



Brico

Q4 2023 EARNINGS CALL
—
FEBRUARY 20, 2024

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MARIA FORSS/ PRESIDENT AND CEO



JACOB THORDENBERG / CFO





AGENDA FEBRUARY 20, 2024

- Summary Q4 2023
- Financial Performance
- Performance per Business Area
- Strategic Priorities
- Q&A



Right-sizing Improvements Paved Way for Profitability in a Slower Market

Decline in sales due to slower market in Academia, Diagnostics, and Biotech

Improved profitability and double-digit EBITDA and adjusted EBITDA margin

Divestment of Ginolis

Large lab automation deal for Biosero worth 28 MUSD

Goodwill impairment of SEK 582m

636.6

NET SALES
SEK m

-4.4

ORGANIC GROWTH
%

86.1

ADJUSTED EBITDA
SEK m

13.5

ADJUSTED EBITDA
MARGIN
%

162.0

CASH FLOW FROM
OPERATING ACTIVITIES
/ SEK m

All numbers in this presentation refers to continuing operations if not otherwise stated. Ginolis has been classified as discontinued operations from Q4 2023.



Financial Performance Q4 2023 and FY 2023

FINANCIAL PERFORMANCE

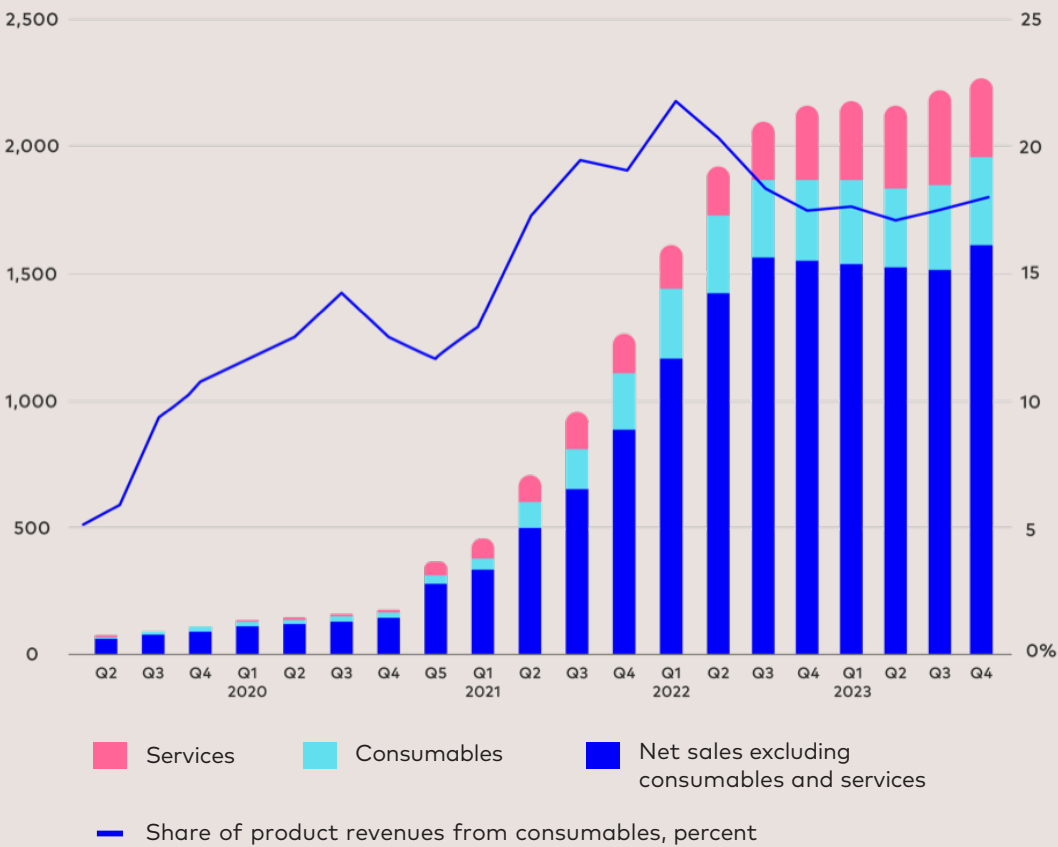
OCTOBER – DECEMBER 2023

❧	636.6	❧	-4.4
NET SALES SEK m		TOTAL ORGANIC GROWTH %	
❧	86.1	❧	95.1
ADJUSTED EBITDA SEK m		EBITDA SEK m	
❧	70.2	❧	-877.0
GROSS MARGIN %		NET PROFIT/LOSS SEK m	

