of its existing and future products could be adversely affected. Should a party claim that the company has infringed its intellectual property rights, the company would be obliged to pay damages if the party were considered to have valid grounds for its claim against Biotage in a court of law. The company might also need to initiate proceedings to defend its intellectual property rights. Even if Biotage were to win a case, the process would be time-consuming and costly, and would also take up much of management's time and attention. Biotage endeavors to monitor the development of new products and methods in the external environment as far as possible, and to maintain good technical and legal expertise within its organization. There are no such ongoing disputes as of the date of submission of this annual report.



Financial risks

Financial risks include currency risk, interest rate risk, credit risk, liquidity risk and refinancing risk. Currency risk is the most significant financial risk for Biotage, while interest risk and credit risk are less of a priority.

The Group's operating income is exposed to foreign currencies to a greater extent than its operating expenses. Exchange rate movements may shift the relationship between income and expenses and affect the Group's profitability. To reduce currency risk, the Group works to avoid centralizing it in Sweden as far as possible. Transactions between Sweden and foreign subsidiaries always take place in the subsidiary's currency. Excess liquidity is gathered in Sweden in Swedish currency. Balances in foreign currency are settled as far as possible. Currency hedging is not practiced. In the long term, currency risk could be reduced if the Group relocated parts of its activities, although this might involve costs and loss of expertise.

In addition, the Parent Company has invested in subsidiaries, notably in the U.S., U.K., China and Japan. As a result of these investments, the Group's equity is affected by exchange rate movements in relation to these countries' currencies.

Liquidity risk is primarily the risk of Biotage being unable to convert a financial asset sufficiently quickly at a market price, and incurring unforeseen losses if cash funds need to be released. Biotage's financial position and liquidity are satisfactory with an equity ratio of 74% (70%) and cash and cash equivalents on the balance sheet date amounted to SEK 594 (441) million. Loans and liabilities to credit institutions amounted to SEK 150 (150) million. Statements of cash flow show sufficiently positive cash flows from operations that, to a reasonable extent, allow the Group to fully discharge its

current obligations associated with the current scope of operations. Consequently, Biotage does not currently have any tangible liquidity or financing risks that leave the Group dependent on credit facilities or capital contributions for its expansion, resulting in decision-making falling outside the Group's control. Biotage addresses these risks in the long term by focusing strongly on operating profit, financial position and cash flow from operating activities. This will create the conditions for long-term organic growth and confidence among shareholders and lenders.

A description of the Group's financial risks and risk management is presented on pages sid 68-71.

Parent Company

The Group's Parent Company, Biotage AB, has wholly-owned subsidiaries in Sweden, the US, the UK, Germany, France, Italy, Switzerland, Japan, China, South Korea, Singapore and India. The Parent Company is responsible for Group management, strategic business development and administrative functions at the Group and subsidiary levels.

The Parent Company's net sales amounted to SEK 5 (6) million. Operating expenses were SEK -32 (-33) million. Operating profit/loss was SEK -27 (-27) million. The parent company's financial net was SEK 34 (401) million and relates mainly to dividends from subsidiaries. Profit after financial items amounted to SEK 7 (374) million. Recognized tax amounted to SEK -7 (-7) million.

Investments in intangible assets amounted to SEK 2 (1) million. The Parent Company's cash and cash equivalents totaled SEK 194 (3) million on December 31.

Share offering and mandate to issue shares

At the 2023 Annual General Meeting, it was decided to authorize the Board of Directors to decide on the issue of ordinary shares with payment of the transfer of contributing property, as part of the remuneration for the acquisition of Astrea and Nanopareil. On June 1, 2023, the acquisition was completed and 13,954,103 ordinary shares were issued. After the issue, the number of shares was 80,667,695. The newly issued shares increased share capital by SEK 19,396,203.17.

In addition, the Board was given a mandate to adopt the issue of ordinary share offerings and/or convertibles on one or more occasions. The mandate was not exercised.

The Biotage share

Biotage had 80,667,695 shares at the end of 2023, divided into 80,008,185 ordinary shares and 659,510 C shares. Each of the company's ordinary shares gives the right to one vote, and the articles of association do not contain any restrictions on the number of ordinary shares for which a shareholder may vote at general meetings. There are no restrictions on transferability of ordinary shares. The class C shares were issued under the performance-based share program to secure delivery of ordinary shares to the participants on achievement of goals and to cover certain costs associated with the program. The class C shares can be converted into ordinary shares. All class C shares are repurchased by Biotage and thus do not carry voting rights. The class C shares are not eligible for dividends.

Number of shares when calculating earnings per share, see note 32.

Biotage is not aware of agreements between shareholders.



Sustainability reporting

In accordance with Chapter 6, Section 11 of the Swedish Annual Accounts Act, Biotage has prepared a Sustainability Report. The Sustainability Report is included in the Annual Report on pages 29-40.

Corporate Governance

Biotage has prepared a Corporate Governance Report in accordance with the provisions and implementation guidelines contained in Swedish legislation and the Swedish Corporate Governance Code. The report has been prepared separately from the annual report. The report and related auditors' report are available on the Group's website at www.biotage.com together with other information about corporate governance within Biotage.

Guidelines for remuneration of senior executives

Current principles and guidelines for remuneration of senior executives adopted by the 2020 AGM are described in note 1. The guidelines for remuneration of senior executives were adopted by the AGM on June 4, 2020 and apply until the 2024 AGM unless the general meeting decides otherwise.

The proposal of guidelines for remuneration to senior executives to the 2024 Annual General Meeting is presented in Note 1.

Significant events after the reporting date

On January 4, it was announced that Tomas Blomqvist will leave the position of CEO and Torben Jørgensen will take over as interim until a new CEO has been recruited. Kieran Murphy has been appointed Chairman of the Board for the period that Torben Jørgensen is CEO.

Proposed appropriation of profit

The annual general meeting has the following amounts from the Parent Company at its disposal (SEK):

Share premium reserve	2,264,281,648
Retained earnings	637,215,540
Profit for the year	1,104,631
Total	2,902,601,819

The Board of Directors and CEO propose that the amounts be distributed as follows:

Dividend payment of SEK 1.60 per share to shareholders	128,013,096
Carried forward	2,774,588,723
Total	2,902,601,819

Statement of the Board under Chapter 18, Section 4 of the Swedish Companies Act

The Board of Directors has proposed that the Annual General Meeting on April 25, 2024 resolve on a dividend of SEK 1.60 per share. The total dividend amount is a maximum of SEK 128,013,096. The Board considers, in light of what is indicated below, that the recommendation is justifiable in consideration of the demands that the nature, scope and risks that operations place on the amount of equity, and Biotage's consolidation requirements, liquidity and position in general. In this context, the Board has also considered the demands that the nature, scope and risks of the Group place on the Group's equity, and the Group's consolidation requirements, liquidity and position in general.

Equity

The Board's assessment is that Biotage's equity will be adequate after the recommended dividends. In this context, the Board has considered the nature and scope of the operations and the risks associated with the operations, and the current economic situation, historical trends and future projections for both Biotage and the market.

Consolidation requirements, liquidity and position in general

The Board has made an overall assessment of Biotage's financial position and its ability to fulfill its obligations in the long term. The recommended dividend does not affect Biotage's ability to meet its current or foreseeable payment obligations on time or Biotage's ability to make planned investments. The Board has also considered other known conditions that could affect Biotage's financial position and have not been considered within the scope of what was outlined above. In this context, no circumstances have emerged that would make the proposed dividend unjustifiable. The earnings and financial position of the Group and the Parent Company are presented in the Group's statement of comprehensive income, statement of financial position and statement of cash flows, the Parent Company's income statement, balance sheet and statement of cash flows, the statements of changes in equity and the accounting policies and notes which follow.



Group

Five Years in Summary

Key figures and ratios	2023	2022	2021	2020	2019
GROUP					
Net sales, SEK million	1,862	1,566	1,232	1,092	1,101
Growth in net sales, %	18.9	27.1	12.7	-0.8	20.9
Gross profit, SEK million	1,149	948	755	667	685
Gross margin, %	61.7	60.6	61.3	61.0	62.2
Adjusted EBITDA	518	464	358	280	208
Adjusted EBITDA margin, %	27.8	29.6	29.1	25.6	18.9
Operating margin, %	16.9	20.9	22.0	18.9	18.9
Profit margin, %	18.5	23.1	22.9	21.2	19.5
Profit before tax, SEK million	303	348	269	223	212
Total assets, SEK million	4,931	2,339	1,992	1,434	1,336
Equity/assets ratio, %	74.2	70.0	68.9	69.0	65.5
Capital expenditure, SEK million	90	72	58	61	46
Average number of employees	674	517	497	463	440
Return on equity, %	9.3	17.8	17.3	18.8	23.7
Return on capital employed, %	11.9	21.1	20.3	19.9	22.1
Return on total capital, %	9.5	16.7	16.4	16.7	18.4

Key figures and ratios	2023	2022	2021	2020	2019
GROUP					
Earnings, SEK/share	3.34	4.06	3.13	2.69	2.87
Earnings after dilution, SEK/share	3.33	4.04	3.13	2.69	2.87
Dividend, SEK/share ¹⁾	1.60	1.60	1.55	1.50	–
Stock market price at end of period, SEK/share	134	186	262	139	124
Equity, SEK/share	45.71	24.81	20.78	15.18	13.43
Equity after dilution, SEK/share	45.66	24.73	20.71	15.18	13.43
P/E ratio, times	40.0	45.7	83.7	51.7	43.2
P/S ratio, times	5.3	7.8	13.9	8.3	7.3
Cash flow from operations, SEK/share	3.84	5.15	5.40	4.28	3.25
Weighted average number of shares, thousands	73,853	65,984	65,355	65,202	65,182
Weighted average number of shares after dilution, thousands	73,994	66,184	65,465	65,209	65,182
Total number of shares outstanding at end of the period, thousands	80,008	65,984	65,984	65,202	65,202
Total number of shares outstanding after delution at end of the period, thousands	80,094	66,201	66,207	65,222	65,202

¹⁾ Amounts refer to dividends for each year, paid the year after. For fiscal year 2023, the Board proposed an ordinary dividend of SEK 1.60 per share.



Consolidated income statement

Amounts in SEK millions	Note	2023	2022
Net sales	3	1,862	1,566
Cost of sales	1,2,4,5,6	-713	-618
Gross profit		1,149	948
Distribution costs	1,2,5,6	-457	-379
Administrative expenses	1,2,4,5,6	-212	-150
Research & development expenses	1,2,5,6	-159	-109
Other operating income	7	16	37
Other operating expenses		-23	-20
Total operating expenses		-835	-621
Operating profit		314	327
Finance income	8	30	35
Finance costs	8	-41	-14
Net financial items		-11	21
Profit before tax		303	348
Income tax	9	-57	-80
Profit/loss for the year		246	268
Profit/loss for the year attributable to owners of the Parent		246	268
Earnings per share, SEK		3.34	4.06
Earnings per share after dilution, SEK		3.33	4.04
Average number of shares outstanding		73,852,875	65,983,775
Average number of shares outstanding after dilution		73,994,435	66,184,324

Consolidated Comprehensive Income Statement

Amounts in SEK millions	Note	2023	2022
Årets resultat		246	268
OTHER COMPREHENSIVE INCOME:			
Items that may be reclassified to profit or loss for the year			
Exchange differences from translation of foreign subsidiaries		-155	84
Cash flow hedges		-	-
Total other comprehensive income		-155	84
Total comprehensive income for the year		91	352
Total comprehensive income attributable to owners of the Parent		91	352



Consolidated Statement of Financial Position

Amounts in SEK millions	Note	12/31/2023	12/31/2022
ASSETS			
Non-current assets			
Goodwill	12,14	2,391	794
Capitalized development expenditure	13,14	169	136
Other intangible assets	13,14	586	172
Right-of-use assets	11,14	97	66
Property, plant and equipment	10,14	187	96
Other financial assets	15,20,21	23	21
Deferred tax asset	24	31	23
Total non-current assets		3,484	1,308
Current assets			
Inventories	16	437	305
Trade receivables	17,20	321	223
Other receivables	17	95	62
Cash and cash equivalents	20	594	441
Total current assets		1,447	1,031
Total assets		4,931	2,339

Amounts in SEK millions	Note	12/31/2023	12/31/2022
EQUITY AND LIABILITIES			
Capital and reserves attributable to owners of the Parent	18		
Share capital		112	93
Reserves and other paid-in capital		2,167	315
Retained earnings		1,378	1,229
Total equity		3,657	1,637
Non-current liabilities			
Liabilities to credit institutions	19, 20, 21	150	150
Lease liabilities	20, 21	76	42
Other financial liabilities	20, 21, 22	147	17
Deferred tax liabilities	24	193	71
Provisions	23	3	5
Total non-current liabilities		569	285
Current liabilities			
Trade payables	20, 25	98	57
Lease liabilities	20, 21	33	25
Other financial liabilities	22	221	8
Other liabilities	25	349	324
Provisions	23	4	3
Total current liabilities		705	417
Total equity and liabilities		4,931	2,339



Consolidated Statement of Changes in Equity

Amounts in SEK millions	Share capital	Other paid-in capital	Translation reserve	Retained earnings	Total equity
Opening balance January 1, 2022	92	266	-50	1,063	1,371
CHANGES IN EQUITY IN 2022					
Profit/loss for the year	-	-	-	268	268
Other comprehensive income:					
Exchange differences on translation of foreign subsidiaries	-	-	84	-	84
Total comprehensive income	-	-	84	268	352
TRANSACTIONS WITH OWNERS OF THE PARENT					
New share issue	1	-	-	-	1
Dividend to shareholders of the Parent	-	-	-	-102	-102
Share-based remuneration	-	15	-	-	15
Closing balance December 31, 2022	93	281	34	1,229	1,637
CHANGES IN EQUITY IN 2023					
Profit/loss for the year	-	-	-	246	246
Other comprehensive income:					
Exchange differences on translation of foreign subsidiaries	-	-	-155	-	-155
Total comprehensive income	-	-	-155	246	91
TRANSACTIONS WITH OWNERS OF THE PARENT					
New share issue	19	2,007	-	-	2,026
Dividend to shareholders of the Parent	-	-	-	-106	-106
Share-based remuneration	-	3	-	-	3
Other changes	-	-	-3	5	2
Sale of own shares in the Parent Company	-	-	-	3	3
Closing balance December 31, 2023	112	2,291	-124	1,378	3,657



Consolidated Statement of Cash Flows

Amounts in SEK millions	Note	2023	2022	Amounts in SEK millions	Note	2023	2022
OPERATING ACTIVITIES				FINANCING ACTIVITIES			
Profit before tax		303	348	Dividend to shareholders		-106	-102
Adjustments for non-cash items		163	84	Sales of own shares		2	-
		466	432	Proceeds from borrowings		-	150
Income tax paid		-96	-52	Repayment of borrowings		-38	-180
Cash flow from operating activities before changes in working capital		370	380	Cash flow from financing activities		-142	-133
Cash flow from changes in working capital:				CASH FLOW FOR THE YEAR			
Increase (-)/decrease (+) in inventories		-20	-45	Cash and cash equivalents at beginning of year		441	311
Increase (-)/decrease (+) in operating receivables		-97	-45	Exchange differences		-24	6
Increase (+)/decrease (-) in operating liabilities		31	51	Cash and cash equivalents at end of year		594	441
Cash flow from changes in working capital		-86	-39	ADDITIONAL DISCLOSURES			
Cash flow from operating activities		284	341	Adjustments for non-cash items			
INVESTING ACTIVITIES				Depreciation and impairment	6	149	101
Acquisition of intangible assets	13	-65	-35	Translation differences		-18	5
Acquisition of property, plant and equipment	10	-26	-35	Value adjustment, additional consideration		-9	-28
Acquisition of financial assets	15	1	-2	Other items	26	41	6
Acquisition of companies and product lines	28	125	-12	Total		163	84
Cash flow from investing activities		35	-84	Interest received	8	9	2
				Interest paid	8	-10	-5



Parent Company

Income Statement, Parent

Amounts in SEK millions	Note	2023	2022
Net sales	3	5	6
Administrative expenses	1, 2, 4, 5, 6	-27	-30
Research & development expenses	2, 6	-4	-3
Other operating income	7	0	0
Other operating expenses		-1	-
Operating expenses, net		-32	-33
Operating profit		-27	-27
PROFIT/LOSS FROM FINANCIAL INVESTMENTS			
Financial income	8	70	405
Financial expenses	8	-36	-4
Net financial items		34	401
Profit/loss after financial items		7	374
Appropriations		1	2
Income tax	9, 24	-7	-7
Profit/loss for the year		1	369

Statement of Comprehensive Income, Parent

Amounts in SEK millions	Note	2023	2022
Profit/loss for the year		1	369
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified to profit or loss for the year		-	-
Comprehensive income for the year		1	369



Balance Sheet, Parent

Amounts in SEK millions	Note	12/31/2023	12/31/2022
ASSETS			
Non-current assets			
<i>Intangible assets</i>			
Patents and licenses	13	13	13
Total intangible assets		13	13
<i>Financial assets</i>			
Investments in Group companies	27, 28	3,545	1,141
Receivables from Group companies	30	8	12
Other financial assets	15	15	15
		3,568	1,168
Total non-current assets		3,581	1,181
Current assets			
<i>Current receivables</i>			
Receivables from Group companies	30	5	125
Other receivables	17	1	5
Prepayments and accrued income	17	2	17
		8	147
Cash and bank balances		194	3
Total current assets		202	150
Total assets		3,783	1,331

Amounts in SEK millions	Note	12/31/2023	12/31/2022
EQUITY, PROVISIONS AND LIABILITIES			
Equity			
<i>Restricted equity</i>	18		
Share capital		112	93
<i>Unrestricted equity</i>	18		
Share premium reserve		2,264	258
Retained earnings		637	368
Profit/loss for the year		1	369
Total unrestricted equity		2,902	995
Total equity		3,014	1,088
<i>Untaxed reserves</i>		1	1
<i>Non-current liabilities</i>			
Liabilities to credit institutions	19	150	150
Other non-current liabilities	22	131	59
		281	209
<i>Current liabilities</i>			
Trade payables	25	3	3
Liabilities to Group companies	30	213	–
Current tax liabilities		0	4
Other current liabilities	22	259	–
Accruals and deferred income	25	12	26
		487	33
Total equity and liabilities		3,783	1,331



Statement of Changes in Equity, Parent

Amounts in SEK millions	Share capital	Share premium reserve	Retained earnings	Total equity
Opening balance January 1, 2022	92	258	455	805
CHANGES IN EQUITY IN 2022				
Profit/loss for the year	–	–	369	369
Total comprehensive income	–	–	369	369
OWNER TRANSACTIONS				
New share issue	1	–	–	1
Dividend to shareholders	–	–	-102	-102
Share buyback	–	–	-0	-0
Share-based remuneration	–	–	15	15
Closing balance December 31, 2022	93	258	737	1,088
CHANGES IN EQUITY IN 2023				
Profit/loss for the year	–	–	1	1
Total comprehensive income	–	–	1	1
OWNER TRANSACTIONS				
New share issue	19	2,007	–	2,026
Dividend to shareholders	–	–	-106	-106
Sale of own shares	–	–	2	2
Share-based remuneration	–	–	3	3
Closing balance December 31, 2023	112	2,264	638	3,014



Statement of Cash Flows, Parent

Amounts in SEK millions	Note	2023	2022
OPERATING ACTIVITIES			
Profit/loss after financial items	8	8	374
Adjustments for non-cash items		-36	-378
		-28	-4
Income tax paid		-11	-14
Cash flow from operating activities before changes in working capital		-39	-17
Cash flow from changes in working capital:			
Increase (-)/decrease (+) in other current receivables		185	44
Increase (+)/decrease (-) in other liabilities		199	-247
Cash flow from changes in working capital		384	-203
Cash flow from operating activities		345	-220
INVESTING ACTIVITIES			
Acquisition of subsidiaries	27, 28	-38	-12
Dividend, subsidiary		-	338
Acquisition of intangible assets	13	-2	-2
Change in non-current receivables		4	-
Cash flow from investing activities		-36	324

Amounts in SEK millions	Note	2023	2022
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend to shareholders		-106	-102
Sale of own shares		2	-
Proceeds from borrowings		-	150
Repayment of borrowings		-	-150
Cash flow from financing activities		-104	-102
CASH FLOW FOR THE YEAR			
		205	1
Cash and cash equivalents at beginning of year		3	2
Exchange differences		-14	-
Cash and cash equivalents at end of year		194	3
ADDITIONAL DISCLOSURES			
Adjustments for non-cash items			
Depreciation and impairment	6	2	1
Dividends received		-	-338
Group contributions		-60	-36
Other items	26	22	-5
Total		-36	-378



Summary of Significant Accounting and Measurement Policies for the Group and Parent Company

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1 Introductory information

The consolidated accounts and annual report of Biotage for the financial year ending December 31, 2023 have been approved by the Board and CEO for publication on April 4, 2024, and will be presented for adoption at the Annual General Meeting on April 25, 2024.

