

BICO announces goodwill impairment of SEK 582m and provides preliminary figures for Q4 2023

BICO Group announces goodwill impairment of SEK 582m, which is a non-cash flow affecting one-off item, as well as preliminary figures for Q4 2023.

Goodwill impairment

BICO has resolved to write-down goodwill in the Group companies: SCIENION (SEK 371m), Visikol (SEK 47m), and Nanoscribe (SEK 164m) totaling SEK 582m. This will have a result effect on EBIT but is not affecting cash flow in Q4. The conclusion has been made after conducting an updated impairment test and is predominantly related to lower growth expectations in mentioned Group companies.

- SCIENION's performance has been characterized by weak financial development over the last quarters attributable to the weaker demand from the diagnostic industry. This has resulted in slower growth pace than previously forecasted, which in turn impacts the goodwill value. We have made major organizational changes and right-sizing during 2023 to mitigate the weaker demand.
- Nanoscribe has not been able to deliver according to the high expectations set in 2021 when the company was acquired. This has resulted in lowered growth estimates which has impacted the goodwill value.
- Visikol has developed weaker than anticipated over the last quarters. A decision has been made to integrate Visikol into MatTek since BICO has concluded that Visikol has better opportunities to reach profitability as an integrated part of MatTek. Due to the integration, Visikol's offering will be smaller and more focused on profitability. Given this, future projections have been lowered, resulting in a need for goodwill impairment.

Preliminary figures Q4 2023 and FY 2023

The net sales for Q4 is expected to amount to SEK 636.6m (665.9) and the net sales for FY 2023 is expected to amount to SEK 2,249.9 (2,120.8).

The EBITDA for Q4 is expected to amount to SEK 95.1m (69.7), corresponding to a margin of 14.9 percent (10.5). The EBITDA for FY 2023 is expected to amount to SEK 360.4m (15.0) corresponding to a margin of 16.0 percent (0.7).

The adjusted EBITDA for Q4 is expected to amount to SEK 86.1 (69.8) corresponding to a margin of 13.5 percent (10.5). The adjusted EBITDA for FY 2023 is expected to amount to SEK 217.7m (126.2), corresponding to a margin of 9.7 percent (6.0).

EBITDA less own work capitalized for Q4 is expected to amount to SEK 78.9m (26.6) corresponding to a margin of 12.4 percent (4.0). EBITDA less own work capitalized for FY 2023 is expected to amount to SEK 257.7m (-149.8) corresponding to a margin of 11.5 percent (-7.1).

The cash flow from operating activities for Q4 is expected to amount to SEK 162.0m (-69.1), cash flow from investing activities is expected to amount to SEK 193.6m (55.3) which includes a positive impact of SEK 243.5m from the divestment of the Berlin facility, and cash flow from financing activities is expected to amount to SEK -48.8m (452.9). Cash and cash closing balance per December 31, 2023, amounted to SEK 861.0m.

SEKm	Q4 2023	Q4 2022	FY 2023	FY 2022
Profit & loss				
Net sales	636.6	665.9	2,249.9	2,120.8
EBITDA	95.1	69.7	360.4	15.0
EBITDA margin, %	14.9	10.5	16.0	0.7
Adjusted EBITDA	86.1	69.8	217.7	126.2
Adjusted EBITDA margin, %	13.5	10.5	9.7	6.0
EBITDA less own work capitalized	78.9	26.6	257.7	-149.8
EBITDA less own work capitalized margin, %	12.4	4.0	11.5	-7.1
Cash flow				
Cash flow from operating activities	162.0	-69.1	178.4	-269.4
Cash flow from investing activities	193.6	55.3	-129.7	212.9
Cash flow from financing activities	-48.8	452.9	-102.0	455.3

In accordance with discontinued operations reporting, all profit and loss figures exclude discontinued operations (Ginolis), and all cash flow figures include discontinued operations (Ginolis).

All amounts stated in this press release are preliminary and unaudited.

BICO's full financial performance will be presented in the Year-end report January – December 2023 which will be released on February 20, 2024, at 07:00am CET.

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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 of 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

Attachments

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