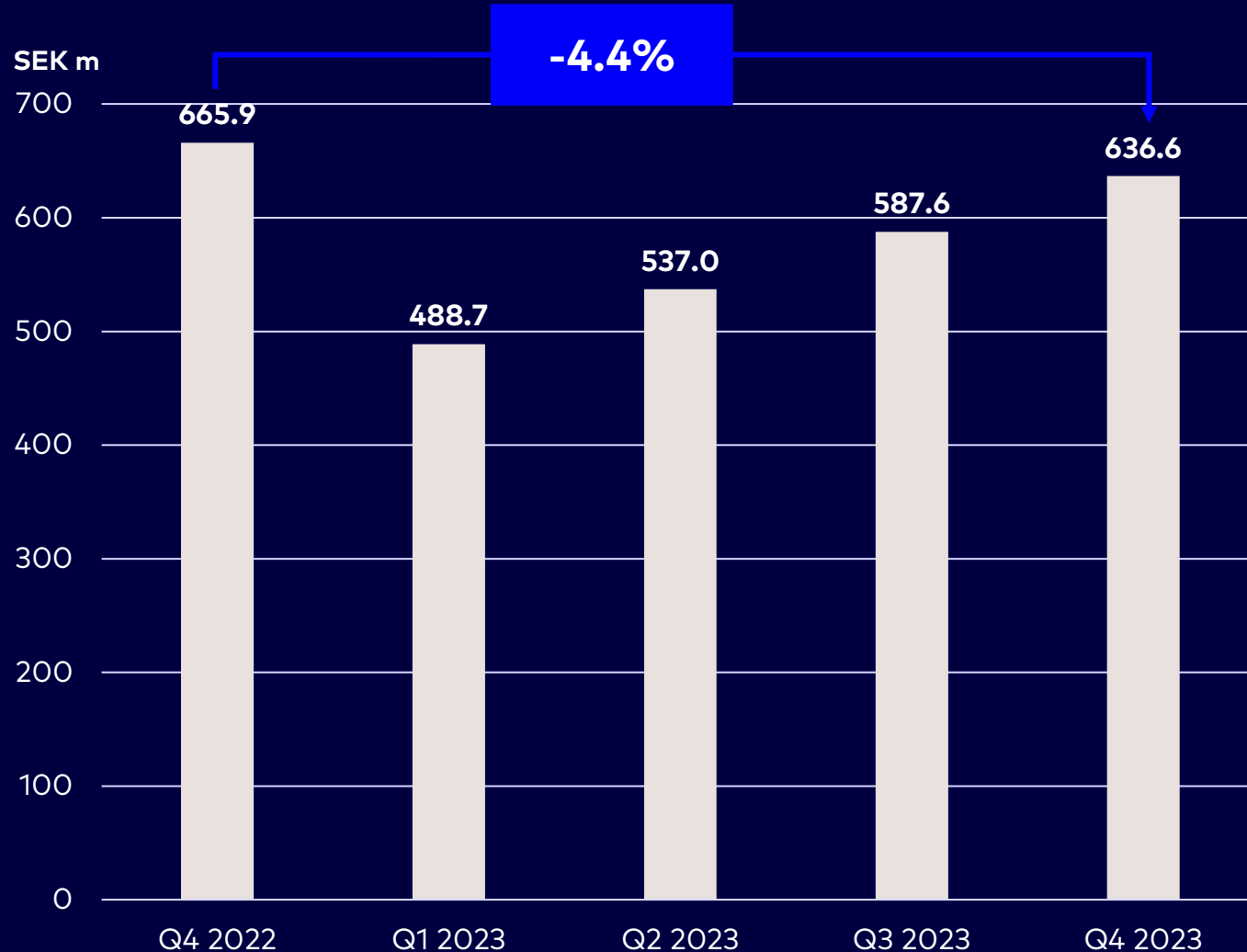
Organic growth excluding currency effect amounted to -6.1%