The consolidated financial statements include the Parent Company Biotage AB (the company) and its subsidiaries, which together are referred to as the Group or Biotage. The Parent Company is a Swedish public limited liability company with its registered office in Uppsala, Box 8, 751 03 Uppsala, where the Group's management and central functions are located. The company's shares are listed on Nasdaq Stockholm, Large Cap.

Biotage is the Global Go-To Separations company supporting customers from drug discovery and development through to diagnostics and analytical testing with intelligent and sustainable workflow solutions. Our expertise and top-tier separation solutions play a key role in streamlining customers' workflows and improving their outcomes. Headquartered in Sweden, Biotage has 674 employees worldwide and supplies solutions to more than 80 countries.

Biotage is listed on NASDAQ Stockholm (BIOT).

The Group has offices in Sweden, the United States, the United Kingdom, Canada, China, Japan, South Korea, Singapore and India.

2 Basis for preparing the consolidated financial statements

Statement of compliance with reporting standards

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as adopted by the European Union, effective for periods beginning on or after January 1, 2023. The Group also applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups. Differences between the Parent Company's and the Group's accounting policies are described in Section 8. The accounting principles have been applied consistently for all periods in the consolidated accounts and by the companies within Biotage.

New and amended standards and interpretations effective for 2023

New and amended standards and interpretations have not had any material effect on the Group's financial statements.

New and amended standards and interpretations not yet effective

It is management's assessment that no new and amended standards and interpretations are likely to have any material effect on the Group's financial statements in the period of initial application.



Functional currency and presentation currency

The financial statements are reported in Swedish kronor (SEK), which is the Parent Company's functional currency and the presentation currency for the Group's financial reporting. Unless otherwise stated, amounts are reported in SEK millions.

Basis of measurement

Assets and liabilities are measured at cost, apart from certain financial assets and liabilities, which are measured at fair value, see section 6.5 Finansiella instrument.

Use of accounting estimates

Accounting estimates and assessments are regularly reviewed. Changes in accounting estimates are recognized in the period of the change if the change only affects that period. Changes are recognized in the period of the change and future periods if the change affects both. Information about complex areas that require a high degree of estimation or where accounting estimates are of key significance to the consolidated financial statements can be found in Section 10.

Classification

Non-current assets, liabilities and provisions are essentially amounts that are expected to be recovered or paid more than 12 months after the reporting date. Current assets, liabilities and provisions are amounts expected to be recovered or settled within 12 months of the reporting date.

3 Consolidation and business combinations

Consolidation

The consolidated financial statements comprise the Parent Company and its subsidiaries. The financial statements of companies included in the consolidated financial statements relate to the same period and are prepared using the Group's accounting policies. All intra-group balances, income, expenses, gains and losses arising from transactions between consolidated companies are eliminated in their entirety.

The results of operations of a subsidiary are included in the consolidated financial statements from the date of acquisition, which is the date on which the Parent Company obtains control, until the date on which control ceases. Control exists when the Parent Company is exposed, or has rights, to variable returns from its involvement with an investee and has the ability to affect those returns through its power over the investee. The Group's structure is shown in note 27.

Business combinations

Consolidated financial statements have been prepared using the acquisition method. The purchase consideration consists of the fair value of assets acquired and liabilities incurred by Biotage to the former owners and the fair value of the shares issued by the Group. Contingent consideration is a liability incurred by Biotage to former owners and is recognized at the acquisition-date fair value and included in the cost of acquisition. Subsequent changes in fair value are recognized in the income statement. Additional payments to sales staff that are conditional on continued employment relationships are not reported as a liability at the time of acquisition, but as a cost over the duration of the conditions.

The fair value of identifiable acquired assets, liabilities and contingent liabilities is determined at the acquisition date. Financial assets and financial liabilities (e.g., contingent consideration), which are subsequently measured at fair value through profit or loss are initially recognized at fair value. Identifiable assets and liabilities also include assets, liabilities and provisions (including obligations and claims from external parties) which are not recognized in the balance sheet of the acquiree. For business combinations where the total of the purchase consideration transferred exceeds the acquisition-date fair value of identifiable net assets, the difference is reported as goodwill in the statement of financial position. Acquisition costs are recognized in the income statement in the period in which they are incurred.

4 Segment reporting

Segment information is required to be presented using a management approach, and operating segments are identified on the basis of internal reporting to the chief operating decision-maker, which for Biotage is the Group's CEO. In the internal reporting system used by the CEO to review operating results and make decisions about the allocation of resources, financial information is presented for the Group as a whole. Consequently, the Group consists of one operating segment, and for this reason Biotage does not report separate segment information. In accordance with IFRS 8 Operating Segments, information on revenue by geographical market, see note 3, and distribution of assets by country, see note 14, is provided.



5 Foreign currency translation

Functional currency and presentation currency

Items in the individual financial statements of each Group entity are presented in the currency used in the area in which the entity primarily operates (its functional currency). The consolidated financial statements are presented in SEK, which is the Parent Company's functional currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Exchange gains and losses arising on settlement of these transactions and on translation of foreign currency monetary assets and liabilities using the closing rate are recognized in profit or loss.

Foreign currency receivables and liabilities are translated to SEK at the closing rate. Unrealized exchange gains and losses on operating receivables and liabilities are recognized in operating profit or loss, while unrealized exchange gains and losses on financial assets and liabilities are recognized in net financial items.

A monetary item receivable from or payable to a foreign operation, for which settlement is neither planned nor likely to occur in the foreseeable future, is a part of the company's net investment in that foreign operation. Exchange differences arising on the translation of such monetary items are recognized in other comprehensive income.

Group companies

The results and financial position of all Group companies are translated into the Group's presentation currency using the following procedures:

- » (i) assets and liabilities are translated at the closing rate;
- » (ii) income and expenses are translated at the average exchange rate for the reporting period. On consolidation, exchange differences arising from the translation of the net investment in foreign operations are recognized in other comprehensive income.

When a foreign operation is disposed of, these exchange differences are recognized in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the acquiree.

6 Items in the consolidated statement of financial position

6.1 Intangible assets

Goodwill

Goodwill represents the difference between the acquisition cost and the fair value of the Group's share of net assets acquired. The useful life of goodwill is generally assumed to be indefinite. Goodwill is recognized as an intangible asset at cost less accumulated impairment in the balance sheet. Goodwill is tested for impairment annually or more frequently if there are indications of a decline in value. The carrying amount of goodwill is compared with its recoverable amount, which is the higher of value in use and fair value less costs to sell. Any impairment charge is recognized as an expense in the income statement. For impairment testing, goodwill is allocated to the smallest cash-generating unit in the company in which the goodwill in question is monitored during internal control. See also Section 10. It sets out the assumptions and calculations made in the assessment.



Capitalized development costs

The purpose of development projects is to develop new products and improve existing ones. Because development of products in the areas in which Biotage is active is a long process, it is not uncommon for a development project to span several fiscal years. Accounting and control of development expenses takes place through project reporting.

Development projects are classified as Product Care, Pre-Study or Product Development. Expenses for Product Care are deemed not to meet the requirements of an asset and are expensed on an ongoing basis. Pre-study projects are projects during the ongoing research phase where the costs are charged on an ongoing basis. When a project moves from the research phase to the development phase, and it can be demonstrated how the intangible asset will generate probable future economic benefits, and it meets the criteria in IAS 38 for capitalization of internally-generated intangible assets, it is reclassified as Product Development. The carrying amount includes expenses for materials, direct expenses for wages and indirect expenses that can be attributable to the asset in a reasonable and consistent manner.

The amortization period for capitalized development costs begins when the fully developed asset is available for use in the manner intended. In many cases, this is when the new product is launched. Depreciation is made on a straight-line basis over the useful life. Useful life expectations are based on the company's experience of the lifespans of its products and on its innovation cycles, i.e., the intervals at which Biotage could be expected to launch new products to replace, or partly replace, previous ones. These useful life assumptions are reviewed regularly during impairment testing, which is conducted on an individual level annually or more frequently if there is an indication of impairment.

Patent/Technical Knowledge

Patent and license rights are recognized at cost less accumulated amortization. Amortization begins when the first national patent is granted and the period of use never exceeds the term of validity of the patent. The patent portfolio is evaluated annually to identify any need for impairments beyond the plan. Technical knowledge is capitalized at fair value in connection with business acquisitions.

Depreciation takes place on a straight-line basis over the useful life, which is estimated to be 7–15 years.

Customer-related Intangible Assets

Customer-related intangible assets are capitalized at fair value in connection with business combinations. The value of these customer-related intangible assets is depreciated on a straight-line basis over the useful life, which is estimated to be 3–11 years.

Trademarks

Acquired trademarks attributable to Horizon Technology Inc. and Phynexus inc. Deemed to have an indeterminate useful life and recognized at fair value in connection with the acquisition. They are well-established trademarks within their areas, which the Group intends to retain and develop further. The trademarks are considered to be of material economic significance, as they are an integral part of the product offering to the market, signaling quality and innovation in the products. Such trademarks are therefore considered to be influential in the pricing and competitiveness of the products. By virtue of their connection with the ongoing operations, they are considered to have an indefinite useful life and are expected to be used as long as the relevant operations continue.

Impairment testing takes place at least once a year. Given that the assessment has been made that the cash flows attributable to trademarks cannot be distinguished from other cash flows within the relevant cash-generating unit, impairment testing is carried out jointly for goodwill and trademarks by calculating the recoverable amount for the cash-generating unit, see also under Goodwill below.

Other trademarks are attributable to the acquisition of Astrea and are depreciated on a straight-line basis over the useful life, which is estimated to be 4 years.

Licenses

Patent and license rights are recognized at cost less accumulated amortization. The useful life is estimated to be linear and 3–7 years.



6.2 Property, plant and equipment

Items of property, plant and equipment are recognized at cost less accumulated depreciation and impairment losses. These assets include factories, offices, testing instruments, production tools, computers and peripherals and office and warehouse equipment. The cost of property, plant and equipment comprises the purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended. The cost of an item of property, plant and equipment is recognized as an asset on initial measurement, as is the cost of major spare parts if it is probable that future economic benefits associated with the asset will flow to the Group. Other costs are recognized as an expense in the period in which they are incurred.

Depreciation is based on the cost of the asset and is applied on a straight-line basis over the estimated useful life. Tangible fixed assets consisting of parts with different useful lives are treated as separate components if their value is significant in relation to the asset's total cost.

The following useful lives are used for depreciation:

Item	Useful Life
Land	No depreciation
Site improvements	10–20 years
Buildings	30–40 years
Production tools	3–7 years
Improvement of third-party property	2–10 years
Computers	3–4 years
Other property, plant and equipment	3–5 years

The gain or loss arising from the disposal of an item of property, plant and equipment is the difference between the selling price and the asset's carrying amount, and is reported under other operating income or other operating expenses.

6.3 Leases

Leases are recognized in the balance sheet as a right-of-use asset over a determined lease term and a corresponding liability is recognized on the initial reporting date. Right-of-use assets are depreciated over their estimated useful lives, while lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability. In financial and cost terms, Biotage has a small proportion of leases, which are mainly rental agreements for premises.

The Group assesses whether an arrangement is a lease or contains a lease at the commencement date. The Group recognizes a right-of-use asset and an associated lease liability for all leases where the Group is lessee, apart from short-term leases (leases with a term shorter than 12 months) and low-value leases (e.g., office equipment). For these leases, the Group recognizes the lease payments as an expense on a straight-line basis over the term of the lease, or on another systematic basis that is more representative of the pattern in which the economic benefit from use of the leased assets is diminished.

The lease liability is initially measured at the present value of the lease payments that are not paid as of the commencement date, discounted using the interest rate implicit in the lease if the rate can be readily determined. If the rate cannot be readily determined, the lessee's incremental borrowing rate is used.

The lease liability includes lease costs for the periods in which the company is bound by existing contracts, and periods where it is reasonably certain that options to extend the leases will be exercised. If renewal of a lease is imminent, within one year, it is assumed that the agreement will be extended unless known circumstances indicate otherwise. If there are a number of leases for premises for the same establishment in a country, it is assumed that they will be extended until the expiration date of the lease with the longest term.

Lease payments included in the measurement include fixed payments and amounts expected to be payable under residual value guarantees. For most subsidiaries, future rental payments are not index-linked but defined in the existing contract. Payments other than for leased assets are recognized as an expense as incurred.

The lease liability is reported as a separate item in the consolidated statement of financial position. After the commencement date, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made. The Group reassesses the lease liability and makes a corresponding adjustment to the right-of-use asset in the event of a change to the lease term, changed lease payments as a result of changes to an index or rate, or changes to amounts expected to be payable under a residual value guarantee. The lease liability is remeasured using a revised discount rate if there is a change in the lease term; otherwise, the rate does not change.



Right-of-use assets comprise the amount of the initial measurement of the corresponding lease liability, lease payments made on or before the commencement date and any initial direct costs. They are then subsequently measured at cost less accumulated depreciation and impairment losses. The useful life of the right-of-use asset is considered the same as the lease term. Right-of-use assets are reported as a separate item in the consolidated statement of financial position. The Group applies IAS 36 to determine whether a right-of-use asset is impaired and recognizes any impairment loss identified.

Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and right-of-use asset. These payments are recognized as an expense and reported in profit or loss in the period in which they arise. This is not a substantial amount for Biotage.

The incremental borrowing rate has been determined on the basis of government bonds in Sweden, and the equivalent for leases in other countries, the company's creditworthiness and a reflection of the risk in the underlying asset.

There are no agreements where a Group company is lessor.

6.4 Inventories

Inventories are measured using the "lower value" principle, i.e., the lower of cost and net realizable value. Cost is measured using the FIFO method. The cost of finished goods and work in progress consists of design costs, raw materials, direct labor, other direct costs and related indirect manufacturing costs. Borrowing costs are not included in cost. The net realizable value is the estimated selling price in the ordinary course of business less costs of completion and costs necessary to make the sale.

6.5 Financial instruments

Financial instruments reported in the statement of financial position include securities, other financial receivables, trade and other receivables, cash and cash equivalents, trade payables, loans and other liabilities.

Recognition in the statement of financial position

Financial assets are recognized in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Trade receivables are recognized when an invoice has been sent. A liability is recognized when the counterparty has performed and there is a contractual obligation to pay.

A financial asset or part of a financial asset is derecognized when the rights to receive cash flows from the asset have expired or have been transferred or the Group no longer has control of it. Financial liabilities are derecognized when the contractual obligation has been discharged or extinguished in some other way.

A financial asset and a financial liability may be offset and the net amount presented in the statement of financial position when, and only when, the company has a legally enforceable right to offset the recognized amounts, and the company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Group does not offset any financial assets or liabilities at the reporting date.

Classification and measurement

Financial assets are classified under different categories on the initial reporting date depending on the business model for management of the assets and the characteristics of the contractual cash flows. This takes into account whether the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets are classified in the following categories:

1. Financial assets at amortized cost. These assets are held to collect contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.
2. Financial assets at fair value through profit or loss. These assets are held to collect contractual cash flows and to sell investments, and have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.
3. Financial assets at fair value through OCI. These are other financial assets and investments in equity instruments.



Financial liabilities are measured at fair value through profit or loss if they are held for trading or were placed in this category on initial recognition. Otherwise, they are measured at amortized cost.

Amortized cost is the amount at which an asset or liability is measured at initial recognition minus principal repayments, plus or minus cumulative amortization, using the effective interest method, of any difference between the initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility. The effective interest rate is the rate that discounts all estimated future cash payments or receipts through the expected life of the financial instrument to the initially recognized carrying amount of the financial asset or liability.

The Group holds trade receivables, cash and cash equivalents, and other non-current receivables to collect contractual cash flows. As the contractual cash flows from these assets consist of payments of principal and interest on the principal amount outstanding, they are measured at amortized cost.

The Group's financial liabilities consist of liabilities to credit institutions, lease liabilities, other financial liabilities and trade and other payables. They are all measured at amortized cost, apart from leases and additional consideration liabilities as described above.

The fair values of assets and liabilities with a remaining maturity of less than three months, such as cash deposits, trade and other receivables, and trade and other payables, are considered equal to their carrying amounts.

For a description and definition of fair value measurement, see notes 20 and 21.

Impairment

The Group recognizes a loss allowance for expected credit losses on financial assets measured at amortized cost. At each reporting date, the Group reports the change in expected credit losses since their previous recognition.

The Group measures losses through a loss allowance equal to 12-month expected credit losses. If the credit risk of a financial instrument has increased significantly since initial recognition, a loss allowance for full lifetime expected credit losses is recognized (the general approach). The Group's measurement of expected credit losses on financial instruments reflects an unbiased and probability-weighted amount that is determined by evaluating the range of possible outcomes, the time value of money, and reasonable, supportable information about current conditions and forecasts of future economic conditions.

The general approach is used for other financial assets. A practical expedient is applied for cash and cash equivalents with a low credit risk on the reporting date. For intra-group and other receivables, a calculation based on the probability of default shows that the amount of the loss allowance is insignificant.

Trade receivables

Trade receivables are reported net of provisions for expected losses. As trade receivables are of short duration, they are measured at nominal amounts without discounting, using the amortized cost method. Expected credit losses on trade receivables are measured through a loss allowance using the simplified approach, as the receivables do not contain any significant financing component and are of short duration. The allowance for credit losses is based on the matrix model, which takes into account historical data on the number of days outstanding. The allowance is adjusted for relevant current conditions and probable future outcomes. The provision amount is recognized in the income statement.

Non-current receivables

Non-current receivables are measured at amortized cost using the general approach for impairment. Assessment of whether financial assets are credit-impaired is made by reference to known and probable circumstances, based on the knowledge currently available, established financial plans and relevant prospective factors.

Trade payables

Trade payables are categorized as financial liabilities at amortized cost. As trade payables are of short duration, they are measured at nominal amounts without discounting.

Loans

Amounts due to credit institutions, bank overdrafts and other liabilities are categorized as financial liabilities at amortized cost. Any transaction costs are distributed over the term of the loan using the effective interest method.



6.6 Taxes

Income tax consists of current tax and deferred tax. Taxes are recognized in the income statement except when the underlying transaction is recognized in OCI or directly in equity, in which case the related tax effect is also recognized in OCI or equity.

A current tax liability or asset is the amount of income tax payable or recoverable in respect of the taxable profit or loss for the current year and prior years.

