



Annual Report

2022



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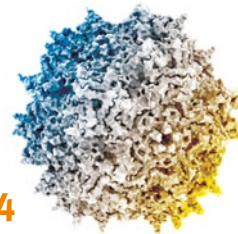
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Increased efficiency in plasmid purification speeds up gene therapy research

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Automation saved time in doping tests during the Tokyo Olympics

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This is Biotage

This is Biotage

Biotage, a global impact tech company, provides innovative solutions that streamline drug development and manufacturing, alongside enhanced analytical, water and environmental analysis.

All our offerings help solve societal issues on a local and global level by working systematically, conscientiously, and sustainably. Our wide selection of effective, high-quality solutions plays a key role in streamlining our customers' workflows while helping them reduce their environmental impact. Biotage is constantly working on reducing the need for solvents and rationalizing the use of consumables.

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

We are proud to contribute to sustainable science in order to make the world a healthier, greener, and cleaner place for humanity – a goal that is summarized by our motto **HumanKind Unlimited**.

Mission

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

Vision

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

This is where we're located

Biotage has 13 office locations in eight different countries. Five of these have research and development activities and five have manufacturing. Our own sales organization encompasses over 15 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 80 countries.



Strongest Profit in the Company's History

Thanks to our skilled and committed team, Biotage achieved fantastic sales growth and a strong result, despite the challenging global situation.

We managed to grow faster than the market in all regions, despite tough comparative figures from 2021. The Americas is the region that has shown the strongest growth, with record quarter after record quarter in sales. Among our product areas, we see continued strong growth in Biologics & Advanced Therapeutics thanks to a continued successful launch of Biotage® PhyPrep.

We are also proud that this growth has been profitable and that our adjusted operating profit after reversal of amortization of intangible fixed assets (adjusted EBITA margin) has even improved compared to 2021.

Key Figures and Ratios

	2022	2021	2020	2019	2018
ASSETS					
Net sales, SEK million	1,566	1,232	1,092	1,101	911
Growth in net sales, %	27.1	12.7	-0.8	20.9	21.8
Gross profit, SEK million	948	755	667	685	557
Gross margin, %	60.6	61.3	61.0	62.2	61.1
Operating margin, %	20.9	22.0	18.9	18.9	18.9
Profit margin, %	29.0	26.4	21.2	19.5	19.4
Profit before tax, SEK million	348	269	223	212	176
Total assets, SEK million	2,339	1,992	1,434	1,336	1,003
Equity/assets ratio, %	70.0	68.9	69.0	65.5	69.8
Capital expenditure, SEK million	84	341	61	86	178
Average number of employees	517	497	463	440	404
Return on equity, %	17.8	19.3	18.8	23.7	25.6
Return on capital employed, %	26.0	25.7	19.9	23.2	25.2
Return on total capital, %	21.0	21.4	16.7	18.4	20.3

Customer segments



- White Tech 63%
- Red Tech 25%
- Blue & Green Tech 12%

Product segment



- Small Molecules & Synthetic Therapeutics 49%
- Analytical Testing 24%
- Scale Up 12%
- Water & Environmental Testing 8%
- Biologics & Advanced Therapeutics 4%
- Diagnostics 3%

Geographic mix



- Americas 42%
- EMEA 28%
- APAC 30%

Product mix



- Systems 48%
- Services 13%
- Consumables 39%

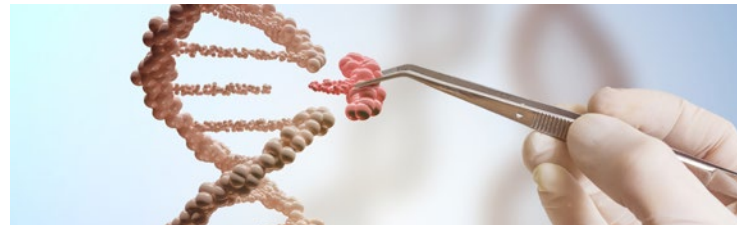
Significant Events During the Year

Three New Products

During the year, Biotage launched three new products that improve workflows for the company's customers. In February, the sophisticated **Biotage® TurboVap® 96 Dual** evaporator was launched with two separate sample processing units that allow laboratories to double their evaporation capacity while easily demonstrating both energy and gas consumption.



In May, **Biotage® Extrahera™ HV-5000** was launched, a fully automated column-based sample preparation workstation that can handle large volumes despite taking up very little space in the lab. In May, there was also an addition to Biotage's product family of Flash systems, **Biotage® Selekt Enkel**. It has a new, modular design that allows customers to tailor the system to their own needs.



Collaboration on Gene Therapy Drugs

Interest in developing gene therapy drugs is increasing dramatically and there is great potential to cure serious diseases. However, manufacturing these medications is very expensive. With the purpose of streamlining production methods and thus make the therapies more accessible to patients, the Swedish consortium GeneNova was formed by partners from the state, industry and academia. Biotage is contributing technology and expertise in plasmid DNA and viral vector AAV purification and is funding a PhD student in the project and ecosystem.

Expansion in San Jose

In April 2022, Biotage established a new facility in San Jose, California, dedicated to R&D, sales, marketing, and support functions in the promising field of biopharmaceuticals and advanced therapies. The new facility increases the opportunities for customer meetings and product demonstrations. Biotage's existing facility in San Jose, where the Biotage® PhyPrep system was developed, now focuses primarily on manufacturing. The expansion gives the various functions access to well-adapted premises with support for future growth in the area.

New Office in Singapore

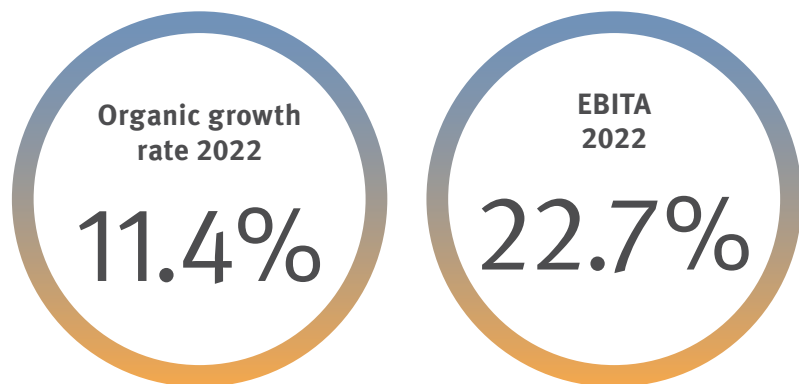
During the year, Biotage opened a new office in Singapore to establish a direct presence in the ASEAN region. By being closer to customers, Biotage hopes to increase sales in the region and provide better service and support to Biotage's customers and distributors. Local presence also gives the company important local insights that will benefit the further development of products and solutions to better meet all customer requirements and needs.



Financial Goals and Growth in 2022

In 2022, our growth journey continued and we ended the year with our strongest result ever.

Biotage has an ambition to grow faster than the market and we strive for profitable growth. Through profitable growth, we can ensure strong returns for our shareholders while enabling reinvestment in the company to ensure our future success. Despite a troubled world and a challenging global market, 2022 saw the strongest result in the company's history, contributing greatly to our long-term financial goals. As the year ends, Biotage is strengthened in its financial position and we are well equipped to continue our growth journey.



Organic Growth

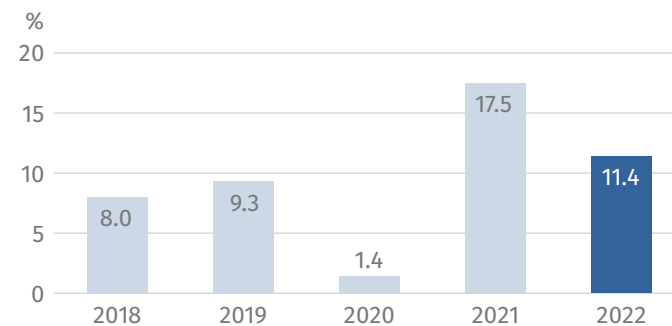
Goals

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

12%

Results

Organic growth of 11.4% was achieved in 2022. Over the last three years, the average organic growth rate was 9.9%.



Comment

The average market growth rate for the segments in which Biotage competes is estimated to be around four percent. Our growth targets call for the company to grow at a considerably faster rate than the underlying markets. One way to achieve this is to constantly seek out new market segments with attractive growth potential.

Profitability

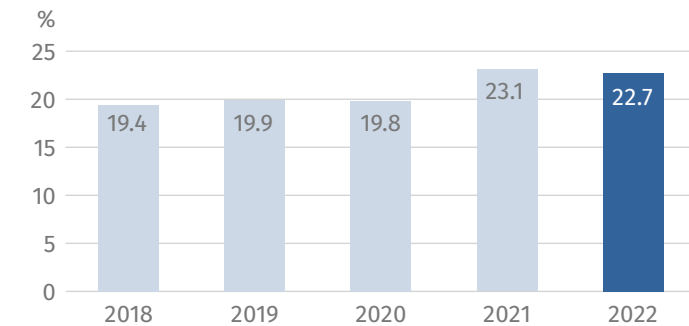
Goals

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

25%

Results

The operating margin, after adding back amortization of intangible non-current assets (EBITA margin) amounted to 22.7% in 2022. Over the last three years, the average operating margin was 22%.



Comment

Biotage aims for a satisfactory level of profitability to enable investment in organic and inorganic growth and generate returns for shareholders.

Our Best Year Ever

In 2022, Biotage's profitable growth journey continued. Despite turmoil in our surroundings and challenging conditions, the year was the best in our 25-year history.

In many ways, 2022 was a dismal year. Though the COVID-19 pandemic's stranglehold on the world began to let up thanks to the mass vaccination that Biotage contributed to through our lipid purification solution, we were instead plunged into yet another crisis as a result of Russia's invasion of Ukraine. Biotage, of course, immediately stopped sales to Russia.

The war created an energy crisis in Europe, with soaring inflation and rising interest rates around the world as a result. Meanwhile, China continued to maintain its zero tolerance for COVID-19,



with societal lockdowns having consequences for already strained global supply chains. Despite these challenges, increased costs and continued shortages of key inputs, Biotage managed to meet our customers' needs and meet delivery times through proactive, hard work.

Achieved Goals

Considering the world situation, it is something of a paradox to note what a fantastic, albeit challenging, year 2022 was for Biotage business-wise. We continued our profitable growth journey with a strong cash flow, organic growth of 11.4% and an adjusted EBITA margin of 25% for the full year. Since having been given the privilege of leading the company in 2019, we have continuously met our high goals and achieved milestone after milestone with our committed team. Therefore, it was also logical that our long-term financial targets were further raised during the year to an expected organic growth of 12% over time and average EBITA margin of 25% over a three-year period.

We passed several milestones in 2022, including sales of over SEK 400 million for the first time in a single quarter and recorded an operating profit of over SEK 300 million for the full year. For the full year, sales exceeded SEK 1.5 billion. It was only three years ago that we were pleased to have a turnover of more than one billion for the first time. Through the third quarter of 2022, we had eight consecutive quarters of double-digit organic growth in a market growing about 4%.

Strength through Diversification

We see the strength of our strategy of having a diversified business. We are constantly looking for opportunities to establish ourselves in new attractive niches where we can streamline customer workflows.

We can still be affected by individual setbacks in the market, but our diversification and the breadth of our business means that over time we can counteract these short-term blows. During the fourth quarter

of this year, we could see how our Scale Up product area was affected by a significant decrease in the production of mRNA COVID-19 vaccines. At the same time, we saw a slowdown from our largest CRO customer in China in our product area Small Molecules & Synthetic Therapeutics. This results in a notch in the curve of our growth journey. Other product segments continue to grow.

This year, our investment in biopharmaceuticals and advanced therapies began to pay off when sales of our platform for automated purification of plasmids Biotage® PhyPrep really took off. We made additional investments here by expanding our establishment in San Jose, California, providing better conditions for sales and business development. 2022 was also the first full year for our oligonucleotides service business. We gained a number of new customers and carefully continued the integration of ATDBio so as not to lose momentum in business development. In other areas,

we successfully launched the three new products TurboVap® 96 Dual, Biotage® Extrahera™ HV-5000 and Biotage® Selekt Enkel, each of which has its own way of streamlining and improving customer workflows in Analytical Testing and Small Molecules & Synthetic Therapeutics.

Improved Processes and Organization

In parallel with our rapid growth, we have put a lot of time and effort into improving governance and streamlining processes. We have implemented digital tools for financial control and sales support, such as CRM. Even in manufacturing, we are constantly working to develop and optimize our processes. In Cardiff, we also managed to achieve our sustainability goal of reducing the use of solvents in production by up to 40% in certain processes. We have continued our sustainability work of determining relevant data for the Group's environmental and climate impact according to plan, which

earned us an EcoVadis gold medal for our sustainability work. This will give us a starting point for future improvements and a better basis for our sustainability reporting.

During the year, we have successfully continued our introduction of a modern, decentralized and customer-focused organization with global specialist functions. The launch of our three customer focus areas, White Tech, Red Tech and Blue & Green Tech (see page 20), was well received by customers. This method of organizing the company clearly delineates the parts of our business and strengthens our flexibility to optimally develop the company further.

Start-up and Strong Commitment

Another part of our strategy is to be close to customers. Where the conditions are right, we strive to sell our solutions and services directly. In the autumn, we opened a new office in Singapore to serve

the expansive market in the ASEAN countries. This gives our distributors and local customers better service and support, and we gain local insights that are useful in our development work.

Since the main key to success is committed employees, we continuously invest in developing our leadership, promoting well-being and building a strong and positive corporate culture. We also offer employees skills development, including through our own Biotage Academy. The results of this year's annual employee survey showed a continued high level of commitment. This, in turn, is reflected in the good ratings we received in the customer survey we conducted in 2022. We can be particularly proud that our brand ranked high in customer satisfaction in the industry. We are also pleased to see increased interest in working at Biotage.

During the year, we have also continued our commitment to

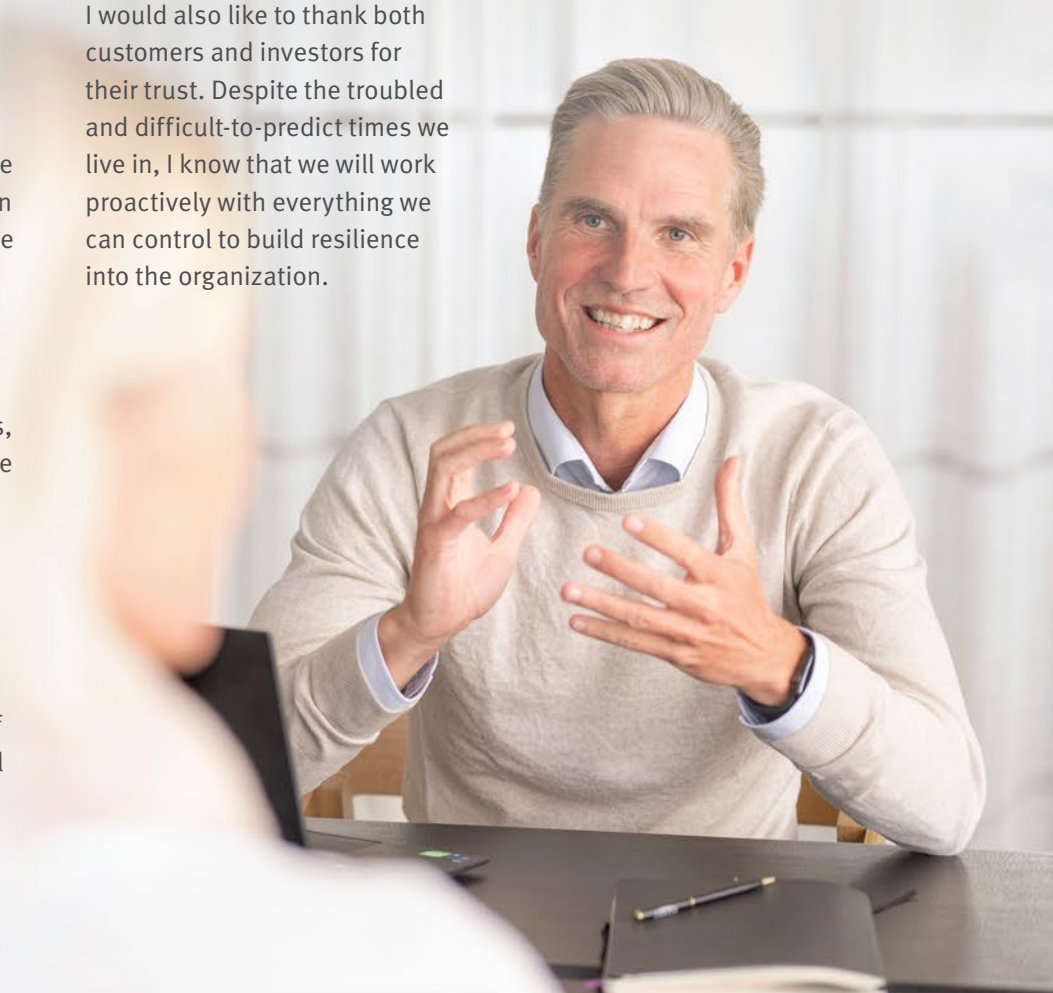
putting Swedish life sciences on the world map. Biotage expresses this by participating in the Vinnova-funded and Royal Institute of Technology coordinated consortium GeneNova, which strives for more efficient production of gene therapy for individualized treatment.

In February 2023, we announced the gratifying news that we have signed the agreement for the acquisition of Astrea Bioseparations. The acquired company is a good complement to Biotage and together we are a significant supplier of a broad offering of chromatography solutions, from small molecules to large biological molecules. We expect to take over on June 1, 2023 and look forward to welcoming KKR-controlled Gamma Biosciences as the new major owner of Biotage, all subject to the approval of the acquisition at the Annual General Meeting.

I am incredibly proud to speak for the amazing group of individuals around the world who make up Biotage. I would like to thank each of them for their continued high-level achievements that collectively resulted in our best year in the company's 25-year history. I would also like to thank both customers and investors for their trust. Despite the troubled and difficult-to-predict times we live in, I know that we will work proactively with everything we can control to build resilience into the organization.

We know what we want and have laid the foundation for achieving it. With the latest development, Biotage is well equipped to continue our growth journey.

Tomas Blomquist,
CEO/President



This is How Biotage Creates Value

Biotage is deeply committed to solving issues faced by society in a sustainable manner. With solutions based on technological innovation and science, we help our customers make the world a healthier, greener, and cleaner place.

The solutions that Biotage offers have either been developed in-house, in partnership with others, or been acquired and developed. Through product development and constant innovation, we supply our customers with advanced solutions for molecular separation, chemical synthesis, analyte detection in a variety of matrix types, and custom oligonucleotides.

Our customers work in the pharmaceutical and diagnostics industries, healthcare, forensic medicine, food manufacturing and distribution, and environmental protection. What they all have in common is that they solve various issues facing society. Regardless whether the customer’s business is pharmaceutical development and manufacturing, diagnostics, or food, water, and environmental analysis, our solutions help make workflows streamlined and sustainable.

Biotage's Recipe for Success

Our recipe for success starts with leadership that enables, hands over responsibility to committed employees and provides the conditions for achieving committed employees. This leads to a growing number of satisfied customers, who solve the issues faced by society, and this in turn creates long-term value for our employees, customers, and shareholders, as well as society as a whole.

A Values Driven Company

Biotage’s business is based on and governed by common values that we express in all our actions. Our values are summarized by the acronym “CARE”. By this, we mean that we are a company that cares about one another, our customers, our planet, our climate, and humanity as a whole.



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.





Environment and Market

Megatrends – The World We Live In

We live in rapidly changing times characterized by a number of crises. However, Biotage is well-equipped to handle change. We are constantly moving forward to support customers, employees and, by extension, all of humanity in dealing with a challenging world. We are now seeing particular opportunities from three megatrends.

Increased Focus on Responsibility

It is becoming increasingly common for people to value other things in their working lives than just financial compensation. The increasing demands for a higher purpose, a meaning with work, and responsibility for the environment and diversity are new for employers.

Opportunities for Biotage: Supported by our philosophy of putting people first, we strive to be a good, responsive and fair employer with a deep commitment to sustainably resolving some of the issues society faces. With continuous training and skills development, we work to constantly empower and support our employees to reach their full potential. We also strive to create a strong corporate culture based on our values, summed up by the acronym "CARE" (Collaboration, Accountability, Result Orientation, Entrepreneurship). Therefore, employees are not only compensated for performance, but also for behavior that reflects our values.

Increased Environmental Awareness

Reducing the impact of humans on the environment is crucial for the survival of the planet. Not least, the climate crisis is strongly affecting our lives and all living things on Earth. Innovation is needed in all areas to promote environmental sustainability and mitigate the consequences of this crisis.

Opportunities for Biotage: Our products and methods for detecting pollutants in water, soil and food are one of our contributions to protecting the environment. We also develop innovative solutions for reducing the consumption of solvents, pollutants and other materials, in our own manufacturing and in our customers' workflows. In addition, we are increasing our use of sustainable energy and adapting our consumption of raw materials to reduce our environmental impact.

Digitalization

Revolutionizing digital technologies are reshaping research and development, manufacturing and industry, supply chains and business models, and communication within and between organizations of all kinds. The pandemic further accelerated development.

Opportunities for Biotage: Increased digitalization is a strong focus for us. For example, we offer digital training and remote support for both customers and employees and, in collaboration with our customers, we are expanding the use of our EDI solution to increase efficiency in the sales and order flow. We are improving the digital customer experience and the connectivity of our products. We are simultaneously increasing production automation.

Market Trends

There are specific trends in all of Biotage's customer focus areas (see page 20) that we need to consider. We are constantly taking various initiatives to remain relevant in the market and to continue to meet our customers' needs.

White Tech – Precision Medicine, Biopharmaceuticals and Advanced Treatments

Through precision medicine, treatments are adapted to each individual's and patient's genetic profile and other conditions. An important area for development in precision medicine are gene therapy treatments and advanced immuno-based biopharmaceuticals, all of which are becoming increasingly common today.

Opportunities for Biotage: We offer a range of solutions tailored to improve synthesis, separation, purification and evaporation workflows for customers involved in discovering, developing and manufacturing precision medicine pharmaceuticals with different modalities. This includes solutions for purifying lipids used in mRNA-based treatments, solutions for automated purification of plasmids intended for new biological drugs in cell and gene therapies such as viral vectors, and synthesis of oligonucleotides, which all contribute to developing precision medicine.

Red Tech – Miniaturization, Biomarker Analysis and Molecular Diagnostics

Refined analytical instrumentation in diagnostics and analytical sampling opens up for miniaturization with reduced sample volumes and increased capacity. At the same time, development is progressing in the analysis of biomarkers and large, clinical biomolecules. In demand today in both pharmaceutical research and clinical diagnostics are treatments performed with oligonucleotides and new, sophisticated molecular diagnostics based on oligonucleotides.

Opportunities for Biotage: As methods and sought-after analytes are further developed, opportunities arise for customers to evaluate our products. Miniaturization, an area in which Biotage operates to some extent, opens the door to new advanced workflow solutions. There are also more customers needing comprehensive workflow solutions for separating and purifying peptides and other large biomolecules. Finally, large clinical diagnostics labs and contract researchers will need different kinds of solutions for separating or analyzing oligonucleotides.