Q4 2023

NET SALES
SEK m / ROLLING 12 MONTHS



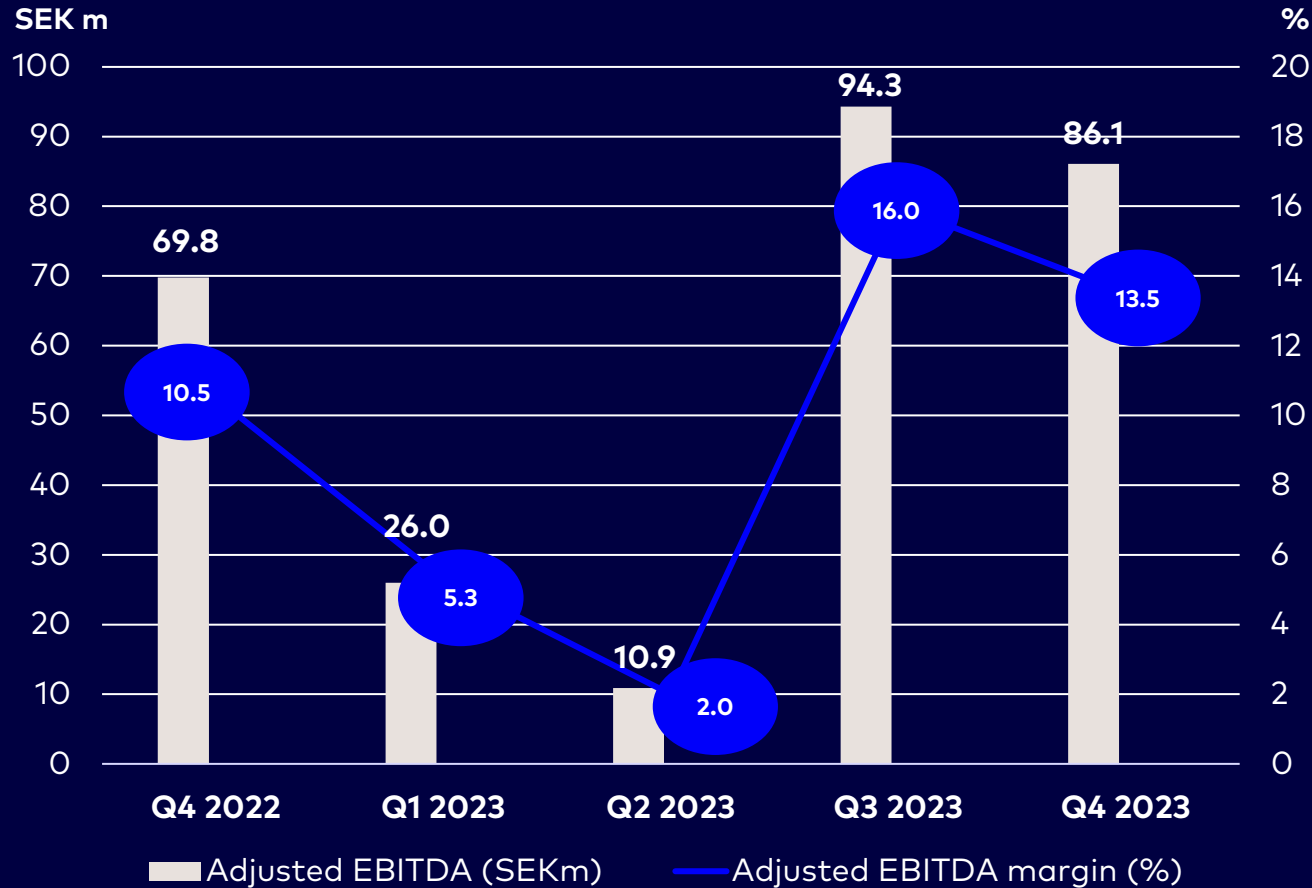
Sales Development (SEKm)



- Sales in Q4 amounted to SEK 637m; a decline of 4% compared to a very strong Q4, 2022
- Two main reasons for decline in sales:
 1. Weaker sales than expected from some of our instrument-oriented companies, mainly attributable to reduced grants within Academia & Research
 2. Weak demand from the Diagnostic industry which resulted in hampered sales in Bioautomation
- Above was offset by increased demand from Pharma customers and Biosero and demand for lab automation



Adjusted EBITDA (SEKm) and Margin (%)