A deferred tax liability or asset is recognized for temporary differences between the carrying amounts of assets and liabilities and their corresponding tax bases or unused tax losses and credits. Deferred tax assets are only recognized to the extent that it is probable that taxable profit will be available against which they can be utilized. Deferred tax is measured using national tax rates that have been enacted or substantively enacted by the reporting date in the countries where the Group has legal entities.

6.7 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions for warranties for products sold are based on the warranty terms and conditions and historical warranty costs and quality rates. Provisions are classified as non-current and current items. Non-current obligations will not require an outflow of resources during the next 12 months. All other obligations are classified as current.

7 Items in the consolidated income statement

7.1 Revenue recognition

Revenue is the fair value of the consideration that the company has the right to receive from goods sold or services rendered in the course of the Group's ordinary activities, excluding VAT and discounts, and after elimination of intra-group sales.

Revenue is reported in accordance with IFRS 15 Revenue from Contracts with Customers, based on a five-stage model. First, the type of contract and performance commitments included are identified. Then, the price is determined and allocated to the various contractual components. Revenue is reported when control has transferred to the buyer.

Sale of goods

The Group develops and sells systems, re-agents, accessories, spare parts and services on a global basis directly to end users through its subsidiaries, and through distributors. Revenue is recognized when control over the products has been transferred from seller to buyer and the customer has confirmed acceptance, which is normally on delivery. In these circumstances, revenue is recognized at a point in time.

Rendering of services

Revenue from the rendering of services is recognized in the reporting period in which the services are performed. Biotage sales of services include servicing and installation of systems and customer-specific development projects. For customer-specific development projects, services are performed over a long period, and revenue is therefore recognized by reference to the stage of completion of the transaction at the end of the reporting period. The scope of customer-specific projects is modest.

Service contracts can be signed by customers who purchase the company's systems. It is not known to what extent customers will utilize service agreements or when during the term of the contract. The customer simultaneously receives and consumes all benefits provided by the entity as the entity performs, which means the obligation qualifies as a performance obligation satisfied over time. Revenue is therefore recognized on a straight-line basis over the contract period.

Interest income

Interest income is distributed over the term of the interest-bearing investment using the effective interest method.

7.2 Cost of sales

Costs of sales consists of design costs, raw materials, direct labor, other direct costs and related indirect manufacturing costs.

7.3 Employee benefits

Retirement benefit obligations

The Group's pension plans are funded by contributions to insurance policies. They are all reported as defined-contribution plans. Defined-contribution plans are plans under which companies pay fixed contributions into a separate entity (a fund). Under defined-contribution pension plans, the Group's legal or constructive obligation is limited to the amount that it agrees to contribute to the fund. It has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The expenses are charged to the Group's income as the benefits are earned, which normally coincides with the date on which the premium is paid.



Termination benefits

Termination benefits are paid when employment is terminated before the normal retirement age or when an employee accepts voluntary layoff in return for termination benefits. Termination benefits are recognized when the company is committed to terminating the employment of employees before the normal retirement date or providing termination benefits as a result of an offer made to encourage voluntary layoff. The company is committed to a termination when it has a detailed formal plan for the termination.

Variable pay

The Group provides variable pay for employees in positions where their performance has a measurable effect on the Group's earnings. Estimated expenses for variable pay are recognized on an ongoing basis and provision is made for these expenses in the consolidated statement of financial position.

Short-term employee benefits

For short-term employee benefits (such as wages, paid vacation and sick leave) and pensions, the amount of benefits expected to be paid in respect of service rendered by employees in a period is recognized in that period.

Share-based payment

In accordance with a resolution of the AGM, Biotage has adopted long-term incentive programs in the form of a performance-based share program ("LTIP 2020", "LTIP 2021" and "LTIP 2022") for employees of the Biotage Group. LTIP 2020 expired in mid-July 2023 and ordinary shares have been allocated to participants. All programs cover the CEO, members of the company's management

team and other key personnel, and mean that a maximum of 18 individuals within the Biotage group can participate. In the framework of LTIP 2020 and LTIP 2022, the company has granted participants rights to performance shares, entailing the right to receive performance shares ("rights") consisting of ordinary shares in Biotage, subject to fulfillment of certain conditions.

The programs are reported in accordance with IFRS 2, which means that the rights are measured on the grant date at the fair value of allotted equity instruments. Social security contributions are recognized as personnel expenses in accordance with UFR7 and are based on the reporting-date fair value of allotted rights. Allotted rights are recognized as personnel expenses over the vesting period of three years but do not affect cash flow. For more information on the impact on the consolidated income statement and statement of financial position, see note 1.

Allotment of performance shares requires participants to remain in employment for three years from the grant date. In addition to the continuing service requirement, the final number of performance shares which each participant is entitled to receive is determined by the following performance conditions.

LTIP 2021 conditions

Performance condition 1: 50% of the performance shares if the total return on the company's ordinary shares amounts to or exceeds 64.3% during the period June 2021–May 2024. However, at least 26% is required for allotment to take place. Total return refers to the return to shareholders in the form of share price appreciation and reinvestment of any dividends during the vesting period.

Performance condition 2: 25% of the performance shares if the average operating margin amounts to or exceeds 20% during the period 2021–2023 (calendar years). However, at least 17% is required for allotment to take place.

Performance condition 3: 25% of the performance shares if the average organic growth amounts to or exceeds 11% during the period 2021–2023 (calendar year). However, at least 7% is required for allotment to take place. For further information on the rights, see the appendix to the minutes of the general meeting 2021 on Biotage's website.

LTIP 2022 conditions

Performance condition 1: 50% of the performance shares if the total return on the company's ordinary shares amounts to or exceeds 64.3% during the period June 2022–May 2025. However, at least 26% is required for allotment to take place. Total return refers to the return to shareholders in the form of share price appreciation and reinvestment of any dividends during the vesting period.

Performance condition 2: 25% of the performance shares if the average adjusted operating margin amounts to or exceeds 25% during the period 2022–2024 (calendar years). However, at least 22% is required for allotment to take place.

Performance condition 3: 25% of the performance shares if the average organic growth amounts to or exceeds 15% during the period 2022–2024 (calendar years). However, at least 11% is required for allotment to take place. For further information on the rights, see the appendix to the minutes of the general meeting 2022 on Biotage's website.



The rights related to performance condition 1 are measured using the Monte Carlo model. The rights related to performance conditions 2 and 3 are measured on the basis of the current share price at the program start less the forecast dividend during the vesting period.

7.4 Impairment

Impairment is recognized when a significant increase in the credit risk for a financial asset arises, or following impairment testing of non-current assets. Impairment losses are recognized in the income statement on the basis of reasonable and verifiable data, including forward-looking factors. The impairment reflects an unbiased and probability-weighted amount that is determined by evaluating the range of possible outcomes, the time value of money, and reasonable, supportable information about current conditions and forecasts of future economic conditions.

If there is supportable and objective evidence that an impairment loss recognized in prior periods no longer exists, the impairment loss is reversed. Reversed impairment losses are recognized in the income statement. Testing of previous impairment losses is conducted on an individual basis. Impairment of goodwill is not reversed.

7.5 Other operating income and expenses

Other operating income and other operating expenses include one-time payments, exchange gains/losses on operating receivables and liabilities and gains/losses on the sale or disposal of non-current assets.

8 The Parent Company's accounting policies

The Parent Company applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. This allows application of IFRS as adopted by the EU to the extent that such application is not in conflict with the Swedish Annual Accounts Act and the Pension Obligations Vesting Act, and also takes into account the relationship between tax expense and accounting profit.

Amended accounting policies for the Parent Company

The amendments to RFR 2 Accounting for Legal Entities that came into effect in 2023 have not had any material effect on the Parent Company's financial statements.

The differences between the Parent Company's and the Group's accounting policies are described below.

8.1 Classification and presentation

The Parent Company's income statement and balance sheet are presented in accordance with the format described in the Annual Accounts Act. The main difference from IAS 1 Presentation of Financial Statements, which is applied when preparing the consolidated financial statements, concerns the reporting of finance income, finance costs, non-current assets and equity, and the presentation of provisions as a separate item. The Parent Company also presents a statement of comprehensive income, which is separate from the income statement.

8.2 Investments in Group companies

Investments in subsidiaries are recognized at cost less any impairment in the Parent Company's financial statements.

Acquisition-related costs for subsidiaries, which are recognized as an expense in the consolidated financial statements, are included as part of the cost of investments in subsidiaries.

8.3 Financial instruments

The Parent Company does not apply IFRS 9 for legal entities. Financial assets that are reported as non-current assets are measured at amortized cost less any impairment. When calculating the net realizable value of financial assets reported as current assets, the impairment principles contained in IFRS 9 are applied. A financial asset or financial liability is derecognized when the contractual right to receive cash flows from the asset has expired or been settled, or when the contractual obligation has been discharged or extinguished.

The Parent Company's financial liabilities are subject to financial covenants. See also note 19.

8.4 Leases

The Parent Company does not apply IFRS 16 for legal entities. Lease payments are recognized as an expense on a straight-line basis over the lease term or on another systematic basis if that basis is more representative of the pattern of the lessee's economic benefit.

8.5 Shareholder and Group contributions

Group contributions the Parent Company receives from subsidiaries are reported under finance income using the same principles as ordinary dividends from subsidiaries. Group contributions made by the Parent to subsidiaries are reported as an increase in investments in Group companies. Shareholder contributions are recognized directly in the recipient's equity and are reported in the issuer's shares and interests, to the extent that impairment is not required.



8.6 Untaxed reserves

Changes in untaxed reserves are recognized as an appropriation in the income statement. The accumulated value of the provisions is reported under untaxed reserves in the balance sheet. Tax depreciation is calculated in accordance with current tax legislation. Tax depreciation is regarded as accelerated depreciation, which is reported as an untaxed reserve.

9 Financial risks and the Group's risk management

9.1 Financial risks in the Biotage Group

In addition to the business risks that Biotage faces in the course of its operations, there are also different types of financial risks, which include currency risk, interest rate risk, credit risk and refinancing risk. Under the Group's financial policy, financial risks shall be minimized, taking into account reasonable hedging expenses, and access to liquidity shall be maintained.

Currency risk

A significant proportion of the Group's sales are conducted in USD, GBP, EUR, JPY and CNY. The proportion of sales in SEK is relatively small. Sales divided into relevant currencies are presented in the table below. Operating expenses and financial instruments are also related to these currencies. The Group's legal entities have

intra-group balances. Translation of these balances to SEK may have a significant effect on the Group's financial position and results. As the Group's functional currency is SEK, movements of the Swedish krona against other transaction currencies will have an effect on the Group's results and financial position. A change in the exchange rate of USD, EUR and GBP against SEK of +/-10% would affect sales by SEK 84 million, SEK 83 million and SEK 27 million. The Group's net assets in equivalent currencies would be affected by SEK 57 million, SEK 1 million and SEK 294 million.

Interest rate risk

Interest rate risk is the risk that the value of financial instruments or future cash flows will fluctuate because of changes in market interest rates. The Group's financial assets are exposed to a limited extent to these changes as the holdings are of short duration. On the other hand, the Group's refinancing will be more expensive if general interest rates rise and vice versa. A change of 1 percentage point in the Group's interest rate on interest-bearing assets would affect income and equity by SEK 6 (4) million. A change of 1 percentage point in the Group's interest rate on interest-bearing Liabilities would affect income and equity by SEK 3 (2) million.

Credit risk

Credit risk can be divided into financial and operational. Operational credit risk is the risk of customers being unable to pay for delivered goods. Operational credit risk is managed within a defined framework and is decentralized by means of local credit ratings. The majority of customers are large companies and scientific institutions with operations which are normally state-financed. Based on historical data, it is management's assessment that Biotage has a low credit risk, as losses have historically corresponded to less than 0.5% of sales. The Group applies the simplified matrix model for measuring expected credit losses on trade receivables, see Note 17.

The Group's financial credit risk is counterparty risk in bank deposits and financial investments. The financial policy sets limits for each counterparty, and only Swedish banks with low credit risk and high ratings in the long-term assessments of the rating agencies Standard & Poor's and Moody's may be used for investments and derivatives. The Group's method for managing expected credit losses is described in section 6.5 Financial instruments and Note 17.

Total credit exposure was SEK 915 (664) million at the reporting date and consisted of cash and cash equivalents of SEK 594 (441) million and trade receivables of SEK 321 (223) million.



Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in accessing funds to discharge its financial obligations. The cash flow statements for 2022 and 2023 show satisfactory positive cash flows from operating activities that ensure fulfillment of the obligations arising from the current scope of operations. Biotage has liquid assets that exceed both short-term and long-term obligations by a significant margin. In a long-term perspective, the Group's liquidity and financing risk is the risk that it may become dependent on credit facilities or capital contributions for its expansion. This risk is managed by means of liquidity planning and liquidity monitoring and by ensuring good relations are maintained with lending institutions and major shareholders.

A maturity analysis of contractual payment commitments related to the Group's financial liabilities is presented in the tables below. The amounts in these tables are not discounted values and, where appropriate, they include interest payments that make it impossible for the amounts to match the amounts reported in the balance sheets. Interest payments are determined based on the conditions that apply on the reporting date. Amounts in foreign currency are converted to SEK at the rates on the reporting date.

There is no significant difference between the liability on December 31, 2023 and the actual payment including interest, i.e., undiscounted cash flows.

9.2 The Group's risk management

Biotage has a Risk Management Policy and annually carries out an internal risk inventory of function managers and regional managers and a summary of the Group's overall risks. To deal with the effects of the financial risks associated with Biotage operations and financial management, the Board has established a financial policy for the Group. This policy is designed to facilitate the Group's financial work and alleviate the economic consequences of financial risks.

The strategy is for the central finance function at head office to manage currency risk for the entire Group. Because the Group engages in operations, production and sales in a number of countries, it has a certain income statement exposure as a result of its income and expenses being in different currencies. This exposure may be affected by factors such as choice of currency for sales and purchases. Similarly, the Group's assets, liabilities and equity in its wholly-owned subsidiaries, and receivables from/liabilities to external customers and suppliers in different currencies result in balance sheet exposure and currency risk. This exposure is largely managed by choice of currency for sales and purchases, loans and foreign currency investments.

Biotage aims to minimize the currency risk that arises in commercial flows. Speculative measures to exploit exchange rate volatility by entering into transactions without some underlying commercial flow or imbalances are not permitted. Credit risk associated with trade receivables must be monitored on an ongoing basis.

Available liquidity must be managed by the CFO or a person designated by the CFO. The necessary credit facilities for business financing must be in place in the Swedish companies and the foreign companies as far as possible. For foreign companies, the purpose of operating loans is to reduce currency exposure, cover working capital requirements, offset liquidity fluctuations and avoid unnecessary excess liquidity in individual subsidiaries.

Effects of financial instruments on the Group's results and financial position

The Group's financial instruments, as reported in the consolidated statement of comprehensive income or additional information, are essentially based on transactions associated with the Group's business operations. Biotage does not engage in active trading or conduct transactions in financial instruments other than for the development, production and sale of the company's products and services. The main financial instruments are trade receivables, other operating receivables, trade payables and other operating liabilities. Exchange rate movements have historically had a material impact on the Group's result and position.

Deterioration in the financial position of our customers due to the invasion of Ukraine, increased inflation and the general economic situation may affect Biotage's ability to pay its customers, which may lead not only to longer payment periods, but also to credit losses in the long term. Biotage has not been affected in this respect so far.

Biotage has a strong financial position, but the protracted course of the pandemic may have an adverse effect on financially strong companies like Biotage. However, it is still too early to draw any conclusions about credit losses and impairment due specifically to the above factors. The same applies to general impairment of other asset classes.



9.3 Capital management

Biotage defines capital as equity; see the report on the financial position. The Group's capital management objective is to safeguard its ability to conduct operations and generate reasonable returns for shareholders and value for other stakeholders. The Group monitors its capital structure on the basis of the equity/assets ratio, which is calculated as equity divided by total assets. At the end of the year, the equity/assets ratio was 74 (70)% for the Group and 80 (82)% for the Parent Company.

Financial liabilities, December 31, 2023	Within 3 months	3-12 months	1-5 years	After 5 years	Total
Liabilities to credit institutions	–	–	150	–	150
Trade and other payables	98	33	76	–	207
Total	98	33	226	–	357

Financial liabilities, December 31, 2022	Within 3 months	3-12 months	1-5 years	After 5 years	Total
Liabilities to credit institutions	–	–	150	–	150
Trade and other payables	57	25	42	–	124
Total	57	25	192	–	274

Cash outflow	Group		Parent Company	
	2023	2022	2023	2022
Lease and rental agreements during year	76	74	–	–
Remaining rental and lease payments:				
Within one year	33	26	–	–
Between one and five years	77	45	–	–
After five years	31	–	–	–
Total	141	71	–	1

Leases comprises rental contracts for premises and vehicle leases. A number of car leases expired during the year and were replaced with new ones. Variable lease payments and covenants only occur to a minor extent in existing leases. Extension options have been included in the lease liability to the extent that it is considered reasonably certain that the options will be exercised. Leasing contracts extending over more than 5 years are found in the Astrea Group.

Total cash outflow for leases during the year, including low-value and short-term leases, amounted to SEK 76 (74) million. Leases signed by foreign subsidiaries involve a translation risk for the Group, corresponding to what the effect would have been in the case of a direct acquisition of the leased asset. The table below shows right-of-use assets and lease liabilities grouped into different currencies at the reporting date.

	Right-of-use assets%	Lease liability%
GBP	42	41
SEK	22	20
USD	18	17
CNY	7	7
JPY	4	4
KRW	2	2
EUR	4	3
CAD	0	5
INR	1	1
Total	100	100

Residual value guarantees, which only exist in Swedish leases for vehicles amounted to SEK 2 (2) million on December 31, 2023.

AMOUNTS RECOGNIZED IN THE INCOME STATEMENT

Depreciation of right-of-use assets	29
Interest expense, lease liabilities	6
Costs attributable to short-term leases	10
Costs attributable to low-value leases	1
Total	46



Net sales by currency	2023			2022		
	Resp. currency in thousands	in SEK millions	Distribution%	Resp. currency in thousands	in SEK millions	Distribution%
USD	79,066	788	42	75,857	768	49
GBP	62,828	486	26	13,739	171	11
EUR	23,338	268	14	22,258	237	15
JPY	1,458,958	110	6	1,494,753	115	7
CNY	58,021	87	5	94,857	142	9
KRW	6,091,643	50	3	7,781,237	61	4
CAD	4,969	39	2	4,250	33	2
SEK	19,226	19	1	23,747	24	2
INR	55,668	7	-	59,192	8	-
CHF	508	6	-	639	7	-
SGD	321	2	-	-	-	-
Total in SEK million		1,862	100		1,566	100

Net assets by foreign currency, December 31	2023			2022		
	Resp. currency in thousands	in SEK millions	Distribution%	Resp. currency in thousands	in SEK millions	Distribution%
GBP	230,416	2,942	80	70,621	669	41
USD	56,469	567	16	29,971	497	30
CNY	28,774	41	1	24,505	37	2
JPY	457,170	32	1	382,960	30	2
EUR	-599	-7	0	-1,158	-13	-1
KRW	8,1332	6	0	944,429	8	0
INR	36,818	4	0	21,386	3	0
SGD	158	1	0	0	-2	0
CHF	41	0	0	38	0	0
SEK	68,611	69	2	407,882	408	25
Total in SEK million		3,657	100		1,637	100

10 Significant estimates and judgments for accounting purposes

When preparing the consolidated and Parent Company's financial statements, the Board and CEO make a number of judgments and estimates that may affect the reported financial position and results.