Blue & Green Tech – Water Supply, Environmental Awareness, Food Safety

Climate change today makes access to clean water a highly topical subject, while there is a strong focus on saving our planet and reducing human environmental impact. Globally, there is more attention being paid to food safety, both in agriculture and in terms of food products. Undoubtedly, ensuring food supply and drinking water are interlinked.

Opportunities for Biotage: In the area of water supply, there is a demand for stricter public regulations as well as for fast and affordable solutions for detecting contaminants. Increased environmental awareness paves the way for those of our products that can reduce our customers' environmental footprint and for our environmental testing solutions. In the area of food safety, we can offer solutions for efficient sampling workflows.

Success Factors

Biotage has a clear mission, vision and strategy for achieving our long-term goals. We continuously identify key areas relevant to our strategy and success factors to focus on to ensure that we deliver what is important to our customers and society as a whole.

Employees in Focus



Biotage's employees are and will always be our most important asset. We strive to empower employees who want to make a contribution to society and the environment and who are passionate about the customer. Our success becomes possible when employees live Biotage's CARE values. We want them to support collaboration and responsibility, while being result-oriented and showing entrepreneurship. In exchange, we offer a clear career path, competitive remuneration and continuous skills development, in part through our own Biotage Academy. Efforts to further develop this digital platform continued in 2022 and will be given more focus in the coming years.

Sustainability



Biotage's business is based on sustainability and making the world a healthier, greener and cleaner place. We offer products designed to reduce the environmental impact of our customers. Our environmental testing products help our customers identify contaminants and other risks in food and water. We work to reduce the footprint of our own production by continuously updating processes and facilities for this purpose. In addition to environmental aspects, we focus on the physical and mental work environment and equality in conditions and opportunities. In governance, we work with our internal Code of Conduct, which deals with anti-corruption, etc., and our Supplier Code of Conduct.

Customer Focus



For Biotage's continued success, we need to focus on our customers and be a reliable expert partner. In dialogue and interaction with our customers, we constantly strive to create solutions and platforms that simplify their lives and help increase their operational efficiency and productivity, with a constant focus on the environment.

Digital Transformation



Biotage's success is also based on our ability to fully harness digitalization in streamlining the solutions we offer customers and our own internal processes. The pandemic has taught us important lessons in supporting our customers remotely thanks to our strong focus on technology and software. We continue to benefit from the tools and work methods we implemented and are moving towards increased digitalization while maintaining a strong focus on cybersecurity for both our own business and our customers.

High-quality Business



We are constantly working to improve our standardized, value-creating, efficient processes. This is how we strive to improve at meeting our customers' needs and to constantly become more efficient in several dimensions, across all regions and functions. This enables Biotage to continue to grow. These efforts affect all our activities, projects and expertise as well as the digital systems that support our business.

Continuous Innovation



Constantly innovating helps to ensure competitiveness and rapid growth. In this area, Biotage has a strategic and systematic approach that puts the customer's needs in focus. We have created clear and simple innovation and development processes with the aim of quickly and efficiently transforming inventions into innovations, that is, commercializing them and creating value for the customer. For this, we need to have a clear innovation strategy, concrete and well-thought-out innovation opportunities and an ability in the organization to manage and implement innovations.

Geographic Markets

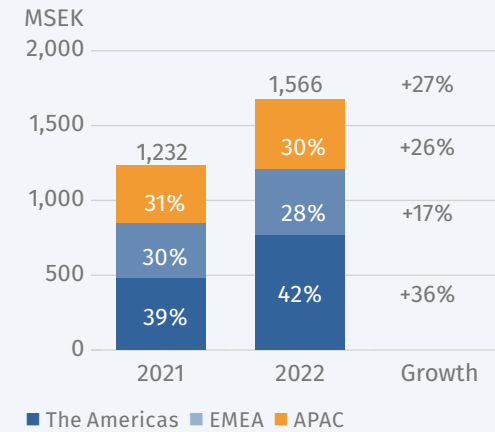


Biotage is a global company with a customer focus that invests in a strong local presence throughout the world. We serve customers in three geographic markets: **The Americas**, **APAC** (Asia-Pacific) and **EMEA** (Europe, Middle East & Africa).

As an organization, Biotage strives to have a presence near our customers. To meet this goal, we now have a unified, global, customer-oriented organization that cooperates between our various functions and markets. An example of this are the virtual product demonstrations we conduct across national and regional borders. This simplifies and accelerates our work, not only internally, but also – and more importantly – towards end customers and distributors.

Increasing digitalization, which we are proponents of, supports these efforts and enables more of our marketing and sales work to take place remotely: product demonstrations, training and some service tasks. The strategic shift towards increasing digitalization has really been embraced by our customers who also see it as a way to support their own sustainability work.

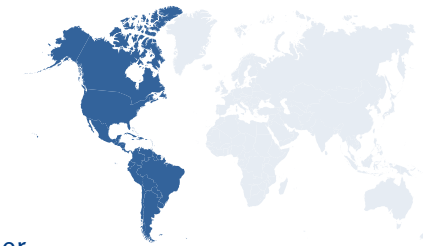
Sales growth by geographic market





The Americas

The Americas are Biotage's largest geographic market in terms of sales. This market includes the US and Canada, where we have our own sales organization, and Latin America, where we sell through distributors. We had a strong year in 2022 with balanced growth in all our customer focus areas.



As the COVID-19 pandemic evolved and the infection rate declined, demand for both our systems and aftermarket products increased sharply in the Americas. The balance of sales between them was good and is in line with Biotage's strategic goals.

Even though the labor market in the US continues to be highly volatile, with high employee turnover as a result, we managed to retain and build strong sales teams that successfully cultivated local markets in our various areas. A focused effort to interest strategic large customers in the entire breadth of Biotage's solutions also paid off well during the year.

Renewed White Tech investments

As the effects of the pandemic decreased in intensity, investments and activities continued to take off in the customer focus area of White Tech. Pharmaceutical and biotech companies invested in more equipment. Our focus on strategically important customers was very successful at the same time as our biopharmaceuticals and advanced therapies business grew rapidly through sales of the Biotage® PhyPrep system and Biotage® PhyTips consumable.

One existing product that continued to sell very well in White Tech during the year was

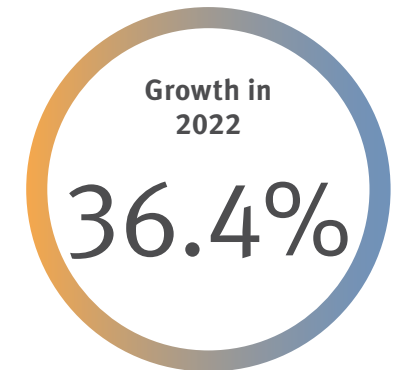
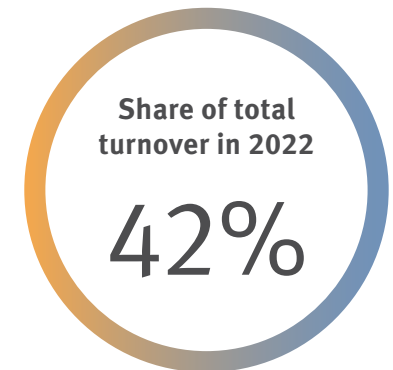
the Biotage® V-10 Touch evaporation system. We also saw a sharp increase in demand for our peptide workflow development platforms, as peptides can be used both directly as a therapeutic agent and as a safe and effective delivery vehicle for sophisticated biopharmaceuticals.

Testing Returned to Normal

The fact that clinical sampling decreased in the pandemic also had a positive effect on our Red Tech area. As soon as testing was no longer dominated by COVID testing, for which Biotage's products are not used, clinical diagnostics returned to normal testing. Demand for

our products from clinical and forensic labs rebounded and was further enhanced by a number of new applications. Aftermarket products dominated in Red Tech, but Biotage's systems also sold very well, in particular the new Biotage® TurboVap 96 Dual.

Blue & Green Tech also showed strong growth in Americas. Many labs at different levels of public administration postponed testing during the COVID-19 period, but in 2022 both tests and investments picked up again. With a strong team in the field, Biotage was able to benefit from this. Food testing is a new area here and is showing good growth, as are consumables for PFAS testing.





APAC

In this geographic market, we have our own sales organizations in China, Japan, South Korea, India and as of fall 2022 in Singapore to serve the ASEAN countries. In the rest of the region, we use distributors. During the year, we maintained our strong double-digit growth in APAC despite challenging conditions.

In the APAC market, Biotage was able to show good resilience to the consequences of repeated outbreaks of COVID-19 in 2022, to societal lockdowns in several countries, and to geopolitical uncertainty in the outside world. By running a responsive business, we have been able to maintain comparatively short lead times, helping us gain market shares with record growth among some of our largest customers. Aftermarket product sales also had good growth figures during the year.

Opening an office in Singapore is in line with our long established strategy of being as close to the customer as possible. With a direct

presence in the ASEAN region, we are expecting our sales to increase and our ability to provide service and support to customers to improve. At the same time, it provides important local insights that help our long-term decision-making regarding products, solutions, etc.

White Tech is Growing

Sales in the White Tech customer focus area grew rapidly during the year. Behind this was a continued strategic focus on key customers in contract research who delivered strong growth in China and India during the first half of the year, as well as on biopharma customers in Korea. Intensive marketing

activities in Japan led to increased growth in consumables. Synthesis and purification products grew strongly during the year.

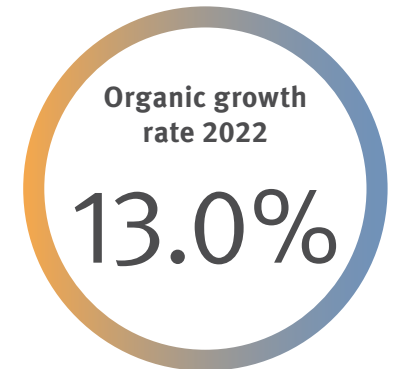
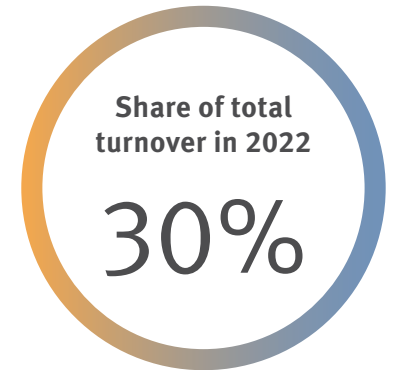
The focus on and our investments in Scale Up solutions for the purification of small molecules showed a strongly positive sales trend in both Japan and India, with continued good trends. At the same time, we began to process the hot new market of biopharmaceuticals and advanced therapies. As more peptide-based treatments are now losing their patent protection, interest in workflow solutions in this area is also growing.



Positive Momentum in Red and Blue & Green Tech

Sales figures were also good in both Red Tech and Blue & Green Tech, with very good growth in Japan and India. Behind this were new product launches, the support we offer for diagnostics and food applications and a strong focus on aftermarket sales.

In all areas, there is a general growing focus on digitalization and sustainability. It is beneficial to Biotage that we have invested and are acting to be a good partner to our customers in both these areas.





EMEA

In most of Europe, Biotage has its own sales organization in place. In about 30 countries in Eastern Europe, the Middle East and Africa, we use a network of distributors. During the year, we invested in Europe to support a growing customer base and we found we were growing faster than the rest of the market.

When COVID-19 restrictions were lifted, opportunities for travel, personal meetings, deeper relationships and better cooperation once again arose. We invested in additional resources to better serve our increasing number of customers.

Russia's full-scale invasion of Ukraine led to us discontinue our business with Russia. By reorganizing our distribution coverage, we increased our focus on Biotage's solutions in other markets, which compensated for the loss.

Red and Blue & Green Tech Grow Strongly

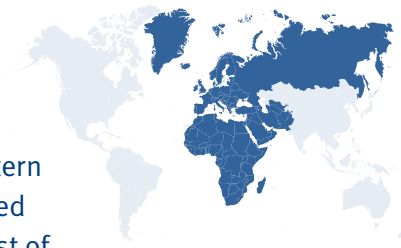
Growth in EMEA in the customer focus areas of Red Tech and Blue & Green Tech

was strong in 2022. This applies to both system sales and aftermarket products. Our existing products continued to deliver good sales figures and relaunches such as Biotage TurboVap® 96 Dual and Biotage® Extrahera™ HV-5000 and Biotage® Extrahera™ LV-200 complemented our sample preparation workflow solutions for both plates and columns.

New application areas were developed in oligonucleotide purification and metabolomics on our platforms intended for automating sample preparation. Our solutions were also used in applications for analyzing the presence of PFAS in the environment and acrylamide in food.

Strategic Development in White Tech

The decrease in producing mRNA vaccines during the year affected our Scale Up solutions business in EMEA. A decrease was expected, but not to such an extent. Early on, we started to strategically process and develop new and existing customers in the pharmaceutical industry and contract manufacturing to compensate for the decrease in vaccine production. This helped minimize the negative effect. Focusing on the basic small molecules business led to growth in our sales in the area during the year.



Share of total turnover in 2022

28%

Growth in 2022

16.5%

Organic growth rate 2022

4.8%

Our focus on strategic customers provided good growth in sales to several key customers. Collaboration with them improved in areas such as connected labs, transitioning towards greener solvents and automation. We also helped them improve their workflows and continued to be successful with the Biotage® V-10 Touch evaporation system. Together with the launch of the new Biotage® Selekt Enkel system for flash chromatography, it contributed to the growth of our product area small molecules and synthetic therapies. At the same time, we built up our business in biomolecules globally, and our business in oligonucleotide synthesis opened new doors to advanced therapies and diagnostics.



Customer Segments

Three Customer Focus Areas

Biotage has a wide base of customers who help to make the world a healthier, greener and cleaner place. At Biotage, we offer an extensive range of solutions and platforms for our customers' workflows to increase their efficiency and environmental performance.

Our solutions portfolio addresses many varying types of activities, all with their own specific conditions and needs. To more accurately meet the needs of each of our customer groups and to contribute to their success, we have divided them into three focus areas: White Tech, Red Tech and Blue & Green Tech.

White Tech

Research, development and manufacturing in the pharmaceutical and biotech industries, contract research/production, and academia.

Red Tech


Diagnostic and analytical testing in clinical, forensic and doping laboratories.

Blue & Green Tech

Water, environmental and food testing in environmental protection, food safety and agriculture.



White Tech
Pharma – CRO/CMO –
Academia
**Drug Discovery &
Development**



Red Tech
Diagnostics – Clinical –
Forensic & Doping
**Diagnostics &
Analytical Testing**



Blue & Green Tech
Environmental – Food –
Agriculture
**Water & Environmental
Testing**

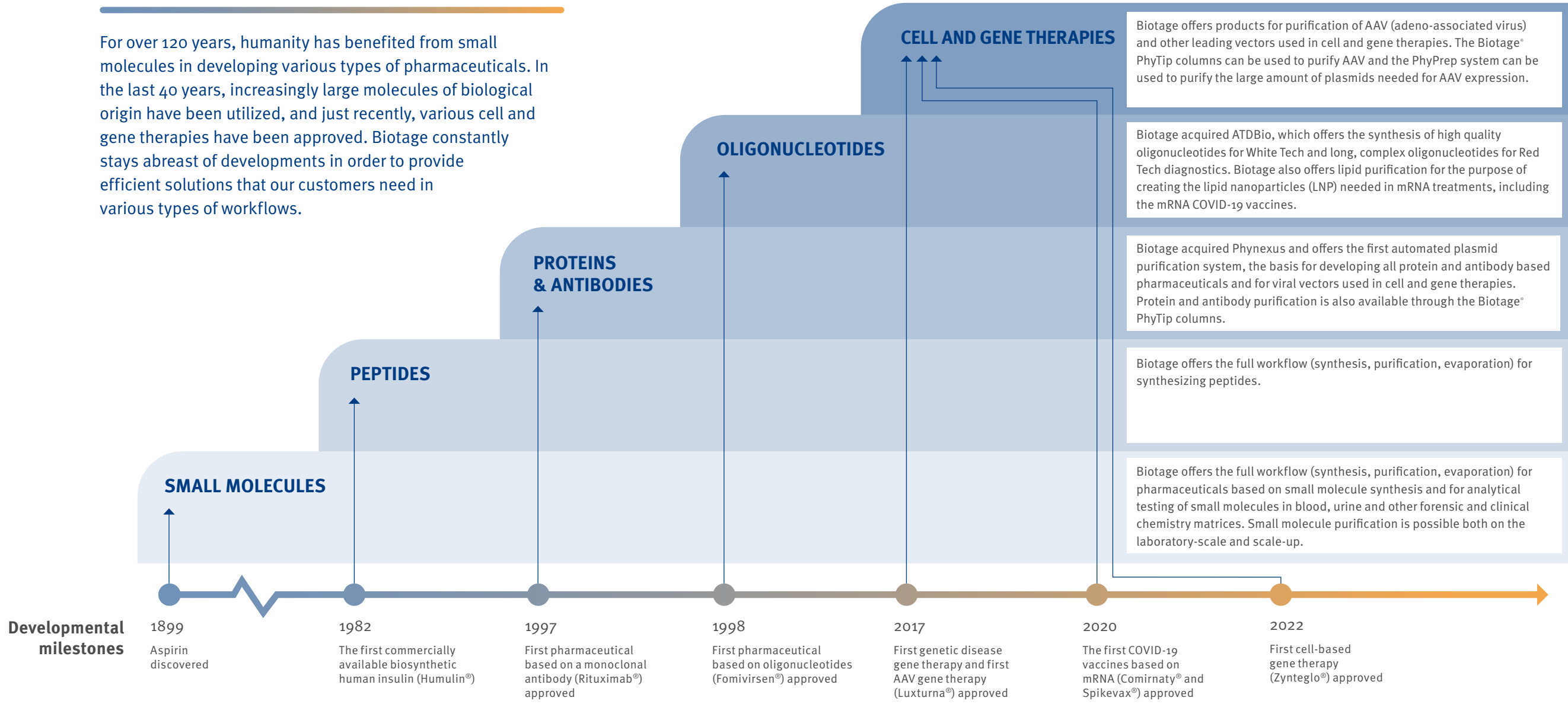


The Evolution of Using Molecules

For over 120 years, humanity has benefited from small molecules in developing various types of pharmaceuticals. In the last 40 years, increasingly large molecules of biological origin have been utilized, and just recently, various cell and gene therapies have been approved. Biotage constantly stays abreast of developments in order to provide efficient solutions that our customers need in various types of workflows.

Biotage's solutions

- Biotage offers products for purification of AAV (adeno-associated virus) and other leading vectors used in cell and gene therapies. The Biotage® PhyTip columns can be used to purify AAV and the PhyPrep system can be used to purify the large amount of plasmids needed for AAV expression.
- Biotage acquired ATDBio, which offers the synthesis of high quality oligonucleotides for White Tech and long, complex oligonucleotides for Red Tech diagnostics. Biotage also offers lipid purification for the purpose of creating the lipid nanoparticles (LNP) needed in mRNA treatments, including the mRNA COVID-19 vaccines.
- Biotage acquired Phynexus and offers the first automated plasmid purification system, the basis for developing all protein and antibody based pharmaceuticals and for viral vectors used in cell and gene therapies. Protein and antibody purification is also available through the Biotage® PhyTip columns.
- Biotage offers the full workflow (synthesis, purification, evaporation) for synthesizing peptides.
- Biotage offers the full workflow (synthesis, purification, evaporation) for pharmaceuticals based on small molecule synthesis and for analytical testing of small molecules in blood, urine and other forensic and clinical chemistry matrices. Small molecule purification is possible both on the laboratory-scale and scale-up.



White Tech

Biotage's White Tech customer focus area includes customers in the pharmaceutical and biotech industries, contract research/production, and academia who conduct research and development and/or pharmaceutical manufacturing operations. The color white is symbolic of the tablets, capsules and solutions that their operations often produce.



Discovering and developing new pharmaceuticals and the resulting industrial scale production of them often necessitates a complex and robust workflow. In many cases, new and existing pharmaceuticals are produced using chemical synthesis, chromatography, purification and evaporation to remove or concentrate solvents. These new treatments can be based on substances that are built up of chemically synthesized small molecules or on molecules of various sizes of biological origin such as proteins, peptides, the latest cell and gene therapy viral vectors and DNA and RNA oligonucleotides, also known as nucleic acids.

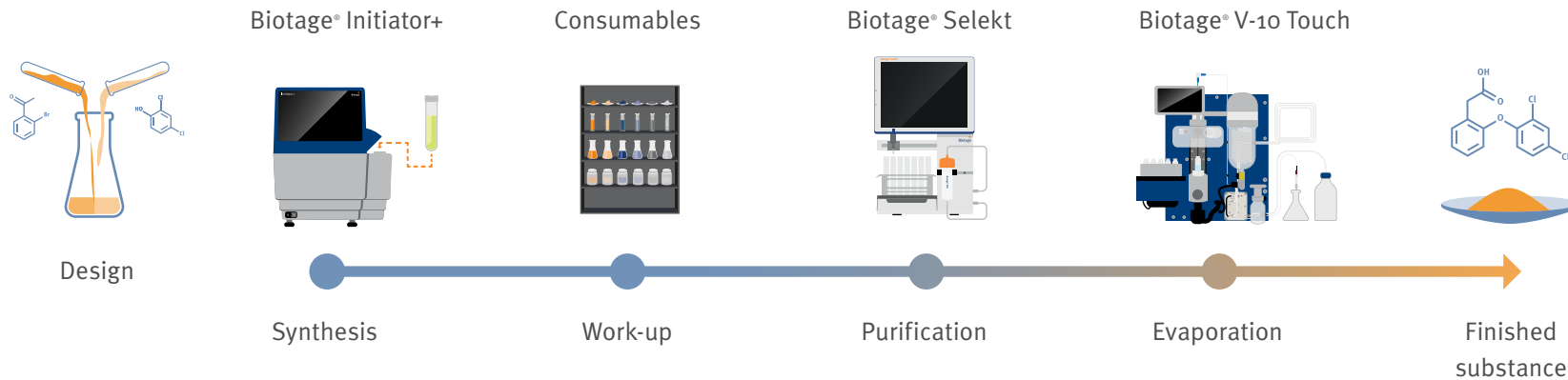
Biotage streamlines customer workflows in all pharmaceutical modalities in varying scales for synthesis, separation, purification and evaporation, automating a number of steps that would

otherwise be conducted manually. Customers gain workflows that ensure better reliability and productivity while cutting down on solvent consumption and thus reducing their environmental impact.

When a new drug candidate is discovered, Biotage can help customers scale up their process from development to large-scale manufacturing for preclinical and clinical testing. In joint development projects, Biotage also offers to assist customers with developing a tailored, specific-needs solution such as in relation to Biotage's chromatography column media and resins that remove undesired substances.



This is What We Help Our Customers With:



Synthesis

In producing an active substance for a pharmaceutical, various substances must be triggered to react with one another and synthesize into a new substance. Biotage provides synthesis solutions using microwaves to automate this process.

Separation

Often, substances need to be purified from by-products before they can be used. They are separated using a column of media that separate the desired substance from unwanted by-products. Biotage provides various scale solutions to automate this process.

Evaporation

Once produced, the desired substance is often dissolved in a solvent that must then be removed. Biotage provides solutions for rapidly and safely drying the substance in a vacuum by safely utilizing heating and centrifugation.

Separation of plasmids and proteins

During the manufacturing of biological medicines, the desired plasmid must first be purified of substances other than its original bacterial culture. Once separated and added to new cell hosts, the plasmids produce desired proteins which are, in their turn, separated and purified for research and clinical evaluation. For these processes, Biotage provides automated solutions on varying scales.