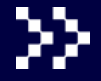


- Adjusted EBITDA for Q4 amounted to SEK 86m corresponding to a margin of 13.5% compared with 10.5% in Q4 2022
- Increase in margin was mainly attributable to right-sizing and cost control as well as a healthy sales levels in Biosero
- During the year we have worked with initiatives related to Operational Excellence which targets lower costs both on a short term and long-term basis. In 2023, this translated into to lower substantially lower personnel cost as well as costs cuts at BICO Group
- Decrease in margin between Q3 2023 and Q4 2023 mainly related to SEK 12m less capitalized R&D in Q4 2023



FINANCIAL PERFORMANCE

JANUARY– DECEMBER 2023



2,249.9

NET SALES
SEK m



5.8

TOTAL ORGANIC
GROWTH
%



217.7

ADJUSTED EBITDA
SEK m



360.4

EBITDA
SEK m



70.1

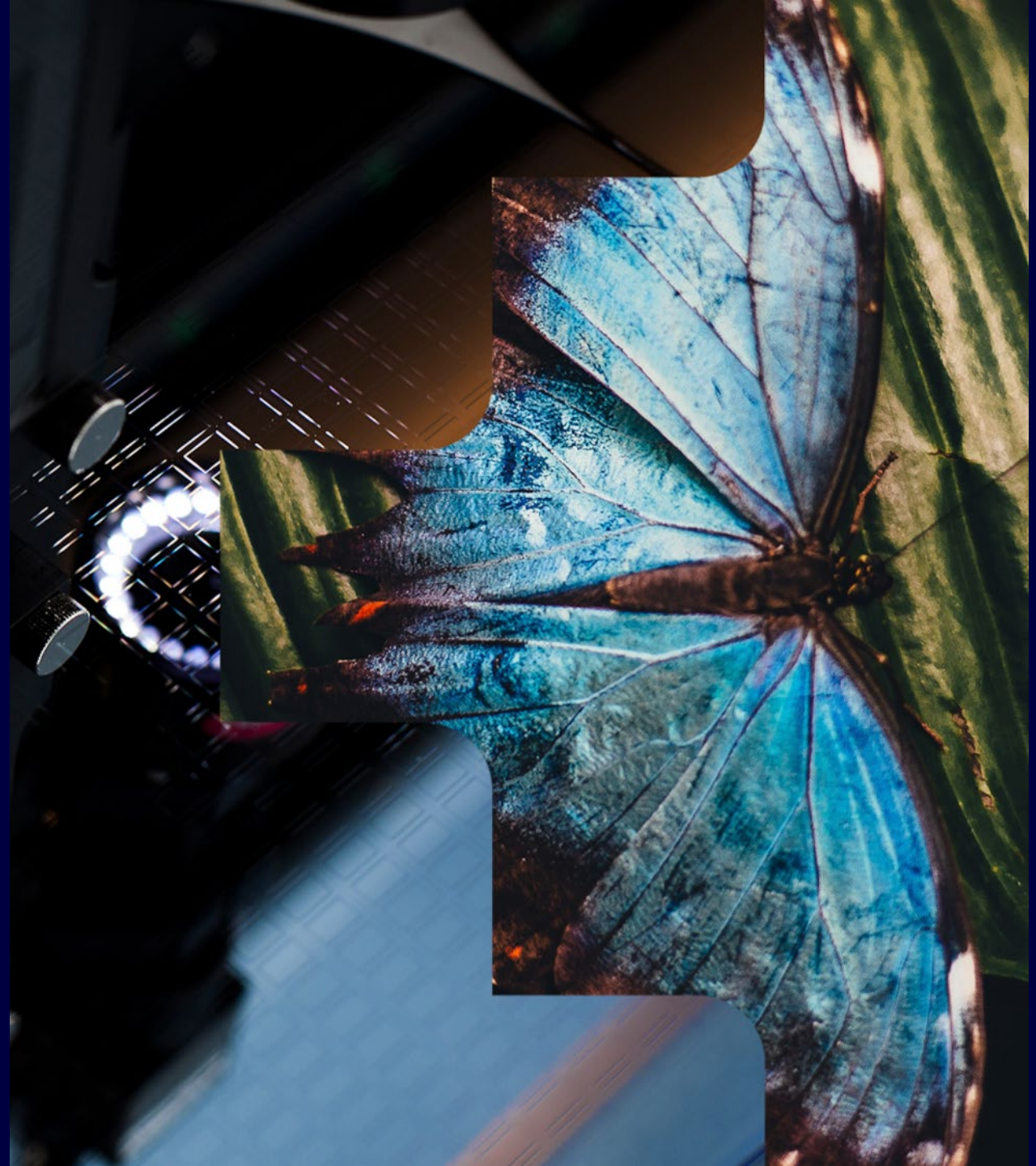
GROSS MARGIN
%



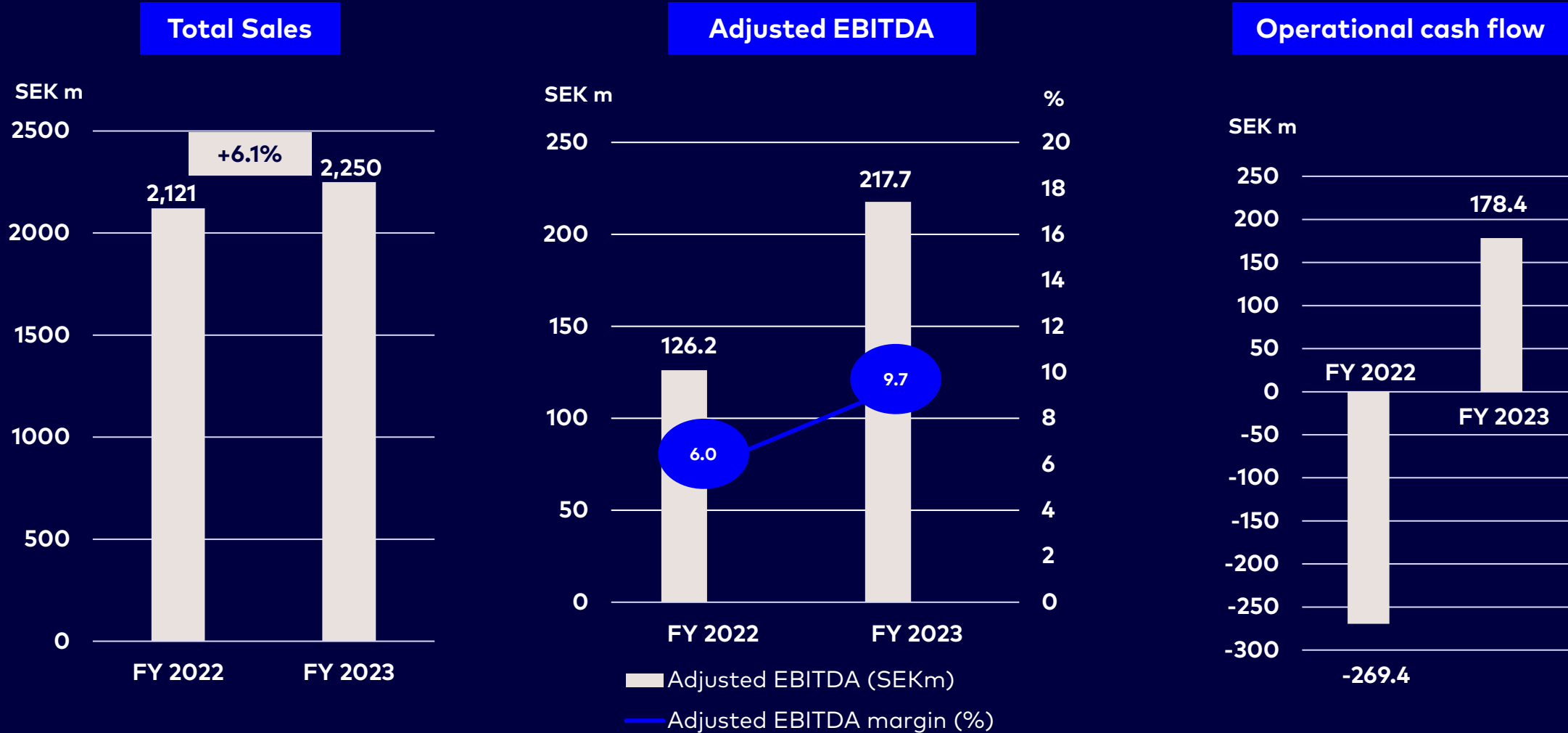
-1,698.0

NET PROFIT/LOSS
SEK m

Organic growth excluding currency effect amounted to 0.3%



FY 2022 vs FY 2023: Sales, Adjusted EBITDA, and Cash flow from operating activities



Goodwill Impairment in SCIENION, Visikol, and Nanoscribe

SCIENION's performance has been characterized by weak financial development over the last quarters attributable to the weaker demand from the diagnostic industry. This will lead to a slower growth pace than previously forecasted, which in turn impacts the goodwill value. We have made major organizational changes and right-sizing during 2023 to mitigate the effects from the weaker demand.