Estimation uncertainty

Accounting estimates and assessments are evaluated regularly. They are largely based on historical experience and expectations about future events which are considered reasonable in the present circumstances. Certain accounting estimates and assumptions are of particular significance when measuring assets and liabilities in the balance sheet. Goodwill is the balance sheet item with the greatest risk of value changes as a result of adjusted assumptions or estimates. The most significant judgments used in the measurement of assets and liabilities are based on assumptions regarding the future scope for marketing the Group's products and services in volumes and at prices that allow a reasonable economic return. Scope for future sales is highly dependent on the Group's access to technical expertise for the production of new and improved products and on the level of customer investment in new product development, knowledge and methods in the scientific areas in which the Group's products are used. The estimated success of the Group's objective to broaden its products' areas of application also affects overall estimates of sales figures and financial results for Biotage.



Impairment testing of goodwill and other assets

Goodwill is tested for impairment annually when the annual financial statements are prepared, or as soon as impairment is indicated by changes. Goodwill testing involves calculating the recoverable amount of the cash-generating unit to which the carrying amount of goodwill is allocated, which for Biotage is the Group as a whole, as it consists of one single operating segment.

Internal reporting, which is followed by senior management, also focuses on the Group as a whole after the acquisition of Astrea. The assessment remains that the Group consists of an operating segment and constitutes a cash-generating unit. Due to the short period of time that has passed since the acquisition, reporting was not yet fully integrated in 2023, but the intention of management is full integration and collaboration where cash flows cannot be separated.

The forecasts of the Group's expected cash flows used in the calculations (discounted cash flow) are determined by members of Biotage management, who base their judgment on past experience and the company's own expectations about the future. During impairment testing, management makes a number of other assumptions when applying the discounted cash flow model and these may have a significant effect on the measurement result. See also note 12 for a description of key assumptions and sensitivity analysis. An impairment loss is identified when the recoverable amount is less than the carrying amount and an impairment loss is recognized in the income statement. At the end of the year, the Group's goodwill was SEK 2,391 (794) million.

Acquired trademark assets are also tested for impairment annually or more frequently if changes indicate that an impairment may exist. The recoverable amount for the Group's capitalized trademarks is measured for the Group as a whole, as the Group consists of one single operating segment and one cash-generating unit. At the end of the financial year, the value of the Group's total trademarks amounted to SEK 37 (30) million, of which SEK 28 million is estimated to have an indeterminate useful life. See also note 13.

Capitalized development expenditure

Development expenses are capitalized in accordance with the accounting principles in section 6.1 Intangible assets on page 60-61.

In accordance with IAS 38, Biotage capitalizes its development expenses on the basis of a measurement of each project's expected contribution to the Group's sales revenue and cash flows. Projects are measured at cost. An item is derecognized in the statement of financial position when the product is no longer marketed or the technology is no longer used by Biotage, or when it is only expected to generate sales revenue on a limited scale. Preparation of the consolidated financial statements involves reviewing the carrying amounts of products and projects in progress in the statement of financial position. As this is based on an assessment of the product's or the technology's expected demand, use and price, it is subject to some uncertainty. Impairment losses may also arise from rapid technological development and improved products from competitors. At the end of the year, the Group's capitalized development expenditure was SEK 169 (136) million. See also note 13.

Biotage reports amortization and impairment of capitalized development costs under the item research & development expenses. Another possible income statement presentation would have been to report all or part of the above-mentioned amortization charge under cost of sales. Had the company reported the year's full amortization charges and impairment for these assets in this way, cost of sales would have increased and research & development expenses would have decreased by SEK 26 (23) million. This would not therefore have had any effect on operating profit. Capitalization of development costs has reduced research & development expenses by SEK 32 (30) million.

Business combinations

In 2023, Biotage AB completed an acquisition of Astrea Bioseparations Ltd. According to IFRS, the consideration transferred, i.e., the purchase price, must be allocated to identifiable assets and assumed liabilities. The identification and allocation of the purchase price are areas that have required management's assessment. Further information can be found in note 28 (business combinations).

A significant part of the purchase price consisted of newly issued shares in Biotage AB and 13,954,103 ordinary shares were issued in connection with the acquisition. Equity increased by SEK 2,026 million. For more information, see the Management Report and Note 18.



Notes

NOTE 1 Average Number of Employees, Salaries, Employee Benefits and Social Security Contributions

	Group		Parent Company	
	2023	2022	2023	2022
BOARD AND SENIOR EXECUTIVES*)				
Board of Directors				
Female	2	3	2	3
Male	4	3	4	3
Total	6	6	6	6
Group Management				
Female	1	1	–	–
Male	2	2	1	1
Total	3	3	1	1
AVERAGE NUMBER OF EMPLOYEES				
Female	222	158	–	–
Male	452	359	1	1
Total	674	517	1	1

	Group		Parent Company	
	2023	2022	2023	2022
SALARIES AND BENEFITS				
Board and CEO	10	14	10	14
Other senior executives	4	7	–	–
Other employees	520	399	–	–
Total salaries and benefits	534	419	10	14
CONTRACTUAL AND STATUTORY SOCIAL SECURITY CONTRIBUTIONS				
Board and CEO	3	3	3	3
Other senior executives	1	2	–	–
Other employees	91	75	–	–
Total contractual and statutory social security contributions	95	80	3	3
Pension expenses				
Board and CEO	1	1	1	1
Other senior executives	1	2	–	–
Other employees	20	17	–	–
Total pension expenses	22	20	1	1
Total salaries, social security contributions and pension expenses	651	519	15	18

*) A presentation of Board members and senior executives can be found on pages 114-115.



NOTE 1 CONT'D.

Average number of employees by Parent Company and country

	2023			2022		
	Total	Male	Female	Total	Male	Female
Parent, Sweden	1	1	–	1	1	–
Subsidiaries, Sweden	89	55	34	98	62	36
US	130	94	36	137	104	33
UK	345	217	128	172	110	62
Germany	19	17	2	16	14	2
France	5	4	1	5	4	1
China	32	26	6	32	25	7
Japan	29	21	8	32	23	9
South Korea	9	6	3	11	7	4
India	12	9	3	11	7	4
Singapore	2	1	1	2	1	1
Switzerland	1	1	–	1	1	–
Total employees	674	452	222	517	359	158
Distribution%		67%	33%		70%	30%

Remuneration of Board members and senior executives**Overall principles**

The Chairman and members of the Board are paid the fees adopted by the annual general meeting. The President & CEO receives a basic salary, variable pay, other benefits and a pension. Other senior executives also receive a basic salary, variable pay, other benefits and a pension. Group management is made up of other senior executives (two individuals) and the President & CEO. Since September, only CFO has been defined as other senior executives.

The basic salary to variable pay ratio must be proportional to responsibility and authority. The President & CEO receives variable pay, which is linked to the Group's annual results, up to a maximum of 100% of his fixed annual salary. Other senior executives receive variable pay up to a maximum of 40% of their basic salary. Along with other remuneration, the senior executives participate in the performance-based share programs (LTIP). See below for guidelines and descriptions of programs determined by AGM resolution.



NOTE 1 CONT'D.

Board of Directors

The 2023 Annual General Meeting adopted Board fees of SEK 2,600,000 for the period until the 2024 Annual General Meeting, including remuneration for committee work. The Chairman will receive SEK 750,000 and each of the other Board members elected by the general meeting who are not employed by the company will receive SEK 310,000. Moreover, remuneration to members of the company's Audit Committee will amount to a maximum of SEK 200,000, of which the chairperson receives SEK 100,000 and the other two members SEK 50,000 each, and remuneration to members of the Compensation Committee will amount to a maximum of SEK 125,000, of which the chairperson receives SEK 65,000 and the other two members SEK 30,000 each. Two new members were elected in 2023. Remuneration is paid to one party in proportion to the length of his term of office for the period from the time he became a member until the end of the next Annual General Meeting. No compensation will be paid to the second newly elected employee.

President & CEO

Tomas Blomquist left the post on January 4, 2024.

The President & CEO received a basic annual salary of SEK 3,480,000. In addition to the basic salary, a vacation allowance was paid in accordance with the Swedish Annual Leave Act. In addition, variable remuneration, pension and possible severance pay shall be paid as described below.

Variable pay and other benefits

President & CEO Tomas Blomquist receives variable pay of up to 100% (100) of his fixed annual salary, i.e., a maximum of SEK 3,480,000 per year. The Board may also decide to award a discretionary payment.

Pensions

The retirement age for President & CEO Tomas Blomquist was 67 years. The pension premium was 30% of the pensionable salary. The pensionable salary was the basic salary.

Termination of employment/termination benefits

The company's employment contract with Tomas Blomquist as CEO contained a mutual six-month period of notice. If either party terminates the contract, the company had the right to demand that the CEO resign from his post with immediate effect. However, the CEO was obliged to remain available to the company during the period of notice to carry out the work deemed necessary by the Board. If the company terminates the contract, the CEO was, in addition to the salary during the period of notice, entitled to termination benefits equivalent to one year's fixed salary upon termination of the employment relationship.

Guidelines for remuneration of senior executives adopted by the 2020 AGM

The 2020 AGM adopted the following guidelines for remuneration of senior executives. These apply until the 2024 AGM unless the general meeting decides otherwise.

Senior executives consists of the CEO and other members of Group management. If a Board member carries out work for Biotage in addition to Board work, consulting fees or other remuneration can be paid for such work. The guidelines are to be applied for contractual remuneration, and changes that are made to already agreed remuneration, after the guidelines have been adopted by the 2020 AGM. The guidelines do not cover remuneration adopted by the general meeting.

The Guidelines' promotion of the company's business strategy, long-term interests and sustainability

The company's business strategy is, in short, to develop innovative and effective solutions for chemical separation and synthesis. The strategy for running a successful operation and achieving the company's financial objectives consists of six areas of focus: (i) focus on employees, (ii) sustainability, (iii) customer focus, (iv) digital transformation, (v) high-quality operations, (vi) continuous innovation. Additional information on the company's business strategy is available at www.biotage.com.

Successful implementation of the company's business strategy and safeguarding the company's long-term interests, including its sustainability, require that the company can recruit and retain qualified employees. This requires that the company can offer competitive remuneration. These guidelines make it possible to offer senior executives competitive overall compensation.

The Board proposed to the 2020 AGM to adopt a long-term incentive program. However, as this will be decided by the general meeting, it is not included in these guidelines. The program includes the CEO and other senior executives. The performance requirements used to assess the outcome of the program are clearly linked to the business strategy and thus the company's long-term value creation, including its sustainability. These performance requirements currently include targets concerning development of organic growth, share price and operating profit, measured over the program period. The program also sets out a recommendation for a certain holding time.

Variable pay covered by these guidelines should be aimed at promoting the company's business strategy and long-term interests, including its sustainability.



NOTE 1 CONT'D.

Forms of remuneration, etc.

Remuneration should be in line with market salaries and be able to consist of the following components: a fixed annual salary, variable pay, retirement benefits, other benefits and termination benefits. The general meeting can additionally – and independently of these guidelines – adopt share-related and share-price-related compensation.

Fulfillment of criteria for payment of variable pay should be payable over a period of one year and must be limited to a certain percentage, see below, of the fixed annual salary.

CEO

The company's CEO receives a fixed annual salary and variable pay under the terms of his employment contract. Retirement benefits, including health insurance, should be defined-contribution benefits. Variable pay should not be pensionable. In accordance with the contract, the company makes a pension provision corresponding to 30% of the CEO's fixed annual salary. In addition to the fixed annual salary, the CEO receives variable pay of up to 100% of his fixed annual salary each year. The variable part of the remuneration is based on the company achieving certain predetermined and measurable criteria that may be financial or non-financial or qualitative. The criteria should be designed so that they promote the company's business strategy and long-term interests, including its sustainability, for example, by having a clear connection to the business strategy or promoting the CEO's long-term development.

Other senior executives

This group consists of individuals who report directly to the CEO. As of September 2023, it consists of one person.

All members of company management receive a fixed annual salary which is in line with market salaries, and variable pay of up to 40% of the fixed annual salary each year. 75% of the variable pay is based on the company achieving predetermined targets and measurable criteria that may be financial or non-financial. The remaining 25% is based on predetermined targets related to personal performance and should consist of predetermined and measurable quantitative and qualitative results. The criteria should be designed so that they promote the company's business strategy and long-term interests, including its sustainability, for example, by having a clear connection to the business strategy or promoting the executive's long-term development.

Retirement benefits, including health insurance, should be defined-contribution benefits unless the executive is covered by a defined-benefit pension under mandatory collective agreement provisions. Variable pay should be pensionable to the extent stipulated by mandatory collective agreement provisions that are applicable to the executive. The pension premiums for defined-contribution pensions can amount to up to 30% of the fixed annual salary.

Variable pay and performance requirements

The variable pay is linked to certain predetermined and measurable criteria as indicated above. When the measuring period for fulfillment of criteria for payment of variable pay expires, the extent to which the criteria have been fulfilled will be assessed/determined. The Compensation Committee is responsible for the assessment regarding variable pay to the CEO. The CEO is responsible for the assessment with respect to variable pay to other executives. The assessment regarding financial objectives is based on the latest financial information published by the company.

Deviation from the guidelines

The Board may decide to temporarily deviate from these guidelines partly or wholly if the Board deems in individual cases that there are special grounds that justify doing so and this is necessary in the company's long-term interests, including its sustainability, or to secure the company's economic strength. As indicated above, preparing the Board's decisions on compensation matters is one of the tasks of the Compensation Committee. This includes decisions to deviate from the guidelines.

Other benefits

Senior executives may be awarded other customary benefits such as a company car, health care, and life insurance. Such benefits may amount to a maximum value equivalent to seven% of the fixed annual salary.



NOTE 1 CONT'D.

Termination benefits

In the event of termination by the company, the period of notice may not exceed six months. Fixed salaries during the period of notice and termination benefits may not jointly exceed an amount equivalent to the fixed salary for 18 months for the CEO or the other senior executives. In the event of termination by the executive, the period of notice may not exceed six months, with no right to termination benefits.

Moreover, compensation may also be paid for any non-competition undertaking restricting competition. Such compensation will compensate for any loss of income and should only arise to the extent that the former executive lacks termination benefits. The compensation will be based on the fixed salary at the time of termination unless otherwise stipulated by mandatory collective agreement provisions, and will be paid for the period that the non-competition undertaking applies, which should be a maximum of 12 months after termination of employment.

Salary and employment conditions for employees

When preparing the Board's proposal for these guidelines, salaries and employment conditions for the company's employees were taken into account by incorporating employees' total remuneration, the components of the remuneration and the increase and rate of remuneration over time into the Compensation Committee's and Board's basis of decision in determining the fairness of the guidelines and the limitations they set out.

The decision process for determining, examining and implementing the guidelines

The Board has established a Compensation Committee. The Committee's tasks include preparing the Board's decision on proposals for guidelines for remuneration of senior executives. The Board will draft proposals for new guidelines at least once every four years and submit the proposal for adoption at the AGM. The Guidelines will apply until new guidelines have been adopted by the general meeting. The Compensation Committee will also monitor and evaluate programs for variable pay, application of guidelines for remuneration of senior executives and applicable remuneration structures and remuneration levels in the company. The Compensation Committee members are, apart from Torben Jørgensen, independent in relation to the company and senior executives. When the Board addresses and decides on remuneration matters, the CEO and other executives are not present, insofar as they are concerned.

Proposal of guidelines for remuneration of senior executives adopted by the 2024 AGM

The Board of Directors proposes that the Annual General Meeting resolves on the following guidelines for executive remuneration. The CEO and other members of the group management are referred to as executives. A board member who performs work, for Biotage, in addition to ordinary board duties may be entitled to consulting fees or other remuneration for such work. The guidelines shall apply to employment agreements already entered into, and to any amendments of existing remuneration, after a resolution by the Annual General Meeting 2024 on the guidelines. These guidelines do not apply to any remuneration decided or approved by the general meeting.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability

In short, the company's business strategy is to develop innovative and efficient solutions for the separation of different chemical and biological modalities. Around this and to cover other parts of the company's customers' workflows in an efficient manner, Biotage also develops and provide platforms for synthesis, and evaporation/concentration. The strategy for running a successful operation and achieving the company's financial targets consists of six areas of focus: (i) focus on employees, (ii) sustainability, (iii) customer focus, (iv) digital transformation, (v) high-quality operations, as well as (vi) continuous innovation. For more information regarding the company's business strategy, please see www.biotage.com.

A prerequisite for a successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel. To this end, it is necessary that the company offers competitive remuneration.

Variable cash remuneration covered by these guidelines shall aim to promote the company's business strategy and long-term interests, including its sustainability.

**Types of remuneration, etc.**

The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits, other benefits and severance pay. Additionally, the general meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration.

Whether the criteria for awarding variable cash remuneration has been fulfilled shall be measured over a period of one year. Further, the variable cash remuneration may not amount to more than a certain per cent, see below, of the fixed annual cash salary.

CEO

The company's CEO has, according to his employment agreement, a fixed and a variable cash salary. For the CEO, pension benefits, including health insurance (Sw. sjukförsäkring), shall be premium defined. Variable cash remuneration shall not qualify for pension benefits. According to his employment agreement, the company pays pension provisions amounting to 30 per cent of the fixed yearly cash salary. In addition to the fixed yearly income, the CEO may receive a variable income that may correspond to a maximum of 100 per cent of the fixed yearly cash salary. The variable element of the income is based on the company's achievement of certain predetermined and measurable criteria which can be financial or non-financial. The variable part may also be individualized quantitative or qualitative objectives. The criteria shall be designed to promote the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or in order to promote the CEO's long-term development.

Other executives

This group shall have a market adjusted fixed yearly cash salary and a variable cash remuneration not exceeding 50 per cent of the fixed yearly income. The variable cash remuneration is dependent on the company achieving certain predetermined and measurable criteria which can be financial or non-financial (such as ESG). Part of the variable cash remuneration may also be dependent on predetermined objectives, related to personal achievement and shall be constituted of predetermined and measurable quantitative or qualitative objectives. The criteria shall be designed to promote the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or promote the executive's management and their long-term development.

Pension benefits, including health insurance, shall be premium defined unless the executive concerned is subject to defined benefit pension under mandatory collective agreement provisions. Variable cash remuneration shall qualify for pension benefits to the extent required by mandatory collective agreement provisions. The pension premiums for a premium defined pension shall amount to not more than 30 per cent of the fixed annual cash salary.

Conditions for variable income and performance criteria

The variable cash remuneration is linked to certain predetermined and measurable criteria in accordance with the above. The extent to which the criteria for awarding variable cash remuneration has been satisfied shall be evaluated/determined when the measurement period has ended. The remuneration committee is responsible for the evaluation, as far as it concerns variable remuneration for the CEO. For variable cash remuneration to other executives, the CEO is responsible for the evaluation. For financial objectives, the evaluation shall be based on the latest financial information made public by the company.

Cash remuneration in extraordinary circumstances

In addition to what is set out above, further variable cash remuneration may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are limited in time and only made on an individual basis, either for the purpose of recruiting or retaining executives, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. Such remuneration may not exceed an amount corresponding to 100 per cent of the fixed yearly cash salary and may not be paid more than once each year per individual. Any resolution on such remuneration shall be made by the board of directors based on a proposal from the remuneration committee.

Derogation from the guidelines

The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special reason for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the remuneration committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

Other benefits

The executive management may be entitled to other customary benefits that, amongst other things, may include a company car, occupational health service and life insurance. Such benefits may correspond to a maximum of seven per cent of the fixed annual cash salary.



Severance pay

Upon termination of employment made by the company, the period of notice may not exceed six months. For the CEO and other executives, the fixed cash salary during the period of notice and severance pay may not cumulatively exceed an amount corresponding to the fixed cash salary of eighteen months. Upon an executive's own resignation, the period of notice may not exceed six months without any right to severance pay.

Additionally, remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income and shall be paid to the same extent as the former executive has no right to severance pay. The remuneration shall be based on the fixed cash salary at the time of the termination of employment, unless otherwise prescribed by mandatory collective agreement provisions. Furthermore, such remuneration shall be paid during the period for the non-compete undertaking. However, such period may not be longer than twelve months following the termination of employment.