Biotage® PhyPrep Biotage® PhyTip



Examples of significant solutions

Synthesizing organic molecules and peptides

- » Biotage® Initiator+/Initiator+ Alstra

Separation/purification

- » Biotage® Selekt/Selekt Enkel
- » Biotage® Sfär columns
- » Biotage® Isolera™

Evaporation

- » Biotage® V-10 Touch

Separation scale-up

- » Biotage® Flash 75/150/400
- » Biotage® Isolera LS

Separation of plasmids and proteins

- » Biotage® PhyPrep
- » Biotage® PhyTips

White Tech Customer Case Study

Increased Efficiency in Plasmid Purification Speeds Up Gene Therapy Research

Today, gene therapy is very promising, with successful treatments for neuromuscular diseases, cancer and vision loss. There is a growing interest in researching more potential gene therapies that can improve the health and quality of life of many. At a San Francisco company lab, they are reaping the benefits of Biotage's system for automated plasmid purification, Biotage® PhyPrep.

Adeno-associated virus (AAV) is currently used in gene therapy and as viral vectors, has proven to be effective and safe for humans. The optimism surrounding AAV vectors has in turn led to an increase in research into potential gene therapies in a number of areas.

One of the companies that is aware of this development is located in southern San Francisco and is run by Mark Champe. They were previously called Audentes, but in 2021, they were acquired by the Japanese pharmaceuticals company Astellas Pharma. At the time, Audentes had obtained positive results in clinical tests and

developed a gene replacement treatment for X-linked myotubular myopathy. This is a serious, hereditary muscle disease that affects only boys and leads to muscle weakness, breathing difficulties, disability and, in the worst case, premature death.

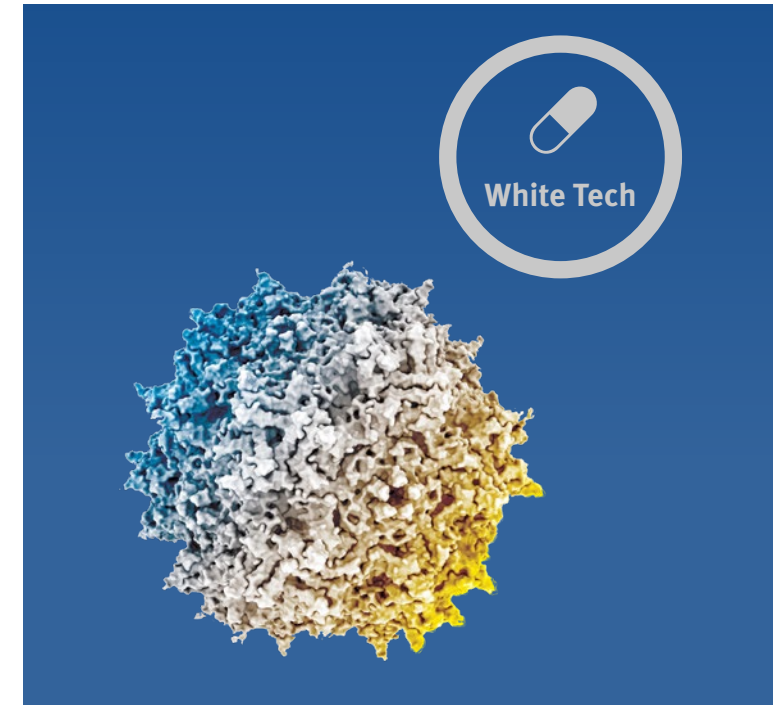
After being acquired by Astellas Pharma, the workload of the Audentes lab grew as a result of a multitude of research groups requesting plasmids (pDNA) designed for neuromuscular diseases. Research for finding gene therapy candidates requires large amounts of AAV plasmids. For Mark Champe and his team, the work took a lot of time and many manual steps in preparing plasmids in quantities of about 10 mg, what could be considered to be a gigantic scale.

"It ended up being that we spent half our work hours developing and preparing plasmids," he says.

They resolved the problem by turning to Biotage for their workflow automation solution. With the PhyPrep system, much of the manual work needed to purify plasmids disappears. Mark's team in the lab can leave the PhyPrep system to do its work and get on with other things. This increases the lab's productivity, allowing them to prepare four times as much plasmid as before, without compromising on the quality of the pDNA being produced.

"It simply allows us to do so much more with the people we have in our team," says Mark.

On the journey to improving the lives of many through more breakthroughs in gene therapy, the Biotage® PhyPrep system improves the workflow of researchers of biomedicine, helping propel gene therapy research forward.



With the PhyPrep system, much of the manual work needed to purify plasmids disappears. This increases the lab's productivity, allowing them to prepare four times as much plasmid as before, without compromising on the quality of the pDNA being produced.

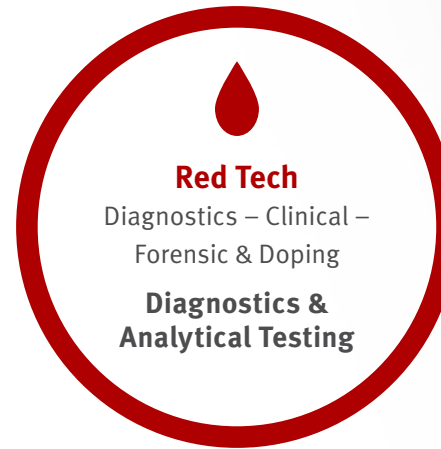


Red Tech

Biotage's Red Tech customer focus area includes customers who conduct clinical, forensic and doping laboratories and use diagnostic tools and analytical tests. The color red symbolizes blood, which is often the substance undergoing testing, though it could also be other biological fluids or tissues.

Our customers' laboratories use analytical chemistry to produce and investigate, e.g., patient samples for making a diagnosis, clinical tests for drug development, doping tests or forensic tests. To ensure reliable test results, samples need to be prepared in a number of steps (see fact box on page 26).

Biotage streamlines laboratory workflows through their solutions for preparing, purifying and evaporating samples, automating a number of steps that would otherwise take time and be conducted manually. Biotage has automated systems with configurations for a long list of applications and a varied offering of very specific consumables adapted to separate different select substances from samples. There are a number of off-the-shelf sample purification methods and

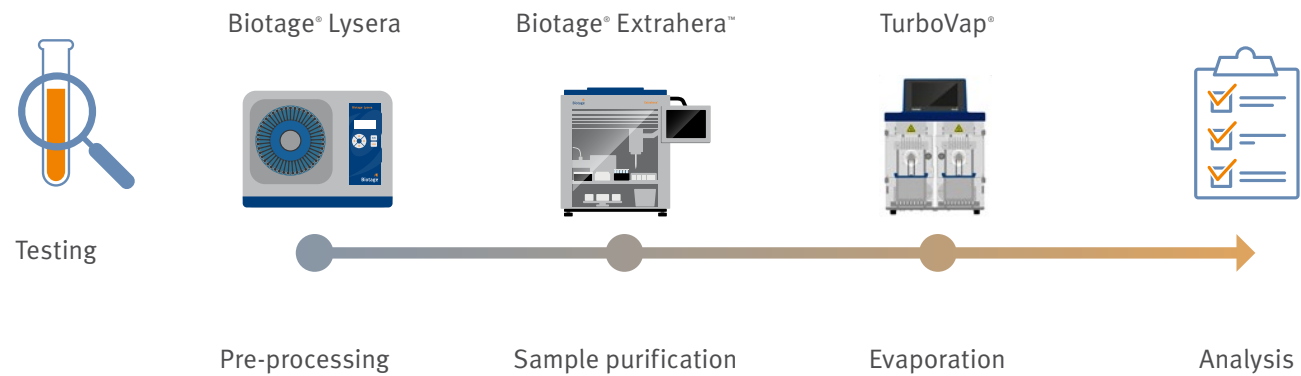


automated work stations for preparing samples that meet the needs of not only sample miniaturization, but also of large-volume applications. Biotage has a continuous, varied and successful product portfolio brought about through active collaboration with customers to develop new methods tailored to their specific needs.

Analytical analysis is often used in areas that are regulated by strict laws and authority requirements. Often, patient safety and personal integrity are of the utmost importance. For this reason, Biotage's solutions also support tests that follow strict protocols in order to provide safe and fully reproducible results.



This is What We Help Our Customers With:



Pre-processing

To investigate which chemical substances are present in a sample, it must be homogenized, which entails lysing cell walls so that the substances to be analyzed are floating freely in the solution. Biotage provides solutions and accessories for various samples that automate this process.

Purification

To obtain specific chemical substances of interest from a biological sample, the endogenous impurities must be removed. Various consumables are used together with specific analysis methods to create chemical filters that capture the chemical of interest (analyte) and allow foreign components to be removed by washing. In the end, the substance you are looking to detect is collected and enriched. Biotage provides solutions that automate this process.

Evaporation

In many cases, the sample must then be concentrated. Before the substance analysis, excess solvent is then removed in the "elution stage" of the purification workflow. Biotage provides solutions, adapted for different types of samples and solvents, that use evaporation to do this quickly and efficiently.

Oligonucleotide synthesis

Biotage solutions in oligonucleotide synthesis provide our customers with high-quality building blocks for diagnostic testing tools (such as PCR tests).



Examples of significant solutions

Pre-processing

- » Biotage Lysera

Purification

- » Biotage Extrahera
- » Biotage Extrahera HV-5000
- » Biotage Extrahera LV-200
- » EVOLUTE EXPRESS
- » ISOLUTE SLE+
- » ISOLUTE PLD+
- » ISOLUTE PPT+

Evaporation

- » Biotage TurboVap LV
- » Biotage TurboVap EH
- » Biotage TurboVap P+
- » Biotage TurboVap 96 Dual

Red Tech Customer Case Study

Automation Saved Time in Doping Tests During the Tokyo Olympics

In addition to their usual workload, the Japanese Laboratory of Racing Chemistry (LRC) the Summer Olympics in Tokyo, needed to make time for doping tests of the horses that participated in the Games. They were able to do this thanks to the Biotage® Extrahera™ workstations, which automate sample preparation and save a lot of time in the lab.

LRC is Japan's only testing laboratory specializing in doping control in equestrian sports. Here, analyses are carried out on biological samples of horse urine, blood and hair to detect possible doping and to verify pedigrees. In February 2021, the lab was approved by the equestrian world organization FEI (Fédération Equestre Internationale) to analyze samples before and during the Tokyo Olympics and Paralympics held in the summer of 2021.

Normally, LRC analyzes doping samples taken from horse competitions throughout Japan to identify prohibited substances or controlled pharmaceuticals. In total, this involves an average of about 1,000 tests a week. Before and during the Olympics and Paralympics, the lab's workload increased significantly when they needed to handle the doping tests carried out in connection with the competitions in addition to their usual volumes.

"We were in a time-critical situation from the end of June to the beginning of September when we finished the analyses of the last samples taken after the Paralympics. The three Biotage® Extrahera™ devices that were installed contributed significantly to our analysis process," said Dr. Yoshiyumi Shimizu, chemist in the doping analysis department.

Automating sample preparation saved on the human resources required to carryout the process manually. Once the test was inserted into the system, the operator could focus on other tasks, such as the actual analysis or other work steps. It simply became more time-efficient.

"The method I used reduced the process time by about 40 percent compared to what we had before," he continues.

LRC also appreciates the system's compact design and built-in ventilation that protects staff from exposure to hazardous solvents. In addition, the system's user-friendly software and its touch screen make it easy to use. The process becomes uniformly repeatable at the same quality, regardless of which lab staff member does the work.



The Laboratory of Racing Chemistry (LRC) in Japan conducted doping tests on the racehorses that participated in the Summer Olympics in Tokyo. The Biotage® Extrahera™ workstations were used to automate sample preparation and saved a lot of time in the lab as well as on the human resources required to manage the process manually.



Blue and Green Tech

Biotage's Blue & Green Tech customer focus area includes customers in the public sector, academia or other institutions and organizations that conduct laboratory activities in environmental protection, food safety or agriculture. The color blue represents water, whilst green represents agriculture and food.

Many environmental laboratories use analytical chemistry to identify contaminants in, for example, drinking water, soil, plants or air that can affect the environment, people and wildlife. Analytical chemistry can also be used to find target allergens or determine the amount of a particular substance in a finished food product or in the food's ingredients or raw materials. Before such an analysis can be carried out, the sample needs to be prepared in the same way as in the Red Tech workflow, including pre-processing, purification and evaporation.

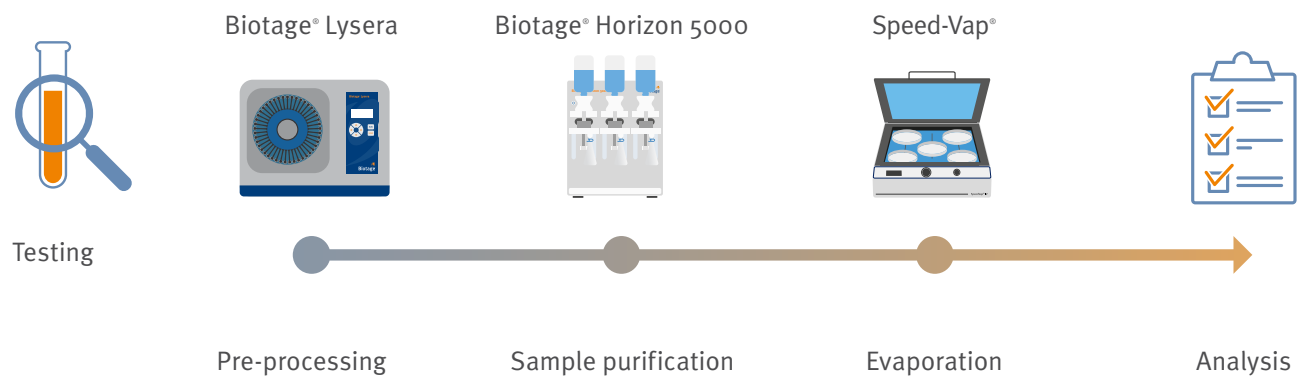
Biotage streamlines laboratory workflows by providing sample preparation solutions that automate multiple steps that would

otherwise be conducted manually. Biotage has automated systems with configurations for a long list of applications and a wide range of highly specific consumables adapted to separate selected substances from the cumbersome samples typically found in environmental, food and agricultural applications.

Biotage has extensive experience in developing products for sample work-up for chemical analysis that follow established protocols and industry practices. An example of this is the environmental analysis methods that have been issued by the US Environmental Protection Agency (EPA) to regulate exactly how a test should be performed and which products may be used.



This is What We Help Our Customers With:



Pre-processing

To investigate which chemical substances are present in a sample, it must be homogenized, which entails lysing cell walls so that the substances to be analyzed are floating freely in the solution. Biotage provides solutions with various accessories for different types of samples that automate this process.

Purification

To obtain specific chemical substances of interest from a sample, the endogenous impurities must be removed. Various consumables are used together with specific analysis methods to create chemical filters that capture the chemical of interest (analyte) and allow

foreign components to be removed by washing and finally to collect and enrich the substance you are looking to detect. Biotage provides solutions that automate this process.

Evaporation

In many cases, the sample must then be concentrated. Before the substance analysis, excess solvent is then removed in the "elution stage" of the purification workflow. Biotage provides solutions, adapted for different types of samples and solvents, that use evaporation to do this quickly and efficiently.



Examples of significant solutions

Pre-processing

- » Biotage Lysera

Purification

- » Biotage Extrahera HV-5000
- » Biotage Horizon 5000
- » Biotage Horizon 3100 Oil & Grease Extractor
- » ISOLUTE SPE/ENV+/ Myco SPE/EPH/QuEChERS
- » Biotage Atlantic SPE filters and SPE ReadyDisks
- » Biotage Pacific Oil & Grease Disks
- » EVOLUTE PFAS

Evaporation

- » DryVap Concentrator
- » Biotage TurboVap II
- » Biotage TurboVap 96 Dual

Blue & Green Tech Case Study

Team Dedicated to Improved PFAS Testing

Biotage has followed the growing threat to human health and our environment posed by the spread of per- and polyfluoroalkyl substances (PFAS). It is becoming increasingly important to be able to measure the presence of these substances accurately and precisely. That's why we've put together a dedicated team to help identify and develop tools and platforms to extract these contaminants for analysis.

PFAS are a group of manufactured chemicals that humans began producing in the 1940s and have since made their way into a wide variety of industries and products worldwide. Since PFAS substances do not break down and are present in many everyday products, these chemicals are increasingly found in our environment, in animals and in humans. A wide range of health risks linked to exposure to PFAS contaminants have been found. In adults, it can increase the risk of liver damage, cancer of various kinds and thyroid diseases, among other things. There are also a number of potential health effects for those exposed to PFAS chemicals during the fetal stage.

This has led to the authorities in a number of countries, and associations such as the EU, introducing limit values, laws and regulations around PFAS. This in turn requires simple and robust procedures for preparing samples that make it possible to measure the content of PFAS substances. Given their health effects, it is becoming increasingly important for all life on Earth that we can accurately and precisely measure the presence of PFAS.

Biotage's research and competence center for environmental analysis in Salem, New Hampshire, USA has experts in environmental chemistry with broad expertise in water, soil, food and agriculture, as well as regulations and technologies regarding the extraction and analysis of samples. Given the threat posed by PFAS substances, Biotage has put together a dedicated team that includes experts not only from the center in Salem, but from Biotage's facilities worldwide. The team is tasked with identifying and developing tools and platforms to provide the best possible solutions for extracting these contaminants for final analysis.

Biotage continuously shares the findings of the team. To date, five new EVOLUTE® columns and eight instructions for applications have been launched. The team has made over 15 blog posts as well as held a webinar on the issue of PFAS. As new regulations are introduced, the team will develop additional data for applications and develop new products. In 2023, the development of PFAS regulation around the world is expected to continue. Biotage expects an increased demand from all those looking for PFAS, not only in environmental matrices, but also other matrices such as food and biosolids.

Biotage's goal is to make PFAS testing according to current regulatory requirements smarter, more efficient and more precise. This contributes to a healthier, greener and cleaner world in line with our "HumanKind Unlimited" ethos.



Sustainable Development



Biotage's Impact on the Environment and Society

As a global impact tech company, Biotage aims to help solve diverse societal issues in a sustainable manner. We conduct active sustainability work globally, in the areas where our operations have the greatest impact on the world around us, environmentally, socially, and commercially. When it comes to the environment, Biotage focuses primarily on the manufacture and use of our products. Socially, we focus on our employees, and commercially we ensure Biotage is a responsible and ethical business.

Stakeholder Discussion and Materiality Analysis

Biotage recently held a stakeholder discussion, where we conducted a global qualitative survey, interviewing important customer, supplier, investor, and employee representatives in order to understand their views and priorities with respect to various sustainability topics. Based on the results, Biotage later performed a materiality analysis, which forms the basis of our sustainability initiatives going forward.

Sustainability Focus Areas

The materiality analysis uncovered the areas that are most worthy of attention and indicated where Biotage can have the greatest impact. This analysis will help us set and prioritize our goals when it comes to environmental impact, social issues, and corporate governance. Biotage has three sustainability focus areas:

How Our Products and Services Affect the Environment

Biotage supplies our customers with advanced solutions that help them solve issues faced by society. Our goal is for everything we develop and deliver to streamline customers' workflows and reduce their environmental impact. We always strive to make our products cleaner and more efficient throughout their entire life cycle.

In our own manufacturing, we have a strong focus on reducing the use of solvents (read more on page 36). We have also begun substantial work to review and reduce our climate footprint, including through the installation of solar panels on several of our properties. Our use of packaging materials has decreased and we are using more recycled materials.

Key aspects:

- » Chemical usage
- » Greenhouse gas emissions within scopes 1, 2 and 3
- » Energy use

Employees

Biotage is a value-driven organization where employees are given a high degree of personal freedom and responsibility. We're committed to diversity and equal opportunity along with a physically and psychosocially safe, healthy environment. Team spirit and a strong sense of loyalty are fostered through common goals and values clarifying the company's expectations. We eagerly embrace employees' opinions and ideas. In this respect, we work cross-functionally in several different types of forums to create transparency and capture different perspectives.

Through our efforts to achieve a safe and healthy working environment, we have reduced the number of accidents and increased reporting at our largest production facility (read more on page 40).

Key aspects:

- » Gender equality and equal opportunities
- » Employee well-being
- » Health and safety

Responsible, Ethical Business Relationships

For Biotage, it's important to be a responsible partner to all our customers, suppliers, and stakeholders. This is anchored by our common corporate culture and clear leadership. The business is conducted with active governance to ensure good business ethics and compliance with laws and regulations. To this end, we have implemented an internal Code of Conduct based on a number of global policies. With increasing digitalization also comes a strong focus on IT and cybersecurity (read more on page 43).

In 2022, we also developed a special Supplier Code of Conduct which we have begun to roll out. The code is part of our supplier follow-up system through which we evaluate and inspect our suppliers. We have a whistleblower system that allows concerns and improprieties to be reported by employees as well as external partners.

Key aspects:

- » Anti-corruption
- » Data security and privacy

Biotage and Agenda 2030

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



Customer usage of Biotage's diagnostic and drug research and manufacturing solutions helps us to meet **Goal 3: Good health and well-being**. Our solutions are also used to analyze water quality, food safety, and the environment, which helps us to meet Goal 3 and **Goal 6: Clean water and sanitation**. Since Biotage's solutions help customers operate their businesses with less impact on the environment than other alternatives, we also help fulfill **Goal 12: Responsible consumption and production**. Biotage's efforts to diminish any negative impact on the environment and climate from our own manufacturing facilities are associated with this goal.

We also contribute to **Goal 8: Decent work and economic growth** through our long-term, inclusive, sustainable economic growth, internally as well as externally with respect to suppliers, with decent

working conditions for everyone. Through active internal gender equality work regarding salary surveys, recruitments, promotions, etc., we also contribute to **Goal 5: Gender equality**.

We have also started adapting our developmental processes, including industrialization, in a manner that helps us to meet **Goal 9: Industry, innovation and infrastructure**. Considering our environmental impact is an important factor in product development and design decisions. Our product development process includes a checklist for sustainability. This is implemented early in each project to ensure environmentally sustainable project management and end products. By using digital tools, we also reduce travel in our projects.



How Our Products and Services Affect the Environment

When customers use our solutions, Biotage has a positive impact on the world around us. At the same time, manufacturing and using these solutions has a negative impact on the environment, which we strive to limit.

Biotage's molecular separation and chemical synthesis solutions have a variety of positive effects on society. Our wide-ranging solutions for drug development and manufacturing streamline customers' workflows and have less impact on the environment than alternative methods.

When our products are used for analytical or diagnostic testing in clinical, forensic, and academic labs or the diagnostics industry, for example, they make it possible to discover illegal doping, correctly diagnose healthcare patients, or process vital evidence in a criminal investigation. Not to mention that our solutions are also used in environmental protection, food safety, and agriculture to analyze water and environmental samples to discover poisons or contaminants such as the presence of PFAS in groundwater, soil, or food.

Biotage's technology for delivering DNA and RNA oligonucleotides holds enormous promise for personalized medicine and can be used in applications such as drug development, molecular diagnostics (such as, e.g., PCR tests), and new therapy modalities. Chemically-produced synthetic RNA is also required for the winning genome-editing technology known as CRISPR/Cas, which is used in gene therapy and was awarded the 2020 Nobel Prize in chemistry.

