

BICO announces goodwill impairment related to post-pandemic downturn in Ginolis

BICO Group AB (publ) today announces the decision to impair goodwill in Ginolis totaling SEK 625 million, ahead of the year-end report 2022 to be published on 22 February 2023.

Goodwill impairment

BICO Group regularly assesses goodwill and has conducted an impairment test when finalizing results for the fourth quarter. This impairment indicator, alongside our yearly impairment test of goodwill, has led to the decision to write down all goodwill in Ginolis, totaling SEK 625.0 million. The impairment will impact the 2022 net result but will not affect the cash flow.

While the Covid pandemic created supply and logistical problems in its wake, we experienced strong revenues in 2020 and 2021 in conjunction with the global medical response, via diagnostic automation equipment. This was especially relevant to one company, Ginolis, which successfully ramped up to meet demand. But by 2022, sales related to Covid diagnostic automation were dwindling faster than anticipated. In addition, new competition from Asia is undercutting us in lateral flow automation, which has become a commodity since the global pandemic brought heightened demands during the last two years. Ginolis has not been able to transition fast enough to new customer segments and has faced challenges in order intake and internal efficiency. We are now implementing further extensive cost reductions and rightsizing the organization at Ginolis to align with the reduced demand. In parallel, we are also taking measures to assure continued customer support and deliverables as well as evaluating our strategic options related to the remaining core technologies in Ginolis.

Full year-end report 2022

The full financial performance for the fourth quarter will be presented in the interim report January – December 2022, scheduled for February 22, 2023, at 7 am.

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PRESS RELEASE

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**About BICO**

BICO is a leading provider of life science solutions and laboratory automation that enable more efficient development of new treatments with more specificity and less need for animal testing.

The company uses bioconvergence as its operating system, combining advanced technologies with biology to streamline and automate workflows within the pharmaceutical and biopharma industries.

With 32,000+ instruments installed in over 65 countries, BICO products and solutions are found in more than 3,500 laboratories, including the world's top 20 pharmaceutical companies, and have been cited in over 11,000 publications.

Operating through three business areas – Bioprinting, Biosciences and Bioautomation – the BICO Group strives towards the long-term ambition of enabling the reduction the world's organ shortage and speeding up drug development to create the future of life-saving treatments.

BICO is listed on Mid-Cap, Nasdaq Stockholm under BICO. www.bico.com

This information is information that BICO Group is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2023-02-21 19:42 CET.

Attachments

[BICO announces goodwill impairment related to post-pandemic downturn in Ginolis](#)