Salary and employment conditions for employees

During the preparation of the Board of Directors' proposal for these remuneration guidelines, the employees' salary and employment conditions have been taken into account. Information on the employees' total income, the components of the remuneration, increase and growth rate over time have constituted the basis for the remuneration committee's and the Board of Directors' decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

The decision-making process to determine, review and implement the guidelines

The Board of Directors has established a remuneration committee. The committee's tasks include preparing the Board of Directors' decision to propose guidelines for executive remuneration. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the Annual General Meeting. The guidelines shall be in force until new guidelines are adopted at the general meeting. The remuneration committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for remuneration to executives as well as the current remuneration structures and compensation levels in the company. The CEO and other members of the executive management do not participate in the Board of Directors' processing and resolutions of remuneration-related matters when they are affected by such matters.

Description of significant changes to the guidelines and how shareholders' views are taken into account

Compared to the previously adopted guidelines, the following amendments have been made to these proposed guidelines:

- » an addition enabling the Board of Directors to award cash remuneration in extraordinary circumstances,
- » the ceiling for variable cash remuneration to other members of the executive management has been increased, and
- » the previously indicated percentage distribution between company-specific performance requirements and personal performance requirements, in relation to variable cash remuneration to other members of the executive management, has been removed.

Apart from the above, no significant changes have been made to these proposed guidelines, compared to the previously adopted guidelines. No comments have been received from the shareholders.

Pensions

For salaried employees in Sweden, the ITP 2 plan's defined-benefit retirement and family pension obligation (or family pension) is covered by insurance through Alecta. According to the Swedish Financial Reporting Board's statement UFR 10 Accounting for ITP 2 Plans Financed by Insurance in Alecta, this is a multi-employer defined-benefit pension plan. The company did not have access to sufficient information for the 2023 fiscal year to report its proportionate share of the plan's obligations, plan assets and costs, which meant that it was not possible to report the plan as a defined-benefit plan. Consequently, the ITP 2 pension plan insured through Alecta is reported as a defined-contribution plan. The premium for the defined-benefit retirement and family pension is calculated individually and is based on factors that include salary, previously earned pensions and the expected remaining period of service. Expected contributions for ITP 2 insurance covered by Alecta in the next reporting period are SEK 5 (5) million. The Group's share of the total contributions to the plan and its share of the total number of active members in the plan are 0.03144% (0.02258) and 0.001142% (0.01280). The collective consolidation level is the market value of Alecta's assets as a percentage of its insurance obligations calculated by reference to Alecta's actuarial methods and assumptions. This is not consistent with IAS 19. The collective consolidation level is normally allowed to vary between 125 and 155%. If Alecta's collective consolidation level falls below 125% or exceeds 155%, measures must be taken to create the right conditions for the level to return to the normal range.



If the consolidation level is too low, an appropriate measure could be to increase the agreed price for new insurance and extension of existing benefits. If the consolidation level is too high, premium reductions could be introduced. At the end of 2023, Alecta's surplus, which was reported as a collective consolidation level, was 158% (172).

Performance share program (LTIP)

In accordance with a resolution of the AGM, Biotage has adopted long-term incentive programs in the form of a performance-based share program ("LTIP 2020", "LTIP 2021" and "LTIP 2022") for employees of the Biotage Group. This includes the CEO, senior executives and other key personnel, meaning that a maximum of 18 individuals within the Biotage Group will be eligible to participate. In the framework of the programs, the company has granted participants rights to performance shares, entailing the right to receive performance shares ("rights") consisting of ordinary class A shares in Biotage, subject to fulfillment of certain conditions. Allotment of performance shares requires, among other things, that the participants retain their position for three years from the date of the allotment of performance shares. LTIP 2020 expired in mid-July 2023 and ordinary shares have been allocated to participants. See also section 7.3 Employee benefits.

The change in the number of performance shares is shown in the table below.

Number of performance shares	LTIP 2020	LTIP 2021	LTIP 2022
Opening number, January 1, 2023	127,819	151,599	168,926
Newly issued performance shares	-52,347	-	-
Expired performance shares	-75,472	-13,220	-18,823
Closing number, December 31, 2023	-	138,379	150,103

Scope and costs of LTIP

All senior executives are included in the program. The programs are reported in accordance with IFRS 2, which means that the rights are measured on the grant date at the fair value of allotted equity instruments.

Nine participants, including the CEO, have been granted 127,819 rights to performance shares under LTIP 2020. LTIP 2020 ended on July 16, 2023 with the allocation of a total of 52,347 ordinary shares distributed among seven participants. Eleven participants, including the CEO, have been granted 151,599 rights to performance shares under LTIP 2021. Thirteen participants, including the CEO, have been granted 168,926 rights to performance shares under LTIP 2022.

LTIP 2020 ended in mid-July and the cost amounted to SEK 0.2 million, incl. social security contributions during the year. LTIP 2021 had a positive impact on profit by SEK 0.5 million and LTIP 2022 with costs of SEK 0.4 million. The total cost of LTIP 2020 was SEK 14 million. As of the balance sheet date, the total estimated cost of the share programs was calculated at SEK 13 million for LTIP 2021 and SEK 10 million for LTIP 2022.

Effects on key financial indicators and dilution

To secure the allotment of performance shares to the participants, the AGM approved Biotage's issue and repurchase of class C shares. For further information on the terms and conditions for C shares, see the appendices to the minutes of the Annual General Meetings 2020, 2021 and 2022 on Biotage's website. In connection with the expiry of LTIP 2020, a total of 70,307 C shares have been converted into ordinary shares, whereby 52,347 shares have been transferred to the participants and 17,960 have been used to cover social costs.

At the maximum allotment under LTIP 2021, 138,379 ordinary shares will be allotted to the participants, and 47,130 ordinary shares will be used to cover any social security contributions as a result of LTIP 2021, which means a dilution effect of approximately 0.23% of the number of ordinary shares in the company. At the maximum allotment under LTIP 2022, 150,103 ordinary shares will be allotted to the participants, and 47,130 ordinary shares will be used to cover any social security contributions as a result of LTIP 2022, which means a dilution effect of approximately 0.324% of the number of ordinary shares in the company. The average number of shares after dilution is affected by the estimated allotment of shares as of December 31. However, this does not have any material effect on earnings per share before and after dividends. Reporting of allotted rights has increased equity by SEK 3 million during the year. Cash flow is not affected.



NOTE 1 cont'd.

Salaries other benefits, accrued expenses

SEK thousands	Board fees	
	2023	2022
CHAIRMAN OF THE BOARD:		
Torben Jørgensen	857	817
BOARD MEMBERS:		
Thomas Eklund	–	105
Karen Sørensen	357	220
Mark Bradley	307	293
Peter von Ehrenheim	407	390
Åsa Hedin	337	335
Karolina Lawitz	110	322
Kieran Murphy	227	–
Kugan Sathiyandarajah	–	–
Total accrued cost for Board members	2,602	2,482

SEK thousands	Basic salary	Variable pay	LTIP	Other benefits	Pension expense	Other remuneration	Total
SENIOR EXECUTIVES, 2023:							
CEO Tomas Blomquist	3,480	2,568	788	134	1,011	541	8,522
Other senior executives (3 individuals)	3,303	254	214	205	1,003	265	5,243
Total accrued cost for senior executives, 2023	6,783	2,822	1,003	339	2,014	806	13,766
SENIOR EXECUTIVES, 2022:							
CEO Tomas Blomquist	3,480	3,480	3,700	123	1,203	835	12,821
Other senior executives (2 individuals)	3,200	1,265	1,613	250	1,545	295	8,168
Total accrued cost for senior executives, 2022	6,680	4,745	5,313	374	2,747	1,130	20,989

NOTE 2 Income Statement Classified by Nature of Expense

Leases where the Group is the lessee are recognized in the statement of financial position as a lease liability and a right-of-use asset. Short-term leases (less than one year) and low-value leases are recognized as an expense in the period to which they relate and are therefore not included in the liability. See note 11 for information about right-of-use assets and Summary of significant accounting and measurement policies for the Group and Parent Company, section 6.3.

Income statement classified by nature of expense	Group		Parent Company	
	2023	2022	2023	2022
OPERATING INCOME				
Net sales	1,862	1,566	5	6
Operating expenses				
Purchased finished products, inputs, semi-finished products and production services	-586	-464	–	–
Personnel expenses	-645	-536	-11	-17
Other external costs	-217	-188	-18	-15
Recognition of capitalized development expenses	49	32	–	–
Depreciation, amortization and impairment of assets	-118	-101	-2	-1
Other operating items	-31	19	0	0
Total operating expenses	-1,548	-1,239	-31	-33
Operating profit	314	327	-27	-27

**NOTE 3 Composition of Income****Revenue by sales channel**

	2023	2022
Direct sales through own sales channels	1,784	1,500
Sales through distributors	78	66
Total sales revenue	1,862	1,566

Revenue by non recurring and recurring

	2023	2022
Non recurring (Systems)	609	747
Recurring (Consumables & Services)	1,253	819
Total sales revenue	1,862	1,566

Revenue by geographical market and product area 2023

	Small Molecules & Synthetic Therapeutics	Biologics & Advanced Therapeutics	Scale-Up	Analytical Testing	Diagnostics	Water & Environmental Testing	Total
North and South America	248	104	64	231	5	96	748
EMEA	172	323	60	125	37	27	744
China	103	11	5	19	–	1	139
Japan	72	2	16	18	–	2	111
South korea	31	12	4	10	–	4	60
India	22	0	3	1	–1	1	27
Other APAC	6	1	0	10	12	3	33
Total sales revenue	654	454	152	415	54	133	1,862
Sweden's share of sales in Europe							15

Revenue by geographical market and product area 2022

	Small Molecules & Synthetic Therapeutics	Biologics & Advanced Therapeutics	Scale-Up	Analytical Testing	Diagnostics	Water & Environmental Testing	Total
North and South America	247	54	57	206	4	88	656
EMEA	172	8	91	110	29	23	433
China	203	0	5	24	–	1	233
Japan	78	1	16	17	–	2	115
South korea	38	1	5	12	0	4	61
India	25	0	5	2	–	0	32
Other APAC	7	1	1	10	12	3	35
Total sales revenue	770	66	181	382	46	121	1,566
Sweden's share of sales in Europe							18



NOTE 3 cont'd.

Contractual balances

	12/31/2023	12/31/2022
Contract assets	–	–
Contract liabilities:		
Prepaid income, service contracts	91	88
Contractual balances, net	91	88

Of the contractual liabilities on December 31, 2023, SEK 60 (44) million was recorded as revenue.

Prepaid service contracts are expected to be recognized as revenue in the following years

	2023	2022
2023	–	60
2024	63	13
2025	14	8
2026	8	4
2027	4	2
2028	2	1
2029	0	0
2030	0	0
2031	0	–
Total	91	88

Service contracts can be signed by customers who purchase the company's systems. They normally extend from one to ten years, and are recognized on a straight-line basis over the term of the contract. Costs for obtaining a contract and for services rendered are recognized in the period in which they are incurred. A small proportion of the revenue relates to contract research. This is distributed over the duration of the contract by reference to the project's stage of completion. The contractual balances for these types of revenue are presented above.

Intra-group sales and purchases of products and services

	Parent Company	
	2023	2022
Parent to subsidiary, services	5	6
Subsidiary to parent	0	0
Total intra-group sales	5	6

NOTE 4 Administrative Expenses

Administrative expenses include the following fees paid to auditors. Audit services include examination of the annual financial statements, interim reports, accounting records, internal control and administration of the business by the CEO and Board. They also include examination of the financial statements of subsidiaries, advice and other assistance relating to observations made during the audit. Other advice and assistance comes under other fees.

	Group		Parent Company	
	2023	2022	2023	2022
FEES TO THE AUDITORS PWC				
Audit services	2	2	2	2
Other assistance arising from audit	0	0	0	0
Tax advisory services	0	0	0	0
Other advice and assistance	7	–	7	–
OTHER AUDITING FIRMS				
Audit services	1	0	–	–
Other assistance arising from audit	–	–	–	–
Tax advisory services	0	0	–	–
Other advice and assistance	1	–	–	–
Total	12	2	9	2

**NOTE 5 Leases and Rental Agreements**

Leases where the Group is the lessee are recognized in the statement of financial position as a lease liability and a right-of-use asset. Short-term leases (less than one year) and low-value leases are recognized as an expense in the period to which they relate and are therefore not included in the liability. See note 11 for information about right-of-use assets and Summary of significant accounting and measurement policies for the Group and Parent Company, section 6.3.

NOTE 6 Depreciation, Amortization and Impairment of Assets

Depreciation, amortization and impairment by class of assets

	Group		Parent Company	
	2023	2022	2023	2022
Capitalized development expenditure	26	24	–	–
Patents, customer relations, licenses and trademarks	66	34	2	1
Land and buildings	1	1	–	–
Right-of-use assets	28	26	–	–
Improvement of third-party property	4	2	–	–
Plant and machinery	24	14	–	–
Total depreciation/amortization	149	101	2	1
Disposals	0	0	–	0
Total depreciation/amortization and impairment	149	101	2	1

Depreciation, amortization and impairment by function of expense

	Group		Parent Company	
	2023	2022	2023	2022
Cost of sales	13	12	–	–
Distribution costs	54	37	–	–
Administrative expenses	18	11	0	0
Research and development	64	41	2	1
Total depreciation/amortization and impairment	149	101	2	1

NOTE 7 Other Operating Incomes

	Group		Parent Company	
	2023	2022	2023	2022
Exchange differences	15	35	0	0
Other operating income	1	2	–	–
Total other operating income	16	37	0	0

**NOTE 8 Finance Income, Finance Costs and Borrowing**

	Group		Parent Company	
	2023	2022	2023	2022
FINANCE INCOME:				
Interest income on financial assets	9	2	0	0
Change in value of other financial assets	0	5	0	5
Profit/loss from investments in Group companies	–	–	0	338
Interest income on receivables from Group companies	–	–	0	2
Currency effects, net	11	–	10	24
Remeasurement of additional consideration	9	28	–	–
Group contributions received	–	–	60	36
Total	30	35	70	405
FINANCE COSTS:				
Interest expense and similar payments to banks	-13	-5	-8	-4
Currency effects, net	–	-9	–	–
Other finance costs	-28	–	-28	–
Total	-41	-14	-36	-4
Net finance income/expense	-11	21	34	401

NOTE 9 Taxes

	Group				Parent Company			
	2023		2022		2023		2022	
	%	SEK millions	%	SEK millions	%	SEK millions	%	SEK millions
Taxes reported in profit/loss for the year								
Reported profit before tax		303		348		8		374
Tax using parent's applicable tax rate	-20,6	-62	-20,6	-72	-20,6	-1,6	-20,6	-77
Effect of different tax rates for foreign subsidiaries	-3,7	-11	-1,3	-4	0,0	–	0,0	–
Corrections, prior years	4,0	12	0,0	–	1,1	0,1	0,0	–
Non-taxable income	0,8	2	2,4	8	0,2	0,0	18,9	71
Non-deductible expenses	-6,4	-20	-2,3	-8	-79,6	-6,0	-0,2	-1
Other taxable income statement items not included in profit for the year	0,2	1	0,1	0	5,1	0,4	0,0	–
Other deductible income statement items not included in profit for the year	0,0	–	0,0	–	0,0	–	0,0	–
Utilization of loss carryforwards	7,2	22	0,0	–	0,0	–	0,0	–
Tax effect of occurrence and reversal of other temporary differences	-3,0	-9	-2,5	-7	0,0	–	0,0	–
Other	0,1	0	-0,7	-3	0,0	–	0,0	–
Current tax expense	-21,4	-65	-25,0	-87	-93,8	-7,3	-1,9	-7
Tax effect of occurrence and reversal of other temporary differences	2,6	8,0	1,9	7	0,0	–	0,0	–
Other	0,0	–	0,1	0	0,0	–	0,0	–
Deferred tax expense	2,7	8,0	2,0	7	0,0	–	0,0	–
Total tax reported in consolidated and parent income statements	-18,7	-57	-23,0	-80	-93,8	-7,3	-1,9	-7
Items in other comprehensive income		-155		84				
Tax effects of these items		7		-5				

**NOTE 10 Property, Plant and Equipment**

	Land and buildings		Improvement of third-party property		Plant, machinery and other technical equipment	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
COST						
Opening balance, January 1	20	18	28	24	204	171
Acquisitions during the year	2	2	2	3	22	30
Investments in subsidiaries for the year	–	0	68	–	84	–
Disposals during the year	–	–	0	-1	-11	-6
Sub-total	22	19	98	27	299	195
Translation differences for the year	0	1	0	1	0	9
Closing balance, December 31	22	20	98	28	299	204
ACCUMULATED DEPRECIATION AND IMPAIRMENT						
Opening balance, January 1	-7	-7	-15	-12	-134	-119
Amortization for the year	-1	0	-4	-3	-23	-14
Investments in subsidiaries for the year	–	–	-24	–	-37	–
Disposals during the year	–	–	0	1	10	6
Sub-total	-8	-7	-42	-15	-183	-127
Translation differences for the year	0	0	0	0	1	-7
Closing balance, December 31	-8	-7	-42	-15	-182	-134
Carrying amount	14	13	56	13	117	70

**NOTE 11 Right-of-use Assets**

	Group	
	12/31/2023	12/31/2022
COST		
Opening balance, January 1	133	110
Acquisitions during the year	67	39
Disposals during the year	-16	-22
Sub-total	184	127
Translation differences for the year	-5	6
Closing balance, December 31	179	133
ACCUMULATED AMORTIZATION AND IMPAIRMENT		
Opening balance, January 1	-67	-58
Amortization for the year	-28	-26
Disposals/impairment during the year	11	21
Sub-total	-83	-63
Translation differences for the year	1	-3
Closing balance, December 31	-82	-67
Carrying amount	97	66

The carrying amount for right-of-use assets, SEK 97 (66) million, is distributed as follows – premises: SEK 87 (56) million and vehicles: SEK 10 (10) million.

NOTE 12 Goodwill

	Group	
	12/31/2023	12/31/2022
Cost:		
Opening balance, January 1	1,248	1,195
Investments in subsidiaries for the year	1,598	7
Sub-total	2,846	1,202
Translation differences for the year	-1	46
Closing balance, December 31	2,845	1,248
Opening impairment	-454	-454
Closing accumulated impairment	-454	-454
Carrying amount	2,391	794

Goodwill impairment testing

Preparation of the 2023 annual financial statements included goodwill impairment testing. Management monitors goodwill for the Group as a whole and the Group consists of one operating segment. The recoverable amount for the cash-generating unit has been assessed based on estimated value in use. This also included calculation of projected cash flows from the Group's operations. The cash flows are based on the Group's budget for 2024 and business forecasts for 2025–2028 and thereafter. The budget and forecasts are based on management's past experience and as far as possible on external sources of information. Key parameters in the calculation of the recoverable amount are estimated sales growth and operating profit. Assumptions about the gross margin and development of other operating expenses have greatest impact on the assessment of operating profit and also sales growth.

An assumption of annual sales growth of 22.0 (8.0)% has been used in the impairment testing until the end of the forecast period in 2028. After this period, the assumed growth rate will be 2.0 (2.0)%, which Biotage believes to be a reasonable estimate of the economy's long-term growth rate. A sensitivity analysis shows that an adjustment of 2% in the discount rate, a change of -5% in sales growth during the forecast period or an adjustment of -2% in the gross margin would not give rise to impairment. The discount rate is lower for 2023 in comparison with 2022, which is mainly due to interest rates as well as lower assumptions of risk premium.