Innovation to Reduce our Environmental Impact

Biotage invests heavily in innovation, and we're constantly developing new solutions. We're always introducing improvements to our existing hardware, software, and consumable solutions. Sustainability is an important area of focus, and we always strive to reduce the environmental impact from customers' use of our

products. The product life cycle is one important aspect. Can we extend our products' life cycles through upgrades so that we reduce the amount of waste and emissions? Lowering electricity, solvent, and water usage among customers is also a vital concern.

Biotage collaborates with various life sciences networks and the local community to collectively discover new solutions with less environmental impact.

The Environmental Impact of Our Manufacturing and Other Activities

Our business also has an impact on our surroundings due to the effect that our product manufacturing has on the climate and environment. This impact is due to energy, water, solvent, chemical and material usage in manufacturing as well as waste generation and transportation.

Biotage's largest manufacturing facility is located in Cardiff, Wales. The plant is ISO 9001 and 14001 certified. We plan to implement environmental and quality management systems in all our R&D and manufacturing facilities.

Solvent Consumption

Solvents are used in our manufacturing processes. In 2022 we reduced our consumption by 4% relative to 2021. The reduction was both due to modified demand and changes in our product mix, along with ongoing process optimization work with the aim of reducing solvent consumption. During the year, we conducted a special project regarding this. You can read more about it on page 36.



Energy Use and Effect on the Climate

The main environmental impact from our manufacturing operations stems from energy consumption. In Cardiff, energy consumption decreased 9.1% over the prior year while the overall production value increased by 7.5%. A project has been launched in Cardiff to identify the plant's carbon emissions.

Over the course of the year, we continued to invest in expansion of our manufacturing capacity and production areas, adding new manufacturing equipment with better energy efficiency. Biotage is working to reduce the impact of our own business on the climate by using more renewable energy. As of October 2022, the facility in Cardiff only uses electricity and gas that are sustainably sourced. At our main office in Uppsala, installed solar panels generated 73% of the property's annual electricity. In 2022, the company began installation of solar panels at the Cardiff production facility. The project is expected to be completed in the first quarter of 2023.

So-called scrubber systems have been installed there to eliminate air pollution emissions from our manufacturing processes.

Biotage conducts ongoing assessments to determine the likelihood of any climate crises affecting the business since extreme weather phenomena are becoming ever more common and the climate is changing, with higher temperatures and more precipitation. In our opinion, for example, floods, earthquakes, and other weather phenomena are a constant risk. For this reason, we try to identify alternative suppliers, develop our own systems for crisis management, and update Emergency Response Plans.

Reducing Water Usage and Waste

At Group level, Biotage measures the use of water and the amount of non-hazardous waste and corrugated cardboard generated by our business in order to take targeted improvement measures. In 2022, we reduced our water consumption by 55.6% thanks to more efficient processes and new equipment at our largest manufacturing unit in Cardiff.

We've collaborated with our suppliers to optimize waste sorting. Biotage is actively working to reduce the overall amount of waste and increase the proportion that's recycled. We currently recycle a large proportion of our overall waste. In 2022, the amount of waste that was recycled increased by 7.9% and other non-hazardous waste decreased by 39%. In Cardiff, the amount of recycled waste was 71.8%.

At the same time, we're working on incorporating recycled materials into our packaging wherever feasible without compromising the stability and pressure resistance.

Shipping and Business Travel

To minimize freight-related climate and environmental impact, Biotage uses ships and trucks, wherever possible, instead of air transport. Most shipments from Cardiff, UK to the US are sent via sea freight. In 2022, we have also started sending to China via sea freight. However, for some shipments, air transport is hard to avoid due to low production volumes, the high value of the goods, and/or time constraints. This applies not only to shipping within Europe, but also to the US and Asia.

Increasing digitalization has allowed us to reduce the amount of business travel in our sales and aftermarket activities. Since a higher proportion of our meetings, customer demonstrations, product and software upgrades, and customer education is conducted remotely, there's less impact on the climate. Our travel policy individually evaluates needs based on both the environment and personal circumstances. For some types of meetings, however, there is still a strong need to meet face-to-face.



Environmental Case Study

We Must Reduce Our Own Solvent Use

Reducing the use of solvents in our own production is an important way for Biotage to reduce our environmental impact. The Cardiff manufacturing facility is running a project to develop new methods for this purpose.

Biotage provides a variety of media types for the processes for which the company's systems are intended. Media production, which takes place at Biotage's largest plant in the capital of Cardiff, Wales, uses solvents, which have a negative environmental impact. Chemist Kyle Bevan is leading a project to identify new methods that consume fewer solvents and that can be scaled up and used in production in Cardiff and, eventually, in other places.

Our goal for 2022 was to reduce the use of solvents by 30% and 40%, respectively, in manufacturing several important media types. We achieved this goal. The project began as a quality issue, and Kyle Bevan saw that there was also potential to perform better environmentally.

"Customers were seeing impurities in their products, so we asked them how we could improve them. We then started doing research,



// I think it's very exciting to see what we can do as a company committed to improving the environment.

Chris Williams, CEO of Biotage's Cardiff production facility

compiling it all, and thought that if we're doing this work anyway, why not also look at the solvents involved in the process since it could help us approach our environmental impact reduction targets," said Chris Williams, CEO of Biotage's Cardiff production facility.

"We have always had goals to see if we could reduce the use of solvents in R&D as part of ISO 9001 and 14001. We've had a lot of ideas over the years and Kyle has looked at implementing some of them. With his expertise, a lot of them are now becoming a reality," said Lee Williams, Director of Analytical Products for R&D at Biotage in Cardiff.

"The main focus has been on reducing solvents, reducing manual steps and all kinds of aspects to make the process more efficient and greener. And with our EVOLUTE product line, we are looking at solvent recirculation. In this way, we reuse our solvents, reducing

solvent consumption and, again, providing a greener process," explains Kyle Bevan.

Ideally, it would be possible to take the new methods from the R&D lab into full-scale production and achieve not only a reduced environmental impact but also higher quality and reduced costs.

"I think it's very exciting to see what we can do as a company committed to improving the environment. We will be seeking to collaborate with our suppliers and partners on this journey. And our customers, in turn, will be seeking to collaborate with their suppliers, that is, with us. This is something we must take very seriously to maintain our competitiveness and continue to work with our customers," concludes Chris Williams, who recently also took on the role of global head of Biotage's environmental working group.

Employees

Biotage is a value-driven organization that believes in personal freedom with responsibility, where every employee's loyalty, career ambitions, insight, and skills are appreciated. We're committed to diversity, equal opportunity, and a safe, healthy workplace environment.

Biotage has become a global organization, acquiring and integrating a number of companies in various countries over the course of the years. Nevertheless, we're still characterized by our Swedish identity, especially when it comes to providing employees with a high degree of personal freedom and responsibility. Within the limits set by our organization, employees are often able to make their own decisions.

This personal freedom necessitates that we clarify our expectations of employees and ensure that conditions are in place to promote cohesiveness and a strong sense of loyalty and commitment. Therefore, we track our employees well-being and commitment by means of a global employee survey as well as smaller, focus group surveys on specific topics as needed.

In keeping with the previous year, Biotage conducted a global employee survey in 2022. Although the response rate decreased slightly, it was still at a high level, with 84% (92%) of employees answering the survey. Of these, 74% (74%) were highly engaged and the proportion who indicated that they would recommend Biotage as a workplace increased slightly to 76% (74%).

We also conducted other smaller surveys during the year to follow up on our handling of the pandemic, follow up on our travel platform and to follow up on our leadership program.

Common Values

Biotage is a value-driven company. In our ongoing work, we're guided by common values that all our employees are expected to embrace in their actions, both internally and externally. The values are based on conversations and interviews with a large number of employees and managers throughout the world.

The work of gaining organizational support for our common values continued in 2022. Part of the annual performance evaluation is to understand how we performed and delivered on our goals, not just on what we delivered. We have made our expectations for employees clear, not least in the publication "The heart and soul of Biotage".

Biotage's values are contained in the acronym "CARE" (Collaboration, Accountability, Result Orientation, and Entrepreneurship), which you can read more about on page 10.

Skill Framework and Career Development

During the year, Biotage continued to develop the framework for defining skills and detailing positions throughout the company as well as describing their seniority levels, job families, and subgroups. The framework makes it possible to compare compensation and benefits for comparable positions throughout our countries of operation and ensures that we offer equal working conditions to our employees on a global basis, relative to each country and region. This clarifies both job positions and career development opportunities within various professional fields and seniority levels.

At the same time, a new system for personnel evaluation and performance-based compensation has been developed.

During the year, we also further developed our process for finding talent and identifying suitable replacements to key positions. As such, we have produced a clear map of talents and replacements in the short and long term. Each employee's development plan resulting from their evaluation must identify appropriate development steps.

We use our own online platform, Biotage Academy, for internal skills development and training on policies, processes, and product handling. This is available to all employees and offers a simple, effective way to acquire any needed professional knowledge applicable to a specific job.



Equal Opportunity for Everyone

Biotage believes that everyone has equal value and should be treated the same. At the same time, employee diversity is a success factor that we strive to achieve. Our Code of Conduct and global work environment policy clarify our commitment to treat all employees equally, regardless of gender, ethnicity, religion, or sexual preference.

We work actively for gender equality and equal treatment and include it in our salary survey and other forms of follow-up. Our global framework also provides information on how we stand when it comes to gender equality in different positions and in general. Where there are inappropriate pay differences, we draw up a plan for salary adjustment.

The 2022 Swedish salary survey demonstrated a Gender Equality Index of 101.0, where 100 equals complete equality. The Swedish average was 95.8. The fact that we scored just over 100 means that the average salary of women is slightly higher than that of men in our Swedish operations. Operations in the United States conduct an annual review of diversity and fair pay in employment and the existing workforce. There were no discrepancies in 2022.

In the UK, it is not customary to map salary differences related to gender in companies with fewer than 250 employees, which includes Biotage. However, we carry out our own survey in line with our global framework. Where deviations are noted, we make a plan for salary adjustment. The goal is consistent salary setting for positions with more than one position holder and to maintain equal pay for employees doing the same work. This covers a large part of our UK workforce, from operators to team leaders. More technical roles are paid based on level of difficulty, type of tasks, and so on.



“ We are proud to have a solid compensation framework in place after a thorough global mapping and training of managers. It is important in ensuring equal treatment and avoiding inappropriate pay differences.

Petra Duprez, Chief Human Resources and Sustainability Officer

Leadership and the Workplace Environment

In Europe and the US in 2022, Biotage conducted leadership training based on our own leadership model, which can be summed up by the acronym "JEDI" (Judicious, Enabling, Daring, and Inclusive). As of 2022, leader evaluation includes how well they comply with and act in line with these leadership behaviors.

Leadership has a major impact on the workplace environment. The ultimate responsibility for both the physical and the psychosocial work environment lies with managers. Biotage's goal is to have a working environment that is safe and healthy in both these respects. To this end, we approach workplace environment issues

in a systematic, structured manner in accordance with international standards and local legislation. Our efforts are based on a workplace environment policy with clear routines for reporting, control, and monitoring procedures.

In 2022, we continued our work in this area in our largest facility in Cardiff and other places. We have seen a positive trend of a continued decrease in the number of accidents (see next page). Workplace accidents in Cardiff decreased by 18% in 2022 and we intend to eventually reduce the number of accidents to zero. Sick leave was also at a continued low level during the year, 3.91% in the UK and 1.37% in Sweden.

Efforts on work environment policies and guidelines are ongoing. Updates and changes are published on Biotage's intranet and are part of the management system. Compliance is followed up by the Work Environment Committee and corresponding functions.

Biotage is a global company. Biotage's working conditions are regulated by our policies and, at minimum, comply with each respective country's laws in this area. Employees have the right to organize, and we encourage cooperation between employers and employees on a global basis.

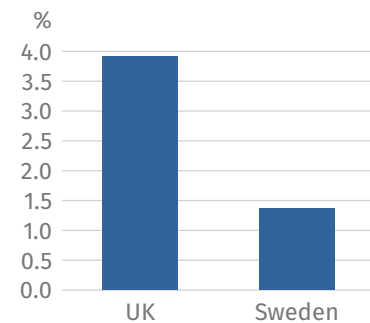
Our global 2022 employee survey included questions on the organization's handling of and communication regarding the COVID-19 pandemic. 76% of respondents answered that this had been handled well.

Employee-related Risks

The risks we see in relation to our employees primarily involve employee turnover and a shortage of critical skills. We also see risks associated with resources that we require to adapt our business to new reporting and monitoring requirements. To ensure the availability of skills throughout the organization, we carry out succession planning for critical roles on an ongoing basis in order to ensure that specialist skills are shared by multiple individuals.

We try to reduce these risks by constantly monitoring the situation in the workplace on an individual as well as aggregate level via our annual employee surveys. In 2022, we also followed up the main survey with a targeted global survey to investigate what our employees think are important qualities in an employer. We also conduct exit interviews to identify areas for improvement.

Sick leave in 2022



Social Case Study

Improved Accident Statistics Year by Year

Biotage focuses heavily on providing employees with a healthy and safe working environment. The goal is to completely eliminate workplace accidents. At Biotage's largest facility in Cardiff, the number of accidents has decreased every year from 2018. In 2022, the number was less than half compared to 2017.

All locations where Biotage operates use documented occupational health and safety management systems. The company complies with all local legal requirements in this area. There are clear procedures for the activities carried out in the work environment area, with a clearly defined division of roles and responsibilities. All accidents, undesirable events or observed incidents shall be reported, analyzed and result in measures to prevent them in the future.

Biotage's largest facility in Cardiff, UK has focused on collaboration and inclusion on health, safety and environmental issues. Work environment events and metrics are reported monthly and include all accidents, unwanted events and incidents.

These efforts have resulted in a reduced number of accidents year by year since 2018. The 2017 accident statistics were the worst with a

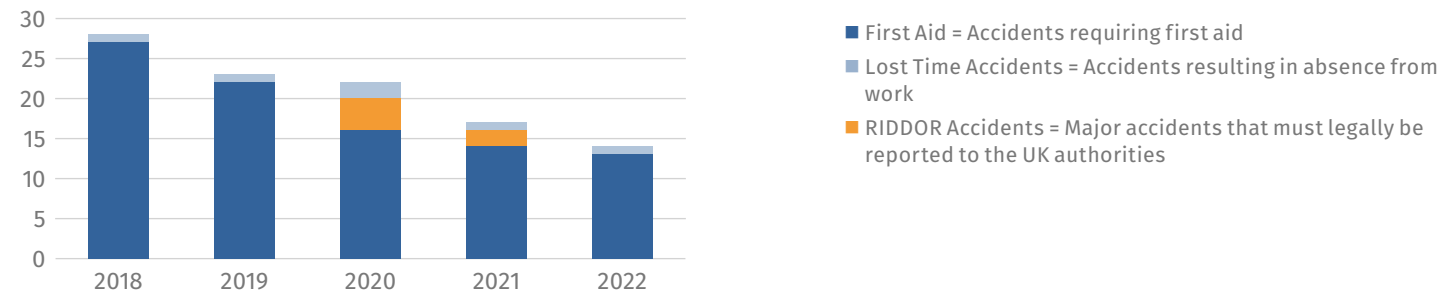
total of 30 registered accidents. Since then, the number has fallen by over 50% to a total of 14 accidents in 2022. The number of accidents resulting in absence from work has also decreased from five in 2020 to one in 2022.

At the same time, Cardiff has succeeded in increasing the reporting of unwanted events that have not resulted in injuries and incidents. Participation in training in work environment, risk evaluation and safety processes has also increased and work environment processes have improved.

In Cardiff, efforts will continue in 2023 aimed at further reduction of accidents and at no absence from work resulting from accidents. We also strive to further increase reporting and employee engagement in evaluating risks and implementing controls.



Biotage Cardiff accident statistics chart



- First Aid = Accidents requiring first aid
- Lost Time Accidents = Accidents resulting in absence from work
- RIDDOR Accidents = Major accidents that must legally be reported to the UK authorities



Responsible, Ethical Business Relationships

Biotage's governance and internal control functions are highly correlated with our work on corporate culture and leadership and are designed to ensure that we take ownership of our responsibility to stakeholders such as employees, suppliers, customers, and the local communities where we operate.

Governance of Sustainability Initiatives

Biotage is a signatory to the UN Global Compact on social responsibility, environmental care, and anti-corruption. In addition, we support the ILO's fundamental conventions and the OECD's Guidelines for Multinational Enterprises. In 2022, we also developed a special Supplier Code of Conduct which we began to inform suppliers about at the end of the year. In 2023, this work will continue. Biotage also has an official document that reveals how we work to counteract and uncover modern slavery or human trafficking. This outlines the requirements that we impose on our suppliers in this area. The document defines a process for identifying human trafficking and child and forced labor for suppliers in high-risk countries.

The CEO has the ultimate responsibility for governing and monitoring Biotage's sustainability initiatives. The Sustainability Manager, part of the management team, is responsible for coordinating these activities. This work is supervised by an internal Sustainability

Council, consisting of members responsible for environmental, social, and governance aspects of sustainability, respectively. We also have a working group within each of these domains. The sustainability initiatives are supported by Biotage's common Code of Conduct, a whistleblower policy, guidelines (for example, the Travel Policy and the Automobile Policy), sustainability goals, and a dedicated channel for sustainability initiatives.

Global evaluation company EcoVadis performed an independent external inspection of Biotage's sustainability work, resulting in a "gold medal". This means that we placed in the top 5% of the over 10,000 companies inspected by the organization.

Biotage Code of Conduct

Biotage's Code of Conduct summarizes our commitments to stakeholders. It encompasses environmental as well as social and ethical perspectives. The code describes our ambitions, how we collaborate with and influence stakeholders, and the control routines Biotage has



in place when it comes to, for example, anti-corruption, competition rules, product safety, and contributions to the local communities where we operate in the form of tax payments and jobs.

Management has the ultimate responsibility for ensuring that the Code of Conduct is complied with and updated as needed. Regional Managers in each geographic market are responsible for ensuring that the code is implemented and complied with during everyday operations in their markets.

In 2022, we introduced further updates to the Code of Conduct. For instance, there is now a clearer reference to our statement on modern slavery and human trafficking. These updates are included in the annual Code of Conduct digital training and refresher that all employees must undergo.

Anti-corruption

Biotage has a zero-tolerance policy when it comes to corruption. We have a separate policy concerning anti-corruption and bribery, which is part of our Code of Conduct. Gifts, influence, compensation, or personal favors may only be offered to third parties if they are of insignificant value. Violations of anti-corruption laws, breaches of applicable rules on confidentiality, prohibitions against bribes, and other forms of corruption may result in significant fines and other sanctions of a criminal, civil, or administrative nature. If the Company violates anti-corruption laws, it would have a substantial negative impact on Biotage's reputation, operations, results, and financial position.

At Biotage, our high proportion of sales through direct channels provides an advantage as it enables us to maintain a greater level of control in these matters. In order to maintain sound business ethics

and minimize risk, processes have been put in place in all countries and subsidiaries to identify high-risk transactions and potential risks as well as establish authorization routines for functions such as payment approval.

Global whistleblower policy

Biotage strives to have an open, transparent corporate culture, where individuals feel comfortable filing a report or claim about misconduct. We have a separate whistleblower policy, which is part of our Code of Conduct. If there's any suspicion of improprieties, employees are to report this first to their manager, their manager's manager, the HR department, or corporate management. Biotage also has a global whistleblower system, through which employees, customers, and other business partners are given the opportunity to report any improprieties. Information about this can be found both on our intranet and on our external website.

Control of suppliers

Biotage has a system for inspecting and evaluating suppliers in order to ensure that they comply with our Code of Conduct. Risks associated with human rights, relate to ensuring that our suppliers offer reasonable conditions, that there is neither forced labor nor child labor, and that employees are treated based on a basis of social responsibility. We verify that new as well as existing suppliers comply with this code when it comes to business relationships, environmental considerations, and social responsibility.

If suppliers violate the Code of Conduct, it's followed up on, and they're given the opportunity to remedy any breaches. If they still fail to comply with the requirements, then their relationship with Biotage is terminated. Annual risk evaluations are performed to identify risks on a group as well as supplier level.

Governance Case Study

Security Crucial in Digitalization

Cybersecurity is today a key factor for a business's resilience to external threats and to be able to deliver at the highest level. Biotage has taken note, and during the year has completed a number of security-promoting efforts in the IT area.

Information technology offers fantastic opportunities for streamlining internally and improving the customer experience. At the same time, it is important to always take safety aspects into account.

"I am passionate about IT solutions that are user-friendly, cost-effective and secure. It's about making all of this work together. Cybercrime is today estimated to have a global turnover greater than all drug trafficking and many attacks are not only well-planned, but targeted. This raises the demands on security," says Magnus Nordstedt, Executive Vice President of IT and Digitalization at Biotage.

He leads a global team of eight people who, with the help of external partners, manage the company's IT support. In 2022, a number of new systems and features for more robust cybersecurity have been introduced. One example is the SecurityScoreCard service, which continuously and proactively investigates security from an outside perspective, with the aim of discovering vulnerabilities in systems, firewalls and clients that can then be remedied.

"We continuously upgrade our end-point security on our computers globally. This analyzes the behavior of data traffic using AI technology to detect and combat possible threats. For example, it helps to ward off ransomware attacks in which extortionists encrypt the company's data. For the same purpose, our users must always identify themselves via two-factor authentication," explains Magnus Nordstedt.

Another current challenge is that mobile phones, acting as small computers, give access to various systems and thus can be exploited by malicious actors. To hedge against this, Biotage rolled out a Mobile Device Management System globally this year. It provides full control of which mobile devices can connect to internal systems and networks.

"When someone is physically at our facilities and connects to our network, our internal networks are protected with an authentication function that requires security certificates," continues Magnus Nordstedt.



// I am passionate about IT solutions that are user-friendly, cost-effective and secure.

Magnus Nordstedt, Executive Vice President of IT and Digitalization at Biotage.

Most of Biotage's vital systems are located in cloud infrastructure, which in itself entails a higher level of security and availability than achieved in a traditional server hall. Should the worst happen nonetheless, there is also a robust backup solution.

"Cybersecurity is today an indispensable part of sound corporate governance and guarantees the resilience of the business. We will continue to roll out new systems, services and solutions next year and are continuously looking for improvements," concludes Nordstedt.

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.

Biotage's main activities are not yet included in the taxonomy, as shown in the table on pages 45–47.

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 2022 reporting period, that is taxonomy-eligible and possible taxonomy-aligned related to the first two environmental objectives (climate change mitigation and adaptation to climate change) in accordance with Article 8 of the Taxonomy Regulation.

Turnover KPI

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, 2022 to December 31, 2022.

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 57.

Biotage assesses that no share of the 2022 turnover is covered by the taxonomy.

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 in notes 10, 11 and 13.

Biotage assesses that it has not completed any investments covered by the taxonomy in 2022.

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.

Biotage assesses that no part of the share of OpEx costs is covered by the taxonomy.

As we report 0 percent taxonomy-eligible activities, we also report 0 percent taxonomy-aligned activities for respective KPI.