Nanoscribe has not been able to deliver according to the high expectations set in 2021 when the company was acquired. This has resulted in lowered growth estimates which has impacted the goodwill value.

Visikol has developed weaker than anticipated over the last quarters. A decision has been made to integrate Visikol into MatTek since we have concluded that Visikol has better opportunities to reach profitability as an integrated part of MatTek. Due to the integration, Visikol's offering will be smaller and more focused on profitability. Given this, future revenue projections have been lowered, resulting in a need for goodwill impairment.

Goodwill impairment affecting EBIT in Q4	
Related to:	SEK m
SCIENION	-371
Visikol	-47
Nanoscribe	-164
Total	-582



Comment on Cash Flow, Working Capital and Financial Position

- Cash flow from operating activities for Q4 amounted to SEK 162m
- This includes a positive effect from decrease of working capital of total SEK 64m
 - Operating receivables increased by SEK 91m
 - Inventories decreased by SEK 23m
 - Operating liabilities increased by SEK 132m
- Investment in tangible CAPEX amounted to SEK 9m in Q4
- Investments in intangible CAPEX, mainly product development amounted to SEK 15m
- Earn-out payments amounted to SEK 20m in the quarter. Total estimated remaining earn-out payments amounts to SEK 49m
- Total cash flow during Q4 amounted to SEK 307m, improving total cash reserves to SEK 861m per December 31, 2023
- BICO cash balance was further strengthened with SEK 244m in Q4 when the divestment of the building in Berlin was closed