	2023	2022
Equity financing	9.53%	9.96%
Debt financing	3.08%	3.11%
Average based on Group's capital structure	9.17%	9.83%
The pre-tax discount rate has been calculated as:	11.26%	12.20%



NOTE 13 Other Intangible Assets

Patents, licenses, trademarks, etc.

	Patents, licenses, trademarks				Capitalized development expenditure			
	Group		Parent Company		Group		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
COST:								
Opening balance, January 1	284	263	33	32	330	322	–	–
Acquisitions during the year	5	4	2	2	60	32	–	–
Acquisitions	483	–	–	–	–	–	–	–
Reclassifications	–	0	–	–	–	–	–	–
Disposals during the year	-16	-8	-15	–	–	-24	–	–
Sub-total	756	259	20	33	390	330	–	–
Translation differences for the year	-5	25	–	–	-1	–	–	–
Closing balance, December 31	751	284	20	33	389	330	–	–
ACCUMULATED AMORTIZATION AND IMPAIRMENT								
Opening balance, January 1	-111	-78	-20	-19	-194	-194	–	–
Amortization for the year	-67	-34	-2	-1	-26	-23	–	–
Acquisitions	-7	–	–	–	–	–	–	–
Reclassifications	–	0	–	–	–	–	–	–
Disposals during the year	16	8	15	–	–	24	–	–
Sub-total	-168	-104	-7	-20	-220	-194	–	–
Translation differences for the year	3	-7	–	–	0	–	–	–
Closing balance, December 31	-165	-111	-7	-20	-220	-194	–	–
Carrying amount	586	172	13	13	169	136	–	–

NOTE 14 Property, plant & equipment and intangible assets by Country

Distribution by country:	Group		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Sweden	308	293	13	13
US	355	379	–	–
UK	2,746	572	–	–
Japan	4	4	–	–
China	7	11	–	–
Canada	3	–	–	–
Other countries	7	6	–	–
Total	3,430	1,264	13	13

NOTE 15 Financial Assets

	Group		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Other securities	15	15	15	15
Miscellaneous non-current receivables	4	–	–	–
Miscellaneous long-term deposits	4	6	–	–
Total financial assets	23	21	15	15

**NOTE 16 Inventories**

	Group	
	12/31/2023	12/31/2022
Raw materials and consumables	159	81
Products in progress	47	41
Finished products	231	183
Total inventories	437	305

Obsolescence of SEK 8 (6) million was recognized during the year.
The obsolescence reserve on December 31 was SEK 24 (22) million.

NOTE 17 Trade and Other Receivables

	Group		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Trade receivables (a)	321	223	–	–
Prepayments and accrued income (b)	34	25	2	17
Other current receivables (c)	61	37	6	130
Total trade and other receivables	416	285	8	147

Management believes that the carrying amount of trade receivables, net of the allowance for expected credit losses, corresponds to their fair value. The entire allowance for expected credit losses relates to trade receivables.

Change in allowance for expected credit losses on trade receivables

	Group		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Allowance for expected credit losses at beginning of year	-4	-2	–	–
Trade receivables written off during the year	0	0	–	–
Allowance for expected credit losses for the year	-3	-2	–	–
Reversal of unused amounts	2	0	–	–
Total expected credit losses	-5	-4	–	–

Aging of trade receivables, Group	12/31/2022		
	Gross	Expected credit losses	Trade receivables
Not due	152	0	152
Past due, 1-30 days	44	0	44
Past due, 31-60 days	16	0	16
Past due, > 61 days	16	-4	12
Total	227	-4	223
	12/31/2023		
Not due	262	–	262
Past due, 1-30 days	41	–	41
Past due, 31-60 days	10	–	10
Past due, > 61 days	13	-5	8
Total	326	-5	321

The assessment of expected credit losses is made at the time of invoicing. Expected credit losses on trade receivables are estimated according to the simplified matrix model. This model is based on previous experience of actual losses in each billing currency, but also takes into account prospective factors such as expected general economic trends within the customers' sectors. The calculation is made alongside an individual assessment, in which relevant current circumstances and knowledge of customers may lead to a change in the credit loss allowance.

NOTE 17 cont'd.

(b) Prepayments and accrued income	Group		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Prepaid rents	6	4	–	–
Prepaid insurance	6	3	2	2
Accrued income	4	5	–	–
Other items	18	15	0	15
Total	34	25	2	17

(c) Other current receivables

VAT	19	3	0	0
Other current receivables	42	34	5	130
Total	61	37	5	130

NOTE 18 Equity

Change in number of outstanding shares	Ordinary shares	C-shares	Total
Number of shares at 1 January 2022	65,983,775	486,565	66,470,340
Issuance of treasury shares - LTIP	–	243,252	243,252
Closing balance, December 31, 2022	65,983,775	729,817	66,713,592
Share issue	13,954,103	–	13,954,103
Conversion of C-shares to Ordinary Shares	70,307	-70,307	–
Closing balance, December 31, 2023	80,008,185	659,510	80,667,695

A statement of changes in equity is found on page 52 for the Group and 56 for the Parent company. Additional information about the Biotage share is provided on pages 111-112.

Share capital

All issued shares are either ordinary shares or class C shares, and are classified as equity. The quota value per share is SEK 1.39. Transaction costs that are directly attributable to new issues are recognized in equity, net after tax, as a deduction from the issue cash.

The ordinary shares shall bear one vote each and the C shares shall bear one tenth of a vote each. Shares of each class may be issued in a number corresponding to the entire share capital. C shares are not entitled to dividends. In the event of the dissolution of the company, C shares entitle the holder to shares in the company's assets in the same way as other shares, but not higher than the share's quota value.

The share capital as at December 31, 2023 amounted to SEK 112,128,096.05.

Other paid-in capital

Refers to equity contributed by the owners. When share offerings are issued at an excess price, an amount corresponding to the amount received in addition to the nominal amount of the shares is recognized as Other contributed capital.

Translation reserve

The balance sheet for foreign companies is translated at the exchange rates in force at the end of the reporting period. The income statement is translated at the average rates for the reporting period. Any exchange rate differences are reported under Other comprehensive income.

Retained earnings

Refers to earned profits less dividends paid.

Proposed appropriation of profit for the fiscal year, SEK

Amounts at the disposal of the Annual General Meeting:

Share premium reserve	2,264,281,648
Retained earnings	637,215,540
Profit for the year	1,104,631
Total	2,902,601,819

Board and CEO's proposed appropriation:

Dividend payment of SEK 1.60 per share to shareholders	128,013,096
Carried forward	2,774,588,723
Total	2,902,601,819

**NOTE 19 Liabilities to Credit Institutions**

	Group		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Current portion	–	–	–	–
Non-current portion				
Credit facilities:				
Credit granted	250	250	250	250
Unused part of the credit facility	-100	-100	-100	-100
Total	150	150	150	150

Of the non-current liabilities the entire amount is due between one and five years from the reporting date. The lender has set covenants for the loan in the form of the Net debt/EBITDA ratio (cash and cash equivalents less interest-bearing liabilities divided by operating profit before interest, taxes, depreciation and impairment) and the interest coverage ratio defined as EBITDA/Net financial items. Both covenants have been met by a good margin.

NOTE 20 Financial Assets and Liabilities**Classification**

Classification of financial instruments, which is described in section 6.5, is as follows:

	Classification	Carrying amount	Carrying amount
		12/31/2023	12/31/2022
ASSETS			
Non-current receivables	1)	8	6
Other securities held as non-current assets	2)	15	15
Trade receivables	1)	321	223
Other current receivables	1)	61	37
Cash and cash equivalents	1)	594	441
Total		999	722
LIABILITIES			
Non-current liabilities to credit institutions	1)	150	150
Trade payables	1)	98	57
Additional consideration	2)	368	22
Short and long-term lease liability	1)	109	67
Other current liabilities	1)	58	43
Accrued expenses	1)	146	112
Total		930	451

1) Financial assets and liabilities reported at amortized cost

2) Financial assets and liabilities at fair value through profit or loss

3) Financial assets and liabilities at fair value through OCI



NOTE 21 Measurement of Financial Assets and Liabilities

Assets and liabilities at amortized cost

Group	Total
FINANCIAL ASSETS AT AMORTIZED COST	
Non-current receivables	6
Current receivables	260
Cash and cash equivalents	441
Closing balance, December 31, 2022	707
Non-current receivables	8
Current receivables	382
Cash and cash equivalents	594
Closing balance, December 31, 2023	984
FINANCIAL LIABILITIES AT AMORTIZED COST	
Non-current liabilities	192
Current liabilities	237
Closing balance, December 31, 2022	429
Non-current liabilities	226
Current liabilities	335
Closing balance, December 31, 2023	561

It is the assessment that the fair value of loans does not differ materially from the carrying amount, as interest rates are essentially variable.

Assets and liabilities at fair value

A fair value calculation based on discounted future cash flows, for which the most significant input is a discount rate that reflects the counterparty's credit risk, is not expected to differ significantly from the carrying amount of financial assets and current financial liabilities measured at amortized cost. Consequently, the carrying amounts of these financial assets and liabilities are considered to represent a good approximation of the fair values. There were no transfers between the levels during the periods. The tables below provide information on how fair value is determined for financial instruments measured at fair value in the statement of financial position. Fair value is determined on the basis of inputs in one of the following three levels:

- » Level 1: inputs that are quoted prices in active markets for identical instruments
- » Level 2: inputs other than quoted market prices in Level 1 that are directly or indirectly observable market data
- » Level 3: inputs that are not observable in the market

Measurement of other securities held as non-current assets (Level 2)

Biotage holds shares in Chreto ApS, which are measured at fair value through profit or loss. The holding has been allocated to level 2 of the fair value hierarchy on the basis that new issues take place on an ongoing basis and market data are observable. The holding has, as of December 31, been measured at the last known transaction price, which is equivalent to the price at the time of the new issue in 2023.

Measurement of additional purchase consideration payable (Level 3)

Biotage has a financial liability in connection with additional consideration for an acquisition, which is measured at fair value through profit or loss. The additional consideration, attributable to the acquisition of PhyNexus Inc., is based on the agreed allocation of gross profit on related products during the period 2019 to 2023. The agreement with the sellers does not include a maximum amount. The additional consideration is estimated to amount to SEK 5 million as at December 31, which relates to the 2023 financial year and will be settled in 2024.

The estimated discounted contingent consideration related to the acquisition of Astrea is USD 30 million and the maximum undiscounted amount is USD 45 million. As at December 31, the debt amounted to SEK 327 million. Payment of the purchase price is conditional on the acquired companies achieving certain financial targets linked to sales and gross profit during the years 2023 to 2025. The debt is divided into a long-term and a short-term part. The Group's total additional consideration also includes additional consideration attributable to Astrea's acquisition of Delta, which is based on financial targets linked to sales.

The fair value calculations are based on level 3 of the fair value hierarchy, which means that the fair value was determined on the basis of a valuation model using significant inputs that are unobservable. Measurement was based on expected future cash flows, discounted using a market interest rate.



NOTE 21 cont'd.

The fair value measurement of the additional consideration entails a net value adjustment of SEK 20 million, which is reported in the consolidated income statement in net financial items, as Biotage has assessed that the liability is financial in nature.

The tables below present a reconciliation of opening and closing balances for instruments measured at fair value.

Group	Total	Level 1	Level 2	Level 3
FINANCIAL ASSETS MEASURED AT FAIR VALUE				
Other securities held as non-current assets	15	–	15	–
Opening value 01/01/2023/ Closing value 12/31/2023	15	–	15	–
FINANCIAL LIABILITIES MEASURED AT FAIR VALUE				
Additional consideration	22	–	–	22
Closing balance, December 31, 2022	22	–	–	22
Acquisitions for the year	359	–	–	359
Value adjustment	20	–	–	20
Translation differences	-26	–	–	-26
Settled during the year	-7	–	–	-7
Closing balance, December 31, 2023	368	–	–	368

There were no transfers between the levels during the periods.

NOTE 22 Other Financial Liabilities

	Group		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
CHANGES DURING THE YEAR				
Opening balance, January 1	25	47	60	56
New financial liabilities during the year	359	–	327	0
Revaluation	20	–	–	–
Amounts used during the year	-10	-30	–	–
Translation differences	-26	7	3	4
Closing balance, December 31	368	25	390	60
THE LIABILITY CONSISTS OF:				
Non-current portion	147	17	131	60
Current portion	221	8	259	–
Total	368	25	390	60

NOTE 23 Provisions

Changes during the year, Group	Warranty obligations	Other provisions	Total
Opening balance, January 1, 2023	5	3	8
New provisions during the year	4	–	4
Amounts used during the year	-5	0	-5
Closing balance, December 31, 2023	4	3	7

	Group	
	12/31/2023	12/31/2022
The provisions consist of:		
Non-current portion	3	3
Current portion	4	5
Total	7	8

Provision for warranties:

Biotage normally provides a one-year warranty on its products. The reported provision for warranties corresponds to a%age of the year's sales. The%age is calculated on the basis of actual warranty costs during the fiscal year. The provision for warranties is classified as a short-term obligation as it is considered likely that the warranty obligations will be settled within 12 months of the reporting date.

**NOTE 24 Deferred Tax**

	Group		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
DEFERRED TAX ASSETS				
Tax loss carryforwards	6	6	–	–
Inventories	11	13	–	–
Leasing	12	3	–	–
Other deferred tax assets	2	–	–	–
Total deferred tax assets	31	23	–	–
DEFERRED TAX LIABILITIES				
Intangible assets	-173	-64	–	–
Leasing	-10	–	–	–
Other deferred tax liabilities	-10	-6	–	–
Total deferred tax liabilities	-193	-71	–	–
Total deferred tax assets and liabilities	-162	-48	–	–

Change in deferred tax	Deferred tax assets	Deferred tax liabilities	Net
GROUP			
Opening balance, January 1, 2022	22	-73	-51
Change in other comprehensive income	–	-5	-5
Recognized in income statement	1	7	7
Closing balance, December 31, 2022	23	-71	-48
Acquisitions	–	-124	-124
Reclassifications	15	-19	-4
Change in other comprehensive income	–	7	7
Recognized in income statement	-6	14	8
Closing balance, December 31, 2023	31	-193	-162
PARENT COMPANY			
Opening balance, January 1, 2022	–	–	–
Recognized in income statement	–	–	–
Closing balance, December 31, 2022	–	–	–
Recognized in income statement	–	–	–
Closing balance, December 31, 2023	–	–	–

Capitalized tax loss carry-forwards

As of December 31, 2023, the Group's accumulated unutilized loss carry-forwards amounted to SEK 170 (60) million. The Group's deficit comes from the Astrea Group and from subsidiaries in the US. Parts of the deficit, related to subsidiaries in the US, are time-limited and must be utilized during the period 2024 – 2031. Of the deficits, SEK 26 million was capitalized and deferred tax assets amounted to SEK 6 (6) million. Further information on accounting principles is provided in section 10 on estimates and assessments.

NOTE 25 Trade Payables and Other liabilities

	Group		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Payables to suppliers	98	57	3	3
Accrued expenses and deferred income (a)	244	203	12	26
Other liabilities	105	122	213	4
Total trade and other liabilities	447	382	228	33
(A) ACCRUED EXPENSES AND DEFERRED INCOME				
Personnel-related expenses	98	72	6	9
Deferred income	99	91	–	–
Other accrued expenses	48	40	5	17
Total	244	203	11	26
(B) OTHER CURRENT LIABILITIES				
Tax liabilities	46	81	0	4
Other current liabilities	58	41	213	–
Total	105	122	214	4

**NOTE 26 Statement of Cash Flows**

Other adjustments for non-cash items	Group		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Exchange differences	–	–	-10	-20
Share-based remuneration	3	15	3	15
Change in provisions	-1	-6	–	–
Capital gain on sale of non-current assets	6	1	–	–
Financial costs	32	-4	28	–
Other	1	1	1	–
Total	41	7	22	-5

Reconciliation of liabilities related to financing activities is presented in the table below:

	Liabilities to credit institutions	Lease liabilities	Total
Opening balance, January 1, 2022	-150	-53	-203
Cash flow from financing activities	–	27	27
New leases	–	-39	-39
Translation differences	–	-2	-2
Closing balance, December 31, 2022	-150	-67	-217
Cash flow from financing activities	–	26	-30
New leases	–	-66	-12
Translation differences	–	-2	-2
Closing balance, December 31, 2023	-150	-109	-259

**NOTE 27 Shares and Interests****Companies owned directly by the Parent**

Company name	Reg. No.	Reg'd office	Number of shares	Share of capital	Share of votes	Carrying amount OB 2023	Investments during year	Impairment during year	Carrying amount CB 2023
Biotage Sweden AB	556487-4922	Uppsala, Sweden	19,336,284	100%	100%	276	–	–	276
Pyrosequencing, Inc.	04-3484142	Boston, USA	100	100%	100%	78	–	–	78
Biotage GmbH	HRB 39374	Düsseldorf, Germany	1	100%	100%	0	–	–	0
Biotage SARL	434715785	Paris, France	500	100%	100%	0	–	–	0
Biotage Italy S.r.l	IT03617450964	Milan, Italy	1	90%	90%	0	–	–	0
Biotage Ltd.	0126-01-004032	Tokyo, Japan	200	100%	100%	0	–	–	0
ATDBio, Ltd.	05303632	Oxford, UK	1,000	100%	100%	704	–	–	704
Biotage GB, Ltd.	1033865	Cardiff, UK	100	100%	100%	77	–	–	77
Biotage Trading (Shanghai) Co., Ltd.	91310115580622067B	Shanghai, China	1	100%	100%	1	–	–	1
Biotage Korea Co., Ltd.	110111-6105476	Seoul, Korea	27,000	100%	100%	2	–	–	2
Biotage India Pvt Ltd.	U74999DL2017FTC364509	Mumbai, India	2,045,000	100%	100%	3	–	–	3
Biotage Switzerland GmbH	CHF-426 855 092	Neuhausen am Rheinfall, Switzerland	20	100%	100%	0	–	–	0
Biotage Singapore PTE. LTD.	202211782R	Singapore, Singapore	1	100%	100%	0	4	–	4
Astrea Group Holdings Company Ltd.	12478853	London, UK	9,823,265	100%	100%	0	2,400	–	2,400
Total carrying amount						1,141	2,404	–	3,545



NOTE 27 cont'd.

Companies owned by other subsidiaries

Company name	Owner	Reg. No.	Reg'd office	Number of shares	Share of capital	Share of votes
Biotage LLC	Pyrosequencing Inc	04-3535072	Charlotte, USA		100%	100%
Horizon Technology, Inc.	Pyrosequencing Inc	02-0457387	Salem, USA	209,346	100%	100%
PhyNexus Inc.	Pyrosequencing Inc	37-1916129	San Jose, USA	483,332	100%	100%
Biotage Italy S.r.l	Biotage GmbH	IT03617451964	Milano, Italien	1	10%	10%
Nanopareil LLC	Astrea Group Holdings Company Ltd	3772219	Wilmington, USA	8,112,123	100%	100%
Astrea UK Services Ltd	Astrea Group Holdings Company Ltd	12559260	Cambridge, UK	3	100%	100%
Astrea Bioseparations US inc	Astrea Group Holdings Company Ltd	3531548	Boston, USA	182	100%	100%
Delta precision Limited	Astrea Group Holdings Company Ltd	5253517	Stonehouse, UK	8	100%	100%
Astrea Bioseparations Ltd. Isle of Man	Astrea Group Holdings Company Ltd	018016V	Isle of Man, UK	4,679,705	100%	100%
Astrea Bioseparations Ltd, England/Wales	Astrea Bioseparations Ltd. Isle of Man	2149359	Cambridge, UK	2	100%	100%
Astrea Manufacturing Inc, Canada	Astrea Bioseparations Ltd. Isle of Man	667653-7	Joliette, Canada	0	100%	100%

	2023	2022
PARENT COMPANY		
Opening cost, January 1	1,533	1,526
Investments during the year	2,404	7
Closing accumulated cost, December 31	3,937	1,533
Opening impairment, January 1	-392	-392
Closing accumulated impairment	-392	-392
Closing accumulated carrying amount, December 31	3,545	1,141

**NOTE 28 Business Acquisitions**

On the 1st of June Biotage completed the acquisition 100% of the shares and votes in Astrea Group Holdings Company Ltd. (“Astrea”) from Gamma Biosciences Newco Limited (“Gamma”)* and from certain minority shareholders the shares in Nanopareil, LLC (“Nanopareil”), a subsidiary of Astrea, which were not already owned by Astrea. As of June 30, 2023, Astrea has acquired the shares in Nanopareil, which Biotage acquired in connection with the transaction.