TURNOVER	Codes (2)	Absolute turnover (3) SEK Millions	Proportion of turnover (4) %	Substantial contribution criteria						DNSH criteria ('Do no significant harm')						Minimum safeguards (17)	Taxonomy-aligned proportion of turnover, year 2022 (18) %	Taxonomy-aligned proportion of turnover, year 2021 (19) %	Category (enabling activities or) (20) E	Category (conversion activities) (22) T
				Climate change mitigation (5) %	Climate change adaptation (6) %	Water and marine resources (7) %	Circular economy (8) %	Pollution (9) %	Biodiversity and ecosystems (10) %	Climate change mitigation (11) YES/NO	Climate change adaptation (12) YES/NO	Water and marine resources (13) YES/NO	Circular economy (14) YES/NO	Pollution (15) YES/NO	Biodiversity and ecosystems (16) YES/NO					
Economic activities (1)																				

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1. Environmentally sustainable (Taxonomy-aligned) activities																			
Turnover of environmentally sustainable (Taxonomy-aligned) activities (A.1)		0	0%																
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%																
Total (A.1 + A.2)		0	0%																

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Turnover of Taxonomy-non-eligible activities (B)		1,566	100%
Total (A + B)		1,566	100%

CAPITAL EXPENDITURE	Codes (2)	Absolute capital expenditure (3) SEK Millions	Proportion of capital expenditure (4) %	Substantial contribution criteria					DNSH criteria ("Do no significant harm")					Minimum safeguards (17) YES/NO	Taxonomy-aligned proportion of capital expenditure, year 2022 (18) %	Taxonomy-aligned proportion of capital expenditure, year 2021 (19) %	Category (enabling activities or) (20) E	Category (conversion activities) (22) T
				Climate change mitigation (5) %	Climate change adaptation (6) %	Water and marine resources (7) %	Circular economy (8) %	Pollution (9) %	Biodiversity and ecosystems (10) %	Climate change mitigation (11) YES/NO	Climate change adaptation (12) YES/NO	Water and marine resources (13) YES/NO	Circular economy (14) YES/NO					
Economic activities (1)																		

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1. Environmentally sustainable (Taxonomy-aligned) activities																		
Capital expenditure of environmentally sustainable (Taxonomy-aligned) activities (A.1)		0	0%															
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																		
Capital expenditure of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%															
Total (A.1 + A.2)		0	0%															

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Capital expenditure of Taxonomy-non-eligible activities (B)		112	100%
Total (A + B)		112	100%

OPERATING EXPENSES	Codes (2)	Absolute operating expense (3) SEK Millions	Proportion of operating expense (4) %	Substantial contribution criteria						DNSH criteria ("Do no significant harm")						Minimum safeguards (17)	Taxonomy-aligned proportion of operating expense, year 2022 (18) %	Taxonomy-aligned proportion of operating expense, year 2021 (19) %	Category (enabling activities or) (20) E	Category (conversion activities) (22) T
				Climate change mitigation (5) %	Climate change adaptation (6) %	Water and marine resources (7) %	Circular economy (8) %	Pollution (9) %	Biodiversity and ecosystems (10) %	Climate change mitigation (11) YES/NO	Climate change adaptation (12) YES/NO	Water and marine resources (13) YES/NO	Circular economy (14) YES/NO	Pollution (15) YES/NO	Biodiversity and ecosystems (16) YES/NO					
Economic activities (1)																				

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1. Environmentally sustainable (Taxonomy-aligned) activities																			
Operating expense of environmentally sustainable (Taxonomy-aligned) activities (A.1)		0	0%																
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Operating expense of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%																
Total (A.1 + A.2)		0	0%																

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Operating expense of Taxonomy-non-eligible activities (B)		638	100%
Total (A + B)		638	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 31–47 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 5, 2023

Öhrlings PricewaterhouseCoopers AB

Leonard Daun

Authorized Public Accountant



Financial Statements

Board of Directors' Report

About the Company

Biotage is a global impact tech company that is deeply committed to solving the problems facing society. We offer solutions for customer work flows within research and production of drugs and diagnostics, analytical testing, and water and environmental analyses.

We are proud to contribute to sustainable science in order to make the world a healthier, greener, and cleaner place for humanity, promoting the concept of HumanKind Unlimited.

Our customers span a broad spectrum of market segments ranging from drugs, biotechnology, diagnostics, contract research and contract production for 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.

Summary of Business Activities in 2022

The Group continued its profitable growth journey in 2022 returning its strongest ever result this year. We are extremely proud of this given the turmoil in the world today and the challenging conditions. The global challenges in the supply chain continued in the wake of the pandemic creating pressure in some areas, although we have now started to see signs in other areas that this is beginning to ease.

For Biotage, these challenges concern both logistics and component shortages.

Biotage grew faster than the market in all regions in spite of tough comparative figures from a strong year in 2021. Americas is the region that has shown the strongest growth in the Biologics & Advanced Therapeutics business segment thanks to the continued successful launch of Biotage® PhyPrep. At the regional level, Americas was the largest market, with 42 (39) percent of net sales, while APAC accounted for 30 (31) percent and EMEA 28 (30) percent.

The Group grew organically by 11.4 percent leading it to achieve a record year in the company's 25-year history. Average growth for the most recent three-year period was 9.9 percent, compared with the company's financial target of 12-percent growth.

The strong growth has also been profitable and our adjusted operating margin (EBITDA), after the reversal of acquisition-related amortization of intangible assets and transaction costs, increased by one percentage point to 25.0 (24.0) percent. The average operating margin (EBITA), after reversal of acquisition-related amortization of intangible assets, for the most recent three-year period amounted to 22.7 percent, compared with the financial target of an average of 25 percent over a three-year period. The gross margin amounted to 60.6 (61.3) percent.

Earnings and cash flow

The Group's net sales increased by 27.1 percent to SEK 1,566 (1,232) million. Using comparative exchange rates and adjusted for acquisitions, net sales increased by 11.4 percent. The gross margin fell to 60.6 (61.3) percent as a result of supply chain disruptions and a less favorable product mix driven by a lower percentage of COVID-19-related sales in the Scale-Up segment.

Operating expenses were SEK -621 (-483) million, an increase of SEK 138 million, driven primarily by negative currency effects and costs relating to the acquisition of ATDBio Ltd. regarding conditional compensation to the employees who sold. Distribution costs increased by SEK 92 million to SEK -379 (-287) million mainly due to increased activity as markets opened up after the shutdowns during the pandemic. Administrative expenses increased by SEK 33 million to SEK -150 (-117) million, including transaction costs of SEK 15 million relating to the acquisition of Astrea. Research and development expenses increased by SEK 18 million to SEK -109 (-91) million. Other operating items amounted to SEK 17 (11) million, consisting primarily of currency effects on operating liabilities and receivables.

Operating profit increased by SEK 56 million to SEK 327 (271) million, corresponding to an operating margin (EBIT) of 20.9 (22.0) percent. To better follow Biotage's underlying profitability, adjusted operating profit is also reported. This is the operating profit adjusted for transaction costs and costs related to additional consideration concerning ATDBio, Ltd. Adjusted operating profit amounted to SEK 362 (283) million and the adjusted operating margin amounted to 23.1 (23.0) percent. EBITA was SEK 356 (284) million. Adjusted EBITA was SEK 391 (296) million. See also note 32.

Net financial items amounted to SEK 21 (-2) million. The change is explained primarily by a major revaluation of the additional purchase consideration for the sellers of PhyNexus, Inc., SEK 28 million, remeasurement of the fair value of the holding in Creto AS, SEK 5 million, impact on earnings from an internal Group loan, which was previously classified as additional net investment, now having been paid, SEK 24 million. Recognized tax expense increased to SEK -80 (-22) million. Profit after tax increased by SEK 63 million to SEK 268 (205) million, an increase of 30.7 percent. Cash flow from operating activities decreased by SEK 12 million to SEK 341 (353) million.

Balance Sheet Items and Financial Position

The Group's cash and cash equivalents totaled SEK 441 (311) million on December 31, 2022. Interest-bearing liabilities concerned loans in the scope of a revolving credit facility of SEK 150 (150) million, lease liabilities of SEK 67 (53) million, an estimated additional consideration related to the acquisition of PhyNexus Inc. of SEK 22 (46) million and other financial liabilities of SEK 3 (1) million. The net cash position was SEK 199 (61) million. The net cash position on December 31, 2021 was affected by the payment made for the acquisition of ATDBio, Ltd. which was largely in liquid assets.

The Group's reported goodwill amounted to SEK 794 (741) million on December 31. SEK 7 million of this increase is attributable to an adjustment of the acquisition analysis for ATDBio Ltd.; other changes are due to changes in exchange rates. In addition to the goodwill attributable to ATDBio Ltd., the Group's goodwill is also attributable to the acquisitions of PhyNexus, Inc. and Horizon Technology Inc. in 2019 and 2018, respectively, and the acquisitions of MIP Technologies AB and two product lines from Caliper Life Sciences Inc. in 2010.

Other intangible assets amounted to SEK 308 (313) million, including SEK 136 (128) million attributable to capitalized development expenses. The remaining part is primarily attributable to identified surplus values related to acquisitions.

Equity amounted to SEK 1,637 (1,371) million on December 31. The change in equity for the year is mainly attributable to net profit of SEK 268 million, currency effects of SEK 84 million on the translation of foreign subsidiaries and dividends of SEK -102 million to shareholders. Share capital increased during the year by SEK 0.3 million in a new issue of Class C shares to secure delivery of shares to participants of the performance-based share program LTIP 2022. The newly issued class C shares were immediately repurchased and held in the company's possession awaiting the outcome of LTIP 2022.

Investments, Depreciation and Amortization

Investments amounted to SEK 84 (341) million, including investments of SEK 72 (58) million in non-current assets and SEK 12 (282) million in acquisitions. Depreciation, amortization and impairment amounted to SEK 102 (75) million. Capitalized development costs accounted for SEK 32 (30) million of investments and SEK 23 (24) million of depreciation, amortization and impairment.

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. This investment level was 6.9 (7.4) percent in 2022.

Capitalization amounted to SEK 32 (30) 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 had 282 (214) registered patents and 75 (76) patent applications, divided into 67 (62) patent families. During the year, 15 (8) new patents were granted and 6 (4) new patent applications were submitted.

Personnel

In 2022, the Group had an average of 517 employees (full-time equivalents). 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 work environment. Biotage has had relatively low sick leave over the years. Sick leave for all employees in the Swedish companies was 1.5 (2.6) percent. 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, as the company does not have any manufacturing processes. 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, although production is not electricity-intensive. The production facilities in Cardiff and Southampton/Oxford also generate waste in the form of solvents 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.

Risks

Biotage operations are associated with risks in certain areas.

Customers and Market

The company has a broad customer base in several different sectors. The fact that no customer accounts for more than five percent of sales reduces the risk of variations in demand arising from fluctuations in certain sectors 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 include users in the environmental and food sectors, biomolecules and now most recently oligonucleotides with the acquisition of ATDBio, Ltd.

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' premises in Sweden and the United States and at the company's own facility in Cardiff, Wales, in Salem, New Hampshire and in San Jose, California. Consumables are manufactured at the facilities in Cardiff, Salem and San Jose and Oxford and Southampton. 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, as we have seen during the year (see section on the COVID-19 pandemic). 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. Despite these activities, there are no guarantees of the possibility of retaining key personnel.

Competitors

Competition in the company's market is intense and Biotage often finds itself competing against large, well-established companies with vast financial and industrial resources at their disposal. It is not inconceivable that this competition could lead to lower market shares and reduced profitability for Biotage in the future. Biotage endeavors to maintain a strong market presence and to outperform its competitors in focusing on customer needs.

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.

The COVID-19 pandemic

Recovery continued in large parts of the world towards the end of the year, following major lockdowns in China and elsewhere in previous quarters. As has been shown on a number of previous occasions, it is still too early to tell when the situation will normalize.

If the financial position of our customers weakens, this may also affect Biotage in terms of their ability to pay, which could lead not

only to longer payment periods but also to eventual credit losses. Biotage has experienced no influence here to date, nor has it identified any general impairment. Biotage has not made any staff reductions or lay-offs as a result of the coronavirus pandemic. Biotage has also not participated in any support programs other than reduced employer contributions in Sweden, China, the UK and other countries.

Russia's invasion of Ukraine

In the short term, Biotage is only affected to a minor degree by the war in Ukraine, but it is too early to make a qualified assessment of the long-term impact. Biotage ended its collaboration with Russian distributors as soon as the invasion began. The war has affected the global supply chain greatly and has also affected Biotage.

Inflation

The prevailing energy crisis and inflationary pressure are affecting our current costs and continue to have difficult-to-see consequences. The price increases that we are seeing on important components and inputs could affect profitability going forward. Increasing energy costs are also adversely affecting our freight costs as a result of increasing fuel surcharges. The extent of the impact is uncertain and could affect both profitability and investment.

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 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 as far as possible settled in foreign currency. 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. The company's financial position and liquidity are satisfactory, with an equity ratio of 70 (69) percent, and cash and cash equivalents amounting to SEK 441 (311) million on the reporting date. 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 75–76.

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 6 (4) million. Operating expenses were SEK -33 (-25) million. Operating profit/loss was SEK -27 (-21) million. The Parent Company's net financial items amounted to SEK 401 (47) and relate mainly to dividends from subsidiaries. Profit after financial items amounted to SEK 374 (25) million. Recognized tax amounted to SEK -7 (-4) million.

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

Share Issues and Mandate to Issue Shares

At the 2022 AGM, a performance-based share program was adopted for the Group's CEO and certain key personnel. Share capital increased during the year by SEK 0.3 million in a new issue of class C shares to secure delivery of shares to the program participants. The newly issued class C shares were immediately repurchased and held in the company's possession awaiting the outcome of LTIP 2022.

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

The Biotage Share

Biotage had 66,713,592 shares at the end of 2022, comprising 65,983,775 ordinary shares and 729,817 class 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.

The number of outstanding shares at the end of 2022 on calculating earnings per share is 65,983,775. The class C shares held by the company are not counted as outstanding. The number of outstanding shares as of December 31, 2022 after dilution, i.e., adjustment for the shares that can be distributed in the scope of the share program, is 66,200,599.

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 32–47.

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.

Significant Events After the Reporting Date

The acquisition of Astrea Bioseparations was announced on February 15, 2023. See also note 31.

Proposed Appropriation of Profit

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

Share premium reserve	257,542,096
Retained earnings	368,069,542
Profit for the year	369,210,805
Total	994,822,443

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

Dividend payment of SEK 1.60 per share to shareholders	105,574,040
Carried forward	889,248,403
Total	994,822,443

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

The Board has recommended that the AGM on April 27, 2023 adopt a dividend of SEK 1.60 per share. The total amount of the dividend is a maximum of SEK 105,574,040. 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	2022	2021	2020	2019	2018
GROUP					
Net sales, SEK million	1,566	1,232	1,092	1,101	911
Growth in net sales, %	27.1	12.7	-0.8	20.9	21.8
Gross profit, SEK million	948	755	667	685	557
Gross margin, %	60.6	61.3	61.0	62.2	61.1
Operating margin, %	20.9	22.0	18.9	18.9	18.9
Profit margin, %	29.0	26.4	21.2	19.5	19.4
Profit before tax, SEK million	348	269	223	212	176
Total assets, SEK million	2,339	1,992	1,434	1,336	1,003
Equity/assets ratio, %	70.0	68.9	69.0	65.5	69.8
Capital expenditure, SEK million	84	341 ⁴⁾	61	86 ³⁾	178 ²⁾
Average number of employees	517	497	463	440	404
Return on equity, %	17.8	19.3	18.8	23.7	25.6
Return on capital employed, %	26.0	25.7	19.9	23.2	25.2
Return on total capital, %	21.0	21.4	16.7	18.4	20.3

Key figures and ratios	2022	2021	2020	2019	2018
GROUP					
Earnings, SEK/share	4.06	3.13	2.69	2.87	2.59
Earnings after dilution, SEK/share	4.04	3.13	2.69	2.87	2.59
Dividend, SEK/share ¹⁾	1.60	1.55	1.50	–	1.50
Stock market price at end of period, SEK/share	186	262	139	124	109
Equity, SEK/share	24.81	20.98	15.18	13.43	10.84
Equity after dilution, SEK/share	24.73	20.95	15.18	13.43	10.84
P/E ratio, times	45.7	83.7	51.7	43.2	42.1
P/S ratio, times	7.82	13.9	8.3	7.3	7.7
Cash flow from operations, SEK/share	5.15	5.40	4.28	3.25	2.4
Weighted average number of shares, thousands	65,984	65,355	65,202	65,182	64,714
Weighted average number of shares after dilution, thousands	66,184	65,465	65,209	65,182	64,714
Total number of shares outstanding at end of the period, thousands	65,984	65,984	65,202	65,202	64,714

¹⁾ Amounts refer to dividends for each year, paid the year after. For fiscal year 2022, the Board proposed an ordinary dividend of SEK 1.60 per share.

²⁾ SEK 131.2 million attributable to the acquisition of Horizon Technology, Inc.

³⁾ SEK 39.5 million attributable to the acquisition of PhyNexus, Inc.

⁴⁾ SEK 282 million attributable to the acquisition of ATDBio, Ltd.

Consolidated Statement of Comprehensive Income

Amounts in SEK millions	Note	2022	2021
Net sales	3	1,566	1,232
Cost of sales	1, 2, 4, 5, 6	-618	-477
Gross profit		948	755
Distribution costs	1, 2, 5, 6	-379	-287
Administrative expenses	1, 2, 4, 5, 6	-150	-117
Research & development expenses	1, 2, 5, 6	-109	-91
Other operating income	7	37	17
Other operating expenses		-20	-5
Total operating expenses		-621	-483
Operating profit		327	271
Finance income	8	35	10
Finance costs	8	-14	-12
Net financial items		21	-2
Profit before tax		348	269
Income tax	9	-80	-64
Profit/loss for the year		268	205

Amounts in SEK millions	Note	2022	2021
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified to profit or loss for the year:			
Exchange differences from translation of foreign subsidiaries		84	67
Cash flow hedges		-	-
Total other comprehensive income		84	67
Total comprehensive income for the year		352	272
Profit/loss for the year attributable to owners of the Parent		268	205
Total comprehensive income attributable to owners of the Parent		352	272
Average number of shares outstanding		65,983,775	65,355,239
Average number of shares outstanding after dilution		66,184,324	65,464,807
Ordinary shares outstanding at the reporting date		65,983,775	65,983,775
Earnings per share, SEK		4.06	3.13
Earnings per share after dilution, SEK		4.04	3.13

Consolidated Statement of Financial Position

Amounts in SEK millions	Note	12/31/2022	12/31/2021
ASSETS			
Non-current assets			
Goodwill	12, 14	794	741
Capitalized development expenditure	13, 14	136	128
Other intangible assets	13, 14	172	185
Right-of-use assets	11, 14	66	52
Property, plant and equipment	10, 14	96	76
Other financial assets	15, 20, 21	21	14
Deferred tax asset	24	23	22
Total non-current assets		1,308	1,218
Current assets			
Inventories	16	305	237
Trade receivables	17, 20	223	180
Other receivables		62	46
Cash and cash equivalents	20	441	311
Total current assets		1,031	774
Total assets		2,339	1,992

Amounts in SEK millions	Note	12/31/2022	12/31/2021
EQUITY AND LIABILITIES			
Capital and reserves attributable to owners of the Parent	18		
Share capital		93	92
Reserves and other paid-in capital		315	216
Retained earnings		1,229	1,063
Total equity		1,637	1,371
Non-current liabilities			
Liabilities to credit institutions	19, 20, 21	150	150
Lease liabilities	20, 21	42	30
Other financial liabilities	20, 21, 22	17	45
Deferred tax liabilities	24	71	73
Provisions	23	5	10
Total non-current liabilities		285	307
Current liabilities			
Trade payables	20, 25	57	56
Lease liabilities	20, 21	25	23
Other financial liabilities	22	8	2
Other liabilities	25	325	229
Provisions	23	3	3
Total current liabilities		417	313
Total equity and liabilities		2,339	1,992

Consolidated Statement of Changes in Equity

Amounts in SEK millions	Share capital	Other paid-in capital	Translation reserve	Hedge reserve	Retained earnings	Total equity
Opening balance January 1, 2021	91	60	-117	-	956	990
CHANGES IN EQUITY IN 2021						
Profit/loss for the year	-	-	-	-	205	205
Other comprehensive income:						
Exchange differences on translation of foreign subsidiaries	-	-	67	-	-	67
Total comprehensive income	-	-	67	-	205	272
TRANSACTIONS WITH OWNERS OF THE PARENT						
New share issue	1	200	-	-	-	201
Dividend to shareholders of the Parent	-	-	-	-	-98	-98
Share-based remuneration	-	6	-	-	-	6
Share buy-back, Parent Company	-	-	-	-	-0	-0
Closing balance December 31, 2021	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
Share buy-back, Parent Company	-	-	-	-	-0	-0
Closing balance December 31, 2022	93	281	34	-	1,229	1,637

Consolidated Statement of Cash Flows

Amounts in SEK millions	Note	2022	2021
OPERATING ACTIVITIES			
Profit before tax		348	269
Adjustments for non-cash items		84	78
		432	347
Income tax paid		-52	-16
Cash flow from operating activities before changes in working capital		380	332
Cash flow from changes in working capital:			
Increase (-)/decrease (+) in inventories		-45	-54
Increase (-)/decrease (+) in operating receivables		-45	16
Increase (+)/decrease (-) in operating liabilities		51	60
Cash flow from changes in working capital		-39	21
Cash flow from operating activities		341	353
INVESTING ACTIVITIES			
Acquisition of intangible assets	13	-35	-33
Acquisition of property, plant and equipment	10	-35	-23
Acquisition of financial assets	14, 15	-2	-2
Acquisition of companies and product lines		-12	-282
Sale of financial assets		-	-
Cash flow from investing activities		-84	-341

Amounts in SEK millions	Note	2022	2021
FINANCING ACTIVITIES			
Dividend to shareholders		-102	-98
Proceeds from borrowings		150	150
Repayment of borrowings		-180	-134
Cash flow from financing activities		-133	-82
CASH FLOW FOR THE YEAR		124	-69
Cash and cash equivalents at beginning of year		311	371
Exchange differences		7	9
Cash and cash equivalents at end of year		441	311
ADDITIONAL DISCLOSURES			
Adjustments for non-cash items			
Depreciation and impairment	6	102	75
Translation differences		4	4
Value adjustment, additional consideration		-28	-9
Other items	26	7	9
Total		84	78
Interest received		2	0
Interest paid		-5	-3

Parent Company

Income Statement, Parent

Amounts in SEK millions	Note	2022	2021
Net sales	3	6	4
Administrative expenses	1, 2, 4, 5, 6	-30	-21
Research & development expenses	2, 6	-3	-3
Other operating income	7	0	0
Other operating expenses		0	-1
Operating expenses, net		-33	-25
Operating profit		-27	-21
PROFIT/LOSS FROM FINANCIAL INVESTMENTS			
Interest income on receivables from Group companies		3	3
Profit/loss from investments in Group companies		338	9
Profit/loss from other shares and interests		5	-
Interest and similar expenses		-4	-2
Currency effects		23	8
Group contributions received		36	29
Net financial items	8	401	47
Profit/loss after financial items		374	25
Appropriations		2	5
Income tax	9, 24	-7	-4
Profit/loss for the year		369	26

Statement of Comprehensive Income, Parent

Amounts in SEK millions	Note	2022	2021
Profit/loss for the year		369	26
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified to profit or loss for the year		-	-
Comprehensive income for the year		369	26

Balance Sheet, Parent

Amounts in SEK millions	Note	12/31/2022	12/31/2021
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	1,141	1,134
Receivables from Group companies	29	12	131
Other financial assets	15	15	10
		1,168	1,275
Total non-current assets		1,181	1,288
Current assets			
<i>Current receivables</i>			
Receivables from Group companies	29	125	1
Other receivables	17	5	8
Prepayments and accrued income	17	17	2
		147	11
Cash and bank balances		3	2
Total current assets		150	13
Total assets		1,331	1,301

Amounts in SEK millions	Note	12/31/2022	12/31/2021
EQUITY, PROVISIONS AND LIABILITIES			
Equity			
<i>Restricted equity</i>	18		
Share capital		93	92
<i>Unrestricted equity</i>	18		
Share premium reserve		258	258
Retained earnings		368	429
Profit/loss for the year		369	26
Total unrestricted equity		995	713
Total equity		1,088	805
<i>Untaxed reserves</i>		1	3
Non-current liabilities			
Liabilities to credit institutions	19	150	150
Other non-current liabilities		59	56
		209	206
Current liabilities			
Trade payables	25	3	3
Liabilities to Group companies	29	–	257
Current tax liabilities		4	11
Other current liabilities	25	–	5
Accruals and deferred income	25	26	11
		33	286
Total equity and liabilities		1,331	1,301

Statement of Changes in Equity, Parent

Amounts in SEK millions	Share capital	Share premium reserve	Retained earnings	Total equity
Opening balance January 1, 2021	91	58	521	670
CHANGES IN EQUITY IN 2021				
Profit/loss for the year	-	-	26	26
Total comprehensive income	-	-	26	26
OWNER TRANSACTIONS				
New share issue	1	200	-	201
Dividend to shareholders	-	-	-98	-98
Share buyback	-	-	-0	-0
Share-based remuneration	-	-	7	7
Closing balance December 31, 2021	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

Statement of Cash Flows, Parent

Amounts in SEK millions	Note	2022	2021
OPERATING ACTIVITIES			
Profit/loss after financial items		374	25
Adjustments for non-cash items	26	-378	-28
		-4	-3
Income tax paid		-14	-0
Cash flow from operating activities before changes in working capital		-17	-3
Cash flow from changes in working capital:			
Increase (-)/decrease (+) in other current receivables		44	229
Increase (+)/decrease (-) in other liabilities		-247	269
Cash flow from changes in working capital		-203	498
Cash flow from operating activities		-220	495
INVESTING ACTIVITIES			
Acquisition of subsidiaries	27, 28	-12	-440
Dividend, subsidiary		338	-
Acquisition of intangible assets	13	-2	-1
Cash flow from investing activities		324	-443

Amounts in SEK millions	Note	2022	2021
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend to shareholders		-102	-98
Proceeds from borrowings		150	150
Repayment of borrowings		-150	-110
Change in non-current receivables		-	7
Cash flow from financing activities		-102	-51
CASH FLOW FOR THE YEAR			
		1	1
Cash and cash equivalents at beginning of year		2	1
Cash and cash equivalents at end of year		3	2
ADDITIONAL DISCLOSURES			
Adjustments for non-cash items			
Depreciation and impairment	6	1	1
Dividends received		-338	-
Group contributions		-36	-29
Other items		-5	0
Total		-378	-28

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

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1 Introductory Information

The consolidated annual financial statements and the Parent Company's annual financial statements for the fiscal year ending December 31, 2022 were approved by the Board and CEO for publication on April 6, 2023 and will be presented for adoption at the annual general meeting on April 27, 2023.