OCTOBER –
DECEMBER 2023

JANUARY-
DECEMBER 2023

CASH FLOW FROM OPERATING ACTIVITIES

162.0
SEK m

178.4
SEK m

CHANGE IN WORKING CAPITAL, NET

64.0
SEK m

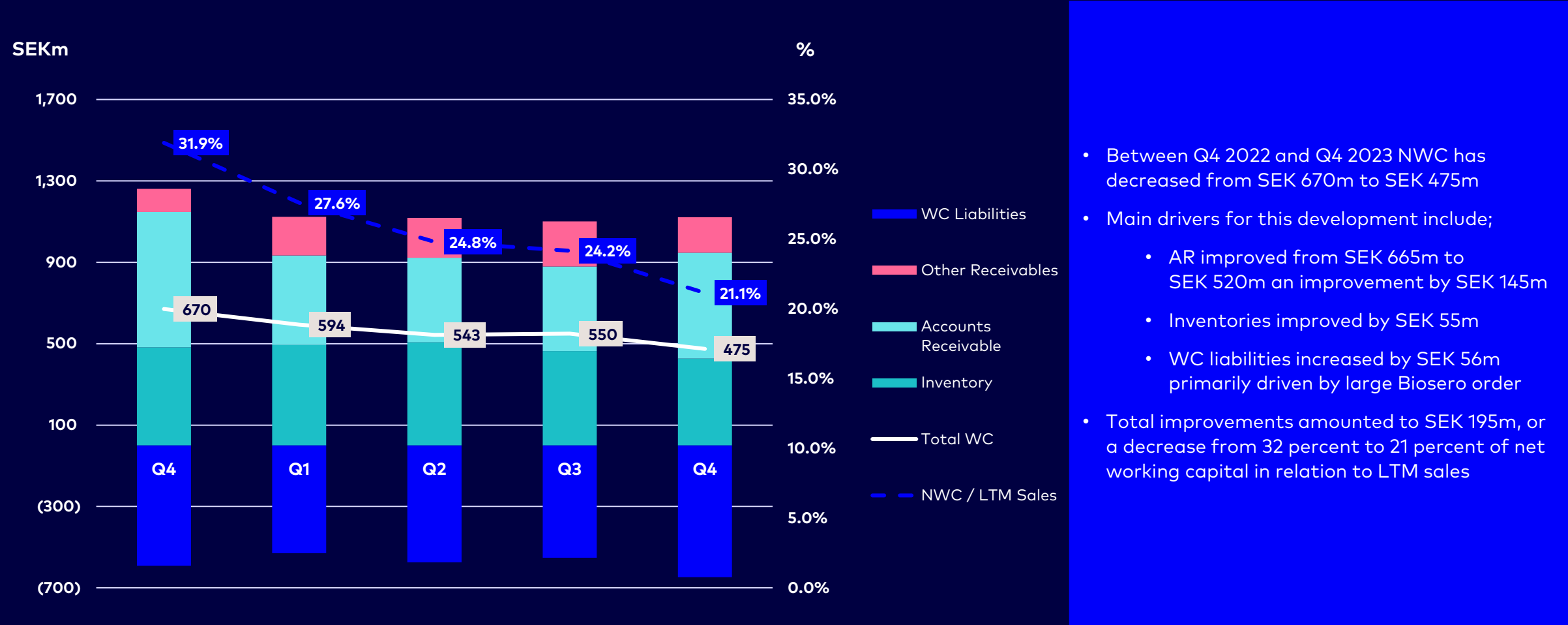
183.7
SEK m

CASH AND CASH EQUIVALENTS PER DECEMBER 31, 2023

861.0
SEK m



Development in Net Working Capital Q4 2022 to Q4 2023



All NWC numbers are excluding Ginolis



Financial Targets – Performance 2023

Valid from 2023 on a mid-term basis.

Growth Target Double-digit organic growth in constant currency	Margin Target EBITDA margin less capitalized development cost > 10%	Net Debt Target Net debt/ EBITDA <3.0x
Performance 0.3% organic growth, FY 2023	Performance 11.5% for reported EBITDA and 5.1% for adjusted EBITDA, FY 2023	Performance 1.6 for reported EBITDA and 2.6 for adjusted EBITDA, FY 2023
The outcome is below target, however expected given the challenging market environment during 2023.	The outcome is slightly below target if adjusted for earn-out adjustments but improving from prior year.	The strong cash flow in Q4 has decreased the ratio which is well in line with the target.