Astrea supports drug developers and manufacturers worldwide to bring high-purity biopharmaceuticals and advanced therapies to the global markets. Astrea supplies chromatography resins, absorbents, and columns as well as nanofiber-based purification technologies for biomanufacturing. Astrea has over 150 employees worldwide with production sites in Cambridge, UK, Isle of Man, Boston, USA, and Joliette, Canada.

Strategically, the acquisition extends Biotage’s chromatography franchise into the higher-growth and larger bioprocessing segment, while also increasing exposure to biologics and advanced therapies customers. Astrea also strengthens Biotage’s financial profile through its attractive organic growth rate, higher gross margins, and significant exposure to recurring consumables-based revenues. In addition, the acquisition brings a rich, near-term pipeline of new product launches across chromatography resins, nanofiber-based membranes, and columns.

Acquisition price:

Ordinary shares issued	2,026
Cash adjusted purchase price	1
Additional consideration	325
Total acquisition price	2,352

The fair value of the 13,954,103 ordinary shares issued is based on the share price for Biotage AB on June 1, 2023, of SEK 145.2 per share.

According to the acquisition analysis, the assets and liabilities that were included in the acquisition amount to the following:

Machinery and equipment	96
Technology	248
Customer relations	237
Other intangible assets	20
Financial fixed assets	0
Inventory	126
Accounts receivables	36
Other operating assets	10
Cash and cash equivalents	128
Accounts payables	-71
Other operating liabilities	-9
Financial liabilities	-37
Deferred taxes	-124
Identifiable net assets	660
Goodwill	1,692
Acquired net assets	2,352

Goodwill is motivated by expected future sales development and profitability as well as the personnel included in the acquired business. No part of reported goodwill is expected to be tax deductible.

The acquisition impacted the Groups cash flow as follows:

Cash and cash equivalents	128
Transaction expenses for the year	-21
Stamp duty	-12
Cash adjusted purchase price	-1
Net cash flow effect	94

During the period, the acquired business contributed SEK 393 million in net sales and SEK 242 million in gross margin (61.4%) and SEK 35 million in EBIT and SEK 109 million in adjusted EBITDA.

Reconciliation between adjusted EBITDA and EBIT:

Adjusted EBITDA	109
Depreciations and amortizations	-41
Transaction costs incl. stamp duty	-33
EBIT	35

If the companies had been owned as of 1 of January 2023, they would have contributed approximately SEK 502 million in net sales, SEK 311 million in gross margin (61.8%) and SEK 39 million in EBIT (excluding acquisition-related costs) and SEK 92 million in adjusted EBITDA.

Transaction costs related to the acquisition have been expensed on an ongoing basis as Administration costs. Total transaction costs including stamp duty amounts to SEK 47 million, of which SEK 33 million during the period January to December 2023.

Additional consideration

Subject to certain conditions, additional cash consideration may be paid to the sellers of Astrea and Nanopareil. Maximum undiscounted amounts to USD 45 million or SEK 486 million based on a USD/SEK exchange rate of 10,7995 as of June 1, 2023. Payment of this additional consideration is conditional on Astrea and Nanopareil reaching certain financial targets linked to revenue and gross profit during the years 2023 – 2025. Estimated discounted additional purchase price amounts to USD 30 million or SEK 325 million based on the USD/SEK exchange rate as of June 1, 2023. The additional purchase price is expected to be paid in May of the year following the respective financial year.

**NOTE 29 Pledged Assets and Contingent Liabilities**

	Group		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Contingent liabilities				
Guarantees, subsidiaries	137	160	160	160
Other	17	35	17	35
Total	154	195	160	160
Pledged assets				
Chattel mortgages	52	52	23	23
Total	52	52	23	23

In connection with the acquisition of ATDBio, Ltd., an agreement was reached on an additional purchase consideration of GBP 5 million, which may be paid subject to the fulfillment of certain conditions. The conditions entail that the purchase consideration is recognized over time, and is owed to the extent that it is earned. The excess part, SEK 17 million as of December 31, is a contingent liability.

The Parent Company has provided sureties for the following subsidiaries' obligations with the Group's main creditor, Handelsbanken:

Biotage GB Ltd. 1033865 Cardiff, UK

Biotage Sweden AB 556487-4922 Uppsala, Sweden

Biotage has taken advantage of the fact that as a research and development company it is entitled to reduced social security contributions. After a tax audit was carried out in the 2021 financial year, Biotage was denied the right to the reduction. The effect on earnings for the financial year 2021 is estimated at approximately SEK 3 million and the maximum negative effect is estimated at approximately SEK 11 million. Biotage has decided to appeal the Swedish Tax Agency's decision and management considers it unlikely that these levels of reimbursement will be relevant, which is why the item is recognized as a contingent liability.

**NOTE 30 Related-party Disclosures****Subsidiaries**

Biotage AB does not engage in any operations described in its business concept; its subsidiaries develop, produce and market the Group's products and services. For this reason, there are considerable transactions between the Parent Company and its subsidiaries, and between subsidiaries themselves. A list of the subsidiaries can be found in note 27. Summary of transactions with subsidiaries:

Key management personnel in the company or its parent

Payments to the Board and senior executives are outlined in note 1. No other transactions have been conducted with Board members, senior executives or individuals or legal entities that are related parties thereof.

Subsidiaries	Country	Receivables from subsidiaries		Liabilities to subsidiaries		Services sales (+) purchases (-)		Interest received (+) paid (-)	
		2023	2022	2023	2022	2023	2022	2023	2022
Biotage Sweden AB	SE	-	120	213	-	1	1	-	-
Biotage Sweden AB	SE	-	-	-	-	-0	-0	-	-
Biotage Japan	JP	-	-	-	-	-	0	-	-
Biotage LLC	US	1	2	-	-	2	2	-	-
Biotage SARL	FR	-	-	-	-	0	0	-	-
Biotage GmbH	DE	8	12	-	-	0	0	1	0
Biotage Ltd.	JP	-	-	-	-	0	0	-	-
Biotage GB Ltd.	GB	-	-	-	-	1	2	-	-
ATDBio Ltd.	GB	-	0	-	-	0	0	-	-
Biotage Korea Co., Ltd.	KO	0	0	-	-	0	0	-	-
Biotage India Pvt Ltd.	IN	1	1	-	-	0	0	-	-
Pyrosequencing, Inc.	US	-	-	-	-	-	-	-	2
Biotage Singapore PTE. Ltd.	SG	3	2	-	-	0	-	-	-
Biotage Switzerland GmbH	CH	-	-	-	-	0	0	-	-
Astrea Group Holdings Company Ltd.	UK	-	-	-	-	0	-	-	-
		13	137	213	-	5	8	1	2

NOTE 31 Significant Events After the Reporting Date

On January 4, it was announced that Tomas Blomqvist will leave his position as CEO and Torben Jørgensen will take over as interim CEO until a new CEO has been recruited. Kieran Murphy has been appointed Chairman of the Board while Torben Jørgensen is CEO.

**NOTE 32 Key figures and performance measures****Financial measures not defined under IFRS**

The company presents certain performance measures that are not defined under IFRS. The company believes that these measures provide useful additional information to investors and company management as they allow evaluation and benchmarking of its presentation. As not all companies calculate performance measures in the same way, the measures are not always comparable with those used by other companies. These performance measures should therefore not be considered a substitute for measures defined under IFRS. The reported performance measures are not defined under IFRS unless otherwise stated. ESMA's guidelines on alternative performance measures are applied and include disclosure requirements for performance measures not defined under IFRS.

Return on equity

Net profit for the year divided by average equity.

Return on capital employed

Profit after financial items plus finance costs divided by average capital employed.

Return on total assets

Profit after financial items plus finance costs divided by average total assets.

Gross margin

Gross profit(loss) in relation to net sales.

Gross profit(loss)

Net sales less cost of sales.

EBIT

In its reports, Biotage uses the performance measure EBIT (Earnings Before Interest and Taxes) as an alternative term for operating profit(loss).

EBITDA

Biotage reports the result measure EBITDA, Earnings Before Interest Depreciations Amortizations and Taxes, which is calculated as operating profit with reversal of depreciation of intangible and tangible fixed assets

	Group	
	12-31-2023	12/31/2022
EBITDA		
Operating profit(loss) (EBIT)	314	327
Depreciation of tangible and intangible assets	149	101
EBITDA	463	428

EBITDA margin

EBITDA divided by net sales

Adjusted EBITDA

To facilitate for the reader to form an opinion of the underlying operation adjusted for non-recurring items related to acquisitions, Biotage also reports adjusted profit measures in the form of adjusted EBITDA.

	Group	
	12-31-2023	12/31/2022
Adjusted EBITDA		
EBITDA	463	428
Acquisition-related costs	55	36
Adjusted EBITDA	518	464

Equity per share

Equity divided by the number of shares outstanding at the end of the period.

Average number of shares after dilution

Average number of shares after dilution is influenced by the potential shares resulting from the LTIP programs.

	Parent Company	
	12-31-2023	12/31/2022
Average number of shares	73,852,875	65,983,775
Potential shares resulting from LTIP	141,560	200,549
Average number of shares after dilution	73,994,435	66,184,324

Average equity

Average of reported equity at the beginning and end of the period.

Average capital employed

Average of reported employed at the beginning and end of the period.

Average total equity

Average of reported total capital at the beginning and end of the period.

Investments

Acquisitions of tangible, intangible and financial fixed assets for the year (excluding investments in companies and product lines).



NOTE 32 cont'd.

Adjusted cash flow

To facilitate for the reader to form an opinion of the cash flow from the underlying business, Biotage reports Adjusted cash flow from operating activities, where adjustments are made for non-recurring items related to acquisitions and for income tax, where payments are not always related to the reporting period.

	Group	
	12-31-2023	12/31/2022
Adjusted cash flow		
Cash flow from operating activities	284	341
Income tax	96	52
Acquisition-related costs	55	36
Adjusted cash flow	435	429

Net sales at comparable exchange rates, organic growth and average organic growth

As most of the Group's net sales are settled in currencies other than the reporting currency, SEK, the amount recognized is affected by exchange rate changes between periods to a relatively large extent. To enable stakeholders and management to analyze sales trends adjusted for currency effects, the company reports sales trends compared with the comparative period at constant exchange rates. The current period's sales in each currency are translated at the exchange rates that were used in the reported financial statements for the comparative period.

Change in revenue (%)	12 months			
	2023		2022	
	SEK thousands	%	SEK thousands	%
Net revenue recognized in the comparative period	1,566		1,232	
Net revenue recognized in the period*	1,862		1,566	
Recognized change	296	18.9	334	27.1
Net revenue for the period, excl. acquisitions	1,469		1,528	
Change attributable to acquisitions	393	25.1	38	3.1
Net revenue for the period at comparative period's exchange rates, excl. acquisitions	1,407		1,372	
Change attributable to currency	62	4.0	157	12.7
Net revenue for the period at comparative period's exchange rates, excl. acquisitions	1,407		1,372	
Organic growth	-159	-10.2	140	11.4

* After adjustment for companies acquired during the year or comparative year.

Organic growth is the change in sales at comparable exchange rates, after adjustment for acquisitions. Average organic growth is calculated by taking the nth roots from the period's organic growth multiplied by each other.

Net cash/Net liabilities

To enable stakeholders and management to monitor and analyze the group's financial strength, information on the group's cash and cash equivalents/debt is reported. The key figure is defined as cash reduced by liabilities to credit institutions and lease liabilities.

Net liabilities (SEK thousands)	12-31-2023	12/31/2022
Cash	594	441
Liabilities to credit institutions	-150	-150
Lease-related liabilities	-109	-67
Net cash (+)/ net liabilities(-)	335	224

Cash flow from operations per share

Cash flow from operating activities divided by the number of shares outstanding at the end of the period.

P/E ratio

Share price divided by earnings per share.

P/S ratio

Stock market price divided by sales per share outstanding at the end of the period.



NOTE 32 cont'd.

Earnings per share *

Net profit for the period divided by the average number of shares during the period.

Operating margin

Operating profit/loss divided by sales.

Operating profit(loss)

Profit before net financial items and taxes. Consists of gross profit(loss) minus total operating expenses (sales expenses, administrative expenses, research and development expenses, other operating income and other operating expenses).

Equity/assets ratio

Equity divided by total assets.

Capital employed

Total assets minus non-interest-bearing liabilities and provisions.

Total capital

Total assets.

Profit margin

Operating profit(loss) plus finance income divided by sales.

* Key figure defined under IFRS.



Statement by the Board of Directors

The Board and CEO confirm that the consolidated annual financial statements have been prepared in accordance with international financial reporting standards (IFRS) as adopted by the EU and provide a true and fair view of the Group's financial performance and position. The Parent Company's annual financial statements have been prepared in accordance with generally accepted accounting principles in Sweden and provide a true and fair view of the Parent Company's financial performance and position. The Board of Directors' report for the Group and Parent Company provides a true and fair overview of the development of their operations, financial position and performance, and describes material risks and uncertainties to which the Parent Company and its subsidiaries are exposed.

The consolidated statement of comprehensive income and statement of financial position and the Parent Company's income statement and balance sheet will be presented for adoption at the annual general meeting on April 25, 2024.

Uppsala, April 3, 2024

Kieran Murphy

Chairman of the Board

Peter von Ehrenheim

Board Member

Karen Sorensen

Board Member

Åsa Hedin

Board Member

Mark Bradley

Board Member

Kugan Sathiyandarajah

Board Member

Daniel Menasco

Employee Representative

Pär Lundgren

Employee Representative

Torben Jørgensen

Board Member

President and CEO

Our Audit Report was submitted on April 3, 2024

Öhrlings PricewaterhouseCoopers AB

Leonard Daun

Authorized Public Accountant



Auditor's Report

To the general meeting of shareholders of Biotage AB
(publ) corporate identity number 556539-3138

Report on the annual accounts and consolidated accounts

Statement

We have audited the annual report and consolidated accounts of Biotage AB for the year 2023. The company's annual report and consolidated accounts are included in this document on pages 42–104.

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 December 31, 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 December 31, 2023 and its 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 adopt the income statement and balance sheet, and the statement of comprehensive income for the Parent Company and the consolidated statement of financial position for 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 statement

We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibility 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 means that, to the best of our knowledge, no prohibited services referred to in the Audit Regulation (537/2014), Article 5.1 have been provided to the audited company, or where applicable, to 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.

Our audit approach

Overall view

The focus and scope of the audit

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered areas where the Managing Director and the Board of Directors made subjective judgments; for example, significant accounting estimates that involved assumptions and forecasts regarding future events that are inherently uncertain. As in all audits, we also addressed the risk of the Board of Directors and the Managing Director overriding internal controls, and considered whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored our audit in order to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the group, the accounting processes and controls, and the industry in which the group operates.



Materiality

The audit's scope and focus were influenced by our assessment of materiality. An audit is designed to obtain reasonable assurance about whether the financial statements are free from material

misstatement. Misstatements may arise due to improprieties or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence economic decisions of users made on the basis of these financial statements.

Based on professional judgment, we determined certain quantitative materiality figures, including for the financial reporting as a whole (see table below). These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of individual and aggregate misstatements on the financial statements as a whole.

Key audit matters

Key audit matters 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 the annual accounts and consolidated accounts as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters.

Particularly important area: Business combinations

Acquisitions In 2023, Biotage AB completed an acquisition of Astrea Bioseparations Ltd. Under IFRS, the consideration transferred, i.e., the purchase price, should be allocated to identifiable assets and

liabilities assumed. The identification and allocation of the purchase price are areas that have required management's assessment. Further information can be found in note 28 (business combinations).

Incorrect assumptions and calculations in connection with business combinations could have significant effects on the measurement of acquired assets and liabilities, which is why we have assessed this as a particularly significant area in the audit.

How our audit addressed the key audit matter

Our audit has included, but is not limited to the following:

- » We have reviewed the acquisition analysis and relevant documents such as purchase agreements and decision-making documents.
- » We have carried out random checks to verify the calculated and transferred purchase price.
- » We have evaluated the reasonableness of the company's allocation of the purchase price between identified net assets and goodwill with the help of PwC's internal specialists.
- » We have also read and evaluated the information provided in note 28 of the annual report.

Particularly important area: Timing of revenue recognition

The reporting of various income flows is complex. The Group's revenue amounted to SEK 1,862 million and is a significant item from a financial perspective. Among other things, the Group sells systems, reagents and services to distributors and to end users on a global basis. There is a risk of incorrectly accrued revenue in connection with delivery of goods. This circumstance in combination with the materiality of the item make this a key matter for our audit.

Section 7.1 Revenue recognition in the consolidated annual report, Summary of significant accounting and valuation policies of the group and the parent company, sets out the group's accounting policies for revenue.

How our audit addressed the key audit matter

Our audit has included, but is not limited to the following:

- » We have obtained an understanding of the group's processes for revenue recognition and evaluated them.
- » Through data analyses and other approaches, we have also examined a sample of transactions to obtain assurance that they are reported according to the group's principles.
- » We have examined information provided in the financial statements.



Information other than the annual accounts and consolidated accounts

This document also contains information other than the annual accounts and consolidated accounts, which is presented on pages 1-41 and 110-119, and includes the Sustainability Report.

Information in the “2023 Remuneration Report” for the Biotage Group, published on the company’s website on April 4, 2024 also comes under other information. 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 or 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 appears to be materially misstated.

If, based on the work performed concerning this information, we 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 for ensuring 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, and the Annual Accounts Act. 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, conditions which may affect the ability to continue as a going concern and use of the going concern basis of accounting. However, the going concern basis of accounting is not applied if the Board of Directors and the Managing Director intend to liquidate the company, cease operations, or have no realistic alternative but to do so.

The Board’s Audit Committee shall, without prejudice to the Board’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 improprieties or error, and to issue an auditor’s report that includes our statement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA and generally accepted auditing standards in Sweden will always detect 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 made on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts can be found on the Swedish Inspectorate of Auditors website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the audit report.



Report on other legal and regulatory requirements

Auditor's examination of administration and proposed appropriations of the Group's profit or loss

Statement

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 Biotage AB for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting that the profit be appropriated 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 fiscal year.

Basis for statement

We conducted the audit in accordance with generally accepted best auditing practices in Sweden. Our responsibilities in this regard are further described in the Auditor's Responsibility 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 concerning appropriations of the company's profit or loss. Proposing a dividend includes an assessment of whether the dividend is justifiable considering the requirements that the nature, scope and risks of the company's and the group's operations 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 its 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 accounting, management of assets and the company's financial affairs are otherwise controlled in a secure 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 for the audit of the administration, and therefore our opinion regarding discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors and the Managing Director in any material respect has:

- » has taken any action or been guilty of any omission which may give rise to liability to the company; or
- » in any other way 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 therefore our opinion about this, is to assess with a 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 responsibility for the audit of the administration can be found on the Swedish Inspectorate of Auditors website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the audit report.



The auditor's examination of the ESEF report

Statement

In addition to our audit of the annual accounts and consolidated accounts, we have also verified 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 (Esef report) in accordance with Chapter 16, Section 4 a of the Securities Market Act (2007:528) for Biotage AB for the year 2023.