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. The address of the registered office is Box 8, 751 03 Uppsala, and this is where the Group's management and central functions are located. The company's shares are listed on Nasdaq Stockholm, Large Cap.

Biotage is a global impact tech company that is deeply committed to solving the problems facing society. Biotage offers solutions for customer work flows within research and production of drugs and diagnostics, analytical testing, and water and environmental analyses.

We are proud to contribute to sustainable science in order to make the world a healthier, greener, and cleaner place for humanity, promoting the concept of HumanKind Unlimited.

Biotage customers span a broad spectrum of market segments ranging from drugs, biotechnology, diagnostics, contract research and contract production for clinical, forensic and academic laboratories, and organizations focused on food safety, clean water and environmental sustainability.

Biotage had 517 employees at the end of 2022 and sales of SEK 1,566 million. The Group has offices in Sweden, the United States, the United Kingdom, China, Japan, South Korea, Singapore and India.

2 Basis of Preparation

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, 2022. 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 policies have been applied consistently to all periods presented in the consolidated financial statements and to the financial statements of companies in the Biotage Group.

New and amended standards and interpretations effective for 2022

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

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 reports 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 6.6 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

Intangible assets are recognized at cost less accumulated amortization and impairment. The useful life of each intangible asset is determined and amortization is applied on a straight-line basis over the useful life. Intangible assets with an indefinite useful life are not amortized; instead, they are tested for impairment when the annual financial statements are prepared or when there is an indication of a decline in value. The useful life of goodwill is generally assumed to

be indefinite. The useful life of acquired technology-based assets in the company is 5–10 years.

Capitalized development expenditure

Expenditure on development projects is recognized as an asset in the consolidated financial statements when it is probable that the projects will generate future economic benefits. If a business combination gives the Group access to products, technological equipment or processes it did not previously have and utilization of these is expected to provide economic benefits for the Group, a value for these technology-based intangible assets may be reported in the consolidated statement of financial position.

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. Reporting and control of development expenses takes place through project reporting.

Development projects are classified as Product Care, Pre-Study or Product Development. Expenses for projects classified as Product Care are recognized immediately. Projects classified as Pre-Study in the research phase and expenses are recognized immediately. 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 development phase is aimed at producing new technology or a new product and ends when the technology is placed in service or the new product is launched in the Group's sales markets.

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. Amortization is on a straight-line basis over a period of time and is based on an assessment of the product's estimated useful life. The company's capitalized development costs can be divided into systems, consumables and software. The estimated useful life for systems and consumables is 7 years, and for software 3 years. 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.

Market and customer-related intangible assets

Patent and license rights are recognized at cost less accumulated amortization. Customer relationships are initially measured at fair value when they are acquired in a business combination, and subsequently with a deduction for accumulated amortization. The amortization period for patents is normally 10 years, but never longer than the patent term. Amortization begins when the first national patent is granted. The patent portfolio is also evaluated annually to identify any need for additional amortization. License rights are amortized over their duration of 5–10 years. Customer relationships are amortized on a straight-line basis over their estimated useful life of 3–11 years.

For trademarks, the useful life is considered indefinite when the intention of the acquisition is to develop and strengthen the entire trademark portfolio. They are therefore recognized at accumulated

cost. The Group's acquired trademarks considered to have an indefinite useful life originate from Horizon Technology, Inc. and PhyNexus Inc. The assessment that the useful life for these trademarks is indefinite is based on the following circumstances. 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. In consideration of the assessment that 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.

Goodwill

Goodwill is recognized as an intangible asset at cost less accumulated impairment in the balance sheet. 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. 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 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, which describes the estimates and assumptions made during impairment testing.

Software licenses

Acquired software licenses are capitalized on the basis of the expenditure incurred when the software itself is acquired and placed in service. Amortization is applied over the useful life, which is 3 to 7 years, depending on the contractual terms.

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. Parts of an item of property, plant and equipment which constitute a large proportion of the asset's total cost and which have different useful lives are treated as separate components of property, plant and equipment and are subject to separate depreciation.

The following useful lives apply:

Item	Depreciation period
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. Five years is the longest lease term included, as assumptions beyond five years are not considered reasonable.

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 for restructuring 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.

6.8 Share capital

All issued shares are either ordinary shares or class C shares, and are classified as equity. Transaction costs directly attributable to the issue of new shares are recognized in equity, net of tax, as a deduction from the issue proceeds.

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 may be signed by customers purchasing 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 and LTIP 2022 both include 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 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 UFR 7 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 of 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 2020 conditions

Performance condition 1: Fifty percent of the performance shares if the total return on the company’s ordinary shares amounts to

or exceeds 64.3 percent during the period July 2020–July 2023. However, at least 26 percent is required for allotment to take place. Total return refers to returns to shareholders in the form of a price increase and reinvestment of any dividends during the vesting period.

Performance condition 2: Twenty-five percent of the performance shares if the average operating margin amounts to or exceeds 20 percent during the period 2020–2022 (calendar years). However, at least 17 percent is required for allotment to take place.

Performance condition 3: Twenty-five percent of the performance shares if the average organic growth amounts to or exceeds 11 percent during the period 2020–2022 (calendar years). However, at least 7 percent is required for allotment to take place.

For further information about the rights, see the appendix to the minutes of the 2020 AGM on the Biotage website.

LTIP 2021 conditions

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

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

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

LTIP 2022 conditions

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

Performance condition 2: Twenty-five percent of the performance shares if the average adjusted operating margin amounts to or exceeds 20 percent during the period 2022–2024 (calendar years). However, at least 22 percent is required for allotment to take place.

Performance condition 3: Twenty-five percent of the performance shares if the average organic growth amounts to or exceeds 15 percent during the period 2022–2024 (calendar years). However, at least 11 percent is required for allotment to take place. For further information about the rights, see the appendix to the minutes of the 2022 AGM on the Biotage 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. Goodwill impairment 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 2022 have not had any material effect on the Parent Company's financial reporting.

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, 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, although SEK is dominant. The Group's legal entities have intragroup 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 10 percent change in the USD/SEK exchange rate would affect income and equity by SEK 42 (26) million. The corresponding effect of a 10 percent change in the EUR/SEK rate would be SEK -1 (-2) 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 4 (3) million. A change of 1 percentage point in the Group's interest rate on interest-bearing liabilities would affect income and equity by SEK 2 (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 percent of sales. No single customer accounts for more than 5 percent of the Group's total revenue. 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 664 (491) million at the reporting date and consisted of cash and cash equivalents of SEK 441 (311) million and trade receivables of SEK 223 (180) million.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in accessing funds to discharge its financial obligations. The statements of cash flow for 2021 and 2022 show sufficiently positive cash flows from operations to allow the Group to fully discharge its current obligations. 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, 2022 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 conducts an annual internal risk audit based on a survey that all managers and all regional managers are asked to complete, after which a compilation of the Group's overall risks and their management is made. 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.

If the financial position of our customers weakens based on the COVID-19 pandemic, the invasion of Ukraine and higher inflation, it may affect Biotage in terms of their ability to pay, which could lead not only to longer payment periods but also to eventual credit losses. 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 70 (69) percent for the Group and 82 (62) percent for the Parent Company.

Financial liabilities, December 31, 2022	Within 3 months	3-12 months	1-5 years	After 5 years	Total
Liabilities to credit institutions	0	0	150	–	150
Trade and other payables	57	25	42	–	124
Total	57	25	192	–	274

Financial liabilities, December 31, 2021	Within 3 months	3-12 months	1-5 years	After 5 years	Total
Liabilities to credit institutions	0	0	150	–	150
Trade and other payables	56	23	30	–	109
Total	56	23	180	–	259

Cash outflow	Group		Parent Company	
	2022	2021	2022	2021
Lease and rental agreements during year	74	28	0	0
Remaining rental and lease payments				
Within one year	26	23		1
Between one and five years	45	30	–	–
After five years	–	–	–	–
Total	71	53	1	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.

Total cash outflow for leases during the year, including low-value and short-term leases, amounted to SEK 74 (30) 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 %
SEK	42	42
USD	25	25
GBP	5	5
JPY	6	6
CNY	15	15
KRW	2	2
EUR	5	5
INR	0	0
Total	100	100

Residual value guarantees, which only exist in Swedish leases for vehicles amounted to SEK 2 (3) million on December 31, 2022.

AMOUNTS RECOGNIZED IN THE INCOME STATEMENT

Depreciation of right-of-use assets	26
Interest expense, lease liabilities	5
Costs attributable to short-term leases	1
Costs attributable to low-value leases	1
Total	33

Net sales by currency	2022			2021		
	Currency, thousands	SEK millions	Distribution %	Currency, thousands	SEK millions	Distribution %
USD	75,857	768	49	63,608	546	44
EUR	22,258	237	15	20,826	211	17
GBP	13,739	171	11	10,235	121	10
JPY	1,494,753	115	7	1,418,431	111	9
CNY	94,857	142	9	83,237	111	9
KRW	7,781,237	61	4	6,860,918	51	4
CAD	4,250	33	2	5,503	38	3
SEK	23,747	24	2	34,915	35	3
INR	59,192	8	0	46,941	5	0
CHF	639	7	0	277	3	0
Total SEK million		1,566			1,232	

Net assets by foreign currency, December 31	2022			2021		
	Currency, thousands	SEK millions	Distribution %	Currency, thousands	SEK millions	Distribution %
USD	36,413	418	26	28,374	257	19
GBP	-11,695	-112	-7	2,099	26	2
CNY	23,556	36	2	13,389	19	1
JPY	382,960	30	2	296,516	23	2
EUR	-1,166	-13	-1	-1,512	-15	-1
KRW	674,429	6	0	625,109	5	0
CHF	18	0	0	19	0	0
INR	936	0	0	-2,410	-0	-0
SGD	-214	-0	0	-	-	-
SEK	1,272,578	1,273	78	1,024,591	1,025	75
Total SEK million		1,637	100		1,371	100

10 Significant Accounting Estimates

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. 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 recognized in the income statement if the carrying amount exceeds the recoverable amount. At the end of the year, the Group's goodwill was SEK 794 (741) million.

Acquired trademark assets are also tested for impairment annually or more frequently if changes indicate impairment. 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 year, the value of the Group's trademarks was SEK 30 (26) million. See also note 13.

Capitalized development expenditure

Development expenses are capitalized in accordance with the accounting principles in section 6.1 Intangible assets on pages 67–68.

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 136 (128) 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 23 (24) 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.

Deferred tax assets

Biotage recognizes tax loss carryforwards on the basis of how they are expected to be utilized against future profit and the extent to which the company can demonstrate that it is probable that such profit will be available in future periods before the unused tax losses expire. Tax loss carryforwards are mainly associated with US companies. When determining the value of tax losses carried forward, an assessment is made of the coming year's tax credits and the countries in which they are expected to occur. Biotage bases this on management's assessments of each company's development and results in future years. Should the Group be unable to realize its plans, an impairment loss would have to be recognized for this item. Similarly, the value of tax losses can be affected by changes in legislation regarding their utilization and changes in tax rates. After reduction by the used amount and based on a new assessment at the end of the year, recognized deferred tax assets arising from unused tax losses amounted to SEK 6 (6) million, corresponding to a tax effect of SEK 31 (31) million in historical tax losses. See also note 24.

Intra-group loans as increased net investment

Intra-group balances are reviewed continuously. Loans from the Parent Company to subsidiaries take place, but it has been assessed that they will not be repaid in the near future. Such loans are considered, in accordance with IAS 21, increased net investment, which means that the currency rate effects on such loans are not measured via the income statement, but in other comprehensive income. At the beginning of the year and for most of the year, a loan from the parent to Pyrosequencing, Inc. was considered to be one such increased net investment. Following a review of the repayment options and subsequent settlement, the loan was repaid. The effects that were previously recognized in other comprehensive income were transferred to the income statement in 2022 in connection with the repayment of this loan.

Notes

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

	Group		Parent Company	
	2022	2021	2022	2021
BOARD AND SENIOR EXECUTIVES*)				
Board of Directors				
Female	3	2	3	2
Male	3	4	3	4
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	158	150	–	–
Male	359	347	1	1
Total	517	497	1	1

	Group		Parent Company	
	2022	2021	2022	2021
SALARIES AND BENEFITS				
Board and CEO	14	9	14	9
Other senior executives	7	5	–	–
Other employees	399	316	–	–
Total salaries and benefits	419	329	14	9
CONTRACTUAL AND STATUTORY SOCIAL SECURITY CONTRIBUTIONS				
Board and CEO	3	3	3	3
Other senior executives	2	2	–	–
Other employees	75	64	–	–
Total contractual and statutory social security contributions	80	68	3	3
Pension expenses **)				
Board and CEO	1	1	1	1
Other senior executives	2	2	–	–
Other employees	17	19	–	–
Total pension expenses	20	22	1	1
Total salaries, social security contributions and pension expenses	519	420	18	13

*) A presentation of Board members and senior executives can be found on pages 118-119.

**) 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 2022 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 (4) 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 0.02258 (0.03179) and 0.01280 (0.01210) percent. 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 percent. If Alecta's collective consolidation level falls below 125 percent or exceeds 155 percent, 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 2022, Alecta's surplus, which was reported as a collective consolidation level, was 172 (172) percent.

NOTE 1 cont'd.

Average number of employees by Parent Company and country

	2022			2021		
	Total	Male	Female	Total	Male	Female
Parent, Sweden	1	1	–	1	1	–
Subsidiaries, Sweden	98	62	36	99	63	36
US	137	104	33	129	96	33
UK	172	110	62	164	110	54
Germany	16	14	2	16	14	2
France	5	4	1	5	4	1
China	32	25	7	31	24	7
Japan	32	23	9	31	22	9
South Korea	11	7	4	8	4	4
India	11	7	4	12	8	4
Singapore	2	1	1	–	–	–
Switzerland	1	1	–	1	1	–
Total employees	517	359	158	497	347	150
Distribution %		70%	30%		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.

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 percent of his fixed annual salary. Other senior executives receive variable pay up to a maximum of 40 percent 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.

Board of directors

The 2022 Annual General Meeting adopted Board fees of SEK 2,550,000 for the period until the 2023 Annual General Meeting, including remuneration for committee work. The Chairman will receive SEK 725,000 and each of the other Board members elected by the general meeting who are not employed by the company will receive SEK 300,000. 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

NOTE 1 CONT'D.

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.

The 2021 Annual General Meeting adopted Board fees of SEK 2,345,000 for the period until the 2022 Annual General Meeting. The Chairman's fees accounted for SEK 675,000 of this amount. In addition, a fee for the members of the Audit Committee was adopted, amounting to SEK 160,000, of which SEK 90,000 goes to the chairperson and the fee for the Compensation Committee will amount to SEK 110,000, of which SEK 60,000 goes to the chairperson.

President & CEO

The President & CEO receives a basic annual salary of SEK 3,480,000. In addition to the basic salary, a vacation allowance is paid in accordance with the Swedish Annual Leave Act. The President & CEO also receives variable pay and a pension, and is entitled to termination benefits, which are described below.

Variable pay and other benefits

President & CEO Tomas Blomquist receives variable pay of up to 100 (100) percent 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 is 67 years. The pension premium is 30 percent of the pensionable salary. The pensionable salary is the basic salary.

Termination of employment/termination benefits

The company's employment contract with Tomas Blomquist as CEO is valid until further notice with a mutual six-month period of notice. If either party terminates the contract, the company has the right to demand that the CEO resign from his post with immediate effect. However, the CEO is 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 is – 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.

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

NOTE 1 CONT'D.

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 percent of the CEO's fixed annual salary. In addition to the fixed annual salary, the CEO receives variable pay of up to 100 percent 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 two individuals, who report directly to the CEO.

All members of company management receive a fixed annual salary which is in line with market salaries, and variable pay of up to 40 percent of the fixed annual salary each year. Seventy-five percent 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 percent 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 percent 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 percent of the fixed annual salary.

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.

NOTE 1 CONT'D.

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.

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. 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, 2022	127,819	151,599	–
Newly issued performance shares	–	–	168,926
Expired performance shares	–	–	–
Closing number, December 31, 2022	127,819	151,599	168,926

Scope and costs of LTIP

Nine participants, including the CEO, have been granted 127,819 rights to performance shares under LTIP 2020. 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. 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.

The cost of LTIP 2020 for the year amounted to SEK 7 million, including social security contributions. The equivalent cost of LTIP 2021 was SEK 7 million, and SEK 5 million for LTIP 2022. The total cost of the share programs as at the reporting date was calculated

at SEK 17 million for LTIP 2020, SEK 22 million for LTIP 2021 and SEK 25 million for LTIP 2022.

Effects on key figures and dilution

To secure the allotment of performance shares to the participants, the AGM approved Biotage's issue and repurchase of class C shares. Further information about the terms and conditions of the class C shares can be found in the appendix to the minutes of the 2020, 2021 and 2022 AGMs on the Biotage website. The issue and repurchase took place in 2022 at a book value of SEK 1.39 per share. Share capital thus increased by SEK 338,205.

On maximum allotment of performance shares under LTIP 2020, 127,819 ordinary shares will be allotted to participants and 40,161 ordinary shares will be used to cover any social security contributions. This will have a dilutive effect of about 0.25 percent of the number of ordinary shares in the company. On maximum allotment under LTIP 2021, 151,599 ordinary shares will be allotted to participants and 47,130 ordinary shares will be used to cover any social security contributions associated with LTIP 2021. This will have a dilutive effect of about 0.30 percent of the number of ordinary shares in the company. On maximum allotment under LTIP 2022, 196,171 ordinary shares will be allotted to participants and 47,081 ordinary shares will be used to cover any social security contributions associated with LTIP 2022. This will have a dilutive effect of about 0.37 percent 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 15 million during the year. Cash flow is not affected.

NOTE 1 CONT'D.

Salaries other benefits, accrued expenses

SEK thousands	Board fees	
	2022	2021
CHAIRMAN OF THE BOARD:		
Torben Jørgensen	817	732
BOARD MEMBERS:		
Thomas Eklund	105	317
Karen Sørensen	220	–
Mark Bradley	293	262
Peter von Ehrenheim	390	307
Åsa Hedin	335	287
Karolina Lawitz	322	287
Total accrued cost for Board members	2,482	2,190

SEK thousands	Basic salary	Variable pay	LTIP	Other benefits	Pension expense	Other remuneration	Total
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
SENIOR EXECUTIVES, 2021:							
CEO Tomas Blomquist	3,300	3,300	1,541	123	904	327	9,496
Other senior executives (3 individuals)	3,847	642	681	124	2,263	332	7,888
Total accrued cost for senior executives, 2021	7,147	3,942	2,222	247	3,167	659	17,384

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 9.3.

Income statement classified by nature of expense	Group		Parent Company	
	2022	2021	2022	2021
OPERATING INCOME				
Net sales	1,566	1,232	6	4
Operating expenses				
Purchased finished products, inputs, semi-finished products and production services	-464	-361	–	–
Personnel expenses	-536	-420	-17	-12
Other external costs	-188	-145	-15	-10
Recognition of capitalized development expenses	32	30	–	–
Depreciation, amortization and impairment of assets	-101	-75	-1	-2
Other operating items	19	12	0	-1
Total operating expenses	-1,239	-960	-33	-25
Operating profit	327	271	-27	-21

NOTE 3 Composition of Income

Distribution between products and services

	Group		Parent Company	
	2022	2021	2022	2021
Products, systems	1,384	1,112	–	–
Service contracts and other services	170	111	6	4
Other sales revenue	12	9	–	–
Total sales revenue	1,566	1,232	6	4

Distribution between customer application areas

	Group	
	2022	2021
White Tech	993	833
Red Tech	395	256
Blue and Green Tech	178	143
Total sales revenue	1,566	1,232

Revenue by geographical market and product area 2022

	Small Molecules & Synthetic Therapeutics	Biologics & Advanced Therapeutics	Scale-Up	Diagnostics	Analytical Testing	Water & Environmental Testing	Total
North and South America	248	55	58	4	207	88	660
ASEAN	1	0	0	12	1	2	16
EMEA	159	7	90	29	95	14	394
Japan	79	1	16	–	17	2	115
China	202	–	5	–	24	1	232
EMEA and APAC, Distribution	18	2	2	–	24	10	56
South Korea	38	1	5	–	12	5	61
India	25	–	5	–	2	–	32
Total sales revenue	770	66	181	46	382	122	1,566
Sweden's share of sales in Europe							18

Revenue by geographical market and product area 2021

	Small Molecules & Synthetic Therapeutics	Biologics & Advanced Therapeutics	Scale-Up	Diagnostics	Analytical Testing	Water & Environmental Testing	Total
North and South America	189	25	52	1	152	61	480
ASEAN	1	–	–	2	3	1	7
EMEA	143	8	97	6	69	14	337
Japan	81	3	10	–	15	2	111
China	141	–	6	–	24	2	173
EMEA and APAC, Distribution	14	–	2	–	18	9	43
South Korea	32	1	5	1	11	4	54
India	22	–	3	–	1	–	26
Total sales revenue	623	37	175	10	293	93	1,232
Sweden's share of sales in Europe							17

NOTE 3 cont'd.