Performance per Business Area

Bioprinting

OCTOBER -DECEMBER 2023

171.3

NET SALES
SEKm

-18.2

ORGANIC GROWTH
%

9.2

ADJUSTED EBITDA
SEK m

5.4

ADJUSTED EBITDA
MARGIN
%

JANUARY -DECEMBER 2023

660.5

NET SALES
SEKm

3.5

ORGANIC GROWTH
%

87.4

ADJUSTED EBITDA
SEK m

13.2

ADJUSTED EBITDA
MARGIN
%





PERFORMANCE PER BUSINESS AREA

Biosciences

OCTOBER - DECEMBER 2023

325.0

NET SALES
SEKm

9.9

ORGANIC GROWTH
%

59.1

ADJUSTED EBITDA
SEK m

18.2

ADJUSTED EBITDA
MARGIN
%

JANUARY - DECEMBER 2023

1,107.3

NET SALES
SEKm

15.8

ORGANIC GROWTH
%

150.4

ADJUSTED EBITDA
SEK m

13.6

ADJUSTED EBITDA
MARGIN
%



Bioautomation

OCTOBER -DECEMBER 2023

140.5

NET SALES
SEKm

-12.7

ORGANIC GROWTH
%

43.5

ADJUSTED EBITDA
SEK m

30.9

ADJUSTED EBITDA
MARGIN
%

JANUARY -DECEMBER 2023

482.3

NET SALES
SEKm

-9.5

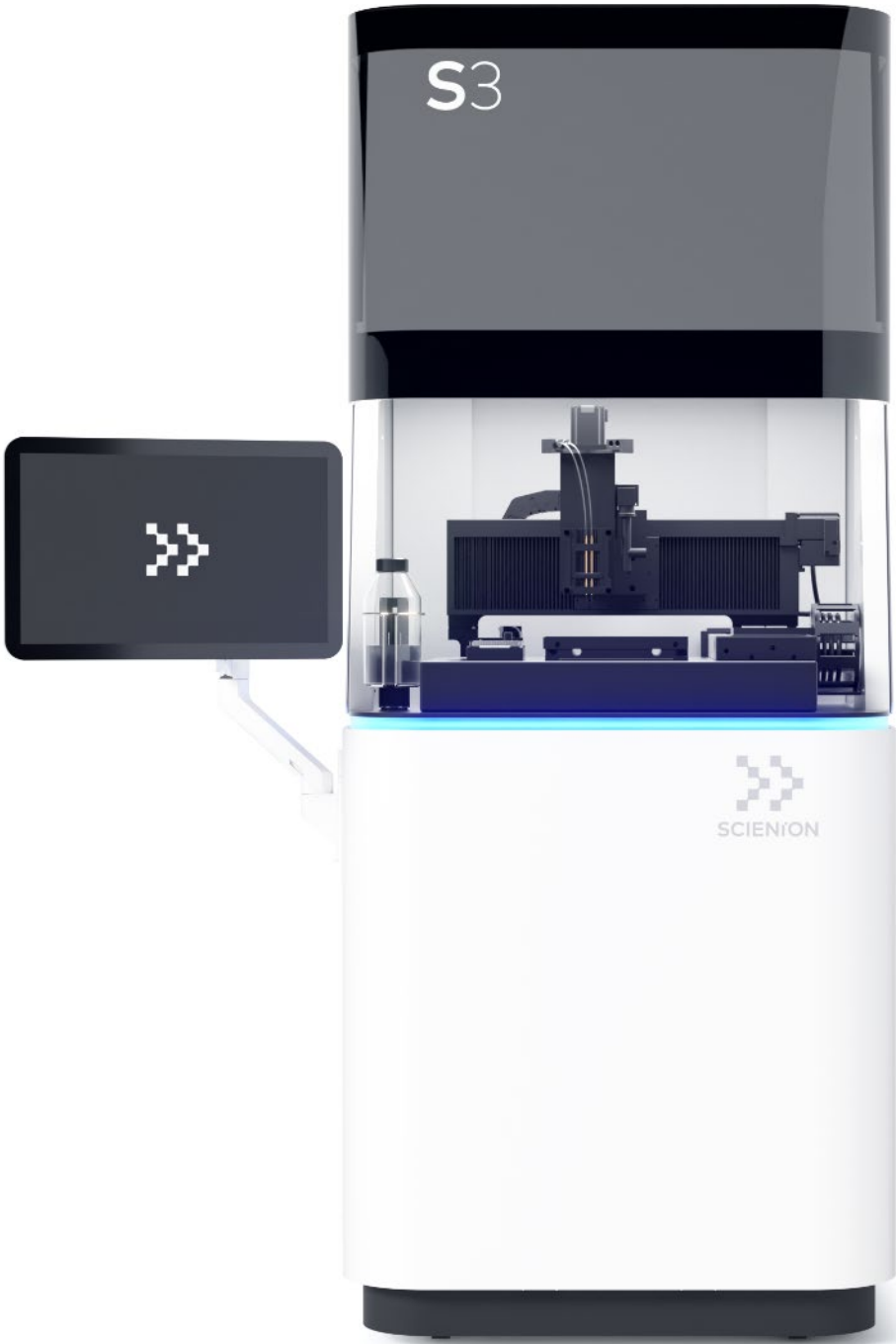
ORGANIC GROWTH
%

64.1

ADJUSTED EBITDA
SEK m

13.3

ADJUSTED EBITDA
MARGIN
%



Strategic Priorities

Strategic priorities for improvement

1. Drive
Commercial Excellence

2. Complete
Strategic Review

3. Invest in
People & Culture

4. Continue
Operational Excellence
Improvements

Updated strategy will be launched in 2024



Q&A





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Financial Calendar



MARCH 15, 2024
Annual Report 2023



MAY 7, 2024
Interim report Q1, 2024



MAY 20, 2024
2024 Annual General Meeting



AUGUST 20, 2024
Interim Report Q2, 2024



NOVEMBER 13, 2024
Interim Report Q3, 2024



FEBRUARY 19, 2025
Year-end report 2024

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Bioconvergence is Enabling the Future of Health

Bioconvergence is an emerging industry segment within healthcare and life sciences that emphasizes the convergence between multidisciplinary fields of research such as engineering, computerized systems, robotics, artificial intelligence, big data and biology. BICO is creating the future of life-saving treatments by aiming to reduce the organ shortage and speeding up drug development.





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