Our examination and opinion concern only the statutory requirement.

In our opinion, the ESEF report was created in a format that in all material respects enables uniform electronic reporting.

Basis for the statement

We have conducted the examination in accordance with FAR's recommendation RevR 18 The auditor's examination of the ESEF report. Our responsibilities under this recommendation are described in more detail in the Auditor's Responsibility section. We are independent of Biotage AB in accordance with best auditing practices 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 opinions.

Responsibilities of the Board of Directors and the Managing Director

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

Auditor's responsibility

Our task is to express an opinion with reasonable assurance as to whether the ESEF report has in all material respects been prepared in a format that fulfills the requirements set out in Chapter 16, Section 4a of the Swedish Securities Market Act (2007:528), based on our examination.

RevR 18 requires that we plan and perform audit procedures to achieve reasonable assurance that the ESEF report has been prepared in a format that fulfills these requirements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with RevR 18 and best auditing practices in Sweden will always detect a material misstatement if one exists. Misstatements can arise from improprieties or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of the ESEF report.

The audit firm applies the International Standard on Quality Management 1, which requires the firm to design, implement and manage a quality management system including guidelines or procedures regarding compliance with professional ethics requirements, professional standards and applicable legal and regulatory requirements.

The reasonable assurance engagement involves obtaining evidence through various procedures to determine whether the ESEF report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The auditor selects the procedures to be carried out by assessing the risks of material misstatements in the reporting, whether due to improprieties or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the

circumstances, the auditor considers the elements of internal control that are relevant to the preparation of the document by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of the internal control. The reasonable assurance engagement also includes an evaluation of the appropriateness and reasonableness of the Board of Directors' and the Managing Director's assumptions.

The procedures mainly include a validation of the ESEF report, i.e., whether the ESEF report has been prepared in a valid XHTML format, and a reconciliation of the ESEF report with the audited annual accounts and consolidated accounts.

In addition, the procedures include an assessment of whether the consolidated income statement, statement of financial position, statement of changes in equity, cash flow statement and notes in the ESEF report have been marked with iXBRL in accordance with ESEF regulations.

Öhrlings PricewaterhouseCoopers AB, Torsgatan 21, 113 97 Stockholm, was appointed Biotage AB (publ)'s auditor by the general meeting on April 28, 2023 and has been the company's auditor since April 28, 2021.

Uppsala, April 3, 2024

Öhrlings PricewaterhouseCoopers AB

Leonard Daun
Authorized Public Accountant



Miscellaneous



The Share

Biotage's ordinary shares were traded on Nasdaq Stockholm's Mid Cap index until the end of 2021. As of January 2022, Biotage was moved to the Nasdaq Large Cap index. Biotage's ordinary shares are traded under the name Biotage AB (BIOT). The number of ordinary shares outstanding as of December 31, 2023 amounted to 80,008,185 (65,983,775). Based on the closing price per share on December 29, 2023, Biotage's market cap amounted to SEK 10,697 (12,240) million. Biotage has an additional share class, C shares, which were all issued and repurchased during Biotage's LTIP 2020, LTIP 2021 and LTIP 2022 incentive programs.

Share Price Development

In 2023, Biotage's share price fell 28% from SEK 185.5 to SEK 133.7. The highest closing price in 2023 was SEK 181.7 per share, which occurred on January 3. The lowest closing price was SEK 86.5 per share, which occurred on October 18. In 2023, 44.0 million shares (23.0 million) traded for a market value of SEK 5,580 (4,370) million. The turnover rate for the year was 55 (70)%.

Shareholders

The number of known Biotage shareholders on December 31, 2023 was 6,978 (7,621). The 15 largest owners accounted for 63.3 (52.2)% of the total capital and number of votes. Foreign owners accounted for 52.9 (52.2)% of the capital and votes. The largest foreign ownership was from the US, Norway, France, Denmark and the UK.

Authorization to Issue Shares

As was the case at the 2023 Annual General Meeting (AGM), at the 2022 Annual General Meeting, the Board was authorized to adopt the issue of shares and/or convertibles on one or more occasions. The authorization has not been used.

Dividend Policy and Dividends

Biotage's dividend policy requires at least 50% of the earnings per share (EPS) after tax to be distributed to shareholders.

In 2023, dividends of SEK 1.60 per share were paid. The earnings per share after delution in 2023 amounted to SEK 3.33 (4.04). The Board intends to recommend that the 2024 AGM adopt a dividend of SEK 1.60 per share, corresponding to 48 (40)% of profit.



Ownership Categories, December 31, 2023

Owner	Number of shares	Share of capital, %	Share of votes, %
Swedish institutional owners	31,605,330	39.2%	39.5%
Foreign institutional owners	19,192,791	24.1%	24.2%
Private individuals in Sweden	5,105,775	6.3%	6.4%
Others	15,750,281	19.6%	19.0%
Anonymous ownership	9,013,518	10.8%	10.9%
Total	80,667,695	100.0%	100.0%

15 Largest Known Owners, December 31, 2023

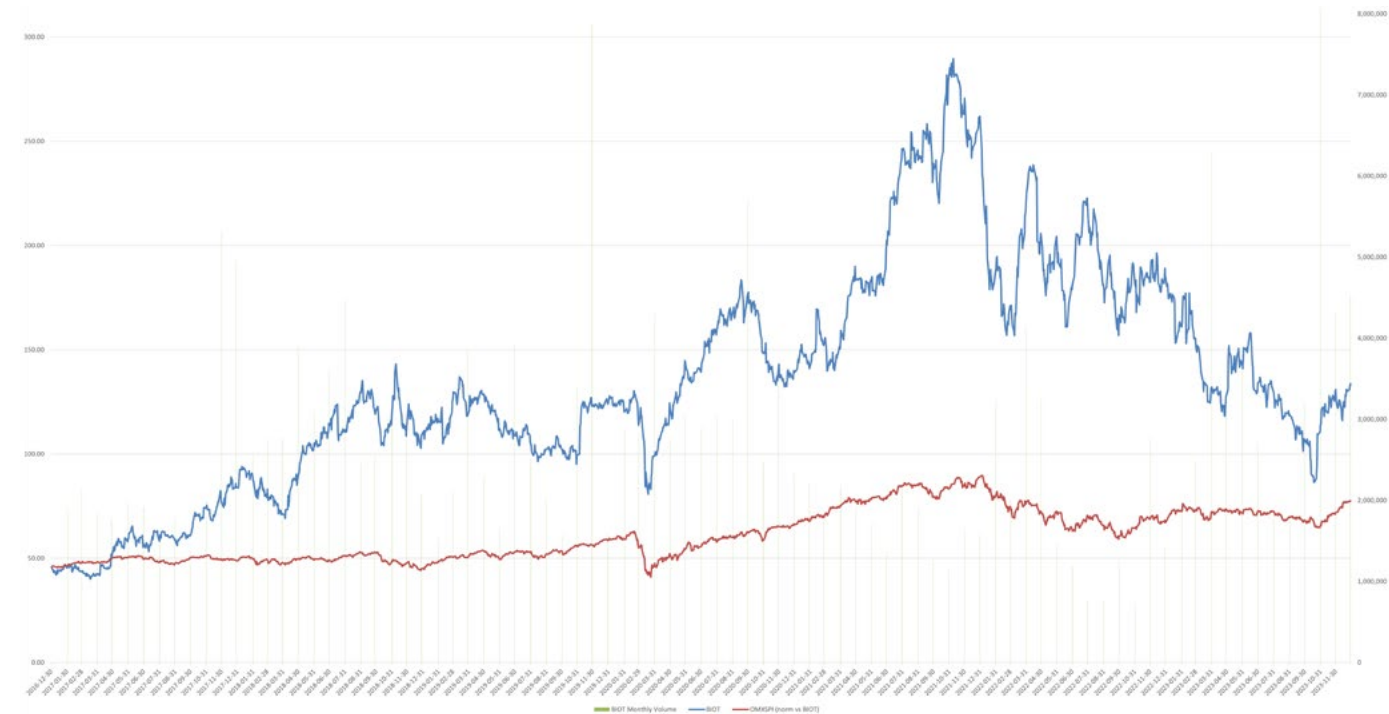
Owners	Number of shares	Share of capital, %	Share of votes, %
Gamma Biosciences	13,590,648	16.8%	17.0%
SEB funds	6,148,389	7.6%	7.7%
Didner & Gerge funds	5,352,907	6.6%	6.7%
Invesco	3,808,712	4.7%	4.8%
Handelsbanken Fonder AB	3,252,094	4.0%	4.1%
The Fourth Swedish National Pension Fund	2,769,095	3.4%	3.5%
Swedbank Robur funds	2,600,000	3.2%	3.3%
Norges Bank	2,550,396	3.2%	3.2%
The First Swedish National Pension Fund	2,500,000	3.1%	3.1%
The Third Swedish National Pension Fund	2,246,762	2.8%	2.8%
Vanguard	2,049,772	2.5%	2.6%
TIN funds	1,126,726	1.4%	1.4%
BlackRock	1,100,519	1.4%	1.4%
Montanaro	910,000	1.2%	1.2%
The Second Swedish National Pension Fund	972,839	1.2%	1.2%
Total	50,978,859	63.3%	63.9%

Source: Monitor Finans

Shareholders Grouped by Size, December 31, 2023

Number of shares per owner	Number of known shareholders	Share of capital, %	Share of votes, %
1 – 1,000	6,035	1.3%	1.3%
1,001 – 10,000	757	2.8%	2.9%
10,001 – 100,000	130	4.5%	4.6%
100,001 – 500,000	32	10.2%	10.3%
500,001 – 1,000,000	10	9.3%	8.3%
1,000,001 –	14	62.7%	63.2%
Anonymous ownership	N/A	9.2%	9.4%

Change in Price Per Share and Volume





Investor Relations

Biotage Investor Relations is responsible for providing relevant information and remaining accessible to shareholders, analysts and media. Biotage has held a number of roadshows and participated in a number of seminars during the year.

Analysts Who Follow Biotage

Berenberg

Handelsbanken

Nordea

SEB

Annual Accounts

Biotage annual accounts and other financial information is available in English and Swedish at:

<https://www.biotage.com/reports-and-presentations>

2023 AGM

The notice convening the Annual General Meeting was published on March 25, 2024. Information on the resolutions passed at the Annual General Meeting will be published on April 25, 2024 as soon as the result of the voting has been finally confirmed.

Financial Calendar

An up-to-date financial calendar is available online at www.biotage.com under Investor Relations.

- » April 25 – Annual General Meeting
- » April 27– Interim report January–March 2024
- » July 16 – Interim report January–June 2024
- » October 23 – Interim report January–September 2024
- » February 15, 2025 – 2024 Year-end Report



Board of Directors



**Kieran Murphy,
Chairman of the Board***

Education: B.Sc in Agricultural Sciences, University College, Dublin

Born: 1963

Occupation: Company director (various)

Other posts: Chairman of the Board of Gamma Biosciences and Advisory Board of Zentiva and Board Member of SPT Labtech

Board service: 0 years

Shares: 0

Kieran Murphy has attended all board meetings since his election.



**Torben Jørgensen,
Board Member***

Education: B.Sc. in Economics, Copenhagen Business School

Born: 1952

Occupation: Independent Adviser, Consultant, and Director

Other posts: Chairman of the Board of Genovis AB and Boule Diagnostics. Board member of Advanced Instruments, Inc.

Board service: 5 years

Shares: 320,200 shares

Torben Jørgensen attended all board meetings during the year.



**Peter Ehrenheim,
Board Member**

Education: M.Sc. in Mechanical Engineering, KTH Royal Institute of Technology, Stockholm

Born: 1955

Occupation: Entrepreneur

Other posts: Chairman of the Board of Bioworks Technologies AB, Sophion A/S and Färjsundet Industri AB.

Board service: 11 years

Shares: 0

Peter Ehrenheim attended 14 out of 17 board meetings during the year.



**Mark Bradly,
Board Member**

Education: Master of Arts, Doctor of Philosophy

Born: 1962

Occupation: Professor

Other posts: Academic

Board service: 5 years

Shares: 0

Mark Bradly attended 15 out of 17 board meetings during the year.



**Åsa Hedin,
Board Member**

Education: M.Sc. in Biophysics, University of Minnesota US, B.Sc. in Physics, Gustavus Adolphus College, USA

Born: 1962

Occupation: Board Member, Investor

Other posts: Chairperson of the Board of Tobii Dynavox AB, Artificial Solutions International AB and QBTech AB. Board Member of Nolato AB and Industrifonden.

Board service: 5 years

Shares: 0

Åsa Hedin attended all board meetings during the year.



**Karen Sørensen,
Board Member**

Education: Master of Science, Danish Technical University and MBA

Born: 1962

Occupation: Former CEO of Philips Capital

Other posts: Board Member of Orion and Vitrolife.

Board service: 2 year

Shares: 0

Karen Sørensen attended all board meetings during the year.



**Kugan Sathiyandarajah,
Board Member**

Education: M.A. (First Class Hons) in Physical Natural Sciences (Chemistry), University of Cambridge

Born: 1986

Occupation: Managing Director

Other posts: Partner and head of KKR's Health Care Strategic Growth business in Europe.

Board service: 0 years

Shares: 0

Kugan Sahiyandarajah has attended all board meetings since his election.



**Dan Menasco,
Employee Representative**

Education: Ph.D., Chemistry, University of South Carolina

Born: 1977

Occupation: Global Product Manager, Analytical

Other posts: –

Board service: 4 years

Shares: 0

Dan Menasco has attended all board meetings during the year.



**Pär Lundgren,
Employee Representative**

Education: M.Sc. in Civil Engineering, Energy Systems

Born: 1985

Occupation: Project Manager

Other posts: –

Board service: 1 years

Shares: 0

Pär Lundgren attended 16 out of 17 board meetings during the year.

*As of January 4, 2024, Kieran Murphy took over as Chairman of the Board for the term that Torben Jørgensen acts as acting CEO.



Management



Torben Jørgensen* (1952)

Position: Acting CEO and President.

Part of Group Management.



Andreas Juhlin (1974)

Position: President International

Education: M. Sc. Industriell ekonomi.
Linköpings universitet.

Employment in the Group (years) 4



Lisa Egelrud (1975)

Position: EVP Quality
Assurance Regulatory Affairs

Education: M. Sc. Kemiteknik.
Chalmers tekniska högskola.

Employment in the Group (years) 3



Scott Carr (1967)

Position: President, Americas

Education: B. Sc. Chemistry,
Wingate University.

Employment in the Group (years) 24



Petra Duprez (1965)

Position: Chief Human
Resources & Sustainability Officer

Education: B.Sc. i HR.
Stockholms universitet.

Employment in the Group (years) 4



Anders Wikström (1973)

Position: EVP Operations

Education: B. Sc. CS. Uppsala universitet.

Employment in the Group (years) 21



Raffaella Bombarda (1974)

Position: EVP Global Marketing

Education: M.Sc Biomedical Engineering,
University of Bologna, EMBA.

Employment in the Group (years) 6



Andrew Kellett (1968)

Position: Chief Financial Officer

Education: BSc Economics; University of
Aberystwyth; ACA, Member of Chartered
Accountants in England & Wales

Employment in the Group (years) 0

Shares: 0



Olof Nord (1975)

Position: EVP Business Development

Education: Fil. dr. Bioteknologi och M. Sc.
Kemiteknik. Kungliga tekniska högskolan.

Employment in the Group (years) 4



Magnus Nordstedt (1970)

Position: EVP IT & Digitalization

Education: Ingenjör elektronik
och datavetenskap.

Employment in the Group (years) 22

*As of January 4, 2024, Torben Jørgensen acts as acting CEO.



Glossary

AAV (Adeno Associated Virus)

Adeno-Associated Viruses (AAV) vectors are the leading platform for genetic delivery for treatment of a number of different human illnesses.

Active Pharmaceutical Ingredient (API)

Active Pharmaceutical Ingredient. The substance in a drug or other product that provides its medicinal effects.

Analytical chemistry

The branch of chemistry focused on the examination of samples to elucidate their nature, structure, and composition and reveal the identity and amount of any substances contained therein.

Antibodies

Y-shaped proteins in the immune system that bind to specific surface molecules on foreign bodies to activate the body's immune system.

Biomolecules

Molecules of biological origin, such as proteins, and nucleic acids.

Clinical testing

The process of testing the efficacy and safety of a new drug.

CMO

Contract Manufacturing Organization.

CRO

Contract Research Organization. Contract research organization.

Dehydration

A method of concentrating a substance by allowing the solvent to evaporate.

Evaporation

The accelerated vaporization of a liquid.

Flash chromatography

A method of separating the substances included in a reaction mixture. Depending on their physical characteristics, the substances move at different speeds through a solid phase assisted by the flow of one or more solvents.

Flash column

A cylinder packed with a solid phase. Used in flash chromatography purification.

Gene therapy

A type of treatment for certain conditions where a functional gene is delivered to the cells of an organism to produce a protein that is missing or does not function.

ISO 14001

An international standard for environmental management systems.

ISO 9001

An international standard for quality management systems.

Lipid nanoparticles

Lipid nanoparticles are nanodrops of fat molecules. A safe and effective means of delivering mRNA vaccines into cells was developed by packing mRNA into lipid nanoparticles.

Microwave synthesis

A type of synthesis where microwave energy is used to speed up a reaction.

MIP

Molecularly Imprinted Polymers.

mRNA vaccines

mRNA vaccines contain messenger RNA sequences that encode for proteins. DNA sequences are diagrams for the body's proteins that are found in the cell nucleus. DNA is translated to mRNA (messenger RNA) that leaves the cell nucleus and instructs the formation of proteins.

Oligonucleotides

Short DNA or RNA molecules with a broad spectrum of applications in genetic testing, research, therapeutic applications and criminology.

Organic Chemistry

The branch of science that deals with the chemistry of carbon-based compounds.

**PCR testing**

PCR (Polymerase chain reaction) testing is a laboratory method used to make many copies of a specific strand of DNA from a sample that contains very small amounts of that DNA. Polymerase chain reaction makes it possible to amplify these strands of DNA so that they can be detected.

Peptides

Molecules composed of short chains of amino acids.

Plasmids

Annular DNA molecules with around 5,000 base pairs, often used to produce biomolecules.

Precision medicine

Forms of treatment that are adapted to a patient's unique molecular profile.

Proteins

Macromolecules composed of long chains of amino acids. Life's molecules.

Purification column

The physical unit into which the chromatography purification medium/resin is packed.

Purification

A process that isolates the substance from impurities.

REACH

Registration, Evaluation, Authorisation and Restriction of Chemicals. An EU regulation (EC 1907/2006) with stipulations that protect both human health and the environment from the potential risks posed by chemicals.

Reaction mixture

A solution in which specific substances are dissolved or suspended to allow a chemical reaction to take place.

Reagent

A substance that is added during synthesis to react and transform the starting material into the desired product.

Resin

A porous polymer-based material used in chemical purification processes. Resins can be chemically modified to give them specific properties.

RoHS

Restriction of Hazardous Substances. An EU directive (2002/95/EC) that restricts the use of certain heavy metals and flame retardants in electrical and electronic products.

Scavengers

Chemical substances that are added to a reaction mixture to remove or deactivate impurities.

SLE

Supported Liquid Extraction. An efficient alternative to traditional LLE, with higher yields, the SLE method is well-suited to automation. To extract a substance, the sample is first absorbed by a solid phase, then eluted using an organic solvent.

SPE

Solid Phase Extraction. A method for separating substances based on the amount of affinity each particular substance has for a solid phase relative to a liquid phase. The same principle applies as for flash chromatography, but on a smaller scale in SPE.

Synthesis

The creation of a new substance by chemically combining several different building blocks.

Work-up

A process that removes various by-products and unreacted starting materials.



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