Revenue by sales channel

	2022	2021
Direct sales through own sales channels	1,500	1,176
Sales through distributors	66	56
Total sales revenue	1,566	1,232

Point in time of transfer of goods and services

	2022	2021
Goods transferred at a point in time	1,384	1,112
Services transferred at a point in time	90	45
Service contracts and other services transferred over a period of time	92	74
Total sales revenue	1,566	1,232

Distribution between system and aftersales

	2022	2021
Systems	747	583
Services	203	136
Consumables	616	513
Total sales revenue	1,566	1,232

Contractual balances

	12/31/2022	12/31/2021
Contract assets	–	–
Contract liabilities:		
Prepaid income, service contracts	88	63
Contractual balances, net	88	63

Of the contractual liabilities on December 31, 2020, SEK 44 (43) million was recorded as revenue for 2022.

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

	2022	2021
2022	–	44
2023	60	9
2024	13	5
2025	8	3
2026	4	1
2027	2	0
2028	1	0
2029	0	–
2029	0	–
Total	88	63

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	
	2022	2021
Parent to subsidiary, services	6	4
Subsidiary to parent	0	0
Total intra-group sales	6	4

NOTE 3 cont'd.

Reclassification

Biotage decided to update its product area classifications from January 1, 2022 to better reflect how Biotage's customers use the products.

The area that was formerly Analytical Chemistry has been divided into the product areas Analytical Testing and Water & Environmental Testing. The part of the Scale-Up product segment that came with the acquisition of ATDBio, Ltd. has been divided out within the Diagnostics product segment. The Organic Chemistry product segment changed its name to Small Molecules & Synthetic Therapeutics, and the Biomolecules product segment became Biologics & Advanced Therapeutics. The changes are shown in the table:

Previous name	Previously reported		After change	
	2021	Change	2021	New name
Organic Chemistry	622	–	622	Small Molecules & Synthetic Therapeutics
Biomolecules	38	1	39	Biologics & Advanced Therapeutics
Scale-Up	186	-47	139	Scale-Up
–	–	46	46	Diagnostics
Analytical Chemistry	386	-93	293	Analytical Testing
–	–	93	93	Water & Environmental Testing
Total	1,232	–	1,232	

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	
	2022	2021	2022	2021
FEES TO THE AUDITORS PWC				
Audit services	2	2	2	1
Other assistance arising from audit	0	0	0	–
Tax advisory services	0	0	0	0
Other advice and assistance	–	0	–	0
OTHER AUDITING FIRMS				
Audit services	0	0	–	–
Other assistance arising from audit	–	–	–	–
Tax advisory services	0	–	–	–
Total	2	2	2	1

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 9.3.

NOTE 6 Depreciation, Amortization and Impairment of Assets

Depreciation, amortization and impairment by class of assets

	Group		Parent Company	
	2022	2021	2022	2021
Capitalized development expenditure	24	24	–	–
Patents, licenses and trademarks	34	16	1	1
Land and buildings	1	0	–	–
Right-of-use assets	26	22	–	–
Improvement of third-party property	2	1	–	–
Plant and machinery	14	11	–	–
Total depreciation/amortization	101	74	1	1
Disposals	0	1	0	1
Total depreciation/amortization and impairment	101	75	1	2

Depreciation, amortization and impairment by function of expense

	Group		Parent Company	
	2022	2021	2022	2021
Cost of sales	13	11	–	–
Distribution costs	37	21	–	–
Administrative expenses	11	9	0	0
Research and development	41	35	1	2
Total depreciation/amortization and impairment	101	75	1	2

NOTE 7 Other Operating Income

	Group		Parent Company	
	2022	2021	2022	2021
Exchange differences	35	16	0	0
Other operating income	2	1	–	–
Total other operating income	37	17	0	0

NOTE 8 Finance Income, Finance Costs and Borrowing

	Group		Parent Company	
	2022	2021	2022	2021
FINANCE INCOME:				
Interest income on financial assets	2	0	0	-
Change in value of other financial assets	5	-	5	-
Profit/loss from investments in Group companies	-	-	338	9
Interest income on receivables from Group companies	-	-	2	3
Currency effects, net	-	-	24	8
Remeasurement of additional consideration	28	10	-	-
Group contributions received	-	-	36	29
Total	35	10	405	49
FINANCE COSTS:				
Interest expense and similar payments to banks	-5	-3	-4	-2
Currency effects, net	-9	-9	-	-
Other finance costs	-	-0	-	-
Total	-14	-12	-4	-2
Net finance income/expense	21	-2	401	47

NOTE 9 Taxes

	Group				Parent Company			
	2022		2021		2022		2021	
	%	SEK millions	%	SEK millions	%	SEK millions	%	SEK millions
Taxes reported in profit/loss for the year								
Reported profit before tax		348		269		374		25
Tax using parent's applicable tax rate	-20.6	-72	-20.6	-55	-20.6	-77	-20.6	-5
Effect of different tax rates for foreign subsidiaries	-1.3	-4	-0.9	-2	0.0	-	0.0	-
Corrections, prior years	0.0	-0	-0.7	-2	0.0	-	-1.2	-0
Non-taxable income	2.4	8	0.8	2	18.9	71	9.1	2
Non-deductible expenses	-2.3	-8	-0.8	-2	-0.2	-1	-0.5	-0
Other taxable income statement items not included in profit for the year	0.1	0	-0.5	-1	0.0	-	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	0.0	-	2.9	8	0.0	-	0.0	-
Tax effect of occurrence and reversal of other temporary differences	-2.5	-7	4.8	13	0.0	-	-4.3	-1
Other	-0.7	-3	-0.3	-1	0.0	-	0.0	-
Current tax expense	-25.0	-87	-15.2	-41	-1.9	-7	-17.5	-4
Reversal of previously recognized loss carryforwards			-2.9	-8	0.0	-	0.0	-
Tax effect regarding new assessment of losses	0.0	-	-0.6	-1	0.0	-	0.0	-
Tax effect of occurrence and reversal of other temporary differences	1.9	7	-4.8	-13	0.0	-	0.0	-
Effect of change in tax rate	0.0	-	-0.9	-2	0.0	-	0.0	-
Other	0.1	0	0.4	1	0.0	-	0.0	-
Deferred tax expense	2.0	7	-8.7	-23	0.0	-	0.0	-
Total tax reported in consolidated and parent income statements	-23.0	-80	24.0	-65	-1.9	-7	-17.5	-4
Items in other comprehensive income		84		67				
Tax effects of these items		-5		-4				

NOTE 10 Property, Plant and Equipment

	Land and buildings		Improvement of third-party property		Plant, machinery and other technical equipment	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021
COST						
Opening balance, January 1	18	15	24	13	171	123
Acquisitions during the year	2	1	3	10	30	14
Investments in subsidiaries for the year	0	–	–	–	–	27
Disposals during the year	–	–	-1	–	-6	-3
Sub-total	19	16	27	23	195	161
Translation differences for the year	1	2	1	1	9	10
Closing balance, December 31	20	18	28	24	204	171
ACCUMULATED DEPRECIATION AND IMPAIRMENT						
Opening balance, January 1	-7	-6	-12	-10	-119	-83
Amortization for the year	0	-0	-3	-1	-14	-11
Investments in subsidiaries for the year	–	–	–	–	–	-21
Disposals during the year	–	–	1	–	6	2
Sub-total	-7	-6	-15	-11	-127	-113
Translation differences for the year	0	-1	0	-1	-7	-6
Closing balance, December 31	-7	-7	-15	-12	-134	-119
Carrying amount	13	11	13	12	70	52

NOTE 11 Right-of-use Assets

	Group	
	12/31/2022	12/31/2021
COST		
Opening balance, January 1	110	88
Acquisitions during the year	39	22
Disposals during the year	-22	-5
Sub-total	127	105
Translation differences for the year	6	5
Closing balance, December 31	133	110
ACCUMULATED AMORTIZATION AND IMPAIRMENT		
Opening balance, January 1	-58	-37
Amortization for the year	-26	-22
Disposals/impairment during the year	21	3
Sub-total	-63	56
Translation differences for the year	-3	-2
Closing balance, December 31	-67	-58
Carrying amount	66	52

The carrying amount for right-of-use assets, SEK 67 million, is distributed as follows – premises: SEK 57 million and vehicles: SEK 10 million.

NOTE 12 Goodwill

Cost:	Group	
	12/31/2022	12/31/2021
Opening balance, January 1	1,195	744
Investments in subsidiaries for the year	7	421
Sub-total	1,202	1,165
Translation differences for the year	46	30
Closing balance, December 31	1,248	1,195
Opening impairment	-454	-454
Total depreciation/amortization and impairment	-454	-454
Closing accumulated impairment	-454	-454
Carrying amount	794	741

Goodwill impairment testing

Preparation of the 2022 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 2023 and business forecasts for 2024–2027 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 8.0 (8.0) percent has been used in the impairment testing until the end of the forecast period in 2027. After this period, the assumed growth rate will be 2.0 (2.0) percent, 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 percent in the discount rate, a change of 4 percent in sales growth during the forecast period or an adjustment of 5 percent in the gross margin would not give rise to impairment. The discount rate is higher for 2022 in comparison with 2021, which is mainly due to higher overall interest rates.

	2022	2021
Equity financing	9.96%	8.27%
Debt financing	3.11%	2.33%
Average based on Group's capital structure	9.83%	8.23%
The pre-tax discount rate has been calculated as:	12.20%	9.98%

NOTE 13 Other Intangible Assets

Patents, licenses, trademarks, etc.

	Patents, licenses, trademarks				Capitalized development expenditure			
	Group		Parent Company		Group		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021
COST:								
Opening balance, January 1	263	220	32	17	322	293	-	-
Acquisitions during the year	4	4	2	2	32	30	-	-
Acquisitions	-	60	-	-	-	-	-	-
Reclassifications	0	-	-	15	-	-	-	-
Disposals during the year	-8	-35	-	-2	-24	-	-	-
Sub-total	259	248	33	32	330	322	-	-
Translation differences for the year	25	15	-	-	-	-	-	-
Closing balance, December 31	284	263	33	32	330	322	-	-
ACCUMULATED AMORTIZATION AND IMPAIRMENT								
Opening balance, January 1	-78	-91	-19	-5	-194	-171	-	-
Amortization for the year	-34	-17	-1	-1	-23	-24	-	-
Reclassifications	0	-	-	-15	-	-	-	-
Disposals during the year	8	34	-	2	24	-	-	-
Sub-total	-104	-73	-20	-19	-194	-194	-	-
Translation differences for the year	-7	-4	-	-	-	-	-	-
Closing balance, December 31	-111	-78	-20	-19	-194	-194	-	-
Carrying amount	172	185	13	13	136	128	-	-

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

Distribution by country:	Group		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Sweden	293	277	13	13
US	379	327	-	-
UK	572	554	-	-
Japan	4	6	-	-
China	11	12	-	-
Other countries	6	5	-	-
Total	1,264	1,182	13	13

NOTE 15 Financial Assets

	Group		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Other securities	15	10	15	10
Miscellaneous non-current receivables	-	0	-	0
Miscellaneous long-term deposits	6	4	-	-
Total financial assets	21	14	15	10

NOTE 16 Inventories

	Group	
	12/31/2022	12/31/2021
Raw materials and consumables	81	57
Products in progress	41	31
Finished products	183	149
Total inventories	305	237

Obsolescence of SEK 6 (2) million was recognized during the year. The obsolescence reserve on December 31 was SEK 22 (20) million.

NOTE 17 Trade and Other Receivables

	Group		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Trade receivables (a)	223	180	–	–
Prepayments and accrued income (b)	25	19	17	2
Other current receivables (c)	37	27	130	8
Total trade and other receivables	285	226	147	10

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	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Allowance for expected credit losses at beginning of year	-2	-5	–	–
Trade receivables written off during the year	0	0	–	–
Allowance for expected credit losses for the year	-2	0	–	–
Reversal of unused amounts	0	2	–	–
Total expected credit losses	-4	-2	–	–

Aging of trade receivables, Group	12/31/2021		
	Gross	Expected credit losses	Trade receivables
Not due	139	-1	138
Past due, 1-30 days	31	0	30
Past due, 31-60 days	8	0	8
Past due, > 61 days	6	-1	4
Total	182	-2	180

	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

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	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Prepaid rents	4	4	–	–
Prepaid insurance	3	3	2	1
Accrued income	5	–	–	–
Other items	15	11	15	1
Total	25	19	17	2

(c) Other current receivables	Group		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
VAT	3	13	0	0
Income tax	–	1	–	–
Other current receivables	34	13	130	8
Total	37	27	130	8

NOTE 18 Appropriation of Profit

Proposed appropriation of profit for the fiscal year, SEK

Amounts at the disposal of the Annual General Meeting:

Share premium reserve	257,542,096
Retained earnings	368,069,542
Profit for the year	369,210,805
Total	994,822,443

Board and CEO's proposed appropriation:

Dividend payment of SEK 1.60 per share to shareholders	105,574,040
Carried forward	889,248,403
Total	994,822,443

NOTE 19 Liabilities to Credit Institutions

	Group		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
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 6.6, is as follows:

	Classification	Carrying amount	Classification	Carrying amount
		12/31/2022		12/31/2021
ASSETS				
Non-current receivables	1)	6	1)	4
Other securities held as non-current assets	2)	15	2)	10
Trade receivables	1)	223	1)	180
Other current receivables	1)	37	1)	27
Cash and cash equivalents	1)	441	1)	311
Total		722		532
LIABILITIES				
Non-current liabilities to credit institutions	1)	150	1)	150
Trade payables	1)	57	1)	56
Additional consideration	2)	22	2)	47
Short and long-term lease liability	1)	67	1)	53
Other current liabilities	1)	43	1)	24
Accrued expenses	1)	112	1)	91
Total		451		421

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	4
Current receivables	207
Cash and cash equivalents	311
Closing balance, December 31, 2021	522
Non-current receivables	6
Current receivables	260
Cash and cash equivalents	441
Closing balance, December 31, 2022	707
FINANCIAL LIABILITIES AT AMORTIZED COST	
Non-current liabilities	180
Current liabilities	194
Closing balance, December 31, 2021	374
Non-current liabilities	192
Current liabilities	237
Closing balance, December 31, 2022	429

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 has a financial asset in the form of shares in Chreto ApS, previously reported as investments in associates. Following reclassification, the shares were 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 2022. The higher issue prices affected net financial items and profit/loss in the consolidated income statement in the amount of SEK 5 million.

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.

During the second quarter of 2022, an additional consideration of SEK 2 million was paid based on the acquired company's performance in 2021. For 2022, which is settled in 2023, it has been assessed that the additional consideration amounts to SEK 7 million. The company's best estimate of the fair value on December 31, 2022 is SEK 22 million. 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. If sales in the forecast period were to be 10 percent higher than estimated, this would mean a higher provision of 15 percent.

NOTE 21 cont'd.

The fair value measurement of the additional consideration entails a net value adjustment of SEK 9 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 AT FAIR VALUE				
Other securities held as non-current assets	10	–	10	–
Closing balance, December 31, 2021	10	–	10	–
Other securities held as non-current assets				
Closing balance, December 31, 2022				
FINANCIAL LIABILITIES AT FAIR VALUE				
Additional consideration	47	–	–	47
Closing balance, December 31, 2021	47	–	–	47
Additional consideration	22	–	–	22
Closing balance, December 31, 2022	22	–	–	22

There were no transfers between the levels during the periods.

NOTE 22 Other Financial Liabilities

	Group		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
CHANGES DURING THE YEAR				
Opening balance, January 1	47	53	56	–
New financial liabilities during the year	–	–	0	36
Translation differences	7	4	4	–
Amounts used during the year	-30	-10	–	–
Closing balance, December 31	25	47	60	56
THE LIABILITY CONSISTS OF:				
Non-current portion	17	45	60	56
Current portion	8	2	–	–
Total	25	47	60	56

NOTE 23 Provisions

	Group		
	12/31/2022	12/31/2021	
Provision for warranties	5	10	
Other personnel-related provisions	3	3	
Total provisions	8	13	
The provisions consist of:			
Non-current portion	3	3	
Current portion	5	10	
Total	8	13	
Changes during the year, Group			
	Warranty obligations	Other provisions	Total
Opening balance, January 1, 2022	10	3	13
New provisions during the year	5	0	5
Amounts used during the year	-10	–	-10
Closing balance, December 31, 2022	5	3	8

Provision for warranties:

Biotage normally provides a one-year warranty on its products. The reported provision for warranties corresponds to a percentage of the year's sales. The percentage 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	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
DEFERRED TAX ASSETS				
Tax loss carryforwards	6	6	–	–
Inventories	13	10	–	–
Other deferred tax assets	3	6	–	–
Total deferred tax assets	23	22	–	–
DEFERRED TAX LIABILITIES				
Intangible assets	-64	-65	–	–
Other deferred tax liabilities	-6	-8	–	–
Total deferred tax liabilities	-71	-73	–	–
Total deferred tax assets and liabilities	-48	-51	–	–

Change in deferred tax	Deferred tax assets	Deferred tax liabilities	Net
GROUP			
Opening balance, January 31, 2021	26	-33	-7
Acquisitions	–	-16	-16
Change in other comprehensive income	1	-5	-4
Recognized in income statement	-5	-19	-24
Closing balance, December 31, 2021	22	-73	-51
January 1, 2022 to December 31, 2022			
Change in other comprehensive income	–	-5	-5
Recognized in income statement	0	7	7
Closing balance, December 31, 2022	23	-71	-48
PARENT COMPANY			
Opening balance, January 1, 2021	–	–	–
Recognized in income statement	–	–	–
Closing balance, December 31, 2021	–	–	–
Recognized in income statement	–	–	–
Closing balance, December 31, 2022	–	–	–

Recognition of loss carryforwards

Some of the losses related to US subsidiaries expire in the period 2022-2031. It is estimated that a total of SEK 30 million could be utilized. There is no additional, unrecognized loss in the Group. Further information on accounting principles is provided in section 10 on estimates and assessments.

NOTE 25 Trade Payables and Other Payables

	Group		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Liabilities to suppliers	57	56	3	3
Other current liabilities	41	24	–	5
Accrued expenses and deferred income (a)	203	160	26	11
Total trade and other payables	301	240	29	19
(A) ACCRUED EXPENSES AND DEFERRED INCOME				
Personnel-related expenses	72	66	9	8
Deferred income	91	68	–	–
Other accrued expenses	40	25	17	3
Total	203	160	26	11

NOTE 26 Statement of Cash Flows

Other adjustments for non-cash items	Group		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Exchange differences	–	–	-20	–
Share-based remuneration	15	7	15	7
Change in provisions	-6	–	–	–
Capital gain on sale of non-current assets	1	3	–	–
Other	-3	-1	–	-7
Total	7	9	-5	0

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

	Liabilities to credit		
	institutions	Lease liabilities	Total
Opening balance, January 1, 2021	-110	-52	-162
Cash flow from financing activities	-40	24	-16
New leases	–	-25	-25
Closing balance, December 31, 2021	-150	-53	-203
Cash flow from financing activities	–	-30	-30
New leases	–	16	16
Closing balance, December 31, 2022	-150	-67	-217

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 2022	Investments during year	Impairment during year	Carrying amount CB 2022
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, United Kingdom	1,000	100%	100%	697	7	–	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	–	0
Total carrying amount						1,134	7	–	1,141

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	Carrying amount CB 2022
Biotage LLC	Pyrosequencing, Inc.	04-3535072	Charlotte, USA		100%	100%	259
Horizon Technology, Inc.	Pyrosequencing, Inc.	02-0457387	Salem, USA	209,346	100%	100%	186
PhyNexus Inc.	Pyrosequencing, Inc.	37-1916129	San Jose, USA	483,332	100%	100%	223
Biotage Italy S.r.l	Biotage GmbH	IT03617450964	Milan, Italy	1	10%	10%	0
Total							668

Changes to the carrying amount of subsidiaries' shareholdings are due to translation differences during conversion to Swedish kronor.

	2022	2021
PARENT COMPANY		
Opening cost, January 1	1,540	940
Investments during the year	7	697
Mergers	–	-97
Closing accumulated cost, December 31	1,547	1,540
Opening impairment, January 1	-406	-468
Mergers	–	62
Closing accumulated impairment	-406	-406
Closing accumulated carrying amount, December 31	1,141	1,134

NOTE 28 Business Acquisitions

On October 20, 2021, Biotage AB acquired 100% of the share capital of ATDBio Ltd (ATDBio).

The acquisition of ATDBio means that Biotage is providing important platform solutions for the synthesis and purification of DNA and RNA-oligonucleotides. This technology is used for applications in the development of new drugs, molecular diagnostics (such as PCR testing), therapies based on nucleic acids and the new generation technology for DNA and RNA sequencing. The acquisition of the UK company is expected to significantly broaden and strengthen Biotage as a leading supplier of tools and services in the life sciences and impact tech sectors. ATDBio was founded in 2005 by Professor Tom Brown Sr, a recognized expert in nucleic acid chemistry.

ATDBio's expertise in highly complex DNA and RNA production gives Biotage access to this market, as well as expertise in the rapidly growing DNA and RNA-oligonucleotide sectors. It is a market currently driven by the demand for high quality DNA and RNA molecules as well as other oligonucleotide analogues in light of the coronavirus pandemic, plus the potential for other nucleic acid-based therapies, vaccines and molecular diagnostics.

Preliminary information about the purchase consideration, acquired net assets and goodwill is shown below.

Preliminary purchase consideration, million SEK:

Cash and cash equivalents	426
Assumption of liabilities	7
Ordinary shares issued	201
Total purchase consideration	634

The fair value of the 781,991 ordinary shares issued as part of the purchase price for ATDBio, SEK 201 million, is based on the share price for Biotage AB on October 20, 2021, of SEK 256.6 per share.

The fair value of acquired net assets is estimated to be SEK 634 million, and distribution is preliminarily proposed as follows:

Plant and machinery	7
Intangible assets: technology	22
Intangible assets: customer relationships	36
Inventory	2
Trade receivables	10
Other operating receivables	6
Cash and cash equivalents	152
Trade payables	-1
Other operating liabilities	-2
Current liabilities	-3
Deferred tax	-16
Acquired identifiable net assets	213
Goodwill	421
Acquired net assets	634

Goodwill is attributable to the employees and the high profitability in the acquired operations. None of the reported goodwill is expected to be tax-deductible.

Transaction costs related to the acquisition have been expensed on an ongoing basis, and have been charged against earnings in the amount of SEK 8 (o) million and included in administrative expenses in the income statement.

The acquisition affected Group cash flow as follows:

Cash and cash equivalents	-426
Transaction costs	-8
Acquired cash and cash equivalents	152
Total effect on cash and cash equivalents	-282

The acquisition contributed income of SEK 10 million and a net profit of SEK 1 million for the period from October 20 to December 31, 2021. If the acquisition had been completed on January 1, 2021, the consolidated pro forma for income and earnings on December 31, 2021 would show SEK 1,291 million and SEK 205 million, respectively. These amounts have been calculated using the subsidiary's result with adjustment for differences in accounting policies between the Group and subsidiary, and additional amortization that would have arisen if the fair value adjustment for intangible assets had been applied as of January 1, 2021, together with attributable tax effects.

NOTE 28 cont'd.

The final purchase consideration was determined as SEK 642 million in 2022 and the difference was paid in cash. The difference was attributed in its entirety to goodwill.

Additional consideration

Under certain conditions, additional compensation as described below may be paid to the sellers of ATDBio. The conditions stipulate that certain named key persons be employed by the Group for a period of 1.5–3 years, that a consulting relationship continue, and that the named key persons do not breach certain commitments in accordance with the purchase agreement.

Due to the rules on conditional payments to employees or selling shareholders in IFRS 3 Business Acquisitions, this additional remuneration is not reported as part of the acquisition price, but as a separate payment that is expensed when earned. The reason that the sales force agreement has been designed in this way is the great value that lies in the transfer of expertise from the sales force to Biotage.

Possible undiscounted amounts due under the agreement are either GBP 5 million, corresponding to SEK 63 million as of December 31, 2022, provided that all conditions are met, or SEK 0, in the event that any of the conditions are breached.

The cost is reported over the duration of the conditions, three years from the date of acquisition, as the terms and conditions are met. The reported amount is calculated at present value, so that the cost is divided between operating cost and financing cost.

NOTE 29 Pledged Assets and Contingent Liabilities

	Group		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Contingent liabilities				
Guarantees, subsidiaries	160	–	160	24
Total	160	–	160	24
Pledged assets				
Chattel mortgages	52	–	23	–
Total	52	–	23	–

In connection with the acquisition of ATDBio, Ltd., an agreement was reached on an additional purchase consideration of GBP 5 million, which may become due if certain conditions are met. 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 35 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

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 (-)	
		2022	2021	2022	2021	2022	2021	2022	2021
Biotage Sweden AB	SE	120	-	-	128	1	1	-	-
Biotage Sweden AB	SE	-	-	-	-	-0	-0	-	-
Biotage Japan	JP	-	-	-	-	0	-	-	-
Biotage LLC	US	2	1	-	-	2	1	-	-
Biotage SARL	FR	-	-	-	-	0	0	-	-
Biotage GmbH	DE	12	16	-	-	0	0	0	1
Biotage Ltd.	JP	-	-	-	-	-	0	-	0
Biotage GB Ltd.	GB	-	-	-	-	2	1	-	-
ATDBio Ltd.	GB	0	-	-	129	0	-	-	-
Biotage Korea Co., Ltd.	KO	0	-	-	-	0	0	-	-
Biotage India Pvt Ltd.	IN	1	0	-	-	0	0	-	-
Pyrosequencing, Inc.	US	-	115	-	-	-	-	2	2
Phynexus Inc.	US	-	-	-	-	-	0	-	-
Biotage Singapore PTE. Ltd.	SG	2	-	-	-	-	-	-	-
Biotage Switzerland GmbH	CH	-	-	-	-	0	0	-	-
		137	132	-	257	6	4	2	3

NOTE 31 Significant Events After the Reporting Date

After the end of the reporting period, on February 15, 2023, Biotage entered into an agreement to acquire 100 percent of the shares and votes in Astrea Group Holdings Company Ltd. ("Astrea") from Gamma Biosciences Newco Limited and from certain minority shareholders the shares in Nanopareil, LLC ("Nanopareil"), a subsidiary of Astrea, that were not already owned by Astrea. The acquisition is subject to the approval of the Annual General Meeting on April 27, 2023.

Astrea supports drug developers and manufacturers worldwide to bring high-purity biopharmaceuticals and advanced therapies to the global markets. Astrea supplies chromatography resins, adsorbents and columns as well as nanofiber-based purification technologies for biomanufacturing. Astrea has over 150 employees worldwide and 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.

The preliminary total purchase price for the acquisition of Astrea and Nanopareil (on a cash and debt-free basis) to be paid when the

transaction is completed on June 1, 2023, is USD 215 million and will be paid in the form of 13,954,103 new ordinary shares in Biotage (number determined based on an agreed share price of SEK 160 per share and adjusted for cash and liabilities in connection with the completion of the transaction). The final purchase price recognized will be based on the closing share price. Any closing adjustments of the purchase price will be settled in cash. The total purchase price (including closing costs) will be calculated when the transaction is completed. This is expected to happen in Q2 2023.

A preliminary division of the purchase price between identifiable net assets and goodwill has not been made given the timing of the acquisition agreement in relation to the publication of this report. The acquisition is expected to generate a significant amount of goodwill. As the acquisition took place after the end of the reporting period, it has not affected the Group's income or expenses. Transaction costs of SEK 15 million associated with the acquisition are recognized under administrative expenses.

Additional consideration

Subject to certain conditions, an additional cash consideration totaling USD 45 million may be paid to the sellers of Astrea and Nanopareil. Payment of this additional consideration is contingent upon Astrea and Nanopareil achieving certain revenue and gross profit goals in the period 2023–2025. The maximum undiscounted amount is USD 45 million or SEK 465 million, based on a USD/SEK exchange rate of 10.342 on February 14, 2023. The closing additional consideration will be calculated in Q2 2023.

NOTE 32 Key Figures and Performance Measures

Alternative performance measures

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.

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	
	12/31/2022	12/31/2021
Average number of shares	65,983,775	65,355,239
Potential shares resulting from LTIP	200,549	109,568
Average number of shares after dilution	66,184,324	65,464,807

Average equity

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

Average capital employed

Average reported capital employed (equity plus interest-bearing liabilities) at the start and end of the period.

Average total equity

Average reported total assets at the start and end of the period.

Gross margin

Gross profit in relation to net sales.

Gross profit

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.

NOTE 32 cont'd.

Adjusted EBIT

To make it easier for the reader to grasp the underlying business adjusted for one-time items related to acquisitions, Biotage also reports results in the form of adjusted EBIT.

	Group	
	12/31/2022	12/31/2021
EBIT	327	271
Adjustment for additional consideration	21	4
Adjustment for transaction costs	15	8
Adjusted EBIT	362	283

EBITA and adjusted EBITA

Biotage reports EBITA – Earnings Before Interest, Taxes and Amortization. EBITA is calculated as operating profit after adding back amortization of intangible assets.

	Group	
	12/31/2022	12/31/2021
Operating profit	327	271
Depreciation of acquisition-related assets	29	12
EBITA	356	284

	Group	
	12/31/2022	12/31/2021
EBITA	356	284
Adjustment for additional consideration	21	4
Adjustment for transaction costs	15	8
Adjusted EBITA	391	296

Equity per share

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

Investments

Acquisition of property, plant and equipment, intangible assets and financial assets during the period.

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 net sales, %	12 months			
	2022		2021	
	SEK thousands	%	SEK thousands	%
Net sales recognized in the comparative period	1,232		1,092	
Net sales recognized in the period*	1,566		1,232	
Recognized change	334	27.1	139	12.7
Net sales for the period at the comparative period's exchange rates	1,372		1,283	
Organic growth	140	11.4	191	17.5

* 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

Information on the Group's net cash/net debt, defined as cash less liabilities to credit institutions, lease liabilities, calculated additional consideration and other interest-bearing liabilities, is reported in order to enable stakeholders and management to monitor and analyze the Group's financial strength.

Net liabilities (SEK thousands)	12/31/2022	12/31/2021
Cash	441	311
Liabilities to credit institutions	-150	-150
Lease-related liabilities	-67	-53
Others	-25	-47
Net cash (+)/ net liabilities(-)	199	61

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

Profit before net financial items and taxes. Consists of gross profit 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. Average capital employed is the sum of capital employed at the beginning and end of the fiscal year divided by two.

Total capital

Total assets. Average total assets is the sum of total assets at the beginning and end of the fiscal year divided by two.

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 27, 2023.

Uppsala, April 5, 2023

Torben Jørgensen
Chairman of the Board

Peter von Ehrenheim
Board Member

Karen Sorensen
Board Member

Åsa Hedin
Board Member

Mark Bradley
Board Member

Karolina Lawitz
Board Member

Daniel Menasco
Employee Representative

Pär Lundgren
Employee Representative

Tomas Blomquist
President and CEO

Our Audit Report was submitted on April 5, 2023

Öhrlings PricewaterhouseCoopers AB

Leonard Daun
Authorized Public Accountant

Auditor's report

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

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Biotage AB (publ) for the year 2022. The annual accounts and consolidated accounts of the company are included on pages 49-108 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2022 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the consolidated statement of comprehensive income and 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 Opinions

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

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

Our audit approach

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated 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 scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the 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 misstatements, both individually and in aggregate on the financial statements as a whole.

Key audit matters

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

Key audit matter: Capitalized Development Expenses

The group's recognized capitalized development costs amounted to SEK 136 million. The item is material from a financial reporting perspective.

The group continuously conducts development work. The purpose of the projects is to develop new products and improve existing ones.

Significant accounting estimates include an assessment of whether the requirements for capitalization are met. As part of its impairment

testing, the group needed to assess a number of factors, such as future cash flows. Due to the degree of estimation involved, it was our assessment that capitalized development expenditure is a key audit area.

In the summary of significant accounting and measurement policies for the group and Parent Company, section 6.1 Intangible assets describes the group's recognition and measurement of items and section 10 Significant accounting estimates describes the assessments the group has made.

How our audit addressed the Key audit matter

Our audit procedures includes among other things the following:

- » We have obtained an understanding of the group's processes for capitalizing development costs and subsequent evaluation.
- » We have examined a sample of the year's capitalized costs to obtain assurance that they qualify for capitalization.
- » We have examined the company's impairment testing.
- » We have examined information provided in the financial statements.

Key audit matter: Timing of revenue recognition

The reporting of various income flows is complex. The group's revenue amounted to SEK 1,566 million and is a material item from a financial perspective.

The group sells systems, reagents and services to distributors and users globally. There is a risk of incorrectly accrued revenue in connection with delivery of goods. This circumstance in combination with the materiality of the item makes this a key matter for our audit.

In the summary of significant accounting and measurement policies for the group and the Parent Company, section 7.1. Revenue recognition describes the group's reporting revenue recognition principles.

How our audit addressed the Key audit matter

Our audit procedures includes among other things 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.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts which is presented on pages 1-48 and 114-123 and includes the Sustainability Report. Information in the “2022 Remuneration Report” for the Biotage Group, published on the company’s website on April 6, 2023 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 conclusion regarding this other information.

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

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

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the

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

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director’s responsibilities and tasks in general, among other things oversee the company’s financial reporting process.

Auditor’s responsibility

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

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen’s website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor’s report.

Report on other legal and regulatory requirements

The auditor’s audit of the administration of the company and the proposed appropriations of the company’s profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Director's and the Managing Director of Biotage AB (publ) for the year 2022 and the proposed appropriations of the company’s profit or loss.

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

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor’s Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

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

Responsibilities of the Board of Director's and the Managing Director

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

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

Auditor's responsibility

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

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

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

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

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the

Swedish Securities Market Act (2007:528) for Biotage AB (publ) for the financial year 2022.

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

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

Basis for Opinion

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

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

Responsibilities of the Board of Director's and the Managing Director

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

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the

auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

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

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

Öhrlings PricewaterhouseCoopers AB, Torsgatan 21, 113 97 Stockholm, was appointed auditor of Biotage AB (publ) by the general meeting of the shareholders on the 28 April 2022 and has been the company's auditor since the 28 April 2021.

Uppsala 5 April 2023

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, 2022 amounted to 65,983,775 (65,983,775). Based on the closing price per share on December 30, 2022, Biotage's market cap amounted to SEK 12,240 (17,288) 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 2022, Biotage's share price fell 29 percent from SEK 262 to SEK 185.5. The highest closing price in 2022 was SEK 246.8 per share, which occurred on January 3. The lowest closing price was SEK 156.9 per share, which occurred on March 8 and September 29. In 2022, 23.0 million shares (20.9 million) traded for a market value of SEK 4,370 (4,225) million. The turnover rate for the year was 70 (32) percent.

Shareholders

The number of known Biotage shareholders on December 31, 2022 was 7,621 (7,708). The 15 largest owners accounted for 52.2 (48.1) percent of the total capital and number of votes. Foreign owners accounted for 52.2 (36.9) percent of the capital and votes. The largest foreign ownership was from the US, Norway, the UK, and France.

Authorization to Issue Shares

As was the case at the 2021 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 percent of the earnings per share (EPS) after tax to be distributed to shareholders.

In 2022, dividends of SEK 1.55 per share were paid. The earnings per share in 2021 amounted to SEK 1.12 (3.13). The Board intends to recommend that the 2022 AGM adopt a dividend of SEK 1.60 per share, corresponding to 39 percent of profit.

Ownership Categories, December 31, 2022

Owner	Number of shares	Share of capital, %	Share of votes, %
Swedish institutional owners	24,947,295	37.4%	37.8%
Foreign institutional owners	24,086,772	36.1%	36.4%
Private individuals in Sweden	5,469,658	8.2%	8.3%
Others	1,234,953	1.9%	1.9%
Repurchased shares	729,817	1.1%	0.1%
Anonymous ownership	10,245,097	15.3%	15.5%
Total	66,713,592	100.0%	100.0%

15 Largest Known Owners, December 31, 2022

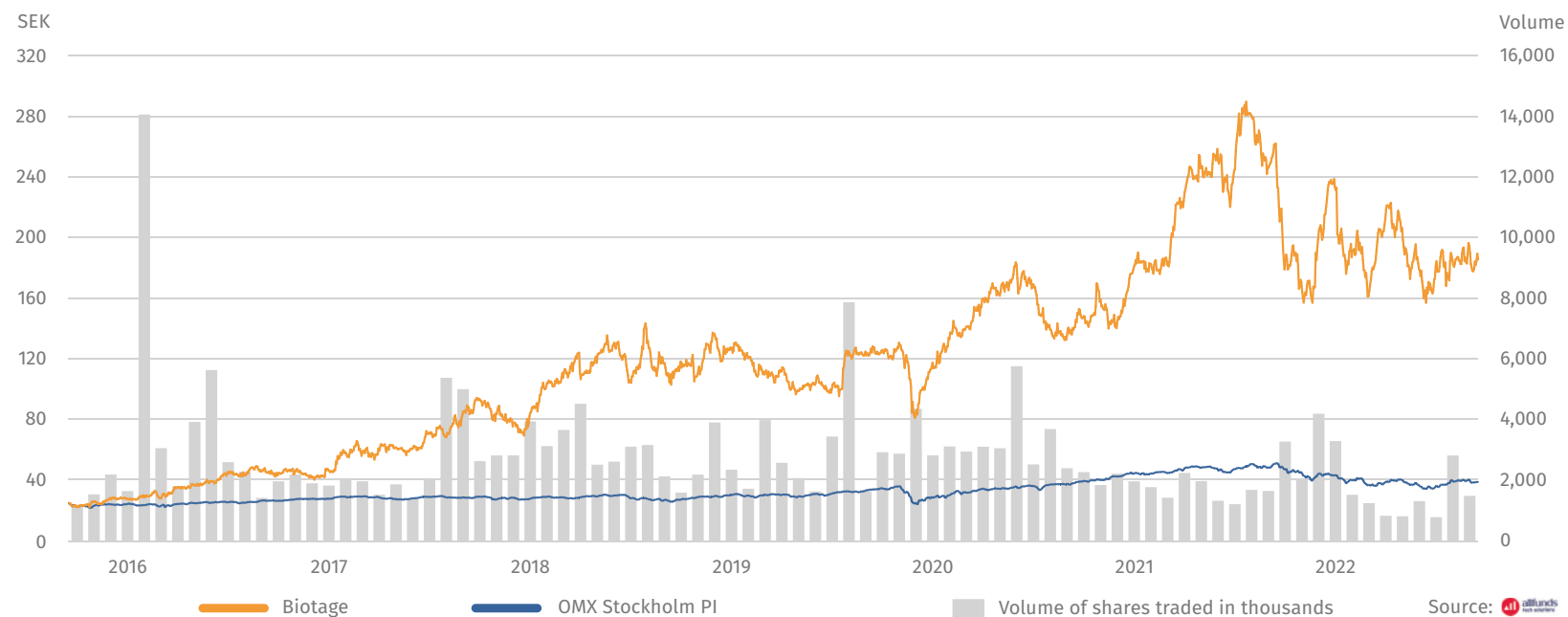
Owner	Number of shares	Share of capital, %	Share of votes, %
SEB funds	5,117,795	7.7%	7.7%
Swedbank Robur funds	4,562,844	6.8%	6.9%
Invesco	3,835,188	5.7%	5.8%
ODIN funds	3,000,000	4.5%	4.5%
Didner & Gerge funds	2,509,857	3.8%	3.8%
Handelsbanken Fonder AB	2,377,357	3.6%	3.6%
Vanguard	2,308,877	3.5%	3.5%
Lannebo funds	2,164,438	3.2%	3.3%
The Third Swedish National Pension Fund	2,070,703	3.1%	3.1%
Norges Bank	1,557,924	2.3%	2.4%
The First Swedish National Pension Fund	1,328,713	2.0%	2.0%
BlackRock	1,242,018	1.9%	1.9%
TIN funds	1,019,964	1.5%	1.5%
Montanaro	910,000	1.4%	1.4%
M&G Investment Management	829,599	1.2%	1.3%
Total	34,835,277	52.2%	52.7%

Source: Monitor Finans

Shareholders Grouped by Size, December 31, 2022

Number of shares per owner	Number of known shareholders	Share of capital, %	Share of votes, %
1 – 1,000	6,589	1.8%	1.8%
1,001 – 10,000	828	3.8%	3.8%
10,001 – 100,000	147	6.3%	6.4%
100,001 – 500,000	32	10.9%	11.0%
500,001 – 1,000,000	12	12.3%	11.4%
1,000,001 –	13	49.6%	50.1%
Anonymous ownership	N/A	15.3%	15.5%

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 27, 2023. Information on the resolutions passed at the Annual General Meeting will be published on April 27, 2023 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 27 – Annual General Meeting
- » April 27 – Interim report January–March 2023
- » July 17 – Interim report January–June 2023
- » October 25 – Interim report January–September 2023
- » February 15, 2024 – 2023 Year-end Report

Board of Directors



Torben Jørgensen,
Chairman of the Board

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. Board member of Boule Diagnostics, Medistim AS and Advanced Instruments, Inc.

Board service: 4 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: 10 years

Shares: 0

Peter Ehrenheim attended 12 out of 13 board meetings during the year.



Karolina Lawitz,
Board Member

Education: Master of Science, Uppsala University

Born: 1956

Occupation: Managing Director

Other posts: Board Member of PeptiCore and Red Glead Discovery

Board service: 10 years

Shares: 17,000

Karolina Lawitz attended all board meetings during the year.



Mark Bradley
Board Member

Education: Master of Arts, Doctor of Philosophy

Born: 1962

Occupation: Professor

Other posts: Academic

Board service: 4 years

Shares: 0

Mark Bradley attended 12 out of 13 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 and Artificial Solutions International AB. Board Member of Nolato AB, Cellavision AB and Industrifonden

Board service: 4 years

Shares: 0

Åsa Hedin attended 12 out of 13 board meetings during the year.



Karen Sørensen,
Board Member

Education: Master of Science, Danish Technical University and MBA

Born: 1962

Occupation: CEO of Philips Capital

Other posts: Board Member of MEDA, Orifarm, Danish Technology University, EKF, Danish Export Credit Fund (Ministry of Foreign Affairs)

Board service: 1 year

Shares: 0

Karen Sørensen attended all board meetings during the year.



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 attended 12 out of 13 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: 0 years

Shares: 0

Pär has attended all meetings since his election.

Management

Anders Wikström (1973)

Position: EVP Operations

Education: B.Sc. CS. Uppsala University.

Employment in the Group (years): 20

Maja Nilson* (1979)

Position: Chief Financial Officer

Education: M.Sc. in Business Administration, Stockholm University

Employment in the Group (years): 1

Shares owned: 0

Andreas Juhlin (1974)

Position: President International

Education: M.Sc. in Industrial Economics, Linköping University

Employment in the Group (years): 3

Maryam Poorafshar (1970)

Position: EVP R&D

Education: Ph.D. in Immunology. MBA, Uppsala University

Employment in the Group (years): 1

Olof Nord (1975)

Position: EVP Business Development

Education: PhD in Biotechnology and M.Sc. in Chemical Engineering, KTH Royal Institute of Technology

Employment in the Group (years): 3

Tomas Blomquist* (1970)

Position: CEO & President

Education: Marketing/Economics

Other posts: Board member of Nolato AB

Employment in the Group (years): 4

Shares owned: 15,000

Petra Duprez (1965)

Position: Chief Human Resources & Sustainability Officer

Education: B.Sc. in Human Resources, Stockholm University.

Employment in the Group (years): 3

Lars Bäckman* (1961)

Position: Chief Legal Officer

Education: M.A. in Law ("Juris Kandidat"), Stockholm University

Other posts: Board member of Sweden BIO and Chreto ApS.

Employment in the Group (years): 16

Shares owned: 10,000

Raffaella Bombarda (1974)

Position: EVP Global Marketing

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

Employment in the Group (years): 5

Magnus Nordstedt (1970)

Position: EVP IT & Digitalization

Education: Electrical and Computer Science Engineer

Employment in the Group (years): 21

Lisa Egelrud (1975)

Position: EVP Quality Assurance Regulatory Affairs

Education: M.Sc. in Chemical Engineering, Chalmers University of Technology

Employment in the Group (years): 2

Scott Carr (1967)

Position: President, Americas

Education: B.Sc. in Chemistry, Wingate University.

Employment in the Group (years): 23

*Part of Group Management.



Glossary

1/2

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.

Catalyst

A chemical additive that facilitates or speeds up a chemical reaction.

Clinical testing

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

CMO

Contract Manufacturing Organization.

CRISPR

CRISPR is a genome editing tool that enables very precise changes to the genome.

CRO

Contract Research Organization. Contract research organization.

Dehydration

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

EDI

Electronic Data Interchange

Endotoxin

Substances specifically found in bacterial cells, such as lipopolysaccharides (LPSs) and lipooligosaccharides.

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.

Hormones

Protein molecules that function as messengers between cells or organs in the body and regulate the activity of the organs.

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.

LLE

Liquid Liquid Extraction. A method of separating compounds based on their relative solubility in two different immiscible liquids, usually water and an organic solvent. The process involves extracting a substance from one liquid phase and transferring it into another liquid phase.

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.

SDS-PAGE

Sodium dodecyl sulfate-polyacrylamide gel electrophoresis. An electrophoresis method used to separate macromolecules, such as proteins, in biochemistry.

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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